

## WEST DUNBARTONSHIRE COUNCIL

### Report by Chief Officer – Regulatory & Regeneration

Licensing Committee – 26 October 2021

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**Subject: Civic Government (Scotland) Act 1982  
Review of Taxi Fares and Charges  
Clydebank 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 Clydebank Taxi Licensing Zone.

#### **2. Recommendations**

- 2.1** It is recommended that the 2 representations submitted be considered along with the scales for taxi fares and related charges proposed by Members at the Licensing Committee on 18 August 2021, published in the 25 August 2021 edition of the Clydebank Post.
- 2.2** It is further recommended that the Committee fixes the scales for taxi fares and related charges and authorise Officers to conclude the review by notifying each operator of the new scales and of their right to appeal to the Traffic Commissioner and, if there is no appeal against the scales by a taxi operator, by giving public notice that the new scales are to come in to effect.

#### **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 last came into effect.
- 3.2** The fares and charges which are currently applicable to taxis operating within the Clydebank Taxi Licensing Zone have been in effect since 27 February 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 operator's 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 6.
- 3.4** Officers therefore carried out a pre-consultation by issuing a letter to 103 Clydebank Taxi Licence holders on 22 December 2020 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** Four responses were received, all of which stated that they believed that they were not receiving a fair return, however no responses provided any financial details in relation to their earnings or specific expenses incurred. 3 of the responses did however have a similar opinion that the current policy within the Clydebank zone of requiring all vehicles to be wheelchair accessible was proving to be a significant factor in terms of their lack of receiving a fair return and suggested that this policy be reconsidered by moving to a mixed fleet.
- 3.6** A meeting of the Taxi Forum was held via Zoom on 23 March 2021 where all Clydebank Taxi Licence holders who were named on 2 or more licences were asked to attend or alternatively nominate someone to attend on their behalf. 2 of the 15 invited attended. The principal aim of the discussion was to hear the views of the taxi trade and agree on the format of a questionnaire which would then be put out to all taxi operators. Having considered the views expressed, the format of the questionnaire was prepared in order to hear the views of taxi licence holders on the various aspects of the fare chart.
- 3.7** The questionnaire was subsequently issued to 103 taxi operators which represent the 159 taxi licences issued in the Clydebank zone of West Dunbartonshire Council. The questionnaire was issued on 28 May 2021 allowing until 18 June 2021 for submission. The questionnaire is detailed at Appendix 2.
- 3.8** Of the 103 taxi operators who were issued a questionnaire, 27 were returned.
- 3.9** The questionnaire asked 5 questions pertaining to the taxi fare review. The questions and subsequent responses to each question are detailed as follows:-

**Q1 – Working Pattern.**

*As the holder of a taxi licence(s) please indicate when your vehicle(s) are most commonly available for hire.*

*Tariff 1 (6.00am – 10.00pm)*

*or*

*A combination of Tariff 1 and Tariff 2 (6.00am – 10.00pm and 10.00pm – 6.00am)*

**Taxi Operator's Response**

Tariff 1 – 12 taxi operators

A combination of Tariff 1 and tariff 2 – 15 taxi operators

**Q2. Flagfall**

*The current flagfall is set at:-*

£2.70 on Tariff 1  
£3.20 on Tariff 2  
£4.20 on Tariff 3

*For a distance not exceeding 5/11ths of a mile or for waiting time not exceeding 3 minutes 45 seconds or a combination of both.*

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

### Taxi Operator's Response

#### **Tariff 1**

<b><u>Proposal</u></b>	<b><u>Responses</u></b>
No change	5
30p (or 10%)	17
50p or (20%) or replace with Tariff 2	3
10p or 20p	1
from 5/11ths of a mile to 1/2 a mile and remove the 3 minutes 45 seconds waiting time	1

#### **Tariff 2**

<b><u>Proposal</u></b>	<b><u>Responses</u></b>
No change	6
30p (or 10%)	17
50p or (20%)	2
20p	1
80p and change distance from 5/11ths of a mile to 1/2 a mile and remove the 3 minutes 45 seconds waiting time	1

#### **Tariff 3**

<b><u>Proposal</u></b>	<b><u>Responses</u></b>
No change	7
30p (or 10%)	17
50p or (20%)	1
20p	1
80p and change distance from 5/11ths of a mile to 1/2 a mile and remove the 3 minutes 45 seconds waiting time	1

### **Q3. Running Mile**

*The current running mile is set at:-*

£2.70 on Tariff 1  
£3.20 on Tariff 2

### £4.20 on Tariff 3

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

#### Taxi Operator's Response

##### Tariff 1

<u>Proposal</u>	<u>Responses</u>
No change	16
10p increase	2
20p increase	2
30p increase (or 10%)	6
£2.10 increase including the removal of 3 minutes 45 seconds waiting time	1

##### Tariff 2

<u>Proposal</u>	<u>Responses</u>
No change	16
10p increase	1
20p increase	3
30p increase (or 10%)	5
20% increase (60p)	1
£2.20 increase including the removal of 3 minutes 45 seconds waiting time	1

##### Tariff 3

<u>Proposal</u>	<u>Responses</u>
No change	17
10p increase	1
20p increase	2
30p increase (or 10%)	6
£2.40 increase including the removal of 3 minutes 45 seconds waiting time	1

#### Q4. Waiting Time

The current equivalent hourly rate for waiting time is £12.00 per hour on all 3 tariffs.

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

#### Taxi Operator's Response

##### Tariff 1

<u>Proposal</u>	<u>Responses</u>
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No change	17
No change but remove the 3 minutes 45 seconds waiting time.	1
10% (rounded to £13.00)	2
£14.00 or (20%)	3
£15.00	3
£18.00	1

## **Tariff 2**

<b><u>Proposal</u></b>	<b><u>Responses</u></b>
No change	15
10% (rounded to £13.00)	1
£14.00	4
£15.00	3
£16.00	2
£18.00	1
£18.00 but remove the 3 minutes 45 seconds waiting time	1

## **Tariff 3**

<b><u>Proposal</u></b>	<b><u>Responses</u></b>
No change	15
10% (rounded to £13.00)	2
20% (rounded to £14.00)	1
£15.00	1
£16.00	2
£18.00	4
£18.00 but remove the 3 minutes 45 seconds waiting time	1
Removal of waiting time on tariff 3	1

## **Q5 - Other**

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

### **Taxi Operator's Response**

20 of the 27 taxi operator's who responded submitted no proposed other changes or suggestions.

The 7 licence holders who did make proposed other changes or suggestions commented as follows:-

**Operator No. 1** - All taxi meters should be calendar controlled.

**Operator No. 2** - In the past 12 years there have been 2 small fare increases

while inflation has risen by 25.64% over the same period.

A driver who hires a taxi, after rental and fuel costs, earns less than the minimum wage.

Operators who also drive their own vehicles have seen road tax, garage bills, council fees and fuel costs all rising with no increase in income.

**Operator No. 3** – Tariff 2 to be applicable from 9pm instead of 10pm and also applicable for the whole of 24 December instead of from 6pm.

**Operator No. 4** - Tariff 2 to be applicable from 9pm instead of 10pm and also applicable for the whole of 24 December instead of from 6pm. Also increase soiling fee from £50 to £60 or £70.

**Operator No. 5** - Tariff 2 to be applicable from 9pm instead of 10pm.

Tariff 2 to be applicable for the whole of 24 December and 31 December until 9pm.

Tariff 3 to be applicable from 9pm on 24 December to 6am on 26 December and 31 December to 6am on 2 January.

Tariff 2 to be applicable from 6 am on 26 December to 6am on 27 December and from 6 am on 2 January to 6 am on 3 January.

These changes would also remove the additional 50p extra charge applicable during the Tariff 3 period on the existing fare chart between 10pm and 6am.

Remove additional 10p charge for each passenger beyond 2 and instead charge the fare at Tariff 2 instead of Tariff 1 or charge the fare at Tariff 3 instead of Tariff 2.

Allow drivers to agree rates for hires out with the Clydebank zone which would include hires from Clydebank to Dumbarton & Vale of Leven zone.

Increase the soiling fee to £100 on Tariff 2 and Tariff 3 from £50.

**Operator No. 6** - Tariff 2 to be applicable from 9pm instead of 10pm.

**Operator No. 7** - Tariff 2 to be applicable from 9pm instead of 10pm.

Tariff 3 to begin at 6pm on 24 December and 31 December and end at 6 am on 27 December and 3 January respectively instead of midnight on 24 December and 31 December until midnight on 26 December and 2 January

**3.10** Of the 103 questionnaires sent out, 27 were returned representing 26.2% of those consulted. A summary of the responses are outlined as follows:-

### **Q1 – Working Pattern**

The questionnaire asked licence holders to declare their normal working pattern with the intention of discovering whether the views of those working solely on Tariff 1 had the same or different views to those working on both Tariff 1 and Tariff 2. Given the low return rate it was felt that this would not provide enough information to establish clear enough differences of opinion amongst those taxi licence holders who responded.

### **Q2 – Flagfall**

Responses to question 2 in relation to the flagfall show that 63% of licence holders preferred the option of a 30p increase to the initial flagfall on all Tariffs. Those who selected an increase of 10% were included in these figures. 18.5% wished to see no change and 18.5% also sought a different change to Tariff 1 with either a higher or lower increase.

63% preferred the option of a 30p increase on Tariff 2 while 22.2% wished to see no change and 14.8% sought a different change to Tariff 2 with either a higher or lower increase.

Similarly 63% preferred the option of a 30p increase on Tariff 3 while 25.9% wished to see no change and 11.1% sought a different change to Tariff 3 with either a higher or lower increase one of which also wished to see the removal of waiting time from the tariff card.

### **Q3 – Running Mile**

Responses to question 3 in relation to the running mile show that 59.3% of licence holders wished to see no change to the running mile on Tariff 1 or Tariff 2 while 63% wished to see no change to the running mile on Tariff 3. The remainder wished to see an increase ranging from 10p to 30p on Tariff 1, 10p to 60p on Tariff 2 and 10p to 30p on Tariff 3. One taxi licence holder's preference was to remove the waiting time from the tariff card and increase the running mile to £3.80 on Tariff 1, £4.00 on Tariff 2 and £4.40 on Tariff 3.

### **Q4 – Waiting Time**

Responses to question 4 in relation to waiting time show that 66.7% of taxi licence holders wished to see no change to the current rate on Tariff 1. 29.6% wished to see an increase from the existing £12.00 per hour to between £13.00 and £15.00 while 3.7% wished to see an increase to £18.00 per hour.

55.6% of taxi licence holders wished to see no change to the current rate on Tariff 2. 33.3% of taxi licence holders wished to see an increase from the existing £12.00 per hour to between £13.00 and £16.00 while 11.1% wished to see an increase to £18.00 per hour.

59.3% of taxi licence holders wished to see no change to the current rate on

Tariff 3. 22.2% wished to see an increase from the existing £12.00 per hour to between £13.00 and £16.00 while 18.5% wished to see an increase to £18.00 per hour.

One taxi licence holder who wished to see waiting time remain at £12.00 per hour on Tariff 1 but increase to £18.00 per hour on Tariff 's 2 and 3 also wished to see the removal of the 3 minutes 45 second waiting time as part of the fare chart.

- 3.11** Having referred to the AA website which provides an average cost of fuel on a monthly basis for Scotland it shows that in February 2020 the average cost of unleaded fuel was 123.7p per litre and 127.4p per litre for diesel. Fuel costs then took a sharp fall due to the pandemic when travel was restricted.
- 3.12** The average cost of unleaded fuel in June 2021 in Scotland was 130.4p per litre and 132.9p per litre for diesel. This represents an increase of 5.4% for unleaded fuel and 4.3% for diesel based on the difference in the months February 2020 and June 2021. Given the fluctuation in fuel costs over this period it would not provide a true reflection of average fuel costs due to the effects of the pandemic.
- 3.13** 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.
- 3.14** The previous taxi fare review which has been effective since 27 February 2020 and was subject to an appeal to the Traffic Commissioner had the effect of increasing the initial flagfall by 20p. The first lockdown caused by the Covid-19 pandemic occurred almost immediately after the effective date and as a result the taxi trade as a whole have suffered economically
- 3.15** Although the number of responses received only reflect the views of 26.2% of taxi licence holders it is clear that the majority favour an increase of 30p on the flagfall at this point in time although many other alternative views have been expressed suggesting changes to all aspects of the fare chart. Members should take all these factors into account before making a recommendation for any change to the existing fare chart.
- 3.16** In terms of the 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.
- 3.17** Having considered the responses received from the questionnaire, Members proposed a number of amendments to the existing fare chart:-
- (i) Increase the initial flagfall on all Tariffs by 30p;
  - (ii) Amend the time when Tariff 2 will be applicable from 10.00 pm to 9.00 pm
  - (iii) Amend the time when Tariff 2 will be applicable on Christmas Eve

- and New Years Eve from the existing 6,00 am until 6.00 pm to the full day for both;
- (iv) Increase the amount applicable for a soiling fee from £50.00 to £60.00.

**3.18** The proposed amendments were advertised in the 25 August edition of the Clydebank Post allowing until 27<sup>th</sup> September 2021 for responses. An error was subsequently found in the advert which states that the time Tariff 1 would be applicable from would be 10.00pm rather than the proposed 9.00 pm although this was explained in the description of proposed changes and has only been highlighted by one of those operators submitting a representation. The advert is detailed at Appendix 3.

#### **4 Main Issues**

**4.1** 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.

**4.2** Following the proposed fare chart being published in the 25 August 2021 edition of the Clydebank Post, 2 representations were received from Mr. Kenneth McSheaffrey acting on behalf of the Clydebank Taxi Trade Group and from Mr. Allan MacLeod.

**4.3** The representation submitted by Mr. McSheaffrey addressed each element of the proposed change to the tariff card as advertised. Having put each proposed change to the vote at a meeting of the Clydebank Taxi Trade Group, their submission is as follows:-

- (i) accept the proposal to increase the flagfall by 30p on all tariffs
- (ii) unable to reach a majority vote on whether to accept or reject the proposed change to Tariff 2 to begin at 9.00pm rather than 10.00 pm
- (iii) reject the proposal to change Tariff 2 on both Christmas Eve and New Years Eve from 6.00pm to 6.00am (Tariff 2 already applies from midnight to 6.00 am each day)

- and from 6.00 pm to midnight on both Christmas Eve and New Years Eve.
- (iv) accept the proposal to increase the soiling fee from £50 to £60

The full submission from Mr. McSheaffrey is attached at Appendix 4.

- 4.4** The representation submitted by Mr. MacLeod is attached at Appendix 5 and he will elaborate on his views on the tariff card proposals and his alternatives if given the opportunity by the Committee.

**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**

- 9.1** An advert was placed in the 9 January 2019 edition of the Clydebank Post inviting representations to the proposed fare chart.

**10. Strategic Assessment**

- 10.1** In terms of the Council's Strategic Priorities, the purpose of licensing is to protect the welfare of the community, including vulnerable people.

Chief Officer – Regulatory & Regeneration

Date 5/10/2021

**Person to Contact:** Robert Mackie,  
Senior Officer (Licensing Services),  
Licensing Team,  
Municipal Buildings,

College Street,  
Dumbarton,  
G82 1NR.

Tel. No. (Direct line) 01389 738742.  
[robert.mackie@west-dunbarton.gov.uk](mailto:robert.mackie@west-dunbarton.gov.uk)

**Appendices:**

1. Current Fare Chart for Clydebank Taxi Licensing Zone.
2. Taxi Operator's questionnaire.
3. Proposed Fare Chart for Clydebank zone.
4. Representation submitted by Mr. Kenneth McSheaffrey.
5. Representation submitted by Mr. Allan MacLeod.
6. Scottish Development Department Circular 25/1986 extract – Taxi Fares (2.34 – 2.37)

**Background Papers:**

1. Letters to all taxi operators and drivers.
2. Returned questionnaires.