

Notice of meeting and agenda

Regulatory Committee

10.00am, Monday, 21st November 2022

Dean of Guild Court Room - City Chambers

This is a public meeting and members of the public are welcome to attend or watch the webcast live on the Council's website.

The law allows the Council to consider some issues in private. Any items under "Private Business" will not be published, although the decisions will be recorded in the minute.

Contacts

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Tel: 0131 529 4107

1. Order of Business

- 1.1 Including any notices of motion and any other items of business submitted as urgent for consideration at the meeting.

2. Declaration of Interests

- 2.1 Members should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

3. Deputations

- 3.1 If any.

4. Minutes

- 4.1 Minute of the Regulatory Committee of 29 September 2022 – 5 - 8
submitted for approval as a correct record

5. Rolling Actions Log

- 5.1 Rolling Actions Log 9 - 14

6. Business Bulletin

- 6.1 Regulatory Committee Business Bulletin 15 - 22

7. Executive Decisions

- 7.1 Assessment of Overprovision of Private Hire Cars within the City of Edinburgh – Report by the Executive Director of Place 23 - 50
- 7.2 Survey of Demand for Taxis within the City of Edinburgh – Report by the Executive Director of Place 51 - 94

8. Routine Decisions

- 8.1 Motion by Councillor McFarlane - Prevention of Drug Deaths – 95 - 100

Report by the Executive Director of Place

- 8.2** Age Limitation and Emissions Standards for Taxis and Private Hire Cars – Update – Report by the Executive Director of Place 101 - 114

9. Motions

- 9.1** None.

Nick Smith

Service Director, Legal and Assurance

Committee Members

Councillor Neil Ross (Convener), Councillor Jack Caldwell, Councillor James Dalgleish, Councillor Denis Dixon, Councillor Catherine Fullerton, Councillor Martha Mattos Coelho, Councillor Joanna Mowat and Councillor Susan Rae

Information about the Regulatory Committee

The Regulatory Committee consists of 9 Councillors and is appointed by the City of Edinburgh Council.

This meeting of the Regulatory Committee is being held in the City Chambers, High Street, Edinburgh and virtually by Microsoft Teams.

Further information

If you have any questions about the agenda or meeting arrangements, please contact Rachel Gentleman, Committee Services, City of Edinburgh Council, Business Centre 2.1, Waverley Court, 4 East Market Street, Edinburgh EH8 8BG, Tel 0131 529 4107, email rachel.gentleman@edinburgh.gov.uk / taylor.ward@edinburgh.gov.uk.

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Minutes

Regulatory Committee

2.00pm, Thursday 29 September 2022

Present

Councillors Neil Ross (Convener), Caldwell, Dalglish, Fullerton, Mattos Coelho, Mowat and Rae.

1. Minutes

Decision

To approve the minute of the Regulatory Committee of 27 June 2022 as a correct record.

2. Rolling Actions Log

The Rolling Actions Log for September 2022 was presented.

Decision

- 1) To agree to close the following actions:
 - Action 1 – Internal Audit Findings – Timescales for Completion of Management Actions.
 - Action 5 – Licensing Services Update and Draft Regulatory Committee Work Programme

- 2) To note the remaining outstanding actions.

(Reference – Rolling Actions Log, submitted.)

3. Regulatory Committee Business Bulletin

The Regulatory Committee Business Bulletin updated for September 2022 was presented.

Decision

To note the Business Bulletin.

(Reference – Business Bulletin, submitted.)

4. Short Term Lets Licensing – Update After Consultation

An update on the powers given to local authorities to regulate short term lets (STLs) by means of a licensing scheme was provided. The report also provided a summary of the responses from the consultations on the proposed policy and additional licensing conditions.

Decision

- 1) To note the report and the responses to two rounds of public consultation on the licensing of Short Term Lets (STL).
- 2) To note the separate legal advice paper provided by the Council's Legal Services.
- 3) To agree to the proposed policy and additional STL licensing conditions set out at Appendix 5 to the report by the Executive Director of Place.
- 4) To agree that the policy would include a statement that secondary letting in tenement or shared main door accommodation would be considered as unsuitable and that there would be a rebuttable presumption against the grant of a licence in such circumstances.
- 5) To agree that, as part of the Policy, the Council would adopt additional licence conditions for STL licences.
- 6) To agree that temporary exemptions and temporary licences would be introduced for STL as part of the licensing scheme.
- 7) To approve the proposed fee structure in relation to applications for STL licences.
- 8) To note that officers would advertise as necessary, noting in accordance with the legislation that a licensing scheme for Short Term Lets would open on 1 October 2022.

(Reference – Report by the Executive Director of Place, submitted)

5. Licensing of Sexual Entertainment Venues – Application Fees

The proposed fee structure for Sexual Entertainment Venue (SEV) licence applications was presented for approval. The fee structure followed from the Committee's decision in March 2022, where it was agreed to adopt a scheme to license SEVs in Edinburgh.

Decision

To approve the proposed fee structure in relation to applications for Sexual Entertainment Venue licences.

(References – Regulatory Committee of 31 March 2022 (item 2); Report by the Executive Director of Place, submitted)

6. Houses in Multiple Occupation – Fees Update

An update on work carried out to review the current licence application fee structure for Houses in Multiple Occupation (HMOs) was presented. The revised fee structure was presented for approval, and an update on the ongoing consultation on HMO licence conditions 011 and 012 was also provided for information.

Decision

- 1) To approve the proposed revised fee structure in relation to applications for Houses in Multiple Occupation (HMO) licences.

2) To note that a consultation on HMO conditions 011 and 012 was ongoing.
(Reference – Report by the Executive Director of Place, submitted)

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Rolling Actions Log

Regulatory Committee

21 November 2022

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
1	09.03.20	Private Hire Car Overprovision	<p>To instruct officers to undertake the actions as detailed in section 5 of the report:</p> <ul style="list-style-type: none"> Officers would undertake necessary actions to appoint an appropriately experienced and skilled external consultant to undertake the required research and analysis work on taxi demand and assessment of PHC overprovision. A full equalities impact assessment would be required with regard to any recommendations that the 	Executive Director of Place	November 2022		<p>Recommended for closure</p> <p>Report on agenda</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>consultant submitted to the Council.</p> <ul style="list-style-type: none"> • In addition, officers would continue to engage directly with relevant stakeholders. • Upon conclusion of any research and analysis completed by an appointed contractor, officers would present the collected data and any supporting information to the committee. • It was intended to undertake consultation with a wider group, including making the results of the research and any recommendations brought forward by officers, available for public consultation. 				

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
2	18.01.21	Licensing Policy Development – Street Trading Update	To agree that the Convener would write to the Executive Director of Place to request a short-term plan which would consider opportunities for street trading, including the use of vacant properties, and to consider a longer term plan to facilitate street trading.	Convener / Executive Director of Place	April 2023		A further report will be brought forward in April 2023.
3	23.08.21	House in Multiple Occupation – Service Update	<p>1) To agree the change in process in relation to property inspections with the introduction of a risk-based inspections model.</p> <p>2) To agree that decisions on whether to make one and three year grants of HMO Licences would continue to be delegated to the Executive Director of Place and that three year licences would only be suitable for properties which were fully compliant and which had had no</p>	Executive Director of Place	September 2022	September 2022	<p>Recommended for closure</p> <p>Report considered September 2022</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>problems in the previous licensed period.</p> <p>3) To agree that a review of the current structure for HMO application fees would be undertaken.</p> <p>4) That the Executive Director of Place report back to Committee in one year with an update on progress.</p>				
4	27/06/2022	Licensing Service Update and Draft Regulatory Committee Work Programme	<p>1) That the following items would be added to the Committee's workplan:</p> <p>a) to conduct a review of the Council's policy on parades and processions;</p> <p>b) to review the operation of the Scheme of Delegation as it applies to licensing matters.</p>	Executive Director of Place	June 2023		

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) That the Executive Director of Place will report back to Committee in one year with an update on progress.	Executive Director of Place	June 2023		
			3) To include details of the backlogs in application processing across the main licensing categories at each meeting of the Committee via the Business Bulletin.	Executive Director of Place			

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Business Bulletin

Regulatory Committee

10.00am, Monday 21 November 2022

Dean of Guild Court Room, City Chambers, High Street, Edinburgh

Regulatory Committee

Convener:	Members:	Contact:
<p data-bbox="156 338 448 416">Convener Councillor Neil Ross</p> 	<p data-bbox="635 338 1062 669">Councillor Jack Caldwell Councillor James Dalgleish Councillor Dennis Dixon Councillor Martha Mattos-Coelho Councillor Joanna Mowat Councillor Susan Rae Councillor Catherine Fullerton</p>	<p data-bbox="1145 338 1493 506">Rachel Gentleman Committee Services rachel.gentleman@edinburgh.gov.uk</p>

Recent News	Background	Contact
<p>Licensing Forum</p> <p>The Forum met informally on 28 October 2022. Forum members received training from Alcohol Focus Scotland. The Forum is next due to meet on 2 December 2022.</p>	<p>Licensing (Scotland) Act 2005 requires a local Licensing Authority to establish a Licensing Forum.</p>	<p>Isla.Burton@edinburgh.gov.uk Trading Standards Officer 0131 529 4208</p>
<p>House in Multiple Occupation (HMO) consultation</p> <p>Current HMO licence conditions require licence holders to provide the Council with an emergency contact number (HMO11) and to give contact details to neighbours (HMO12) once per term of licence, which could be over a period of three years. On 7 October 2022, a public consultation opened on whether the conditions should be amended to require licence holders to provide emergency contact details annually to residents and the Council. The consultation is open until 30 December 2022. A report will be brought to Committee after that date to present the results of the consultation.</p>	<p>The Housing (Scotland) Act 2006 HMO (Scotland) Act 2006 requires the Council to license Houses in Multiple Occupation ('HMOs'). All HMO licences are subject to standard conditions.</p> <p>On 28 February 2022, the Regulatory Committee Houses in Multiple Occupation – Raising Standards agreed to consult on draft conditions. The future work programme includes an item about reviewing all HMO conditions.</p>	<p>Chris.McKee@edinburgh.gov.uk Licensing Team Leader 0131 529 4208</p>
<p>HMO trade meeting</p> <p>On 16 November 2022 officers from the Licensing Service met with HMO agents who operate in Edinburgh to provide an update on a number of areas which may affect the</p>	<p>Council officers have agreed to meet with trade members across the licensing spectrum on a regular basis in order to keep them informed of any developments which may have an effect on their operation in the City. The meetings provide</p>	<p>Catherine.Scanlin@edinburgh.gov.uk Licensing Manager 0131 529 4208</p>

<p>operation of HMOs over the next year. Updates were provided on issues such as short term lets, the operation of the Licensing Service and the new HMO fee structure. The meeting also gave agents the opportunity to raise any queries and discuss any relevant topics with Council officers. It was agreed that the meeting was a useful forum for the agents and officers, with a further meeting planned in 2023.</p>	<p>officers and trade members with a forum to discuss any prevalent issues and to improve communication with licence holders.</p>	
<p>Licensing workload</p> <p><u>Current position</u></p> <p>The Licensing Service currently has 8,398 applications in its processing backlog, which is a slight increase on the last update. This is due to an increase in temporary applications being submitted for the forthcoming festive period.</p> <p>It is still anticipated that it will take until 1 April 2023 to resolve the backlog.</p> <p><u>Current Workload</u></p> <p>In addition to the temporary, annual and longer term licensing workload, the service continues to be involved in:</p> <ul style="list-style-type: none"> Homes for Ukraine and Super Sponsor projects. The six month deadline for the initial placements is coming to an end and a full review of all placements is being undertaken to support the project; and 	<p>The Committee has asked for ongoing updates on this topic.</p>	<p>Andrew Mitchell Head of Regulatory Services 0131 529 4208</p>

<ul style="list-style-type: none"> • Work is being undertaken to brief Council colleagues, elected members and trade groups on the requirements of the Short Term Letting scheme, however, with the submission deadline of 1 April 2023, it is anticipated that the majority of applications will be submitted closer to the time. <p><u>Future Challenges</u></p> <ul style="list-style-type: none"> • Approximately 50% of the Licensing Service staff commenced employment with the Council during the pandemic. A full training programme is therefore underway for new members of staff to enhance their initial training. It will also be an opportunity to revisit knowledge for existing team members and to introduce and have training from other Council services (including legal services, enforcement, and environmental services) alongside external training providers. 		
<p>Hire Car Trade Group (HCTG)</p> <p>The HCTG met on 7 October 2022 and discussed:</p> <ul style="list-style-type: none"> • Licensing overview • Age of vehicles and emissions • Driver training • Taxi Examination Centre • Enforcement and compliance • Taxi fare review 	<p>The HCTG was established to provide taxi and private hire trade representatives with an opportunity to meet regularly with Council officers. Council officers provide an update on ongoing workstreams, consultations and areas of common interest, and the trade can share any concerns that they may have.</p> <p>Prior to the pandemic the meetings were quarterly.</p>	<p>Andrew Mitchell Head of Regulatory Services 0131 529 4208</p>

<ul style="list-style-type: none"> • Overprovision (Private Hire Cars) and Taxi Demand survey <p>The meeting was well-attended, and it was agreed that future dates should be identified. The proposed dates are:</p> <ul style="list-style-type: none"> • Friday 27 January 2023 • Friday 28 April 2023 • Friday 18 August 2023 • Friday 13 December 2023 		
<p>Taxi Examination Centre (TEC)</p> <p>New accommodation has now been identified and it is hoped to move to a new Examination Centre in 2023. The statutory permission and approvals for the new premises are being progressed and the procurement process is now underway to equip the new premises to ensure that DVSA approval is met.</p> <p>Prior to lockdown, the standard of vehicles presented for inspection fell well below the national average MOT pass rate of circa 70% for such vehicles (DVSA class III and IV). At that time the pass rate for taxis was only 49% and for Private Hire Cars (PHCs) 58%, giving an overall average of 55%. More info on this issue is provided in the Age and Emission report before committee.</p>	<p>The testing of taxis and PHCs is carried out at the TEC, operated by Regulatory Services at Unit 11, South Gyle Crescent EH12 9EB.</p> <p>It is an approved MOT testing station, authorised and governed by the Driver and Vehicle Standards agency (DVSA). All licensed vehicles (irrespective of age) are tested to MOT standards.</p> <p>This includes emissions testing where applicable, and a full compliance check with City of Edinburgh Council's Taxi and Private Hire licensing conditions.</p>	<p>Catherine.Scanlin@edinburgh.gov.uk Licensing Manager 0131 529 4208</p>

<p>Vehicle approval</p> <p>An application for a new model of all-electric taxi has been received from Clipper Automotive.</p> <p>Council officers have reviewed the information supplied by the applicants, inspected the vehicle, and found it to be suitable for licensing.</p>	<p>Prior to allowing new vehicles to be licensed as taxis by the City of Edinburgh they must be approved as suitable and conform to the Council's Licensing Conditions for Taxis.</p>	<p>Gordon.Hunter@edinburgh.gov.uk Regulatory Officer 0131 529 4208</p>
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Regulatory Committee

10.00am, Monday, 21 November 2022

Assessment of Overprovision of Private Hire Cars within the City of Edinburgh

Executive/routine	
Wards	All
Council Commitments	

1. Recommendations

1.1 Committee is asked to:

- 1.1.1 Note the survey results and the Jacobs report (Appendix 1);
- 1.1.2 Note that the licensed hire trade has been subject to unprecedented challenges since Committee decided to assess whether there is overprovision in the Private Hire Car (PHC) market;
- 1.1.3 Note the Jacobs conclusion that there is a lack of evidence of overprovision of PHC and their recommendation that this is reviewed in 12 months;
- 1.1.4 Agree to circulate the Jacobs report to stakeholders and invite feedback on the survey and its recommendations; and
- 1.1.5 Agree to receive a further report after that engagement has completed.

Paul Lawrence

Executive Director of Place

Contact: Andrew Mitchell, Head of Regulatory Services

E-mail: andrew.mitchell@edinburgh.gov.uk | Tel: 0131 529 4208

Report

Assessment of Overprovision of Private Hire Cars within the City of Edinburgh

2. Executive Summary

- 2.1 At its meeting on [8 March 2021](#), the Regulatory Committee's Business Bulletin updated Committee that consultants had been appointed to review the provision of Private Hire Cars ('PHCs') within the city, and to identify the impact of recent policy changes on the licensed fleet as a whole.
- 2.2 This report summarises the findings of the assessment and includes the report which Jacobs have prepared (Appendix 1). Representatives from Jacobs will present this at the Committee meeting on 21 November 2022.

3. Background

- 3.1 The Council acts as a Licensing Authority for the purpose of licensing PHCs within the City of Edinburgh. While the Civic Government (Scotland) Act 1982 has long standing powers for the Council to limit taxi licences in its area, similar powers with respect to PHC have only been available since the 2018 enactment of parts the Air Weapons and Licensing (Scotland) Act 2015 [Air Weapons and Licensing Act \(Scotland\) 2015](#). At the time of writing, there are 2,056 licensed PHCs. This has fallen from a peak of 2,518 licences in 2020.
- 3.2 The City of Edinburgh Council's policy which restricts the availability of taxi licences has previously been legally challenged. This typically takes the form of appeal to the Sheriff against decisions of the Licensing Sub-Committee to refuse applications for taxi licences based on the Committee's assessment that there is no significant unmet demand. In late 2016, the Sheriff Court refused an appeal from a licence holder who had been refused a licence based on the absence of unmet demand.
- 3.3 Following changes to the Act as set out above, the grant of a new PHC licence may be refused, but only if there is overprovision of PHC services in its area. The Act requires that, when considering whether overprovision of PHC services exists, authorities should consider the number of PHCs and the demand for PHC services in its area.

- 3.4 The Scottish Government has issued [guidance](#) for licensing authorities with respect to assessing potential overprovision and operating a limitation policy for PHC'. Members may recall that this guidance was issued in 2019, two years after the new powers took effect.
- 3.5 On 8 March 2021, the Regulatory Committee's Business Bulletin updated Committee that consultants had been appointed to review the provision of PHC within the city, and to identify the impact of recent policy changes on the licensed fleet as a whole. Following a procurement exercise, Jacobs was commissioned and undertook this work in late 2021 and early 2022. Attached at Appendix 1 is a copy of the Jacobs report, which will be presented by representatives from Jacobs for Committee on 21 November 2022.

4. Main report

- 4.1 The Jacobs research provides Committee with an assessment of whether there is evidence of overprovision of PHCs in the city.
- 4.2 Jacobs conclude that there is 'little evidence' of overprovision of PHCs in Edinburgh. This conclusion is based on their analysis of the available data and feedback from stakeholders. The drop in number of licences, as set out at paragraph 3.1 above, shows that the PHC market contracted during the pandemic. It would therefore corroborate Jacobs's conclusion on overprovision more generally.
- 4.3 Jacobs conducted a public survey with 300 people replying, which is a relatively low response rate. The key outcomes from the 'public attitude' survey highlight:
- 4.3.1 Roughly one third of respondents had given up waiting for a PHC in the previous three months;
 - 4.3.2 Over 90% of respondents wished a cap on the number of licensed PHCs to be introduced; and
 - 4.3.3 Only 2.7% of complaints about PHCs concerned availability.
- 4.4 Jacobs attempted to broaden the number of stakeholders who responded. ECAS (which provides practical help for people living with a disability) and Local Centre for Inclusive Learning (LCIL), which provides support for disabled people with respect to independent living, were asked to provide a response with a view to the needs of wheelchair users and other people with disabilities/special needs. ECAS responded that no comment could be made as no taxis had been used since March 2020. LCIL thought that there were sufficient PHCs, but more driver education was needed with respect to wheelchair handling and equipment checks.
- 4.5 Key responses from the licensed hire fleet can be summarised as follows:
- 4.5.1 Taxi operators considered there to be too many PHCs in circulation and that a numbers cap was required, particularly with a view to the Council's environmental commitments;

- 4.5.2 Taxi operators called for the types of PHC vehicles to be further restricted and for the use of a meter to be made mandatory;
 - 4.5.3 Taxi operators also wanted PHC drivers to be required to pass a topographical test prior to the grant of a licence;
 - 4.5.4 PHC drivers believed there to be unmet demand for PHC services, and argued that the number of PHC drivers and vehicles had in fact decreased since the pandemic;
 - 4.5.5 There are too few PHC vehicles on the circuit as costs are too high; and
 - 4.5.6 PHC trade needs more support from the Council to attract drivers back to the trade.
- 4.6 Members are invited to note the conclusion from Jacobs that the introduction of a numbers limitation on PHC licences is not justified.
- 4.7 The views of the taxi trade, as set out in paragraph 4.5, are acknowledged and members of the Committee will be aware that these views are longstanding. When considering that public consultation shows support for a cap (from 90% of respondents), caution has to be advised given the relatively low number of respondents compared to other licensing consultations. The counter-argument is that there have been significant changes to the number of PHCs licensed and the PHC trade believes that the market overall has contracted, therefore a cap would not be necessary. All of this feedback must be considered in reaching a decision.
- 4.8 On balance, Council officers agree that, at this time, it appears that there is insufficient evidence to justify the introduction of a PHC overprovision policy. It is therefore recommended that a further short period of engagement is undertaken, to allow the PHC trade and all other interested parties to comment on the Jacobs report, before Committee reaches a final decision. Upon completion of this, members will be in a position to decide whether an overprovision policy is necessary.

5. Next Steps

- 5.1 If the report recommendations are agreed, officers will provide a copy of the Jacobs report and engage with the PHC trade and other interested stakeholders and bring a further report to Committee following conclusion of this engagement.

6. Financial impact

- 6.1 The cost of the Jacobs research was contained within the income from licence fees.

7. Stakeholder/Community Impact

7.1 As required by the Scottish Government guidance, the tender issued by the Council for the consultants required that the research included specific and extensive consultations with interest groups including:

7.1.1 City of Edinburgh Council

7.1.2 Trade representatives;

7.1.3 User/disability groups;

7.1.4 Local interest groups;

7.1.5 Rail, bus and coach operators.

7.2 Further details are contained in the Jacobs report at Paragraph 5.2

8. Background reading/external references

8.1 [Private Hire Car Overprovision: independent assessment tool for local authorities](#) (Scottish Government, October 2019).

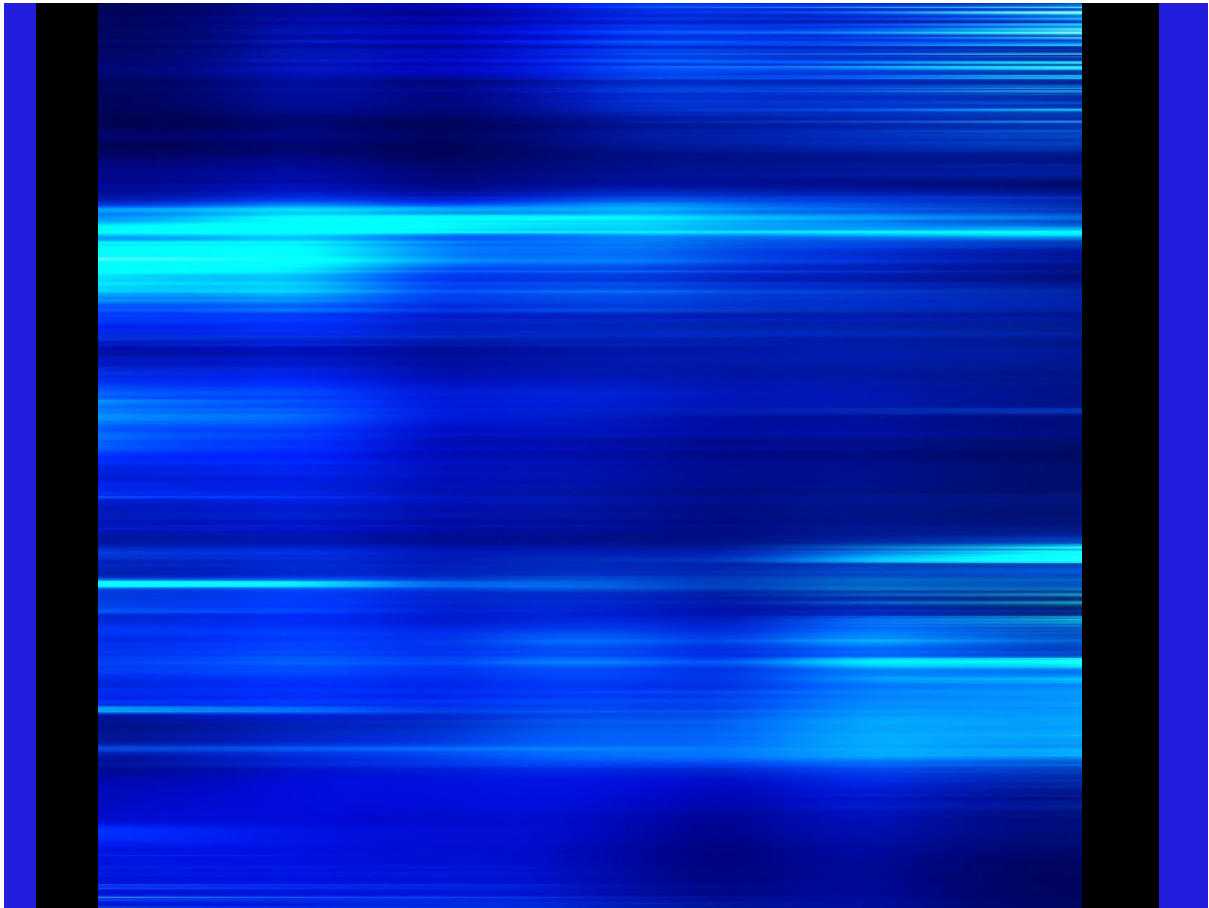
9. Appendices

9.1 Appendix 1 – Jacobs report dated 8 August 2022.

Draft Report

City of Edinburgh Council
CT0794

Private Hire Car Overprovision Study
8 August 2022



Draft Report

Client name: City of Edinburgh Council
Project name: Private Hire Car Overprovision Study
Client reference: CT0794 **Project no:** B23500
Document no: 1 **Project manager:** Liz Richardson
Revision no: 0 **Prepared by:** Liz Richardson
Date: 8 August 2022 **File name:** Draft Report
Doc status: DRAFT

Document history and status

Revision	Date	Description	Author	Checked	Reviewed	Approved
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Distribution of copies

Revision	Issue approved	Date issued	Issued to	Comments

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Contents

1.	Introduction	3
1.1	Objectives.....	3
1.2	Background.....	3
2.	Background to the Private Hire Trade	4
2.1	Vehicle numbers.....	4
3.	Methodology for Overprovision	7
3.1	Background.....	7
3.2	Overprovision tests.....	7
4.	Public Consultation	8
4.1	Introduction	8
4.2	General Information	8
4.3	Attempted Method of Hire	9
4.4	Views on availability of PHCs.....	9
4.5	Complaints.....	10
4.6	Summary	11
5.	Stakeholder Consultation	12
5.1	Direct (virtual) Consultation	12
5.2	Indirect (Written) Consultation	13
6.	Overprovision Tests	15
6.1	Passenger Complaints.....	15
6.2	Driver ratios	15
6.3	Driver turnover	16
6.4	New businesses operating in a locality.....	16
6.5	Reduced vehicle mileage.....	17
6.6	Driver ability to cover night -time demand	17
6.7	Levels of multi shifting	17
6.8	Pirating activity	17
6.9	Extended wait times between hires.....	18
7.	Summary and Recommendations	19

1. Introduction

1.1 Objectives

Jacobs has been commissioned by City of Edinburgh Council to undertake an assessment of Private Hire Car (PHC) numbers in the city and whether there exists a state of over provision. The main objectives to be addressed are:

- Determine what evidence there is of 'overprovision' of PHCs in the City of Edinburgh Council area;
- If there is evidence of PHC overprovision, to make recommendations as to the number of licences necessary to meet demand from passengers and therefore, a figure for a cap;
- If there is evidence of PHC overprovision, to assess what level of licences would be sustainable and therefore whether the Council should decide to adopt a policy regarding overprovision and the number of licences beyond which the Council should refuse to issue licences under Section 10 3A of the 1982 Act;
- Research the attitude of the relevant trade with respect to introducing any cap on numbers (of both taxis and PHCs);
- Carry out independent research of public and other stakeholder attitudes on the need/support for such a cap;
- Make relevant recommendations to amend existing Council policy or introduce new policy, and
- In addition, the Council requires an independent assessment of the impact of all of these changes on the PHC trade, in addition to carrying out the core task of assessing whether there is overprovision.

1.2 Background

The PHC fleet in Edinburgh has more than doubled since 2013, coinciding with the introduction of ride hailing 'apps' and other similar technology and online booking platforms. It is argued in some quarters that this has had a detrimental impact on public safety, increased air pollution and is unsustainable.

The Air Weapons and Licensing (Scotland) Act 2015 gives local authorities the discretionary power to cap or limit the number of PHC licences issued, on the grounds of overprovision. The statutory test in the 2015 Act is however different from the well-known test for 'unmet demand' for taxis. The Scottish Government issued guidance to Licensing Authorities on 24 Oct 2019 on how to assess overprovision (*Private Hire Car overprovision: independent assessment tool for local authorities*)¹.

There is only one example of a Scottish Council introducing a cap, in July 2019 prior to the guidance being published. This issue is untested in the courts and was introduced before guidance was published by the Scottish Government.

CEC has received complaints there are insufficient bookings to sustain a PHC fleet of approximately 2,400. It is further suggested that as a result, some drivers of PHCs illegally ply for trade (i.e. operate as taxis) in order to supplement their income. In addition, it is complained that the increase in fleet has increased traffic congestion and pollution.

Typically, the market for suitable types of PHC vehicles is much wider than for taxis, and one of the consequences of the large increase in the fleet is that newer vehicles of a higher euro standard now make up a significantly larger part of the PHC fleet in comparison to the taxi fleet. The overall impact of this policy has thus been less keenly felt by the PHC trade.

¹ <https://www.gov.scot/publications/private-hire-car-overprovision-assessment-potential-assessment-tools-independent-report-produced-scottish-government/>

2. Background to the Private Hire Trade

Edinburgh is the capital city of Scotland and covers some 259 square kilometres. Edinburgh's resident population is 527,620 (National records of Scotland, 2020 midyear estimate). The city has a large student and visitor population and demand for taxis fluctuates across the year.

2.1 Vehicle numbers

Unlike Taxi vehicle licences, PHCs have not been numerically limited in Edinburgh. . The number of vehicles has more than doubled between 2015 and 2018 before peaking in 2020 before steadily reducing since the start of the pandemic, as shown in Figure 2.1 below

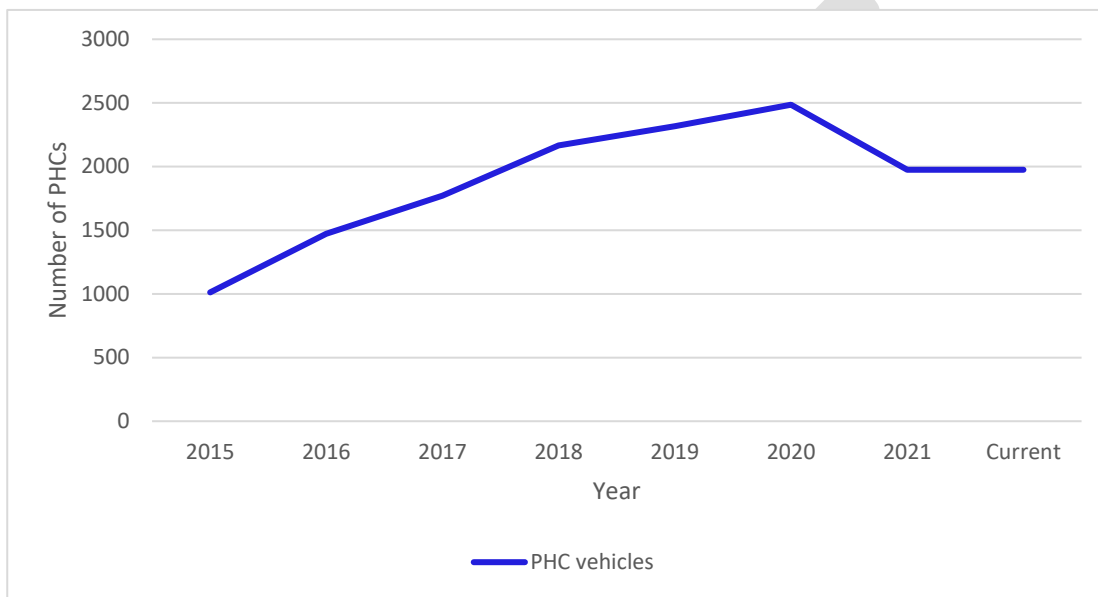


Figure 2-1 PHC numbers

Figure 2.2 demonstrates that driver numbers have also more than doubled between 2015 and 2018 before peaking in 2020 before steadily reducing since the start of the pandemic

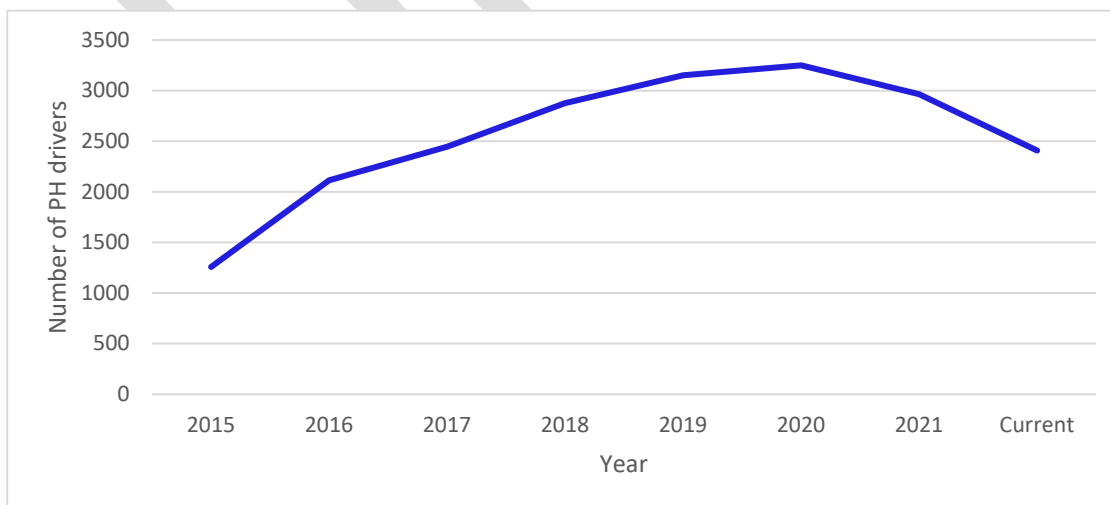


Figure 2-2 Driver Numbers

Figure 2.3 below compares PHCper capita provision across the Scottish Cities and Englishcore cities. This demonstrates that Aberdeen has the highest number of people per PHC, thereby indicating that it has the

lowest provision of the authorities shown. Newcastle has the lowest number of people per PHC, and therefore the best provision. Edinburgh has the seventh best tax provision per capita.

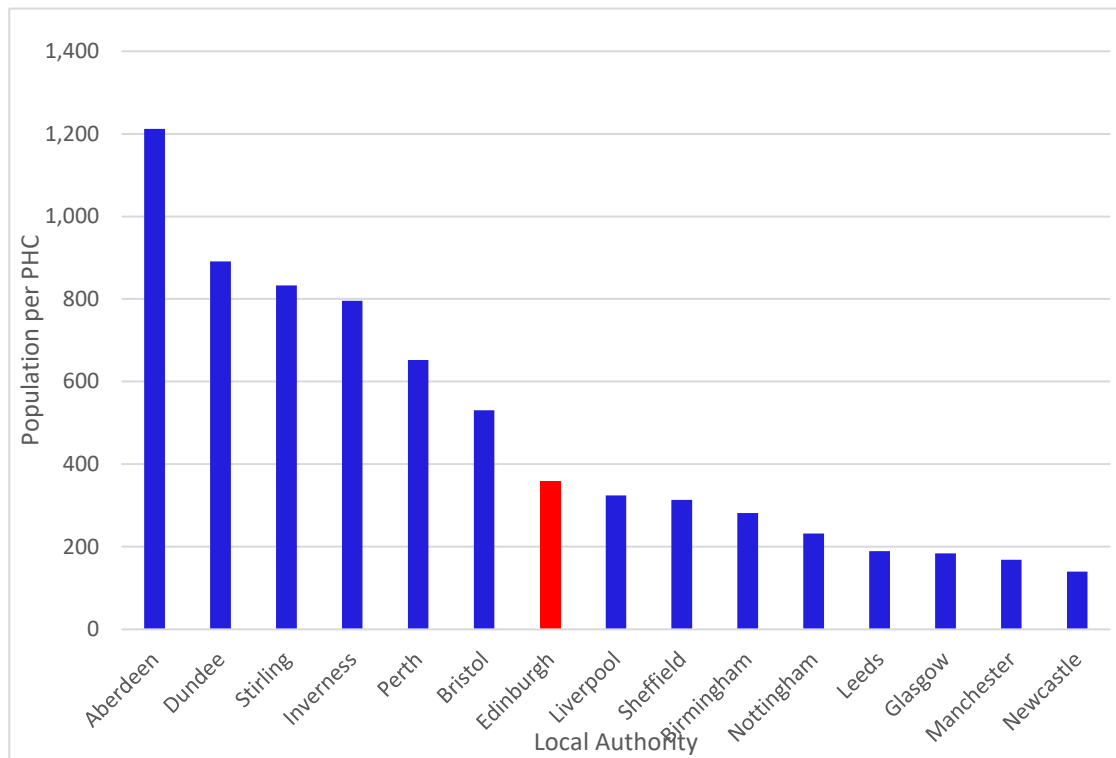


Figure 2-3 Population per PHC across licensing authorities

A number of operators in Edinburgh were asked to provide data from a sample week to demonstrate the typical demand for vehicles and the number of drivers working across the week. Only one operator provided this data so caution should be used when interpreting the results. Figure 2.4 shows demand against number of drivers working.

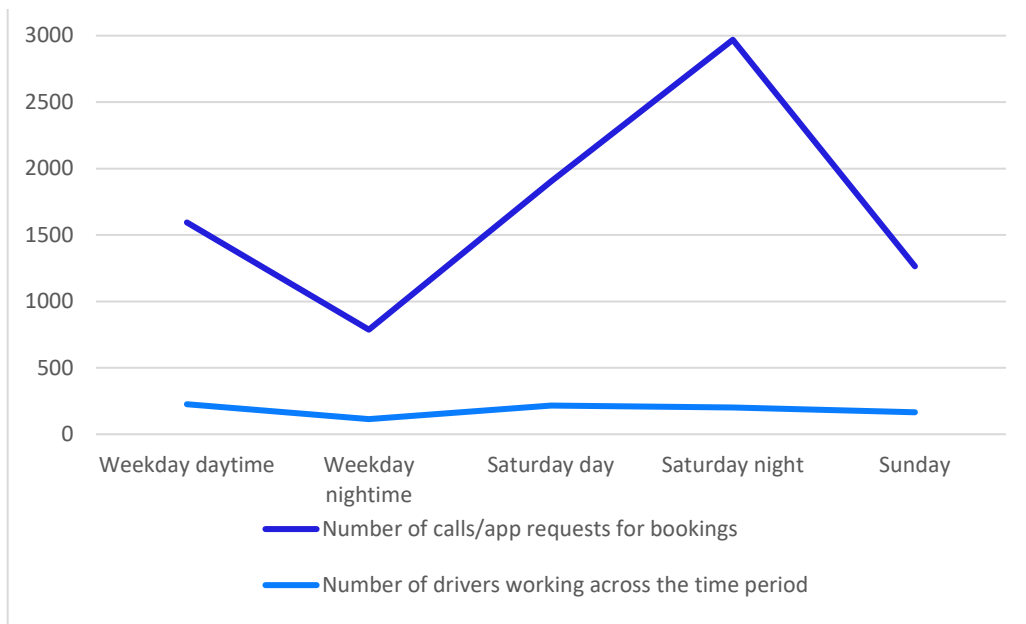


Figure 2-4 PHC demand compared to number of drivers working

Figure 2.4 shows a peak in demand on a Saturday night-time, however the number of drivers working does not increase to match this peak.

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3. Methodology for Overprovision

3.1 Background

The Air Weapons and Licensing (Scotland) Act 2015 introduced a number of amendments to the legislation, namely:

- Allowing for testing of private hire car drivers;
- Requiring local authorities to appoint a civic licensing standards officer; and
- And allowing local authorities to limit the number of private hire cars.

The 2015 Act introduced a power to allow licensing authorities to restrict the number of PHC if it were determined that there was an overprovision. The newly added subsections of Section 10 of the Civic Government (Scotland) Act 1982 are as follows:- “(3A) Without prejudice to paragraph 5 of Schedule 1, the grant of a private hire car licence may be refused by a licensing authority if, but only if, they are satisfied that there is (or, as a result of granting the licence, would be) overprovision of private hire car services in the locality (or localities) in their area in which the private hire car is to operate. (3B) It is for the licensing authority to determine the localities within their area for the purposes of subsection (3A) and in doing so the authority may determine that the whole of their area is a locality. (3C) In satisfying themselves as to whether there is or would be overprovision for the purposes of subsection (3A) in any locality, the licensing authority must have regard to :- a) the number of private hire cars operating in the locality, and b) the demand for private hire car services in the locality.”

There is no simple numerical formula for pinpointing the threshold between provision and overprovision. Determining overprovision involves the application of reason and judgement in the interests of the community. Therefore, one of the key considerations when considering applying a cap to private hire car licenses, would be how such a limit would benefit the public.

In October 2019, the Scottish Government published ‘*Private Hire Car Overprovision Assessment – Potential Assessment Tools An Independent Report*’. This publication sets out a number of tests that can be used for a local authority to determine whether there is any over provision.

3.2 Overprovision tests

Based on available data from CEC the following tests have been applied:

- Passenger complaints
- Driver ratios
- Driver turnover
- New businesses operating in a locality
- Driver availability to cover night-time demand
- Levels of multi shifting
- Pirating activity
- Extended wait times between hires

4. Public Consultation

4.1 Introduction

An online public attitude survey was designed with the aim of collecting information regarding opinions on the PHC market in Edinburgh. The survey was conducted in December 2021 and hosted on City of Edinburgh Council's Consultation Hub. Some 300 responses were received.

It should be noted that in the tables and figures that follow the totals do not always add up to the same amount which is due to one of two reasons. First, not all respondents were required to answer all questions; and second, some respondents failed to answer some questions that were asked.

4.2 General Information

Respondents were asked whether they had made a trip by taxi or private hire car in the past three months. Figure 4.1 shows that 93.6% (279) of the 300 respondents had made a trip by taxi or private hire car in the last three months.

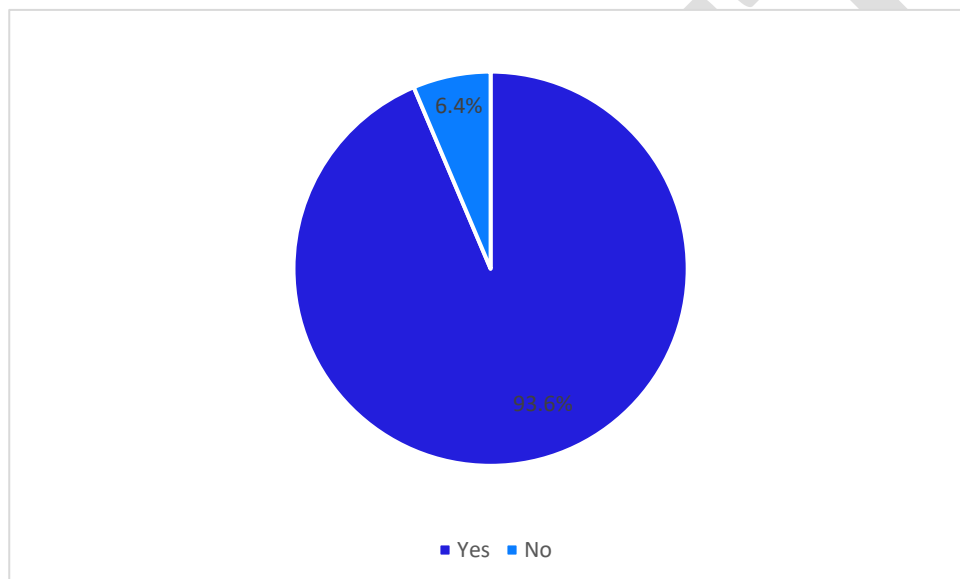


Figure 4-1 Have you made a trip by taxi or private hire car in the last three months?

Those respondents who had made a trip by taxi or private hire car were asked how they obtained their vehicle. Some 36% of trip makers (99) stated they hired their taxi via a smartphone or tablet app while 27% (75) of taxi hirings were obtained at a rank. Some 23% (65) of trips were achieved by telephone. The online and telephone bookings relate to both taxi and private hire car bookings. Figure 4.2 reveals the pattern of hire.

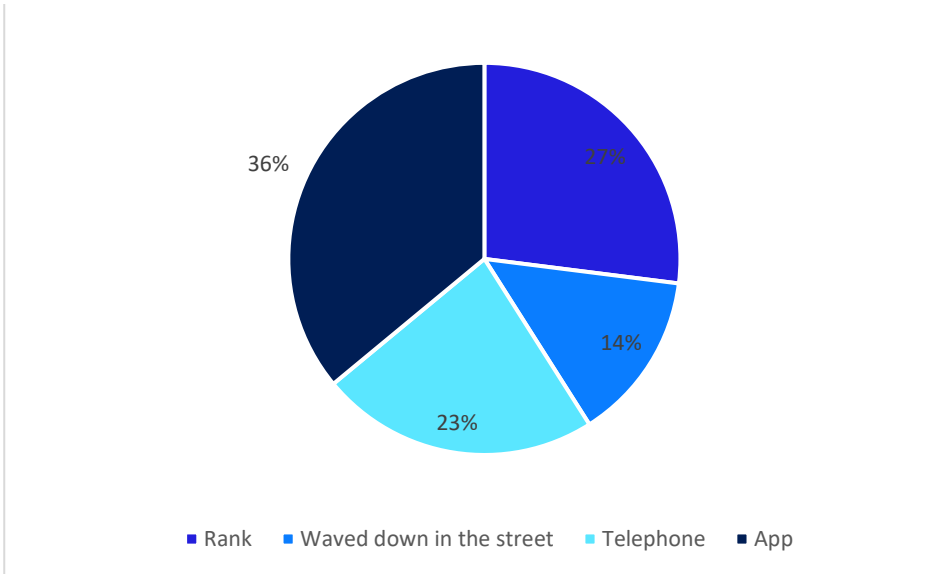


Figure 4-2 Method of hire for last trip

4.3 Attempted Method of Hire

All respondents were asked to identify whether or not they had given up waiting for a PHC booked by telephone, or through an online app in Edinburgh in the last three months. The results are summarised in Figure 4.3.

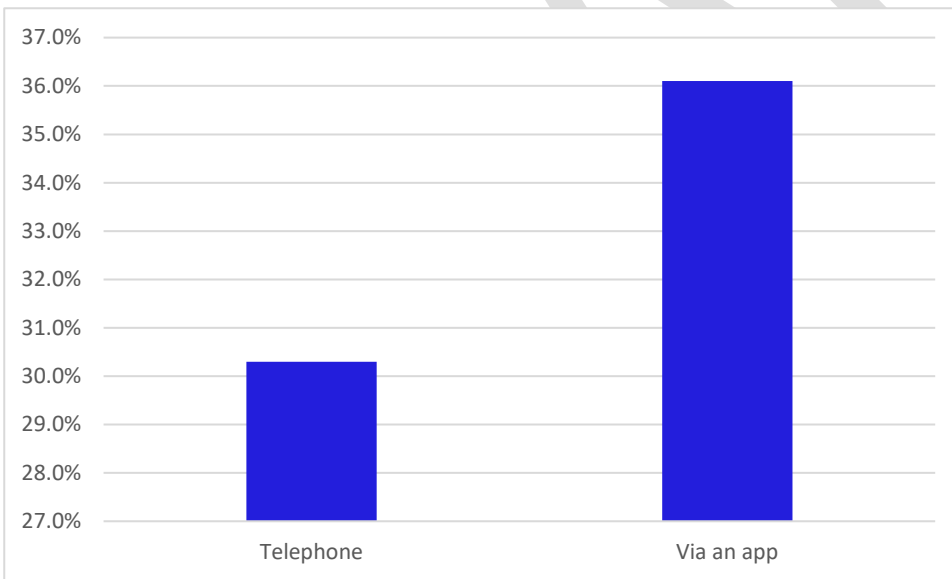


Figure 4-3 Given up trying to make a hiring?

As indicated in Figure 4.3, some 30.3% of respondents had given up waiting for a taxi by telephone booking or 36.1% by an app in the last three months.

4.4 Views on availability of PHCs

Respondents were asked whether they considered there to be enough PHCs in Edinburgh. Some 91% considered there to be enough. Respondents were then asked for their views on whether CEC should introduce a numerical limit on the number of PHCs. As detailed in Figure 4.4, 91% of respondents wanted a limit to be introduced on PHCs.

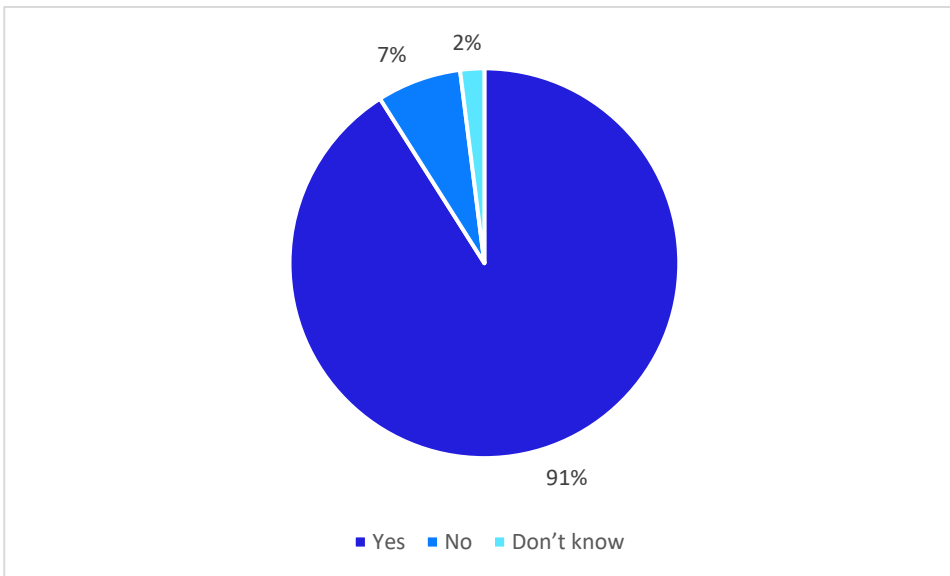


Figure 4-4 Should CEC introduce a numerical limit on PHCs?

Respondents were then asked whether they felt that PHC services in Edinburgh could be improved. Some 71% of respondents stated that services could be improved. Those who stated that they could be improved were asked in what way. Suggestions included:

- Too many drivers do not know their way around the city
- Better presented vehicles
- Better language skills
- Allow PHCs to use bus lanes
- Have more availability
- Take card payment options
- Better driving skills

4.5 Complaints

Respondents were asked if they had made a complaint about a PHC or Taxi in the last three months. Of the 114 people stating that they had made a complaint some 73.7% were against a PHC with 26.3% stating it was against a Taxi. Figure 4.5 demonstrates that 31.5% of complaints were about driver behaviour with only 2.7% about availability. Those stating other included:

- Driver making me wait over 10 minutes and then cancelling
- Vehicle operating without licensed plates
- Surge Pricing

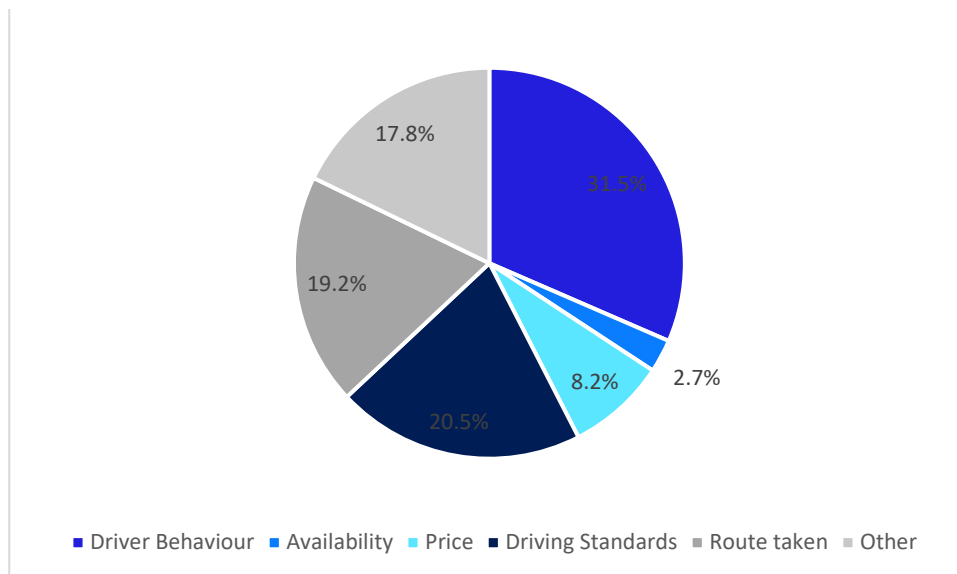


Figure 4-5 Nature of complaints made about PHCs

4.6 Summary

The key findings from the public consultation can be summarised as:

- 93.6% of respondents had made a taxi or PH journey in the previous 3 months;
- 36% had prebooked via an app, 23% had prebooked via a telephone booking;
- Some 30.3% had given up waiting for a booking made via telephone and 36.1% had given waiting for a booking made by an app
- Some 91% of respondents wanted to see a PHC numerical limit introduced
- Some 71% of respondents suggested that PHC services could be improved.

5. Stakeholder Consultation

5.1 Direct (virtual) Consultation

Several stakeholders were invited to attend a series of virtual focus groups. This assured the Scottish Government guidelines were fulfilled and all relevant organisations and bodies were provided with an opportunity to comment. Following the focus groups the written minutes were circulated for comment to the attendees. A summary of the responses received are provided below

Hackney Trade

It was suggested that a significant number of PHC licences been returned to City of Edinburgh Council. The trade considered that there were too many PHCs prior to Covid and a high incidence of vehicles on circuits and Uber.

The trade considered that the number of PHCs should be limited as taxi numbers are, especially if CEC are serious about reducing congestion and air pollution.

Attendees suggested that the numbers of PHCs increased when the licence fee was reduced.

It was recognised that PHC numbers have decreased since the pandemic with people leaving the industry.

Attendees wanted to see the range of PHCs limited to a smaller number of vehicle types and all PHCs to have a meter installed – Unite the Union stated that this is something that they are campaigning to make mandatory.

Want to see the PH trade sit a topographical test

Private Hire

All attendees stated that they felt there was an unmet demand for PHCs. They didn't want to see a cap put on PHCs because of this. It was also noted that the number of PH drivers and vehicles had decreased since the pandemic.

It was suggested that the PHC trade isn't a very different place since Covid and the trade were surprised that CEC are still looking at capping PHCs.

With regards to PHC demand it was stated that this has never been higher. There has been an exit of drivers from the industry during the pandemic and it is proving difficult to entice drivers back into the industry. It was recognised that there was no quick fix for this. Reference was made to the decision to cap PHCs in Glasgow and the negative repercussions.

The trade representatives considered it to be too expensive to operate a vehicle. Many ex-PHC drivers have gone to Uber Eats and Deliveroo. It was stated that nobody on the call can service the work they already have and customers are being let down.

The trade discussed the difficulties with getting drivers to work a full shift. Drivers are only working Monday to Friday day shifts as they don't now need to work anti-social hours and it was very difficult to get drivers to work night shifts. The nature of the work has also changed as there is no multi shifting anymore.

It was felt that the overprovision survey has come 2 years too late – the trade is now decimated with an estimate at the time of the consultation of 40% fewer PH drivers in Edinburgh.

It was also suggested that CEC could do more to support operators to attract people back into the trade. The lack of PHCs is causing safety issues as people including lone females are having to wait a long time for vehicles at weekends.

5.2 Indirect (Written) Consultation

Several stakeholders were contacted by letter and email. This ensured the Scottish Government guidelines were fulfilled and all relevant organisations and bodies were provided with an opportunity to comment.

In accordance with advice issued by the Scottish Government, the following organisations were contacted:

- City of Edinburgh Council;
- Trade representatives;
- User/disability groups representing those passengers with special needs;
- Local interest groups including hospitals, visitor attractions, entertainment outlets and education establishments; and
- Rail bus and coach operators.

A summary of the responses received are provided below.

Central Taxis

Central taxis provided a written response as follows:

"We understand that the number of private hire car vehicles licensed in Edinburgh reduced by a measure of some 600-700 during the last 2 years. This was a necessary reduction in our view. Prior to March 2020, the number of licensed private hire cars operating in the city exceeded saturation, being well over 3000 (as against 1316 taxis). In these numbers Private Hire cars were not able to generate sufficient revenues simply by operating within the laws which govern their operation, leading to PHC drivers illegally ranking in taxi ranks, routinely picking up off the street without a pre booking and parking in all areas of the city centre despite the rules prohibiting PHC cars waiting and touting for business as if they were taxis. The dangers to public safety are paramount considerations in the licensing sphere, but the Licensing Authority had yet to act upon powers to limit PHC licenses on account of overprovision. It is hoped that the reduction of licences held and the time since limitation of PHC was first considered, will allow any further growth in the number of licensed private hire vehicles to be properly assessed and regulated to ensure legal compliance and the paramount concern of public safety.

The contribution of private hire vehicles to traffic within the city centre (and thus congestion) was considerable and patently obvious to other road users. There was no mechanism in place to allow licences to be refused for overprovision as exist in the taxi trade and other licensing fields. Amendments to legislation now in force allows such controls to be activated and to do so would serve the public, private hire operators and drivers and other public sector policy priorities.

The advent of app based private hire operated vehicles has changed the landscape for private hire car operation. Hitherto most private hire vehicles were metered in the city, meaning that the maximum fares to be charged the consumer were regulated by a proper democratic process, involving consultation and due consideration of the competing interests of operators and users. This serves as a consumer protection measure to ensure that users are not subjected to unfair practices, or profiteering at busy periods of demand.

The App based model has now turned this on its head. Meters have been removed from many vehicles, meaning that the operation of these vehicles is not subjected to any control on price. At busy times, the customer is being charged up to 4 times the normal cost of a journey; a reality which can only occur in private hire vehicles as taxis, with their mandatory meter, cannot engage in such practices at any time. While this may be viewed as a competitive advantage for taxis, another view is that consumers are being exposed to extremely unfair profiteering at those times when these forms of transport are most required. The maintenance of this divergence in place for private hire operators will necessarily lead to taxis demanding that they too be allowed to set prices according to peaks in demand when engaged in prebooked work – there being no obvious reason why there should be such divergence. It is our view that this would be much to the detriment of the people of Edinburgh and to its businesses and visitors. A return to a mandatory meter in all hire vehicles for work which begins and ends in Edinburgh would serve to restore levels of consumer protection and be a vast improvement to the current situation. Also, there are no approved vehicle types for private hire vehicles, which leads to some very odd sights on the streets of Edinburgh, with cars obviously unsuitable in size for comfortable passenger

transport being plated and used for commercial purposes. We consider that there are clearly some vehicle types which are unsuited to use as private hire vehicles in Edinburgh. An approved list should be considered to ensure passenger comfort and to set a standard worthy of the Capital city."

City Cabs

City Cabs provided a written response as below:

"We have been aware of discussions around the overprovision of Private Hire Cars for at least 10 years now. The numbers of PH licenses has reduced significantly over the period of the global pandemic and we believe (much like the Taxi industry) that the point we are now at would prove to be a suitable place to limit vehicle numbers. We should use the current numbers of PH as a limit. This will help to improve the environment through less vehicles driving around the citycentre empty waiting on being dispatched a job. There needs to be a limitation on vehicle numbers and also a requirement that once dropping off the vehicle should wait after completing a job on a new one being dispatched before driving around the city empty and harming the environment further.

All vehicles should be fitted with a council set meter. It will be a terrible future for the licensed transport infrastructure in this city if your journey home can randomly change in price due to availability. Meters installed in vehicles protect the public and allow a fair and reasonable service. Imagine if you got on a bus one day and the driver said 'sorry its triple fare today because the weather isn't very good'. That is the current setup with non-meter installed vehicles operating on dynamic pricing. The general public are being ripped off at any opportunity. Licensing can, and in our view should, protect the public from this practice by enforcing meters in all licensed vehicles."

Concierge, Balmoral Hotel

It was considered that there should be an increase in environmentally friendly and compliant private hire taxis in Edinburgh and that black cabs should be abolished. The representative did not feel that a cap should be introduced on PHCs but he felt that private hire taxis offer a better service. The drivers with larger vehicles are much better equipped to transfer people with luggage to/from Edinburgh Airport and the station, as the luggage is secured in the boot, as opposed to black taxis who have luggage loose in the back of the vehicle

In terms of how PHC services could be improved the representative wanted to see a stricter qualification test in terms of their knowledge of the city, and spot-checking vehicles for compliance to regulations and cleanliness.

ECAS

ECAS responded to the consultation stating that they haven't used any taxis since March 2020 so are not confident in making any comments.

Lothian Centre for Inclusive Living (LCIL)

The representative from LCIL considered there to be enough PHCs in Edinburgh but was unsure about whether the Council should introduce a limitation policy. It was suggested that more wheelchair accessible vehicles were needed together with drivers having more training in handling wheelchairs and checks on equipment for clamping wheelchairs. The representative also stated that 'Some drivers are amazing, just not always'.

Drummond Community High School

The representative considered there to be enough PHCs in Edinburgh and felt that the Council should limit their number. It was considered unfair for taxis to be limited but private higher cars not to be. Again being on time matters when school contracts are involved.

Currie Community High School

The representative considered there to not be enough PHCs in Edinburgh and considered that the Council should not introduce a limitation policy.

6. Overprovision Tests

In order to determine whether there is overprovision of PHCs in Edinburgh the following tests have been applied. These tests are set out in Chapter 4 of the *Private Hire Car overprovision: independent assessment tool for local authorities*

6.1 Passenger Complaints

The guidance suggests that an absence of passenger complaints may indicate that there is adequate provision of private hire services or that there is an existing overprovision of private hire services. The public attitude survey suggested that of the 114 people stating that they had made a complaint some 73.7% were against a PHC with 26.3% stating it was against a Taxi. However, these complaints were for a variety of reasons including driver behaviour with only 2.7% about availability.

Further information was obtained from City of Edinburgh Council and is set out in Table 6.1 and demonstrates a low level of complaints.

	Complaints about no show/availability	Complaints about fares
2022	7	1
2021	2	3
2020	2	1
2019	2	3

Table 6-1 Complaints received about PHC service

6.2 Driver ratios

Figure 6.1 looks at the ratio between the number of PHCs licensed and the number of drivers. This is a quick indicator of the effective fleet size. Lower ratios indicate that vehicles are predominantly operated by a single driver and according to the guidance can be an indicator of overprovision. Figure 6 shows that currently for every licensed PHC there are 1.22 drivers. This ratio peaked in 2021 due to the covid 19 related reduction in PHC drivers. Prior to the pandemic it was fairly constant. However, it has never approached a 1:1 ratio. Anecdotal evidence from the trade also suggests that multi shifting is not practiced currently.

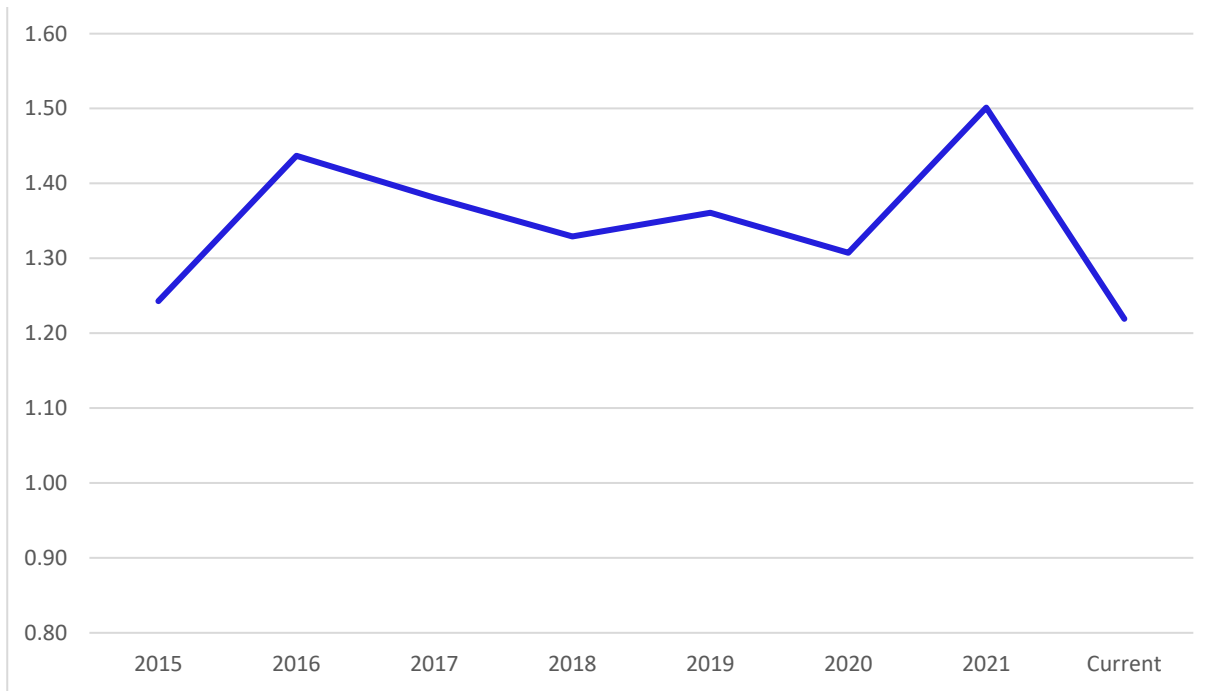


Figure 6-1 Ratio of drivers to PHCs

6.3 Driver turnover

A high level of driver turnover may be an indication that drivers find it difficult to make a living.. Table 6.1 looks at the number of drivers submitting an application to renew their licence between 2017 and 1st August 2022. It shows that renewals have declined since peaking in 2019 suggesting that a number of drivers have left the trade. This cannot wholly be attributed to drivers being unable to make a living as anecdotal evidence suggests that a number of drivers left the trade during the pandemic to take up other occupations. It can also be associated with drivers not being able to maintain the costs incurred with being a PHC driver.

Year	Number of applications
2022	77
2021	684
2020	1023
2019	1078
2018	975
2017	803

Table 6-2 Licence renewal applications

6.4 New businesses operating in a locality

The guidance suggests that new businesses may drive additional recruitment for drivers and may in turn lead to additional licenced vehicles becoming registered. If the increase in drivers and/or vehicles is sustained for several years, this could lead to overprovision.

From analysis of Edinburgh’s licensing registers, Table 6.2 sets out the applicant numbers for drivers and new businesses since 2017.

	Number of new booking office applications	No of PHC driver applications
2022 to date	1	145
2021	5	242
2020	3	272
2019	2	864
2018	5	930
2017	5	892

Table 6-3 New applications

Between 2017 and 2019 the data suggests that new business applications were driving demand for driver licences. However, since the pandemic, demand for new driver licences has decreased.

6.5 Reduced vehicle mileage

This data is not available to apply this tool.

6.6 Driver ability to cover night-time demand

The guidance states that if there is evidence that drivers are generally unwilling to work at night, this may be an indicator that drivers can derive sufficient earnings during daytime working to achieve targets. Such a scenario may indicate that there is not overprovision.

Data provided by one PH operator suggests that fewer drivers are working at night compared to daytime shifts. This was similar for both a weekday night and a weekend night shift. This was corroborated during a discussion with PH trade representatives who suggested that drivers do not need to work during night times as they make their money during the day.

The findings above may, however, be a result of the slow-down in the night-time economy throughout the pandemic. Responses from Jacobs’ consultation with operators in the trade suggest that “drivers [...] altered their working patterns to reflect the lack of a night-time economy” since March 2020. This situation “has improved” but “the effects of the disruption remain and are expected to do so in the short and through the medium term at least.”

6.7 Levels of multi shifting

Discussion with PHC trade representatives suggest that there are low levels of multi shifting. As detailed above, representatives suggested that drivers are able to make their income during the day, suggesting a sustainable level of income and .

6.8 Pirating activity

The recent unmet demand study undertaken to assess taxi demand didn’t identify any issues with PHCs illegally plying at ranks. However, the consultation with taxi trade representatives suggested that this had been an issue. Central taxis stated:

“We understand that the number of private hire car vehicles licensed in Edinburgh reduced by a measure of some 600-700 during the last 2 years. This was a necessary reduction in our view. Prior to March 2020, the number of licensed private hire cars operating in the city exceeded saturation, being well over 3000 (as against 1316 taxis). In these numbers Private Hire cars were not able to generate sufficient revenues simply by operating within the laws which govern their operation, leading to PHC drivers illegally ranking in taxi ranks, routinely picking up off the street without a pre booking and parking in all areas of the city centre despite the rules prohibiting PHC cars waiting and touting for business as if they were taxis”

6.9 Extended wait times between hires

Anecdotal evidence provided by the PHC representatives suggest that demand is outstripping supply. Data provided by one operator suggests that across all time periods they were dropping calls/losing bookings on apps.

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7. Summary and Recommendations

The key objectives of the study are to:

- Determine what evidence there is of 'overprovision' of PHCs in the City of Edinburgh Council area;
- If there is evidence of PHC overprovision, to make recommendations as to the number of licences necessary to meet demand from passengers and therefore, a figure for a cap;
- If there is evidence of PHC overprovision, to assess what level of licences would be sustainable and therefore whether the Council should decide to adopt a policy regarding overprovision and the number of licences beyond which the Council should refuse to issue licences under Section 10 3A of the 1982 Act;
- Research the attitude of the relevant trade with respect to introducing any cap on numbers;
- Carry out independent research of public and other stakeholder attitudes on the need/support for such a cap;
- Make relevant recommendations to amend existing Council policy or introduce new policy, and
- In addition, the Council requires an independent assessment of the impact of all of these changes on the PHC trade, in addition to carrying out the core task of assessing whether there is overprovision.

This study has been undertaken during a period of significant change for the PH trade. Prior to the pandemic there had been a significant increase in the number of PHCs and drivers in Edinburgh which had seen the need for this study to be undertaken. However, PHC numbers are approaching 2017 levels currently with the number of divers below those licensed in 2017.

In line with the Scottish Governments publication: "*Private Hire Car Overprovision Assessment – Potential Assessment Tools*" a range of suggested tool have been applied to address the above objectives.

Objective 1: Determine what evidence there is of 'overprovision' of PHCs in the City of Edinburgh Council area;

Objective 2: If there is evidence of PHC overprovision, to make recommendations as to the number of licences necessary to meet demand from passengers and therefore, a figure for a cap;

- **Objective 3: If there is evidence of PHC overprovision, to assess what level of licences would be sustainable and therefore whether the Council should decide to adopt a policy regarding overprovision and the number of licences beyond which the Council should refuse to issue licences under Section 10 3A of the 1982 Act;**

At the present time there is little evidence of any 'overprovision' in Edinburgh. Of the 8 tools applied, none indicated any overprovision. The reduction in PHCs and drivers indicates that people are leaving the PH trade. However, pre pandemic there had been a significant increase in drivers and vehicles suggesting potential over provision at the time. It is suggested over provision should again be looked at in one year's time to determine the longer lasting impacts from covid.

- **Objective 4: Research the attitude of the relevant trade with respect to introducing any cap on numbers;**

The taxi trade was in favour of introducing a cap on PHCs with one company suggesting that they are limited at the current number of vehicles i.e., 2,408. It was stated that this would help to improve the environment through less vehicles driving around the city centre empty, waiting on being dispatched a job. The PH trade felt that there was unmet demand for PHCs and therefore didn't want to see a cap introduced. This was also in the context of several drivers leaving the industry. One trade representative felt that demand for PHCs had never been higher.

- **Objective 5: Carry out independent research of public and other stakeholder attitudes on the need/support for such a cap**

Engagement with the public demonstrated that they were in favour of introducing a cap on PHCs. Only one none trade stakeholder response was received and they had the view that they should not be capped – the stakeholder felt that PHCs offered a better service to the public.

- **Objective 6: Make relevant recommendations to amend existing Council policy or introduce new policy**

At this time, it is recommended that CEC does not introduce a cap on PHCs. The PHC trade is recovering from the impact of Covid and there is evidence that a large number of drivers has left the trade. This should be reviewed in a years' time when the trade has had a chance to recover.

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Regulatory Committee

10.00am, Monday, 21 November 2022

Survey of Demand for Taxis within the City of Edinburgh

Executive/routine
Wards
Council Commitments

1. Recommendations

1.1 Committee is asked to:

- 1.1.1 Note that the licensed hire trade has been subject to unprecedented challenges since the Committee last assessed whether there is significant unmet demand;
- 1.1.2 Note the survey results and the Jacobs report;
- 1.1.3 Note Jacobs's conclusion that no significant unmet demand exists;
- 1.1.4 Agree to circulate the Jacobs report to stakeholders and invite feedback on the survey and its recommendations; and
- 1.1.5 Agree to receive a further report after that engagement has completed.

Paul Lawrence

Executive Director of Place

Contact: Andrew Mitchell, Head of Regulatory Services

E-mail: andrew.mitchell@edinburgh.gov.uk | Tel: 0131 529 4208

Report

Survey of Demand for Taxis within the City of Edinburgh

2. Executive Summary

- 2.1 The Council has a policy of limiting the number of taxi licences issued within the city, using the powers available to it under Section 10 (3) of the Civic Government (Scotland) Act 1982. This power can only be used if the Council is satisfied that there is no 'significant demand' for taxis which is unmet. The Council is required to keep this position under regular review.
- 2.2 At its meeting on [8 March 2021](#), the Regulatory Committee's Business Bulletin informed the Committee that consultants had been appointed to review the provision of taxis within the city, and specifically to identify whether there was any 'significant unmet demand' for taxis. The last major survey of this type took place in 2017.
- 2.3 Demand has been reviewed regularly since that date, with the results of interim surveys being reported to the Regulatory Committee on [8 March 2021](#), Demand for Taxis: Six Monthly Update. However, during lockdown this work had ceased other than retrospective reporting.

3. Background

- 3.1 The Council acts as a Licensing Authority for the purpose of licensing taxis within the City of Edinburgh. In line with the powers described in the [Civic Government \(Scotland\) Act 1982](#), the Council has adopted a policy of limiting the number of taxi licences issued where there is no evidence of significant unmet demand. The Council last formally reviewed this position in 2017. At present, the numbers limitation is 1,316 licences for taxis within the city. As reported to Committee previously, the number of taxi licences issued has dropped below the numbers limitation and stands currently at 1,277.
- 3.2 The policy of restricting the number of taxi licences within the city attracts considerable debate. One view, generally held by taxi licence holders, is strongly in favour of retaining the restriction on licence numbers, on the grounds that overprovision would harm the viability of the trade. There are other groups which strongly argue that the policy is a restraint on trade and seek the removal of the restriction. Typically, these include people who do not currently have a taxi licence,

but wish to obtain one, or licensed taxi drivers who wish to operate their own taxi as opposed to driving shifts in taxis licensed by others.

- 3.3 The restriction policy has previously been challenged. This typically takes the form of an appeal to the Sheriff against decisions of the Licensing Sub-Committee to refuse applications for taxi licences based on the Committee's assessment that there is no significant unmet demand. The last such challenge was in late 2016 when the Sheriff Court refused an appeal from an applicant who had been refused a licence based on the absence of unmet demand.
- 3.4 The Scottish Government has issued [guidance](#) for licensing authorities which operate a limitation policy. The guidance clearly indicates that the level of unmet demand must be kept under regular review. The guidance also makes clear that authorities should consider any evidence of 'peak demand' and consider the impact of this when considering if there is 'significant unmet demand'. Examples of 'peak demand' may be after pubs and clubs close at weekends. The guidance also makes clear that peak demand should not be considered in isolation but balanced against the full range of data.
- 3.5 Additionally, the decisions of the courts clearly indicate that the level of unmet demand must be kept under regular review.
- 3.6 Following a procurement exercise, Jacobs was commissioned to undertake a comprehensive survey of demand for taxis and undertook the research in 2022. Jacobs were instructed to follow the above guidance in carrying out their research.
- 3.7 Attached at Appendix 1 is a copy of the Jacobs report, which will be presented by representatives from Jacobs for Committee on 21 November 2022.

4. Main report

- 4.1 The Jacobs research provides Committee with an up to date review of the level of demand for taxis in the city. If approved, this will form the basis on which individual licences will be considered until the next formal review, which will be in approximately three years' time.
- 4.2 The Jacobs report concludes that the number of hours where excess passenger demand was observed has decreased since the last full study in 2017, as has passenger delay. The report also highlights the significant impact that the pandemic has had on the trade.
- 4.3 The report concludes that there is no evidence of significant unmet demand for taxis in Edinburgh. This conclusion is based on an assessment of the case law that has emerged since 2000, and the results of Jacobs's analysis.
- 4.4 Those members of the public who completed the survey were generally satisfied with the taxi service in Edinburgh. Levels of passenger satisfaction with waiting times were high. The key results from the 'public attitude' survey highlight:
 - 4.4.1 Over a quarter (27%) of taxi hires are from a stance, and 36% of respondents obtained a taxi via a smartphone app;

- 4.4.2 Almost half of the respondents believed that new stances are needed;
 - 4.4.3 Respondents expressed satisfaction with the levels of delay on their most recent trips, suggesting that any delays were minimal. Hiring by flag down in the street provided the highest satisfaction levels; and
 - 4.4.4 25% of people surveyed had given up trying to obtain a taxi at a stance or by flag down.
- 4.5 Taxi trade representatives raised the following issues during the survey and Committee should consider these as part of its overall review of this policy:
- 4.5.1 The consultation took place during the pandemic, which had a significantly disruptive effect on the sector. This included the loss of many drivers and many drivers switching to daytime shifts;
 - 4.5.2 For two years, the Council has not been able to deliver training or topographical testing (a requirement for a Taxi Driver's Licence), which is a bar to entering the trade;
 - 4.5.3 The numbers limit ensures that sufficient taxis are available for customers, and that there is sufficient work to support the trade and to encourage entry;
 - 4.5.4 Capital costs are now significant, and the limit allows confidence that a reasonable return will be gained from initial investment; and
 - 4.5.5 Taxi rank locations need to be considered with respect to taxis being part of transport strategies, particularly at major transport hubs such as Waverley Station and Edinburgh Airport.
- 4.6 With respect to Scottish Government guidance, the Council has had the taxi limitation policy since 1990 and it has been reviewed periodically since then. The recommended assessment of demand and public attitude is provided by the Jacobs report. The fieldwork for the most recent interim survey on demand for taxis was carried out in November 2020, and an update is therefore overdue.
- 4.7 Anecdotally, there has been a small number of complaints from members of the public about lack of taxis either at peak periods, after large events or at Edinburgh Airport. Members will also be aware of media coverage of concerns about the shortage of licensed hire cars across Scotland.
- 4.8 Members are invited to note the conclusion from Jacobs and the feedback from the taxi trade. It is recommended that a short period of consultation is afforded, to allow the taxi trade and other interested parties to comment on these. On completion of this consultation, members will be in a position to decide whether to accept and implement the Jacobs conclusions and recommendations.

5. Next Steps

- 5.1 If the report recommendations are agreed, officers will provide a copy of the Jacobs report and will engage with the Taxi trade and other interested stakeholders and bring a further report to Committee following conclusion of this engagement.

6. Financial impact

- 6.1 The cost of the Jacobs research is contained within the income from the taxi licence fees.

7. Stakeholder/Community Impact

- 7.1 The tender issued by the Council for the consultants required that the research included specific and extensive consultations with interest groups. Full details are contained in the Jacobs report, but these groups included:
- 7.1.1 Representatives of the taxi trade;
 - 7.1.2 The public;
 - 7.1.3 Police Scotland, in particular the Cab Inspector and officers with responsibility for the City Centre;
 - 7.1.4 Council Officers with responsibility for Community Safety, Transport and Economic Development; and
 - 7.1.5 Disability Groups.

8. Background reading/external references

- 8.1 [Restriction of Taxi Numbers in Edinburgh: report to full Council 23 August 2007](#)
- 8.2 [Business Bulletin](#) - Regulatory Committee, 8 March 2021.

9. Appendices

- 9.1 Appendix 1 – Jacobs report dated 1 July 2022.

Draft Report

City of Edinburgh Council

Edinburgh Taxi Unmet Demand Study
1 July 2022



Draft Report

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Contents

1.	Introduction	6
1.1	General.....	6
1.2	Covid - 19 Pandemic.....	6
2.	Background.....	7
2.1	Vehicle numbers.....	7
2.2	Provision of Taxi Stands.....	8
2.3	Taxi Fares and Licence Premiums.....	8
3.	Benchmarking	11
3.1	Introduction	11
3.2	Fleet Composition	11
3.3	Wheelchair Accessible Vehicles.....	13
3.4	Entry Control.....	13
3.5	Fares.....	14
4.	Definition, Measurement and Removal of Significant Unmet Demand	16
4.1	Introduction	16
4.2	Overview.....	16
4.3	Defining Significant Unmet Demand	16
4.4	Measuring Patent Significant Unmet Demand.....	17
4.5	Determining the Number of New Licences Required to Eliminate Significant Unmet Demand.....	19
4.6	Note on Scope of Assessing Significant Unmet Demand.....	20
5.	Evidence of Patent Unmet Demand – Stance Observation Results.....	21
5.1	Introduction	21
5.2	The Balance of Supply and Demand.....	21
5.3	Average Delays and Total Demand.....	22
5.4	The Delay/Demand Profile	23
5.5	The General Incidence of Passenger Delay.....	24
6.	Evidence of Suppressed Demand – Public Attitude Pedestrian Survey Results	25
6.1	Introduction	25
6.2	General Information	25
6.3	Attempted method of hire	28
6.4	Service Provision.....	29
6.5	Stances.....	29
6.6	Complaints	30
6.7	Summary	30
7.	Consultation	31
7.1	Introduction	31
7.2	Direct (virtual) Consultation	31
7.3	Indirect (Written) Consultation	32
8.	Deriving the Significant Unmet Demand Index Value	36
8.1	Introduction	36

9. Summary and Conclusions	37
9.1 Introduction	37
9.2 Recommendations.....	38.

Appendices

1. Introduction

1.1 General

This study has been conducted by Jacobs on behalf of City of Edinburgh Council (CEC). The overall objective is to provide a full survey of demand for taxis in Edinburgh and to determine whether significant unmet demand for taxis exists in terms of section 10(3) of the Civic Government (Scotland) Act 1982. Specific objectives of the study are to determine:

- Determine whether there is any significant unmet demand for taxi services in Edinburgh;
- If significant unmet demand is found, recommend how many licences would be required to meet this; and.
- To determine public perception of the taxi service provided in Edinburgh

In 2007 the Scottish Government issued Best Practice Guidance for Taxi and Private Hire licensing. The Scottish Government reissued this guidance in April 2012 in recognition of a number of legislative changes. Essentially, the Government stated that the present legal position on quantity restrictions for taxis is set out in section 10(3) of the 1982 Act. The Scottish Government takes the view that decisions as to the case for limiting taxi licences should remain a matter for licensing authorities in the light of local circumstances. The Guidance provides local authorities with assistance in local decision making when they are determining the licensing policies for their local area. Guidance is provided on a range of issues including: flexible taxi services, vehicle licensing, driver licensing and training.

Taxi Licensing has been subject to a number of reforms and reviews over the last few years. The Law Commission produced a report in 2014 which set out a number of recommendations on Taxi and Private Hire reform that have yet to be accepted. In its 2014 report the Law Commission concluded that the ability of local authorities to impose quantity restrictions on licensed taxis should remain, but that there should be controls on the transferability of licence plates in areas introducing new quantity restrictions. Transfers would continue to be permitted in areas where quantity restrictions were already in place.

The Equality Act 2010 provided a cross-cutting legislative framework to protect the rights of individuals and advance equality of opportunity for all; to update, simplify and strengthen the previous legislation; and to deliver a simple, modern and accessible framework of discrimination law which protects individuals from unfair treatment and promotes a fair and more equal society. Sections 165, 166 and 167 of the Equality Act 2010 are concerned with the provision of wheelchair accessible vehicles and place obligations on drivers of registered vehicles to carry out certain duties unless granted an exemption by the licensing authority on the grounds of medical or physical condition. Section 166 allows taxi drivers to apply to their licensing authority for an exemption from Section 165 of the Equality Act 2010.

1.2 Covid -19 Pandemic

This study has been undertaken during a period of significant disruption for the taxi and private hire trade. Many drivers have been unable to work due to having to isolate or due to their personal circumstances. A number of drivers have left the trade in order to pursue other lines of work. There were also government restrictions in place at the time of the study which meant that both the trade and customers were not going about their normal business and this is likely to influence the results of the study.

2. Background

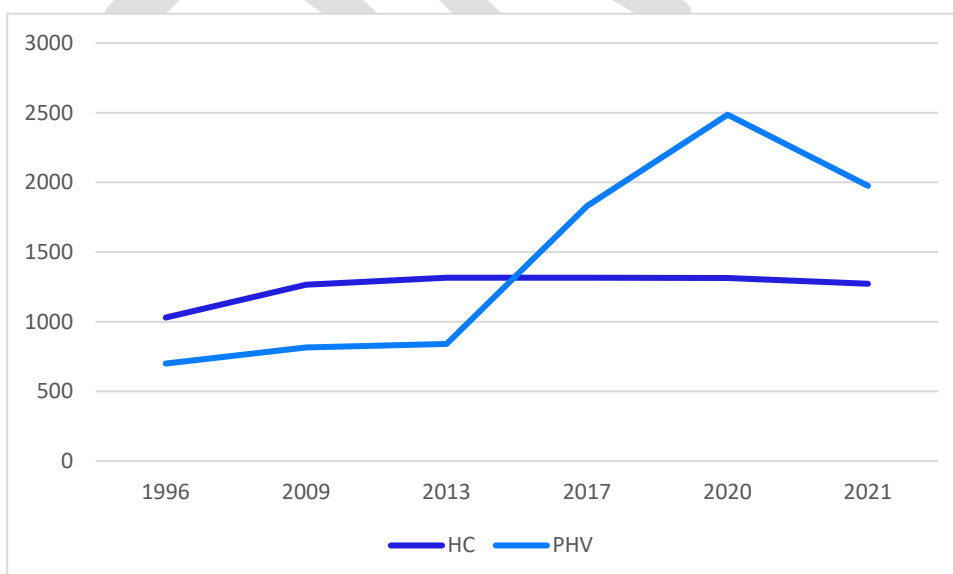
Edinburgh is the capital city of Scotland and covers some 259 square kilometres. Edinburgh's resident population is 527,620 (National records of Scotland, 2020 midyear estimate). The city has a large student and visitor population and demand for taxis fluctuates across the year.

2.1 Vehicle numbers

In recent times, following a period of deregulation, a limit of 1,030 taxi licences was introduced in 1990. This was reviewed in 1993 and 1995 and the limit was raised by 181. In 2001, the limit was increased by a further 49, to 1,260. Following a survey in 2005, the Council concluded that there was no evidence of significant demand for taxis which was unmet and resolved not to issue any new licences at that time. In February 2007, the Council considered an update to the 2005 survey, involving stance surveys and questionnaires to stakeholders, and again concluded that there was no significant demand for taxi services which was unmet. On 25th October 2007, the Council reaffirmed its existing policy to restrict the number of taxi licences issued to 1,260 and instructed the Director of Corporate Services to commission a comprehensive report on taxi demand approximately every three years. An unmet demand study was commissioned in 2008. The report identified that there was evidence of significant unmet demand for taxi services and a recommendation was made for 30 new taxi licences be issued to meet this demand. In addition to these 30 licences a further 20 more taxi licences were issued on appeal. The unmet demand study in 2013 and 2017 stated that there was no unmet demand and therefore no extra licences were awarded.

City of Edinburgh Council currently has a numerical limit of 1,316 taxis. However, given the recent pandemic a number of these licences have been returned to the Council. At the time of the survey, it was estimated that there were 1,272 taxis licenced. This provides Edinburgh with a taxi provision of around one taxi per 414 resident population. City of Edinburgh Council also licence approximately 1,975 private hire cars. Vehicle numbers have continually increased since 1996 reaching a peak of 2,486 in 2020. However and in light of the Covid - 19 pandemic the number of private hire cars licenced has started to decrease as demonstrated in Figure 2.1 The graph shows a significant increase in private hire cars since the last study in 2017, peaking in 2020 before a steady decline in 2021.

Figure 2.1 Taxi and PHV trends



2.2 Provision of Taxi Stands

There are currently 82 official taxi stances¹ located throughout the Edinburgh licensing area; the locations and times of operation of each of the stances are provided in Appendix 1.

AWAITING RECENT PHOTOS

2.3 Taxi Fares and Licence Premiums

Taxi fares are regulated by the Local Authority. There are four tariffs across the following periods;

- Tariff 1 – Monday to Friday, 6am until 6pm;
- Tariff 2 – Monday to Friday, 6pm until 6am, Saturday 6am to Monday 6am
- Tariff 3 – Monday to Friday, 6am until 6pm during Christmas and New Year;
- Tariff 4 – Monday to Friday, 6pm until 6am, Saturday 6am to Monday 6am during Christmas and New Year.

The standard charge tariff is made up of two elements: an initial fee (or 'drop') of £3.00 for entering the vehicle, and a fixed price addition of 25p per 163m/ 179m dependent on the tariff in place, or uncompleted part thereof travelled, plus fixed additions for waiting time. Fixed additional charges are also in place for extra passengers. A standard two-mile daytime fare undertaken by one individual would therefore be £7.00. The tariffs are outlined in detail in the fare card in Figure 2.2 below.

¹ Market Street is a temporary stance

Figure 2.2 – Farecard for Edinburgh

THE CITY OF EDINBURGH COUNCIL CIVIC GOVERNMENT (SCOTLAND) ACT 1982 FARE TABLE FOR TAXIS With effect from 30 December 2021				
FOR UP TO 2 PASSENGERS				
TARIFF 1 Monday – Friday 6am – 6pm	TARIFF 2 Monday – Friday 6pm – 6am the following day 6am Saturday – 6am Monday			
TARIFF 3 Monday – Friday 6am – 6pm during Christmas and New Year period	TARIFF 4 25 December - ALL DAY 1 January - ALL DAY Where Christmas period falls on Saturday and Sunday - ALL DAY Monday-Friday between 6pm and 6am during Christmas and New Year period			
CHRISTMAS PERIOD	6pm on 24 December to 6am on 27 December			
NEW YEAR PERIOD	6pm on 31 December to midnight on 2 January			
CHARGES	TARIFF 1	TARIFF 2	TARIFF 3	TARIFF 4
<ul style="list-style-type: none"> Initial hire not exceeding 501m Initial 105 seconds of waiting time Combination of initial time and distance 	£3.00	£4.00	£4.00	£5.00
<ul style="list-style-type: none"> Each additional 163m up until 1805m and thereafter each additional 190m Each additional 35 seconds of waiting time Combination of additional time and distance 	£0.25	£0.25	-	-
<ul style="list-style-type: none"> Each additional 179m up until 1933m and thereafter for each additional 207m Each additional 38 seconds of waiting time Combination of additional time and distance 	-	-	£0.35	£0.45
EXTRA PAYMENTS				
When more than 3 passengers			Each	£0.40
Note: Only 2 children under 12 years will be reckoned as one passenger. No extra fare will be charged for one child under 5 years of age.				
Each Passenger must be properly seated				
Hires ending at Edinburgh Airport Inner Drop-off Zone (See Note 4 below)			£4.00	
Call Out Charge Applicable when pre-booked	£0.80	Airport Pickup - For hires commencing at Edinburgh airport. The amount charged at the exit gate subject to a maximum of £5.00, providing it is no more than the actual amount charged.		
Cancellation Fee Applicable when taxi is pre-booked but not used	£2.20			
Soiling charge - maximum of £50.00 payable by a passenger, where a vehicle is required to be removed from service for cleaning in order for it to be restored to a usable state and condition				
NOTES				
(1) The above Tariff is applicable only within the City of Edinburgh.				
(2) Any hire which terminates outside the City of Edinburgh area – FARE MUST BE NEGOTIATED AND AGREED WITH DRIVER BEFORE THE JOURNEY COMMENCES.				
(3) A copy of the Licensing Conditions can be inspected at the Council's Licensing Offices, 249 High Street, Edinburgh, EH1 1YJ and downloaded from www.edinburgh.gov.uk				
(4) The Airport Extra is only payable if passenger is dropped off in the covered inner drop-off zone at Edinburgh Airport and the driver has explained to the passenger before the start of the journey - (1) He will take the passenger to the drop off point just beside the airport terminal and that there is a £4 extra for this. (2) if the passenger states he is disabled, the £4 extra still has to be paid, but the driver understands that the passenger can reclaim this from the airport at the drop-off point. (3) if the passenger wishes to avoid the £4 extra, he can be taken to an outer drop-off point. However, this is further from the airport terminal, involves the use of a free shuttle bus and will require more time for the passenger to get to the airport terminal.				
COMPLAINTS				
Any hirer aggrieved at the level of the fare charged for any hire or for any other reason may discuss the matter with the Taxi Licensing Officer (0131 529 4250). Any complaint must be made in writing and addressed to the Complaints Officer, Licensing Service, The City of Edinburgh Council, 249 High Street, Edinburgh EH1 1YJ, and should include the vehicle's licence number and time and date of the incident.				

CS.70 DEC 21

The publication Private Hire and Taxi Monthly issues monthly league tables of the fares for 365 authorities over a two-mile day time journey. Each journey is ranked with one being the most expensive. The August 2022 table shows Edinburgh rated 75th in the table, indicating that Edinburgh has higher than average fares. Table 2.1 provides a comparison of where a selection of other authorities in Scotland, based on population figures and the presence of a large city or town, rank in terms of fares, showing that fares in Edinburgh are more expensive in comparison to other neighbouring authorities with the exception of East Lothian Council.

Table 2.1 - Comparison of neighbouring authorities in terms of fares (Source Private Hire and Taxi Monthly, August 2022)

Local Authority	Rank
East Lothian	74
City of Edinburgh	75
Fife	95
Midlothian	193
Falkirk	202
West Lothian	300

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3. Benchmarking

3.1 Introduction

A benchmarking exercise has been undertaken to compare taxi provision in Edinburgh with that of the Scottish cities and the English core cities. This exercise presents information for the remaining six cities in Scotland, and the eight core cities in England. The core cities comprise those cities that are considered the economically most important cities outside of London in England. Table 3.1 shows the cities used in this benchmarking exercise. The benchmarking exercise has been undertaken using data sourced from the latest edition of the Scottish Transport Statistics, (2021 Edition)² and the Department for Transport's Taxi statistics³ therefore the numbers reported here may differ from current licensed numbers if there has been significant change in a particular area since the figures were published.

Table 3.1 – Cities used in benchmarking exercise

Scottish Cities	Core Cities
Aberdeen	Birmingham
Dundee	Bristol
Edinburgh	Leeds
Glasgow	Liverpool
Inverness	Manchester
Perth	Newcastle
Stirling	Nottingham
	Sheffield

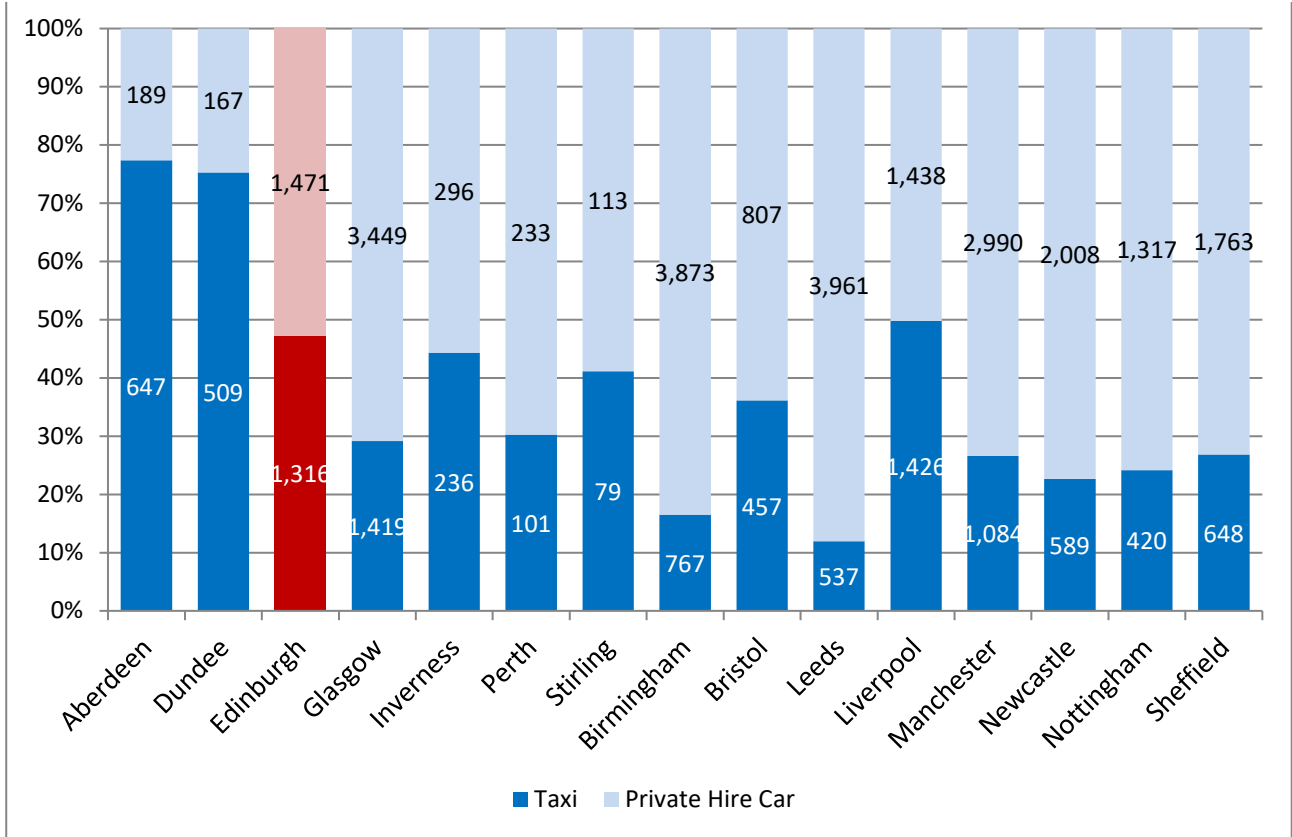
3.2 Fleet Composition

Figure 3.1 documents the fleet size for Edinburgh along with the other benchmarked authorities⁴. Liverpool, Glasgow and Edinburgh have the largest fleets of taxis (1,426, 1,419 and 1,316 vehicles respectively), while Glasgow has the largest combined (taxi and private hire car) fleet at 4,868 vehicles. Of the other Scottish cities, Glasgow has the largest combined fleet. Stirling has the smallest taxi fleet (79 vehicles) whilst Stirling and Dundee have the smallest private hire fleets at 113 and 167 vehicles.

³ <https://www.gov.uk/government/collections/taxi-statistics>

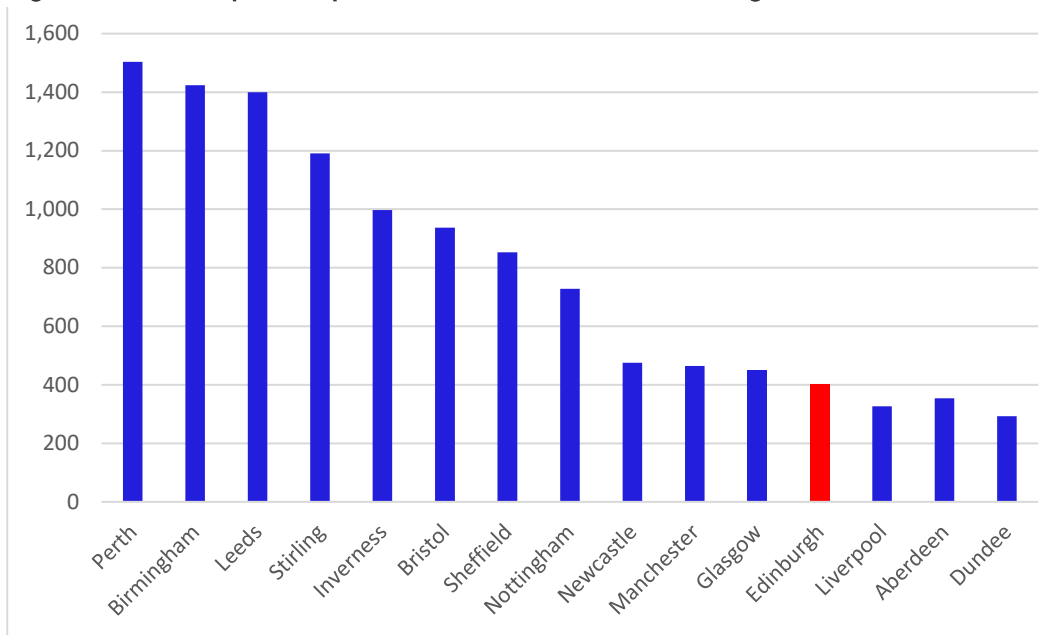
⁴ Note the figures on fleet composition are the latest published figures therefore may differ to licensed vehicle numbers as of August 2022.

Figure 3.1 Fleet Composition



Edinburgh has the third largest taxi fleet and the eighth largest private hire fleet, placing it in mid-range of the comparable authorities in terms of its overall fleet size. While these figures are based on the latest published figures available, we note that private hire car numbers in Edinburgh have recently decreased to approximately 1,975 in 2021 which has decreased the overall fleet size. Figure 3.2 shows taxi per capita provision in each authority. This demonstrates that Aberdeen has the lowest number of people per taxi, thereby indicating that it has the best provision of the authorities shown. Leeds has the highest number of people per taxi, and therefore the worst provision. Edinburgh has the fifth best taxi provision per capita.

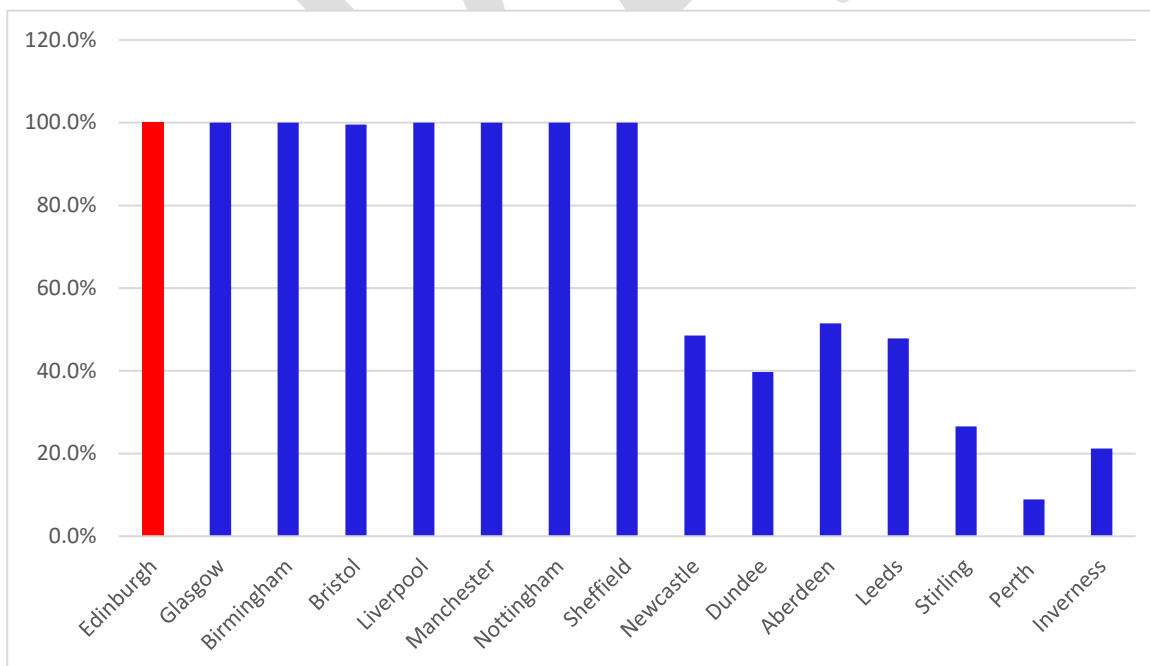
Figure 3.2 Population per taxi across the different licensing authorities



3.3 Wheelchair Accessible Vehicles

With regards to wheelchair accessible vehicles, Edinburgh ranked in joint first position. This is due to all taxis being wheelchair accessible, a move which seven other cities have also taken. The remaining seven locations have around 50% or less of their taxis able to accommodate wheelchairs. Figure 3.4 shows the percentage of taxis in each authority which are wheelchair accessible:

Figure 3.4 Proportion of the taxi fleet that is wheelchair accessible



3.4 Entry Control

Table 3.1 documents the entry control policies for the 15 authorities. Edinburgh is one of the fourteen authorities which impose a numerical limit on the number of taxis licensed.

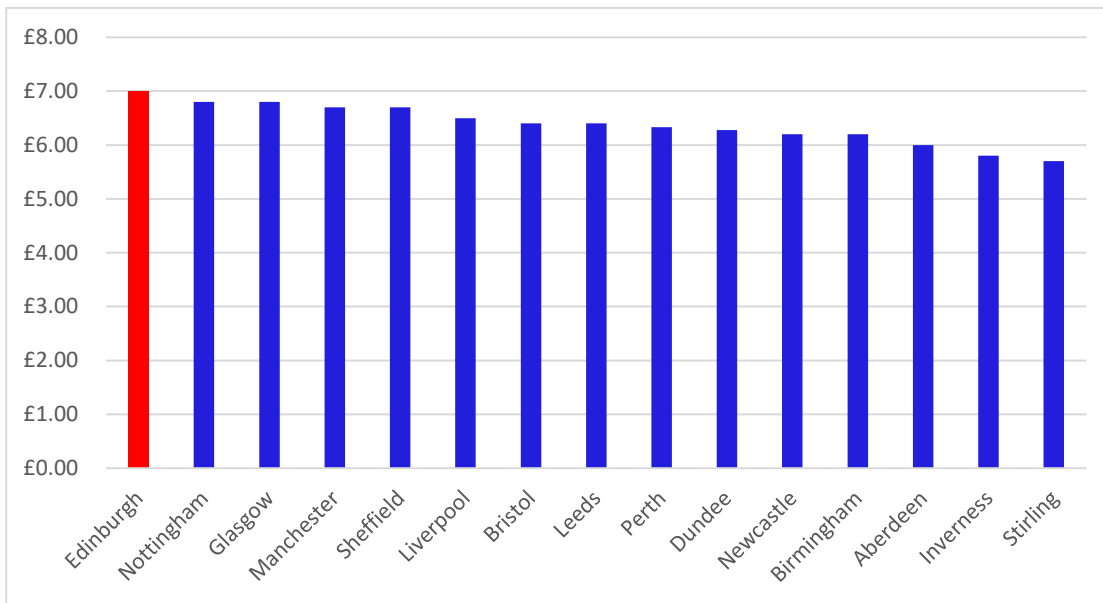
Table 3.1 Entry Control Policy for the Authorities

Authority	Entry Control Policy
Aberdeen	Restricted
Birmingham	Restricted
Bristol	Restricted in some areas
Dundee	Restricted
Edinburgh	Restricted
Glasgow	Restricted
Inverness	Derestricted
Leeds	Restricted
Liverpool	Restricted
Manchester	Restricted
Newcastle	Restricted
Nottingham	Restricted
Perth	Restricted
Sheffield	Restricted
Stirling	Restricted

3.5 Fares

Figure 3.5 details the average fare for a two-mile journey across the core cities and Scottish cities. The average cost of a two-mile journey in Edinburgh is £7.00, which is the most expensive of all authorities.

Figure 3.5 Fare for a two-mile journey



Source: Derived from Private Hire and Taxi Monthly, August 2022

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4. Definition, Measurement and Removal of Significant Unmet Demand

4.1 Introduction

Section 4 provides a definition of significant unmet demand derived from experience of over 100 unmet demand studies since 1987. This leads to an objective measure of significant unmet demand that allows clear conclusions regarding the presence or absence of this phenomenon to be drawn. Following this, a description is provided of the SUDSIM model which is a tool developed to determine the number of taxi licences required to eliminate significant unmet demand, where such unmet demand is found to exist. This method has been applied to numerous local authorities and has been tested in the courts as a way of determining if there is unmet demand for taxis.

4.2 Overview

Significant Unmet Demand (SUD) has two components:

- Patent demand – that which is directly observable; and
- ‘Suppressed’ demand – that which is released by additional supply.

Patent demand is measured using stance observation data. Suppressed (or latent) demand is assessed using data from the stance observations and public attitude interview survey. Both are brought together in a single measure of unmet demand, ISUD (Indic of Significant Unmet Demand).

4.3 Defining Significant Unmet Demand

The provision of evidence to aid licensing authorities in making decisions about taxi provision requires that surveys of demand be carried out. Results based on observations of activity at taxi stances have become the generally accepted minimum requirement.

The definition of significant unmet demand is informed by two Court of Appeal judgements:

- R v Great Yarmouth Borough Council ex p Sawyer (1987); and
- R v Great Castle Point Borough Council ex p Maude (2002).

The Sawyer case provides an indication of the way in which an Authority may interpret the findings of survey work. In the case of Sawyer v Yarmouth City Council, 16 June 1987, Lord Justice Woolf ruled that an Authority is entitled to consider the situation from a temporal point of view as a whole. It does not have to condescend into a detailed consideration as to what may be the position in every limited part of the Authority in relation to the time of day. The authority is required to give effect to the language used by the Section (Section 16) and can ask itself with regard to the area as a whole whether or not it is satisfied that there is no significant unmet demand.

The term ‘suppressed’ or ‘latent’ demand has caused some confusion over the years. It should be pointed out that following Maude v Castle Point Borough Council, heard in the Court of Appeal in October 2002, the term is now interpreted to relate purely to that demand that is measurable. Following Maude, there are two components to what Lord Justice Keene prefers to refer to as ‘suppressed demand’:

- What can be determined inappropriately met demand. This is current observable demand that is being met by, for example, private hire cars illegally ranking up; and
- That which arises if people are forced to use some less satisfactory method of travel due to the unavailability of a taxi.

If demand remained at a constant level throughout the day and week, the identification and treatment of significant unmet demand would be more straight-forward. If there were more cabs than required to meet the

existing demand there would be queues of cabs on stances throughout the day and night and passenger waiting times would be zero. Conversely, if too few cabs were available there would tend to be queues of passengers throughout the day. In such a case it would, in principle, be a simple matter to estimate the increase in supply of cabs necessary to just eliminate passenger queues.

Demand for taxis varies throughout the day and on different days. The problem, introduced by variable demand, becomes clear when driver earnings are considered. If demand is much higher late at night than it is during the day, an increase in cab supply large enough to eliminate peak delays will have a disproportionate effect on the occupation rate of cabs at all other times. Earnings will fall and fares might have to be increased sharply to sustain the supply of cabs at or near its new level.

The main implication of the present discussion is that it is necessary, when considering whether significant unmet demand exists, to take account of the practicability of improving the standard of service through increasing supply.

4.4 Measuring Patent Significant Unmet Demand

Considering the economic, administrative and legal considerations, the identification of this important aspect of significant unmet demand should be treated as a three stage process as follows:

- Identify the demand profile;
- Estimate the passenger and cab delays; and
- Compare estimated delays to the demand profile.

The broad interpretation to be given to the results of this comparison are summarised in Table 4.1.

Demand is:	Delays during peak only	Delays during peak and other times
Highly peaked	No SUD	Possibly a SUD
Not highly peaked	Possibly a SUD	Possible a SUD

Table 4.1 – Existing of SUD determined by comparing demand and delay profiles

It is clear from the content of the table that the simple descriptive approach fails to provide the necessary degree of clarity to support the decision-making process in cases where the unambiguous conclusion is not achievable. However, it does provide the basis of a robust assessment of the principal component of significant unmet demand. The analysis is therefore extended to provide a more formal numerical measure of significant unmet demand. This is based on the principles contained in the descriptive approach but provides greater clarity. A description follows.

The measure feeds directly off the results of observations of activity at the stances. In particular, it takes account of:

- Case law that suggests an authority should take a broad view of the market;
- The effect of different levels of supply during different periods at the stance on service quality; and
- The need for consistent treatment of different authorities, and the same authority over time.

The Index of Significant Unmet Demand (ISUD) was developed in the early 1990's and is based on the following formula. The SF element was introduced in 2003 and the LDF element was introduced in 2006 to reflect the increased emphasis on latent demand in DfT Guidance.

$$ISUD = APD \times PF \times GID \times SSP \times SF \times LDF$$

Where:

APD= Average Passenger Delay calculated across the entire week in minutes.

PF = Peaking Factor. If passenger demand is highly peaked at night the factor takes the value of 0.5. If it is not peaked the value is 1. Following case law this provides dispensation for the effects of peaked demand on the ability of the Trade to meet that demand. To identify high peaking we are generally looking for demand at night (at weekends) to be substantially higher than demand at other times.

GID = General Incidence of Delay. This is measured as the proportion of passengers who travel in hours where the delay exceeds one minute.

SSP = Steady State Performance. The corollary of providing dispensation during the peaks in demand is that it is necessary to focus on performance during "normal" hours. This is measured by the proportion of hours during weekday daytimes when the market exhibits excess demand conditions (i.e. passenger queues form at stances).

SF = Seasonality Factor. Due to the nature of these surveys it is not possible to collect information throughout an entire year to assess the effects of seasonality. Experience has suggested that taxi demand does exhibit a degree of seasonality and this is allowed for by the inclusion of a seasonality factor. The factor is set at a level to ensure that a marginal decision either way obtained in an "untypical" month will be reversed. This factor takes a value of 1 for surveys conducted in September to November and March to June, i.e. "typical" months. It takes a value of 1.2 for surveys conducted in January and February and the longer school holidays, where low demand the absence of contract work will bias the results in favour of the taxi trade, and a value of 0.8 for surveys conducted in December during the pre-Christmas rush of activity. Generally, surveys in these atypical months, and in school holidays should be avoided.

LDF = Latent Demand Factor. This is derived from the public attitude survey results and provides a measure of the proportion of the public who have given up trying to obtain a taxi at either a stance or by flagdown during the previous three months. It is measured as 1+ proportion giving up waiting. The inclusion of this factor is a tactical response to the latest guidance.

The product of these six measures provides an index value. The index is exponential and values above the 80 mark have been found to indicate significant unmet demand. This benchmark was defined by applying the factor to the 25 or so studies that had been conducted at the point it was developed. These earlier studies had used the same principles but in a less structured manner. The highest ISUD value for a study where a conclusion of no significant unmet demand had been found was 72. The threshold was therefore set at 80. The ISUD factor has been applied to over 80 studies by CH2M and has been adopted by others working in the field. It has proved to be a robust, intuitively appealing and reliable measure.

Suppressed/latent demand is explicitly included in the above analysis by the inclusion of the LDF factor and because any known illegal plying for hire by the private hire trade is included in the stance observation data. This covers both elements of suppressed/latent demand resulting from the Maude case referred to above and is intended to provide a 'belt and braces' approach. A consideration of latent demand is also included where there is a need to increase the number of taxi licences following a finding of significant unmet demand. This is discussed in the next section.

4.5 Determining the Number of New Licences Required to Eliminate Significant Unmet Demand

To provide advice on the increase in licences required to eliminate significant unmet demand, CH2M has developed a predictive model. SUDSIM is a product of 20 years' experience of analysing taxi demand. It is a mathematical model, which predicts the number of additional licences required to eliminate significant unmet demand as a function of key market characteristics.

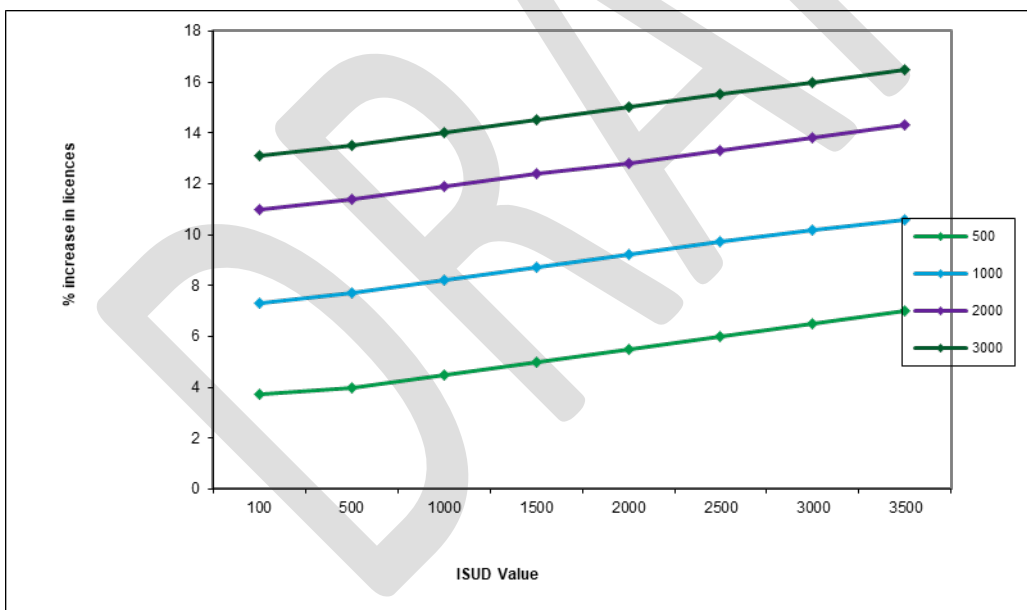
SUDSIM represents a synthesis of a queue simulation work that was previously used (1989 to 2002) to predict the alleviation of significant unmet demand and the ISUD factor described above (hence the term SUDSIM). The benefit of this approach is that it provides a direct relationship between the scale of the ISUD factor and the number of new hackney licences required.

SUDSIM was developed taking the recommendations from 14 previous studies that resulted in an increase in licences, and using these data to calibrate an econometric model. The model provides a relationship between the recommended increase in licences and three key market indicators:

- The population of the licensing authority;
- The number of taxis already licensed by the licensing authority; and
- The size of the SUD factor.

The main implications of the model are illustrated in Figure 4.1 below. The figure shows that the percentage increase in a taxi fleet required to eliminate significant unmet demand is positively related to the population per taxi (PPT) and the value of the ISUD factor over the expected range of these two variables.

Figure 4.1 – Forecast increase in taxi fleet size as a function of population per taxi (PPT) and the ISUD value



Where significant unmet demand is identified, the recommended increase in licences is therefore determined by the following formula:

$$\text{New Licences} = \text{SUDSIM} \times \text{Latent Demand Factor}$$

Where:

$$\text{Latent Demand Factor} = (1 + \text{proportion giving up waiting for a taxi at either a stance or via flagdown}).$$

4.6 Note on Scope of Assessing Significant Unmet Demand

It is useful to note the extent to which a licensing authority is required to consider peripheral matters when establishing the existence or otherwise of significant unmet demand. This issue is informed by *R v Brighton Borough Council, ex p Bunch* 1989 . This case set the precedent that it is only those services that are exclusive to taxis that need concern a licensing authority when considering significant unmet demand. Telephone booked trips, trips booked in advance or indeed the provision of bus type services are not exclusive to taxis and have therefore been excluded from consideration.

DRAFT

5. Evidence of Patent Unmet Demand – Stance Observation Results

5.1 Introduction

This section of the report highlights the results of the stance observation survey. The stance observation programme covered a period of 297 hours during September 2021. Some 19,506 passengers and 16,060 departures were recorded across 14 stances. A summary of the stance observation programme is provided in Appendix 2.

The results presented in this section summarise the information and draw out its implications. This is achieved by using five indicators:

- The Balance of Supply and Demand – this indicates the proportion of the time that the market exhibits excess demand, equilibrium and excess supply;
- Average Delays and Total Demand – this indicates the overall level of passengers and cab delays and provides estimates of total demand;
- The Demand/Delay Profile – this provides the key information required to determine the existence or otherwise of significant unmet demand;
- The Proportions of Passengers Experiencing Given Levels of Delay – this provides a guide to the generality of passenger delay.

5.2 The Balance of Supply and Demand

The results of the analysis are presented in Table 5.1 below. The predominant market state is one of equilibrium. Excess supply (queues of cabs) was experienced during 2% of the hours observed while excess demand (queues of passengers) was experienced 18% of the hours observed. Conditions are generally favourable to customers at all times of the day.

Table 5.2 – The balance of supply and demand in the Edinburgh stance -based taxi market (percentage of hours observed)

Period		Excess Demand (Max Passenger Queue ≥ 3)	Equilibrium	Excess Supply (Min Cab Queue ≥ 3)
Weekday	Day	11	86	4
	Night	8	90	2
Weekend	Day	28	71	1
	Night	26	74	0
Sunday	Day	19	79	2
Total 2021		18	80	2
<i>Total 2017</i>		<i>13</i>	<i>71</i>	<i>16</i>

NB – Excess Demand = Maximum passenger queue ≥ 3 . Excess Supply = Minimum Cab Queue ≥ 3 values derived over 12 time periods within an hour.

As detailed in Table 5.1 conditions have changed for passengers since the previous study in 2017. The number of hours where excess demand was observed has increased to 8% while the hours the market is in equilibrium has increased from 71% to 80%.

5.3 Average Delays and Total Demand

The following estimates of average delays and throughput were produced for each selected stance in Edinburgh (Table 5.2).

The survey suggests some 19,506 passenger departures occur per week from stances in Edinburgh involving some 16,060 cab departures. The taxi trade is concentrated at the stances at East Market Street and Waverley bridge accounting for 48% of the total passenger departures. On average cabs wait 7.10 minutes for a passenger. On average passengers wait 0.75 minutes for a cab which is lower than recorded in 2017. The highest level of passenger delay was recorded at Lothian Road (1.9 minutes) and East Market Street (1.5 minutes) predominantly at the weekend. Passengers encountered little or no delay at the majority of stance locations observed. The observations did highlight periods of high demand and delay at the East Market Street stance. Average delay of over 8 minutes was observed on a Saturday afternoon and almost 10 minutes on a Sunday afternoon.

As detailed in Chapter 1 this study was undertaken during the Covid pandemic when restrictions were in place and therefore demand is significantly lower than observed in previous studies.

Since the previous study in 2017 when comparing like for like passenger demand and passenger delay is significantly lower. Cab departures have also significantly decreased

Table 5.2 Average Delays and Total Demand (Delays in Minutes)

Stance	Passenger Departures	Cab Departures	Average Passenger Delay in Minutes	Average Cab Delay in Minutes
East Market Street*	4,628	3,375	1.50	6.55
Waverley Bridge*	4,707	2,884	0.32	7.41
Rutland Street*	908	885	0.61	4.74
High Street*	1,327	680	0.53	10.33
Hannover Street*	1,443	1,041	0.61	7.72
Queensferry Street*	65	108	0.00	4.00
Haymarket*	2,949	2,296	0.49	6.85
Wester Hailes*	209	251	0.00	7.69
South St Andrews Street	270	252	0.44	4.52
Lothian Road (Festival Sq)*	1,092	1,383	1.94	4.70
Lady Road (Cameron Toll)*	990	968	0.00	9.12
Castle Street	484	1,022	0.00	8.47
Dundas Street	95	306	0.00	8.60

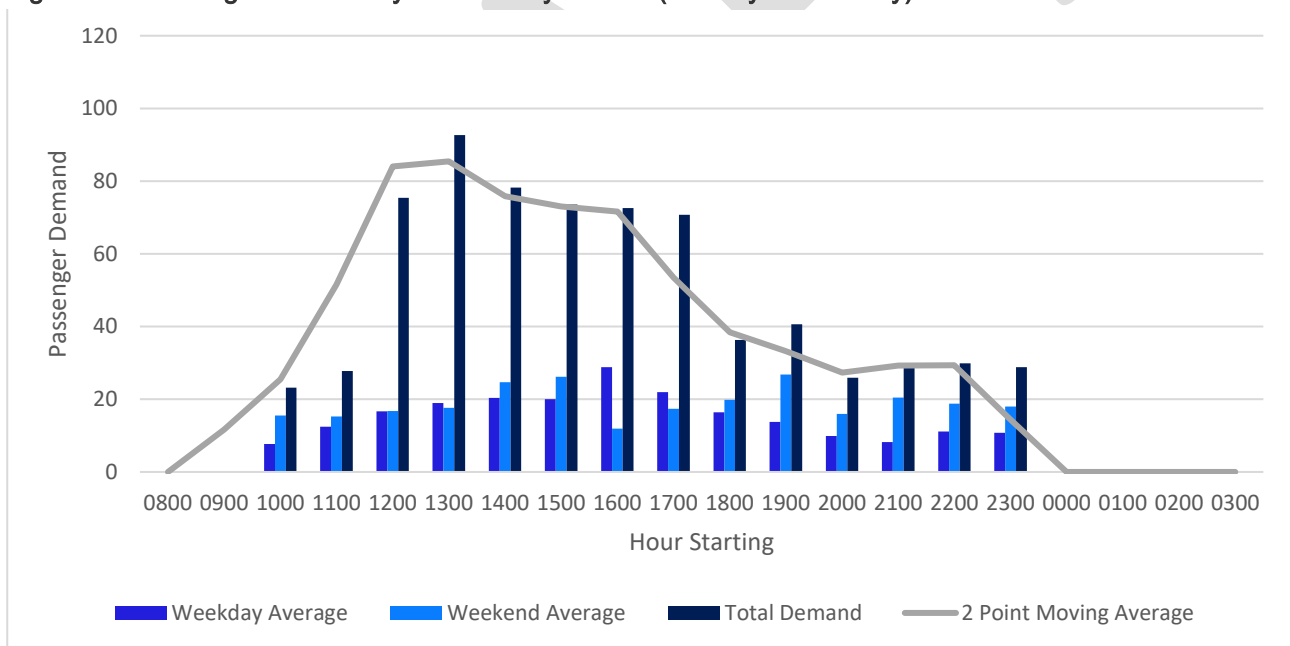
Stance	Passenger Departures	Cab Departures	Average Passenger Delay in Minutes	Average Cab Delay in Minutes
Omni Centre, Leith Walk*	340	612	1.18	8.95
Total 2021	19,506	16,060	0.75	7.10
Total 2017 like for like stances	41,222	25,875	1.27	8.70
Total 2013	42,228	27,697	0.32	12.07
Total 2008/2009	37,518	23,411	1.27	12.64

* observed in 2017

5.4 The Delay/Demand Profile

Figure 5.1 provides a graphical illustration of passenger demand for the Monday to Saturday period between the hours of 08:00 and 00:00.

Figure 5.1 Passenger Demand by Time of Day in 2021 (Monday to Saturday)



The profile of demand shows a peak in demand between 1200 and 1400

Figure 5.2 Passenger Delay by Time of Day in 2021 (Monday to Saturday)

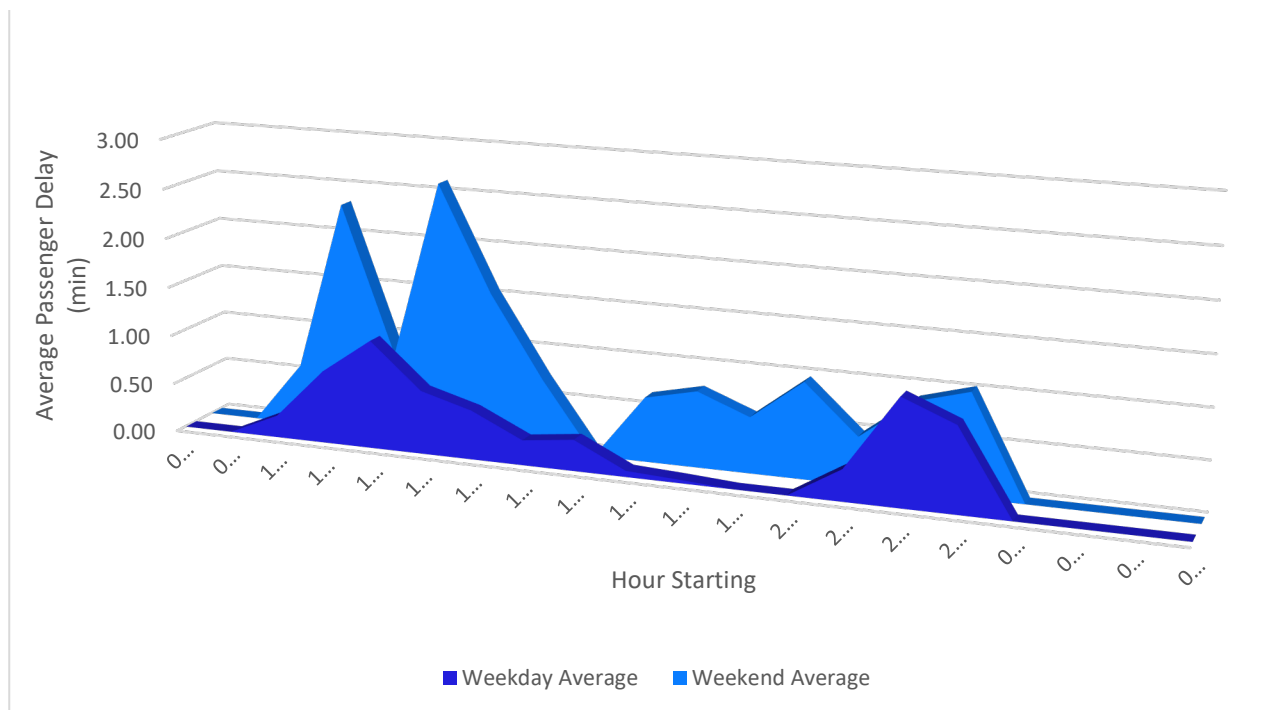


Figure 5.2 provides an illustration of passenger delay by the time of day for the weekday and weekend periods. It shows that delay peaks on weekdays mornings and evenings and during the morning at weekends..

5.5 The General Incidence of Passenger Delay

The stance observations data can be used to provide a simple assessment of the likelihood of passengers encountering delay at stances. The results are presented in Table 5.3 below.

Table 5.3 – General incidence of passenger delay (percentage of passengers travel ling in hours where delay exceeds one minute)

Year	Delay > 0	Delay > 1 min	Delay > 5 min
2021	12.80	6.85	1.28
2017 like for like stances	14.06	8.63	3.98
2017	13.11	7.31	3.09
2013	5.66	2.73	0.17
2008/2009	12.27	7.35	2.60

In 2021, 6.85% of passengers are likely to experience more than a minute of delay. It is this proportion (6.85%) that is used within the ISUD as the ‘Generality of Passenger Delay’.

6. Evidence of Suppressed Demand – Public Attitude Pedestrian Survey Results

6.1 Introduction

An online public attitude survey was designed with the aim of collecting information regarding opinions on the taxi market in Edinburgh. The survey allowed an assessment of flagdown, telephone and stance delays, the satisfaction with delays and general use information.

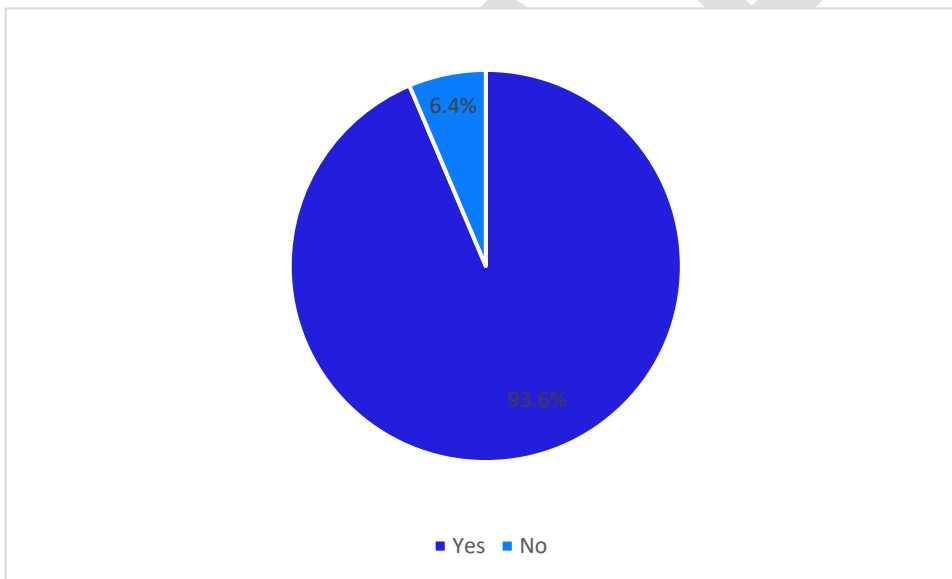
The survey was conducted in December 2021 and hosted on City of Edinburgh Council’s Consultation Hub. Some 300 responses were received

It should be noted that in the tables and figures that follow the totals do not always add up to the same amount which is due to one of two reasons. First, not all respondents were required to answer all questions; and second, some respondents failed to answer some questions that were asked.

6.2 General Information

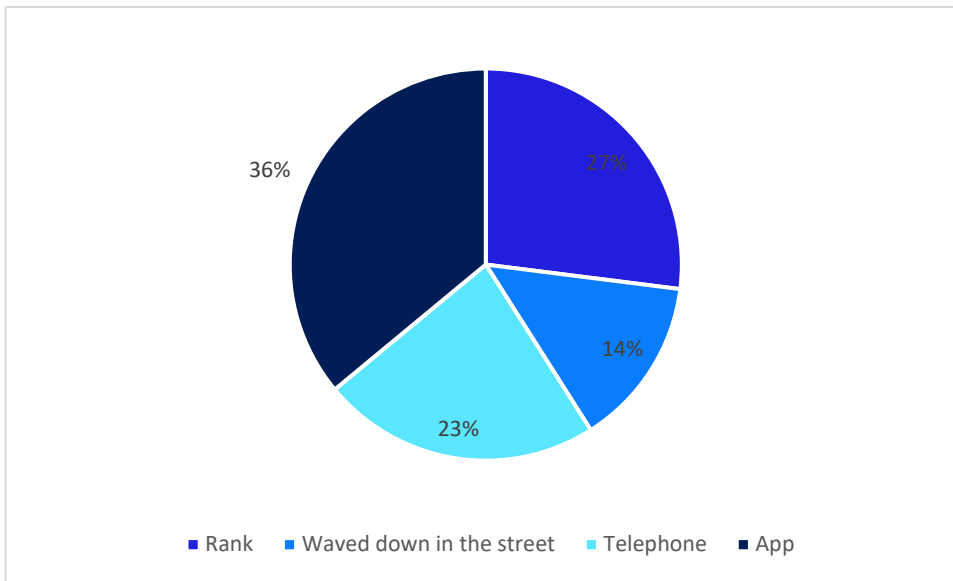
Respondents were asked whether they had made a trip by taxi or private hire car in the past three months. Figure 6.1 shows that 93.6% (279) of the 300 respondents had made a trip by taxi or private hire car in the last three months.

Figure 6.1 – Have you made a trip by taxi or private hire car in the last three months?



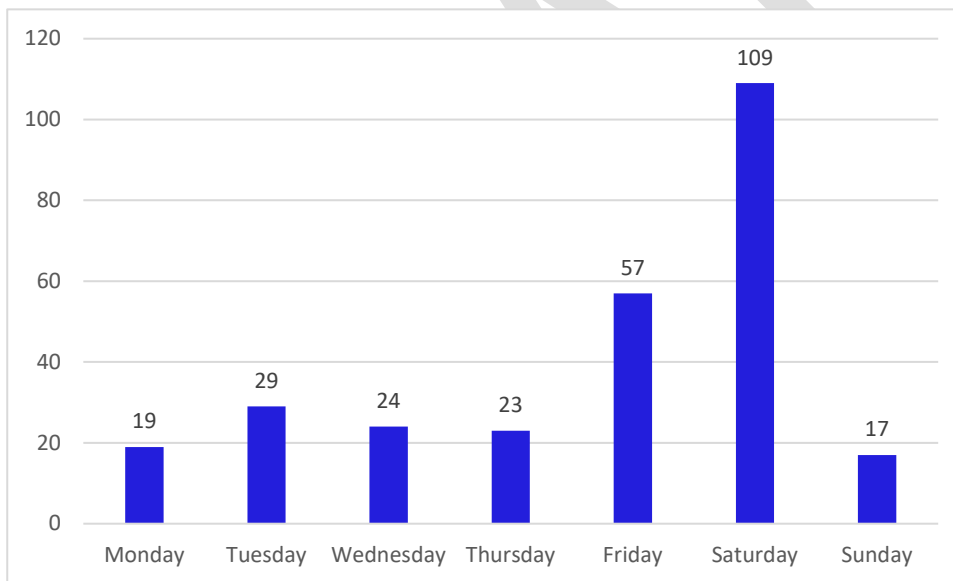
Those respondents who had made a trip by taxi or private hire car were asked how they obtained their vehicle. Some 36% of trip makers (99) stated that hired their taxi via a smartphone or tablet app while 27% (75) of taxi hirings were obtained at a rank. Some 23% (65) of trips were achieved by telephone. The online and telephone bookings relate to both taxi and private hire car bookings. Figure 6.2 reveals the pattern of hire.

Figure 6.2 – Method of hire for last trip



Respondents were asked what time of day and day of the week they obtained their taxi or private hire car. As detailed in figure 6.3, the majority of trips were taken on a Saturday. Overall 46% of trips were in the evening between 6pm-10pm.

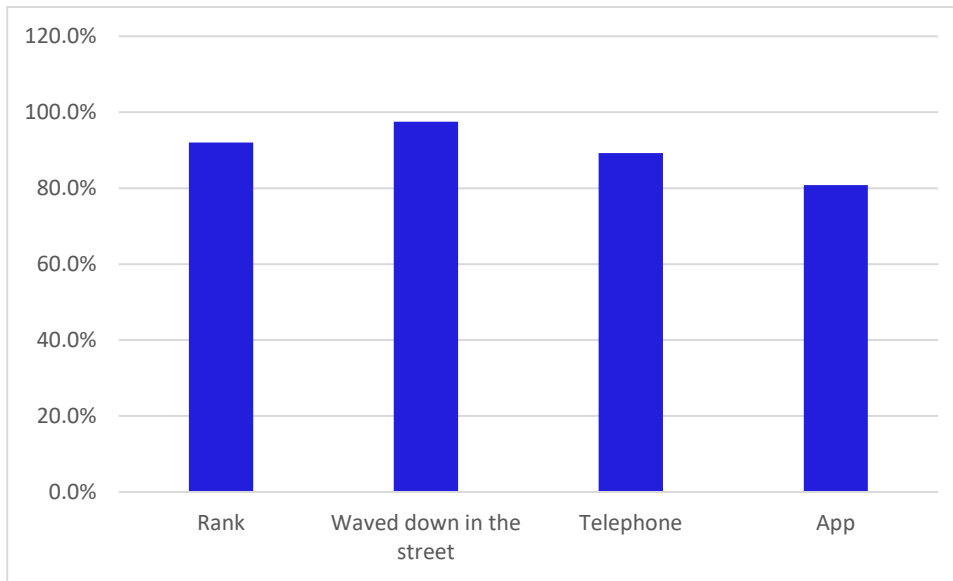
Figure 6.3 – Method of hire for last trip



Respondents were then asked if they were satisfied with the time taken and the promptness of the vehicle's arrival. When considering all hirings, the majority of customers (91.8%) were satisfied.

Figure 6.4 shows that for each method of obtaining a vehicle, the majority were satisfied with the length of time they had to wait. Those 'waving' their vehicle down in the street provided the highest levels of satisfaction.

Figure 6.4 – Satisfaction with delay on last trip by method of hire

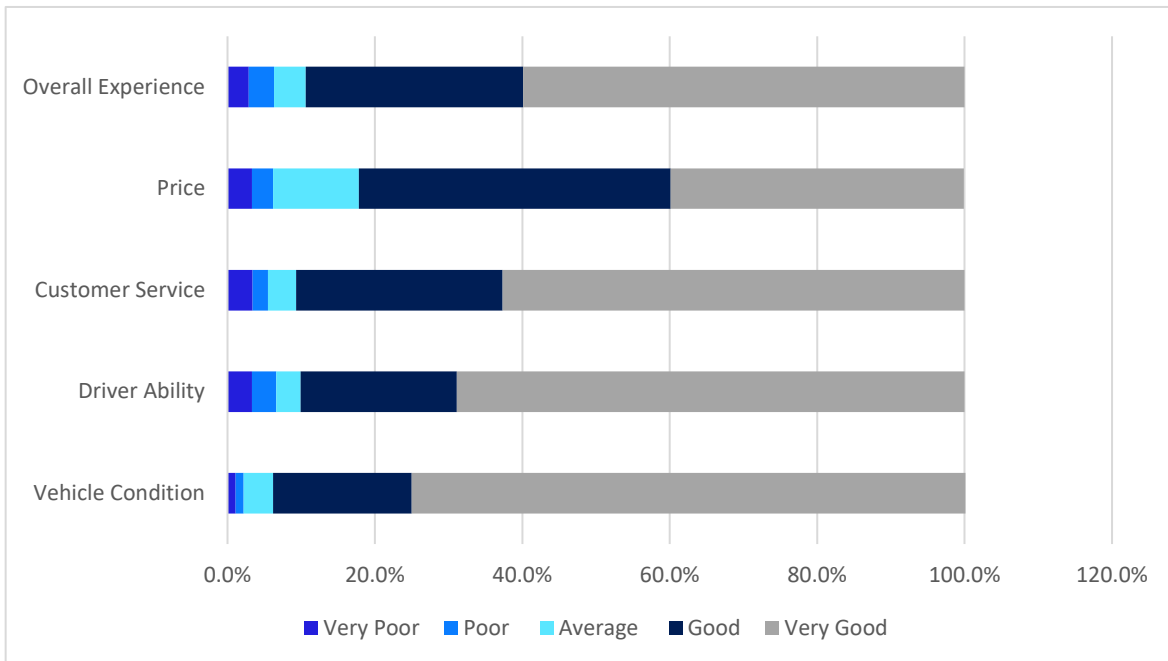


Respondents were also asked if they had received any discount on their last trip, with 10% (27) of trip makers stating that they had.

Trip makers were asked to rate five elements from their last taxi journey on a scale from very poor to very good. The results in Figure 65 show that all elements were generally good. When poor ratings were given, respondents were asked to provide a reason for their rating. Negative ratings included reasons such as:

- Poor English
- Poor route decision, however, this is due to all the roadworks and not the drivers fault
- Not enough drivers working early morning
- Waiting times are totally unacceptable since the pandemic
- Driver had poor knowledge of the route
- Smelly vehicle – cigarette smoke
- Grumpy driver

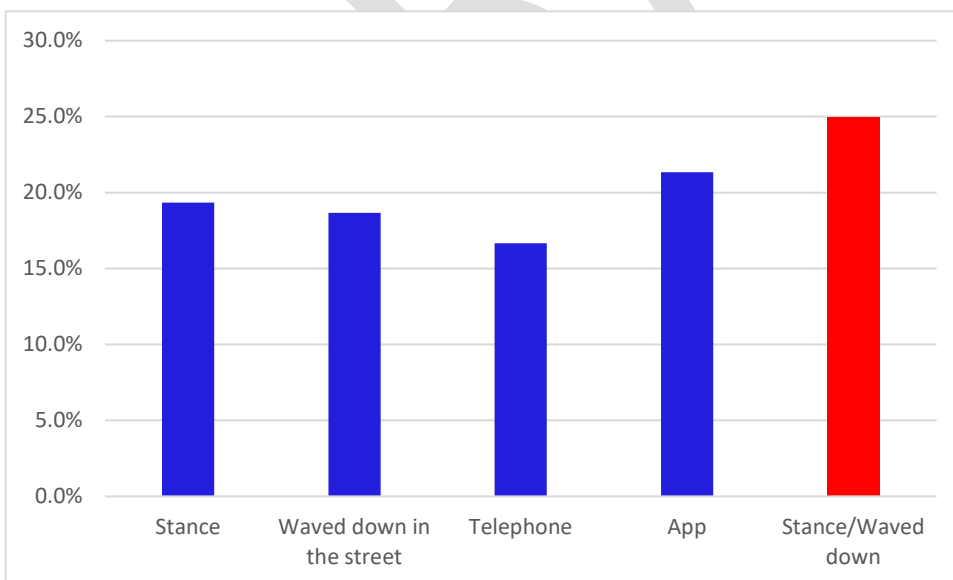
Figure 6.5 – Rating of last journey



6.3 Attempted method of hire

In order to measure demand suppression, all respondents were asked to identify whether or not they had given up waiting for a taxi at a stance or on the street or given up waiting for a taxi or private hire car booked by telephone, or through an online app in Edinburgh in the last three months. The results are summarised in Figure 6.6.

Figure 6.6 – Latent demand by method of hire – Given up trying to make a hiring?



As indicated in Figure 6.6, some 25% of respondents had given up waiting for a taxi at a stance and/or by flagdown in the last three months. This has implications for the interpretation of the results (see Chapter 8 below). This is an increase to the figure identified in 2017 (10.9%).

6.4 Service Provision

The difference between a taxi and private hire car was explained to each respondent prior to asking participants whether they feel there are enough purpose-built taxis in Edinburgh at the current time. Some 75% (222) commented that there are sufficient taxis in Edinburgh .

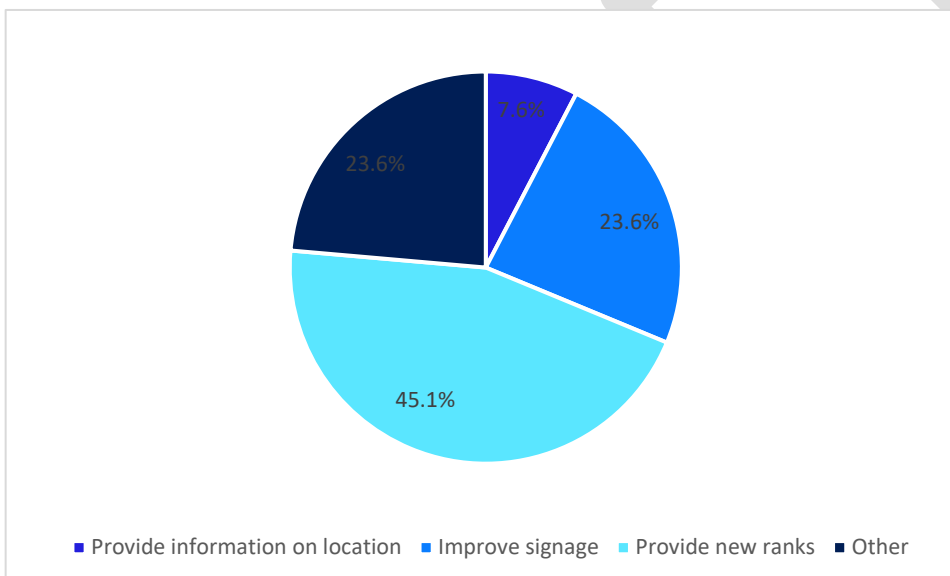
The survey then asked respondents whether they supported the policy of restricting the number of taxis licensed to work in Edinburgh to 1,316 licences. Some 74% (221) of respondents supported the policy .

The survey then asked respondents whether taxi services in Edinburgh could be improved. Some 47% (137) felt that they could be improved while 37% (110) thought no improvements were needed and 16% (47) were unsure.

6.5 Stances

Respondents were asked if they felt there was sufficient provision of taxi stances in Edinburgh. Some 49% (148) of respondents felt that there are currently not enough stances in Edinburgh, 42% stated that there was sufficient with 8% unsure. Suggested improvements from the 49% (148) of respondents who answered 'no' are listed in Figure 6.7.

Figure 6.7 – What needs to be done to improve the provision of taxi ranks / stances in Edinburgh?



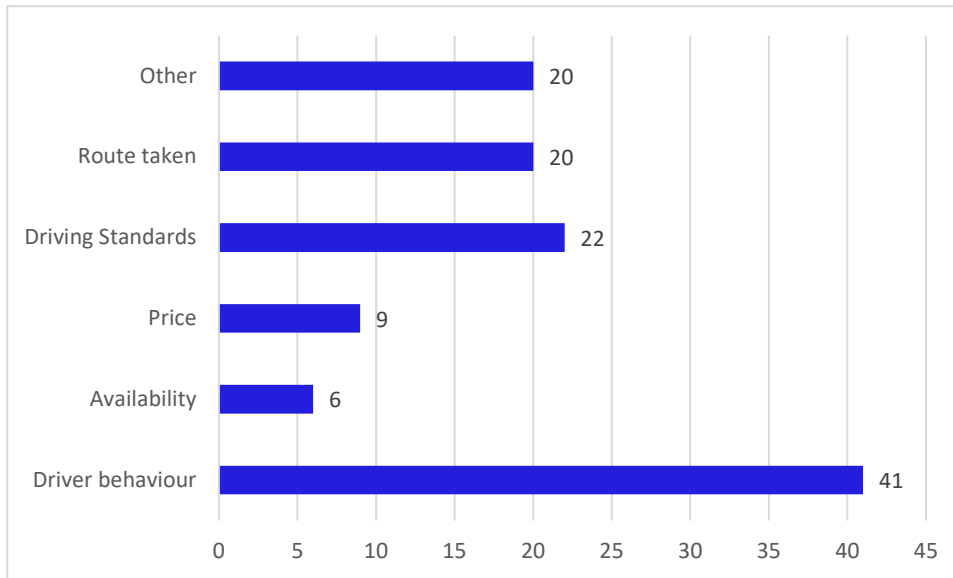
Respondents were asked if there were any locations in Edinburgh where new stances were needed. A total of 48% (143) said that new stances were needed in Edinburgh. Those who stated that they would like to see a new stance were asked to provide a location. The most common locations cited included:

- Waverley Station
- Balmoral Hotel
- Waverley Steps
- Princes Street
- Fort Kinnaird
- West end of George Street
- St James Quarter

6.6 Complaints

Respondents were asked whether they had made a complaint to City of Edinburgh Council about a Taxi or Private Hire Car. Some 14 respondents stated that they had made a complaint. The majority of these complaints were made to the driver (46%) with 27% being made to the Council and 27% to the operator. Figure 6.8 sets out the nature of these complaints.

Figure 6.8 Nature of Complaints



6.7 Summary

Key points from the public attitude survey can be summarised as:

- Some 36% of hiring's are from a smartphone/ table app;
- High levels of satisfaction with delay on last trip – waving down in the street provided the highest levels;
- Some 25% of people had given up trying to obtain a taxi at a stance or by flagdown;
- Some 75% commented that there are sufficient taxis in Edinburgh
- High ratings across all categories for the quality of the last trip, however negative comments were generally around drivers taking poor route choices and their attitude;
- Despite some low ratings 75% of respondents didn't feel that new training was required
- Some 47.4% of people believe that new stances are needed stating Balmoral hotel, Waverley Steps and Princes Street.

7. Consultation

7.1 Introduction

Guidelines issues by the Scottish Government state that consultation should be undertaken with the following organisations and stakeholders:

- All those working in the market;
- Consumer and passenger (include disabled) groups;
- Groups which represent those passengers with special needs;
- The Police;
- Local interest groups such as hospitals or visitor attractions; and
- A wide range of transport stakeholders such as rail/bus/coach providers and transport managers.

In order to consult with relevant stakeholders across Edinburgh, written consultation was undertaken.

7.2 Direct (virtual) Consultation

Several stakeholders were invited to attend a series of virtual focus groups. This assured the Scottish Government guidelines were fulfilled and all relevant organisations and bodies were provided with an opportunity to comment. Following the focus groups the written minutes were circulated for comment to the attendees. A summary of the responses received are provided below

Hackney Trade

All attendees wished to see the numerical limit maintained. Attendees were concerned with the lack of available taxi drivers, the ease with which private hire drivers can become licensed and the lack of enforcement in Edinburgh. The trade was aware that less than 1,316 taxis are operating in Edinburgh which they felt reflected a lack of drivers in the sector. One of the attendees considered there to be a 'perfect storm' – the need for Euro 6 compliance, a lack of drivers, the pandemic and the ease that private hire drivers can enter the market have all had a negative impact on the taxi trade. There is a lack of enforcement which is allowing PH drivers to act as public hire.

Attendees considered that the choice of vehicles that can be licensed as taxis is limiting entry to the market, and they want CEC to review this.

With regard to ranks the attendees discussed a number of issues:

- Hope Street rank to be restored
- Need eye level signage at ranks
- Ranks need to be maintained better
- Rank at Market Street should be reinstated as the current one on East Market Street is dangerous
- Proposed rank at Haymarket will not work
- Needs to be a rank in the vicinity of the Balmoral hotel

Attendees wanted CEC to waive the variation fee for CCTV implementation.

With regard to private hire cars the trade wished to see their numbers limited and the range of vehicles limited to a number of smaller vehicle types. It was also suggested that private hire drivers should sit a topographical test.

Attendees also discussed issues pertaining to the size of some wheelchairs and the need for guidance on how to safely work with wheelchairs.

Private Hire Trade

Attendees spent most of the meeting discussing issues around whether private hire cars should be limited in number – this discussion is contained in the Private Hire overprovision report and therefore not discussed here.

All attendees wished to see the numerical limit on taxis removed as this would help with any unmet demand. This point was made in reference to the recent large queues at Edinburgh Airport

Attendees felt that CEC need to review all of their policies relating to taxi and private hire cars. It was considered that there is a need to go back to the start and re structure the trade in Edinburgh and attendees wished to have a face-to-face meeting with CEC officers to discuss this. Attendees wanted to work more closely with CEC in order to encourage more drivers to come back in to the trade especially given the current levels of demand.

7.3 Indirect (Written) Consultation

Several stakeholders were contacted by letter and email. This assured the Scottish Government guidelines were fulfilled and all relevant organisations and bodies were provided with an opportunity to comment.

In accordance with advice issued by the Scottish Government the following organisations were contacted:

- City of Edinburgh Council;
- Trade representatives;
- User/ disability groups representing those passengers with special needs;
- Local interest groups including hospitals, visitor attractions, entertainment outlets and education establishments; and
- Rail bus and coach operators.

A summary of the responses received are provided below.

Central Taxis

Central taxis provided a written response as below:

This consultation is proceeding during the persistence of a public health emergency that has had a significantly disruptive effect on the hire and reward sector in Edinburgh. The periods of lockdown and the economic and social restrictions which have been in place for much of the last 2 years led many licensed drivers to leave the taxi trade and to seek employment in other professions. Those drivers who continued to work in the trade altered their working patterns to reflect the lack of a night-time economy. While the situation has improved from the darkest days of the lockdowns, the effects of the disruption remain and are expected to do so in the short and through medium terms at least. For example, the Council continues to require taxi drivers sit and pass a test of their knowledge of the streets and places in the city, but have not provided any facility for those tests to take place for almost 2 years. Accordingly, persons wishing to join the trade have been unable to do so as they could not qualify the conditions set by the Council. Other drivers are returning to the trade, but at a slow pace. This is not least because there remains a general uncertainty in society as to the future course of the pandemic, and the lack of confidence which that brings for a sustained, linear recovery. It is axiomatic in these circumstances that great care must be applied in the interpretation of data which is collected in these unique circumstances if recommendations are not to further distort and disrupt the trade at the time when it most needs time to recover

We consider that the number of taxis, currently set at 1316, serves the city well. This number ensures that there is an adequate supply of taxis for most of the year, and gives sufficient capacity to meet public demand and expectations during those limited occasions of high intensity demand. It also serves to facilitate sufficient work to support the livelihoods of drivers and supports an earning potential sufficient to entice persons from other professions into joining the trade, or to retain persons within it.

CEC should continue to numerically limit taxi numbers. Limitation serves to ensure that demand can be met while maintaining conditions to encourage entry into the trade. It is particularly important to note that the capital costs of entry are now considerable, with vehicles costing from £40,000 to over £60,000. Limitation helps to ensure that entrants can have confidence that this level of investment will see a reasonable return in a reasonable business cycle. Without such effect, the willingness of persons to enter the trade, and the upholding of the high standards which the current policy produces, will inevitably each suffer negatively.

There is a tendency of policymakers to consider taxis as sitting outside of the perceived legitimate forms of public transport. In our view there is a clear and compelling case for treating taxis as an important part of the public transport matrix and in integrating taxi use within transport strategies which govern policy decisions in the city. The current view of taxi use leads to some very unfortunate results, one of which is the limited consideration given to the use of taxis for onward travel, particularly at major transport hubs. We consider it very unfortunate that persons entering the city have to walk very long distances, or search about, for taxi stances at these major hubs, a task one does not often encounter in other major cities in Europe. The ongoing push for environmentally sustainable vehicles also gives cause to seek to encourage more taxi use to tackle the undeniable problem of air pollution and its effects on the population.

With regard to the location of taxi ranks, we consider, the failure to have due regard to the place of taxis as an integral part of the public transport network. The failure to have adequately sized and suitably located stances at major transport hubs, including Edinburgh Airport and both Haymarket and Waverley Train stations has an adverse impact on customers, who are regularly confused when egressing from these hubs only to become puzzled by the lack of any obvious taxi stances. The taxi stance at Haymarket was formerly sight outside the station. Now it is around 150 metres away, and out of sight of those who egress at the eastern doorway. The stance at Waverley is barely visible from those egressing on Market Street, and there is no official rank at the top of the Waverley steps. Passengers expect there to be onward provision at these hubs and the repeated failure to provide same is a stain on the provision of good transport links to residents, businesses and visitors to the city. So too at other locations in the city, including at the east and west ends of Princes Street. Also taxi stances are regularly occupied by non taxi vehicles and greater enforcement is required to ensure that the existing stances operate as they are intended.

Additional ranks are required at Waverley Station, including the Waverley Steps at Princes Street; Haymarket Station and at Edinburgh Airport.

Consideration should be given to raised kerbs at these stances in order to make accessing and egressing from taxis easier for all groups. Signage should be improved, as many stances are invisible to people, particularly if there happens to be no taxis waiting at the point one is seeking to locate a stance. The stances are defined by poorly maintained painted lines on the roads so a stranger to the city has very little chance of identifying it as a stance. Serious consideration could be given to three-dimensional notifications as opposed to the 2 dimensional signs which are used at present.

City Cabs

City Cabs provided a written response as below:

We believe there are currently more than enough taxis in Edinburgh, this can be highlighted by the fact that Edinburgh is currently sitting under the council set allocation limit of Taxis. The barriers to entry for new operators in relation to the high expense of vehicles and emissions requirements has created a situation where many simply cannot afford to become operators of Taxis in Edinburgh. We operate with less than the limit of Taxis currently, therefore the market has dictated that the demand for more licenses is simply not there. The city operates well with the current limit and an increase to licensed vehicles would lead to higher total vehicle emissions within our city.

Yes, CEC should continue to limit the number of taxis, as the barriers to entry are already significant and the demand for more licenses is not there.

Taxis are an integral part of the Public Transport solutions within our City. We believe it is imperative that Taxi stakeholders are included in all consultations and Government policy in the same fashion as Lothian buses. Currently at City Cabs we are working on our environmental impact and have been very successful recently in reducing our carbon emissions through improvements to our dispatch system and reducing the miles covered without a passenger on board.

Waverley station market street rank - this should be relocated back to the original market street rank as soon as possible. The current rank is difficult to locate and visibility is impaired due to distance and street clutter. In addition, the public then have to cross over either East Market Street or Jeffrey Street which is an incredibly busy and complicated location for a passenger and likely stranger to our city to cross. This extra risk to the public is unacceptable and dangerous in our opinion. Additionally, there is a problem with no rank at the Waverley steps exit to the station. There needs to be taxi provision at the exit of our train station and this can be shown by the volume of public who wait there to hail a passing Taxi.

Taxis are all wheelchair accessible which provides a fair and equal service to wheelchair users. Taxis already have many accessibility features. These include assistance for wheelchair users, yellow grab handles and step markings for visually impaired passengers. There is also adequate signage. The random selection of vehicles used for Private Hire makes this difficult, we believe the council should approve 2-3 set vehicles for Private Hire operators and should ensure all signage, visibility enhancements and fixed grab handles should be included for PH vehicles. These need not be wheelchair compliant but should have the full range of benefits to aid disabled passengers otherwise this could be construed as discriminatory to users of PH vehicles

Concierge, Balmoral Hotel

It was considered that there were sufficient taxis in general in Edinburgh, however this was not always the case especially Friday and Saturday nights and for large events. He wished to see the numerical limit on taxis maintained and made reference to them illegally ranking across the City. He also felt that many black taxi drivers have a complete disregard for any rules in the city and wanted to see stronger punishments for drivers breaking the law. He also felt that taxi drivers should only be granted a licence if they are affiliated with one of the taxi companies so standards can be maintained. The concept of an independent black taxi driver is outdated and should be abolished as they are not answerable to anyone, and many do not maintain high enough standards when it comes to cleanliness and attitude.

Since Waverley Station stopped allowing taxis to rank inside the station it was considered that there has been a persistent problem of taxis ranking around the area instead of using the ranks. The rank on Market Street is too small for the number of drivers who try and rank there whereas there is an area on Calton Road which is quiet and can accommodate far more cars. One side of the road has been closed off for what seems years now but if that road was opened it would be far more suitable. In other areas of the city you will find more taxis on the ranks than are permitted but again nothing is ever done about this (ie outside The Radisson Hotel and Scottish Parliament).

ECAS

ECAS responded to the consultation stating that they haven't used any taxis since March 2020 so are not confident in making any comments.

Lothian Centre for Inclusive Living (LCIL)

The representative from LCIL considered there to be enough taxis in Edinburgh but was unsure about whether the Council should maintain the limitation policy. They suggested that greater driver education was needed in order to give a better understanding of the needs of disabled people. It was suggested that more wheelchair accessible taxis were needed together with drivers having more training in handling wheelchairs and checks on equipment for clamping wheelchairs. The representative also stated that 'Some drivers are amazing, just not always'.

Drummond Community High School

The representative considered there to be enough taxis in Edinburgh but was unsure about whether the Council should maintain the limitation policy. It was suggested that time keeping for taxi's that are ordered well in advance for school pick ups should be tightened up. More wheelchair accessible taxis were thought to be needed.

Currie Community High School

The representative considered there to not be enough taxis in Edinburgh and considered that the Council should remove the limitation policy. The representative considered there to be a serious lack of taxis

Draft Report

available at school times, stating that they regularly have taxis turning up more than 30 mins late. It was also noted that sometimes two taxis appear for the same person and that when taxi's turn up so late some of the pupils that have arranged taxi's privately have given up and their parents have come and collected them.

The school feel that because they are slightly remote that pre -booked taxis are forgotten about when there are other fares available in the city centre.

Individual with a Taxi account

This individual commented that there are not enough taxis in Edinburgh, particularly during rush hour and inclement weather.

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8. Deriving the Significant Unmet Demand Index Value

8.1 Introduction

The data provided in the previous chapters can be summarised using Jacobs' ISUD factor as described in Chapter 4.

The component parts of the index, their source and their values are given below;

Average Passenger Delay (Table 5.2)	0.75
Peak Factor (Figure 5.2)	1
General Incidence of Delay (Table 5.3)	6.85
Steady State Performance (Table 5.1)	11
Seasonality Factor (Section 4)	1
Latent Demand Factor (Section 6)	1.25
ISUD (0.75*1*6.85*11*1*1.25)	71

The cut off level for a significant unmet demand is 80. It is clear that Edinburgh is below this cut off point as the ISUD is 71, indicating that there is **NO significant unmet demand**. This conclusion covers both patent and latent/suppressed demand.

9. Summary and Conclusions

9.1 Introduction

This study has been conducted by Jacobs on behalf of City of Edinburgh Council (CEC). The overall objective is to provide a full survey of demand for taxis in Edinburgh and to determine whether or not significant unmet demand for taxis exists in terms of section 10(3) of the Civic Government (Scotland) Act 1982. Specific objectives are:

- Determine whether there is any significant unmet demand for taxi services in Edinburgh;
- If significant unmet demand is found, recommend how many licences would be required to meet this; and.
- To determine public perception of the taxi service provided in Edinburgh

To measure demand, including latent demand, for any taxi services to the general public in order to determine whether there is any significant unmet demand in Edinburgh city as a whole, or any part thereof.

The 2021 study has identified that there is NO evidence of significant unmet demand for taxis in Edinburgh. This conclusion is based on an assessment of the implications of case law that has emerged since 2000, and the results of Jacobs' analysis. On this basis the authority has discretion in its taxi licensing policy and may either:

- continue to limit the number of vehicles at 1,316;
- issue any number of additional plates as it sees fit, either in one allocation or a series of allocations; or
- remove the limit on the number of vehicles and allow a free entry policy.

The number of hours where excess demand was observed has increased since the last study however passenger delay has reduced. However public satisfaction remains high.

This unmet demand survey has been undertaken in an atypical period given the Covid – 19 pandemic. We are also aware that not all of the 1,316 licences were in use at the time of the survey.

To determine public perception of the taxi service provided in Edinburgh.

Public perception of the taxi service in Edinburgh has been obtained through the undertaking of an online survey. The key results from the survey highlight that

- Some 36% of hiring's are from a smartphone/ table app;
- High levels of satisfaction with delay on last trip – waving down in the street provided the highest levels;
- Some 25% of people had given up trying to obtain a taxi at a stance or by flagdown;
- Some 75% commented that there are sufficient taxis in Edinburgh
- High ratings across all categories for the quality of the last trip, however negative comments were generally around drivers taking poor route choices and their attitude;
- Despite some low ratings 75% of respondents didn't feel that new training was required
- Some 47.4% of people believe that new stances are needed stating Balmoral hotel, Waverley Steps and Princes Street.

Overall the public were generally satisfied with the taxi service in Edinburgh. Levels of satisfaction with delay were high.

9.2 Recommendations

The 2021 study has identified that there is NO evidence of significant unmet demand for taxis in Edinburgh. This conclusion is based on an assessment of the implications of case law that has emerged since 2000, and the results of Jacobs' analysis. On this basis, the authority has discretion in its taxi licensing policy and may either:

- continue to limit the number of vehicles at 1,316.
- issue any number of additional plates as it sees fit, either in one allocation or a series of allocations;
or
- remove the limit on the number of vehicles and allow a free entry policy.

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Regulatory Committee

10.00am, Monday, 21 November 2022

Motion by Councillor McFarlane – Prevention of Drug Deaths

Executive/routine	
Wards	All
Council Commitments	

1. Recommendations

1.1 Committee is asked to:

- 1.1.1 Note that this report is in response to the motion from Councillor McFarlane at Full Council on [30 June 2022](#) on Prevention of Drug Deaths;
- 1.1.2 Note that the Licensing Standards team will continue to liaise with Edinburgh Alcohol and Drugs Partnership (EADP) and the NHS Harm Reduction Team to explore options for a pilot scheme with respect to the provision of Naloxone within liquor licensed premises;
- 1.1.3 Refer this report to the Licensing Board for the Board's information; and
- 1.1.4 Discharge the outstanding remit relating to the Regulatory Committee.

Paul Lawrence

Executive Director of Place

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Motion by Councillor McFarlane – Prevention of Drug Deaths

2. Executive Summary

- 2.1 On [30 June 2022](#), the City of Edinburgh Council approved a motion by Councillor McFarlane on the Prevention of Drug Deaths, which included an action to “*request a report in two cycles to the Regulatory Committee to explore opportunities within licensing provision to increase requirements for training in administering Naloxone for licensed premises, door staff and personal licence holders*”.
- 2.2 This report summarises the work carried out to date in this respect.

3. Background

- 3.1 On 30 June 2022, the City of Edinburgh Council debated the motion on drug related deaths and possible measures to respond to these.
- 3.2 Naloxone is a drug which temporarily reverses an opiate overdose, and which can be administered by non-medical professionals.
- 3.3 From the information available to the Council from Police Scotland and Licensing teams, there is no direct evidence of a pattern of opiate overdose in liquor licensed or other premises licensed by the Council.
- 3.4 Advice has been sought from the Edinburgh Alcohol and Drugs Partnership (EADP) and NHS Lothian’s Harm Reduction Team (HRT) on what proactive steps could be taken to address the issues raised in the motion.
- 3.5 Some licensed premises already act as community hubs, hosting automated external defibrillators (‘AEDs’) and other community resources. While it is not envisaged that Naloxone would often be required on these premises, providing it at these locations would make it available for the local community if required.

4. Main report

Licensed Premises

- 4.1 Officers considered whether it would be possible to make the provision of 'Take Home Naloxone' ('THN kits') a condition of either Personal or Premises alcohol licences.
- 4.2 This would primarily be a matter for the Licensing Board, which is the licensing authority for those premises.

Other Types of Licence

- 4.3 Consideration was also given to whether other types of licence which fall within the remit of the Council might fall within the scope of the motion.
- 4.4 The starting point for any mandatory training, which would be imposed as a requirement by means of licence condition, is that it must be within the powers available to the licensing authority, and that there is a clear evidence base which would justify such a condition.
- 4.5 The [Civic Government \(Scotland\) Act 1982](#) is now quite outdated and does not provide a basis for addressing contemporary issues. As such, it would not provide the framework for a condition of licence that would require staff in licensed premises to undergo mandatory training of this type. The courts have consistently overturned attempts to use the 1982 Act to regulate contemporary issues beyond the core purpose of the Act.
- 4.6 Additionally, the Council would be required to show an evidence base for why such a condition is necessary and proportionate, which at present does not exist. Taking these two points together, Committee is advised that it would not be feasible to introduce a mandatory training requirement for any licence type administered by the Council.

Other Options

- 4.7 Officers from Regulatory Services have met with colleagues in EADP and HRT to discuss whether there are other options and have jointly agreed to take forward the motion via the pilot work described below, and thereafter to assess its impact.
- 4.8 It is believed that the kits can be provided via NHS HRTs. These teams can also provide training on use of THN kits, which takes only a short time.
- 4.9 Several options for the distribution of the kits have also been discussed. It is intended to investigate an intelligence-based targeted approach. The EADP will liaise with Licensing Standards Officers to identify areas of peak need, with resources then being focussed appropriately:

Licensing Standards Officers	<ul style="list-style-type: none"> • Collaborate with EADP to identify premises which would benefit from the training • Monitoring of premises (to be carried out as part of routine inspections)
Harm Reduction Team	<ul style="list-style-type: none"> • Provision of THN kits • Training • Administration

4.10 Once targeted premises have been identified, the next phase of work will include the following:

Scottish Ambulance Service	<ul style="list-style-type: none"> • Raising awareness of kit locations and premises opening hours
EADP	<ul style="list-style-type: none"> • Communications
Harm Reduction Team, Turning Point Scotland, local pharmacies	<ul style="list-style-type: none"> • Raising awareness • Potential for leaflet distribution
Licensed premises	<ul style="list-style-type: none"> • Engage with communications plan (EADP) • Undertake training (HRT) • Store THN kits appropriately • Engage in THN kit monitoring (HRT)

4.11 Initial discussions identified that there may be a role for the Security Industry Authority (SIA). Officers will liaise with SIA representatives to explore any possibility of including training on use of the THN kit in mandatory SIA first aid training.

4.12 Finally, officers are aware that one of the taxi companies within the city has been encouraging drivers who are part of their network to participate in the training and carry a THN kit. Officers will engage with the Hire Car Trade Group to establish if there is scope to widen participation with other Taxi and PHC companies.

5. Next Steps

5.1 Officers will continue to work with NHS teams to establish a pilot zone. Given this is more directly relevant to the remit of the Licensing Board, any updates will be provided to the Board.

6. Financial impact

6.1 THN kits will be provided via NHS Lothian's HRTs as required.

7. Stakeholder/Community Impact

7.1 The report proposed no policy change for the reasons set out in the report and therefore there is no direct impact.

8. Background reading/external references

8.1 None.

9. Appendices

9.1 None.

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Regulatory Committee

10.00am, Monday, 21 November 2022

Age Limitation and Emissions Standards for Taxis and Private Hire Cars – Update

Executive/routine	
Wards	All
Council Commitments	

1. Recommendations

1.1 Regulatory Committee is asked to note the contents of this report.

Paul Lawrence

Executive Director of Place

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Age Limitation and Emissions Standards for Taxis and Private Hire Cars – Update

2. Executive Summary

- 2.1 This report provides Committee with an update on the implementation of the Age and Emissions policy.

3. Background

- 3.1 The licensing of taxis and Private Hire Cars (PHCs) is an optional activity in terms of the Civic Government (Scotland) Act 1982 ('the Act'). As Licensing Authority, the City of Edinburgh Council passed a resolution in terms of Section 9 of the Act stating that Sections 10 to 23 should have effect throughout the city, and licences should be required for taxis and 'PHCs from 1 July 1984 ('City of Edinburgh Taxi and Private Hire Car Driving Resolution 1983').
- 3.2 Section 10 of the Act requires the licensing authority to be satisfied as to the suitability in type, size and design of a vehicle for use as a taxi or PHC before granting or renewing a taxi or PHC licence.
- 3.3 On [16 March 2018](#), Committee agreed an Age and Emissions policy for taxis and PHCs (Appendix 1), which took effect from 7 May 2018. The policy:
- 3.3.1 Introduced an age limitation in respect of taxis and PHCs; and
 - 3.3.2 Incrementally increases the minimum emissions standards for the engines in these vehicles, which will improve emissions standards.
- 3.4 On [2 November 2020](#), Committee agreed to amend the terms of the Age and Emissions policy taking account of the impact of the pandemic, by delaying the implementation date of certain milestones until 30 September 2021 as follows:
- 3.4.1 Existing vehicles - no application will be accepted for licensing a taxi or PHC or as a replacement vehicle for an existing taxi or PHC if it was more than 10 years old (from the date of first registration). This was originally intended to come into force on 1 April 2021; and

- 3.4.2 Vehicles not currently licensed - no vehicle will be accepted for licensing as a taxi or PHC or as a replacement vehicle for an existing taxi or PHC unless it is a Euro 6. This was originally intended to take effect on 1 October 2018.
- 3.5 On [23 August 2021](#), Committee agreed to further amend the terms of the Age and Emissions policy to allow Licence holders to purchase Euro 5 vehicles, which are not already part of the City of Edinburgh licensed fleet - this was extended until 1 April 2022.
- 3.6 This was designed to:
- 3.6.1 Assist members of the trade who want to convert vehicles and engines to Liquefied Petroleum Gas (LPG); and
- 3.6.2 Enable licence holders to retain vehicles for an additional six month period prior to having to replace their existing vehicles.
- 3.7 In addition to extending the previous implementation milestones, Committee agreed to allow LPG retrofit of both taxi and PHCs, subject to the following conditions:
- 3.7.1 Any such systems must be approved by the Energy Saving Trust;
- 3.7.2 Relevant certification must be provided prior to submitting the vehicle for test at the Taxi Examination Centre;
- 3.7.3 The system is installed by a garage approved by the Energy Saving Trust Accreditation Scheme; and
- 3.7.4 The retrofit solution does not interfere with the structural integrity of the vehicle.
- 3.8 Since the introduction of the Age and Emissions policy, the Licensing Service has received approximately 700 applications to vary the conditions of taxi or PHC licences. These have been or are in the process of being referred to Committee for determination as to whether an exemption to the policy should be made.
- 3.9 The following table provides a year-by-year breakdown of decisions made by Committee on applications for exemption since the implementation of the policy in May 2018. Time periods relate to the policy anniversary date.

	2018-2019	2019-2020	2020-2021	2021-2022	Total
Granted	137	141	91	45	414
Withdrawn	32	16	11	8	67
Refused	115	29	16	2	162
Continued	2	8	2	1	13
Total	286	194	120	56	656

4. Main report

Age and Emissions Update

- 4.1 There are currently 1,277 licensed taxis and 2,089 PHCs in Edinburgh.
- 4.2 Approximately 971 taxis and 1,821 PHCs have been upgraded to meet the new conditions - 76% and 85% respectively of each fleet. Approximately 306 taxis and 268 PHCs are still required to be upgraded over the next 12 to 18 months in order to be compliant with licensing conditions and the Age and Emissions policy. The table below shows the breakdown of the vehicles currently licensed in each of the emission categories and the number of vehicles that are currently over 10 years old or will be over 10 years old in the next year.

	Taxis	PHCs
Age		
Over 10 years at 1 April 2022	135	72
Over 10 years at 1 April 2023	168	138
Emissions category		
Euro 6	761	1,227
Euro 5	259	268
Euro 1-4	47	0
Electric	110	42
LPG	94	6
Exhaust retrofit	6	0
Hybrid	0	546
Total no.	1,277	2,089

- 4.3 All licensed vehicles, irrespective of age, are required to pass an annual Certificate of Compliance Check. This includes a full MOT, including emissions testing, and a full compliance check with respect to the Council's Taxi and Private Hire licensing conditions. Vehicles over 10 years old are required to be submitted for an additional examination every six months
- 4.4 It is essential that commercial vehicles carrying passengers are maintained to the highest possible standard and in a roadworthy condition at all times. Prior to lockdown, the standard of vehicles presented for inspection fell well below the national average MOT pass rate of circa 70% for such vehicles (DVSA class III and IV) (DVSA website). At that time the pass rate for taxis was only 49% and PHCs 58%, giving an overall average of 55%. Since the introduction of the Age and Emissions policy in 2018, there has been continued improvement in the overall pass rate, which is now 74% for both taxis and PHCs.
- 4.5 There remains a concern that this level of improvement is not matched for vehicles over 10 years old, where the pass rate remains significantly below the fleet overall at 23% for taxis and 27.5% for PHCs.
- 4.6 The next and last policy milestones will take effect from 1 April 2023, when no applications will be accepted for licensing a taxi or PHC or as a replacement vehicle

for an existing taxi or PHC unless it has an emissions standard of Euro 6 or above. Members will note from the table above that 527 vehicles are currently Euro 5, which is 20% of the taxi fleet and 12% of the PHC fleet.

Age Limitations

- 4.7 When the policy was first considered by Committee the proposal was to restrict the permitted vehicle age for all new taxi and PHC licence applications or change of vehicle applications to 'less than five years from the date of first registration'. Following consultation with the trade, this was amended to enable all vehicles to be accepted for test if it had been less than 10 years since the vehicle was first registered. In addition to this amendment, in an effort to encourage the trade to upgrade vehicles, the 10 year limitation was increased to 14 years for electric vehicles. A further amendment to the policy enabled vehicles to be converted to LPG and benefit from the 14 year age limitation. A significant number of the converted LPG vehicles over 10 years old are now struggling with their compliance examination.

Exemption from Policy

- 4.8 The Committee is asked to note that the position remains unchanged, in that any applicant for either the grant or renewal of a taxi or PHC licence may request that a standard condition is disapplied in relation to their licence. Where an applicant seeks an exemption from the standard conditions in relation to either the age limitation or emission standards, such applications will be referred to Committee for determination on a case-by-case basis, and it will be for individual applicants to set out their position as to why the conditions should not be applied. In any such case, were an applicant's request for exemption to be refused, the applicant would be entitled to appeal the Committee's decision to the Sheriff.
- 4.9 During the pandemic, to support the trade and enable owners to continue to operate their vehicles, all vehicles were being examined and plated prior to their exemption application being heard at Committee. Now that the Committee process is fully re-established, the practice of testing vehicles prior to an age and emissions hearing has stopped, and applications are considered in line with officers' delegated authority. This ensures that vehicles are appropriately plated and licensed, in line with Committee decisions.

Low Emission Zone

- 4.10 Low Emission Zones (LEZs) in Scotland are mandated by the Scottish Government to reduce longstanding exceedances of legal air quality objectives (Nitrogen Dioxide) originating from urban road traffic. LEZs help to improve air quality by discouraging the most polluting vehicles from entering an area, which will help to improve public health and wellbeing. In May 2021, the Regulations to give local authorities detailed powers under the Transport (Scotland) Act 2019 to create and enforce LEZs became law. Following final Transport and Environment Committee approval of the preferred Low Emission Zone (LEZ) scheme in [March 2022](#), and

subsequent statutory processes, Scottish Ministers approved the LEZ in May 2022. Consequently, the LEZ was introduced on 31 May 2022, and following a two year grace period, enforcement will commence on 1 June 2024.

- 4.11 Any further extension or exemption from the Age and Emission policy timeline must therefore take cognisance of the LEZ implementation - in particular the enforcement of the LEZ, which will commence on 1 June 2024. This means that the hire car fleet will be required to be Euro 6 compliant by Spring 2024, or vehicles will be effectively unable to operate within the LEZ designated areas within the city, irrespective of any extension of licensing milestones.

5. Next Steps

- 5.1 Council officers will monitor the implementation of the policy and will provide a further update in 12 months.

6. Financial impact

- 6.1 Overall, the report will not create any additional costs to the Council budget. The mitigation measures previously agreed (allowing any operator who applies to change their vehicle without paying the normal change of vehicle variation fee) are estimated at £60,000 over four years. This will be contained within the licensing budget.
- 6.2 Any further costs of implementing policy changes will be contained within the current ring-fenced income generated from licence application fees.

7. Stakeholder/Community Impact

- 7.1 The development of policy in respect of the licensing of taxis and PHCs is part of the wider policy-making role for the Council. It is essential that all strategic aims of the Council are considered, and that where appropriate the taxi and PHC licensing policy is consistent with these aims.
- 7.2 Air Quality Management Areas have been declared at five areas across the city where air quality assessment has identified that UK air quality objectives are not being met.
- 7.3 This policy will reduce the carbon footprint of the taxi and PHC trade within the city and will contribute to the Council's Sustainable Energy Action Plan to reduce carbon emissions across the city.
- 7.4 The contents and recommendations neither contribute to, nor detract from, the delivery of the three Public Sector Equality Duties.

- 7.5 The contents and recommendations described in this report do not deliver any outcomes relating to the ten areas of rights, nor do they enhance or infringe them.
- 7.6 As a result of COVID-19, Council officers' regular meetings with trade representatives were affected. Meetings have now resumed, and officers met with members of the trade on 1 March 2021, 14 May 2021, 20 August 2021, 7 October 2022.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix 1 – Taxi and Private Hire Cars Age Limitation and Emission Standards Policy (new policy agreed by the Regulatory Committee on 16 March 2018) (as amended).
- 9.2 Appendix 2 - Licensing Conditions.

Taxi and Private Hire Cars Age Limitation and Emission Standards Policy.

Updated 23rd August 2021

Taxi or PHC licensed by the City of Edinburgh Council

Age Limit

1. **Effective 1st April 2022** there will be an Age Limit applied to Taxis and Private Hire Cars (PHC) licensed by the City of Edinburgh Council, Subject to meeting normal conditions about roadworthiness, a taxi and PHC can be submitted for test prior to the 10th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period.
2. **Effective 1st April 2022** Any Taxi or PHC which is converted to LPG will be an exception to the above age limit and allowed an additional 4 years of operation. Subject to meeting normal conditions about roadworthiness and 6 monthly compliance tests from the vehicles 10th anniversary this will allow a vehicle to be submitted for test prior to the 14th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period
3. **Effective 1st April 2022** to allow any Electric Taxi or PHC, which is not a hybrid vehicle, to be an exception to the 10 year age limit and allow an additional 4 years of operation. Subject to meeting normal conditions about roadworthiness and 6 monthly compliance tests from the vehicles 10th anniversary this will allow a vehicle to be submitted for test prior to the 14th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period

In addition to vehicles requiring meeting the above age limits, the emission standards set out below will also apply with the relevant date for both age limitation and emission standards being the earliest date applicable in either category.

Emission Standards

4. **Effective 1 April 2019** no Taxi or PHC will thereafter be accepted for test unless it is Euro 5 or above. Any Euro 0-4 Taxi or PHC which has passed its test and is licensed prior to 1 April 2019 may continue to be operated until its licence expires or **31 Mar 2020** whichever date is earliest.

5. From **1 April 2022** any new or replacement motor vehicle to be submitted for test in respect of a PHC or Taxi licence will require to be (or exceed) a Euro 6 taxi vehicle unless that vehicle is currently licenced by The City of Edinburgh Council
6. **Effective 1 April 2023** no Taxi or PHC will thereafter be accepted for test unless it is Euro 6 or above.

Electric Vehicles

7. Any Electric Taxi or PHC, which is not a hybrid vehicle, to be an exception to the 10 year age limit and allow an additional 4 years of operation. Subject to meeting normal conditions about roadworthiness and 6 monthly compliance tests from the vehicles 10th anniversary this will allow a vehicle to be submitted for test prior to the 14th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period.

Hybrid Vehicles

8. Hybrid cars have electric elements to their powertrains but cannot be considered 'electric cars' due to the presence of a petrol engine. The term 'hybrid' is technically quite vague, but in the context of cars almost always refers to a petrol-electric powertrain. This means the car uses a combination of electricity stored in batteries and petrol stored in a tank to propel the car forward.
9. Hybrid cars at time of manufacture / registration all have a Euro rating which reflects the vehicles emissions level.

LPG Vehicles

10. Prior to 2018 licensing conditions prevented the use of LPG vehicles and they had never previously been considered appropriate for licensing.
11. Any existing vehicle licenced by CEC can be converted to LPG provided that the following can be shown by the operator and that any modification is carried out at the owner's risk:
 - a. It is assessed as safe by the Taxi Examiners.
 - b. it is accompanied by an approval certificate obtained from DVSA; and
 - c. After such conversion subject to meeting normal conditions about roadworthiness and 6 monthly compliance tests from the vehicles 10th anniversary this will allow a vehicle to be submitted for test prior to the 14th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period.

Retro Fit / Replacement engines

12. Retrofit means altering a vehicle's engine to reduce its emissions. Most retrofit systems fit to the existing 'dirty' engine and clean it up. Adding a filter and catalyst to the engine's exhaust reduces particulate matter (PM) and oxides of nitrogen (NOx), made up of nitrogen monoxide, or nitric oxide (NO) and nitrogen dioxide (NO₂). Particulate matter (PM) includes soot and wind-blown dust. A diesel particulate filter (DPF) is fitted to remove 98-99% of tailpipe particulates. Nitrogen oxide (NOx) comprises nitric oxide (NO) and nitrogen dioxide (NO₂). By fitting a selective catalytic reduction (SCR), NOx is reduced by 80-90%
13. In some cases, a vehicle can be re-engined, i.e., the old engine is replaced with a new, cleaner engine. However, this requires significant upgrades to other parts of the vehicle's fuel and exhaust systems to be effective (i.e., replacement engine or LPG conversion).
14. In more general term just because a vehicle has been converted does not mean that its Euro 6 will change. DVSA advise that there is no mechanism to reclassify a vehicles Euro once a vehicle is given a euro classification it will always have this, and the V5 vehicle registration document cannot be changed in that regard. The Euro rating once issued remains with the vehicle for life.
15. Given that there are a wide range of retrofit solutions available Any existing vehicle licenced by CEC can be adapted to Euro 6 subject to the following conditions:
 - a. Any such systems must be approved by the Energy Savings Trust;
 - b. Relevant certification must be provided prior to submitting the vehicle for test at the Taxi Examination Centre (TEC);
 - c. The system is installed by a garage approved by the Energy Saving Trust Accreditation Scheme;
 - d. The retrofit solution does not interfere with the structural integrity of the vehicle; and
 - e. That the following can be shown by the operator and that any modification is carried out at the owner's risk

After market devices

16. There are a number of aftermarket devices and fuel additives that manufacturers claim can improve fuel economy and/or reduce exhaust emissions. The majority if not all aftermarket devices require ongoing maintenance and do not provide a permanent or fixed solution to emissions accordingly, they have not been included within the policy and any application submitted would be dealt with on a case by case basis.

Any applicant for either the grant or renewal of a taxi or PHC licence may request that a standard condition be disapplied in relation to his/her licence. Where an applicant seeks an exemption from the standard conditions in relation to either the age limitation or emission standards then such applications will be referred to Committee for determination on a case by case basis and it will be for individual applicants to set out their position as to why the conditions should not be applied. In any such case, were an applicant's requests for exemption to be refused then the applicant will be entitled to appeal the Committee's decision to the Sheriff.

Retirement policy

17. Owners seeking an exemption to policy on the basis of retirement can be dealt with by council officer under delegated authority and given an exemption of up to a maximum period of 1 year's dependant on circumstance.
 - a. Owners would have to provide a written declaration that it was their intention to retire and the intended date of retirement.
 - b. Only one exemption can be dealt with under delegated authority
18. It is acknowledged that circumstance can change and any change to retirement plans would be referred to committee for further consideration. In addition, any evidence of bad faith would also be referred to committee with an immediate request to vary terms of the licence and it may also be considered in context of an owner's suitability in terms of the fit and proper test.

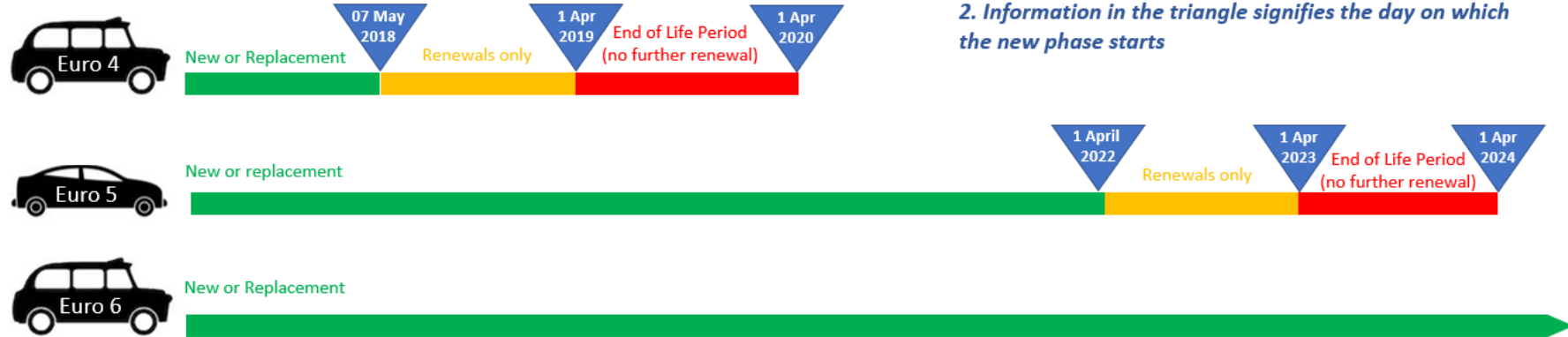
Exemption from Policy

19. Any applicant for either the grant or renewal of a taxi or PHC licence may request that a standard condition should be disapplied in relation to his/her licence. Where an applicant seeks an exemption from the standard conditions in relation to either the age limitation or emission standards, such applications will be referred to the Committee for determination on a case-by-case basis, and it will be for individual applicants to set out their position as to why the conditions should not be applied. In any such case, were an applicant's request for exemption to be refused then the applicant would be entitled to appeal the Committee's decision to the Sheriff

Vehicle Age and Emissions Standards (August 2021)



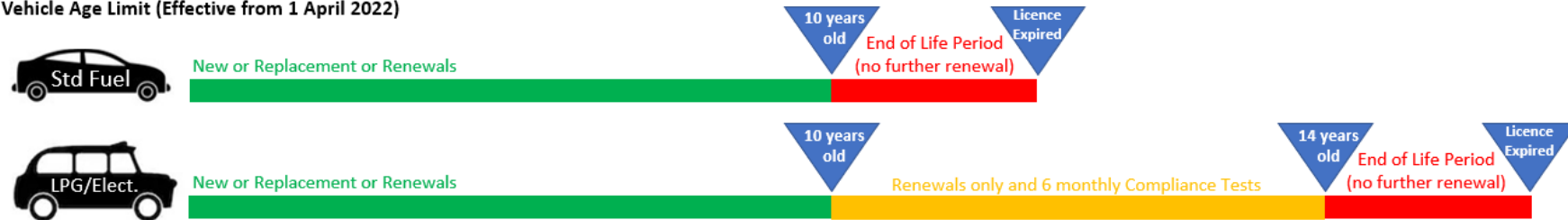
Vehicle Emissions Standard



Notes:

1. These rules apply to both Taxi and PHC's
2. Information in the triangle signifies the day on which the new phase starts

Vehicle Age Limit (Effective from 1 April 2022)



Licensing Conditions

Condition 256

Licensed Vehicles in Edinburgh must be a motor vehicle of a type or model which holds a valid European Whole Vehicle Type Approval as an M1 vehicle, is purpose built for use as a Licensed Vehicle and must comply in all respects with the requirements of any Acts and Regulations relating to motor vehicles.

In addition to the above: -

From **7 May 2018** any motor vehicle to be licensed in respect of a new taxi licence or replacement vehicle under an existing taxi licence will require to be a Euro 5 or 6 taxi vehicle

From **1 April 2019** any motor vehicle to be submitted for test in respect of either a new or existing taxi licence will require to be (or exceed) a Euro 5 taxi vehicle. Any Euro 0-4 taxi vehicle licensed as a taxi prior to 1 April 2019 may continue to operate until that licence expires or 31 March 2020 whichever date is earliest

From **1 April 2023** any motor vehicle to be licensed in respect of a new taxi licence or a replacement vehicle under an existing taxi licence will require to be Euro 6 taxi vehicle.

From **1 April 2022** all Licensed Vehicles must be less than 11 years old from the date of first registration (other than a Licensed Vehicle which is an Electric Vehicle or has been converted to LPG). A Licensed Vehicle submitted for test in respect of renewal of a taxi licence prior to the 10th anniversary of its registration may continue to operate as a taxi until the expiry of the licence period following upon renewal of such licence. A Licensed Vehicle which has been converted to LPG or an Electric Vehicle submitted for test in respect of renewal of a taxi licence prior to the 14th anniversary of its registration may continue to operate as a taxi until the expiry of the licence period following upon renewal of such licence:

From 1 April 2022 any new or replacement motor vehicle to be submitted for test in respect of a taxi licence will require to be (or exceed) a Euro 6 taxi vehicle unless that vehicle is currently licenced by The City of Edinburgh Council

Condition 303:

Licensed Vehicles in Edinburgh must be a motor vehicle of a type or model which holds a valid European Whole Vehicle Type Approval and must comply in all respects with the requirements of any Acts and Regulations relating to motor vehicles.

In addition to the above:-

From **7 May 2018** any motor vehicle to be licensed in respect of a new PHC licence or replacement vehicle under an existing PHC licence will require to be a Euro 5 or 6 PHC vehicle

From **1 April 2019** any motor vehicle to be submitted for test in respect of either a new or existing PHC licence will require to be (or exceed) a Euro 5 PHC vehicle. Any Euro 0-4 PHC vehicle licensed as a PHC prior to 1 April 2019 may continue to operate until that licence expires or 31 March 2020 whichever date is earliest

From **1 April 2023** any motor vehicle to be licensed in respect of a new PHC licence or a replacement vehicle under an existing PHC licence will require to be Euro 6 PHC vehicle.

From **1 April 2022** all Licensed Vehicles must be less than 11 years old from the date of first registration (other than a Licensed Vehicle which is an Electric Vehicle or has been converted to LPG). A Licensed Vehicle submitted for test in respect of renewal of a PHC licence prior to the 10th anniversary of its registration may continue to operate as a PHC until the expiry of the licence period following upon renewal of such licence. A Licensed Vehicle which has been converted to LPG or an Electric Vehicle submitted for test in respect of renewal of a PHC licence prior to the 14th anniversary of its registration may continue to operate as a PHC until the expiry of the licence period following upon renewal of such licence:

From **1 April 2022** any new or replacement motor vehicle to be submitted for test in respect of a PHC licence will require to be (or exceed) a Euro 6 taxi vehicle unless that vehicle is currently licenced by The City of Edinburgh Council