
NORTH AYRSHIRE COUNCIL

10 February 2021

Licensing Committee

Title: Review and Fixing of Taxi Scales (Civic Government (Scotland) Act 1982, Sections 17 to 18A)

Purpose: To continue the Taxi Fare Review.

Recommendation: That the Committee:

(a) review the current Scales after considering the matters described in this Report;

(b) authorise draft Scales;

(c) instruct the Chief Executive to give public notice of those draft Scales; and

(d) 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 The Licensing Committee exercise the functions of the Council as "Licensing Authority" under many statutes, including the Civic Government (Scotland) Act 1982 (as amended by the Criminal Justice and Licensing (Scotland) Act 2010).

1.2 Taxi fares and other charges are limited to the Scales fixed by the Licensing Authority (1982 Act, Section 17). These are the maximum amounts which may be charged. It is open to Operators to discount these rates if they wish. The fares charged by Private Hire Cars are not regulated.

1.3 The Licensing Authority must periodically review the Scales and fix new Scales.

2. Background

2.1 The Act lays down a sequence of stages for the review. Accordingly, when the Committee met on 13 January 2021 they adopted the following scheme:

Stage (a) - Meeting with taxi trade representatives/taxi operators to discuss proposals (Section 17(4A)(a));

Stage (b) - Licensing Committee meeting to approve finalised draft Scales and seek authority to advertise proposed tariff in local press (Section 17(4A)(b));

Stage (c) - Public Consultation - Advertise proposals and invite representations - As soon as possible thereafter (Section 17(4A)(c));

Stage (d) - Licensing Committee meeting to consider representations and to fix new Scales ((Section 17(2));

Stage (e) - Notification to Trade - within 7 days of (d) (Section 17(4D)..17(5));

Stage (f) - Advertise new Scales (if no appeal to the Traffic Commissioner) - Not less than 14 days after the Notification in Stage (e) (Section 18A);

Stage (g) - Advertise new Scales (if there is an appeal) - as soon as practicable after the determination of the appeal (Section 18A).

2.2 The present Committee meeting is Stage (b). The Committee are to review the current Scales and propose new draft Scales. The proposed Scales are only a draft. Once approved by the Committee for publication, they 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 Scales (Stage (d)).

2.3 The Committee held the Stage (a) meeting with interested parties on 3 February 2021. A Minute of that meeting is attached as Appendix A to this Report.

2.3 In reviewing this the Committee should consider Government Guidance on how Licensing Authorities should approach Fare Reviews, and:

(a) the views of the Trade;

(b) general economic indicators;

(c) the current Scales.

For the purpose of discussion, a possible draft of proposed Scales is attached as an Appendix (Appendix D). This is not a recommendation and is only drafted to assist the Committee, and can be amended as they see fit.

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."

(a) the views of the Trade

2.7 These are set out in Appendix A. If individuals have made written representations, these will be copied in Members' background papers or set out in the Minute.

(b) general economic indicators

2.6 Appendix B ("Economic Indicators (Office of National Statistics)") shows figures supplied by the Government statistical office. These figures are updated regularly (usually monthly), so if the figures have changed between the Trade Meeting and the Committee meeting then the Committee will either have a document in the same form, or an oral update. The figures here are counted from when the Licensing Committee fixed the current Scales.

(c) the current Scales

2.5 Appendix C are the current Scales.

3. Proposals

3.1 It is proposed that the Committee:

- (a) should review the Scales,
- (b) adopt a draft proposal, and
- (c) instruct the Chief Executive to give public notice of that draft.

3.2 After public consultation the matter will again be considered by the Committee in the light of any representations made by members of the public. The Trade can again state their views.

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

Environmental and Sustainability

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 Benefits

4.7 Not applicable, as the Report does not relate to tendering or procurement exercises.

5. Consultation

5.1 Trade Consultation has taken place and public consultation will follow the present meeting, followed by a Committee decision to fix Scales.

Andrew Fraser

For further information please contact **William O'Brien, Solicitor (Licensing)**, on **01294 324305**.

Background Papers

Appendices:

Appx A - Minute of Taxi Trade Consultation meeting on 2021-02-03 (Stage (a) GEN17 Fares)

Appx B - Economic Indicators (Office of National Statistics) (GEN17 Fares)

Appx C - Current Taxi Fare Scales (adopted at Stage (d) on 2019-06-05 after consultation, GEN17 Fares)

Appx D - Draft Taxi Fare Scales (only for Stage (b) discussion, GEN17 Fares)

North Ayrshire Council, Licensing Committee

Civic Government (Scotland) Act 1982, Section 17 (Taxi Fares)

Minute of the Trade Consultation Meeting in the Review of Taxi Fare Scales held under Section 17(4A)(a) on Wednesday 3 February 2021, 10.00 a.m. (the meeting was held by video-conferencing).

Present:

Councillors from the Licensing Committee

Todd Ferguson (Vice-Convenor) in the Chair

Robert Barr

Donald L. Reid

Jean McClung

John Easdale

(Councillor Davina McTiernan was also on the meeting from 10.09, and heard the discussion, but was not able to join by video until after the meeting ended at 10.46)

Officers

Aileen Craig (Clerk to the Licensing Committee and Senior Manager, Legal Services) (AC)

William O'Brien, Solicitor (Licensing) (WOB)

Anne Toal, Administrative Assistant (Licensing Services) (AT)

Operators

Peter McGuinness (TL/212)

Malcolm McGregor (TL/081)

Bob Chalmers (TL/058)

Emails were also read out from the following:

Alan Mackie (TL/179)

Kevin Findlay (TL/102)

David McComb (TL/221, TL/226, TL/231)

Paul MacLaren (TL/109)

The Committee had a copy of the current Fare Card and also copies of emails from those other Operators.

Vice Convenor Ferguson

Welcomed all present and invited the Operators to give their views.

Peter McGuinness

He made proposals for a fare increase (these were stated in full during the meeting, and at WOB's request he also emailed them shortly after the meeting (the email is set out at the end of this Minute).

Tariff 1:

The flagfall (the first 3/4 mile) should increase from £2.90 to £3.20
The mileage charge of 10p per 1/19 mile should be increased to 10p per 1/20 mile.

Tariff 2:

The flagfall (the first 3/4 mile) should increase from £3.30 to £3.50.
The mileage should stay at 10p per 1/20 mile.

Double Fares

There should be double fares on 4 days:
25th December
26th December
1st January
2nd January

(instead of the current Tariff, which set double fares for only two days: 25th December and 1st January)

Christmas Eve and Hogmanay

The existing higher Tariff charged for Christmas Eve and Hogmanay (7 to 12) should be removed, but only if the double fare change from two days to 4 days was approved.

Tariff 2 Waiting

The current Tariff 2 waiting time should be change from 20 seconds to 25 seconds.

Zone boundary charge

This should be kept.

He understood that money is tight for everyone but the Trade needed an increase, to cover the costs of everything going up in the next 18 months, like insurance/fuel/garage bills/taxi tests/licence fees. Also bus fares and train fares will be increasing in March 2021.

He referred to Council decisions about Taxi Fares in recent years. Over the last 7 years the fare has only increased by 30p

Tariff 1

2014 Flagfall £2.60
2016 Flagfall £2.60
2017 Flagfall £2.80
2019 Flagfall £2.90

In the same time the mileage increased from 1/17 to 1/19.

Tariff 2

2014 Flagfall £3.00
2016 Flagfall £3.00
2017 Flagfall £3.20
2019 Flagfall £3.30

In the same time the mileage increased from 1/18 to 1/20.

He referred to the COVID grant scheme for Taxi Drivers, which paid £1,500. It cost him £700 for a 3-year Taxi Licence, and £800 for insurance, so that was the grant used up.

Bob Chalmers

He agreed with Peter McGuinness. If the Trade were not getting a rise in fares, this would be a pay cut.

Malcolm McGregor

He has been an operator 47 years. The Trade struggled. He agreed with Peter McGuinness, and had spoken to other operators who had the same view.

He said that the Trade had lost a third of its takings because of COVID.

The Boundary Charge (Zones) must be kept for single-car operators. TOAs would be OK.

Taking the Boundary Charge from the Scales would cost the Trade one-third of their earnings. They had to be paid for dead miles. A flagfall rise of 10p a year was not enough.

Emails from other Operators

WOB reminded the Committee that their background papers included 4 emails from operators who each said that they did not ask for a fare increase.

Mr. McGregor said these were "hidden emails" and he wanted to know who had sent them.

At the Vice-Convenor's request WOB read these out:

Alan Mackie

"With regards to the fare review my opinion would be to keep rates at the current tariff and review again in a year."

Kevin Findlay

"I don't think there should be any change to the taxi fares at the moment."

David McComb

"think we should leave it right now people are struggling at the moment and it is bad out there at the moment so it wood be better left alone at the moment"

Paul MacLaren

"Regarding the taxi fare scales review I would suggest that due to the downturn in trade due to covid 19 that there should be no change to the fare scale on this occasion."

Mr. McGregor said these were vague and that two of these people had full-time jobs as well as driving taxis. He said they were just saying "Don't put the fares up because I don't want it."

Peter McGuinness

He agreed and said that all 4 operators who had sent emails did school contracts. He himself did school contracts, but he also worked on the rank.

He said that if fares were not raised the operators would be on Universal Credit.

His son was out in his taxi for 8 hours recently, and earned only £17.80, excluding tips.

That was OK for people who had school contracts, but it wasn't fair on the driver who was on the ranks to 1.00 a.m..

He said that the people who had sent emails could not even be bothered to turn up today.

Bob Chalmers

He agreed. Prices were going up, there was inflation, the cost of licence renewal and insurance went up. The Trade had to have a pay rise.

When the Tariffs are changed, operators pay £20 to get their meters changed. An increase of only 10p is not enough. It is 18 months before they make up their money.

WOB explained that he would get Office of National Statistics data for the Committee.

Councillor Reid

He asked how an increase would affect the public?

Malcolm McGregor

He'd been driving for years. The public didn't say much when the fares changed. He didn't think the public would complain if the fares went up.

Bob Chalmers

He agreed, and commented that if the price of tyres went up, he just had to pay it.

Peter McGuinness

Money is tight for everyone. Passengers might grumble for a while if fares went up, but they'd just pay. His weekly shop at Tesco was £100, but next time it might be £140.

Malcolm McGregor

He'd spoken to Convenor McNicol and he had said that it would be OK to bring up other business, as well as Taxi Fares.

The matter he wanted to raise was the Council's policy of expecting cars to get inspections twice a year, instead of once a year, when the car reached 5 years old.

Peter McGuinness

He agreed. He'd not worked much over recent months, but still had had 1 MOT test, 1 Taxi Licence test, and two SPT tests.

Malcolm McGregor

He said that modern cars did not wear the way cars used to, so a 5-year old car might in fact be in good condition. He said the Council could get rid of some tests.

Councillor Easdale

He asked if the Council could use an MOT Certificate as an equivalent for one of the two tests?

Malcolm McGregor

He said that the Council saw the MOT Certificate anyway.

Councillor Barr

He said that this matter should be discussed further. The Committee should help the Trade.

WOB explained that the schedule for the Taxi Fare Review meant that it would go to the Committee Meeting next week (Wednesday 10 February 2021) and that the tight schedule meant that the inspection matter could not go to a Committee until the next meeting set for Wednesday 10 March 2021. He would ask other officers to look at the matter in the interval.

Bob Chalmers

One vehicle might only do 30,000 miles a year, while another vehicle (operated in 3 shifts, by a TOA) might do 110,000 miles a year.

Councillor McClung

She asked if the Council's testing schedule should be linked to mileage?

Malcolm McGregor

No, the owners can be trusted. No driver would drive an unsafe vehicle. He pointed out that the Taxi Inspector (Drew Robertson) is an ex-Police inspector.

Peter McGuinness

He said that busy companies have high mileages.

Vice Convenor Ferguson

He thanked everyone for their contributions. The meeting ended at 10.46 a.m..

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Email from Peter McGuinness, sent to Licensing Office on 3 February 2021 10:54:

"My Proposal.

Tariff 1 £2.90 to £3.20 mileage from 1/19 to 1/20

Tariff 2 £3.30 to £3.50 keep mileage at 1/20.

Double fare 25th & 26th 1st & 2nd do away with the Christmas eve and hogmanay tariff from 7 to 12 (only if aproved to change the double fare to the extra 2 days.)

Change the waiting time from 20secs to 25secs.

Keep boundary charge as its to cover dead millage.

I understand money is tight for everyone but the trade needs an increase. To cover the costs of every thing going up in the next 18months like insurance/fuel/garage bills/taxi tests/licence fees. Also bus fares and train fares will be increasing in March.

Over the last 7 years the fare has only increased by 30p

Tariff 1

2014 £2.60

2016 £2.60

2017 £2.80

2019 £2.90

In the same time the mileage has went from 1/17 to 1/19

For a distance not exceeding 3/4 of a mile. Each additional mile. 1/17th to 1/19th over 7 years.

Tariff 2

2014 £3.00

2016 £3.00

2017 £3.20

2019 £3.30

In the same time the mileage has went from 1/18 to 1/20

For a distance not exceeding 3/4 of a mile. Each additional mile. 1/18th to 1/20th over 7 years.

**North Ayrshire Council
Taxi Fare Scales Review**

Economic Indicators

	Index Name	START	END	Change
1	'ALL ITEMS'	107.9	109.2	1.2%
	CPI INDEX 00 (2015=100)			
	Series: D7BT			
2	'PURCHASE OF VEHICLES'	104.3	110.2	5.7%
	CPIH INDEX 07.1 (2015=100)			
	Series: L543			
3	'Motoring expenditure: maintenance of motor vehicles'	454.4	468.2	3.0%
	RPI (Jan 1987=100)			
	Series: DOCT			
4	'PETROL'	114.7	102.8	-10.4%
	CPI INDEX 07.2.2.2 (2015=100)			
	Series ID: L7FP			
5	'DIESEL'	114.8	103.4	-9.9%
	CPI INDEX 07.2.2.1 (2015=100)			
	Series ID: L7FO			

Notes:

- 1 Source: 'Office for National Statistics' website (<https://www.ons.gov.uk>).
CPIH = 'Consumer Prices Index including owner occupiers' housing costs'
CPI = 'Consumer Prices Index'
RPI = 'Retail Prices Index'
All three are published by ONS.
- 2 To help comparison, statistics for values changing over time are often given as an INDEX number, with the value when the figures were first recorded being set at 100. Later values can then be shown relative to 100, so that the change between TWO later times can be shown as a percentage.
- 3 The current Fare Scales took effect on 22 July 2019.
- 4 Indicators are published monthly, and the figures shown are:
START - July 2019
END - Dec 2020
These are the most recent ONS figures.



NORTH AYRSHIRE COUNCIL

TAXI FARE SCALES

CIVIC GOVERNMENT (SCOTLAND) ACT 1982 (AS AMENDED BY THE CRIMINAL JUSTICE AND LICENSING (SCOTLAND) ACT 2010)

These Scales were fixed by the Council on 5 June 2019 and will come into force on Monday 22 July 2019.

Tariff 1 (Day): (Tariff 5 if more than 4 passengers are carried)

All journeys starting or ending in the period 7.00am – 12.00pm (midnight) (except where Tariffs 2 or 3 apply):

For a distance not exceeding $\frac{3}{4}$ of a mile (or waiting time not exceeding 10mins). £2.90
 Each additional $\frac{1}{19}$ of a mile or additional waiting time of up to 20 seconds 10p

Tariff 2 (Nights, Sundays and during day across zones): (Tariff 6 if more than 4 passengers are carried)

All journeys (except where Tariff 3 applies)

- Starting or ending in the period 12.00pm (midnight) to 7.00am, or
- Starting or ending at any time on Sundays, or
- Starting or ending at any time on the following Public Holidays:
 2 January, Good Friday, early May Bank Holiday, Spring Bank Holiday, Summer Bank Holiday, 30 November (St Andrew's Day) 26 December (Boxing Day). If a Bank Holiday is on a weekend, the following Monday is treated for this Tariff as a Bank Holiday
- From the zone for which the vehicle is licensed to another zone in North Ayrshire – if the journey starts or ends in the period 7.00am to 12.00pm (midnight)
- On Christmas Eve and Hogmanay from 7.00pm until 12.00pm (midnight)

For a distance not exceeding $\frac{3}{4}$ of a mile (or waiting time not exceeding 10mins). £3.30
 Each additional $\frac{1}{20}$ of a mile or additional waiting time of up to 20 seconds. 10p

Tariff 3 (during night across zones): (Tariff 7 if more than 4 passengers are carried)

From the zone for which the vehicle is licensed to another zone in North Ayrshire – if the journey starts or ends in the period 12.00pm (midnight) to 7.00am

Tariff 1 charges (Initial or Additional) plus 50%

Tariff 4 (Festive Periods) (Tariff 8 if more than 4 passengers carried)

All journeys starting or ending at any time on 25th December or 1st January
Double Tariff 1 charges (Initial and Additional)

Extra Charges

If the vehicle starts by carrying more than 4 passengers, the fare is charged as Tariff 1 to 4 (as appropriate) but with 50% added (Tariffs 4 to 8). The higher tariff applies until the hire ends, whether or not any of the passengers leave the vehicle earlier.

Soiling Charge £50

Notes

1. The fare scale applies to journeys which end **within** North Ayrshire. Fares for journeys beyond the Council area are not set by the Council. They should be agreed between the passenger and the driver **before** the start of the journey.
2. Luggage shall be carried **free** if it is of a size which can reasonably be accommodated in the car.
3. The metered charge is the **maximum** which can be charged. The driver can always charge less.
4. The Tariff 2 and 3 charge applies as soon as the journey starts, and it **does not change** if part of the journey is inside the Night Period, Sunday, Public Holiday, or zone and part outside.
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.
6. There is no extra charge for loading or unloading passengers with wheelchairs, assistance dogs or anything the passenger wants to have carried.

Draft Taxi Fare Scale (only for discussion by Licensing Committee)



Tariff 1 (Normal)

Up to the first 3/4 mile - £3.20

Then each mile - £2.00 (in 10p units)

Waiting: up to 10 minutes - £3.20 (and then 10p every 20 seconds or part)

Tariff 2 (Higher)

Up to the first 3/4 mile - £3.50

Then each mile - £2.00 (in 10p units)

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

Tariff 2 applies if the journey starts 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

Boundary Zone Charge

If the journey is from the Zone for which the vehicle is licensed to another Zone in North Ayrshire:

- if the journey starts **AND** ends in the period 7.00 am to 12.00 pm (midnight) - Tariff 2

- if the journey starts **OR** ends in the period 12.00 pm (midnight) to 7.00 am - Tariff 1 (and any extra charges) **plus 50%**

Festive Period Charge

If the journey starts **OR** ends on these 4 days:

25th December

26th December

1st January

2nd January

Double Tariff 1 (and any extra charges)

Extra Charges

Soiling Charge - £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 the Tariffs and Charges that 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.

Notes

1. 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.
2. Luggage shall be carried free if it is of a size which can reasonably be accommodated in the car.
3. The metered charge is the **maximum** which can be charged. The driver can always charge less.
4. Tariffs apply as soon as the journey starts and do not change. For example, if the journey starts at 6.30 a.m. ("Night") but ends at 7.30 a.m. ("Day"), 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. The meter can show a waiting charge if the passenger has asked the driver to wait.
6. There is no extra charge for loading or unloading passengers with wheelchairs, assistance animals or anything the passenger wants to have carried.