

To: GENERAL PURPOSES COMMITTEE		Subject: TAXI LICENSING - TAXI FARES REVIEW	
From: DIRECTOR OF ADMINISTRATION			
Date: 15 December 2004	Ref: WBK/KH		

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to advise the Committee of the outcome of the consultation on the taxi fares review and to present the matter for decision.

2. BACKGROUND

- 2.1. Section 17 of the Civic Government (Scotland) Act 1982 obliges the Council to review from time to time the scales for the fares and other charges in respect of the hire of taxis. On 25 August 2004 the Committee authorised the Head of Legal Services to commence a full consultation on the issue of taxi fares.
- 2.2. Taxi trade representatives from the three licensing areas submitted a joint proposal for increases. There followed a dialogue between Head of Legal Services and local taxi trade representatives which culminated in a final proposal from the taxi trade which is at Appendix A. A full breakdown is provided at Appendix B.
- 2.3. There have been extensive discussions with the taxi trade in respect of harmonising the units of measure used in the North licensing area with those traditionally used in the Central and South licensing areas. For example the initial hire charge in the North licensing area currently relates to a distance of 1274 yards whereas in Central and South it is 880 yards. The taxi trade have made much progress towards harmonisation on this occasion although full harmonisation of units of measure has not been considered possible. It is hoped to give consideration in due course to moving to fares tariffs based on miles and parts thereof which may be more meaningful to the public. However, that will require detailed discussions with meter manufacturers as it does raise a number of issues for the calibration of meters. At the same time, discussions with meter manufacturers and the taxi trade are being considered for the near future in the context of considering whether it will be appropriate to recommend a move to "calendar" meters. Those type of meters work on the principle that the tariffs are all pre-programmed and there is no need for the taxi driver to set the appropriate tariff according to the time of day etc. That has the benefit of protecting the driver against claims by the passenger that he has charged an incorrect fare and also protects the passenger from any unscrupulous driver who would seek to charge an incorrect fare.
- 2.4. In accordance with the statutory procedure, the proposals have been publicly advertised. That advertisement drew one representation in the form of a letter from Mr James Muir dated 25 November 2004. A copy of that letter is at Appendix C. Essentially Mr Muir has proposed a fully harmonised fares tariff and has given his own figures in that regard. With respect to Mr Muir and his right to make a representation, given that it is only him who is behind the proposal, it is suggested that it does not carry sufficient weight to significantly impact on the Committee's considerations. It should also be noted that Mr Muir is a private hire operator. It is convenient at this stage to remind the Committee that private hire fares are

essentially a matter between driver and customer and are only regulated where private hire operators have chosen to fit taximeters to their cars. There is no evidence to suggest that Mr Muir will be detrimentally affected by the wider taxi trade proposals.

3. ISSUES FOR CONSIDERATION

- 3.1. The Committee requires to consider whether to approve the taxi trade proposals. In the first place, the Committee will note from the analysis of the figures that the proposals involve significant increases to journey costs. However, that must be balanced against the fact that North Lanarkshire has had among the lowest fares structures of local authorities throughout the United Kingdom for a number of years and, even taking into account the increases, the fares would still be significantly below the national average. Equally, it is appropriate for the Committee to have regard to recent policy making decisions with particular regard to the implementation of an age limit on taxis. The age limit will have the effect of increasing taxi operators business overheads. In addition, the Committee is currently undertaking a taxi licensing review with the aim of improving standards across the board and generally, those improvements in standards will carry some form of cost to operators. Also increasing numbers of taxi operators are expected in the coming years to be running wheelchair accessible vehicles which tend in themselves to be more expensive. Against all of that background the Committee may feel that at this stage it is appropriate to support and approve the taxi trade's proposals.
- 3.2. It was initially proposed that the new scales take effect from 1 February 2005. However, due to the requirement to advertise the final decision, to allow sufficient time for that advertising, it is proposed that the new scales take effect from 15 February 2005.

4. CORPORATE CONSIDERATIONS

- 4.1. The issues raised in this report do not significantly impact upon the Council's wider policies or positions.

5. RECOMMENDATIONS

- 5.1. The Committee is asked to agree to amend the taxi fares scales as detailed at Appendix B and that with effect from 15 February 2005.

Walter B. Kigora

W Director of Administration

Members seeking further information on the contents of this report are asked to contact Kenny Hannaway, Senior Solicitor (Licensing) on extension 2214.

North Lanarkshire Joint Taxi Trades Association

Your Ref: KH
Our Ref: WH

Secretary
W. Hutchison
12 Blackwoods Crescent
Bellshill ML4 2LS
Phone 01698 33521
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6th October 2004

Dear Mr Hannaway,

Further to our discussion with regard to meter tariffs. The following is a final draft of our proposals.

Present Fare in South and Central area

Present Fare in North Area

First 880 Yards £1.00
Each Additional Mile £1.30
Waiting Time per 30 seconds 10p

First 1274 Yards £1.50
Each Additional Mile £1.20
Waiting Time per minute 10p
Hires between Midnight and 6.00 am 60p
1st and 2nd January and 25th and 26th December £1.00

Proposed Fare in South and Central area

Proposed Fare in North Area

First 880 Yards £1.30
Each Additional Mile £1.50
Waiting Time per minute 20p
No change on all other Charges
With the exception of carriage called but
Not used adjusted to £1.30

First 880 yards £1.50
Each Additional Mile £1.30
Waiting Time per minute 20p
Hires between Midnight and 5.00 am 80p
1st and 2nd January and 25th and 26th December 1.5 X Meter
No change on all other Charges
With the exception of carriage called but
Not used adjusted to £1.50

As you know the tariff sheet shows each additional yards (or part thereof)
In South and central this would be each additional 117 yards (or part thereof) 10p
And in North this would be each additional 270 yards (or part thereof) 20p

With regard to the extras charges on the meter we would suggest that they be incorporated in the clock\calendar system in the meter.

For example the extra tariff after midnight would automatically be shown on the meter, as would any other charges. This would prevent any fraudulent use of the extras tariff.

Yours Faithfully

W.Hutchison

Secretary NLJTTA

APPENDIX 'B'

Taxi Fares Review - Proposals

North licensing area (i.e. the former Cumbernauld & Kilsyth District Council area together with that part of the former Strathkelvin District Council area that now forms part of North Lanarkshire):-

Existing Fare	£
Initial hire charge – For a distance not exceeding 1274 yards	1.50
Each additional 294 yards (or part thereof)	0.20
Waiting time per minute	0.15
Hires between Midnight and 7am	0.60
Festive surcharge 1, 2 January and 25, 26 December (and until 7am on 3 January and 27 December)	1.00
Carriage called but not used 7am - Midnight	1.00

Proposed Fare	£
Initial hire charge – For a distance not exceeding <u>880</u> yards	1.50
Each additional <u>270</u> yards (or part thereof)	0.20
Waiting time per minute	<u>0.20</u>
Hires between Midnight and <u>5am</u>	<u>0.80</u>
Festive surcharge 1, 2 January and 25, 26 December (and until 7am on 3 January and 27 December)	<u>1.5 x meter</u>
Carriage called but not used 7am - Midnight	<u>1.50</u>

Central and South Licensing areas (Former Monklands and Motherwell Districts respectively)

Existing Fare	£
Initial hire charge – For a distance not exceeding 880 yards	1.00
Each additional 135 yards (or part thereof)	0.10
Carriage called but not used 7am - Midnight	1.00

Proposed Fare	£
Initial hire charge – For a distance not exceeding 880 yards	<u>1.30</u>
Each additional <u>117</u> yards (or part thereof)	0.10
Carriage called but not used 7am - Midnight	<u>1.30</u>

All other charges to remain unchanged.

ANALYSIS

In real terms over the common measures of 1 and 2 mile journeys the changes have the following impact:-

North

1 mile presently	£1.83	- proposed £2.15
2 miles presently	£3.03	- proposed £3.46

% increases of 17.5% and 14.2% respectively.

Central/South

1 mile presently	£1.65	- proposed £2.05
2 miles presently	£2.96	- proposed £3.56

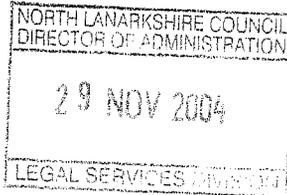
% increases of 24.2% and 20.3% respectively.

UK Figures taken from poll of 378 Authorities (December 2004)*

Average 1 mile £2.72
Average 2 miles £4.09

*Source - Private Hire and Taxi Monthly Dec 2004 © Zebra Publishing

APPENDIX 'C'



2 Buchan Road.

News Terenston

Motherwell

ML1 4UL

25th November 2004

Head of Legal Services
North Lanarkshire Council.

Dear Sir

With reference to your notice in the Motherwell Times dated 25/11/04. Why are you discriminating between taxis in the north and taxis in the south surely as a council you would not divide the people of the north and south you should strive to unite us. I propose the following fare structure for all.

Initial charge not exceeded 880 yds £1.50.

Each additional 135 yds 10P

midnight to 5AM CHARGE £1.00

waiting time reduced to 10P per minute

20P per minute is to clear when stuck in traffic. some drivers switch the meter off to save confrontation with customers.

Soiling charges should be clearly stated as £100 civil.

penalty as it would then be worth pursuing through the small claims court. Festive charges should remain as 1.5x meter.

yours faithfully.

James B Muir

PH 338 (SOUTH)