

## **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	£4.00	£4.75	£5.65
<b>East Ayrshire (Proposed)</b>	<b>£2.50</b>	<b>£3.55</b>	<b>£4.45</b>	<b>£5.35</b>	<b>£6.40</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

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
For each additional 150 yds (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	£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:-

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#### 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
<b>East Ayrshire (Proposed)</b>	<b>£2.50</b>	<del>£3.55</del> £3.44	<del>£4.45</del> £4.38	<del>£5.35</del> £5.32	<del>£6.40</del> £6.27
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