

Item: 6

Licensing Committee: 1 December 2020.

Civic Government (Scotland) Act 1982.

Review of Fares and Charges in Respect of Taxi Services on Mainland Area of Orkney.

Report by Chief Executive.

1. Purpose of Report

To consider proposed scales, effective from 1 May 2021, for maximum fares and charges for all taxi services within the mainland area of Orkney, including the linked south isles, for approval for public consultation.

2. Recommendations

The Committee is invited to note:

2.1.

The current scales for maximum fares and charges for all taxi services within the Mainland area of Orkney, including the linked south isles, effective from 1 May 2020, as detailed in Appendix 1 to this report.

2.2.

That a statutory consultation process with taxi operators was undertaken during the period 18 August to 16 October 2020, when operators were requested to submit comments or suggestions in respect of the current scales, referred to at section 2.1 above.

2.3.

That one representation was received from operators, attached as Appendix 2 to this report.

2.4.

That the licensing authority requires, at intervals not exceeding 18 months, to propose new scales, whether at altered rates or the same rates.

2.5.

The proposed new scales, attached as Appendix 3 to this report, based on the representation received from operators, referred to at paragraph 2.3 above.

2.6.

That the proposals require to be advertised to allow the public a period of at least one month to submit representations.

It is recommended:

2.7.

That the new scales proposed by taxi operators, referred to at paragraph 2.5 above, be approved for public consultation.

2.8.

That the Chief Executive should submit a report, to the meeting of the Committee to be held on 4 March 2021, on the outcome of the public consultation, referred to at paragraph 2.7 above, together with proposed scales for the maximum fares and charges for all taxi services within the mainland area of Orkney, including the linked south isles, to be effective from 1 May 2021.

3. Current Scales

3.1.

The Council publishes information about the setting of taxi fares, together with current scales, at <https://www.orkney.gov.uk/Service-Directory/T/Taxi-Fare-Setting.htm>.

3.2.

On 5 March 2020, the Licensing Committee adopted the current scales for maximum fares and charges for all taxi services within the Mainland area of Orkney, including the linked south isles, as detailed in Appendix 1 to this report, which took effect from 1 May 2020.

4. Consultation with Taxi Operators

4.1.

Particulars of the consultation process are detailed in section 8 below.

4.2.

The statutory consultation process with taxi operators was undertaken during the period 18 August to 16 October 2020. Operators were asked whether they wished to suggest any amendments to the current scales.

4.3.

By email received on 23 September 2020, a response to the consultation was received from Craigies Taxis Ltd. The response is attached as Appendix 2 to this report.

4.4.

The response requests that all tariffs be increased for the first mile travelled, for each mile thereafter and for the touring rate, by approximately 12% to 14%.

4.5.

The Council's approved testing garage, Manse Road Motors, has been able to confirm with the taximeter company that the taximeter software could be recalibrated to reflect the changes proposed by the operators.

5. Public Consultation

It is now proposed that the new scales proposed by taxi operators, attached as Appendix 3 to this report, be advertised from 7 January 2021 stating that any person may make representations in writing until 8 February 2021. A further report will be submitted to the Licensing Committee on 4 March 2021, detailing the outcome of the public consultation.

6. Corporate Governance

This report relates to the Council complying with its statutory duties as a Licensing Authority and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

7. Financial Implications

7.1.

The maximum fares and charges for taxi services were last altered with effect from 1 May 2018 when the First mile rate (Tariff 1) was increased from £3.80 to £4.00. Two statutory reviews conducted since then did not result in any changes to the tariffs in place from 1 May 2018.

7.2.

There are no direct financial implications to the Council arising from the recommendations of this report.

8. Legal Aspects

8.1.

The fares for the hire of taxis in any area and all other charges in connection with the hire of a taxi or with the arrangements for its hire shall not be greater than those fixed for that area in terms of sections 17 and 18 of the Civic Government (Scotland) Act 1982 (the Act).

8.2.

In terms of section 17(2) of the Act, the licensing authority must fix scales for the fares and all other charges in connection with the hire of a taxi, and review those scales, within 18 months beginning with the date on which the scales came into effect. In fixing scales, the licensing authority may alter fares or other charges or fix them at the same rates as previously.

8.3.

The statutory provisions referred to in sections 8.1 and 8.2 above do not apply to fares and charges in respect of private hire cars which do not have a meter fitted. If a meter is fitted in a private hire car, the scales for maximum fares and charges apply.

8.4.

Before establishing any scales or carrying out any review the licensing authority must:

8.4.1.

Consult with persons or organisations appearing to be, or be representative of, the operators of taxis within their area.

8.4.2.

Following such consultation, review the existing scales and propose new scales (whether at altered rates or the same rates).

8.4.3.

Publish those proposed scales in a newspaper circulating in its area:

- Setting out the proposed rates.
- Explaining the effect of the proposed scales.
- Proposing a date on which the proposed scales are to come into effect.
- Stating that any person may make representations in writing until the relevant date.

8.4.4.

Consider any such representations.

8.5.

The relevant date referred to at section 8.4.3 above is a date specified by the licensing authority falling at least one month after the first publication by the authority of the proposed scales.

8.6.

After fixing scales, the licensing authority must set out and explain the effect of the scales as fixed and notify all persons or organisations appearing to be, or be representative of, the operators of taxis within their area of the date on which the scales as fixed are to come into effect and their rights of appeal to the Traffic Commissioner for Scotland.

8.7.

Following the fixing of scales, the licensing authority must publish them in a newspaper circulating in its area and specify in the advertisement the date on which the scales are to come into effect.

8.8.

The scales may come into effect no earlier than 7 days after the date on which they are published.

8.9.

The authority must give notice of the scales:

- Where no appeal has been lodged, as soon as practicable after the expiry of the period of 14 days within which appeals may be lodged.
- Where such an appeal has been lodged, as soon as practicable after the determination of the appeal.

8.10.

An appeal is determined on the date on which the appeal is abandoned or notice is given to the appellant of its disposal.

9. Contact Officers

John Mundell, Interim Chief Executive, extension 2101, email john.mundell@orkney.gov.uk.

Gavin Mitchell, Head of Legal Services, extension 2233, email gavin.mitchell@orkney.gov.uk.

Elaine Sinclair, Legal Clerk, extension 2232, email elaine.sinclair-hill@orkney.gov.uk.

10. Appendices

Appendix 1: Current scales for maximum fares and charges for all taxi services within the Mainland area of Orkney, including the linked south isles, effective from 1 May 2020.

Appendix 2: Representation from Craigies Taxis Ltd received on 23 September 2020.

Appendix 3: Proposed scales for maximum fares and charges for all taxi services within the Mainland area of Orkney, including the linked south isles, to be effective from 1 May 2021.



ORKNEY
ISLANDS COUNCIL

Scales of Maximum Fares and Charges in respect of all Taxi Services in the Mainland Area of Orkney and Linked South Isles 2020/21.

Description.			
First mile.	Tariff 1. £4.00.	Tariff 2. £4.80.	Tariff 3. £5.80.
For each mile thereafter.	Tariff 1. £1.80.	Tariff 2. £2.10.	Tariff 3. £2.60.
Extras – all tariffs.		£2.00.	
Waiting time – all tariffs.		£27.00 per hour.	
Additional.			
Car fouling – all tariffs.		£120.00.	
Touring rate – all tariffs – vehicles licensed to carry up to 4 passengers.		£40.00 per hour.	
Touring rate – all tariffs – vehicles licensed to carry more than 4 passengers (maximum of 8 passengers).		£60.00 per hour.	
Vehicles carrying more than 4 passengers (maximum of 8 passengers).		All tariffs multiplied by 1.5.	
Tariff Information.			
Tariff 1.	normal operating times – 07:00 to 20:59 daily except as otherwise stated herein.		
Tariff 2.	21:00 to 06:59 daily. 21:00 Saturday until 06:59 Monday. 07:00 to 20:59 County Show Day.		
Tariff 3.	County Show Day 21:00 to 06:59 the next day. Christmas holiday 19:00 on 24 December to 06:59 on 27 December. New Year holiday 19:00 on 31 December to 06:59 on 3 January.		

Extras.	
(a)	carriage of animals (excluding assistance dogs).
(b)	journeys to and from Airport.
A limit of £2.00 for extras will apply.	
In addition, provision has been made for a supplementary booking charge of up to a maximum of £20.00 to compensate for the cost of the outward journey for hires which commence 3 miles or more away from the taxi or taxi base (whichever is the nearer) and the customer wishes to travel further away. This charge may only be demanded if the customer is informed of the amount of the charge at the time of booking.	
When a taxi (or a private hire car fitted with a taxi meter) is called but not used, a charge shall be allowed as if it had been occupied from the time it left the stance or garage.	
Car Fouling.	
Maximum of £120.00 payable by an offending passenger, where a vehicle requires to be removed from service for cleaning in order for it to be restored to a usable state and condition.	
Touring Rate.	
Vehicles licensed to carry up to 4 passengers – minimum charge of £40.00.	
Vehicles licensed to carry more than 4 passengers (maximum of 8 passengers) – minimum charge of £60.00.	
Agreed: 5 March 2020.	
Effective From: 1 May 2020.	

Craigie's Taxi's Ltd

58 Junction Road, Kirkwall, KW15 1AG

Tel: 01856 878787 Fax: 01856 872817

Dear sir/madam,

I am writing to you with regard to the possible increases the taxi trade will be hoping for from 1 May next year. Although it is a Craigies letterhead, I have been in contact with the main operators in Kirkwall and Stromness, sending proposals to them and have not received any counter proposal to the following. This is a group of taxi firms, not Craigie's standing alone. I have also contacted Manse Road Motors to confirm these changes will be able to work with the new meters.

We propose the following---

First mile—increase by 50 pence to £4.50

Tariff 2—increase by 70 pence to £5.50

Tariff 3—increase by 70 pence to £6.50

For each mile thereafter-- Tariff 1—increase by 20 pence to £2.00

Tariff 2—increase by 30 pence to £2.40

Tariff 3—increase by 30 pence to £2.90

Extras to remain the same at £2.00 and £27.00 per hour for waiting time.

We do not wish the Car fouling to change from its present price of £120.

Touring rate for vehicles taking up to 4 people—increase from £40 to £45.00 per hour.

Vehicles taking between 5 and 8 passengers--- increase from £60 to £67.00 per hour.

Vehicles taking more than 4 passengers, up to a maximum of 8—All tariffs multiplied by 1.5.

All other tariff information to remain the same. These proposals are between 12% and 14% approx. only.

With justification for these proposals I wish to add the following statement.

There have been no increases since May 2018. This will mean the pricing has remained the same for a period of 3 years. In that time the minimum wage has increased by approx. 12% plus any rise from April next year. This means our proposals to start in May will likely be lagging behind what we have proposed.

In addition to that, there has been the usual increase in our everyday costs maintaining our vehicles, insurance and tax costs, phone rental, pension costs and the cost of a licence for each driver.

We have had to change each meter in our vehicles at a cost of £245 per vehicle. All of the mentioned will easily justify what we are looking for.

Significantly, there are 2 other matters that have hit the taxi trade very hard.

1—Covid 19. This decimated our trade for a number of months and I would say that at Craigies we were left with perhaps 10% of our trade, at the very most. I would say that it is slightly better now, but nowhere near what we need or wish for.

2—As a result of the Liners not arriving, a significant opportunity to earn good money was lost to us.

I look forward to your reply.

On behalf of the taxi trade,

Archie Findlay,

Director, Craigie's Taxis.



ORKNEY
ISLANDS COUNCIL

Scales of Maximum Fares and Charges in respect of all Taxi Services in the Mainland Area of Orkney and Linked South Isles 2021/22.

Description.			
First mile.	Tariff 1. £4.50.	Tariff 2. £5.50.	Tariff 3. £6.50.
For each mile thereafter.	Tariff 1. £2.00.	Tariff 2. £2.40.	Tariff 3. £2.90.
Extras – all tariffs.		£2.00.	
Waiting time – all tariffs.		£27.00 per hour.	
Additional.			
Car fouling – all tariffs.		£120.00.	
Touring rate – all tariffs – vehicles licensed to carry up to 4 passengers.		£45.00 per hour.	
Touring rate – all tariffs – vehicles licensed to carry more than 4 passengers (maximum of 8 passengers).		£67.00 per hour.	
Vehicles carrying more than 4 passengers (maximum of 8 passengers).		All tariffs multiplied by 1.5.	
Tariff Information.			
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