

**EAST AYRSHIRE COUNCIL**

**LOCAL GOVERNMENT LICENSING PANEL  
7 MAY 2009**

**REVIEW OF TAXI FARES AND ASSOCIATED CHARGES**

**Report by Executive Director of Corporate Support**

**1. PURPOSE OF REPORT**

- 1.1 To advise the Licensing Panel of a review of taxi fares and associated charges and to consider a proposed increase to the current fares and charges.

**2. BACKGROUND**

- 2.1 In terms of section 17 of the Civic Government (Scotland) Act 1982 the Licensing Authority has a duty to fix scales for taxi fares and associated charges for its area.

**3 DISCUSSION**

- 3.1 The Licensing Panel, at the meeting held on 13 November 2008 considered the report by the Executive Director of Corporate Support dated 4 November 2008 (copy attached at Appendix 1) and heard Mr Bobby Morrison on behalf of the Taxi Trade Association (Kilmarnock area) on the reasons for their request to review the current scales for taxi fares and associated charges.
- 3.2 The Members agreed that to ensure all holders of operator plates were consulted, it was remitted to the Head of Legal, Procurement and Regulatory Services to write to all holders of operator plates and invite comments on the proposed review of taxi fares, including a fuel surcharge, and report back to a future meeting.
- 3.3 A survey of all holders of operator plates was carried out in December 2008 and, out of 79 surveys sent out 20 were returned (25% return rate) the majority of which were in favour of most elements of the proposed increase with the exception of the proposal for the introduction of a new fuel surcharge of 50 pence per journey. (copy results attached at Appendix 2).
- 3.4 In terms of Section 17 of the Civic Government (Scotland) Act 1982, notice of the proposed alterations to the Taxi Fare Structure was published in the Public Notices sections of the Kilmarnock Standard and the Cumnock Chronicle in their issues of week ending 18 February 2009. (copy attached at Appendix 3).

- 3.5 No representations having been lodged within the statutory one month period, the Panel may now consider whether to proceed with the proposed fares increase.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Any change to the proposed fares structure will have financial implications for Taxi Operators in that they will require to have the taximeters recalibrated by the manufacturers, then checked and sealed by the Council's authorised examiners.

#### **5. LEGAL IMPLICATIONS**

- 5.1 In terms of Section 17 of the Civic Government (Scotland) Act 1982 it is the duty of the licensing authority to fix and review fare scales. Before reviewing or fixing fare scales, the licensing authority shall consult with representatives of the taxi operators and then give notice of the proposed amendments in newspapers circulating in their area in order that any representations may be lodged and considered.

- 5.2 Where, under Section 17 of the Act, the licensing authority fix any scale or carry out any review they shall forthwith give notice in writing of their decision to such persons or organisations they have consulted as being representative of the operators of taxis within their area and inform them of the general effect of Section 18(1) of the Act.

- 5.3 In terms of Section 18 of the Act, any person who operates a taxi in an area for which scales have been fixed may, within 14 days after the decision upon the scales, appeal against these scales to the Traffic Commissioner for the Scottish Traffic Area.

#### **6. POLICY IMPLICATIONS**

- 6.1 Nil.

#### **7. CONCLUSIONS**

- 7.1 No representations having been lodged within the one-month period specified, the Panel may now proceed to consider a increase in taxi fares and associated charges.

- 7.2 Where, under Section 17 of the Act, the licensing authority fix any scale or carry out any review they shall forthwith give notice in writing of their decision to such persons or organisations they have consulted as being representative of the operators of taxis within their area and inform them of the general effect of Section 18(1) of the Act.

- 7.3 In terms of Section 18 of the Act, any person who operates a taxi in an area for which scales have been fixed may, within 14 days after the

decision upon the scales, appeal against these scales to the Traffic Commissioner for the Scottish Traffic Area.

## **8. RECOMMENDATIONS**

- 8.1 It is recommended that the Panel consider the contents of the report as set out in Appendix 3, together with the proposed fuel surcharge of 50 pence per journey, and thereafter determine the proposal to increase taxi fares and associated charges.

Elizabeth Morton  
Executive Director of Corporate Support

30 April 2009

EM/GK

## **LIST OF BACKGROUND PAPERS**

1. Report by the Executive Director of Corporate Support dated 4 November 2008.
2. Minute of the meeting of the Local Government Licensing Panel held on 13 November 2008.

Any person wishing to inspect of the background papers listed above should telephone 01563 576161 and ask for Mr David Mitchell, Head of Legal, Procurement and Regulatory Services or e-mail [david.mitchell@east-ayrshire.gov.uk](mailto:david.mitchell@east-ayrshire.gov.uk).

# APPENDIX I

## EAST AYRSHIRE COUNCIL

### SPECIAL LOCAL GOVERNMENT LICENSING PANEL 13 NOVEMBER 2008

#### PROPOSED REVIEW OF TAXI FARES

##### Report by Executive Director of Corporate Support

#### 1. PURPOSE OF REPORT

- 1.1 To invite the Licensing Panel to consider reviewing the scales for taxi fares and associated charges, following a request submitted by East Ayrshire Taxi Trade Association.

#### 2. BACKGROUND

- 2.1 In terms of section 17 of the Civic Government (Scotland) Act 1982 the Licensing Authority has a duty to fix scales for taxi fares and associated charges for its area, and to review these scales at intervals not exceeding 18 months from the date on which current scales came into effect. The Licensing Authority is also obliged to consult with persons or organisations appearing to them to be, or be representative of, the operators of taxis within their area.
- 2.2 The most recent review process was initiated following a decision of the Licensing Panel on 20 December 2007 with a revised fare structure being fixed at a subsequent meeting on 13 March 2008. The implementation of the new charges thereafter became effective on 1 June 2008.
- 2.3 On 22 August 2008, Bobby Morrison, on behalf of the Taxi Trade Association submitted a letter proposing further increases in taxi fares and associated charges. (Copy attached at Appendix 1 to this report). In addition, the Taxi Trade Association are also seeking the imposition of a fuel surcharge supplement.
- 2.4 Notwithstanding the very recent increase in fares the Taxi Trade Association are seeking to initiate a further review on the basis that taxi fares have only been increased on three occasions in the past ten years and accordingly the East Ayrshire fare structure is comparatively lower than in neighbouring local authority areas. The imposition of a fuel surcharge supplement is sought as a result of increased fuel costs which has resulted in increased operational costs.

#### 3 THE PROPOSED REVISED STRUCTURE

- 3.1 The Taxi Trade Association has requested consideration of the following proposals which could, if agreed in principle and subject to the statutory procedures, be brought into effect from spring 2009, a

period of 2 years since the last increase. The current relevant distances and charges are included in brackets for ease of reference:-

**PROPOSALS BY THE TAXI TRADE ASSOCIATION**

Distance not exceeding 1,760 yds. (2,000 yds)	£2.50
Each additional 140 yds or (160 yds) (£0.15)	£0.15
Hires between Midnight and 6am surcharge (£0.80)	£1.00
For hires accepted on 1 and 2 January and 25 and 26 December in each year (no change)	Double fare
5, 6 and 7-seater Taxis For each passenger in excess of four. (£1.00)	£1.25
Waiting Time per 5 mins (£1.60)	£1.80
Taxi called by hirer and not used (£2.50)	£3.00
Radio call charge (£0.25)	£0.50
Fouling Charge (£40.00)	£50.00
Fuel Surcharge – per journey	£0.50

**4. COMPARISON WITH OTHER AUTHORITIES**

<b>Distance (not exceeding)</b>	<b>1 Mile</b>	<b>1.5 Miles</b>	<b>2 Miles</b>	<b>2.5 Miles</b>	<b>3 Miles</b>
East Ayrshire (Current)	£2.50	£3.10	£3.92	£4.75	£5.57
<b>East Ayrshire (Proposed)</b>	<b>£2.50</b>	<b>£3.44</b>	<b>£4.38</b>	<b>£5.32</b>	<b>£6.27</b>
South Ayrshire (December 2008)	£4.40	£4.40	£6.20	£6.20	£8.00
North Ayrshire (October 2007)	£2.60	£3.30	£4.00	£4.70	£5.40

**Note: as amended by the Licensing Panel on 13 November 2008**

The current full structure for taxi fares and associated charges is submitted for consideration by the Panel (Attached at Appendix 1 to this report).

## **5. FINANCIAL IMPLICATIONS**

5.1 Nil

## **6. LEGAL IMPLICATIONS**

6.1 In terms of Section 17 of the Civic Government (Scotland) Act 1982 it is the duty of the licensing authority to fix and review fare scales. Before reviewing or fixing fare scales, the licensing authority shall consult with representatives of the taxi operators and then give notice of the proposed amendments in local newspapers in order that any representations or objections may be lodged and considered.

6.2 Accordingly, in the event that the Licensing Panel agree to initiate a review of taxi fares at this time a pre-requisite of that process will be a consultation exercise amongst representatives of the taxi operators. This would be followed by the presentation of finalised proposals to the Panel and the giving of notice in local newspapers.

## **7. POLICY IMPLICATIONS**

7.1 Nil.

## **8. CONCLUSIONS**

8.1 The Panel is invited to consider the proposal from the taxi trade contained in this report. If approved in principle, the proposals will be advertised in local newspapers in order that any representations or objections may be lodged. A report on the outcome of these consultations will be prepared for a future meeting of the Panel to enable Members to consider any objections or representations received, prior to making a final decision.

## **9. RECOMMENDATIONS**

9.1 It is recommended that the Panel consider the contents of this report and determine: -

- (i) Whether or not to initiate the taxi fare review process on the basis of the request;
- (ii) to remit to the Executive Director of Corporate Support to submit a further report following consultation and the advertisement of the proposals in local newspapers inviting representations or objections if agreeing to initiate the review process; or

- (iii) in the event that (i) is not agreed, to either remit to the Executive Director of Corporate Support to bring forward alternative proposals to a future meeting of the Panel, or agree such alternative proposals as might be expressed by Members of the Panel.

**Elizabeth Morton**  
**Executive Director of Corporate Support**

4 November 2008

SMcC

#### **LIST OF BACKGROUND PAPERS**

Nil

Any person wishing further information on this report should telephone David Mitchell, Head of Legal, Procurement and Regulatory Services on Telephone Number 01563 576061 or e-mail [david.mitchell@east-ayrshire.gov.uk](mailto:david.mitchell@east-ayrshire.gov.uk).

**Implementation Officer: Stuart McCall, Legal and Procurement Services Manager.**

**EAST AYRSHIRE COUNCIL**  
**CIVIC GOVERNMENT (SCOTLAND) ACT 1982**

**TAXI FARE STRUCTURE**  
**(Effective from 1 May 2008)**

**Fares by Distance**

The following shall be the maximum fares, charged by distance, for the hire of a Taxi:

Not exceeding 2000 yd	£2.50
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For each additional 150 yds (or part thereof)	£0.15
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These rates shall include going from the nearest stand to the hirer's address or other place of uplift.

**Surcharges**

For hires accepted between the hours of

Midnight and 6.00am	£0.80
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For hires accepted on 1 and 2 January and 25 and 26 December in each year	Double Fare
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**5, 6 and 7-seater Taxis**

For each passenger in excess of four	£1.00 per passenger
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**Waiting Time**

After an initial period of 5 minutes - each period of 5 minutes (or part thereof)	£1.60
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Taxi called by hirer and not used	£2.50
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Radio call charge	£0.25
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Fouling Charge	£40.00
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### **Notes**

1. The fare for any distance in excess of 5 miles shall be the subject of special agreement. The taximeter must be operated on all hires within the said 5-mile limit.
2. Where prior to the acceptance of the hire, the hirer requests to hire by time rather than by distance and the driver agrees, such fare may be charged as proposed by the driver and agreed by the hirer at that time.
3. Where an operator is registered for VAT purposes, a surcharge, calculated at the rate of Valued Added Tax current at the time, may be charged in respect of each hire. The operator must display an appropriate notice to this effect within the vehicle.
4. If requested by the hirer, the driver shall assist with the loading and unloading of luggage without any extra charge.

Any complaint should be addressed to the Department of Corporate Support, Civic Government Licensing, 14 London Road, Kilmarnock (Tel: 01563 554395), or to any Police Station. The Licence Numbers of the Taxi and the Taxi Driver should be quoted where possible.

**David Mitchell**  
**Head of Legal, Procurement**  
**And Regulatory Services**

22 August 2008

LEGAL SERVICES

22 AUG 2008

FAO David Mitchell  
East Ayrshire Council

Dear Mr Mitchell

Further to our meeting of Thursday 14 August 2008 where we discussed a rise in taxi fares structure combined with fuel surcharge supplement.

The taxi rise is to mitigate the situation that we have only achieved three rises in the past ten years, therefore allowing our fare structure to come in line our neighbouring councils.

The fuel surcharge supplement we are seeking is to alleviate the drastic rise in fuel costs in the past few months which have lead to sharp rise in running costs.

We have included a taxi fare national league table which we draw to your attention our position of being in the lowest category of fares in the UK, presently showing us in 349 of 375. Also included is an up to fuel statistic rise chart on behalf of the Taxi Trade Association.

We hope that you will look kindly on this request and look forward to hearing your proposals.

Yours sincerely



On behalf of

Taxi Trade Association

period of 2 years since the last increase. The current relevant distances and charges are included in brackets for ease of reference:-

#### PROPOSALS BY THE TAXI TRADE ASSOCIATION

Distance not exceeding 1,760 yds. (2,000 yds)	£2.50
Each additional 140 yds or (160 yds) (£0.15)	£0.15
Hires between Midnight and 6am surcharge (£0.80)	£1.00
For hires accepted on 1 and 2 January and 25 and 26 December in each year (no change)	Double fare
5, 6 and 7-seater Taxis For each passenger in excess of four. (£1.00)	£1.25
Waiting Time per 5 mins (£1.60)	£1.80
Taxi called by hirer and not used (£2.50)	£3.00
Radio call charge (£0.25)	£0.50
Fouling Charge (£40.00)	£50.00
Fuel Surcharge – per journey	£0.50

#### 4. COMPARISON WITH OTHER AUTHORITIES

Distance (not exceeding)	1 Mile	1.5 Miles	2 Miles	2.5 Miles	3 Miles
East Ayrshire (Current)	£2.50	£3.10	<del>£4.00</del> £3.92	£4.75	<del>£5.65</del> £5.57
East Ayrshire (Proposed)	£2.50	<del>£3.44</del> £3.55	<del>£4.38</del> £4.45	<del>£5.32</del> £5.35	<del>£6.27</del> £6.40
South Ayrshire (December 2008)	£4.40	£4.40	£6.20	£6.20	£8.00
North Ayrshire (October 2007)	£2.60	£3.30	£4.00	£4.70	£5.40

EXISTING RUNNING MILES = 1.65 = 23p.  
NEW " " = 1.88.

13-93% up.

1 MILE = 1760  
1 1/2 MILE = 2640  
2 MILE = 3520  
2 1/2 MILE = 4400  
3 MILE = 5280  
2

# APPENDIX 2

## EAST AYRSHIRE COUNCIL

### PROPOSED REVIEW OF TAXI FARES AND ASSOCIATED CHARGES

#### SURVEY RESULTS – JANUARY 2009

1. To retain the charge for the initial flag drop at £2.50, but to reduce the distance from 2,000 yds to 1,760 yds.

AGREE – 13

DISAGREE - 7

Comments: business slow at moment, so not a good time for a fare increase - 1

2. To retain the charge for additional distances at £0.15 but to reduce the distance from 160 yds (or part thereof) to 140 yds.

AGREE – 13

DISAGREE – 7

Comments:

3. Surcharge for hires between Midnight and 6am – increase from £0.80 to £1.00.

AGREE - 15

DISAGREE - 5

Comments:

4. For hires accepted on 1 and 2 January and 25 and 26 December – double fare, no change.

AGREE - 15

DISAGREE - 5

Comments: 100% surcharge on 25 December and 1 January only – 1  
50% surcharge – 3  
Reduction in surcharge 26 December and 2 January and/or East Ayrshire to subsidise reduction to encourage taxi use - 1

5. 5, 6 and 7-seater Taxis. For each passenger in excess of 4 – increase from £1.00 to £1.25 per passenger.

AGREE - 13

DISAGREE – 5

NEITHER - 2

Comments:

6. Waiting Time – increase from £1.60 to £1.80 per 5-minute period (or part thereof).

AGREE - 14

DISAGREE - 6

Comments:

7. Call out charge if Taxi not used – increase from £2.50 to £3.00.

AGREE - 17

DISAGREE - 3

Comments:

8. **Radio call charge – increase from £0.25 to £0.50.**

**AGREE - 12**

**DISAGREE - 8**

Comments: Should be increased to £0.30 - 1

9. **Fouling Charge – increase from £40.00 to £50.00.**

**AGREE - 17**

**DISAGREE - 3**

Comments:

10. **Fuel Surcharge – £0.50 per journey**

**AGREE - 9**

**DISAGREE - 11**

Comments: Fuel Prices lower at the moment – 1

Surcharge to be applied only when fuel prices reach a certain level – 3

A suggested surcharge of £0.10 per journey only when fuel prices reach a certain Level - 1

**Additional suggestions/comments made by operators:**

Owing to the current financial climate, this is not a good time for a fare increase - 3

**EAST AYRSHIRE COUNCIL  
CIVIC GOVERNMENT (SCOTLAND) ACT 1982  
TAXI FARE STRUCTURE**

Notice is hereby given that East Ayrshire Council, being the Licensing Authority in terms of Section 17(2) of the above Act, intends to review the scales for fares and other charges in relation to taxis licensed with the Council.

In accordance with Section 17(3)(a) of the Act, following consultations with persons or organisations appearing to be, or be representative of, the operators of taxis within the area, it is proposed that as from 1 June 2009, the undernoted Fare Structure will become effective throughout East Ayrshire.

**Fares by Distance**

The following shall be the maximum fares, charged by distance, for the hire of a Taxi:-

Not exceeding 1760 yds	£2.50
For each additional 140yds (or part thereof)	£0.15

These rates shall include going from the nearest stand to the hirer's address or other place of uplift.

**Surcharges**

For hires accepted between the hours of Midnight and 6.00am	£1.00
For hires accepted on 1 and 2 January and 25 and 26 December in each year	Double fare
5, 6 and 7-seater Taxis	
For each passenger in excess of four	£1.25 per passenger

**Waiting Time**

After an initial period of 5 minutes, each subsequent period of 5 minutes (or part thereof) £1.80

Taxi called by hirer and not used £3.00

Radio call charge £0.50

Fouling Charge £50.00

**Notes**

1. The fare for any distance in excess of 5 miles shall be the subject of special agreement. The taximeter must be operated on all hires within the said 5-mile limit.
2. Where prior to the acceptance of the hire, the hirer requests to hire by time rather than by distance and the driver agrees, such fare may be charged as proposed by the driver and agreed by the hirer at that time.
3. If requested by the hirer, the driver shall assist with the loading and unloading of luggage without any extra charge.
4. Passengers should note that where an operator is registered for VAT purposes, a surcharge, calculated at the rate of Value Added Tax current at the time, may be charged in respect of each hire. The operator must display an appropriate notice to this effect within the vehicle.

**Copies of the existing and new fare scales may be inspected at the office of the Civic Government Licensing Section, Department of Corporate Support, Council Headquarters, London Road, Kilmarnock, KA3 7BU and any representations in respect of the proposals should be submitted, in writing, to that address within one month of the date of publication of this notice.**

**PLEASE NOTE THAT THIS NOTICE SUPERCEDES THE NOTICE PLACED IN THE CUMNOCK CHRONICLE OF 13 FEBRUARY 2009, WHICH SHOULD BE DISREGARDED IN ITS ENTIRETY.**

Elizabeth Morton  
Depute Chief Executive/  
Executive Director of Corporate Support  
Civic Government Licensing  
14 London Road, Kilmarnock KA3 7AF



**East Ayrshire**  
COUNCIL