Regulatory Committee

10.00am, Monday, 1 May 2023

Review of Taxi Fare Structure – Outcome of Consultation

Executive/routine	Executive
Wards	All
Council Commitments	N/A

1. Recommendations

- 1.1 Committee is recommended to:
 - 1.1.1 Note the content of this report and that the Council's statutory duties have been met in relation to the consultation;
 - 1.1.2 Consider the representations received during the statutory public consultation period, as attached at Appendix 3;
 - 1.1.3 Agree the fare changes, as set out in paragraph 4.2, to fix the taxi fare scales (Appendix 2) with an effective date of 9 June 2023; and
 - 1.1.4 Note that, following the determination of the fare charges by the Committee, officers will carry-out the statutory notification procedures for the revised taxi fare scales.

Paul Lawrence

Executive Director of Place

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Report

Review of Taxi Fare Structure – Outcome of Consultation

2. Executive Summary

- 2.1 Jacobs was engaged to carry-out initial work on the review of the current taxi fare scales and their report, together with details of further consultation undertaken with the taxi trade, was presented to Committee on <u>6 February 2023</u>, and Committee agreed on the proposed revised taxi fare scales for public consultation.
- 2.2 This report sets out proposed changes to the taxi fare scale to reflect feedback received.

3. Background

- 3.1 Under Section 17(2) of the <u>Civic Government (Scotland) (Act) 1982</u> ('the Act'), the Council, as Licensing Authority, has a duty to review and set a taxi fare structure within the city. The taxi fare structure represents the maximum fare which a customer can be charged for a taxi journey within the city.
- 3.2 The Council engaged Jacobs to undertake the initial work in relation to the review of the fare structure. The Jacobs report and its conclusions, along with details of further consultation with the taxi trade, were presented to Committee on <u>6 February</u> <u>2023</u>.
- 3.3 Committee agreed the proposed revised taxi fare scales and instructed officers to advertise the changes in line with the statutory requirements of the Act.
- 3.4 There is a right of appeal against any Committee decision regarding fares, which can be exercised by any taxi licence holder or an organisation representative of taxi operators, with the appeal made to the Scottish Traffic Commissioner.

4. Main report

Statutory Consultation

4.1 On <u>6 February 2023</u>, Committee agreed proposed changes to the existing taxi fare scales. The current fare tariff is attached at Appendix 1 and the proposed revised fare scales are attached at Appendix 2.

- 4.2 Specific proposed changes are as follows:
 - 4.2.1 Increase Tariffs 1 and 2 by 20%;
 - 4.2.2 Increase Tariffs 3 and 4 by 15%.
- 4.3 As required by the Act, an advert was published in a local newspaper, namely the Edinburgh Evening News, on 28 February 2023. The advertised tariff was as set out in Appendix 2.
- 4.4 The proposed taxi fare tariff was also advertised on the Consultation Hub on the Council's website where the public could submit comments.
- 4.5 There were 64 responses received to the consultation which are attached at Appendix 3. Broad themes are:
 - 4.5.1 A majority of respondents were broadly supportive of the general tariff increases; and
 - 4.5.2 Some respondents said that taxi fares are too expensive.

Effect of Proposed Tariff Change

- 4.6 A trade publication ranks all Local Authorities with respect to the fares charged for a two-mile taxi journey during the day. In January 2023, the City of Edinburgh Council sat at 140 of 365 authorities (*Private Hire and Taxi Monthly* publication, January 2023).
- 4.7 Should the proposed changes be implemented, Jacobs calculates that, based on the March 2023 rankings, the City of Edinburgh Council would climb to position 14 in the ranking, as set out in the table below. It is important to note that the position in the ranking is a snapshot in time and is likely to change when other local authorities review their taxi fare charges.

Local Authority	Current Rank		
Midlothian	8		
City of Edinburgh	14		
Fife	67		
East Lothian	143		
Glasgow	174		
West Lothian	189		
Falkirk	259		

Consultation outcome

- 4.8 An updated fare scale has been prepared and is attached at Appendix 2, to reflect the proposed changes.
- 4.9 The new fare scale will take effect from 9 June 2023. This will allow for the statutory 14 day period during which taxi operators can appeal against the new fare scale.

Airport drop-off fee

4.10 The Committee asked officers to check and confirm the fee charged by Edinburgh Airport for dropping off a passenger in the airport's Inner Drop-Off Zone. This charge remains at £4, as stated in the current and proposed fare tariff cards.

5. Next Steps

- 5.1 If Committee approves the recommendations contained in this report:
 - 5.1.1 Officers will arrange to advertise the Committee's final decision; and
 - 5.1.2 Officers will notify licence holders of the new tariff, including their right of appeal. Arrangements will be made for taxi meters to be altered to reflect the new tariff.

6. Financial impact

6.1 There is no direct financial impact to the Council as a result of these changes.

7. Stakeholder/Community Impact

- 7.1 If the taxi trade, specifically any operator, 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. Details of this process are outlined at 3.4 above.
- 7.2 The matters described in this report have no relationship to the <u>Public-Sector-</u> <u>Equality-Duty</u> 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.
- 7.4 Following consultation with the taxi trade and Committee agreeing the proposed revised taxi fare scales, further public consultation was carried out. This was done in line with statutory requirements through advertisement in a local newspaper and additionally on the Council Consultation Hub.

8. Background reading/external references

8.1 None

9. Appendices

- 9.1 Appendix 1: Current fare card (from 30 December 2021)
- 9.2 Appendix 2: Revised taxi fare card (as advertised).
- 9.3 Appendix 3: Comments received.

THE CITY OF EDINBURGH COUNCIL CIVIC GOVERNMENT (SCOTLAND) ACT 1982 FARE TABLE FOR TAXIS

FOR UP TO 2 PASSENGERS

With effect from 30 December 2021

TARIFF 1 Monday – Friday 6am – 6pm	TARIFF 2 Monday – Friday 6pm – 6am the following day 6am Saturday – 6am Monday				
during Christmas and New Year period CHRISTMAS PERIOD 6pm on 24 Dece					
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 reckon No extra fare will be charged for one child un				
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 it		
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 servic 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 for this 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.

THE CITY OF EDINBURGH COUNCIL FARE TABLE FOR TAXIS With effect from 9 June 2023

FOR UP TO 2 PASSENGERS

TARIFF 1	TARIFF 2 Monday - Friday 6pm - 6am the following day		
Monday - Friday 6am – 6pm	6am Saturday – 6am Monday		
TARIFF 3 Monday - Friday 6am - 6pm	TARIFF 4		
during Christmas and New Year period	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
 Initial hire not exceeding 501m Initial 105 seconds of waiting time Combination of initial time and distance 	£3.60	£4.80	£4.60	£5.75
 Each additional 163m up until 1805m and thereafter each additional 190m Each additional 35 seconds of waiting time Combination of additional time and distance 	£0.30	£0.30		
 Each additional 179m up until 1933m and thereafter each additional 207m Each additional 38 seconds of waiting time Combination of additional time and distance 	•	-	£0.40	£0.52

EXTRA PAYMENTS

When more than 3 passengers		Each £0.4		
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		Airport Pickup		
Applicable when pre-booked		For hires commencing at Edinburgh airport		
	£0.80	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				

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Appendix 3 – Comments Received

From: G M Sent: 09 March 2023 16:42 To: Licensing <<u>Licensing@edinburgh.gov.uk</u>> Subject: Taxi Fare Review 2014

Taxi fares should all start on the meter at 4.00 day or night. Then the increase charge per distance should be different for day and night.

Therefor more customers will still use taxis nowing they start at $\pounds4.00$ the booking fee should be $\pounds1.00$ extra passenger fee done away with airport charge $\pounds5.00$ both pick up and drop off. 20% is to high book a cab on your own at 6.30pm to get home $\pounds5.60$ start will put people off. This would get more cabs out week days and nights and weekends where there are longer journeys the increase in distance cost will benefit everyone.

It's fair. The costs of running a taxi went up astronomically and the drivers have had to take the hit. These rises will reflect the cost drivers have lost.

As a taxi owner I don't think we need an increase at this moment

Very fair

This will discourage me from getting a taxi as opposed to an Uber.

It is already very expensive to get a taxi. If you live outside of town e.g. In Bonnyrigg or Midlothian then it becomes unaffordable to be on nights out in Edinburgh.

Completely agree. Between the fuel increase and Cost of living increase everyone has felt the pinch and the drivers completely deserve this tariff increase to help them out just as many other industries have given wage rises.

Apart from anything else, Edinburgh cabs that were pushed into going LPG by the Council have been hit with rising costs in gas and fewer LPG fill up stations (none of which are in Edinburgh) and therefore must travel out of Edinburgh to fill up from a garage that dictates the prices as there is high demand and low supply. This means drivers are losing fuel to go fuel up, therefore deserve all the help they can get.

Very fair and deserved

Does it matter?

Ridiculous peoples have no money and you want to add 20% to the fare

The taxi drivers deserve every penny

Bills are going up as well as overheads

Seems fair to me as the taxi trade are pressurised by the council to put new or nearly new cabs on the road, also the price of fuel is at an all time high.

The drivers have had a bad time with increasing cost, so deserve rise.

This is a substantial increase, but given the current climate and increase in costs across the board, it is to be expected in order for drivers to make a living.

I already think our official black Hackney cabs are expensive and especially compared with other cities.

I am very loyal to these cabs and would NEVER use Uber or the pre-booked cabs as I simply do not know who is driving them and they have never sat the taxi test.

However you are pushing loyal customers to think very hard about using cabs and taking our cars.

I think the proposed fare tariff is frankly ridiculous.

Just so long as we keep Taxis going!

I think increase is too much. I'm a taxi driver .10-15% rise would suffice.

Should going up because leaving cost going up. So, if we don't want destroying the private hire and taxi industry, tariffs should go up

Not anywhere near enough if council pushing us into £62k debt for a vehicle not fit for purpose,

About right if the council sees sense and allows perfectly acceptable vehicles to work on, given the cost of fuel

Taxi fares are already expensive!

Thats fine taxis need all they can get

It's fair because of the cost of living crisis and inflation.

We as an industry are under serious financial pressure, ie changing vehicles to euro 6 Compliance, fuel costs& other running costs we need every penny we can get.

My overheads per month are close to £1500

That's before my upkeep and diesel

I think the proposed increase is fair and reflects the significant increase in operational costs for taxi driver and owners.

I find the £0.52 increments on Tariff 4 to be somewhat peculiar, as it is not a round number and will generate unexpected fares to the traveling public. I feel this figure should be rounded down to £0.50 for simplicity. It also removes the requirement for drivers to hold copper change. Something that has not be required for over a decade.

20% to much A rise is definitely needed 15 % across the board

As a taxi driver of almost 20 years, my opinion is that at present the black cab taxi trade has never been held in less esteem by the City of Edinburgh Council and still the PUBLIC have great faith in them asking such questions as why there are so few taxi ranks, why taxis have to pay to provide a service at the airport and why the rules and regulations concerning private hire are not enforced by police and parking attendants. A 20% or 15% rise in engagement fee is not the answer. That means that passengers who do short journeys (elderly, infirm, restricted mobility etc.) are the passengers who pay more. Why not ask the people who KNOW the taxi industry (perhaps the committees of the 2 Black cab companies) what their suggestions would be rather than plucking a random figure from mid-air. Oh, and another point - why is the fee for the taxi test approximately 7 times that of an MOT when they are executed at the same time.

I think with the cost of fuel and the cost of living I think it's a fair increase. Also other less qualified ph drivers (Uber) can charge what they want.

Increase too high in current economic climate. Increasing tariffs by such amounts will not attract drivers back to the trade and will only cause people to seek cheaper alternative forms of transport.

Seems fair as everything is going up in price and taxi drivers need to earn a liveable wage

Taxi drivers deserve a good wage, they provide a invaluable service

Agree %100

I am a taxi owner and driver , it is too much of a jump in increase. People are struggling enough as it is. These proposed fares are vastly over the top.

The public will stop using our services, the amount of comments from passengers to drivers about being money grabbers will increase and no doubt force women who are vulnerable on nights out to walk home because the fare is too expensive, leaving them open to being attacked.

All in all the council Will also see fit to increase their vastly expensive licenses to follow inline with the fare increase.

It should be a 5% increase

The increase would be welcomed by most drivers

Too expensive - taxis in Edinburgh are already amongst the most expensive in the country.

I think it is reasonable considering the costs that we have had to absorb. But the extra passenger payment should be after two people not three

The drivers deserve a pay rise with fuel cost and cost of living going through the roof.

Completely agree. Between the fuel increase and Cost of living increase everyone has felt the pinch and the drivers completely deserve this tariff increase to help them out just as many other industries have given wage rises.

Apart from anything else, Edinburgh cabs that were pushed into going LPG by the Council have been hit with rising costs in gas and fewer LPG fill up stations (none of which are in Edinburgh) and therefore must travel out of Edinburgh to fill up from a garage that dictates the prices as there is high demand and low supply. This means drivers are losing fuel to go fuel up, therefore deserve all the help they can get.

Too High

The fare increase is way too high we're trying to gett people out of there cars not in them

Fair

Good

Because of all the outlays of owning a taxi the 20% is fair and reasonable

Inflation is absolutely terrible across all industries. I guess Taxi drivers need a rise as much as all the rest of us.

I agree that there should be a tariff increase, but I would like this to be in a way that the fares are more clearer to the public.

There are too many variables, extras for more passengers etc.

For all work that finishes outside the city boundaries these jobs should be fixed fares and set by the council, again there are too many variables with different companies and mileage rates.

I would like to see the extra charges for call out and airport only.

The airport charge must also be dependent on the charge from the airport. For example if the charge to drop off at the airport is £4 and two months after the new tariff comes out the airport changes the drop off rate to £5, then there shouldn't be any loss to the taxi driver like has happened in the past.

The rise is required due to increasing costs of operating one of the vehicles and other costs associated with this industry but do not think it is openly welcomed by the majority of taxi operators in the current financial climate.

I don't think there should be a rise of 20 percent. An increase of 10 percent would be fine with private hire getting the same increase. Increasing taxi rates and not private hire would give the private hire trade a big advantage especially for advertising. Both sides of the trade should have the same metered fares.

This will discourage people from using local taxi companies as opposed to Uber. If a taxi charges you more from the moment you get into it, it will push the customer to look for cheaper alternatives, especially in a cost of living crisis.

With rising costs across the board its inevitable. No doubt costs rise for fuel and repairs for taxis. Getting around the city is disgracefully difficult wasting time and fuel leading to more congestion and pollution. I see that in a car.

Taxis, as part of public transport should go where a bus can go. We must cut emissions and cabs i see are euro 6 or electric.

And all wheelchair friendly.

I am in favour of the proposed tariff. With the rise in the cost of living and inflation, this is only fair for drivers.

It's to big a rise in my opinion. I'm a black cab driver and would be happier with a rise more in line with inflation. I've not had any customers happy about it either. Not one.

It's probably long overdue, with the price of Fuel having gone up by over 50% since last rise, also the number of taxis that have had to be replaced due to council LEZ rules. These Taxi owners who working all through Covid to try and earn a pittance of a living have now been forced to renew/ replace perfectly good and road worthy vehicles, they have been replaced by Mercedes virus @ £42k or Electric Tx style @ £67k, that's a vast amount of money for anyone to invest in, just to have the privilege of driving the public about.

It is fair, costs have gone up for cabbies and it is so much harder to make a living for them right now.

Due to increased running costs, (fuel, insurance, maintenance, vehicle renewal)and cost of living in general over the last couple of years the proposed increase is justified.

Totally agree due to increased running costs, especially fuel and vehicles and record inflation. If you break down earnings after costs a tax a taxi driver could earn more working in Lidl and this his has seen many drivers quit the trade for good recently. Taxi Licences for Hackney's were trading at 40k before lockdown and are now freely available from CEC.

Iam a Edinburgh cab driver and I wasn't for having an increase but with the council fees, new vehicle costs, fuel etc at an all time high we definitely need this increase now..

I agree with proposal

The rise seems fair, in-line with current increases in vehicle purchase and maintenance costs.

I drive a private hire car 5 days a week and have done for 10 years. Taxis and private hire is a good way to get people around the city. They are cleaner than buses, less dirty and certainly quieter. Making it a successful way to earn a living is important. Giving private hire cars same access as taxi is important. As an international city we should not be discriminating against private hire cars in favour of the traditional black cabs.

I agree with proposed tariff. Cost of living is high therefore everyone needs a rise to cover this.

I just looked at tariff 1 and 2 because I think that's my typical situation and it was too much information to think about all of it at once. Tariff 1 and 2 seem reasonable at first but then I looked at an example, 1 mile at tariff 2 is £6.90, 2 miles at tariff 2 is £9.90, it feels a lot for not a huge distance and I'd also be concerned that they take a longer route than necessary.

It would be good to publish a table of different distances & fares rather than leave it up to very complicated calculations from this formula.

I thought it was a lot. Then I realised that it's just inflation.

It's fine. Taxi drivers have felt the pinch more than most in the last few years due to lockdowns. They now have to deal with a cost of living crisis like everyone else. Petrol and diesel are up, insurance is up, repairs are up and a new LEVC taxi has went up £5000 to £64000

The fares were already very high, and will be even more so with this new tariff. In practice, a taxi ride costs about £4 per mile (£22.70 for 5.6 miles to the airport, £11.75 for less than 3 miles from Haymarket), which makes it one of the most expensive means of transport.