

EAST AYRSHIRE COUNCIL

LOCAL GOVERNMENT LICENSING PANEL 19 JANUARY 2006

REVIEW OF TAXI FARES

Report by Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 To invite the Licensing Panel to consider reviewing the scales for taxi fares and associated charges, taking into account information submitted by East Ayrshire Taxi Trade Council.

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 of not more than 18 months.
- 2.2 The last review of taxi fares and associated charges took place during late 2001 and the revised fare structure became effective on 1 April 2002. Despite having been given opportunities to submit representations in respect of the fare structure during the intervening period, East Ayrshire Taxi Trade Council declined these invitations.
- 2.3 As part of an initial consultation with the Taxi Trade Council, information has been submitted outlining the increase in running costs and suggesting a revised fare structure.

3 DISCUSSION

- 3.1 A meeting with the Chair of the Licensing Panel, representatives of the Taxi Trade Council and Council Officers was held on 4 November 2005 to discuss the proposals put forward by the Taxi Trade Council.
- 3.2 The Taxi Trade Council has requested consideration of the following proposals which could, if agreed in principle and subject to the statutory procedures, be brought into effect from early summer 2006, a period in excess of 4 years since the last increase.

PROPOSED FARE STRUCTURE

Distance not exceeding 2044 yds. (2640 yds)	£2.50
Each additional 160 yds (200 yds)	£0.15
Hires between Midnight and 6am surcharge (No change)	£0.60
5, 6 and 7-seater Taxis For each passenger in excess of four. (£0.50)	£1.50
Waiting Time per 5 mins (£1.00)	£1.50
Taxi called by hirer and not used (No change)	£2.50
Radio call charge (No change)	£0.20
Fouling Charge (No change)	£30.00

The following table summarises the general effect of these proposals.

DISTANCE	CURRENT FARE	PROPOSED FARE	INCREASE
2044 yds	2.50	2.50	
2640 yds *	2.50	3.10	24%
2 miles	3.25	4.00	23%
2.5 miles	3.85	4.75	23%
3 miles	4.60	5.65	23%

(*Current flag drop distance)

On the basis of an annual inflation rate of 2.5%, and bearing in mind that the new fare structure cannot be brought into force until the spring or early summer of 2006, it is calculated that an increase of 10.5% would have occurred.

The proposals submitted by the Trade Council would lead to an average increase in fares of around 23%, which equates to an annual rate of inflation of around 5%. The reduction in the 'flag drop' distance is equivalent to a 22.6% increase. Similarly, the proposal to reduce the 'additional distance' from 200 yards to 160 yards is equivalent of a 20% increase.

The trade magazine, 'Private Hire and Taxi Monthly' publishes a league table of taxi fares throughout the UK and, in their November 2005 issue has calculated the current national average for a 2-mile fare at £4.25. East Ayrshire is currently placed at 373rd in the list of 378 tariffs published.

In terms of the 40 Scottish tariffs published the average fare for a 2-mile journey is around £4.00. East Ayrshire is currently bottom of the Scottish league table, North Ayrshire at 38th, North Lanarkshire at 31st, South Lanarkshire at 13th and South Ayrshire at 9th.

The magazine has produced information showing the increase in fuel prices from January 1999 to September 2005. The cost of diesel over that period has increased by 28.3% and unleaded petrol by 17.4%.

The Trade Council has also raised the issue of the increases in the fees charged by the Council. From 1 April 2002 the application fees and other charges have increased by around 5% per annum.

Comparison with other authorities

Distance (not exceeding)	1	1.5	2	2.5	3
	Mile	Miles	Miles	Miles	Miles
East Ayrshire (Current)	£2.50	£2.50	£3.25	£3.85	£4.60
East Ayrshire (Proposed)	£2.50	£3.10	£4.00	£4.75	£5.65
South Ayrshire	£2.60	£4.00	£4.00	£5.40	£5.40
North Ayrshire (Under review)	£2.20	£2.80	£3.40	£4.00	£4.60

3.3 A revised structure for taxi fares and associated charges is submitted for consideration by the Panel, along with a copy of the current structure showing the proposed changes. (Copy attached at Appendix 1 to this report).

3.4 For the information and consideration of the Panel, a table showing the impact of 15%, 18% and 20% increases is shown at Appendix 2 to this report.

4. FINANCIAL IMPLICATIONS

4.1 Nil

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 local newspapers in order that any representations or objections may be lodged and considered.

6. POLICY IMPLICATIONS

6.1 Nil.

7. CONCLUSIONS

7.1 The Panel is invited to consider the proposals 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.

8. RECOMMENDATIONS

8.1 It is recommended that the Panel consider the contents of this report and agree: -

- (i) to accept in principle the fare scales as set out in Appendix 1 and remit to the Executive Director of Neighbourhood Services to carry out the statutory procedures; and
- (ii) to remit to the Executive Director of Neighbourhood Services to submit a further report following the advertisement of the proposals in local newspapers inviting representations or objections; or
- (iii) in the event that (i) and (ii) are not agreed, to either remit to the Executive Director of Neighbourhood Services 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.

William Stafford
Executive Director of Neighbourhood Services

8 December 2005

WS/GS

LIST OF BACKGROUND PAPERS

Nil

Any person wishing to inspect of the background papers listed above should telephone 01563 576111 and ask for Mr John Crawford, Head of Protective Services or e-mail john.crawford@east-ayrshire.gov.uk.

EAST AYRSHIRE COUNCIL
CIVIC GOVERNMENT (SCOTLAND) ACT 1982
PROPOSED TAXI FARE STRUCTURE
(Effective from 1 June 2006)

Fares by Distance

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

Not exceeding 2044 yd	£2.50
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For each additional 160 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	£0.60
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For hires accepted on 1 and 2 January and 25 and 26 December in each year	Normal fare + 100% (distance rates only)
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5, 6 and 7-seater Taxis

For each passenger in excess of four	£1.50 per passenger
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Waiting Time

After an initial period of 5 minutes - each period of 5 minutes (or part thereof)	£1.50
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Taxi called by hirer and not used	£2.50
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Radio call charge	£0.20
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Fouling Charge	£30.00
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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 Neighbourhood Services Department, Licensing and Community Safety, 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.

William Stafford

Executive Director of Neighbourhood Services

EAST AYRSHIRE COUNCIL
CIVIC GOVERNMENT (SCOTLAND) ACT 1982

TAXI FARE STRUCTURE – ALL EAST AYRSHIRE
(Effective from 1 April 2002)

Fares by Distance

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

Not exceeding 2640 yds (2044 yds) £2.50

For each additional 200yds (160 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 (No change) £0.60

For hires accepted on 1 and 2 January
and 25 and 26 December in each year
(No change) Normal fare + 100%
(distance rates only)

5, 6 and 7-seater Taxis

For each passenger in excess of four £0.50 per passenger
(£1.50 per passenger)

Waiting Time

After an initial period of 5 minutes - each
period of 5 minutes (or part thereof) £1.00 (£1.50)

Taxi called by hirer and not used £2.50 (No change)

Radio call charge £0.20 (No change)

Fouling Charge £30.00 (No change)

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.
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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 Community Services Department, Licensing and Community Safety Section, 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.

William Stafford
Director of Community Services

Comparison of specific percentage rises

Distance	Current £	15% £	18% £	20% £
1 mile	2.50	2.87	2.95	3.00
1.5 miles	2.50	2.87	2.95	3.00
2 miles	3.25	3.73	3.83	3.90
2.5 miles	3.85	4.42	4.54	4.62
3 miles	4.60	5.29	5.43	5.52