

To: Regulatory Functions Board

On: 8 March 2017

Report by: Director of Finance & Resources

Heading: Civic Government (Scotland) Act 1982: Review of Taxi Fares within Renfrewshire

1. Summary

- 1.1 The Council as Licensing Authority is obliged to fix scales for the fares and other charges in its area in connection with the hire of a taxi. Fares require to be fixed within 18 months beginning with the date on which scales last came in to effect.
- 1.2 The last Taxi Fares Review was carried out during 2015 with a revised Taxi Fares Scale being fixed. It was agreed that this scale would come into effect on 10 August 2015. However, following an appeal to the Traffic Commissioner, the scale did not come into effect until 31 January 2016. That revised fares scale represented an increase from the previous scale which was in effect, by allowing credit and debit card charges to be included, along with an additional £1 for journeys at specified times during the festive period.
- 1.3 On 5 October 2016, the Council by letter and e-mail consulted with persons or organisations representative of the operators of taxis operating within its area on the current taxi fare scale. The consultation also included individual taxi operators who were informed of the consultation on 5 October 2016 by text alert. Four responses to the consultation have been received. Officers of the Council also met with parties representative of the taxi trade on 11 November 2016 when the review of the existing taxi fares scale was discussed.

- 1.4 The existing scales require to be reviewed and new scales proposed by the Board. Thereafter, formal notification of the proposed new scales will be given via a newspaper advertisement in the local press in order that representations may be made on the agreed proposal by a specified date at least one month from the date of the newspaper advertisement.
- 1.5 A further report will thereafter be submitted to the Board after the last date for making representations in order that the representations can be considered and the new fare scale can be fixed. The new taxi fares scale requires to be fixed by 31 July 2017, although the date for it to come into effect requires to be decided by the Board.
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2. Recommendations

- 2.1 It is recommended that the Board: -
- (i) review the existing fares scale shown at Appendix 1 and consider the proposals received and decide which of these proposals, or other fares scale, should be proposed as a new taxi fares scale for Renfrewshire and included in the newspaper advertisement as detailed in paragraph 1.4 above;
 - (ii) agree a proposed date of 31 July 2017 for the proposed revised fare scale to come in to effect;
 - (iii) note that, if approved by the Board, the proposals will be advertised in the local press, and thereafter
 - (iv) agree that the last day for lodging representations following on the proposed fare scale being advertised shall be one calendar month after the date of publication of that advertisement.
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3. Background

- 3.1 Prior to fixing a new Taxi Fares Scale, the Council as Licensing Authority requires to consult with persons or organisations appearing to it to be, or be representative of, the operators of taxis in its area, review the existing fares scales and propose new scales and publish these in a local newspaper.

3.2 Consultation has taken place with organisations appearing to the Licensing Authority to be representative of operators of taxis operating in the area, namely:-

- Paisley Taxis Ltd
- Glasgow Airport Ltd
- Glasgow Airport Taxi Association Ltd
- Renfrewshire Public Hire Association
- Paisley Independent Taxi Owners
- Raymond Stanley
- Unite the Union
- Renfrewshire Radio Taxis Ltd

3.3 Consultation was by letter or e-mail of 5 October 2016. Individual taxi operators who provided mobile phone numbers were advised of the consultation by text alert.

3.4 The responses received are summarised in paragraphs 3.4.1 to 3.4.4 of this report.

3.4.1 (Proposal 1) – the proposal states that the Association has taken a poll of 65% of its membership. It is proposed that there should be no change to the current tariff based on distance. However, it is proposed that each period of two minutes waiting time (currently 34p) should be increased to 60p. It is also proposed that an increased charge (to £2:00) should be allowed for journeys commencing after midnight and before 5am on Friday and Saturday nights as an incentive to drivers to work at times identified as suffering from a lack of taxi provision. Finally, it is proposed that the Glasgow Airport Terminal departure charge be increased from £1.00 to £1.50. Otherwise, the proposal seeks no changes to the existing fares scale.

3.4.2 (Proposal 2) – this proposal suggests an increase in Tariff 1 to £3.30 which he states would allow Tariff 2 to be calculated more accurately. It proposes a reduction on the distance with regards to the flag fall, as well as an increase to the waiting time charges. It requests the Board consider an increase to the charges for journeys commencing after midnight and before 5am at weekends, to encourage drivers to work at these hours. Finally, it suggests an increase to the Glasgow Airport Terminal departure charge to reflect current airport charges and a proposed airport drop off charge of £1.50.

3.4.3 (Proposal 3) – this proposal states that a fares increase would be difficult to justify, as the taxi trade are not coping with present levels of

demand. However, it states that an increased charge (of £2:00 between midnight and 4am) would provide an incentive to drivers to work at the most dangerous times of day. This increase is proposed on all nights of the week. Currently these charges are £1 at weekends and 60 pence on weeknights, but apply from 12 midnight until 5am. Finally, an increase is proposed in waiting time to 60 pence every two minutes and an increased additional charge from £1 to £2 is sought for 25th and 26th December and 1st and 2nd January.

- 3.4.4 (Proposal 4) – this requests that the minimum fare be increased to £3.30 and that the distance of 239 yards be reduced in relation to the current charge for distance travelled. It suggests an increase in the waiting time charge (to 38p). It requests that the existing midnight extra charge be loaded onto the taximeter's starting fare. It is proposed that Tariff 2 (which currently applies only during the festive period) should apply between 10pm and 5am on Friday, Saturday and Sunday nights, that Tariff 2 should also apply for an extended period during the festive season and that the revised scale should include such drop off and car parking charges as may be levied by Glasgow Airport Limited.
- 3.5 The fares as existing and as proposed are summarised at Appendix 1. Since the period for initial consultation closed, two of the respondents have contacted the Council to provide new information that an Airport pick up charge of £2.00 is being introduced by Glasgow Airport Limited and that the Airport departure charge is also to be increased to £2.00. Glasgow Airport Limited have publicised their intention to implement such changes. The two respondents who raised this wish these further charges incorporated into the taxi fares scale.
- 3.6 In relation to the current rate of inflation, the Consumer Price Index (CPI) grew by 1.6% in the year to December 2016, compared with a 1.2% rise in the year to November 2016. According to the Office for National Statistics, a factor in relation to this increase was that while prices for motor fuels fell, they fell by less than they did a year ago.
- 3.7 In terms of a Circular, 25/1986, reference is expected to be made by the licensing authority to, inter alia, the capital costs of vehicles, the cost of maintaining and replacing them to the standards required, the costs of employing drivers and the prevailing level of wages and costs in related road transport industries. None of these factors are directly raised in the proposals received, although the proposals do make reference to driver earnings and the general economic climate. When reviewing these proposals, the Board will also be conscious of the impact of any increase in fares upon the general public.

- 3.8 Appendix 2 to this report shows the tariffs operating in the surrounding areas for the purposes of comparison with the current and proposed fares within Renfrewshire. These tariffs illustrate a standard journey only.
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Implications of the Report

1. **Financial** – there will be costs associated with the production of new fare scales, cards and advertising costs which will require to be met in existing budgets.
2. **HR & Organisational Development** - Nil
3. **Community Planning** – Nil
4. **Legal** –
 - (i) Section 17 of the Civic Government (Scotland) 1982 as amended provides that the maximum fare for the hire of taxis and other related charges shall not be greater than those fixed under that Section by the Licensing Authority. The amended section states that the Licensing Authority must fix scales for the fares and other charges within 18 months beginning with the date on which scales last came into effect.
 - (ii) The Licensing Authority may in fixing scales alter fares or charges or fix them at the same rate as existing charges.
 - (iii) Before fixing a new taxi fare scale, the Council must consult with persons appearing to be representative of taxi operators, review existing scales and propose new scales and advertise its proposal in a newspaper circulating in its area detailing the proposal, the date when it is proposed to come into effect and stating that representations may be made within a specified period (ending at least one month from the date of the advertisement).
 - (iv) if any representations are received, the Council require to consider these before fixing a new fares scale.
5. **Property/Assets**-Nil
6. **Information Technology** – Nil

7. **Equality & Human Rights** - (Please select the statement applicable to the recommendations contained within this board report and delete remaining statements)

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it seeks a review only of taxi fares, which the Council has a statutory duty to review at regular intervals. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** - Nil

9. **Procurement** – Nil

10. **Risk** - Nil

11. **Privacy Impact** - Nil

List of Background Papers

- (a) Background Papers-
Responses received to consultation

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CURRENT AND PROPOSED TAXI FARE SCALES

	Current	Proposal (1)	Proposal (2)	Proposal (3)	Proposal (4)
Fares by distance					
Minimum fare for a distance not exceeding ½ mile	£3.20	No change	£3.30 for distance not exceeding 800 yards	No change	£3.30
For each additional 239 yards or part thereof	20p	No change	20p for each additional 220 yards or part thereof	No change	20p for each additional 220 yards or part thereof
Fares for waiting time					
For each period of 2 minutes or part thereof	34p	60p	20 p per 50 seconds or part thereof	60p	38p
Extras					
For each passenger in excess of 4, a fifth passenger charge of (applicable to 5, 6, or 7 seater taxis)	60p	No change	No change	No change	No change
An additional charge for journeys commencing after midnight and before 5 am Sunday to Thursday	60p	No change	No change	£2.00 from midnight to 4.00am	No change but see directly below re Sunday
An additional charge for journeys commencing after midnight and before 5.00 am Friday and Saturday	£1.00	£2.00	£2.00	£2.00 from midnight to 4.00am	Normal Fare plus 1/3 (Tariff 2) 10pm Friday – 5am Saturday 10pm Saturday – 5am Sunday 10pm Sunday – 5am Monday
Glasgow Airport Terminal Departure charge	£1.00	£1.50	£1.50	No change	No change
An additional charge for journeys commencing after midnight on 24 December until midnight on 26 December and from midnight on 31 December until midnight on 2 January	£1.00	No change	No change	£2.00	remove
From midnight on 24 December until midnight on 26 December the fare chargeable shall be	Normal Fare plus 1/3 (Tariff 2)	No change	No change	No change	Normal Fare plus 1/3 (Tariff 2) 6pm 24 December – 5am 27 December
From midnight on 31 December until midnight on 2 January the fare chargeable shall be	Normal Fare plus 1/3 (Tariff 2)	No change	No change	No change	Normal Fare plus 1/3 (Tariff 2) 6pm 31 December – 5am 3 January
An additional charge for payment by debit or credit cards	up to a maximum of 10%	No change	No change	No change	No Change
Soiling Fee					
Soiling in this context includes any soiling by means of food, drink, vomit, urine or excrement	up to a maximum of £50.00	No change	No change	No change	No change
Proposed additional charge			Glasgow Airport Inner Terminal & Carpark 2 drop off Charge £1.50		Glasgow Airport drop off charges to be paid by passenger of current rates at that time

Fares to Places Beyond the Renfrewshire Area Boundary

The driver is not obliged to accept the hire. Any hire terminating outwith the Renfrewshire area will be charged at a rate to be agreed at the time of hire.

Fares chargeable for journeys where a taxi is hired on an exclusive basis shall be charged in accordance with the normal fares scale determined by the Council, but shall be modified where a taxi is hired on a shared basis according to the number of hirers sharing the vehicle, as follows:

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| 1. One hirer | 100% of the fare |
| 2. For two hirers | 100% of the first hirer to the point of the second hirer and thereafter both pay 75% of the standard fare each |
| 3. If three hirers | As above to the point of the third hirer and thereafter all pay 65% of the standard fare each |
| 4. If four hirers | As above to the point of the third hirer and thereafter all pay 55% of the standard fare each |
| 5. If five hirers | As above to the point of the third hirer and thereafter all pay 50% of the standard fare each |
| 6. On departure from the taxi of one or more hirers | the fare payable will revert to the rate appropriate to the remaining number of hirers |

TAXI FARE SCALES WITHIN SURROUNDING AUTHORITIES

Authority	1 mile	3 miles	5 miles
City of Glasgow	£3.80	£7.60	£11.40
East Renfrewshire	£3.50	£7.10	£10.70
Inverclyde	£3.30	£6.70	£10.10
West Dunbarton	£3.50	£6.90	£9.80
North Ayrshire	£3.10	£6.50	£9.90
Renfrewshire (current)	£4.00	£7.00	£10.00

For comparison purposes, it has been considered that the journey is wholly within the boundaries of the Council concerned;