

Not yet

25/1986

Circular No. 25/1986



SCOTTISH DEVELOPMENT DEPARTMENT

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Please reply to the Secretary

Previous Circular Cancelled: 24/1983

Cancelled/Amended Amended: 6/1983

Our Reference L/TX/25/2

Date 7 August 1986

The Chief Executive
District and Islands Councils

**CIVIC GOVERNMENT (SCOTLAND) ACT 1982
TRANSPORT ACT 1985
LICENSING OF TAXIS AND PRIVATE HIRE CARS**

Introduction

1. This Circular replaces SDD Circular 24/1983. It informs local authorities of the new regulations which the Secretary of State has made under section 20(1) of the Civic Government (Scotland) Act, 1982 ("the 1982 Act") and of those which he has made under section 12(10) of the Transport Act 1985 ("the 1985 Act"). It also commends a new set (Annex B) of model licensing conditions to all local authorities who resolve to adopt the taxi and private hire licensing provisions of the 1982 Act. These model licensing conditions may serve local authorities as a basis for the preparation of their own local licensing conditions: they replace those annexed to Circular 24/1983, and take account of the changes in the hire car provisions which have been introduced by the 1985 Act. It should be noted, however, that as a result of the new regulations made under the 1982 Act, conditions having the same effect as model conditions 14 and 22 for taxi licences will now have to be contained in all taxi licences: see paragraph 6 of this circular. Finally, it brings to local authorities' attention a guidance paper on fare scales for shared taxis (Annex C).

2. SDD Circular 6/1983 outlined the content of the Civic Government (Scotland) Act 1982. Annex A to this circular gives the paragraphs which should be substituted for paragraphs 2.14 to 2.59 of Appendix A to that circular, in the light of the changes introduced by the 1985 Act.

Regulations

3. In 1983, the Secretary of State made regulations under section 20(1) of the 1982 Act: The Local Authorities (Prohibited Conditions for Licensing of Taxis and Private Hire Cars and their Drivers) (Scotland) Regulations 1983. He has now made further regulations under the same powers: The Licensing and Regulation of Taxis and Private Hire Cars and their Drivers (Prohibited and Required Licensing Conditions) (Scotland) Regulations 1986. A copy of the 1986 Regulations is enclosed, and additional copies may be obtained from HMSO.

4. The effect of the 1983 regulations was that a licensing authority could not impose on any licence it grants conditions which would have any of the following results:-

- a. Limiting a taxi or private hire car operator to only one vehicle;
- b. Requiring the licence holder to reside within the area of the licensing authority;
- c. Banning radios or other means of communication in private hire cars or imposing additional conditions solely because they have radios; and
- d. Preventing licence holders from engaging in any other employment or business.

5. The 1986 regulations revoke the 1983 regulations, but substantially re-enact them. Thus, conditions of the four types listed in the preceding paragraph of this circular continue to be prohibited: the 1986 regulations, however, now make it clear that the first type of prohibition applies to a limitation to any specified number of vehicles, and not just to a limitation to one vehicle. In addition, the 1986 regulations prohibit any condition in a taxi operator's or driver's licence which would have the effect of restricting the use of the vehicle, or the driver, to the operation of a licensed taxi in one mode of operation only. That is, a licensing authority will not be able to impose conditions in a licence so as to restrict the use of a taxi to exclusive use, to use as a shared taxi (taxis carrying passengers for hire or reward at separate fares), to use as a taxi-bus (shared taxis operating a local service - defined in section 2 of the 1985 Act - under a restricted PSV operator's licence granted under section 12 of the 1985 Act, which is or requires to be registered under Part I of the Act, has been previously advertised, and has a destination or route which are not entirely at the discretion of the passengers) or to prohibit any of these uses. It should be noted however that, quite apart from any conditions which may be attached to a taxi licence, only the holders of such licences can apply for a restricted PSV operator's licence under section 12 of the 1985 Act; and in consequence only licensed taxis may be used as taxi-buses. Similarly, a licensing authority will not be able to exclude or require the use of a private hire car for exclusive or for shared hire through attaching conditions of that nature to licences, although private hire cars will of course, as before, not be able to ply for hire.

6. Finally, the 1986 regulations also require the inclusion in a taxi operator's licence of conditions to the effect that a taxi-bus while being used as such must display a notice which indicates that the taxi is being so used; and must carry a fare table. Both the notice and the fare table are to be in the form and position prescribed by the licensing authority. While neither the regulations nor the model conditions specify what those forms and

positions are to be, licensing authorities may feel that it is desirable in the interests of the passengers to consult with the licensing authorities for neighbouring areas with a view to securing as much uniformity as possible, especially in the form and position of the external notice. As a minimum, that notice should obviously be large enough to be easily legible, should be visible from the front and nearside of the vehicle, should perhaps be illuminated at night, and should preferably include the word "taxi-bus" or at least "bus".

7. The Secretary of State has also made regulations under section 12(10) of the 1985 Act to prescribe those parts of the taxi code which will apply to taxi-buses. A copy of these regulations - The Local Services (Operation by Taxis) (Scotland) Regulations 1988 - is also enclosed, and again further copies may be obtained from HMSO. The effect of these regulations is that most of Part I and of sections 10 to 23 of the 1982 Act will apply to taxi-buses, with the following modification:

- a. Section 7(2) (which makes it an offence to breach licensing conditions) has to be interpreted so that the "conditions" to which the subsection refers include only those conditions that the operator or driver of a taxi can reasonably be expected to observe while the taxi is being used as a taxi-bus.

and the following exceptions:

- b. section 14, since private hire cars have no relevance to taxi-bus operation;
- c. section 15, since the designation by the licensing authority of destinations outside its area has no relevance to taxi-bus operation;
- d. sections 17 and 18, since - while licensing authorities will continue to have the responsibility for fixing maximum fares for exclusive and shared taxis - the fares charged by taxi-buses will be subject to any control only if and insofar as they are the subject of any subsidy agreement or other formal agreement for the provision of a service.
- e. section 21 apart from subsection (4), since it clearly cannot be an offence for a taxi-bus to operate outside the area for which it was licensed as a taxi; since a taximeter (if fitted) will usually be inoperative while the taxi is being used as a taxi-bus; and since restrictions on vehicles other than taxis can have no application to taxi-buses; and
- f. section 22 (which in effect disapplies most of the taxi code from contract hire vehicles) since a taxi-bus cannot be a contract hire vehicle.

8. The Secretary of State still does not intend to use at present his power under section 20(2) to specify the types, sizes and designs of vehicles for particular licensing authorities or particular areas of authorities, such as major city centres. He will, however, continue to regard these powers (and the further use of the power to prohibit or require conditions or classes of conditions) as reserve powers to be used if there is evidence that licensing authorities are imposing restrictions on the taxi and private hire trades which work against the interests of the travelling public.

9. Section 14 of the 1985 Act, which applies to Scotland only, is less restrictive than sections 10 and 11 of the Act, which apply to England and Wales only: section 14 allows full sharing systems (where sharing passengers may both board and leave the taxi at different points) whereas sections 10 and 11 allow only partial sharing systems (where the sharing passengers must either board at the same place or book in advance). It is the Secretary of State's intention that full sharing systems should be introduced in Scotland as soon as possible, but he recognises that in some areas it may not be possible to do so at once, perhaps because it is desirable to give the travelling public and the taxi trade time to become used to a partial sharing system before introducing a full one; or because time is needed to devise fare scales for a full sharing system; or because the meters which would be needed for a full sharing system are not yet easily enough available. For an initial period, therefore, he will not use his powers under section 20(1) of the 1982 Act to prohibit licensing conditions the effect of which is to restrict taxi operators to partial sharing systems; but this will of course not prevent the introduction of fully sharing systems if the licensing authority so decides. If, however, after a reasonable interim period to allow practical difficulties to be dealt with, it appears to him that licensing authorities are preventing the introduction of full sharing systems for reasons unrelated to considerations of practicability, he will use his powers under section 20(1) to prohibit such licensing conditions, after having given due notice of the coming into effect of regulations made for the purpose of such a prohibition.

Recommended Licensing Conditions

10. Paragraph 2.45 of Appendix A to SDD Circular 6/1983 indicated that the Secretary of State would issue advice to local authorities on a "common core" of licensing conditions following recommendations by a working group including Convention and trade representatives. Accordingly, in 1983, a Joint Advisory Group on Hire Cars was convened by the Scottish Development Department. The Joint Advisory Group consisted of representatives of the Convention of Scottish Local Authorities, the National Federation of Taxicab Associations, the Scottish Private Hire Association and the Scottish Development Department.

11. In considering the conditions which could be recommended to licensing authorities, the Joint Advisory Group took account of the provisions of the Civic Government (Scotland) Act 1962 itself, the range of bylaws and regulations then in force throughout Scotland and the then existing practices of regulation and enforcement. The Joint Advisory Group prepared and published in their Report a comprehensive set of licensing conditions, although they recognised that, in certain circumstances, licensing authorities might wish to vary or add to these conditions to meet the particular circumstances of their area. For example, the conditions dealing with the conduct of taxis at taxi stances might need variation and expansion in some areas because of the introduction of sharing systems, or the nature and siting of taxi stances in different areas; and authorities might also wish to take account of the particular nature of chauffeur-driven types of private hire cars with livery drivers.

12. The Joint Advisory Group concluded that the adoption of the recommended licensing conditions by all licensing authorities throughout Scotland would be advantageous for the following reasons:-

- a. They would provide effective regulation of the taxi and private hire car trades in such manner as to ensure that these trades served the public in a safe, fit and proper manner.

- b. They would assist enforcement. Variations in conditions amongst authorities would lead to difficulties in enforcement.
- c. They could be adopted by licensing authorities in the knowledge that the terms of the licensing conditions as a package had been agreed by the Joint Advisory Group.
- d. They would assist the taxi and private hire car trades in providing their services to the public by ensuring that there were no significant differences amongst areas which would inhibit the development and expansion of these trades to meet public needs.
- e. They would benefit users of taxis and private hire cars by ensuring a measure of uniformity. Conditions which varied too widely from area to area would confuse the public.

13. These reasons for the preparation and adoption of recommended standard licensing conditions are as cogent now as they were in 1983. Accordingly, the Scottish Development Department set up a working group, along with representatives of the Convention of Scottish Local Authorities and of the Scottish Taxi Federation, to consider what modifications and additions to the recommended conditions prepared by the Joint Advisory Group were necessary or desirable because of the introduction by the 1985 Act of shared taxis and of taxi-buses. The extended standard conditions recommended by that working group, which incorporate and consolidate those originally recommended by the Joint Advisory Group, are set out in Annex B to this circular. For the reasons given in paragraph 12, the adoption of these recommended licensing conditions by all licensing authorities throughout Scotland would assist licensing authorities, the taxi and private hire car trades and the users of taxis and private hire cars. The Secretary of State therefore commends the recommended licensing conditions to all licensing authorities in Scotland as the basis for the preparation of their own licensing conditions.

Offences

14. It should be noted that breach of any licensing conditions will attract the offence provisions of section 7(2) of the Civic Government (Scotland) Act 1982, subject to the regulations described in paragraph 7 of this circular. In addition, the Act itself sets out specific offence provisions for taxis and private hire cars. (See paragraphs 2.48 to 2.54 of Annex A to this Circular). Licensing authorities' attention is drawn to paragraphs 2.48 to 2.51 which deal with the offence provisions of section 21(1) of the Act and the specific exemption from these offence provisions in certain circumstances provided by section 21(2). In particular, it should be noted that the exemptions in section 21(2) for the picking up of passengers in certain circumstances in another licensing area do not include plying for hire, which would be an offence; and that only subsection 21(4) applies to taxi-buses.

Shared taxi fares

15. Under section 17 of the 1982 Act, as read with section 14 of the 1985 Act, licensing authorities will now have to fix maximum fares for shared hire of taxis as well as for exclusive hire. It will be for each authority to devise a scheme or schemes best suited to the requirements of its area; but Annex C contains some notes of guidance which authorities may find useful in deciding on shared fare scales for their areas. These guidance notes have, like the recommended licensing conditions in Annex B, been agreed to by the

working group with the Convention of Scottish Local Authorities and the Scottish Tax Federation which is referred to in paragraph 13 of this Circular.

Parking of Vehicles

16. Licensing authorities may also be interested to know the views of the original Joint Advisory Group on the question of the parking of taxis and private hire cars. The Joint Advisory Group noted that section 23 of the Civic Government (Scotland) Act 1982 defines taxis and private hire cars and that, read with sections 7(1) and 21(1)(a), it makes it an offence for a private hire car to be engaged by arrangements made in a public place ~~between the potential passenger and its driver for a journey beginning there~~ and then: only taxis are licensed to carry out such engagements. In addition, the recommended licensing conditions cover such matters as identification of taxis and private hire cars, signs on vehicles and prohibitions on drivers canvassing or importuning in a public place for employment. Private hire cars and taxis parked other than at appointed taxi stances are subject to the road traffic legislation regulating the parking of vehicles. The Joint Advisory Group believed that the present statutory provisions in the Civic Government (Scotland) Act and road traffic legislation, together with the licensing conditions mentioned above, should be sufficient to safeguard the interests of the public and the trades from problems which can arise from parked taxis and private hire cars. It will be open to licensing authorities to consider whether special conditions are required to deal with the conduct of taxis at taxi stances in their area. The Joint Advisory Group considered that, at locations where there is evidence of difficulties arising from parked cars which cannot be dealt with under the road traffic legislation or by licensing conditions dealing with the conduct of taxis at or near taxi stances, the licensing authority should consider designating a taxi stance at the locations concerned.

17. Any enquiries about this Circular should be made to Mr G McDonald 031-556 8400 Ext 4849.

Yours faithfully

K W Moore

K W MOORE

PARAGRAPHS TO BE SUBSTITUTED FOR PARAGRAPHS 2.14 TO 2.59
(INCLUSIVE) OF APPENDIX A TO SDD CIRCULAR NO 6/1983

LICENSING AND REGULATION OF TAXIS AND HIRE CARS

Sections 10-23: Introduction

2.14 The taxi and private hire car provisions in the Act are optional provisions; that is, it is for each district or islands council to decide for itself whether to resolve to adopt these provisions after public notice and consultation. Control over taxis and private hire cars is exercised however in the public interest and the Secretary of State considers in the light of Parliamentary discussions that these optional provisions on taxis and private hire cars should be adopted in all areas other than the most sparsely populated ones. He considers it highly desirable to avoid creating "pockets" of unlicensed but populated areas which might be used as a base from which so-called "pirate" operators may foray into the licensed areas - with consequent enforcement problems for the police. The Secretary of State therefore suggests that before deciding not to license in a particular area, a licensing authority should seek the views of the Chief Constable on the implications of such a policy on his ability to enforce the law in licensed areas - whether inside or outside the licensing authority's area. If however a rural area is remote from major settlements, no licensing at present exists, and there are no major problems because of its absence, then the Secretary of State suggests that the case for immediate introduction of licensing may not have been made. It should be noted, however, that an effect of section 12 of the Transport Act 1985 is that a taxi cannot be used to provide a local service (as defined in section 2 of that Act) unless it is a licensed taxi.

2.15 If a licensing authority resolves to adopt these provisions then it is required to license and control both taxis and private hire cars. While there are important operational distinctions between taxis and private hire cars, there are sufficient similarities in the service they provide to the public to require that any control exercised by a licensing authority over

these trades must be exercised over both trades together and not over one in isolation from the other. The definitions of a taxi and a private hire car provide in effect that a taxi can do all that a private hire car can do and in addition can pick up passengers without prior booking in a public place - for example streets, stances and stations.

2.16 It is provided that a licensing authority may refuse to grant a taxi operator's licence for the purpose of limiting the number of taxis in their area if, but only if, they are satisfied that there is no significant unmet demand for taxi services in their area. Such a decision is appealable and applies to taxi operators' licences only. There is no specific power of limitation on numbers of private hire car licences (or on drivers' licences).

2.17 Provision is made for the Secretary of State, by regulation, to prescribe vehicle types, sizes and designs which a licensing authority shall regard as suitable. This regulatory power has differential application and different types and so on could be prescribed for different areas. This is intended as a reserve power only. Detailed provisions include those for inspection and testing of vehicles, fees for taxi and private hire car licences (which should cover the costs of administering the licensing system); the testing and qualification of drivers, and a discretionary power for the licensing authority to appoint taxi stances.

2.18 It is provided that the licensing authority shall, after consultation with the taxi trade (and also public advertisement) directly fix maximum taxi fares, including fares for shared hire (but not for taxi-buses); and the authority is also required to review fares regularly at intervals not exceeding 18 months. Provision has also been made enabling the licensing authority to fix fares for certain journeys outside their licensing area. There is provision for appeals by the taxi trade on fares, the appellate body being the Scottish Traffic Commissioner.

2.19 Detailed regulation of licensed taxis and private hire cars, together with their drivers, will be achieved by means of conditions attached to the grant of a licence. However there are many matters, whether concerning the vehicles or the drivers, for which there may be no justification for conditions varying markedly from area to area.

Provision is made therefore in section 20 for the Secretary of State by order to prescribe conditions or classes of conditions which would have to be applied, and also to prescribe conditions or classes of conditions which could not be applied, by the licensing authority. In this way a uniform core of conditions could be established while licensing authorities would still be free to attach conditions to meet purely local circumstances.

Taxi and Private Hire Licences

2.20 Section 10 deals with operator's licences for taxis and private hire cars. It requires a licence for the operation of a vehicle as a taxi or private hire car, such a licence to be called a "taxi licence" or "private hire car licence" respectively. "Operation" is not directly defined, but having regard to later provisions is taken to mean "to make available for use as". "Taxi" and "hire car" are defined in section 23.

2.21 Section 10 provides that a licensing authority shall not grant or renew a licence unless they are satisfied that the vehicle to which it relates is suitable in type, size and design for its purposes, is safe for that use and that there is in force in relation to the vehicle such insurance or such security as complies with Part VI of the Road Traffic Act 1972. In terms of section 10(4) and 20(2) the Secretary of State may by order specify types, sizes and designs of vehicles for all or individual licensing areas which a licensing authority shall treat as suitable for their area. This power to prescribe types and other characteristics of vehicles is intended primarily as a reserve power to be used if there is evidence of authorities' imposing too specific or expensive types on the local trade with consequent increased costs for the public. It would not prevent a local authority from refusing a licence if the vehicle was unsafe (section 10(2)) or because it was unsuitable (provided that those alleged defects were not an inseparable part of the type, size or design).

2.22 Subsection (3) provides that the licensing authority may refuse a taxi licence (but not a private hire car licence) for the purpose of limiting the number of taxis in respect of which they grant licences if, but only if, they are satisfied that there is no significant demand for the services of taxis in their area which is unmet. It is for licensing authorities to decide what evidence of no significant unmet demand would be sufficient to satisfy them that they may refuse a licence so as to limit

licence numbers. It is of course open to an applicant whose licence is refused on these grounds (and on any others) to appeal to the sheriff under the terms of Schedule 1, paragraph 18.

Inspection and Testing of Vehicles

2.23 Section 11 provides for the inspection and testing of licensed taxis and private hire cars. This inspection and testing may be by the licensing authority itself or by persons acting on its behalf, such as the police or a commercial garage. Provision is also made for the inspection at any reasonable time of vehicles to assess their fitness, and of taxi meters to assess their fitness and accuracy, such inspection being by an authorised officer of the licensing authority or any constable. If, following such an inspection, an authorised officer or constable is not satisfied about the safety of the vehicle or the fitness or accuracy of the taxi meter he may by notice require the vehicle or taxi meter to be made available for further inspection and the licence may be suspended until the matter has been put right.

Fees for Taxi and Private Hire Car Licences

2.24 Section 12 requires the Licensing authority to charge fees for applications for, and the grant of, taxi and hire car licences in order to recover the costs of the operation of the taxi and private hire car licensing system. This specific provision for taxi and private hire car fees is made because the licensing authority may have to meet quite substantial costs on taxi and private hire car licensing, particularly in relation to testing (much of which the Secretary of State expects would be appropriate for private garages acting as agents) and inspection. These fees and costs are therefore provided for separately from the licensing costs for other activities in Parts I and II of the Act (provision for which is made in paragraph 15 of Schedule 1), in order to ensure that there is no cross-subsidy or charging between taxi and private hire car matters and the rest. The fees are to be charged on the grant of, as well as on the application for, the licence, much of the licensing authority's costs, such as inspection of vehicles, being incurred in relation to current licence holders as well as to applicants. The licensing authority is under a duty to seek to ensure that the total amount recovered in fees is reasonably sufficient to meet the relevant costs.

2.25 Differing levels of fees should bear an obvious relationship to costs incurred (for example a taxi driver's licence involving a "knowledge test" should cost more than a "private hire" driver's licence) and the Secretary of State expects that authorities will ensure that costs are kept to the minimum and that the basis for the fees charged should be explained to the local trade organisations, who should be consulted well before charges or adjustments are proposed. It may often be convenient to adjust charges at the same time as taxi fares are reviewed.

Taxi and Private Hire Car Driving Licences

2.26 Section 13 requires a licence for driving or having charge of a taxi or private hire car (the offence of not having a licence being in section 7(1)) and gives the licensing authority powers to satisfy themselves on the driver's fitness and suitability to hold such a licence.

Knowledge Tests

2.27 It is provided in subsection (2) that the holder of a taxi driver's licence need not hold a separate licence for driving a private hire car, since a taxi is permitted to do anything that a private hire car can do - and more. Subsection (5) provides that the licensing authority may require an applicant for a taxi driver's licence (but not a private hire car driver's licence) to undergo a test of his relevant knowledge of the area, the layout of its roads, and such other relevant matters relating to the operation of a taxi as the authority consider desirable.

Medical Examination

2.28 Subsection (4) provides that a licensing authority may at any time require an applicant for, or a holder of, a taxi or private hire car driver's licence to submit to a medical inspection. The inspection is to be carried out by a medical practitioner nominated by the authority, although there is nothing to stop the authority from nominating the driver's own doctor or specialist. The costs of any such medical examination will be at the expense of the licensing authority (although they may recover the costs of this from all applicants and licence holders by including such costs in the fees to be charged under section 12). It is not expected that such examinations would be automatic - bearing in mind that

applicants will already be holders of ordinary driving licences - and it is anticipated that they will be required by authorities only where there are specific grounds for concern about the medical fitness of the applicant or the driver - on age, accident or health record.

Signs on Vehicles other than Taxis

2.29 Section 14 makes it an offence to display signs on private hire cars which might suggest that the vehicle is available for hire as a taxi. This offence provision does not apply to advertising and other signs (the name of the firm, for example) which are for the purpose of advertising the services of the vehicle as a private hire car or to any licence plate or other thing issued by the licensing authority for the purpose of identifying the vehicle as a private hire car. Signs and their use may also be regulated by use of licence conditions under the terms of Schedule 1. The Secretary of State regards basic advertisement that a vehicle is a taxi or private hire car - such as display of the name of the firm and its telephone number - as generally being in the public interest because it permits ready identification.

Operation of Taxis Outside Licensing Area

2.30 Section 15 empowers a licensing authority, with the consent of the other authority involved, to fix scales for taxi fares to named destinations or classes of destinations in the area of the other licensing authority. This is intended to meet circumstances where there are frequent hirings within a licensing authority's area to destinations outside its area, such as railway terminals, airports or centres of shopping or entertainment. If such fares were not regulated, and therefore open to negotiation, anomalies and difficulties could arise not only for the public but also for the licensing authority and the operators themselves. Under this section therefore a licensing authority will be able to fix fares to (though not from) destinations or classes of destination outside its area, with the agreement of the other authority concerned. Named destinations could be specified places such as airports, railway stations or adjacent town centres, while classes of destinations could be defined either precisely or, for example, by reference to different areas of the adjacent authority. Fares fixed under section 15 are subject to the fixing, procedural and appeal provisions of sections 17 and 18. It should be noted, however,

that under The Local Services (Operation by Taxis) (Scotland) Regulations 1988, sections 15, 17 and 18 do not apply to a taxi being used to provide, under a special licence as defined in section 12 of the Transport Act 1985, a local service which has been previously advertised and the destination and route of which are not entirely at the passengers' discretion (such a taxi is hereinafter referred to as a "taxi-bus").

2.31 The section also provides that on journeys outside their licensing area to the destinations covered by the section, taxis and their drivers are still subject to the licensing conditions imposed by their own licensing authority as if they were inside their own licensing area. It is also provided that a taxi driver cannot be compelled under the Act - for example by means of licensing conditions - to go outside his own area. Any journeys outside the licensing authority are entirely at the discretion of the driver; this applies even to named destinations or classes of destinations covered by this section.

Journeys in England and Wales by Vehicles Licensed under this Act

2.32 Section 16 provides for taxis and private hire cars licensed under this Act to pick up passengers in England. It does so by amending the provisions of the Local Government (Miscellaneous Provisions) Act 1976 (which applies in England and Wales only) to exempt taxis and private hire cars and their drivers licensed under the Civic Government (Scotland) Act 1982 from those provisions of the 1976 Act which make it an offence to pick up passengers in a controlled area licensed under the 1976 Act. It provides therefore that taxis and private hire cars licensed in Scotland can pick up passengers in England provided that the request for the hiring - for example in response to a telephone booking - was received in the area in which they are licensed under the Civic Government (Scotland) Act 1982. It does not allow such vehicles actually to ply for hire, that is to seek custom, in areas other than those in Scotland for which they are licensed to do so. This exemption applies only to vehicles and drivers licensed under the Civic Government (Scotland) Act 1982. Unlicensed vehicles and drivers still remain prohibited from picking up passengers in England. Section 21(3) provides reciprocal exemptions for licensed English vehicles and drivers to pick up passengers in areas in which the licensing provisions of the Civic Government (Scotland) Act 1982 apply.

2.33 Notwithstanding the above exemptions it is of course open to operators and drivers of Scottish taxis and private hire cars to apply for licences to operate in England and Wales under the 1976 Act and for English operators and drivers to seek to be licensed under the Civic Government (Scotland) Act 1982.

Taxi Fares

2.34 As mentioned in paragraph 2.30, sections 17 and 18 do not apply to taxi-buses. Subject to that, section 17 makes it the duty of the licensing authority to fix scales for fares and all other charges (for example for luggage and waiting times) in connection with the hire of a taxi. It also provides that the licensing authority must review these scales at intervals not exceeding 18 months from the date on which the scales came into effect. This 18-month period is a maximum period and authorities will require to begin consultation (outlined later) on a review an adequate time before the final date for decision. Authorities are of course free to carry out reviews at any interval within this 18-month period. A review of scales which results in a decision by the licensing authority not to make any change to the scales is treated in exactly the same manner as one in which it decides to change the scales and the provisions of section 18 for the taxi trade to appeal to the Traffic Commissioner apply equally.

2.35 Before fixing any scales or carrying out any review the licensing authority is required to undertake consultations with the taxi trade and the public and to take into account any representations received. As regards the taxi trade, consultation must be with persons or organisations appearing to the licensing authority to be, or be representative of, the operators of taxis within their area. It is open to the licensing authority to decide who are so representative but as it is open to any taxi operator to appeal under section 18 against the decision it is likely to be in authorities' interests to try to reduce appeals by as full and early consultation as possible. Public consultation must be by public notice.

2.36 Following any decision by the licensing authority on the fixing of scales or the carrying out of any reviews, the authority is required forthwith to notify its decision in writing to those representatives of the trade it previously consulted. Once the scales for taxi fares and charges

have been fixed by the licensing authority - or after appeal by the Traffic Commissioner under section 18 - the fares and charges so fixed are the maximum which can be charged (the offence provision is in section 21(5)) although it is of course open to any taxi driver to negotiate a lesser fare if he so wishes.

2.37 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.

Appeals in respect of Taxi Fares

2.38 Section 18 provides a right of appeal by any taxi operator to the Traffic Commissioner for the Scottish Traffic Area against the scales for fares and charges for taxis or against the result of any review by the licensing authority of these scales. Any appeal to the Traffic Commissioner must be made within 14 days of the decision of the licensing authority appealed against, though the Traffic Commissioner has discretion to hear appeals after the 14-day period has expired.

2.39 There are two grounds on which the Traffic Commissioner may decline, at any stage, to proceed with an appeal. The first is where the Commissioner considers that the appeal is not representative of the view of a substantial proportion of the operators of taxis in the area. As the coming into effect of the scales is delayed while an appeal is being dealt with, an appeal by an unrepresentative minority would mean that the rest of the trade was denied charging fares with which it was content. While "substantial proportion" is not defined, it is assumed that it will be more than one-third of operators. The second is where less than two years has elapsed since deciding an appeal and the Commissioner considers it

inappropriate to consider the matter again - for example if there has been no material change in relevant circumstances during that period.

2.40 A licensing authority's decision on fare scales or a review is treated as a whole. This means that an appeal against one part of the scales is treated as an appeal against the scales as a whole and ensures therefore that the scales as a whole and their impact as a whole on the taxi trade is taken into account and that one part of the scales cannot be considered in isolation from the rest. The Commissioner is empowered ~~either to confirm the decision of the licensing authority or to alter it in~~ any way he considers fit. The Commissioner can therefore alter any of the fares or charges in the scales, or the review, to which the licensing authority decision relates even though the appeal itself was against a different part. The whole of the scales to which the licensing authority's decision relates, and not merely any part which may have been appealed against, is suspended until the appeal is disposed of or abandoned. The decision of the Traffic Commissioner on any appeal is final. Provision is made for the notification of the Commissioner's decision and for the coming into effect of scales which have been the subject of an appeal.

2.41 The Secretary of State has made procedural rules for the procedure in relation to appeals in consultation with the Scottish Committee of the Council on Tribunals: The Licensing and Regulation of Taxis (Appeals in Respect of Taxi Fares) (Scotland) Order 1985.

2.42 The expenses of the Traffic Commissioner in hearing appeals will be met by the licensing authority against whose decision the appeal has been made, but as these expenses are part of the authority's costs under this Part of the Act they are as such recoverable under section 12 through fees for licences and applications. Ultimately therefore these expenses will be paid for by way of fares.

Taxi Stances

2.43 Section 19 provides a discretionary power for licensing authorities, after prior consultation with the representatives of taxi operators in their area and with the consent of the owners of the land, to designate taxi stances and vary the number of vehicles to be at each stance. Before appointing or varying stances the licensing authority

must give notice to the Chief Constable, and must also publish notification of their proposals and take into consideration any objections or representations received.

Regulations Relating to Taxis and Private Hire Cars and Their Drivers

2.44 Section 20 provides that the Secretary of State may make regulations on licensing conditions, and on vehicle types, sizes and designs.

2.45 Detailed control over taxi and private hire car operators and their drivers will be exercised by the licensing authority by means of conditions attached to the grant of the licence under paragraph 5 of Schedule 1. Subsection (1), however, empowers the Secretary of State to require the licensing authority to impose such conditions or classes of conditions as may be prescribed in regulations made under this section. Such regulations may also prescribe such conditions or classes of conditions which shall not be imposed by a licensing authority. The Secretary of State has issued advice to local authorities on a "common core" of licensing conditions following recommendations made on these by a working group including Convention and trade representatives.

Radios in Hire Cars

2.46 It should be noted that during the Parliamentary stages of this Act it was the general view that there should be no power in or under this Act which would allow licensing authorities to ban the fitting or use of radios in private hire cars. The Secretary of State has therefore used his regulation-making powers under this section (The Licensing and Regulation of Taxis and Private Hire Cars and their Drivers (Prohibited and Required Licensing Conditions) (Scotland) Regulations 1988) to provide that no condition attached to the grant of a private hire car operator's or driver's licence will have the effect of preventing the fitting or use of a radio or other such communication system in a private hire car.

Vehicle Types

2.47 In subsection (3) the Secretary of State is empowered to prescribe types, sizes and designs of vehicles which the licensing authority must regard as suitable in type, size and design under section 10(4). This regulatory power therefore enables the Secretary of State to specify different types, sizes or designs for different areas as there may well be differing requirements in, say, major city centres from the rest of Scotland. Subject to further comments from local authority and trade interests this power is however intended primarily as a reserve power, only to be used if there was evidence of authorities' imposing unnecessarily expensive vehicle types on the trade in their area with consequent unnecessarily high costs both for the trade and their customers; an example of this would be if there was evidence of local authorities requiring, say, the so-called Metropolitan type of cab only, in areas outside major city centres in circumstances where it could be shown that a single type of vehicle was not justified. In the Secretary of State's view there is little merit in imposing a single vehicle type or model on the taxi or hire car trades. Particularity in view of the wider range of services which taxis may now provide, the public and the operators should be allowed a choice which reflects at least in part the variety of general-purpose vehicles currently available which may be adapted to carry from three to the maximum number of eight passengers (beyond which a vehicle used for carrying passengers for hire or reward would, in terms of section 1 of the Public Passenger Vehicles Act 1981, be a public service vehicle).

Offences

2.48 Section 21 sets out various offences in relation to the operation of driving of taxis and private hire cars, although it should be noted that section 22 sets out certain exemptions from these provisions and that, under the 1986 Regulations referred to in paragraph 2.30, only section 21(4) applies to taxi-buses. It should also be noted that the general offence provisions for licensing matters in section 7 of the Act also apply where appropriate but that, under the same regulations, the reference to "conditions" in section 7(2) means, in the case of a taxi-bus, only such conditions as the operator or driver of a taxi can reasonably be expected to observe while the taxi is being used as a taxi-bus. The offence

provisions of section 7 cover such matters as carrying out an activity for which a licence is required, breach of licensing conditions and a change of circumstances. While section 7 makes it an offence for any person without reasonable excuse to do anything for which a licence is required, the operational characteristics of taxis and private hire cars require that the offence provisions relating to the operating or driving of a taxi or private hire car in illegal circumstances need to be provided in detail over and above the general offence provision in section 7. These offence provisions are set out in section 21(1).

2.48 Subsection 21(1)(a) deals with taxis and makes it an offence for any person to operate or permit the operation of a taxi in an area where taxi licensing is in force if neither the vehicle nor the driver is licensed accordingly. "Operate" is not defined as it is intended to cover the whole range of operations of a taxi - which of course go wider than those of a private hire car. That is, it covers plying for hire - picking up passengers without prior booking in a public place - as well as picking up passengers by prior arrangement. Subsection 21(1)(b) deals with private hire cars and makes it an offence for any person to pick up passengers, or permit passengers to be picked up, by a private hire car within a licensing area if neither the vehicle nor the driver is licensed accordingly. (If a licensed private hire car driver plies for hire in a licensing area then an offence would be committed under section 21(1)(a)). It should be noted that section 21(1) also covers the permitting of the offences. If therefore an operator of a taxi or private hire car business orders or permits a driver to ply for hire or pick up passengers in an area for which neither the vehicle nor the driver is appropriately licensed, then the operator as well as the driver is committing an offence.

2.50 It is not an offence for a vehicle to enter an area for which neither it nor its driver is licensed simply for the purpose of delivering and setting down passengers, as the offence provisions relate only to "operating as a taxi" - that is, making a vehicle available for use as a taxi by plying for hire and picking up passengers. There are however circumstances where taxis and private hire cars may enter an area in which neither they nor their drivers are licensed to pick up passengers. Specific exemptions from the offence provisions to provide for the picking

up of passengers (though not of course plying for hire) in certain circumstances are therefore set out in section 21(2).

2.51 Section 21(2) provides that the offence provisions of subsection (1) for the picking up of passengers in an area for which neither the vehicle nor the driver is licensed do not apply where the request for the hiring is received by the driver in the area in which he is licensed, or engaged on a legitimate hire outside his area or returning to his own area immediately following completion of such a hire. However, the request for hiring must have been "received" by the driver otherwise than in a public place from the prospective passenger (or a person acting on behalf of the prospective passenger) for a journey beginning there and then. This makes it possible therefore for a hirer in a licensed area to phone for a taxi or private hire car in another licensed area to come and pick him up, provided that the request was received by the driver - via for example the firm's office - in the area for which he is licensed or while he is outside his area in the course of a legitimate hire. But it would be an offence, for example, for a taxi to be hired after being simply hailed in the street when outside the area for which it was licensed to operate. It would also be an offence deliberately to station taxis to park or cruise in another licensing area so as to respond to radio calls sent from their headquarters for hiring in that area and similarly it would be an offence for private hire cars to pick up passengers following such arrangements. The exemptions in 21(2) do not extend to vehicles which are not licensed as taxis or private hire cars by any licensing authority, though a specific exemption is made in section 22(a) for circumstances where the picking up of passengers is in fulfilment of a contract made outside the licensing area.

2.52 Section 16 provides for licensed Scottish taxis and private hire cars to pick up passengers by prior arrangement in England in controlled areas under the Local Government (Miscellaneous Provisions) Act 1978. Reciprocal exemptions are provided in subsection (3) for licensed English taxis and private hire cars to pick up passengers by prior arrangement in areas licensed under the Civic Government Act.

2.53 It is an offence for the holder of a taxi or private hire car operator's licence to allow a person other than a duly licensed driver to operate the vehicle as a taxi or private hire car. Using the vehicle for

private purposes or for testing would not be an offence. The person other than the licensed driver would also be personally liable for having committed the offence under section 7 of driving without a licence.

2.54 Offence provisions are also provided for:

- a. A person's demanding fares or other scales in respect of a hire of a taxi, or a private hire car which is fitted with a taxi meter, in excess of the scales determined by the licensing authority or the Commissioner.
- b. Without good cause breaking the seal on a taxi meter, or operating or driving a vehicle knowing that the seal has been broken. Someone repairing the taxi meter would of course have good cause to break the seal.
- c. Without reasonable excuse causing any vehicle (including a private hire car) other than a taxi to wait on a taxi stance.

Savings for Certain Vehicles Etc

2.55 Section 22 exempts certain vehicles which might otherwise be caught by the definitions in section 23 and the offences in section 21 from the scope of the taxi and hire car licensing system:

- a. vehicles picking up passengers whom they have previously dropped as part of an arrangement for a "to and from" journey outside the area.
- b. vehicles while being used in connection with a wedding or funeral.
- c. vehicles let on an exclusive "hire" for periods of not less than 24 hours.

The exemptions do not apply however to the offence provisions of section 21(7), regarding the waiting without reasonable excuse of a vehicle other than a taxi on an appointed taxi stance.

Interpretation of sections 10 to 23

2.56 Section 23 defines a "taxi" and "private hire car". These definitions provide that a taxi can do everything that a private hire car can do and in addition it can pick up passengers without prior booking in a public place - for example streets, stances, and stations. A taxi can therefore "ply for hire" and can be flagged down without prior arrangement in a street or other public place (defined in section 133). By contrast, although a private hire car can be made available for personal conveyance with a view to profit (at a freely negotiated price) it cannot, like a taxi, be engaged by arrangements made in a public place between the potential passenger and its driver for a journey beginning "there and then".

2.57 The section introduces a general class of "hire car" and defines it as a motor vehicle with a driver, other than a public service vehicle, which is with a view to profit available for hire by the public for personal conveyance. The reference to "view to profit" in the general hire car definition is to exclude from the licensing requirements voluntary transport arrangements - such as those for disabled people - where a small charge is made but which are run basically as a charitable activity. The effect of excluding a PSV within the meaning of section 1(1)(a) of the Public Passenger Vehicles Act 1981 is to exclude from the definition of hire car all vehicles seating more than 9 passengers. Note that the effect of section 14(1) of the Transport Act 1985, as read with section 23 of this Act, is that taxi or private hire cars do not become PSVs only because they are carrying at separate fares, unless (in the case of a taxi) the vehicle is a taxi-bus. That is, taxi-buses are PSVs within the meaning of the 1981 Act: however, by virtue of section 12(13) of the Transport Act 1985 and the Regulations made under section 12(10), they are subject to quality control under taxi rather than PSV legislation.

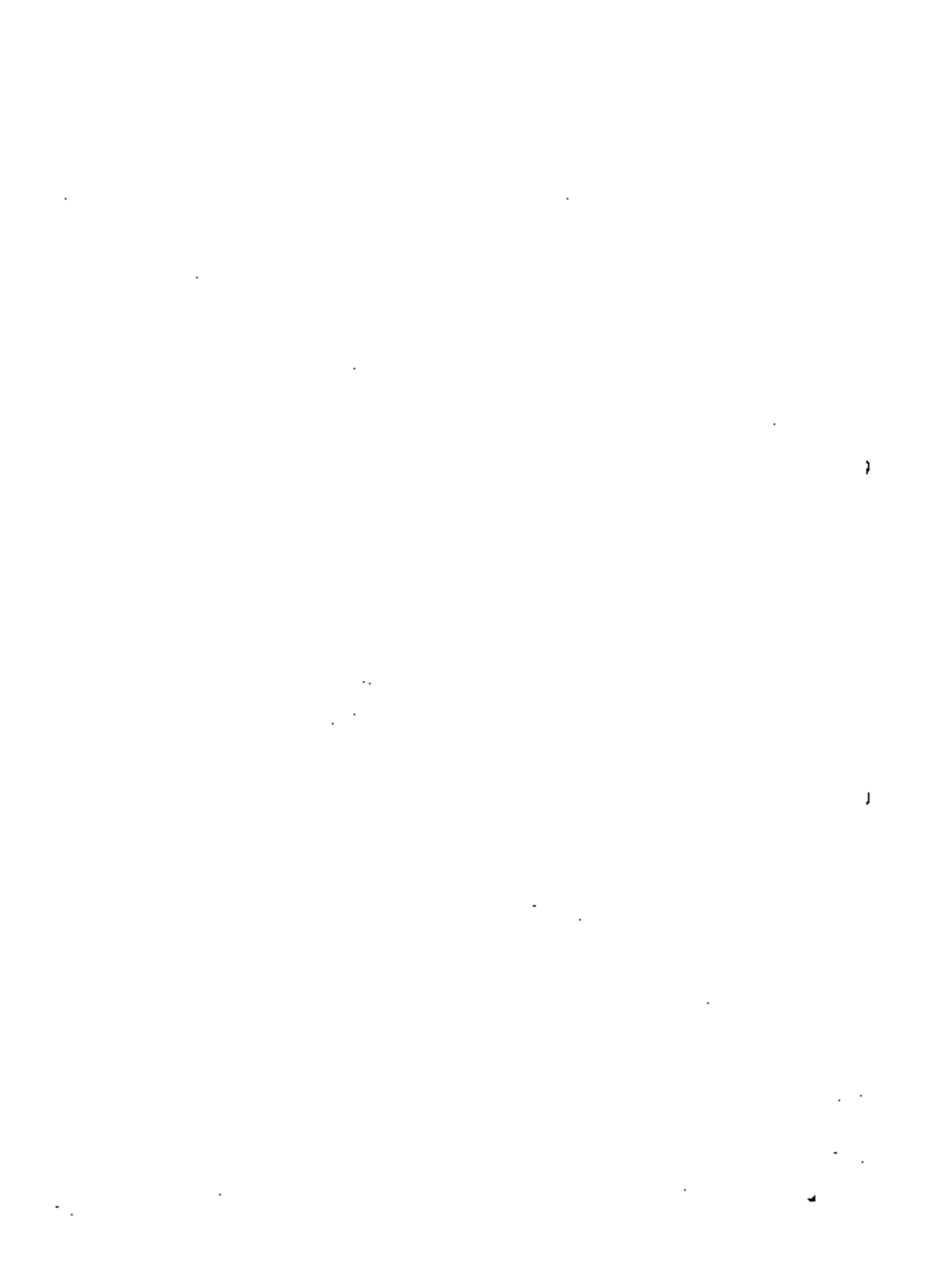
2.58 A taxi is defined as a special case of hire car if it satisfies two further conditions:-

- a. it is engaged by arrangements made in a public place between the person to be conveyed (or a person acting on his behalf);
and

- b. The journey for which it is engaged must begin there and then
- that is, there is no advance booking.

Once a vehicle is licensed for operation as a taxi then it is statutorily treated as a taxi at all times provided that it is operating within the definition of "hire car" - it is, with a view to profit, made available for hire by the public for personal conveyance. That is, a taxi operating in a manner in which a private hire car may operate - for example responding to a radio booking - remains a taxi, and still subject to the controls over taxis - notably of course those on fares.

2.59 A private hire car is defined as any kind of "hire car" other than a taxi. While a private hire car cannot, unlike a taxi, respond to requests to stop when flagged down in the street, or pick up passengers in any public place without prior booking, it can pick up passengers in a public place by arrangement by means of prior booking and can also respond to radio bookings.



RECOMMENDED CONDITIONS

Taxi Licences

1. The holder of a taxi licence shall ensure that the taxi, including all bodywork, upholstery and fittings, is in a safe and serviceable condition and, subject to prevailing road conditions, is in a clean condition.
2. The holder of a taxi licence shall require the taxi to undergo and pass an annual inspection by the Licensing authority. On receiving the requisite notice, in writing, from the Licensing authority, he shall produce his taxi for examination at such time and place as may be reasonably required by the Licensing authority.
3. The holder of a taxi licence, when the taxi is damaged in a vehicular accident or by any other means, shall report the damage to the licensing authority as soon as practicable and, if the taxi is roadworthy, he shall present it for inspection within the following two working days (being days on which the testing facilities operate) after the occurrence. As soon as repairs to the taxi have been completed, the taxi shall again be presented for inspection.
4. The holder of a taxi licence shall not ask a driver of a taxi to do anything which would result in the driver's committing a breach of the conditions attaching to the grant of the driver's licence.
5. The holder of a taxi licence shall keep an up-to-date list of the names and addresses of all taxi drivers employed by him.
6. The holder of a taxi licence shall be bound to fulfil, or cause to be fulfilled, at the time and location specified, an engagement to hire his taxi which he has accepted, unless prevented by sufficient cause.
7. The holder of a taxi licence shall hold in his name the requisite vehicle registration document and the certificate of insurance in relation to the taxi required by Part VI of the Road Traffic Act 1972; where more than one name appears on the taxi licence the vehicle registration document and the certificate of insurance shall be in the name of at least one of the persons whose names appear on the taxi licence.

8. The holder of a taxi licence shall ensure that while the vehicle is in use as a taxi any plates or other things which have been issued by the licensing authority for the purpose of indicating that the vehicle is a taxi are displayed at all times in positions approved by the licensing authority.

9. The holder of a taxi licence shall not obliterate or deface any plate or other thing which has been issued by the licensing authority for the purpose of indicating that the vehicle is a taxi and which is fitted to the taxi. If any such plate or other thing becomes obliterated or defaced so as not to be distinctly visible or legible or if any such plate or other thing is lost, the holder of the taxi licence shall report this to the licensing authority as soon as practicable in order to obtain from the licensing authority a replacement plate or other thing.

10. The holder of a taxi licence shall obtain from the licensing authority a notice or notices detailing the approved maximum taxi fares and charges appropriate to exclusive or to shared hire of the taxi and shall display the notice or notices as appropriate in the passenger compartment of the taxi in such a position that it or they will be readily visible to the passengers being carried; and (subject to condition 22 below) no other table or tables of fares and charges shall be displayed.

11. The holder of a taxi licence shall, if the cost of the journey is not regulated by a licensing authority fare structure, and if the taxi is not being used as a taxi-bus, take steps to ensure that any potential hirer of his taxi is informed, prior to acceptance of the hire, (a) that the fare is not so regulated; and (b) the cost, or method of calculating the cost, of the proposed journey.

12. The holder of a taxi licence shall not display on his vehicle any signs for the purpose of advertising its services as a taxi other than those approved by the licensing authority.

13. The holder of a taxi licence shall display upon the roof of his taxi a sign of a type approved by the licensing authority for the purpose of identifying the vehicle as a taxi; and while the taxi is available for shared hire he shall display in such position as approved by the licensing

authority a sign of a type approved by the licensing authority for the purpose of indicating that the taxi is available for shared hire.

14. The holder of a taxi licence shall, at any time when the taxi is being used as a taxi-bus, cause to be displayed on the taxi, in such a position and in such a form as may be prescribed by the licensing authority, a notice which indicates that the taxi is being used as a taxi-bus.

15. The holder of a taxi licence shall have affixed to the taxi only a taximeter which has been approved by the licensing authority as appropriate to the type of hire (whether exclusive or shared) for which the taxi is available or on which it is engaged. This condition shall not apply to any taxi while it is in use as a taxi-bus.

16. The holder of a taxi licence shall not use, or cause or permit to be used, on a taxi a road wheel or tyre of a different circumference from that for which any taximeter affixed to the taxi was designed, geared and has been tested by the licensing authority.

17. The holder of a taxi licence shall use only a taximeter which has been stamped or sealed by the licensing authority after testing as respects distance and time in accordance with the approved taxi fares and charges. Once a taximeter is fitted to his taxi he shall not tamper with the taximeter or break or tamper with any seal or stamp on such taximeter or any attachment affixed thereto by the manufacturer or licensing authority except to remove the taximeter for repair or replacement. Should the seal be broken the taximeter shall be re-tested and passed by or on behalf of the licensing authority before being used again.

18. The holder of a taxi licence shall ensure that the taximeter fitted to his taxi is in a position approved by the licensing authority.

19. The holder of a taxi licence shall not knowingly operate the taxi, or cause or permit it to be operated, other than as a taxi-bus, while the seals affixed to any taximeter and, where so affixed, to the vehicle, to the vehicle, are broken or detached.

20. The holder of a taxi licence shall not knowingly use, or cause or permit to be used, a taximeter which is in any way defective.

21. The holder of a taxi licence shall, at any time when the taxi is being used as a taxi-bus, cause to be displayed in the taxi, in such a position and in such a form as may be prescribed by the licensing authority so that it is clearly legible to passengers, a fare table containing sufficient information to enable a passenger to ascertain the fare for his journey or the manner in which that fare is calculated.

22. The holder of a taxi licence must carry, in a suitable fastener in his taxi, a fire extinguisher of a type and in a position approved by the licensing authority.

23. In these conditions:

"exclusive", as applied to the hire of a taxi, means that a single fare is payable by any one passenger for the whole hire of the taxi, whether or not more than one passenger is carried; and "exclusive hire" shall be construed accordingly;

"shared", as applied to the hire of a taxi, means that each passenger is carried at a separate fare, payable to the driver; and "shared hire" shall be construed accordingly; and

"taxi-bus" means a taxi which is being used, under a special licence granted under section 12 of the Transport Act 1985, to provide a local service which is or requires to be registered under Part I of that Act, has been previously advertised and which has a destination and route which are not entirely at the discretion of the passengers.

Private Hire Car Licences

1. The holder of a private hire car licence shall ensure that the private hire car, including all bodywork, upholstery and fittings, is in a safe and serviceable condition and, subject to prevailing road conditions, is in a clean condition.

2. The holder of a private hire car licence shall require the private hire car to undergo and pass an annual inspection by the licensing authority. On receiving the requisite notice, in writing, from the licensing authority, he shall produce his private hire car for examination at such time and place as may be reasonably required by the licensing authority.

3. The holder of a private hire car licence, when the private hire car is damaged in a vehicular accident or by any other means, shall report the damage to the licensing authority as soon as practicable and, if the private hire car is roadworthy, he shall present it for inspection within the following two working days (being days on which the testing facilities operate) after the occurrence. As soon as repairs to the vehicle have been completed the private hire car shall again be presented for inspection.

4. The holder of a private hire car licence shall not ask a driver of a private hire car to do anything which would result in the driver's committing a breach of the conditions attaching to the grant of the driver's licence.

5. The holder of a private hire car licence shall keep an up-to-date list of the names and addresses of all private hire car drivers employed by him.

6. The holder of a private hire car licence shall be bound to fulfill, or cause to be fulfilled, at the time and location specified, an engagement to hire his private hire car which he has accepted, unless prevented by sufficient cause.

7. The holder of a private hire car licence shall hold in his own name the requisite vehicle registration document and the certificate of insurance in relation to the private hire car required by Part VI of the Road Traffic Act 1972; where more than one name appears on the private hire car licence the vehicle registration document and the certificate of insurance shall be in the name of at least one of the persons whose names appear on the private hire car licence.

8. The holder of a private hire car licence shall ensure that, while the vehicle is in use as a private hire car, any plates or other things which have been issued by the licensing authority for the purpose of indicating that the vehicle is a private hire car, are displayed at all times in positions approved by the licensing authority.

9. The holder of a private hire car licence shall not obliterate or deface any plate or other thing which has been issued by the licensing authority for the purpose of indicating that the vehicle is a private hire car and which is fixed to the private hire car. If any such plate or other thing becomes obliterated or defaced so as not to be distinctly visible or legible or if any such plate or other thing is lost, the holder of the private hire car licence shall report this to the licensing authority as soon as practicable in order to obtain from the licensing authority a replacement plate or other thing.

10. The holder of a private hire car licence whose private hire car is fitted with a taximeter shall obtain from the licensing authority a notice or notices detailing the approved maximum fares and charges appropriate for exclusive and shared use of a private hire car and will display the notice or notices as appropriate in the passenger compartment of the private hire car fitted with a taximeter in such a position that it will be readily visible to the passengers being carried and no other notice or notices of fares and charges shall be displayed.

11. The holder of a private hire car licence shall, if the cost of the journey is not regulated by a licensing authority fare structure, take steps to ensure that any potential hirer of his private car is informed, prior to acceptance of the hire, (a) that the fare is not so regulated; and (b) the cost, or the method of calculating the cost, of the proposed journey.

12. The holder of a private hire car licence shall take steps to ensure that each potential hirer of his private hire car consents, at the time of the arrangement of the hire, to an exclusive hire or a shared hire, as the case may be.

13. The holder of a private hire car licence shall not display on his private hire car any signs for the purpose of advertising its services as a private hire car, other than those approved by the licensing authority.

14. The holder of a private hire car licence shall not display a roof sign of any kind on his private hire car.

15. The holder of a private hire car licence whose private hire car is fitted with a taximeter shall not use or cause to permit to be used on the private hire car a road wheel or tyre of a different circumference from that for which the taximeter affixed to the private hire car was designed, geared and has been tested by the licensing authority.

16. The holder of a private hire car licence whose private hire car is fitted with a taximeter shall have affixed to and used on the private hire car only a taximeter which has been approved by the licensing authority.

17. The holder of a private hire car licence whose private hire car is fitted with a taximeter shall use only a taximeter which has been stamped or sealed by the licensing authority after testing as respects distance and time in accordance with the approved fares and charges. Once a taximeter is fitted to his private hire car he shall not tamper with the taximeter or break or tamper with any seal or stamp on such taximeter or any attachment affixed thereto by the manufacturer or licensing authority except to remove the taximeter for repair or replacement. Should the seal be broken the taximeter shall be re-tested and passed by or on behalf of the licensing authority before being used again.

18. The holder of a private hire car licence whose private hire car is fitted with a taximeter shall ensure that the taximeter fitted to his private hire car is in a position approved by the licensing authority.

19. The holder of a private car hire licence whose private hire car is fitted with a taximeter shall not knowingly operate the vehicle, or cause or permit it to be operated while the seals affixed to the taximeter and, where so affixed, to the vehicle are broken or detached.

20. The holder of a private hire car licence whose private hire car is fitted with a taximeter shall not knowingly use or cause or permit to be used a taximeter which is in any way defective.

21. The holder of a private hire car licence whose private hire car is fitted with a taximeter shall, within two working days, inform the licensing authority of the removal of the taximeter from his private hire car. He shall not re-fit a taximeter on a second or subsequent occasion without prior permission from the licensing authority, except when the private hire car is due to be annually tested by the licensing authority.

22. The holder of a private hire car licence must carry in a suitable fastener in his private hire car a fire extinguisher of a type and in a position approved by the licensing authority.

23. In these conditions:

"exclusive", as applied to the hire of a private hire car, means that a single fare is payable by any one passenger whether or not more than one passenger is carried; and "exclusive hire" shall be construed accordingly; and

"shared", as applied to the hire of a private hire car, means that each passenger is carried at a separate fare, payable to the driver; and "shared hire" shall be construed accordingly.

Taxi Drivers' Licences

1. The driver of a taxi shall at all times, while he is in charge of a taxi being used as such, have with him the taxi driver's licence or such other means of identification issued by the licensing authority and he shall exhibit such licence or identification, on demand, to any passenger, constable or authorised officer of the licensing authority. The identification issued by the licensing authority shall include the driver's name, a recent photograph showing his true likeness and the date on which the licence expires.

2. The driver of a taxi shall be bound to fulfill, or cause to be fulfilled, at the time and location specified, an engagement to hire his taxi which he has accepted, unless prevented by sufficient cause.

3. The driver of a taxi shall operate on shared hire only with the consent of the first hirer or passenger, even if there is displayed on the taxi a sign or other thing approved by the licensing authority indicating that the taxi is available for shared hire; but he shall not be required to operate on shared hire if no such sign or other thing is displayed on the taxi at the time of the initial hiring.

4. The driver of a taxi which is on exclusive hire may not, in any circumstances, pick up or convey another passenger without the consent of the original hirer(s) or passenger(s).

5. The driver of a taxi shall not at any time convey in the taxi more than the number of passengers the taxi is licensed to carry. For the purpose of this condition (a) the first two children under 12 years shall be reckoned as one passenger; and (b) no account shall be taken of any children under two years, provided that each child under two years is accompanied by an adult.

6. The driver of a taxi which has been hired on exclusive hire shall drive to the destination by the shortest practicable route unless otherwise instructed by the hirer. The driver of a taxi which has been hired on shared hire shall take the shortest practicable route which will serve the destinations of all the passengers whom he is carrying at any one time.

7. The driver of a taxi not being used as a taxi-bus shall, if the cost of the journey is not regulated by a licensing authority fare structure, inform the hirer(s) or passenger(s) before the journey commences (a) that the fare is not so regulated; and (b) the cost, or the method of calculating the cost, of the proposed journey.

8. The driver of a taxi shall ensure that any taximeter fitted in the taxi in his charge shall be operated at all times within the licensed area when such operation is required, and in accordance with the detailed requirements imposed, by the licensing authority.

9. The driver of a taxi shall from time to time, and at least once in each day in which he uses the taxi, inspect the seals on the taximeter to ensure that they are intact. On discovering that the seals have become broken or damaged, or that the taximeter has ceased to function correctly, the driver of a taxi shall immediately withdraw the vehicle from service.

11. Subject to conditions 11 and 12 the driver of a taxi shall not refuse to drive a passenger to any place within the Licensing area.

10. The driver of a taxi on shared hire may decline to accept a further passenger on the grounds that his intended destination could not be served without an excessive or unreasonable addition to the journey distance of the existing passenger or passengers, or that the further passenger's luggage cannot be accommodated safely within the luggage compartment of the taxi.

12. The driver of a taxi need not convey any hirer or passenger who is drunk or otherwise not in a fit and proper state to be carried, or whose condition or clothing is offensive or likely to cause damage to the interior of the taxi, or who refuses to cease smoking in the taxi when requested to do so by the driver, or is accompanied by any animal (other than a guide dog) which is likely to damage or soil the interior of the taxi, or for any other reasonable excuse.

13. The driver of a taxi, while he is in charge of the taxi, shall not canvass or importune in any public place for employment, except, where the taxi is being operated on shared hire, to such extent as is reasonably required to ascertain whether there are any prospective further passengers (in addition to an existing passenger or existing passengers) who wish to participate in the shared hire of the taxi.

14. The driver of a taxi shall not refuse to carry luggage in his taxi provided that the said luggage can be accommodated safely within the luggage compartment of the taxi.

15. The driver of a taxi shall give such assistance as he is able to give with loading and unloading luggage when required to do so but he shall not be required to leave the immediate proximity of the taxi in doing so.

16. The driver of a taxi, at the end of his shift, shall search the taxi of which he is in charge for any property which may have been left therein. Any property found by the driver shall, within 24 hours, be returned to the owner of the property if known or such property shall be handed in by the driver to any police station.

17. The driver of a taxi, while plying for hire or carrying a passenger, shall be clean and tidy in his person and clothing, shall conduct himself in a proper and civil manner and, while carrying a passenger, shall not smoke.

18. The driver of a taxi shall not knowingly allow the taxi in his charge to be used for illegal or immoral purposes, permit to be carried in the taxi in his charge any article of a dirty, filthy or noxious nature of an explosive or dangerous nature, or permit to be carried in the taxi in his charge any person who has vermin on his person.

19. The driver of a taxi shall ensure that the taxi, including all bodywork, upholstery and fittings, is in a safe and serviceable condition and, subject to prevailing road conditions, is in a clean condition.

20. Unless the licensing authority makes specific arrangements for particular stances, when a taxi is driven off a stance, the driver of the taxi immediately behind shall draw up his vehicle to take the place vacated, and the taxi drivers on the stance behind shall draw up their vehicles in a like manner.

21. The driver of a taxi which is being operated on shared hire may wait at a stance only for such time as is reasonably required to ascertain whether there are any prospective further passengers (in addition to an existing passenger or existing passengers) in the immediate vicinity of the stance at that time who wish to participate in the shared hire of the taxi; but if no such further passengers are found there and then, the driver shall immediately drive his taxi off the stance.

22. The driver of a taxi, when the taxi is hired or standing for hire, shall either sit in the driving seat of the taxi or stand in the immediate proximity thereto except during any period he may be absent to announce

the arrival of his taxi to the hirer or when assisting the hirer with luggage to or from the taxi for any other necessary purpose.

23. In these conditions:

"exclusive", as applied to the hire of a taxi, means that a single fare is payable by any one passenger for the whole hire of the taxi, whether or not more than one passenger is carried; and "exclusive hire" shall be construed accordingly;

"shared", as applied to the hire of a taxi, means that each passenger is carried at a separate fare, payable to the driver; and "shared hire" shall be construed accordingly; and

"taxi-bus" means a taxi which is being used, under a special licence granted under section 12 of the Transport Act 1985, to provide a local service which is or requires to be registered under Part I of that Act, has been previously advertised and which has a destination and route which are not entirely at the discretion of the passengers.

Private Hire Car Driver's Licences

1. The driver of a private hire car shall at all times, while he is in charge of a private hire car as such, have with him the private hire car driver's licence or such other means of identification issued by the licensing authority and he shall exhibit such licence or identification, on demand, to any passenger, constable or authorised officer of the licensing authority. The identification issued by the licensing authority shall include the driver's name, a recent photograph showing his true likeness and the date on which the licence expires.
2. The driver of a private hire car shall be bound to fulfil, or cause to be fulfilled, at the time and location specified, an engagement to hire his private hire car which he has accepted, unless prevented by sufficient cause.
3. The driver of a private hire car which has been hired may not, in any circumstances, pick up or convey another passenger without the consent of the original hirer(s) or passenger(s).

4. The driver of a private hire car shall not at any time convey in the private hire car more than the number of passengers the private hire car is licensed to carry. For the purposes of this condition (a) the first two children under 12 years shall be reckoned as one passenger; and (b) no account shall be taken of any children under two years, provided that each child under two years is accompanied by an adult.

5. The driver of a private hire car which has been hired on exclusive hire shall drive to the destination by the shortest practicable route unless otherwise instructed by the hirer. The driver of a private hire car which has been hired on shared hire shall take the shortest practicable route which will serve the destinations of all the passengers whom he is carrying at any one time.

6. The driver of a private hire car shall, if the cost of the journey is not regulated by a licensing authority fare structure, inform the hirer or passenger before the journey commences (a) that the fare is not so regulated; and (b) the cost, or the method of calculating the cost, of the proposed journey.

7. The driver of a private hire car shall ensure that any taximeter fitted in the private hire car in his charge shall be operated at all times within the licensed area when such operation is required, and in accordance with the detailed requirements imposed, by the licensing authority.

8. The driver of a private hire car shall from time to time, and at least once in each day in which he uses the vehicle; inspect the seals on any taximeter fitted in the vehicle to ensure that they are intact. On discovering that the seals on any taximeter fitted to the vehicle have become broken or damaged, or that the taximeter has ceased to function correctly, the driver of a private hire car shall immediately withdraw the vehicle from service.

9. The driver of a private hire car need not convey any hirer or passenger who is drunk or otherwise not in a fit and proper state to be carried, or whose condition or clothing is offensive or likely to cause damage to the interior of the private hire car, or who refuses to cease smoking in the private hire car when requested to do so by the driver,

or is accompanied by any animal (other than a guide dog) which is likely to damage or soil the interior of the private hire car, or for any other reasonable excuse.

10. The driver of a private hire car, while he is in charge of the private hire car, shall not canvass or importune in any public place for employment.

11. The driver of a private hire car shall not refuse to carry luggage in his private hire car provided that the said luggage can be accommodated safely within the luggage compartment of the private hire car.

12. The driver of a private hire car shall give such assistance as he is able to give with loading and unloading luggage when required to do so but he shall not be required to leave the immediate proximity of the private hire car in doing so.

13. The driver of a private hire car, at the end of his shift, shall search the private hire car of which he is in charge for any property which may have been left therein. Any property found by the driver shall, within 24 hours, be returned to the owner of the property if known or such property shall be handed in by the driver to any police station.

14. The driver of a private hire car, while carrying a passenger, shall be clean and tidy in his person and clothing, shall conduct himself in a proper and civil manner and shall not smoke.

15. The driver of a private hire car shall not knowingly allow the private hire car in his charge to be used for illegal or immoral purposes, permit to be carried in the private hire car in his charge any article of a dirty, filthy or noxious nature or an explosive or dangerous nature, or permit to be carried in the private hire car in his charge any person who has vermin on his person.

16. The driver of a private hire car shall ensure that the private hire car, including all bodywork, upholstery and fittings, is in a safe and serviceable condition and, subject to prevailing road conditions, is in a clean condition.

17. In these conditions:

"exclusive", as applied to the hire of a private hire car, means that a single fare is payable by any one passenger, whether or not more than one passenger is carried; and "exclusive hire" shall be construed accordingly; and

"shared", as applied to the hire of a private hire car, means that each passenger is carried at a separate fare, payable to the driver; and "shared hire" shall be construed accordingly.

FARES SCHEMES FOR SHARING TAXIS

General

1. There are four basic ways in which shared fares might be charged by taxi drivers, though all four are susceptible to extensive variation. The four methods are:

- a. a flat-fare system;
- b. a zone system;
- c. modified use of existing meters;
- d. use of special (or specially adapted) meters.

Before describing these various methods, however, two points should be made about shared-fare scales in general.

2. Any scheme for shared fares should offer an incentive both to the taxi operator and to the intending passengers. That is, the aim should be that the operator should take in more than he would have for an exclusive hire, and that each passenger should pay less. However, care has to be taken in setting the level of both incentives. If the extra which the operator will take on a shared hire is set too high, passengers will not make use of the service. In particular, most authorities will want to make it a condition of an operator's licence that the first hirer should always have the right to insist on exclusive hire even if the operator is offering sharing. It follows that if a group of passengers board together at the beginning of a hire they could always decide on an exclusive hire and so - because of the existence of the operator's premium - always get a cheaper journey by making their own arrangements for sharing the exclusive fare. Even in such circumstances, it seems likely that many passengers will be content to pay a little more than they would have paid by sharing an exclusive hire in order to have the benefit of having the driver find other passengers to share (say, from a queue for taxis); and of not having to negotiate with the other passengers once they are found, but being able to pay the driver direct. But there will be a limit to what they are prepared to pay for these conveniences, and if the premium for the taxi operator is set too high it will probably not take

passengers who are all boarding together very long so realise how much they could save by stipulating an exclusive hire, so that the setting of too high a margin for the operator will become self-defeating. Similarly, if the margin for the operator is set too low, there will be no reason for him to take the trouble of collecting separate fares, finding passengers to share, stopping to pick up additional passengers (in a full sharing system), and of dealing with the inevitable - even if only occasional - dispute, at least until the travelling public has become used to the system, about who is liable to pay what. How these margins for passenger and operator should be set will be a matter for the judgement of the licensing authority; but if they are not pitched at the right level then both the taxi trade and their passengers will be denied the benefits of a properly operating system for shared fares.

3. A second general point is that any shared-fare system should be readily understandable by both passenger and driver. Ideally, there should be a meter display for each passenger. If this is not feasible when sharing schemes are first introduced, then the fare to be paid by each passenger should at least be easily calculable by both driver and passenger: the fares scheme should not depend on the performance of complicated arithmetic on the fare shown on the meter (although of course it is always possible for the licensing authority to issue tables relating the fare to be paid by each of a particular number of sharing passengers directly to the sum shown on the meter). In many situations, a fares scheme which does not depend on metering at all may be very much preferable for both driver and passenger, but any temptation to make the scheme more complicated than absolutely necessary should obviously be resisted.

Flat-fare systems

4. These systems will be particularly applicable where the variation from the average in the length of the journey made by each passenger is insignificant compared with the average, taken over a reasonably large number of passengers. "Insignificant" is obviously a matter for definition; but it might be reasonable to say that a variation is insignificant if it is less than, say, 20% of the average. An obvious example would be airport taxis: all the passengers would be coming from (or going to) the airport at one end of the journey; and overwhelmingly

the other end of their journey will be close to the town centre. So, for example, if the distance from the airport to the town centre is 5 miles, by far most of the passengers will be going 5 miles, give or take a few hundred yards. If the likely variation in journey length, at the extremes, is between 4 and 6 miles, then the variation from the average is 1 mile, which is exactly 20% of the average. (If a licensing authority feels it to be advisable it would be possible for it to specify a central zone within or before which an airport taxi may set down, and within or after which it may pick up, though care should be taken as always, to avoid excessive complexity in the system.) Another example where a flat-fare system might be appropriate would be where a common taxi journey is from a closely clustered group of small towns and villages into a neighbouring city centre (and back); but licensing authorities will be best placed to identify for their own areas trips for which a flat charge would be both workable and appropriate.

3. It should perhaps be made clear that a flat-fare system does not mean that the fare should be like a bus fare, not dependent on the number of passengers travelling. The general remarks about incentives at paragraph 2 apply, so that the more passengers who were sharing the taxi at any time during the journey, the less each passenger would pay; and the amount paid would be the same for each, irrespective of how far any of the passengers actually travels.

Zone systems

5. A slightly more complex system is the zone system. In this system, the licensing authority divides the designated area into zones. These need not by any means be of the same size, but it is highly desirable in the interests of comprehensibility that there should not be too many zones, and that the boundaries between zones should follow easily recognisable features such as main arterial routes, railway lines, rivers and so on. Every passenger pays a hiring charge plus an additional charge - which for greatest simplicity, can be the same as the hiring charge - for every different zone which the taxi necessarily enters during his or her journey (thus, the fare is not inflated by zig-zagging across a zone boundary). The hiring charge and the zone charge can be made to depend on the greatest number of passengers during any part of an individual passenger's journey, and indeed different zone charges can

be specified for different 'zones'; but in order to avoid complicated record-keeping and to reduce the scope for argument, it is highly desirable that there should be only two scales, one for exclusive hire and one for shared hire, and that the charge for each zone should be the same. Zone systems are likely to be most suitable in small towns, or in areas where the choice of route is not too great.

Metered systems - modified use of existing meters

7. For greatest comprehensibility and least scope for disputes, the use of a meter will usually be best. Not only are most taxis already equipped with sophisticated meters, but public confidence is sustained by having some guarantee that passengers are not being overcharged. There are available on the market meters which are capable of computing shared fares where passengers both board and alight at different points; and it seems likely that such meters will eventually become the standard for most taxis in Scotland. However, time has to be allowed for the public to become used to shared taxis; then for the trade to test whether, and when, offering such a service is likely to be worthwhile commercially; then, finally, for meter manufacturers to be persuaded that there is a large enough potential market amongst taxi operators for it to be worth the commercial risk of developing a meter sufficiently versatile to meet the stipulated requirements. During this lead time, it may not be practicable for all authorities to lay down shared taxi fare scales which depend for their operation on a type of meter in comparatively short supply. Existing meters could be used to determine shared fares, in a rough and ready way, where all the passengers board more or less at the same place (and get off at quite different places); but there is no simple way of using them for a full sharing system, that is one with both boarding and alighting at different points. Thus, in the initial period, authorities may wish to require by means of a licence condition that, where a meter is used at all (that is, apart from flat-fare or zone systems), all the passengers should start the journey within a specified distance of each other - say before the meter has registered its first increment after the starting charge for the first hirer. However, it must be emphasised that this would genuinely be an interim dispensation. The Government's clear objective is that, in Scotland with its less centrally regulated taxi system, full sharing systems should be introduced as widely and as quickly as possible. It is therefore to be expected that, after allowing a suitable

lead time and thereafter giving due notice, the Government would if it proves necessary introduce regulations under section 20(1) of the Civic Government (Scotland) Act 1982 to prohibit licensing conditions whose effect is to limit sharing to the case where all the passengers board more or less together.

8. If, for the moment, fixed charges such as the initial hiring charge, waiting time and "extras" are put to one side, the shared fare should depend only on the extent to which the taxi has been shared and the distance that each passenger has been carried. As a rule, most of the passengers on a shared hire will have been carried for a greater distance than they would have been on an exclusive hire; but there is no way of allowing explicitly for these diversions made to set down other passengers, even with the most sophisticated meters. They will therefore have to be allowed for, obviously only approximately, in setting the shared fare tariff (that is, no passenger should be at all likely, because of diversions on a shared hire, to pay anything approaching what would have been the exclusive fare).

9. In the case, first, where all the sharing passengers board more or less together, it would be possible to provide that each passenger should pay a stipulated proportion of the fare shown on the meter when he or she leaves the taxi. This stipulated proportion could:

- a. be the same for all passengers, and not depend on how many passengers (provided of course that there were at least two of them) were sharing at the outset;
- b. be the same for all passengers, but depend on how many passengers were sharing at the outset, being lower the more passengers there were;
- c. be different for each passenger, depending on the order of alighting (with the last passenger to leave paying the largest proportion, and passengers alighting earlier paying a progressively smaller proportion).

10. All these schemes suffer from drawbacks. In general there is the difficulty of arguments over the arithmetic, even if the percentages are

kept simple; and as the scheme becomes more complex, so does the scope for argument. Scheme (a), first, does not reflect the extent of the sharing; and so offers no incentive for two passengers to look for any more to share with them; and so reduces the value of the sharing system. Second, the return to the driver shows an enormous variation. Third, the driver would stand to lose money where the last passenger left in the taxi gets off much after the others, and so enjoys a long ride at the discounted rate although he or she will have had exclusive use of the taxi for most of the journey. Scheme (b) does recognise the extent of the sharing (at the cost of more complication) and does reduce (but by no means eliminate) a large variation in the return to the driver; but the third objection remains - the driver could lose money compared with an exclusive hire if the last passenger or passengers travelled a very long way compared with the first. Scheme (c) greatly reduces this last effect: the difference between the longest and the shortest rides would have to be very great for the driver to lose on the deal, though the risk is not eliminated entirely (in fact, no scheme of this sort could do so). But scheme (c) is also much the most complicated; and there is scope not only for argument but for struggling as one passenger tries to leave before another who is going more or less the same distance. The conclusion must be that schemes of this sort (and variations whereby each passenger pays a fixed sum in addition to the stipulated percentage of the fare shown on the meter) would work only where it could be guaranteed, by one means or another, that the variation in the journey lengths could not be sufficiently great to cause the driver a relative loss, while not being sufficiently small to justify a flat-fare system. In other circumstances, this kind of scheme cannot be recommended.

Special meters

12. There is no question but that special meters for sharing (also able to handle exclusive hires) would be best. Such meters must at least

- a. be capable of running at more than one tariff - ideally, up to five tariffs to cater for the maximum number of passengers allowed in some licensing areas.

For a full sharing system, they must also

- b. be capable of storing in separate memories the fare so far for each passenger (and incrementing it in accordance with the fares scheme in operation), and perhaps of displaying them simultaneously or in rotation.

Finally, the ideal meter would also

- c. be able to store and display fixed charges for each passenger.

The last, however, is not essential and may in fact be undesirable in the interests of simplicity.

13. It is understood that most modern meters are already of type (a): they can hold a number of different tariffs, though often only four of them. So they can be programmed (and then sealed) to run at a rate appropriate to the number of people sharing:

- Tariff 1 - exclusive rate
- Tariff 2 - two people sharing
- Tariff 3 - three people sharing
- Tariff 4 - four or more people sharing

Tariff 1 would therefore be 100% of the exclusive rate, and tariffs 2, 3 and 4 would represent progressively smaller percentages (in that order) of the exclusive rate. If, for example, four people boarded a shared taxi the meter would be set at tariff 4. When the first passenger left, it would be stopped (not zeroed) and he would pay the amount shown on the meter, which would then be set to run at tariff 3. This would be repeated until the last passenger remained, when the meter would be set to run at the exclusive rate. In this way, most existing meters could be used to emulate a meter for a full sharing system in the special case where all the passengers boarded together.

14. A meter for a full sharing system would, technically, be very little different from this. The only difference would be that it would have four or five incrementable memories which could be displayed on request. So, for example, the taxi might set off with one passenger: the driver would set the meter to tariff 1 (and the current tariff should be displayed on the meter so that the passenger could see that the correct tariff was

being used). Some way along the route, a second passenger might be picked up. The driver would switch to tariff 2: the meter would then not only run at the discounted rate but it would also transfer the fare so far for the first passenger to memory 1 (if it has not been doing so all along); and zero the charge for passenger 2. If a third passenger joined the taxi, the meter would be switched to tariff 3, storing the fares for passengers 1 and 2 so far in memories 1 and 2. If the first passenger then left further on, in memory 1 there would be the sum of:

The exclusive fare until passenger 2 joined; and

the tariff 2 percentage of the exclusive fare from then until passenger 3 joined; and

the tariff 3 percentage of the exclusive fare from then until passenger 1 left.

Memory 1 would then be displayed; passenger 1 would pay; and passengers 2 and 3 set off again at tariff 2, each having the tariff 2 percentage of the exclusive fare from then on added to what they already owed when passenger 1 left. Thus, a full sharing system could operate without dispute or difficulty, with a guaranteed discount for each passenger and a guaranteed premium for the operator.

Additional charges

15. In fixing the shared tariff there will be the particular question of how "standing" charges, which have not yet been discussed, should be dealt with. It will therefore be necessary for licensing authorities to decide on:

- a. whether there should be any initial hiring charge and if so how it should be treated;
- b. whether the shared tariff should include waiting time;
- c. how "extras" should be handled;
- d. the level of discount; and

e. the method of computing discounts.

16. It is suggested that the initial hiring charge should be abandoned for shared taxis. If, however, it is decided to retain it, it should be discounted at the same rate as the distance tariff and every passenger should pay this discounted charge.

17. So far as waiting time is concerned, it is suggested that this should be metered in exactly the same way as for the existing exclusive fare. Ideally, both initial hiring charges and charges for waiting time should be made only if a type (c) meter as described in paragraph 12 were available. It would not be possible to share a luggage charge since it would not apply to all passengers and it is suggested that this charge should be dropped (with an allowance being made in the discount rate to compensate the trade for any loss). It would also be simpler to drop "extras" that depend on the time of day or day of operation, but these could be treated in the same way as the initial hiring charge. Charges for additional passengers should certainly - and obviously - be dropped.

18. Finally the method of metering the discount rates will also depend on the technology of existing meters. The alternatives are to retain the current units of cost, giving greater distances for each unit, or to retain the current distance unit at a discounted money rate. It seems likely that most meters available or likely to become available will be able to operate easily only in the former fashion, so that licensing authorities will no doubt wish to adopt that method: there is clearly little point in fixing a charging system which depends for its operation on meters which are not readily or widely available.

STATUTORY INSTRUMENTS

1986 No. 1239 (S. 106)

TRANSPORT

The Local Services (Operation by Taxis) (Scotland)
Regulations 1986

<u>Made</u>	<u>14th July 1986</u>
<u>Laid before Parliament</u>	<u>24th July 1986</u>
<u>Coming into Operation</u>	<u>14th August 1986</u>

The Secretary of State, in exercise of the powers conferred on him by section 12(10) of the Transport Act 1985(a), and of all other powers enabling him in that behalf, and after consultation with representative organisations in accordance with section 61(2) of the Public Passenger Vehicles Act 1981(b), hereby makes the following regulations:-

Citation, commencement and extent

1.--(1) These regulations may be cited as the Local Services (Operation by Taxis) (Scotland) Regulations 1986 and shall come into operation on 14th August 1986.

(2) These regulations shall extend to Scotland only.

(a) 1985 c.67.

(b) 1981 c.14; section 61 is applied and amended by section 135(1) of the Transport Act 1985.



Interpretation

2. In these regulations -

"the 1982 Act" means the Civic Government (Scotland) Act 1982(a);

"the 1985 Act" means the Transport Act 1985;

"special licence" means a restricted PSV operator's licence granted by virtue of section 12 of the 1985 Act; and

"licensed taxi" and "taxi code" have the meanings given by section 13(3) of the 1985 Act.

Application

3. These regulations apply to a licensed taxi which is licensed under section 10 of the 1982 Act at any time when that vehicle is being used under a special licence to provide a local service which is or requires to be registered under Part I of the 1985 Act, has been previously advertised and has a destination and route which are not entirely at the discretion of the passengers.

Prescribed provisions

4. The provisions specified in the Schedule are hereby prescribed as applying in relation to a vehicle to which these regulations apply.

Michael Ancram,
Parliamentary Under Secretary of State,
Scottish Office.

New St. Andrew's House,
Edinburgh.
14th July 1986.

Prescribed provisions

The 1982 Act, Part I, as it applies to the provisions hereinafter mentioned but subject to the modification that the words "condition attached to a licence" in section 7(2) shall be read as relating only to such conditions as the operator or driver of a taxi can reasonably be expected to observe at any time when these regulations apply to it.

The 1982 Act, sections 10 to 13, 16, 19, 20, 21(4) and 23(a).

(a) Sections 10(3) and 20(1) of the 1982 Act were amended by the Transport Act 1985 (c.67), Schedule 7, paragraph 23.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

By section 12 of the Transport Act 1985, provision is made for the use of taxis providing local services. Regulation 4 of these regulations prescribes the provisions of the "taxi code" (defined in section 13(3) of the 1985 Act) which apply in relation to a taxi licensed under section 10 of the Civic Government (Scotland) Act 1982 when being so used.

STATUTORY INSTRUMENTS

1986 No. 1238 (S. 105)

LICENCES AND LICENSING

The Licensing and Regulation of Taxis and Private Hire Cars
and their Drivers (Prohibited and Required Conditions)
(Scotland) Regulations 1986

<u>Made</u>	14th July 1986
<u>Laid before Parliament</u>	28th July 1986
<u>Coming into Operation</u>	14th August 1986

The Secretary of State, in exercise of the powers conferred on him by section 20(1) of the Civic Government (Scotland) Act 1982(a), and of all other powers enabling him in that behalf, hereby makes the following regulations: -

Citation and commencement

1. These regulations may be cited as the Licensing and Regulation of Taxis and Private Hire Cars and their Drivers (Prohibited and Required Conditions) (Scotland) Regulations 1986 and shall come into operation on 14th August 1986.

Interpretation

2. In these regulations -

"the 1982 Act" means the Civic Government (Scotland) Act 1982;

(a) 1982 c.45; section 20(1) was amended by paragraph 23(3) of Schedule 7 to the Transport Act 1985 (c.67).

"the 1985 Act" means the Transport Act 1985(a);

"local service" has the meaning ascribed to it by section 2 of the 1985 Act;

"special licence" means a restricted PSV operator's licence granted by virtue of section 12 of the 1985 Act.

Prohibited licensing conditions

3. No licensing authority shall impose conditions under the 1982 Act on any taxi licence, private hire car licence, taxi driver's licence or private hire car driver's licence which would have the effect of -

- (a) limiting the operation of a taxi or private hire car to any of the following modes of operation, namely exclusive hire, carriage at separate fares or, in the case of a taxi only, provision of a local service; or
- (b) limiting the number of vehicles for which the holder of a taxi licence or private hire car licence may hold licences; or
- (c) requiring the holder of a taxi licence or private hire car licence or a taxi driver's licence or a private hire car driver's licence to reside within the area of the licensing authority; or
- (d) prohibiting or restricting the use of radios or other means of external communication in private hire cars or imposing additional licensing conditions on the operation of private hire cars solely because they have radios or other means of external communication; or
- (e) preventing the holder of a taxi licence or private hire car licence or a taxi driver's licence or a private hire car driver's licence from engaging in an employment or business other than that for which he is licensed.

Required licensing conditions

4. Every licensing authority shall impose conditions under the 1982 Act on any taxi licence issued by them to the effect that at any time when a taxi is being used under a special licence to provide a local service which is or requires to be registered under Part I of the 1985 Act, has been previously advertised and has a destination and route which are not entirely at the discretion of the passengers, the holder of the taxi licence shall -

- (a) cause to be displayed on the vehicle a notice in such form as may be prescribed by the licensing authority to indicate the nature of the service being provided; and
- (b) cause to be displayed in the vehicle in such a manner that it is clearly legible to passengers a fare table containing sufficient information to enable a passenger to ascertain the fare for his journey or the manner in which that fare is computed.

Revocation

5. The Local Authorities (Prohibited Conditions for Licensing of Taxis and Private Hire Cars and their Drivers) (Scotland) Regulations 1983(a) are hereby revoked.

Michael Adoran,
Parliamentary Under Secretary of State,
Scottish Office.

New St. Andrew's House,
Edinburgh.
14th July 1986.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

Under section 20(1) of the Civil Government (Scotland) Act 1982 the Secretary of State is empowered to make regulations prescribing conditions which licensing authorities shall or shall not impose in granting licences in respect of taxis and private hire cars and their drivers. These regulations -

(a) revoke and re-enact the Local Authorities (Prohibited Conditions for Licensing of Taxis and Private Hire Cars and their Drivers) (Scotland) Regulations 1983 (S.I. 1983/1029) with -

(i) an amendment to the former regulation 2(a) (new regulation 3(b)) which makes it clear that a licensing authority may not impose any condition which would have the effect of limiting a taxi or private hire car operator to any specified number of vehicles, rather than to one vehicle;

(ii) a new provision which prohibits the imposition of any condition which would have the effect of restricting a taxi or private hire car to any particular mode of operation; and

(b) require the imposition of conditions which would have the effect of requiring a taxi operator, at any time when his vehicle is being used as a taxi-bus under a restricted PSV operator's licence, to display a notice indicating the nature of the service being provided and to display a fare table.

The provisions which have been re-enacted without modification are those which prohibit a licensing authority from imposing conditions which would have the effect of -

(a) requiring the licence holder to reside within the area of the licensing authority;

(b) prohibiting or restricting the use of radios or other means of communication in private hire cars or imposing additional conditions solely because they have radios; and

(c) preventing licence holders from engaging in other employment or business.

