

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer – Regulatory & Regeneration

Special Meeting of the Licensing Committee – 16 March 2022

**Subject: Civic Government (Scotland) Act 1982
Review of Taxi Fares and Charges
Dumbarton & Vale of Leven Taxi Licensing Zone**

1. Purpose

- 1.1** To report to the Committee on the review of fares and charges applicable to taxis operating within the Dumbarton & Vale of Leven Taxi Licensing Zone.

2. Recommendations

2.1 It is recommended:-

- (a) that the current level of fares and charges applicable to the Dumbarton & Vale of Leven Taxi Licensing Zone be amended as follows:-

increase the flagfall on all tariffs by 50p;
increase the running mile by 10p on all tariffs;
increase waiting time from £18.00 per hour to £24.00 per hour;
increase the soling fee from £50 to £100.
include an extra charge within the fare chart stating:-

a charge equivalent to the initial flagfall on Tariff 1 shall be payable for a taxi booking made by telephone or via App and not cancelled before arrival when the taxi is no longer required.

- (b) that officers arrange for the advertisement of the fares and charges agreed by the Committee; and
- (c) that authority be delegated to the Chief Officer – Regulatory & Regeneration, in consultation with the Chair of the Licensing Committee, to conclude the review without the requirement for the Committee to consider a further report on the matter provided no objections or representations are received in relation to the proposal.

3. Background

- 3.1** In terms of the Civic Government (Scotland) Act, 1982, Licensing Authorities must fix scales for taxi fares and related charges within 18 months from the date on which the scales came into effect.

- 3.2 The fares and charges which are applicable to taxis operating within the Dumbarton & Vale of Leven Taxi Licensing Zone have been in effect since 25 November 2020 and these are detailed in Appendix 1.
- 3.3 The Scottish Development Department Circular 25/1986 directs Council's to seek evidence to determine whether taxi operators are receiving a fair return for their investment having taken into account the various expenses incurred by the trade. The relevant paragraphs are attached as Appendix 2.
- 3.4 Officers carried out a pre-consultation by issuing a letter to 113 Dumbarton & Vale of Leven Taxi Licence holders on 12 November 2021 seeking their views regarding the current fare chart to find out if they believed that they were receiving a fair return in relation to their earnings, taking into account the various expenses which they incur in running their business.
- 3.5 Eleven responses were received in total from taxi licence holders. 4 of the responses highlighted increases in the costs incurred in operating a taxi licence as well as a general increase in the cost of living. No responses provided any financial details in relation to earnings or specific expenses incurred.
- 3.6 In the responses received to the pre-consultation, some of the respondents took the opportunity to submit their views on the current level of fares and charges being applied in the Dumbarton and Vale of Leven zone. Within these responses 1 operator was opposed to implementing any increase in the fares and charges while 7 operators submitted an identical proposal which had been pre-prepared. As these responses were received at the pre-consultation stage they have not been included in the responses received at the full consultation stage.
- 3.7 All taxi operators were written to a second time and provided with a copy of the questionnaire in order that they make their submissions on the fares and charges applicable within the Dumbarton & Vale of Leven zone at that stage in the process. Some of those operators that replied to the pre-consultation did not submit a response to the consultation.
- 3.8 Having consulted with David Thomson and John Watters, representatives of the Dumbarton and Vale of Leven taxi trade, a questionnaire was drafted and agreed to be used for the full consultation and this can be seen at Appendix 3.
- 3.9 The questionnaire was subsequently issued to 113 taxi operators which represent the 175 taxi licences issued in the Dumbarton & Vale of Leven zone of West Dunbartonshire Council. The questionnaire was issued on 30 December 2021 allowing until 28 January 2022 for submission.

4. Main Issues

- 4.1 The questionnaire asked 5 questions pertaining to the taxi fare review. Proposal 2 is detailed at Appendix 4. The questions and subsequent responses to each question are detailed as follows:-

Q1 – Proposal

Given the responses received to the pre-consultation there were 2 definitive options put forward.

Please indicate with an X if you agree with Proposal 1 or Proposal 2.

If you choose Proposal 1 or 2 please go to Q5. If you choose neither proposal please answer all questions.

Proposal 1 – No change to the existing fare chart

Proposal 2 – (Proposed changes as outlined in the attached document Appendix 4)

Neither proposal

Taxi Operator's responses

1 Operator wished to see no change to the existing fare chart.

17 Operators wished to see Proposal 2 implemented.

No Operator selected the 'Neither Proposal' option.

Q2. FLAGFALL

The current flagfall is set at:-

£2.50 on Tariff 1

£3.00 on Tariff 2

£4.10 on Tariff 3

£3.10 on Tariff 4

£3.60 on Tariff 5

£5.40 on Tariff 6

For a distance not exceeding 1/2 of a mile.

Please indicate what changes, if any, you would wish to make on each tariff.

Please write 'None' if you wish to see no change to each Tariff.

Taxi Operator's Response

As all responses were covered by either Proposal 1 or Proposal 2 no alternative options were put forward.

Q3. Running Mile

The current running mile is set at:-

£1.90 on Tariff 1
£2.10 on Tariff 2
£2.50 on Tariff 3
£3.10 on Tariff 4
£3.60 on Tariff 5
£5.40 on Tariff 6

*Please indicate what changes, if any, you would wish to make on each Tariff.
Please write 'None' if you wish to see no change to each Tariff.*

Taxi Operator's Response

As all responses were covered by either Proposal 1 or Proposal 2 no alternative options were put forward.

Q4. Waiting Time

The current equivalent hourly rate for waiting time is £18.00 per hour on all 6 tariffs.

*Please indicate what changes, if any, you would wish to make on each tariff.
Please write 'None' if you wish to see no change to each Tariff.*

Taxi Operator's Response

As all responses were covered by either Proposal 1 or Proposal 2 no alternative options were put forward.

Q5 - Other

Are there any other changes or suggestions you would wish to make to the existing fare chart?

No further changes or suggestions were submitted.

- 4.2** Of the 113 questionnaires sent out, 18 were returned representing 15.9% of those consulted. Given that the responses received were either in favour of Proposal 1 or Proposal 2 the responses can be summarised by stating that 0.9% of those consulted were opposed to any increase in the fare chart while 15% were in favour of Proposal 2.
- 4.3** Separate to the questionnaire, it was noted that the Clydebank fare chart includes an extra charge where in the event that a taxi is called by telephone or via App and not cancelled before arrival, that a charge equivalent to the current Tariff 1 flagfall is made. This has been raised as an issue for drivers in the Dumbarton & Vale of Leven zone who often travel to pick up pre-booked hires and find that the passenger has found an alternate means of transport without cancelling their

booking. A similar charge has been included as an extra option for Members to consider within the recommendations.

- 4.4** Having referred to the AA website which provides an average cost of fuel on a monthly basis for Scotland, it shows that in January 2022 the average cost of unleaded fuel was 145.1p per litre and 149.0p per litre for diesel. At the time when the last fare chart became effective in November 2020, the average cost of fuel in Scotland was 113.7p for unleaded petrol and 116.8 p for diesel. This represents an increase of 27.6% for both unleaded fuel and diesel based on the difference in price when comparing the figures between November 2020 and February 2022.
- 4.5** It would be prudent to mention the current situation with international events at the time of writing this report and the knock on effect this may have on fuel prices as a consequence.
- 4.6** Taxi licence holders will incur other vehicle costs including tyres, service and MOT, labour and replacement parts, road tax, insurance, capital costs, depreciation and licence fees.
- 4.7** The fare chart for Dumbarton & Vale of Leven has remained the same since 2016. At that point an additional 10p was added to the flagfall on all tariffs from the previous fare chart which was applicable in 2015.
- 4.8** Although the number of responses received only reflect the views of 15.9% of taxi licence holders it is clear that the vast majority favour the increases proposed within the fare chart at Appendix 4. Members should take all these factors into account before making a recommendation for any change to the existing fare chart.
- 4.9** In terms of Section 17 of the Civic Government (Scotland) Act 1982, before fixing any scales or carrying out any review the Licensing Authority are required to consult with persons or organisations appearing to be representative of operators of taxis within the area.
- 4.10** Before fixing any scales or carrying out any review, in addition to consulting with persons or organisations appearing to be representative of operators of taxis within the area, the Licensing Authority is required:
- (a) to publish the proposed scales in a newspaper circulating in the area setting out the proposed scales, explaining the effect of the proposed scales and proposing a date on which the proposed scales are to come into effect;
 - (b) to invite representations from any persons with respect to the proposals within a period of one month from the date of publication of the notice; and
 - (c) to consider any such representations which have been duly lodged before a decision is taken on the matter.
- 4.11** It should be noted that if representations or objections to the proposals are

received, a further report on the matter will require to be considered by the Committee. In addition, there is provision within the legislation for taxi operators within the area to appeal to the Traffic Commissioner against any decision of the licensing authority on the review of scales.

- 4.12** Should no objections or representations be received in relation to the proposals, in order to expedite matters it is suggested that authority be delegated to the Chief Officer - Regulatory and Regeneration in consultation with the Chair of the Licensing Committee, to conclude the review without the requirement for the Committee to consider a further report on the matter.

5. People Implications

- 5.1** There are no personnel issues for the Council arising from this report.

6. Financial Implications

- 6.1** There are no financial implications for the Council arising from this report.

7. Risk Analysis

- 7.1** There is no increased risk to the Council associated with the contents of this report.

8. Equalities Impact Assessment (EIA)

- 8.1** No impact assessment is required because this report does not involve any change to policies or services or financial decisions.

9. Consultation

All Dumbarton & Vale of Leven Taxi Operators were consulted in relation to the Dumbarton & Vale of Leven Fare Review.

Chief Officer – Regulatory and Regeneration

Date 1 March 2022

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Appendices

1. Current Fare Chart for Dumbarton & Vale of Leven Taxi Licensing Zone.
2. Scottish Development Department Circular 25/1986 extract – Taxi Fares (2.34 – 2.37).
3. Taxi Operator's questionnaire.
4. Proposal 2 – Fare Chart for Dumbarton & Vale of Leven Taxi Licensing Zone.

Background Papers

1. Questionnaire responses