

EAST RENFREWSHIRE COUNCIL

LICENSING COMMITTEE

23 June 2015

Report by Chief Officer (Legal & Procurement)

CIVIC GOVERNMENT (SCOTLAND) ACT 1982 – TAXI FARES REVIEW

PURPOSE OF REPORT

1. For the Committee to review taxi fares.

RECOMMENDATIONS

2. The Licensing Committee is asked to consider the terms of this report and to:-
 - (a) Propose new scales per those suggested in Appendix 2 or such other scale as they decide for the hire of taxis in East Renfrewshire and all other charges in connection with the hire of a taxi or with the arrangements for its hire (whether at altered rates or the same rates).
 - (b) Authorise the Chief Officer (Legal & Procurement) to publish those proposed scales in a newspaper circulating within East Renfrewshire:-
 - (i) Setting out the proposed scales,
 - (ii) Explaining the effect of the proposed scales,
 - (iii) Proposing a date on which the proposed scales are to come into effect and
 - (iv) Stating that any person may make representations in writing until the relevant date (as defined in Section 17 of the Act)
 - (v) To authorise the Chief Officer (Legal & Procurement) to prepare a further report on any such representations received by the Council for the consideration of the Licensing Committee or, in the absence of any such representations to fix the scales and give further notice in

accordance with the Act with delegation to set out, and explain the effect of, the scales as fixed and to set the date on which the scales as fixed are to come into effect.

- (vi) To authorise the Chief Officer (Legal & Procurement) to make amendments in respect of any other changes.

BACKGROUND

3. The Civic Government (Scotland) Act 1982 (“the Act”) provides that the licensing authority must fix scales for the fares and other charges made in the connection with the hire of a taxi or with the arrangements for its hire.

4. In fixing scales, the licensing authority may:-

- (a) alter fares or other charges,
- (b) fix fares or other charges at the same rates

5. Before fixing fares or other charges, the licensing authority must review the scales in accordance with Section 17 (4A) of the Act.

6. In carrying out a review, the licensing authority must:-

- (a) Consult with persons or organisations appearing to be, or to be representative of, the operators of taxis operating within its area,
- (b) Following such consultation –
 - (ii) review the existing scales, and
 - (iii) propose new scales (whether at altered rates or the same rates),
- (c) Publish the proposed scales in the newspaper circulating in this area -
 - (i) setting out the proposed scales,
 - (ii) explaining the effect of the proposed scales,
 - (iii) proposing a date on which the proposed scales are to come into effect, and

(iv) stating that any person may make representations in writing until the relevant date, and

(d). Consider any such representations.

7. Legal Services wrote to every holder of a taxi licence within East Renfrewshire and has therefore complied with paragraph A above. Several replies were received, the majority requesting an increase in fare with two requesting no change.

Since the last review, the Council has changed its policy regarding age of vehicles and testing which has the potential to increase costs for taxi operators.

It is important to note that these are **maximum** fares and charges and it is always possible for a taxi operator to charge less if the licence holder wants to. Also, the tariff applies to taxis, not private hire cars.

REPORT

8. The setting of taxi fares is not an exact science but guidance given to Councils by the Traffic Commissioner states that Councils should attempt to calculate the changes and costs that taxi operators face. The current Best Practice Guidance issued by the Scottish Government refers to guidance issued by the Secretary of State in 1982 – “the public interest is better served by ensuring that the maintenance of an adequate taxi service by giving the trade a fair return, than by depressing fares for social reasons, however understandable.”

9. The suggested fares received from existing licence holders are attached in Appendix 1.

10. The last review of in taxi fares in East Renfrewshire was in 2013. There was no increase in 2014. Taking into account the comments of licence holders and the existing below average fares, the Committee is asked to consider an increase of approximately 15% across the various East Renfrewshire tariffs. Appendix 2 is a copy of the existing tariff and the proposed new tariff.

The Committee is also requested to consider the following amendments:-

(i) To allow GPS fare calculators as an alternative for traditional metres for taxi and private hire car vehicles if CE approved.

Any fare calculating system will be subject to accuracy tests during Council testing of vehicles and on the understanding that tariffs cannot be changed by drivers/operators/booking offices without Council approval.

- (ii) To amend the tariff to allow “people carrier” vehicles to use up to 6 tariffs instead of the usual 3 to calculate the additional 50% fare increase when transporting more than 4 passengers in any one journey.
- (iii) To allow amendments to be made to licence conditions to deal with the above amendments as the Chief Officer – Legal & Procurement or Principal Solicitor deems necessary.

11. Private Hire and Taxi monthly magazine maintains a league table showing the level of taxi fares applying in all UK local authority areas. At present, East Renfrewshire is 346th out of 365 authorities and cheapest of all the Scottish local authority areas. East Renfrewshire fares are below the national and Scottish averages and an increase should be considered.

12. For example, a fare of £4.60 in East Renfrewshire compares with a national average for the same fare of £5.33. The new proposed rates would place East Renfrewshire around the national average for tariff 1.

FINANCE AND EFFICIENCY

13. The carrying out of fare reviews is incorporated within the taxi licensing budget and recovered through application fees.

EQUALITIES IMPACT

14. A fare increase may persuade more licence holders to upgrade to wheelchair accessible vehicles.

CONSULTATION

15. The licensing section has consulted directly with every holder of a taxi vehicle licence and has considered the practices and tariffs of several local authorities within Scotland for benchmarking purposes.

CONCLUSIONS

16. The Licensing Committee is therefore asked to consider the terms of this report and review the fares for the hire of taxis in East Renfrewshire.

17. It should be noted that it is now a statutory requirement to review fares at least once every 18 months.

RECOMMENDATIONS

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 - (iv) Stating that any person may make representations in writing until the relevant date (as defined in Section 17 of the Act)
 - (v) To authorise the Chief Officer (Legal & Procurement) to prepare a further report on any such representations received by the Council for the consideration of the Licensing Committee or, in the absence of any such representations to fix the scales and give further notice in accordance with the Act with delegation to set out, and explain the effect of, the scales as fixed and to set the date on which the scales as fixed are to come into effect.
 - (vi) To authorise the Chief Officer (Legal & Procurement) to make amendments in respect of any other changes.

REPORT AUTHOR

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KEY WORDS

Civic Government (Scotland) Act 1982 Taxi licence, licensing, taxi tariff, taxi fare review.

NOTE OF RESPONSES FROM TAXI LICENCE HOLDERS

1. Licence holder A proposes that there should be no increase and reviewed in 12 months.
2. Taxi licence holder B proposal to raise taxi fares in line with the Scottish average as published by the Private and Taxi Hire magazine. Proposal for flag fall to be increased to £3.50 and £1.80 per running mile.
3. Request for £10 charge for returning lost property.
4. Taxi licence holder C replies on behalf of **24** other licence holders who have signed a petition sheet.

The following points are made:-

- He claims that an hourly income rate of £4.70 is typical for a taxi driver in East Renfrewshire.
 - The East Renfrewshire fare tariff is one of the cheapest in the UK despite some parts of East Renfrewshire being amongst the most affluent.
 - Recent changes by the Council on age restrictions and twice yearly inspections have increased costs.
 - The Council has again referred to the PHD magazine and asked to compare fares with our neighbouring Councils as well as the UK average.
 - Proposed increase of 20% in fares to meet minimum wage standards.
5. Licence holder D
 - does not want any fare increase at this point.
 6. Taxi licence holder E
 - Proposed tariff 1- increase from £3.10 to £4.10.
 - Tariff 2 - increase from £3.65 to £5.10
 - Tariff 3 - increases from £4.60/£5.45 to £6.15

EAST RENFREWSHIRE COUNCIL

CIVIC GOVERNMENT (SCOTLAND) ACT 1982

TAXI TARIFF
EFFECTIVE FROM 1 JUNE 2013

JOURNEYS MADE WITHIN EAST RENFREWSHIRE

		Effective from 2013	Effective from 2015
TARIFF 1			
	<i>For Journeys beginning after 6.00am until midnight.</i>		
(1)	For a distance not exceeding (1 mile), or waiting time not exceeding 8 minutes.	£3.10	£3.50
(2)	For each additional and subsequent (1/10 th of a mile) or part thereof, or additional waiting time of 36 seconds.	£0.15	£0.18
TARIFF 2			
	<i>For Journeys beginning after midnight until 6.00am.</i>		
(1)	For a distance not exceeding (1 mile), or waiting time not exceeding 8 minutes.	£3.65	£4.20
(2)	For each additional and subsequent (1/10 th of a mile) or part thereof, or additional waiting time of 36 seconds.	£0.15	£0.18
TARIFF 3			
	<i>For Journeys beginning after 0.01am until midnight on 25th and 26th December, and from 0.01am until midnight on 1st & 2nd January.</i>		
(1)	For a distance not exceeding (1 mile), or waiting time not exceeding 8 minutes.	£5.00	£5.75
(2)	For each additional and subsequent (1/10 th of a mile) or part thereof, or additional waiting time of 36 seconds.	£0.20	£0.25
ADDITIONAL CHARGES			
(1)	Waiting time (per hour)	£15.00	£18.00
(2)	Soiling Charge (anti- social related only)	£40.00	£40.00
(3)	For vehicles licensed to carry more than 4 passengers on those occasions where more than 4 passengers are carried the maximum fare will be total tariff plus 50%. These vehicles will be allowed to display an additional 3 tariffs for the purpose of calculating the additional fare.	+ 50%	no change
(4)	Maximum charge for payment by debit or credit card	£1.00	£1.00

These are the maximum fares that may be charged by any licensed East Renfrewshire Taxi. Any complaints should be submitted to the booking office for this taxi or Licensing Section, East Renfrewshire Council, Eastwood Park, Rouken Glen Road, Giffnock, G46 6UG.