# **Regulatory Committee**

# 10.00am, Monday, 6 February 2023

## Taxi Fares Review 2023

Executive/routine
Wards All
Council Commitments

## 1. Recommendations

## 1.1 Committee is asked to:

- 1.1.1 Note the attached report from Jacobs (Appendix 2), and, in particular, the recommendations following consultation with representatives of the taxi trade;
- 1.1.2 Note that feedback was sought from the representatives of the taxi trade on the recommendations of initial Jacobs' report and, where possible, this has been incorporated in that report;
- 1.1.3 Note that officers are recommending that Committee agrees to consult on an updated fare scale reflecting the following amendments to the current fare scale:
  - 1.1.3.1 Apply 20% increase to Tariffs 1 and 2; and,
  - 1.1.3.2 Apply 15% increase to Tariffs 3 and 4.
- 1.1.4 Approve the advertisement of a proposed fare scale with the above changes, for reasons set out in this report, as required in terms of section 17 of the Civic Government (Scotland) Act 1982 ('the Act'). This will be published in local newspaper publications within the Council area in the manner required under section 17(4A) (c) of ('the Act'), including the date on which the fare scale is planned to take effect. Any representation(s) received as result of the consultation will be reported report back to Committee.

#### **Paul Lawrence**

**Executive Director of Place** 

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# Report

## Taxi Fares Review 2023

# 2. Executive Summary

2.1 This report informs Committee that the statutory review of fares has been undertaken. The Council engaged consultants to carry out the initial work on the fare review and their final report is attached at Appendix 2. Consultation with the trade has also been carried out, and this report makes recommendations on the remaining steps necessary to complete the review and fix taxi fares.

# 3. Background

- 3.1 The Council, as Licensing Authority for taxis, under the Civic Government (Scotland) Act 1982 ('the Act') Section 17, is required to review and fix the scale of fares and other charges which may be used by taxis licensed within the city. This review must take place at intervals not greater than 18 months. The Council last fixed taxi fares on 30 December 2021. The taxi fare tariff sets out the maximum charges which licensed taxis may charge any passenger for a journey within the city. Operators are free to alter any charge subject to that maximum.
- 3.2 The initial requirement of the review is that the Council, as Licensing Authority, must consult with persons or organisations appearing to be, or to be representative of, the operators of taxis within the Council area. In its work plan, Committee agreed to commission consultants to carry out the initial consultation with the trade, to review the fare structure and to make recommendations on any changes following consultation. Jacobs were commissioned to undertake the most recent review and the final report is attached at Appendix 2.

# 4. Main report

- 4.1 The current fare structure is set out at Appendix 1. The fare varies depending on time of day, distance travelled, and waiting time. There are particular tariffs for certain public holidays and additional fees for a range of items, including the cleaning of the taxi if it is soiled.
- 4.2 As required by the ('the Act'), Jacobs, on behalf of the Council, has carried out the first stage of the consultation process with taxi trade representatives. The trade were invited to three planned sessions where they were encouraged to provide feedback on the current tariff (Appendix 1).

- 4.3 Section 17(4A)(a) of the Act states that when fares are reviewed, a Licensing Authority should consult with 'persons or organisation appearing to be, or to be representative of, the operators of taxis operating within its area'. This is the first stage of the process.
- 4.4 At the first of these meetings on 30 November 2022, all but one of the attendees indicated that they would not be taking part in the meeting due to the attendance of one individual. One attendee further stated that he awaited a response from the Council regarding a query with respect to the criteria by which the Council had determined which individuals would be included in the review of fares. There were further unsuccessful attempts to hold these meetings, and at the request of the Council, Jacobs invited written submissions as an alternative. These written submissions are included in the Jacobs report.
- 4.5 The written submissions were used as stage 1 of the process and the Council is now required to review the existing fare scales and propose new scales. The second stage of the process requires that the proposed fare scale be advertised for a period of not less than one month, to allow for representations. Following this, a further report will be brought back to Committee for consideration, and if appropriate, approval.
- 4.6 There is a right of appeal in respect of any decision Committee makes regarding the new fare scales. This may be exercised by any taxi licence holder and the appeal is made to the Scottish Traffic Commissioner. Guidance issued by the Scottish Government states that "the Council should consider the costs of operating a taxi as well as the income available to operators when reviewing and fixing the taxi fare scales". Committee should also avoid restricting any increase based on concern about the impact on passengers.
- 4.7 The draft Jacobs recommendations regarding revisions to the fare table were circulated to trade representatives for information, and, along with the Jacobs report, are now submitted for the Committee's consideration. Section 4 of the Jacobs report separately outlines the responses received from the trade with respect to the Jacobs research. Members are advised to consider this information in detail when considering the recommendations in this report.
- 4.8 At the final stage of the Jacobs trade consultation, trade representatives were provided with the following options for comment:
  - 4.8.1 Option 1 Increase fares across all tariffs by 14.2%; or
  - 4.8.2 Option 2 Increase fares across all tariffs by 14.2% and provide a one off increase of an additional 5% in light of increased vehicle costs, across Tariffs 1 and 2.
- 4.9 Members' attention is directed to the responses from trade members attached at section 4.4 of the Jacobs report, and Committee is also reminded that the sole criteria to be considered when setting any taxi fares are the statutory framework and guidance available. Affordability and other issues of public policy such as impact on the travelling public are not factors which should be used to determine any decision.

- 4.10 Following receipt of feedback from the trade, Jacobs made the revised final recommendations contained within Section 8.2 of their report, which sets out the fare increases and other changes that Jacobs recommend should be applied, specifically:
  - 4.10.1 Apply 20% increase to Tariffs 1 and 2;
  - 4.10.2 Apply 15% increase to Tariffs 3 and 4; and,
  - 4.10.3 Impose a mandatory requirement for credit/debit card payment to be accepted for all taxi journeys.
- 4.11 After taking the above into consideration, it is recommended that Committee fixes a taxi fare scale with the following changes to the current fare scale:
  - 4.11.1 Apply 20% increase to Tariffs 1 and 2; and,
  - 4.11.2 Apply 15% increase to Tariffs 3 and 4.
- 4.12 The third recommendation made by Jacobs, which in turn is a request from representatives of the taxi trade, is to make card payment machines mandatory in all taxis. It is recommended that the Committee takes no action on this request at this time, for the following reasons:
  - 4.12.1 The Council is fixing the taxi fare scales and that power does not extend to amending conditions of licence to make this mandatory;
  - 4.12.2 It unclear whether the Council legally has the power to require the acceptance of card payments as a condition of licence; and
  - 4.12.3 If Committee decides to consider such a condition, then a full consultation process would be required prior to doing so, and also evidence for the need to impose such a condition.

# 5. Next Steps

- 5.1 Having reviewed the proposed new fare scales, if Committee approves the report recommendations, the fare scale will be updated to reflect the changes approved and advertised, as required by the Act. The outcome of this will be reported back to Committee when the process is complete.
- 5.2 Committee is asked to note this report and agrees to receive a further report after the statutory advert is published and the consultation period is complete.

# 6. Financial impact

6.1 There is no direct financial impact to the Council. The fare structure will have a direct impact on residents or visitors to the city using a taxi.

# 7. Stakeholder/Community Impact

- 7.1 If the taxi trade has a concern about the Council's decision on the new fare scales, taxi licence holders may appeal that decision individually or as a group, including any decision not to implement an increase in the fare scales.
- 7.2 Matters described in this report have no relationship to the public sector general equality duty, thus there is no direct equalities impact arising from this report
- 7.3 There is no environmental impact arising from the contents of this report.

## 8. Background reading/external references

8.1 None.

## 9. Appendices

- 9.1 Appendix 1 Current tariff (from 30 December 2021).
- 9.2 Appendix 2 Jacobs report dated 27 January 2023.

# 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

<b>TARIFF 1</b> Monday – Friday 6am – 6pm		<b>TARIFF 2</b> Monday – Friday 6pm – 6am the following day 6am Saturday – 6am Monday
<b>TARIFF 3</b> 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 6pm on 31 December to midnight on 2 January		

CHARGES	TARIFF 1	TARIFF 2	TARIFF 3	TARIFF 4
<ul> <li>Initial hire not exceeding 501m</li> <li>Initial 105 seconds of waiting time</li> <li>Combination of initial time and distance</li> </ul>	£3.00	£4.00	£4.00	£5.00
<ul> <li>Each additional 163m up until 1805m and thereafter each additional 190m</li> <li>Each additional 35 seconds of waiting time</li> <li>Combination of additional time and distance</li> </ul>	£0.25	£0.25	-1	-
<ul> <li>Each additional 179m up until 1933m and thereafter for each additional 207m</li> <li>Each additional 38 seconds of waiting time</li> <li>Combination of additional time and distance</li> </ul>			£0.35	£0.45

#### **EXTRA PAYMENTS**

When more than 3 passengers		Each	£0.40
Note: Only 2 children under 12 years will be reckone No extra fare will be charged for one child und			
Each Passenger must be properly seated	strike sin		
Hires ending at Edinburgh Airport Inner Drop-off Zon	e (See No	te 4 below) <b>£4.00</b>	
Call Out Charge Applicable when pre-booked	£o.8o	Airport Pickup - For hires commencing at Edinburgh airport. The amount charged at	the exit
Cancellation Fee Applicable when taxi is pre-booked but not used	£2.20	gate subject to a maximum of £5.00, provi no more than the actual amount charged.	ding it i

#### 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 1YI, and should include the vehicle's licence number and time and date of the incident.

# **Jacobs**

# Fare review 3

**Draft Report** 

Document No. | 1 January 27, 2023

**City of Edinburgh Council** 

## **Document history and status**

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# Appendix A. Additional Information



## 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 carry out a review of the taxi fare tariff in Edinburgh. The study will review the current fare tariff and advise on any changes. In terms of Section 17 of the Civic Government (Scotland) Act 1982, the Council must fix maximum scales for the fares and other charges in connection with the hire of a taxi. In terms of Section 17(2) of the said Act (as amended by Section 174(3) of the Criminal Justice and Licensing (Scotland) Act 2010), the Council has to review these scales on a regular basis. The Council must fix scales within 18 months, beginning with the date on which the scales came into effect. In carrying out a review, the Council is required to consult with persons or organisations appearing to it to be, or to be representative of, the operators of taxis operating within its area

The Second Edition of the <u>Scottish Government's Licensing of Taxis and Private Hire Cars Best Practice Guidance for Licensing Authorities</u>, issued in April 2012, refers Councils carrying out taxi fare reviews to pay particular regard to advice contained in paragraphs 2.34 – 2.37 of Scottish Development Department Circular 25/1986; whereby;

"The Secretary of State expects that in fixing fares authorities will want to pay primary regard to the costs incurred by the trade, having regard to the capital costs (including interest payments) of the vehicles, the costs of maintaining and replacing them to the standards required by the licensing authority, of employing drivers and the prevailing level of wages and costs in related road transport industries. In the Secretary of State's view the public interest is better served by ensuring that the maintenance of an adequate taxi service by giving the trade a fair return, than by depressing fares for social reasons, however understandable. If fares are fixed at a level higher than the market can stand, the trade is free to reduce them".

CEC licensing conditions require all taxis in Edinburgh to be fully wheelchair accessible.

## 1.2 Background to fares in Edinburgh

In line with the Civic Government (Scotland) Act 1982, licensing authorities are required to review and fix the scale of fares and other charges which may be used by taxis licensed within the city. This review must take place at intervals not greater than 18 months. The current fares were last reviewed by the Regulatory Committee in October 2021 and a 2.9% increase was applied across all tariffs. In addition, the additional passenger charge was increased to 40p and the days the festive tariff applied were amended.

## 1.3 Age limitation and emission standards

On 16 March 2016 the Regulatory Committee agreed to revise the policy on Taxis and Private Hire Cars. This policy change came effective from 7 May 2018 and introduced an age limit for taxis and private hire cars as well as an emission policy.

This policy set out that:

- Effective 1 April 2020 a taxi or private hire car can be submitted for test prior to the 10<sup>th</sup> anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period.
- Effective 1 April 2020 Any taxi or private hire car which is converted to LPG will be allowed a further 4 years of operation.



In addition to the age limits set out above the committee introduced emission standards for vehicles.

- Effective 1 April 2019 no Taxi or private hire car will thereafter be accepted for test unless it is Euro 5 or above. Any Euro 0-4 Taxi or private hire car 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.
- 4. Effective 1 April 2022 no Taxi or private hire car will thereafter be accepted for test unless it is Euro 6
  or above. Separately to this requirement, any Euro 5 Taxi or private hire car that has passed its test and is
  licensed prior to 1 April 2022 may continue to be operated until its licence expires or 31 Mar 2023
  whichever date is earliest.

For those vehicles not currently licensed by City of Edinburgh Council, no vehicle will be accepted for licensing as a taxi or private hire car or replacement vehicle for an existing Taxi or private hire car licence unless it is a Euro 6.

In November 2020, City of Edinburgh Council amended the terms of the Age and Emissions policy, by delaying the implementation date for the following milestones until 30 September 2021.

- For 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); and
- For 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.

These dates were further revised following Committee on the 21<sup>st</sup> August 2021 where it was agreed that they would take effect from 1 April 2022.

## 1.4 Low Emission Zone (LEZ)

City of Edinburgh Council implemented a Low Emission Zone on 31<sup>st</sup> May 2022. The proposals include a LEZ which applies both to the city centre for all vehicles, and city wide for only commercial vehicles (buses, coaches, heavy goods vehicles, light goods vehicles, vans, taxis, and private hire cars).

The proposals as they currently stand require all diesel vehicles to be Euro 6 compliant and petrol vehicles to be Euro 4 standard. A grace period of two years is proposed for Edinburgh's LEZ scheme, which means that subject to approval, enforcement of the LEZ will commence in June 2024.



# 2. Review of the Current Fare Tariff

## 2.1 Background

City of Edinburgh Council's current fare tariff is detailed on the following page (Figure 2.1). The current fare tariff has been in existence since 30 December 2021 and is arranged in a series of four tariffs and extra charges and payments. Tariff 1 operates Monday to Friday 6am to 6pm and Tariff 2 operates Monday to Friday 6pm to 6am and all-day Saturday and Sunday. In addition to these two tariffs there are further tariffs for the Christmas and New Year period. Tariff 3 is operational Monday to Friday 6am to 6pm over Christmas and New Year and Tariff 4 is operational all day on Christmas Day and New Years Day. Where Christmas period fall on a Saturday or Sunday, Tariff 4 applies all day and Monday to Friday 6pm – 6am. The Christmas period is defined as 6pm 24<sup>th</sup> December to 6am 27<sup>th</sup> December. The New Year period is defined as 6pm 31<sup>st</sup> December to midnight 2<sup>nd</sup> January.

In addition to these four tariffs there are a series of additional payments for soiling, pick up and drop off at the Airport, additional passengers and call out charges. Table 2.1 details the current fare for a 1 and 2-mile journey at each tariff. 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 January 2023 table shows Edinburgh rated 140<sup>th</sup> in the table, indicating that Edinburgh has higher than average fares. Table 2.2 provides a comparison of where a selection of neighbouring authorities in Scotland rank in terms of fares, showing that fares in Edinburgh are mid-range in comparison to other similar Scottish authorities and less than average overall.

Table 2.1 Detail of fares of a 1 and 2 mile journey at each tariff

Tariff	1-mile fare	2-mile fare
Tariff 1	£4.75	£7.00
Tariff 2	£5.75	£8.00
Tariff 3	£6.45	£9.25
Tariff 4	£8.15	£11.75

Table 2.2 - Comparison of neighbouring and/or comparable authorities in terms of fares (Source Private Hire and Taxi Monthly, January 2023)

Local Authority	Rank
Midlothian	8
Fife	66
East Lothian	139
City of Edinburgh	140
Glasgow	170



West Lothian	183
Falkirk	256



## Figure 2.1 Current Fare Card

# 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
	cember to 6am on 27 December cember to midnight on 2 January

CHARGES	TARIFF 1	TARIFF 2	TARIFF 3	TARIFF 4
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
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	-	-
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					
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	gate subject to a maximum of £5.00, providing			
Cancellation Fee Applicable when taxi is pre-booked but not used	£2.20				
Soiling charge - maximum of £50.00 payable by a p for cleaning in order for it to be restored to a usable			m service		

#### NOTES

(i) The above Tariff is applicable only within the City of Edinburgh.

time for the passenger to get to the airport terminal.

- (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 1Y] 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

#### 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 EHs 17), and should include the vehicle's licence number and time and date of the incident.

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# 3. Benchmarking

## 3.1 Introduction

In order to compare taxi tariffs in other cities in Scotland and the UK a benchmarking exercise has been undertaken. Benchmarking has been undertaken on the following:

- Tariffs
- Cost of a 2, 3 and 5-mile journey
- Additional passenger cost
- Call Out Charges; and
- Cancellation fees

All Scottish cities<sup>1</sup> and the Core Cities in England have been used for comparison.

#### 3.2 Tariffs

Figure 3.1 provides detail as to when different standard tariffs apply across days of the week and times of the day for the benchmarked authorities. The majority of authorities have two tariffs – one for daytime and one for night-time and these apply across the whole week. The time that the night-time tariff applies does vary with the earliest commencing at 6pm and the latest at 11pm.

Edinburgh and Leeds's night-time tariff commences the earliest of all benchmarked authorities. Most of the benchmarked authority's night-time tariff commences after 7pm. However, in Edinburgh it is our understanding that 6pm is also when the night-time shift drivers commence.

<sup>&</sup>lt;sup>1</sup> Glasgow CC are in the process of applying an increase to their fares, however this is not yet in place

# **Jacobs**

Figure 3.1: Applicable tariffs by time of day and day of the week for the benchmarked authorities.

Edinburgh Weekday		
Edinburgh Weekend		Tariff 1
Oundee Weekday		Tariff 2
Dundee Weekend		Tariff 3
Glasgow Weekday		Tariff 4
Glasgow Weekend		
berdeen Weekday		
berdeen Weekend		
nverness Weekday		
nverness Weekend		
eeds Weekday		
eeds Weekend		
Nanchester Weekday		
Nanchester Weekend		
iverpool Weekday		
iverpool Weekend		
heffield Weekday		
heffield Weekend		
lewcastle Weekday		
lewcastle Saturday		
lewcastle Sunday		
Birmingham Weekday		
irmingham Weekend		
ristol Weekday		
Bristol Weekend		
tirling Weekday		
tirling Weekend		
erth Weekday		
erth Weekend		
erth Sunday		
	6am 7am 8am 9am 10am 11am 12pm 1pm 2pm 3pm 4pm 5pm 6pm 7pm 8pm 9pm 10pm 11pm 12am 1am 2am 3am 4am 5am	



## 3.3 Comparison of 1,2, 3- and 5-mile fares

Figure 3.2 details the current weekday daytime fare for these authorities over a distance of 1, 2,3 and 5 miles. It illustrates that Edinburgh is towards the higher end of fares at all distances

Figure 3.2 Comparison at 1,2, 3 and 5 miles - daytime

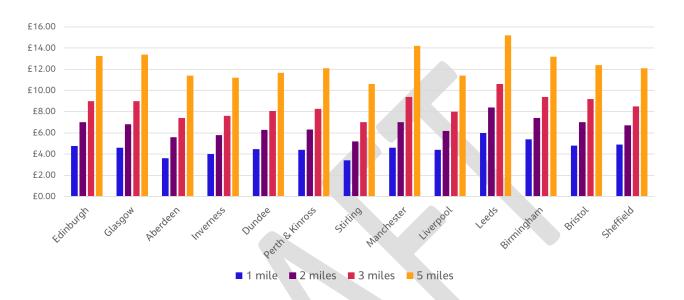


Figure 3.3 details the current night time fares for these authorities over a distance of 1, 2, 3 and 5 miles. It illustrates that Edinburgh is just above the average of benchmarked fares for most distances.

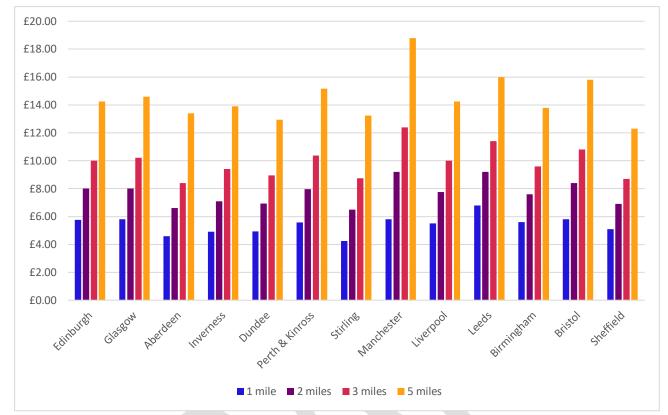


Figure 3.3 Comparison at 1,2, 3 and 5 miles - night time

## 3.4 Fare for a 2-mile journey

Figure 3.4 compares daytime and night time tariffs across the benchmarked authorities. Fares have been benchmarked at three separate time periods on a standard weekday – 9am, 10pm and 2am. The average cost of a two-mile journey at 9am is £6.59; 10pm is £7.27 and £7.70 at 2am. Edinburgh is higher than average across all time periods.

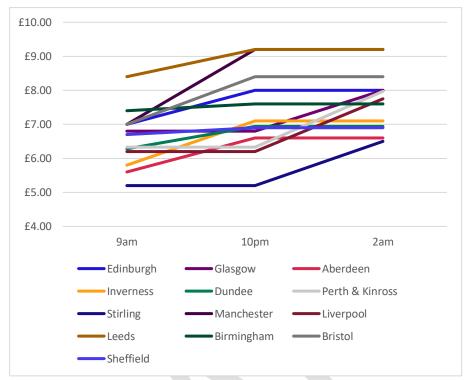


Figure 3.4 Tariff 1 and Tariff 2 comparisons

# 3.5 Additional Passenger Charge

In Edinburgh the fare card is applicable for journeys with up to 2 passengers. For journeys with more passengers there is an 'additional passenger charge' of 40p. Figure 3.4 on the following page shows a comparison of the cost for additional passenger charges. As can be seen, half of the other benchmarked city authorities do not apply any additional passenger charges. Of those authorities that do stipulate a charge the most expensive is in Dundee at 50p per additional passenger.

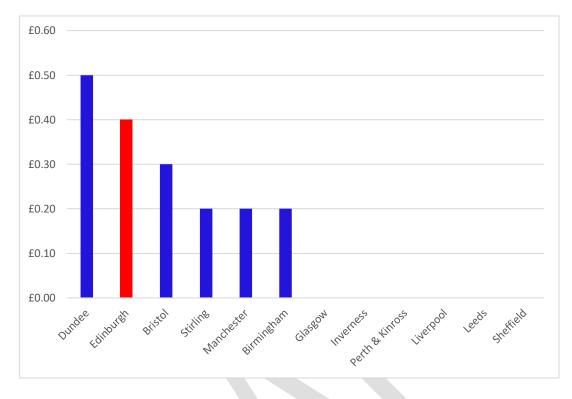


Figure 3.4 Additional Passenger Charges

## 3.6 Call out charges

In Edinburgh the fare card allows drivers to add 80p on to the fare when they have been prebooked. Out of the benchmarked authorities only Highland (£1), Aberdeen (£1) and Stirling (50p) have comparable charges. Glasgow allows drivers to set the meter to the 'hired' position prior to reaching the fare provided the meter does not exceed £3.40 at the time the journey commences.

#### 3.7 Cancellation fees

Edinburgh is the only authority who charge a cancellation fee. This is applicable when a taxi is prebooked but not used.

## 3.8 Local benchmarking

Local benchmarking has also been undertaken to provide context with Edinburgh's neighbouring authorities. As detailed in Figure 3.5, Fife Council are the most expensive for daytime fares. Figure 3.6 shows that Fife has the most expensive fares on a nighttime tariff for neighbouring authorities.

Figure 3.5 Neighbouring authorities – Daytime fares

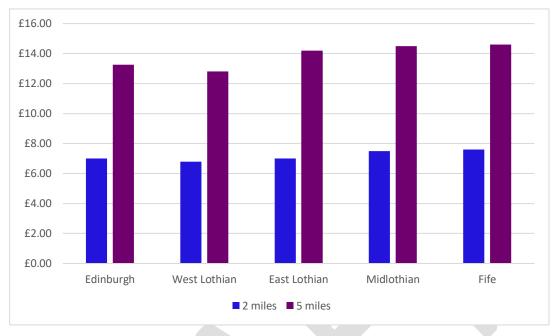
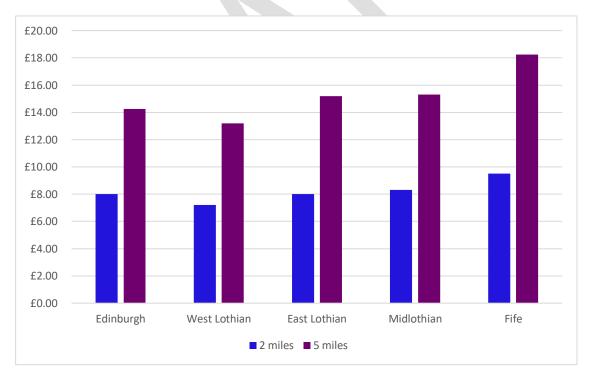


Figure 3.5 Neighbouring authorities – Nighttime fares





## 4. Consultation – Trade

## 4.1 Introduction

Three trade meetings were scheduled to be held with 'representatives' of the taxi trade<sup>2</sup>. A number of trade representatives expressed their concern with how these 'representatives' had been determined and refused to attend the scheduled meetings. In light of this being unresolved and the time restrictions in place City of Edinburgh Council determined that consultation would be undertaken via email.

#### 4.2 Initial trade consultation

The first email to the trade representatives was issued on 3<sup>rd</sup> January 2023. This email set out the process for consultation with the trade and requested initial thoughts from them on the current tariff.

The responses are set out below:

#### Unite the Union

"Unite the Union, Edinburgh Cab Section, wish it noted on record that we are extremely disappointed that a representative of the private hire trade is - despite the protests of the legitimate trade reps - still being included in these negotiations. We wish to make our objection to the inclusion of a Private Hire Car representative in these talks official and noted on record. The attitude of council officers has also been noted and we are again disappointed at their position on this matter. However, in view of the limited time available to conduct the tariff review, our thoughts are as follows:

- The costs incurred in both buying and running a taxi have increased significantly since the last fare review. Household bills have increased hugely, particularly energy and food prices. inflation rate (CPI) currently stands at around 11.1% at time of writing and this is expected to increase further over the next 12-18 months according to the government's own economic forecasts.
- It is the view of Unite that a tariff increase of 15% be implemented which would take into account the current inflation rate and help the trade absorb increasing costs as inflation continues to rise. An increase in line with the rate of CPI is the absolute minimum.
- We also support the mandatory acceptance of credit and debit cards in all taxis (note that Unite previously pushed the Council to implement this but this was rejected by Licensing Dept).

Airport pick-ups and drop-offs. It has always and continues to be our view that the trade should be able to increase the amount of extras to reflect the costs implemented by the airport at any given time. In simple terms, if the airport increase the pick-up/drop-off fee to £5, then taxi drivers should be able to add that full amount to the taxi fare and not be "out of pocket".

#### Central taxis

"Central Taxis wish to formally record our continued objection to Kevin Woodburn and his associates being included in this process. They have failed to evidence anything that would support their claim to be a legitimate representative of the taxi trade, proposals to commence an operation that may or may not include taxi operators is not a basis for inclusion. For the avoidance of doubt, we recognise that this debate is a matter for CEC and potentially the traffic commissioner, given the timescales you are working to we have reluctantly decided to participate at this stage.

<sup>&</sup>lt;sup>2</sup> As defined by City of Edinburgh Council



We propose an increase based on the CPI aligned with an uplift to reflect the rising costs of replacement vehicles required to meet CEC age & emission targets and the increase of running costs.

Debit and credit card usage within the sector has increased exponentially since Covid, the transaction costs to facilitate this payment mechanism are currently being borne by the drivers.

We wish to propose a very small one-off increase to cover those costs. As every driver would benefit from this increase, acceptance of card payments should be a mandatory option for customers.

Other major cities within the UK have adopted this policy, Edinburgh is a city that attracts millions of visitors every year it seems logical that we ensure they can access the services of the fleet in its entirety"

#### Scottish Taxi Federation

"The Scottish Taxi Federation remains very concerned about the inclusion of Mr Kevin Woodburn as a Statutory Consultee to the Statutory Taxi Tariff review. Equally alarming is the position taken by the City of Edinburgh Council in response to reasonable requests for confirmation of the basis upon which Mr Woodburn/Intercity Management Limited qualify as statutory consultees There is a clear and concerted (albeit somewhat thinly grounded) attempt to avoid at all costs a disclosure of any part of the process by which public officials claim to have determined the qualifications of Mr Woodburn, and any facts upon which that decision was based. This is all the more alarming given that Mr Woodburn is a well known and vocal advocate for the private hire industry and he and his company have absolutely no interest as yet in any licensed taxi vehicles within the city, let alone to have operated any business which involves the use of any licensed taxis (as opposed to private hire vehicles) let alone to justify a conclusion of his having a representative function.

We consider the inclusion of Mr Woodburn risks tainting the review process with illegality, as his view would be an irrelevant consideration if he does not qualify the requisite statutory criteria. We have seen the terms of the response to a freedom of information request, which serves only to exacerbate our concerns about the inherent illegality tainting the current review process. The risk of illegitimacy being so high, we regret that we cannot be lend our name further to a process so obviously flawed"

## City Cabs

"City Cabs remain alarmed at the inclusion of a direct competitor to the Taxi trade, who has no legitimate reason to be included in the Taxi Tariff review, still being included in the Statutory Consultee stage of the review. Mr Kevin Woodburn has no obvious reason to be included in this review and the council have thus far refused to give any justification at all for his inclusion. To confirm, Mr Woodburn has no Taxis, has a temporary booking office license issued in June 2022 for a company which represents no Taxis, has made no effort to create the base of operations as detailed in the photos today from the 'site', and has openly stated that he is working for Seven Sevens Cars in their email to their Private Hire drivers.

In addition, they have stated publicly that 'We always look at adapting to market changes and one of the things we are looking at is a variable tariff. This would be reducing the fare at certain times of the week but also raising it at other times to match supply and demand.'

This is a clear demonstration that not only Mr Woodburn should not be involved in this process, but also that his company intends to disregard the outcome and charge what they want either way. We now have the ludicrous position of a direct competitor with no demonstratable interest in the Taxi trade, being included on the consultation for the prices the Taxi trade must charge whilst simultaneously deciding to charge another amount of their choosing for their competitor Private Hire company. This is greatly damaging to the Taxi trade in Edinburgh and therefore City Cabs can't condone Kevin Woodburn being involved in this process while the council disregard the views of the representatives of the Taxi trade.



#### Tariff:

City Cabs believe a necessary base level starting point for any rise would be the CPI increase in the period since the last review. Additionally, we would seek an increase for the massive rise in the cost of vehicles, since there is no company converting an existing vehicle anymore, the trade is left with the LEVC as the only new vehicle being produced. These are currently priced at £72,685 and are increasing to £74,486 next month. This is a significant rise from the £46,000 that a new vehicle cost during the consultation period of the previous Taxi Fare review.

We would also seek to make all credit card payment acceptance mandatory within Edinburgh Taxi Trade in line with the London Taxi Trade. This gives the customer the ability to pay in the way they choose for every taxi journey and ensures a consistent service for the public. We believe there should be a small one-off increase on the tariff to reflect this change.

Airport Pickup can often go over £5, we believe that the driver should be able to pass on the full cost incurred without making any profit. This will ensure that drivers wait for the passenger and not leave once the charge goes too high, as we find can happen currently"

### **Intercity Management**

Intercity Management provided 9 pages of comments on the current tariff. These are appended in full but summarized below:

"This summary is for ideas on potential ways to simplify and improve the current Taxi Tariff in use for the Taxi trade within Edinburgh. The overriding principle being that we arrive at a Tariff that is balanced between rewarding Taxi operators and drivers appropriately, and also ensuring the travelling public is receiving a fair price for their journey, given the current financial climate it is important that this balance is achieved for all concerned".

"To break this down the data comparison shows some obvious anomalies when it comes to the Tariff sheet and the way any increase has been arrived at over the 17-year period.

Obviously, the purpose of the Tariff review is to reflect the changes in overheads that effect the Trade, and obviously to arrive at a fair pricing structure for the travelling public. The changes in overheads for members of the Trade can be very different from one operator to the next given Insurance, Maintenance, Road Tax and other working practices. The two categories that have been represented in this summary are two that are totally out of the operator's control, being Fuel Cost and Inflation.

In respect of the changes to those two overheads it is apparent that there needs to be an increase to the current Tariff, just exactly what that increase should be is debatable, however even an increase in line with just inflation would result in around the **10**% mark.

You also have a similar situation regarding the increased cost of fuel between the average 2020 diesel price of 119.46p per litre and the current average diesel price of 175.59p per litre. This represents an increase of approximately 47%. This cost may continue to drop slightly but it is anyone's guess as to how much, if it does at all.

Given the comparison of both tariffs and the mechanisms used to calculate fares, they are not exactly customer friendly in terms of giving the public an idea of costs. With that in mind perhaps a few aspects could be looked at to make it easier for consumers to work out fares. One very simple way would be to incorporate a simple table of fares for average journeys as per the above table of 1,2-, 5- and 10-mile journeys. Obviously, that would not reflect traffic and waiting times.



It is also rather confusing as to the additional part to the Tariff going up in increments of 25p, the use of the 5p makes the giving of change a bigger issue than it needs to be and perhaps it would be better to adjust the distances and apply a 30/40/50p increment with the changes to the distance reflecting those jumps.

It also poses the question of the additional cost of Tariff 2. This has been £1 additional charge for as long as I can remember and perhaps, we should be looking at a greater differential to encourage more operators working as part of the nighttime economy, perhaps even having a different charge based on 6pm and a further charge based on 10pm, particularly at weekends and Bank Holidays? Another possible suggestion would be to utilize Tariff 3 on weekends or weekend nightshifts. There can be quite a dramatic difference between the number of vehicles out at differing times of the day, and there is undoubtedly more of a shortage during the nighttime, a change along these lines would hopefully encourage more drivers at these times. It would also potentially encourage more drivers into the trade and that again can only be a good thing given the current shortage.

I have not discussed the increases over the period to Tariff 3 and Tariff 4. However, it does appear to be even more confusing for the travelling public as to the difference between both and why? Would it not be more practical to have one Tariff over the Christmas and New Year period which lessens the confusion of the public, regardless of the days of the week that it falls on each year. The day of the week that Christmas and New Year falls on really makes no difference in terms of impact and fares to supplement the holiday. I am happy to discuss which one perhaps that should be, and why."

It is also very apparent that there has really been no increase at all to two of the three main extra charges that form part of the Tariff Sheet.

The soling charge has increased over the period by 150%, a rather substantial figure, but when you consider the loss of time involved in the cleaning of the vehicle it is probably more reflective of the losses incurred by the operator or driver when these unfortunate incidents occur.

However, given the rise over the period in pre-booked hires within the trade with the advances in apps and automated booking facilities it is staggering that the call out charge has changed by only 20p in 17 years. This charge was brought in to cover the dead mileage involved in going to a pre-booked hire and given the extreme increases in fuel costs it is staggering that it has only changed by 20p over that period. Even when you consider the increase in fuel costs over the period with an 83% increase that would reflect in approximate callout charge of around £1.46. I feel that this is something that should be looked at for this new Tariff as a matter of urgency to reflect the changes in costs alone.

The third area of extra charges is considerably the worst of all, that being a Cancellation Fee. This has also increased by only 20p in the years from 2006, which gives a 10% increase in the 17 intervening years (0.58%/year average). Bearing in mind the fuel costs alone, never mind the time element involved, if the cancellation fee had increased in line with fuel and inflation, we would be looking at a charge nearing the £5 level. Again, I think that this is an area that needs to be looked at urgently in this review.

I have gone to great lengths within this summary to base any suggestions on the data provided rather than just a finger-in-the-air approach, or what other councils may be doing. In the last 18 months or so there have been quite a few changes around the country regarding Tariff's, ranging from around a 4% increase to as much as 45% increases to tariff's, obviously they are more reflective of how low a particular area's tariff may already be. Edinburgh currently sits in 129<sup>th</sup> place in the UK table of Tariff's around the country having at one stage been in 47<sup>th</sup> place.

I hope that you accept some of these suggestions in the spirit that they are given and look forward to having further discussions to arrive at a proposal that would be in both the Trade's and the travelling public's interests going forward.



## 4.3 Trade Consultation – 2<sup>nd</sup>

Trade representatives were issued with a slide deck setting out the results of the benchmarking exercise on January 10<sup>th</sup> 2023.

### 4.4 Trade Consultation – final

Trade representatives were issued with the following recommendations on 19<sup>th</sup> January 2023 and asked to provide comments. These recommendations were determined following the results of the consultation and review of CPI. The recommendations were:

- 1. Increase fares across all tariffs by 14.2%
- 2. Increase fares in line with CPI (14.2%) but provide a one off increase of an additional 5% in light of increased vehicle costs, across Tariff 1 and 2.

The following comments were received from the trade representatives:

#### **Intercity Management**

- Recognised that the increase would be in the ball park presented
- Wanted to review callout and cancellation charges

#### City Cabs

- Wished to see a flat rate of 20% applied across Tariff 1 and 2
- Increase to be applied to ensure the increase was received across the board with Tariff 1 £3.60 flag, increments of £0.30 on the same setup as currently. Tariff 2 £4.80 flag, increments of £0.30 on the same setup as currently.
- Mandatory condition for all taxi drivers to accept card payments

## **Central Taxis**

- Support in principle Option 2. However, want to see this applied to the initial hire charge as well as increments.
- In favour of the same increase being applied across Tariffs 3 and 4 as well.
- Wish to see that the acceptance of card payments is made mandatory for all drivers.

#### Unite

- In favour of Option 2 although wished to see a flat 20% rise across tariffs 1 and 2 ( and obviously reflected in tariffs 3 and 4 when applicable).
- Wanted to reiterate that the acceptance of debit and credit card payments be made mandatory in all black cabs operating in the Edinburgh City Council Licensing Area.

## Scottish Taxi Federation

In favour of Central Taxis and City Cabs suggestions





# 5. Consultation - Public

### 5.1 Introduction

A public attitude survey was designed with the aim of collecting information regarding options on taxi fares in Edinburgh. A survey was published online, on the City of Edinburgh Council's Consultation Hub website between 5<sup>th</sup> January 2023 and 19<sup>th</sup> January 2023 and was hosted by Microsoft Forms. In total, the survey received 278 responses. However there are some inconsistencies with the results leading to a suspicion that some taxi drivers have responded to the survey and therefore the results should be viewed with caution.

It should be noted that in the tables and figures below, the totals do not always add up to the same amount. This is due to one of two reasons:

- Not all respondents were required to answer all questions;
- Some respondents failed to answer some of the questions that were asked.

### 5.2 General Information

The respondents were asked if they had made a trip by taxi (black cab) in the last 3 months. Figure 5.1 displays the results, with 93.5% of the survey population stating they had used a taxi in this period.

93.5%

Figure 5.1 Have you made a trip by taxi (black cab) in Edinburgh in the last 3 months?

Those making a trip were asked how they obtained their taxi - Figure 5.2 details the results. The split in how they were obtained is fairly equal, ranging from 19.3% (by app) to a maximum of 27.8% (by telephone). In between lay waved down in the street (26.6%) and at a specific taxi rank (26.3%).

■ Yes ■ No

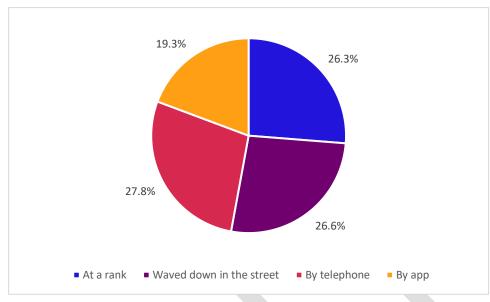


Figure 5.2 How did you obtain your taxi in Edinburgh in the last 3 months?

All respondents who were making a trip, regardless of how they obtained it, were asked if they were satisfied with the time taken and promptness of arrival. Overall, 90% of the respondents were satisfied by the time taken and promptness of its arrival. On closer analysis the highest level of satisfaction came from those who obtained their taxi by pre booking the trip via telephone (94.4%) with the least satisfaction (75.4%) coming from those who waved a taxi down in the street.

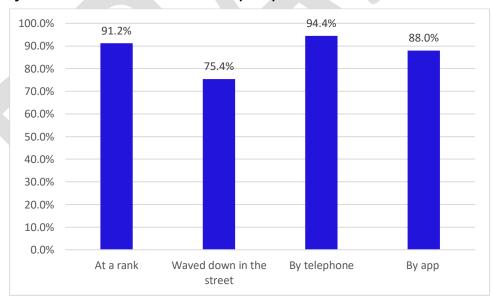


Figure 5.3 Were you satisfied with the time taken and promptness of its arrival?

Respondents reported they waited between 0 – 30 minutes for their taxi.

Trip makers were then asked whether they were satisfied with the cost of their journey. Some 90.5% of trip makers were satisfied with the cost of their journey, as seen in Figure 5.4.

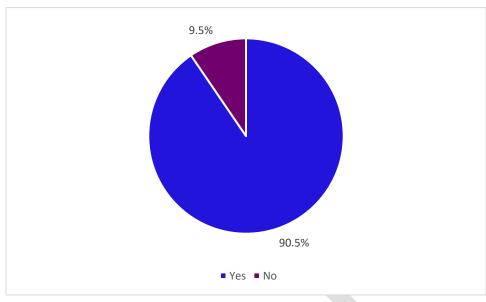


Figure 5.4 Were you satisfied with the cost of your journey?

Figure 5.5 documents how this satisfaction with the overall cost varies depending on the time of day the taxi was obtained. Satisfaction was marginally higher for those who used a taxi service during the evening.

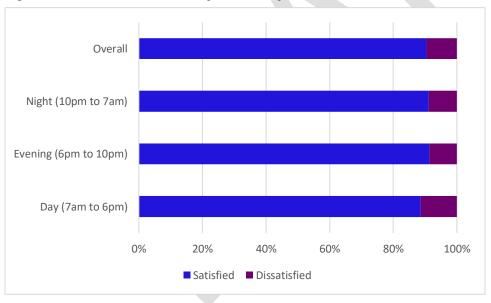


Figure 5.5 Satisfaction with cost by time of day

Respondents were then asked a series of questions relating to fares. Firstly, they were asked whether they consider fares in Edinburgh to be too low, too high or about right, there was also an option of don't know. Some 13.4% considered fares to be too high, with 45.4% suggesting that they are too low.

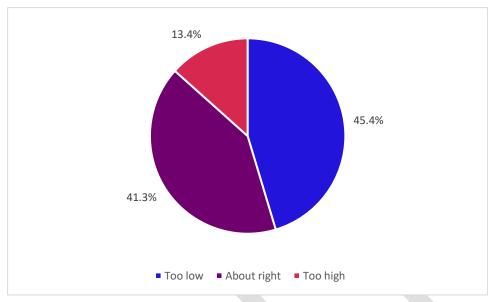


Figure 5.5 Do you consider taxi fares in Edinburgh to be...?

Respondents were then asked several questions regarding taxi fare increases and the time their trip took place. The answers to these questions have been collated in Table 5.2 below.

Table 5.2 Analysis of taxi fare price increase awareness and time specific situations

	Are you aware that taxi fares in Edinburgh increase after 6pm?	If taxi fares also increased from midnight to 5am, would you still travel by taxi after midnight?		
Yes	93.7%	86.9%		
No	6.3%	13.1%		

Respondents were then asked to consider a range of scenarios in relation to the length of time they would be prepared to wait for a taxi. Respondents were asked whether they would be prepared to pay extra should the delay be limited by either 5 or 10 minutes, or no delay at all. Figure 5.6 shows these results.

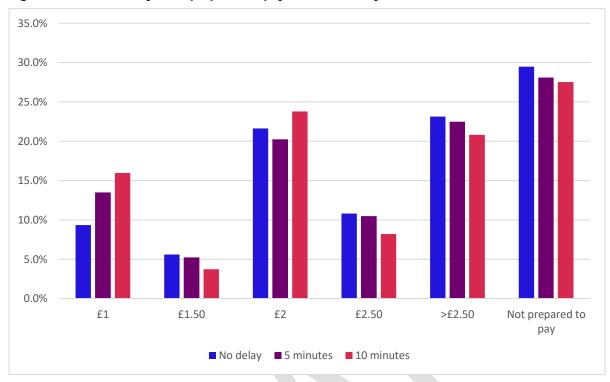


Figure 5.6 What would you be prepared to pay to reduce delay?

Most respondents would not be prepared to pay any extra. Some 29.5% would not be prepared to pay any more even if it meant there was no delay at all.

Respondents were then asked about whether they travelled by taxi over the festive period. Two thirds of respondents did travel by taxi over the festive period. Those who had travelled by taxi were asked if they were satisfied with the length of time they had to wait. Some 90.4% were satisfied with the length of time they had to wait. Those 9.6% that were not satisfied stated the following:

- 'Taxi took too long to come'
- 'Very long wait'
- 'Not enough taxis'
- 'It was cold and wet outside

Those who weren't satisfied (17 respondents) were asked if they were prepared to pay more to reduce the level of delay – the majority (76.5%) were. Of the people who were willing to pay more, the highest amount was £5-£10.

## 5.3 Summary

Through the analysis above, some key summaries have been made:

- Of the respondents, 93.5% have used a taxi in Edinburgh within the last 3 months;
- 90% were satisfied with the promptness of their taxi;
- Obtaining a taxi via the telephone was both the most common way of ordering one (27.8%) and provided the highest satisfaction in relation to promptness of arrival (94.4%);
- 90% of the responders were satisfied with the cost;



- Some 45.4% believe that taxi fares are too low.
- 93.7% were aware that taxi fares increased post 6pm;
- The majority are not prepared to pay any more to reduce the length of time that they have to wait for a taxi; and
- 66% used taxis over the festive period





# 6. Consultation – Stakeholder

## 6.1 Introduction

In addition to the trade and public consultation a consultation letter was emailed to a range of stakeholders across Edinburgh. The following groups/organisations were contacted:

- Disability Organisations;
- Business representatives;
- Transport and travel providers;
- Local interest groups including health and education;
- Tourism representatives.

## 6.2 Stakeholder Responses

Only two stakeholder responses were received:

#### Daniel Johnson MSP

"I believe the fare structure isn't the easiest to understand; it could be made more accessible for users to understand. The milage contribution to a fare is opaque at best. Of course, if fares are lower, then the city will see an increase in taxi usage. Additionally, having a night-time tariff forces people to use other means of transport. Any tariff increase during festivals must not affect local users.

My views on the additional charge are that there should be no additional charge for additional passengers or luggage and, in most cases, cleaning fees. However, a cancellation fee is a good idea and encourages users not to cancel journeys last minute."

## **Edinburgh Airport**

"We would support the Extra Payments specific to Edinburgh Airport being £5.00 for 2023."



## 7. Fare Revision

## 7.1 Background and overall proposed increases

In May 2013, the Regulatory Committee took the decision to use CPI<sup>3</sup> as a means of calculating fare increases – this was based on a consultation with the trade. This was applied in July 2014, January 2018, August 2019 and most recently in July 2021 when the index was 111. 4. As of January 2023, the index was 127.2. This results in an increase of 14.2%.

Taking into account the increased cost of vehicles we are proposing to apply a one-off increase of an additional 5%, this results in an recommended increase of 19.2%.

## 7.2 Impact of fare increases – Trade Consultation

These recommendations and the impact on the fare card were emailed to the trade representatives seeking their view. Historically the % increase has been applied to the farecard by maintaining the flag amount but reducing the distance travelled proportionately. It has been applied in this manner previously to avoid the final taxi fare needing to provide change in pence. However, following issue of the recommendations to the trade, some trade representatives have requested the increase be applied differently, so that they receive the full benefit on short journeys as well as longer journeys. Therefore, all calculations are worked out in line with this request. The fare card will have to be amended in line with these fares.

City Cabs wanted to see a 20% increase but wanted the increase on the flag to £3.60 and increments of £0.30.

Central Taxis were supportive of the 19.2% but wanted it applied as per City Cabs recommendation. In addition, they wanted the same increase applied to tariff 3 and 4.

Unite were in favour of a 19.2% increase. However, they felt a more practical option was to see a flat rise of 20% across all tariffs.

Scottish Taxi Federation were in support of the proposal made by Central and City Cabs.

Intercity Management made comment as to whether consideration had been given to the call out and cancellation charges.

## 7.3 Impact of fare increases – Tariff 1 and 2

To review the effect of the proposed recommendations Table 7.1 sets out the resultant cost of a 2 and 5 mile fare at Tariff 1 and 2. In order to avoid drivers having to charge 'non round number' fares a 20% increase has been applied.

<sup>&</sup>lt;sup>3</sup> The Consumer Price Index (CPI) is the official measure of inflation of consumer prices on the UK. The CPI calculates the average price increase as a percentage for a basket of 700 goods and services. The basket of goods and services chosen is intended to reflect changes in society's buying habits. The purchase of vehicles – new and second hand, taxi fares, and the operation of personal transport equipment are all included in the index.



	Tariff 1		Tariff 2	
	2 miles	5 miles	2 miles	5 miles
Current	£7.00	£13.25	£8.00	£14.25
20% increase	£8.40	£15.90	£9.60	£17.10

Table 7.1

Figure 7.1 compares the figures for a 2-mile journey to comparable cities on a daytime tariff. The average cost of the 2-mile fare across the cities is £6.72. Presently at £7.00 Edinburgh is above this average. Adopting the 20% increase puts Edinburgh to the joint most expensive comparable authority.

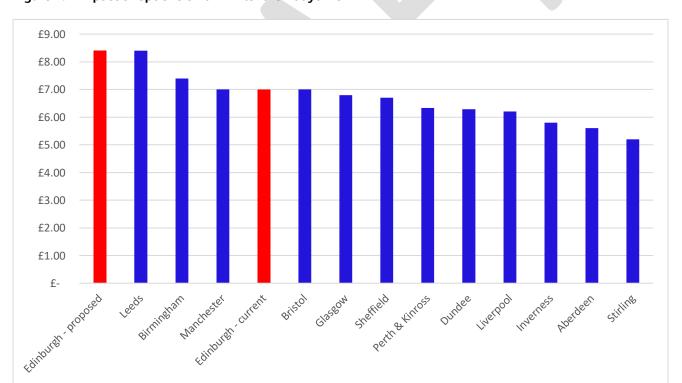


Figure 7.1 Impact of options on a 2-mile fare - daytime

Figure 7.2 compares the figures for a 5-mile journey to comparable cities. The average cost of the 5-mile fare across the cities is £12.72. Presently at £13.25 Edinburgh is above this average. Adopting the 20% increase puts Edinburgh to the most expensive.

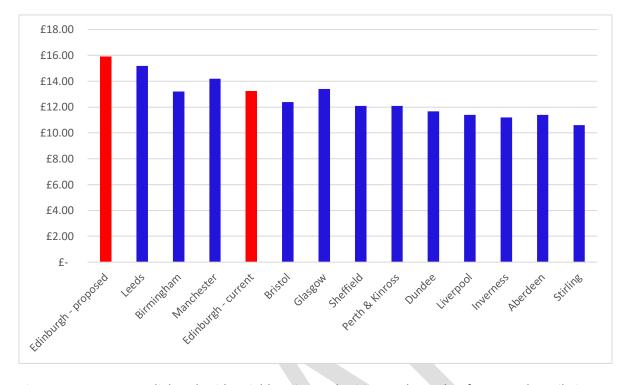


Figure 7.2 Impact of options on a 5-mile fare

Figure 7.3 compares Edinburgh with neighbouring authorities. It shows that for a 2 and 5-mile journey fares in Edinburgh will be more expensive.

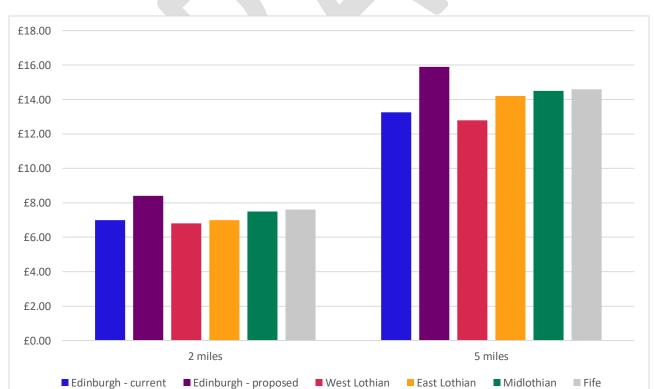


Figure 7.3 Impact of options on a 2 and 5 mile fare – neighbouring authorities



## 7.4 Amended Festive Tariff

The trade has requested that a 20% increase be applied to all tariffs, including Tariff 3 and 4. The impact of this increase is set out in Table 7.2

	2 miles		5 miles	
	Tariff 3	Tariff 4	Tariff 3	Tariff 4
Current	£ 9.25	£ 11.75	£ 17.30	£ 22.10
15% increase	£ 10.64	£ 13.51	£ 19.90	£ 25.42
20% increase	£ 11.10	£ 14.10	£ 20.76	£ 26.52

# 7.5 Credit/Debit Card payments

The trade has requested that City of Edinburgh council make the acceptance of debit and credit card mandatory.

## 8. Conclusions

#### 8.1 General

This study has been conducted by Jacobs on behalf of City of Edinburgh Council (CEC). The overall objective was to carry out a review of the taxi fare tariff in Edinburgh including a review of the current fare tariff and advising on any changes. In May 2013 the Regulatory Committee took the decision to use CPI as a means of calculating fare increases. Using CPI the increase applicable is 14.2%. However, consultation with the trade identified that since the last review the running costs associated with operating a taxi have significantly increased.

Consultation with trade representatives has been undertaken and the trade have expressed their preference for all tariffs to be increased by a flat rate of 20%

There was limited response to the stakeholder consultation. Comments received suggested that the fare structure was confusing.

### 8.2 Recommendations

Having undertaken the fares review Jacobs have proposed a number of changes. Our recommendations cover:

- General Increase;
- Festive Tariff
- Extras

Each of these recommendations are set out in more detail below.

## 8.3 General Increase

Edinburgh currently sits 140<sup>th</sup> of 365 authorities for taxi fares. In July 2021 when the previous report was produced, Edinburgh was at position 50. It is clear that Edinburgh currently has above average fares but that it has dropped down considerably in the table.

However, given the vehicle age policy requirements and the introduction of the LEZ, taxi drivers in Edinburgh need to invest heavily in newer more environmentally friendly vehicles. A fare increase will allow them to generate more income to allow them to invest in the vehicle fleet.

Our recommendation would be in line with those requested by the trade – 20% across Tariffs 1 and 2. The impact of this is set out in Table 8.1.

Table 8.1 Tariff 1

	Tariff 1		Tariff 2	
	2 miles	5 miles	2 miles	5 miles
Current	£7.00	£13.25	£8.00	£14.25
20% increase	£8.40	£15.90	£9.60	£17.10



## 8.4 Festive Tariff

It is our recommendation that a 15% increase is applied in line with CPI on the festive tariff. This is to ensure the festive tariff does not become too expensive and puts people off from travelling.

## 8.5 Credit Card payment

The trade has requested that it becomes a mandatory requirement for taxis to accept credit and debit card payments. Since the Covid pandemic there has been an increase in more people using contactless payment and therefore we are supportive of this being mandatory. However this may need to be written into the drivers conditions as well as the fare card.