

PERTH AND KINROSS COUNCIL

Licensing Committee

2 October 2023

TAXI FARE REVIEW

Report by Head of Legal and Governance Services

(Report No 23/261)

1. PURPOSE

- 1.1 The Council is required to review the scales of fares for Taxis in this area at intervals of not more than 18 months. This report asks the Licensing Committee to make a decision on a request for amendments to the current taxi fare scales in order that they can be included within the forthcoming taxi fare review consultation.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Licensing Committee:
- Makes a decision in relation to the proposed options to change the current taxi fare scales; and
 - Instruct the Licensing Manager to proceed with the taxi fare review consultation process and bring a further report to the committee with the results of the consultation.

3. STRUCTURE OF REPORT

- 3.1 This report is structured over the following sections:
- Section 4: Background
 - Section 5: Proposals
 - Section 6: Conclusion

4. BACKGROUND / MAIN ISSUES

- 4.1 The Council has a statutory duty in terms of Section 17 of the Civic Government (Scotland) Act 1982 ("1982 Act") to review its scales for fares and other taxi related charges every 18 months. The current fares were last reviewed at the Licensing Committee meeting held on the 7 April 2022 (Report number 22/70). It was agreed that a 15% increase be applied across all three tariffs. Whilst obliged to carry out a review, the Council is not obliged to increase (or decrease) maximum fares.

4.2 The 1982 Act sets out the process to be followed when carrying out a review. All individual operators and organisations representing, or appearing to be, representative of the operators of taxis are consulted in relation to proposals for a fare increase.

4.3 As the Committee is aware, the Council operates 3 tariffs. These provide for increasing rates from tariff 1 to tariff 3.

- Tariff 1 applies from 0630 hours until 2300 hours and for the first 880 yards of a journey with certain further provisos.
- Tariff 2 applies between 2300 hours and 0630 hours, again with provisos.
- Tariff 3 applies during the Christmas and New Year periods also with provisos.

A copy of the current approved tariffs is shown as Appendix 1 of his report.

4.4 At the last review process carried out in 2022, several operators expressed an interest that they wished the taxi fare tariffs to be reformed in line with that of another council which operates several tariffs, one of which allows operators to charge more for upwards of 5 passengers. In report number 22/70 dated 7 April 2022 it was stated that 'a comprehensive review of the Taxi Fare tariffs would require to be commissioned externally, with associated costs being met from operator fees. Officers will give further consideration to this proposal and engage further with operators and revert back to Committee with a further report in due course, should a comprehensive review be considered necessary'. After receiving the noted requests below from the Taxi Federation Group, it was decided that a comprehensive review was not deemed necessary.

4.5 A Taxi Federation Group has been established which comprises of licensed taxi and private hire vehicle drivers and operators. Those members who attend the Taxi Federation, have requested the following changes to the current tariffs for the committee to consider:

- the introduction of an additional tariff to be used for larger vehicles within the fleet which can carry 5 or more passengers for example a minibus. These larger vehicles are more costly to run and have a heavier fuel burden and upkeep than saloon vehicles. Tariff 2 would be utilised only when transporting 5 or more passengers any time of day or night;
- the introduction of a new Tariff 4 to be used when carrying 5 or more passengers for hirings begun on December 24,25,26,31 and January 1 and 2.
- the ability to charge Tariff 2 from 10pm until 6am. Currently, Tariff 2 is utilised between 11pm and 6.30am. Neighbouring local authority areas charge Tariff 2 between 10pm and 6am with some charging Tariff 2 between 6pm and 6am and 9pm and 6am;
- any bridge tolls or airport parking charges should be met by the customer (only chargeable on production of a receipt to the hirer);
- to delete the Spring Bank Holiday, May Bank Holiday and August Bank Holiday from the current Tariff Card with only the Easter holidays

(operate Tariff 2), Christmas and New Year holidays (operate Tariff 2 and 3) remaining;

- increase the soiling charge to £75.00. Currently the soiling charge is £50.00 and the trade feel that this is not enough to cover the cost of a full valet. In addition, vehicles must be taken off the road until a full valet has been carried out resulting in loss of income to the operator.

4.6 The Taxi Federation Group were also asked to provide a proposed fare increase for consultation and have proposed the following for the Licensing Committee to consider: -

- 7.5% increase;
- 10% increase; or
- no change to the current tariffs

The Federation Group further requested that the charge for additional yards across all tariffs revert to 10 pence as the current 12 pence is disliked by customers and operators.

4.7 Should the Committee approve these in principle the proposals will now be required to go out for consultation with members of the public and other interested parties and a report will be provided to the Licensing Committee with the results of the consultation in due course.

4.8 All taxi operators and private hire operators with vehicles who have meters fitted will be written to by email and/or post and asked for their proposals for any changes. Operators will be given one calendar month to respond. It is proposed to make use of the Council's Consultation Hub in addition to messages being placed on the Council's Facebook page and Twitter feed to allow members of the public to provide a view should they wish to do so.

5. PROPOSALS

5.1 The Committee has three possible courses of action open to it:

Option 1 – Agree in principle to consult on the requested options to change the taxi tariffs and scales;

Option 2 – Agree to consult on some of the requested options;

Option 3 – Make no change to the current taxi tariffs and scales.

6. CONCLUSION

6.1 This report refers to proposed changes to the current taxi tariffs and scales and sets out the options available to the Licensing Committee. The Committee should consider the balance between costs to the operator with regard to the running and upkeep of vehicles alongside how any increase in fares may affect paying members of the public.

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan	Yes
Corporate Plan	Yes
Resource Implications	
Financial	None
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	None
Consultation	
Internal	None
External	Yes
Communication	
Communications Plan	None

1. Strategic Implications

Community Plan

- 1.1 Maintaining the current fare structure for the hire of Taxis and Private Hire vehicles will promote a prosperous, inclusive and sustainable economy by allowing affordable travel for members of the community. Equally it will support people to lead independent, healthy and active lives.

Corporate Plan

- 1.2 Offering an affordable travel option will promote an inclusive economy and support people to lead independent lives. It will give access to commercial and leisure venues throughout the region to the benefit of all.

2. Resource Implications

Financial

- 2.1 Not applicable

Workforce

- 2.2 Not applicable

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
A full Equality Impact Assessment will be carried out at the consultation stage of the taxi fare review process.

Strategic Environmental Assessment

- 3.2 Not applicable

4. Consultation

Internal

- 4.1 None

External

Taxi Federation at this initial stage of the fare review.

2. BACKGROUND PAPERS

- 2.1 Appendix 1 – Current Tariff Card