
NORTH AYRSHIRE COUNCIL

19 June 2024

Licensing Committee

Title: Civic Government (Scotland) Act 1982: Taxi Fare Review

Purpose: To continue the Taxi Fare Review

Recommendation: That the Committee

- a) Review the current scale and approve in draft the scale set out as Appendix C to this report, as varied by the Committee;
- b) Instruct the Chief Executive to give notice of that draft;
- c) Continue consideration of the Review until a further meeting of the Committee at least one month after that public notice has been given.

1. Executive Summary

1.1 Under of the Civic Government (Scotland) Act 1982, the Council as Licensing Authority is required to review the maximum fare that taxis operating within North Ayrshire may charge. The 1982 Act requires that this should be done at maximum intervals of eighteen months, counted from when the current Scales came into effect. The current Scales are Appendix A to this report.

1.2 The Act lays down a sequence of stages for the review. Accordingly, when the Committee met on 10 April 2024 it adopted the following scheme:

Stage (a) - Meeting with taxi trade representatives/taxi operators to discuss proposals, consider revisions and finalise draft tariff

Stage (b) - Licensing Committee meeting to approve finalised draft tariff and seek authority to advertise proposed tariff in local press

Stage (c) - Public Consultation - Advertise proposals and invite representations - As soon as possible thereafter

Stage (d) - Licensing Committee meeting to consider representations and to fix new Scales

Stage (e) - Notification to Trade - within 7 days of (d)

Stage (f) - Advertise new Scales (if no appeal to the Traffic Commissioner) - Not less than 14 days after the Notification in Stage (e)

Stage (g) - Advertise new Scales (if there is an appeal) - as soon as practicable after the determination of the appeal.

- 1.3 The fares approved by the Committee are the maximum fares which may be charged. Operators can charge less if they wish. While the Council must review fare levels periodically, it does not have to alter the existing fares.
- 1.4 Once the fares have been reviewed and fixed, taxi operators have a right of appeal to the Traffic Commissioner for the Scottish Traffic Area, should they disagree with the Council's decision.

2. Background

- 2.1 The Committee held the Stage (a) meeting with interested parties on 16 May 2024. A Minute of that meeting is attached as Appendix B to this Report.
- 2.2 The present Committee meeting is Stage (b) of the process. The Committee are to review the current Scales and propose new draft Scales. A possible draft of proposed Scales is attached (Appendix C). Once approved by the Committee for publication, the Scales will be advertised so that the public can make representations (Stage (c)). The consultation period is at least one month. After the consultation period, the Committee will meet again to consider the draft, and any public representations, and then fix the Scale (Stage (d)).
- 2.3 In preparing draft Scales, the Committee should consider:
 - a) Government Guidance on how Licensing Authorities should approach Fare Reviews;
 - b) the current Scales;
 - c) the views of the Trade.

(a) Government Guidance

- 2.4. The Government Guidance is in "Taxi and Private Hire Car Licensing: Best Practice for Licensing Authorities", Second Edition, April 2012, Paragraph 6.2. This adopts the guidance in Scottish Development Department Circular 25/1986. The relevant part of that is Paragraph 2.37:

"The Secretary of State expects that in fixing fares authorities will want to pay primary regard to the costs incurred by the trade, having regard to the capital costs. (including interest payments) of the vehicles, the costs of maintaining and replacing them to the standards required by the licensing authority, the costs of employing drivers, and the prevailing levels of wages and costs in related road transport industries. In the Secretary of State's view the public interest is better served by ensuring the maintenance of an adequate taxi service by giving the trade a fair return than by depressing fares for social reasons, however understandable. If fares are fixed at a level higher than the market can stand, the trade is free to reduce them."

(b) the current Scales

- 2.5. The current scales are attached at Appendix A to this report.

(c) the views of the Trade

- 2.6 These are set out in Appendix B, in so far as stated at the Consultation meeting. The process later involves public consultation, and any written comments made later by the Trade or the general public will be copied in Members' background papers when the Committee next deal with this matter.

3. Proposals

- 3.1 A possible draft of the Taxi Fare Scales is in Appendix C. This was prepared by the Clerk following the Trade Meeting, after considering the Government Guidance quoted above and the statistical indicators which appear to be relevant to the Taxi Fare Review. This is only a draft and has been prepared by officers, not the Committee, for the purpose the purpose of facilitating discussion. It is open to anyone participating in the review process to suggest that the Licensing Committee should consider other factors or that an alternative charging basis should be adopted. In order to keep to the statutory timetable, anyone making any representations about the draft should make them during the subsequent public consultation.

The Committee should review the Scales, adopt a draft proposal, and instruct the Chief Executive to give public notice of that draft.

4. Implications/Socio-economic Duty

Financial

4.1 The Taxi fare structure has substantial implications for both the trade and the community. In addition, legal costs to the Licensing Authority may arise if the fare review becomes subject to an appeal to the Traffic Commissioner, which may affect future Licence fees.

Human Resources

4.2 None

Legal

4.3 Possible appeal to the Traffic Commissioner.

Equality/Socio-economic

4.4 None. An "Equality Impact Assessment" is not considered necessary. There are no socio-economic implications of the proposals.

Climate Change and Carbon

4.5 None

Key Priorities

4.6 North Ayrshire Council has priorities for Aspiring Communities in the Council Plan 2019-2024. An effective licensing system, e.g. monitoring the 'fit and proper' status of hire-car drivers and the safety of their cars, helps achieve Priority Outcome: "North Ayrshire's residents and communities are safe".

Community Wealth Building

4.7 There are no Community Wealth Building issues.

5. Consultation

5.1 No consultations are necessary or appropriate at this stage of the statutory process, which will later involve consultation with the Trade and the general public.

Aileen Craig
Head of Democratic Services

For further information please contact **Raymond Lynch, Senior Manager (Legal)**, on raymondlynch@north-ayrshire.gov.uk

Background Papers

Appx A - Current NAC Taxi Fare Scales (from 24 May 2023)

Appx B - Minute 16 May 2024 Trade Consultation mtg for Taxi Fare Review

Appx C - DRAFT PROPOSED Taxi Fare Scales



Taxi Fare Scales

These are maximum fares – the driver can:

- choose to charge less than the meter, or
- agree a fixed fare with the passenger before the journey starts (so long as the agreed fare is not more than the Scale fare)

These Scales were fixed by the Licensing Committee on Monday 24 October 2022 and apply from and after Thursday 4 May 2023 (this is the date set by the Traffic Commissioner after he refused an appeal by an Operator).

Tariff 1 (Normal)

Up to the first 3/4 mile - £3.50

Then each mile - £2.30 (in 10p units)

Waiting: up to 10 minutes - £3.50 (and then 10p every 20 seconds or part)

Tariff 2 (Higher)

Up to the first 3/4 mile - £4.00

Then each mile - £3.00 (in 10p units)

Waiting: up to 10 minutes - £4.00 (and then 10p every 20 seconds or part)

Tariff 2 applies if the journey starts **and/or** ends:

- in the period 12.00 p.m. (midnight) to 7.00 a.m. ("Night")
- on a Sunday

- on the following Public Holidays:
 - Good Friday
 - early May Bank Holiday
 - Spring Bank Holiday
 - Summer Bank Holiday
 - 30 November (St Andrew's Day)

If a Bank Holiday is on a weekend, the following Monday is treated as the Bank Holiday

- On 26th December or 2nd January

Tariff 3 (Festive period)

If the journey starts **AND/OR** ends on 25th December or 1st January the fare is **double** Tariff 1.

Boundary Zone Charge

If the journey is from the Zone for which the vehicle is licensed to another Zone in North Ayrshire: the fare is whichever of Tariff 1, 2 or 3 would otherwise apply, **plus 50%**.

Large Vehicle Charge (5 or more passengers)

If the vehicle starts by carrying more than 4 passengers, the fare is charged as an **extra 50%** on whichever of Tariff 1, 2 or 3 would otherwise apply. The higher fare applies **until** the hire ends, even if some of the passengers leave the vehicle earlier and there are fewer than 5 left in the vehicle.

Extra Charges

Soiling Charge - £50

Notes

1. If two Tariffs could apply to a journey, the driver can charge the higher one. The metered charge is the **maximum** which can be charged. The driver can always charge less.
2. These Scales apply to journeys which **both** start and end within North Ayrshire. The Council do not set fares for journeys beyond the Council area. The passenger and the driver should agree the fare **before** the start of the journey.
3. Luggage shall be carried free if it is of a size which can reasonably be accommodated in the car.
4. Tariffs apply as soon as the journey starts and do not change. For example, if a journey starts at 6.30 a.m. (Tariff 2 is "Higher") but ends at 7.30 a.m. (Tariff 1 is "Normal"), then the fare is still Tariff 2 because the journey **started** at night.
5. The meter can **only** be started immediately before the vehicle moves off and must be stopped when the vehicle arrives at its destination. The meter cannot be used while the vehicle is being loaded before moving off or being unloaded after the vehicle stops at its destination, unless the passenger has asked the driver to wait.
6. There is no extra charge for loading, carrying or unloading passengers with wheelchairs, assistance animals or anything the passenger wants to have carried.

Civic Government (Scotland) Act 1982: Taxi Fare Review

Minute of Trade Consultation meeting under Section 17(4A)(a) held on Thursday 16 May at 10.am at Cunninghame House, Irvine

Councillors Present:

Eleanor Collier (Convenor), Matthew McLean, Ronnie Stalker, Cameron Inglis, Christina Larsson

Council Officers Present:

Raymond Lynch (Senior Manager, Legal), David Grier (Solicitor, Legal), Christopher Pollock (Licensing Manager)

Operators of Taxis in Attendance (and Licence Numbers):

John Russell (211)

William Taylor (181) (Director of Irvine TOA)

Jamie Dorrans (Director of Irvine Taxi Call)

The Convenor opened the meeting by explaining that the purpose of today's meeting was to gather the views of operators in advance of a meeting of the Licensing Committee to make a proposal for draft Taxi Fare Scales. This would only be a draft, not a decided tariff, and would be published in newspapers. The public, including the operators present, would have 28 days to make any comments they wanted. There would then be a further meeting of the Committee, which would make a decision on the scales. That decision would include an effective date, which would be a Monday, and operators would have to have their meters recalibrated and collect new fare cards.

The Convenor invited those present to make comments.

John Russell (211)

He advised that insurance costs, fuel costs and operating costs are all increasing. There would be no benefit to a 10p or 20p increase and he would not support a price increase. He proposed that the Christmas and New Year tariffs should be altered. At present the double fare stops at midnight on both dates. He proposed extending this until 7am on the 26th of December and 2nd of January.

William Taylor (181)

He also supported a change for the festive period as proposed by John Russell. He would be in favour of a fare increase which is in line with an inflationary rise and agreed that both car running costs and insurance costs are increasing. He was in support of the current tariff 2.

Jamie Dorrans

He didn't have any specific proposals but felt that fares were slightly on the cheap side but this is as a result of the cost of living.

Ronnie Stalker

He asked if the low turnout was an indication that most of the trade were happy with the current scales.

John Russell (211)

He felt that last year's changes were welcome and he was happy with them.

Jamie Dorrans

He said he was struggling more than independents but this was more to do with running 13-15 vehicles.

William Taylor (181)

He agreed that it was different for him as he was using commission based drivers and he has to compete with what other employers can pay. He stated that commission based drivers can earn a good fare on a Sunday with the current tariff 2.

He stated that North Ayrshire has moved up the list of local authorities in terms of the rate and he was happy with this but he would like to see an inflationary rise of around 3.8%.

Raymond Lynch

Explained the next steps in the process and that a draft proposal would be brought to a committee, most likely in June.

Matthew McLean

He asked if there were any other holidays to consider or local festivals.

John Russell (211)

He said that Easter used to be included but his main focus this year was Christmas and New Year.

Jamie Dorrans

He would support local festivals.

Raymond Lynch

He advised we would consider what other local authorities do and feed this into our draft proposal, if possible.

Meeting minutes ended: 10.38am



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