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**CIVIC GOVERNMENT (SCOTLAND) ACT 1982  
TAXI FARE SCALE REVIEW**

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**1.0 EXECUTIVE SUMMARY**

In terms of Section 17 of the Civic Government (Scotland) Act 1982, the Local Authority requires to fix maximum fares and other charges in connection with the hire of taxis operating in their area and to review the scales for taxi fares and other charges on a regular basis. The new fare structure requires to come into force by 22 October 2023. The fares were last reviewed by members on 19 January 2022 and took effect on 22 April 2022.

**2.0 RECOMMENDATIONS**

The Committee are asked to:

- Review the existing scales and publish them proposing a date when the proposed scales shall come into effect.
- Authorise the Head of Legal and Regulatory Support to advertise the proposed changes to tariffs and to invite any responses within one month of the advertisement and report back to members at their meeting on 23 August 2023.
- Should no objections or representations be received in relation to the proposal delegate authority to the Head of Legal and Regulatory Support in consultation with the Chair of PPSL to conclude the review without the requirement for the Committee to consider a further report on the review.

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**1. SUMMARY**

**1.1** In terms of Section 17 of the Civic Government (Scotland) Act 1982, the Local Authority requires to fix maximum fares and other charges in connection with the hire of taxis operating in their area and to review the scales for taxi fares and other charges on a regular basis. The new fare structure requires to come into force by 22 October 2023. The fares were last reviewed by members on 19 January 2022 and took effect on 22 April 2022.

**1.2** The current maximum fares are:

Tariff 1 £3.45 (hiring between 7am and 10pm)  
Initial charge (860 yards or part thereof)  
Subsequent charge (each 176 yards or part thereof) @ 23p

Tariff 2 £4.14 (hiring between 10pm and 7am)  
Initial charge (860 yards or part thereof)  
Subsequent charge (each 150 yards or part thereof) @ 23p

Tariff 3 £4.83 (public holidays)  
Initial charge (860 yards or part thereof)  
Subsequent charge (each 120 yards or part thereof) @23p

Charges in respect of soiling, waiting and telephone bookings are £100 (maximum), 40p per minute and 35p respectively.

**2. RECOMMENDATIONS**

**2.1** The Committee are asked to:

- Review the existing scales and publish them proposing a date when the proposed scales shall come into effect.
- Authorise the Head of Legal and Regulatory Support to advertise the proposed changes to tariffs and to invite any responses within one month of the advertisement and report back to members at their meeting on 23 August 2023.

- Should no objections or representations be received in relation to the proposal delegate authority to the Head of Legal and Regulatory Support in consultation with the Chair of PPSL to conclude the review without the requirement for the Committee to consider a further report on the review.

### **3. DETAIL**

- 3.1** On 20 April 2023 a letter was issued to all taxi operators requesting their views on taxi fares by 29 May 2023. A questionnaire was also issued at the same time to try and engage with taxi operators on how the Licensing Section are performing. Members also requested at their meeting on 19 April 2023 that the consultation be opened up to members of the public in order to seek their views on taxi fares. Only one member of the public replied supporting no increase as the existing fares are unaffordable as they are. As a result of the consultation exercise and questionnaire the following responses from the trade are detailed below:-

#### **Lorn**

9 responses were received.

6 requested no increase as an increase might deter people using a taxi.

2 stated any increase should round figures off.

1 supported an increase with the starting tariff £3.50 and time/yardage to nearest 5p or 0p.

#### **Mid Argyll**

1 response requested no increase as an increase might deter people using a taxi.

1 response was received from a private hire operator supporting an increase of at least 20% would be appropriate taking the mileage rate (after the initial one) to a minimum of £2.90. The following information was provided based on their operations for the last financial year: Distance covered by our two cars was over 50,000 miles of which less than 50% was chargeable, about 25,000. Our direct costs excluding labour and depreciation were over £32,000 giving a cost of £1.28 per mile. From the balance of about £1 per mile we need to cover depreciation and labour and the current rate is not sufficient.

#### **Cowal**

No responses received as at 22/5/23.

#### **Lomond**

3 requested no increase.

#### **Bute**

1 requested no increase.

2 supported an increase in order to round off the fares to 5p instead of coppers. One also stated fares should be increased annually instead of massive jump after 5 years. (prior to the increase in fares in 2022 fares were last increased in 2014).

### **Kintyre**

1 requested no increase.

**3.2** Enquiries were made with Angus Council, East Lothian Council and Highland regarding their existing taxi charges for the purpose of comparison and the findings are noted below.

	Argyll and Bute Existing Fares	Angus Council	East Lothian Council	Highland Council	Dumbarton & Vale of Leven Zone
Tariff 1	£3.45 860 yards then 176 @ 23p	£3.80 1440 yards then 75 @ 10p	£3.00 Depending on distance/time add 20p	£3.70 Depending on distance/time add 10p	£3.00 Depending on distance/time add 10p
Tariff 2	£4.14 860 yards then 150 @ 23p	£4.00 1440 yards then 70 @ 10p	£4.00 Depending on distance/time add 20p	£4.00 Depending on distance/time add 10p	£3.60 Depending on distance/time add 10p
Tariff 3	£4.83 860 yards then 120 @ 23p	£5.50 1440 yards then 60 @ 10p	£5.00 Depending on distance/time add 40p	£4.70 Depending on distance/time add 10p	£5.00 Depending on distance/time add 10p

**3.3** The Committee are advised that data from the AA's Fuel Price Report dated 30 April 2023

Unleaded prices have fallen, from 147.2 p/litre last month to 146.9 p/litre

Diesel prices have dropped from 165.5 p/litre to 161.1 p/litre

The price difference between diesel and unleaded has shrunk to 14.2 p/litre

**3.4** The recent taxi survey undertaken by LVSA in 2019 noted "that the Private Hire and Taxi Monthly magazine publish monthly league tables of the metred fares for taxis in Licensing Authorities in the UK. The Tariff 1 fares for a two mile journey (distance costs only) are compared and ranked. The lower the ranking (number), the more expensive the journey, compared with other authorities. The July 2019 table indicated that the fares in Argyll & Bute were ranked 103 out of 366 authorities listed. This indicates that taxis in Argyll & Bute are more expensive than for most authorities". As at May 2023 Argyll and Bute are ranked 131.

**3.5** Circular 25/1986 states the Secretary of State expects that 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 costs of maintaining and replacing them to the standards required by the licensing authority, the costs of employing drivers, and the prevailing levels of wages and costs in related road transport industries. In the Secretary of State's view the public interest is better served by ensuring the maintenance of an adequate taxi service by giving the trade a fair return than by depressing fares for social reasons, however understandable. If fares are fixed at a level higher than the market can stand, the trade is free to reduce them.

#### **4. CONCLUSION**

**4.1** Members are now required to review the matter of taxi fares. As previously advised in terms of Section 17 the procedure for reviewing taxi fares has changed.

In carrying out a review, the licensing authority must-

- (a) consult with persons or organisations appearing to it to be, or to 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 the same rates)
- (c) publish those proposed scales in a newspaper circulating in its area-
  - (i) setting out the proposed scales
  - (ii) explaining the effect of 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 representations in writing until the relevant date, and
- (d) consider any such representations

In reviewing the matter of taxi fares members are invited to consider whether;

**A)** They wish to accept the general consensus from the 19 written responses received whereby 14 are requesting no increase and 5 are requesting increases to the fares be made.

When considering all of the above proposals members may wish to have regard to:-

1. The lack of representation or response to the proposed review of taxi fare scales for or against from the trade. A total of 111 operators were consulted with 18 providing written representations plus one from a member of the public. Therefore only 20% of the trade has responded and that equates to 21% in total.
2. The comparison of the general effect of Argyll and Bute's existing fares with those in place in Angus Council, East Lothian Council and Highland Council.
3. The fluctuation in the price of fuel.

4. The economic effect COVID 19 and the cost of living crisis is still having on our local communities.

If members are minded to propose an increase in fares they require to detail the proposed new scales, taking into consideration the following views obtained from taxi operators:-

- Kintyre and Lomond wish the fares to remain as is
- Lorn propose to “round fares up” and increase starting tariff to £3.50 and time/yardage to nearest 5p or 0p
- Cowal have submitted no response
- Bute propose to “round fares up” and that fares should be increased annually to avoid massive increases.
- Mid Argyll request an increase of at least 20%

**B)** They may wish to reaffirm the current scale of maximum fares previously reviewed by the Council on 19 January 2022 which came into force 22 April 2022 also having regard to the 19 written responses whereby 14 are requesting no increase to the taxi fares and 5 are requesting an increase. Members may also wish to have regard to:-

1. The lack of representation or response to the proposed review of taxi fare scales for or against from consultees. Only 20% of the trade have responded.
2. It should be noted that those requesting no increases from the following areas:- Lomond, Lochgilphead, Mull, Islay, Oban and Bute.

**4.2** Members further require to propose a date of which the proposed fares are to come into effect. It is recommended that this be 22 October 2023.

**4.3** Members should be aware that any person or any persons or organisations appealing to the Traffic Commissioner to be representative of taxi operators in the area who operates a Taxi in an area for which scales have been fixed or in respect of which a review has been carried out will still have the opportunity to lodge an appeal to the Scottish Traffic Commissioner within a 14 day period.

## **5. IMPLICATIONS**

5.1 Policy- None

5.2 Financial -none

5.3 Legal – The Council require to review taxi fares in terms of the Civic Government (Scotland) Act 1982

5.4 HR -none

5.5 Fairer Scotland Duty:-none

5.5.1 Equalities - protected characteristics-none

5.5.2 Socio-economic Duty-none

5.5.3 Islands -none

5.6 Climate Change-none

5.7 Risk-none

5.8 Customer Service-none

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**Executive Director with responsibility for Legal and Regulatory Support**

**Policy Lead: Cllr Kieron Green**

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# APPENDIX 1

	Argyll and Bute Council Civic Government (Scotland) Act 1982	Current Maximum Fares fixed from 22 April 2022	Mid Argyll With 20% increase	Lorn - Increase of 5p to initial charge	Lorn - Increase of 5p to initial charge as %	Bute Round up fares to nearest 5p	Bute Round up fares to nearest 5p as %
<b>Tariff 1</b>	Hirings from ranks or "flag" betw een 7am and 10pm Hiring						
	Initial charge (860 yards or part thereof)	£3.45	£4.14	£3.50	1.4%	£3.45	0.0%
	Subsequent charge (each 176 yards or part thereof)	£0.23	£0.28	£0.25	8.7%	£0.25	8.7%
<b>Tariff 2</b>	Hirings from ranks or "flag" Hiring betw een 10pm and 7am						
	Initial charge (860 yards or part thereof)	£4.14	£4.97	£4.19	1.2%	£4.15	0.2%
	Subsequent charge (each 150 yards or part thereof)	£0.23	£0.28	£0.25	8.7%	£0.25	8.7%
	Tariff 2 also applies to hirings from ranks or "flag" betw een 6pm and 10pm December 24 <sup>th</sup> , 6pm and 10pm December 31 <sup>st</sup> and betw een 7am 2 <sup>nd</sup> January and 7am 3 <sup>rd</sup> January						
<b>Tariff 3</b>	Hiring from ranks or "flag" between 10pm 24 <sup>th</sup> December and 7am 27 <sup>th</sup> December and 10pm 31 <sup>st</sup> December and 7am 2 <sup>nd</sup> January						
	Initial Charge (860 yards or part thereof)	£4.83	£5.80	£4.88	1.0%	£4.85	0.4%
	Subsequent Charge (each 120 yards or part thereof)	£0.23	£0.28	£0.25	8.7%	£0.25	8.7%
	<b>Waiting Time</b> – 35 pence per minute commencement of journey, charged on a pro rata basis per second	£0.40	£0.48	£0.40		£0.40	
	<b>Taxi called by means of telephone</b> - 30 pence additional charge	£0.35	£0.42	£0.35		£0.35	
	<b>Large Mini-bus type vehicles</b> (carrying 5 or more passengers together at their own request)						
	a) Where Tariff 1 would apply – charge Tariff 2 b) Where Tariff 2 would apply – charge Tariff 3 c) Where Tariff 3 would apply – Surcharge £1.00	£1.15	£1.38	£1.15		£1.15	
	<b>Fee by negotiation</b> – for all journeys commencing within but finishing outwith Argyll & Bute, in a place of the above charges, such fares may be charged as prior to the acceptance of the hire, were proposed to the hirer and accepted by him/her						
	<b>Ferry Fares</b> – The hirer shall be liable for the cost of a return ferry fare for any journey involving a ferry						
	<b>Soiling Charge</b> - £100 maximum (with permission to display warning signs indicating that there may be an additional charge for any potential loss of earnings suffered as a consequence)	£100.00	£100.00	£100.00		£100.00	



		Current Maximum											
Argyll and Bute Council Civic Government (Scotland) Act 1982		Current Maximum Fares fixed from 22 April 2022			Mid Argyll With 20% increase			Lorn - Increase of 5p to initial charge			Bute Round up fares to nearest 5p		
		Fare	1 mile = 1760 yds	5 miles = 8800 yds	Fare	1 mile = 1760 yds	5 miles = 8800 yds	Fare	1 mile = 1760 yds	5 miles = 8800 yds	Fare	1 mile = 1760 yds	5 miles = 8800 yds
Tariff 1	Hirings from ranks or "flag" Hiring between 7am and 10pm												
	Initial charge (860 yards or part thereof)	£3.45	£4.63	£13.83	£4.14	£5.55	£16.55	£3.50	£4.78	£14.78	£3.45	£4.73	£14.73
	Subsequent charge (each 176 yards or part thereof)	£0.23			£0.28			£0.25			£0.25		
Tariff 2	Hirings from ranks or "flag" Hiring between 10pm and 7am												
	Initial charge (860 yards or part thereof)	£4.14	£5.52	£16.31	£4.97	£6.62	£19.58	£4.19	£5.69	£17.42	£4.15	£5.65	£17.38
	Subsequent charge (each 150 yards or part thereof)	£0.23			£0.28			£0.25			£0.25		
	Tariff 2 also applies to hirings from ranks or "flag" between 6pm and 10pm December 24 <sup>th</sup> , 6pm and 10pm December 31 <sup>st</sup> and between 7am 2 <sup>nd</sup> January and 7am 3 <sup>rd</sup> January												
Tariff 3	Hiring from ranks or "flag" between 10pm 24 <sup>th</sup> December and 7am 27 <sup>th</sup> December and 10pm 31 <sup>st</sup> December and 7am 2 <sup>nd</sup> January												
	Initial Charge (860 yards or part thereof)	£4.83	£6.56	£20.05	£5.80	£7.87	£24.06	£4.88	£6.76	£21.42	£4.85	£6.73	£21.39
	Subsequent Charge (each 120 yards or part thereof)	£0.23			£0.28			£0.25			£0.25		

**Waiting Time** – 35 pence per minute commencement of journey, charged on a pro rata basis per second £0.40 £0.48 £0.40 £0.40

**Taxi called by means of telephone** - 30 pence additional charge £0.35 £0.42 £0.35 £0.35

**Large Mini-bus type vehicles** (carrying 5 or more passengers together at their own request)

a Where Tariff 1 would apply – charge Tariff 2  
b) Where Tariff 2 would apply – charge Tariff 3  
c) Where Tariff 3 would apply – Surcharge £1.00 £1.15 £1.38 £1.15 £1.15

**Fee by negotiation** – for all journeys commencing within but finishing outwith Argyll & Bute, in a place of the above charges, such fares may be charged as prior to the acceptance of the hire, were proposed to the hirer and accepted by him/her

**Ferry Fares** – The hirer shall be liable for the cost of a return ferry fare for any journey involving a ferry

**Soiling Charge** - £100 maximum (with permission to display warning signs indicating that there may be an additional charge for any potential loss of earnings suffered as a consequence)