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| <b>Report To:</b>       | <b>General Purposes Board</b>                  | <b>Date:</b>       | <b>9 November 2022</b> |
| <b>Report By:</b>       | <b>Head of Legal &amp; Democratic Services</b> | <b>Report No:</b>  | <b>LS/103/22</b>       |
| <b>Contact Officer:</b> | <b>David Keenan</b>                            | <b>Contact No:</b> | <b>01475 712189</b>    |
| <b>Subject:</b>         | <b>Taxi Fares Review 2022/23</b>               |                    |                        |

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## **1.0 PURPOSE AND SUMMARY**

1.1  For Decision  For Information/Noting

1.2 The purpose of this report is to ask the Board to note the commencement of the statutory review of the Council's Taxi Fare Scale and Charges, and to note that representatives of the taxi trade have now been requested to submit their views regarding what they deem to be the appropriate taxi fares scale in order that any revision of the fares and charges can be implemented in March 2023.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Board note that the statutory review of the Council's Taxi Fare Scale and Charges has commenced and that a report will be submitted to the Board in January 2023 with a provisional view on such a review of the taxi fare scale and charges, following consultation with representatives of the taxi trade, for consideration by the Board.

**Iain Strachan**  
**Head of Legal & Democratic Services**

### 3.0 BACKGROUND AND CONTEXT

- 3.1 In terms of Section 17 of the Civic Government (Scotland) Act 1982 the Council, as licensing authority for taxis is obliged to review and fix scales for the fares (and other charges) within 18 months beginning with the date on which the scales come into effect. Section 17 of the 1982 Act does not apply to Private Hire Cars, although some Private Hire Cars may choose to adopt the Taxi Fare Scale and Charges agreed by the Board.
- 3.2 The current tariff scale, which is set out in **Appendix 1** to this report, was approved by the General Purposes Board on 8 September 2021, and took effect from 26 September 2021.
- 3.3 Section 17(4A) of the 1982 Act states that before the licensing authority fixes any scales or carries out any review it shall:
- (a) consult with persons or organisations appearing to it to be, or be representative of, the operators of taxis operating within its area;
  - (b) following such consultation:
    - (i) review the existing scales, and
    - (ii) propose new scales (whether at altered rates or at the same rates).
  - (c) publish notice of those proposed scales in the newspaper circulating in its area:
    - (i) setting out the proposed scales,
    - (ii) exploring the effect on 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 representation in writing until the relevant date, being one month after the date of the first publication of then notice; and
  - (d) consider such representations.
- 3.4 In the course of considering the appropriate level of proposed scales for the previous review, the Board considered a number of reports at various meetings over the course of 2021. At the first such meeting on 10 February 2021 the Board considered a report on the taxi fare scale review and decided the matter should be continued to a further meeting on 26 February 2021 to allow for clarification on fares in terms of tables in a percentage form. At its meeting on 26 February 2021, the Board decided to:
- 1. increase the initial flag fall across all tariffs by 1%;
  - 2. increase each additional yardage after the initial flag fall by 1% across all tariffs; and
  - 3. to advertise the proposals and report on the outcome once the statutory period for representations had lapsed.
- 3.5 The proposed scales set out in paragraph 3.4 were duly advertised in the local press following the Board's decision on 26 February 2021. Thereafter, written representations were received from solicitors on behalf of two local Taxi Operators. At a further meeting of the Board on 9 June 2021 Members were asked to consider the submissions made on behalf of the two local Taxi Operators and consider whether to uphold or reject the previous Board decision of 26 February 2021, or alternatively, propose such other fare scales as the Board considered appropriate.
- 3.6 At the Board's meeting on 9 June 2021 following consideration of all information available and submissions on behalf of two local Taxi Operators, the Board decided:

- (1) To increase the initial flag fall by 20p across all tariffs; and
- (2) Advertise the proposals determined and report on the outcome once the statutory period for representations had lapsed.

3.7 At the Board's meeting on 8 September 2021, following completion of the statutory consultation with no objections or representations, the Board decided that it should be remitted to the Interim Head of Legal Services to make the necessary arrangements to implement the new taxi fares scale and charges with effect from 26 September 2021.

#### 4.0 PROPOSALS

4.1 In accordance with Section 17(4A)(a) of the 1982 Act the initial consultation requires to be undertaken by the Council, as licensing authority, by consulting with persons or organisations appearing to the licensing authority to be, or to be representative of, the operators of taxis within its area (such as the Operators' Liaison Group) and asking such representatives to submit their views in relation to the scales for the fares and other taxi related charges.

4.2 The Scottish Government's Taxi and Private Hire Cars Licensing Best Practice for local authorities issued in April 2012 states that authorities are advised as best practice to pay regard to advice contained in paragraphs 2.34 to 2.37 of the Scottish Department Circular 25/1986 which states:

"In fixing fares, authorities will want to pay primary regard to the costs incurred by the trade, having regard to the capital costs (including interest payments) of the vehicles, the cost of maintaining and replacing them to a standard of the licensing authority, of employing drivers in the prevalent level of wages and costs and related to road transport industries. The public interest is best served by ensuring the maintenance of an adequate taxi service by giving the trade a fair return rather than depressing fares for social reasons, however understandable."

4.3 In light of the above guidance the General Purposes Board will be invited to consider figures supplied by the Government's Office of National Statistics. The main index is the consumer price index which is a measure of consumer price inflation produced at international standards. Information and initial proposals will be submitted to the General Purposes Board following consultation with the taxi trade and representatives.

4.4 A copy of the proposed timetable for the review process is set out within **Appendix 2** to this report.

#### 5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

| SUBJECT                                      | YES | NO | N/A |
|--|-----|----|-----|
| Financial                                    | X   |    |     |
| Legal/Risk                                   | X   |    |     |
| Human Resources                              |     |    | X   |
| Strategic (LOIP/Corporate Plan)              |     |    | X   |
| Equalities & Fairer Scotland Duty            |     |    | X   |
| Children & Young People's Rights & Wellbeing |     |    | X   |
| Environmental & Sustainability               |     |    | X   |
| Data Protection                              |     |    | X   |

## 5.2 Finance

There will be costs associated with the review of the taxi tariff in terms of outlays. There will be advertising costs, and the cost of staff time associated within the process from consultation with the trade to conclusion. There will be additional costs associated with production of the new fares scale and cards. All of the above will require to be met from existing budgets.

### One off Costs

| Cost Centre | Budget Heading | Budget Years | Proposed Spend this Report | Virement From | Other Comments |
|-------------|----------------|--------------|----------------------------|---------------|----------------|
| N/A         |                |              |                            |               |                |

### Annually Recurring Costs/ (Savings)

| Cost Centre | Budget Heading | With Effect from | Annual Net Impact | Virement From (If Applicable) | Other Comments |
|-------------|----------------|------------------|-------------------|-------------------------------|----------------|
| N/A         |                |                  |                   |                               |                |

## 5.3 Legal/Risk

The Board should note that Section 17 of the Civic Government (Scotland) Act 1982 states that the licensing authority must fix scales for the fares and other charges within 18 months beginning with the date on which the scales last came into effect. The licensing authority may in fixing scales, vary the rates or fix them at the same rate as existing charges. Prior to fixing a new scale the licensing authority must consult with persons appearing to be representative of trade operators, review existing scales and propose new scales and advertise its proposal in a newspaper circulating in its area detailing its proposal, the date when it is proposed to come into effect and stating what representations may be made within a specified time period, ending at least one month from the day of advertisement.

## 6.0 CONSULTATION

6.1 An initial consultation has commenced with representatives of the taxi trade and the responses and any proposed taxi fares scale will be the subject of a report to the Board in January 2023.

## 7.0 BACKGROUND PAPERS

7.1 None

**Inverclyde Council  
Civic Government (Scotland) Act 1982**

LICENSED VEHICLE NO. \_\_\_\_\_ REGISTRATION NO \_\_\_\_\_

**TABLE OF MAXIMUM FARES FOR THE "EXCLUSIVE" HIRING OF A TAXI  
EFFECTIVE FROM 26 SEPTEMBER 2021**

|                       |   |              |
|-----------------------|---|--------------|
| <b>TARIFF 1</b>       | <b>Hirings from ranks or 'flag' hirings begun between 6am and 11pm</b>  |              |
|                       | Initial charge (880 yards or part thereof)  | £2.75        |
|                       | Subsequent charge (each additional 294 yards or part thereof)   | 31p<br>£3.68 |
|                       | Approximate cost for first mile   | £1.86        |
|                       | Approximate cost for each additional mile   |              |
| <b>TARIFF 2</b>       | <b>Hirings from ranks or 'flag' hirings begun between 11pm and 6am and all pre-booked hirings begun between 6am and 10pm</b>  |              |
|                       | Initial charge (880 yards or part thereof)  | £2.85        |
|                       | Subsequent charge (each additional 285 yards or part thereof)   | 31p<br>£4.09 |
|                       | Approximate cost for first mile   | £2.17        |
|                       | Approximate cost for each additional mile   |              |
| <b>TARIFF 3</b>       | <b>Pre-booked hirings begun between 10pm and 6am and hirings from ranks or 'flag' hirings on Easter Monday, May Day, Fair Saturday and September Autumn Holiday.</b>                        |              |
|                       | Initial charge (880 yards or part thereof)  | £3.05        |
|                       | Subsequent charge (each additional 249 yards or part thereof)   | 31p<br>£4.29 |
|                       | Approximate cost for first mile   | £2.48        |
|                       | Approximate cost for each additional mile   |              |
| <b>TARIFF 4</b>       | <b>Pre-booked hirings and hirings from ranks or 'flag' hirings on 25 and 26 December, 1 and 2 January</b>   |              |
|                       | Initial charge (first mile or part thereof)   | £5.35        |
|                       | Subsequent charge (each additional 249 yards or part thereof)   | 31p<br>£5.35 |
|                       | Approximate cost for first mile   | £2.48        |
|                       | Approximate cost for each additional mile   |              |
| <b>EXTRAS</b>         | £1 per passenger after first four passengers  |              |
| <b>WAITING TIME</b>   | For each period of 31 seconds or part thereof   | 20p          |
| <b>SOILING CHARGE</b> | Charge dependent on severity up to a maximum of   | £50.00       |
| <b>VAT</b>            | The foregoing charges are inclusive of Value Added Tax  |              |
| <b>COMPLAINTS</b>     | Any complaint regarding the operation of this vehicle or its driver should be made to Legal Services, Inverclyde Council, Municipal Buildings, Greenock (telephone 712139)                  |              |
| <b>LOST PROPERTY</b>  | Any property lost in this vehicle should be reported to the operator and to Police Scotland, Greenock (telephone 101)   |              |
|                       | For the avoidance of doubt, a vehicle licensed for private hire which uses a taxi meter to charge for journeys is not permitted thereby to pick up hirings from a rank or any public place. |              |

**OPERATOR'S NAME** \_\_\_\_\_ **METER TYPE & NO** \_\_\_\_\_

**Taxi/Private Hire Tariff Review Timeline**