

# Regulatory Committee

10.00am, Thursday, 9 January 2020

## Taxi Fares Review 2019/20

Executive/routine  
Wards All  
Council Commitments

### 1. Recommendations

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- 1.1 The Regulatory 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, and note that these are repeated at Paragraph 3.7 of this report;
  - 1.1.2 Note that feedback was sought from the representatives of the taxi trade on the initial Jacobs report and where received has been incorporated in the report at Appendix 2;
  - 1.1.3 Note that the Directorate, having considered all of the above, recommends that the committee advertises a proposed fare scale with the following changes to the current fare scale, for reasons set out in this report, as required in terms of section 17 of the Civic Government (Scotland) Act 1982:
    - 1.1.3.1 that Fare Tariffs 1 and 2 increase, with an increase on the flag drop of 40p;
    - 1.1.3.2 that Fare Tariffs 3 and 4 increase, with an increase on the flag drop of 40p;
    - 1.1.3.3 additionally, increases Tariffs 1 and 2 by 3.3% on increments thereafter;
    - 1.1.3.4 that the additional passenger charge increases to 30p;
    - 1.1.3.5 that the wording of the definition of the 'soiling' charge shall be amended to as set out in paragraph 4.7.5; and
    - 1.1.3.6 makes no change to any other tolls, charges and fees at this time.
  - 1.1.4 Instructs the Executive Director of Place to publish these proposed fare scales in a newspaper circulating in 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, and to report back on any representation(s) received as a result of the consultation.

**Paul Lawrence**

Executive Director of Place

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# Report

## Taxi Fares Review 2019/20

### 2. Executive Summary

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

### 3. Background

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- 3.1 The Council, as Licensing Authority under the Civic Government (Scotland ) Act 1982 ('the Act') for taxis, is required in terms of section 17 of the Act 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 18 June 2018. The taxi fare tariff sets out the maximum charges which licensed taxis may charge any passenger for a journey within the city. Operators are of course 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 them to be, or be representative of, the operators of taxis operating within their council area. In its work plan the Committee agreed to commission consultants to carry out the initial consultation with the trade, review the fare structure and to make recommendations on any changes following on from that consultation. Jacobs was commissioned to undertake the most recent review and the final report is attached at Appendix 2.
- 3.3 Initial consultation on that report was carried out between 31 July and 13 September 2019. On 18 September 2019 Jacobs received email confirmation of an agreed final position from trade representatives. On 15 October 2019 a copy of the draft report was then provided to the representatives of the taxi trade for final comment by 30 October 2019. No further responses were received during this period, and the final Jacobs report was received by the Council on 22 November 2019 (Appendix 2).

## 4. Main report

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- 4.1 The current fee structure is set out at Appendix 1 of this report. The fee 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 described in paragraphs 3.2 and 3.3 above, the initial process was undertaken on behalf of the Council by Jacobs. After consultation with representatives of the trade, the Council as Licensing Authority is required to review the existing fare scales and propose new scales. The proposed fare scale is required to be advertised for a period of not less than one month, to allow for representations on the proposed fare scale, after which a further report will be brought back to the committee for consideration, and if appropriate, approval.
- 4.3 The committee should note that there is a right of appeal in respect of any decision it 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. Members are asked to note that 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. Members should also avoid restricting any increase based on concern about the impact on passengers.
- 4.4 The draft Jacobs report was circulated to the taxi trade for consideration and comment and feedback was invited. A final report making recommendations as to possible revisions to the fare table is now submitted for the committee's consideration (Appendix 2).
- 4.5 Section 4 of the Jacobs report outlines the responses received from the trade and the evidence which was put forward in support. Members are advised to consider this information in detail when considering the recommendations in this report. In summary, trade members seek:
  - 4.5.1 3.3% overall increase;
  - 4.5.2 40p increase on the flag drop across all tariffs to £3 (Tariff 1), £4 (Tariffs 2 and 3) and £5 (Tariff 4);
  - 4.5.3 'additional passenger charge' to be increased from 20p to 40p;
  - 4.5.4 an increase in the cancellation fee from £2.20 to £5.00;
  - 4.5.5 wording in the definition of 'soiling' to be revised; and
  - 4.5.6 all tolls, charges or fees to be recoverable by the driver.
- 4.6 Section 8 of the Jacobs report provides recommendations to the Council on what fare increases could be applied:
  - 4.6.1 increase the flag to £3 on T1, £4 on T2, £4 on T3 and £5 on T4 and apply 3.3% to the increments;

- 4.6.2 amend the festive tariff so that T4 should be applied to Christmas Day and New Year's Day (25 December and 1 January) irrespective of day of the week and that T4 is retained during night times on Christmas and New Year's Eve;
  - 4.6.3 increase the additional passenger charge to 30p;
  - 4.6.4 increase the cancellation fee to £5;
  - 4.6.5 the wording around soiling should have the 'travel sickness' phrase removed; and
  - 4.6.6 consider amending the wording with respect to the airport to allow drivers to fully recoup charges, including any future charge increases. This would be subject to legal advice.
- 4.7 After taking all of the above into consideration the Directorate recommends that the committee fixes a proposed taxi fare scale with the following changes to the current fare scale:
- 4.7.1 that Fare Tariffs 1 and 2 increase, with an increase on the flag drop of 40p;
  - 4.7.2 that Fare Tariffs 3 and 4 increase, with an increase on the flag drop of 40p;
  - 4.7.3 additionally increases Tariffs 1 and 2 by 3.3% on increments thereafter;
  - 4.7.4 that the additional passenger charge increases to 30p;
  - 4.7.5 that the wording of the definition of the 'soiling' charge shall be amended to read "Soiling Charge – maximum of £50.00 payable by a passenger, where a vehicle requires to be removed from service for cleaning in order for it to be restored to a usable state and condition"; and
  - 4.7.6 applies no change to any other tolls, charges and fees at this time.
- 4.8 Details of the final proposals from Jacobs and the recommendations made as detailed in paragraph 4.6 above were sent to the representatives of the trade by email on 15 October 2019. No further responses were received. It is recommended that, having reviewed and proposed new fare scales, the committee directs officers to advertise the proposed fare scales in line with the statutory requirements set out above, and to report back when that process has been completed.
- 4.9 Members will note that the Directorate is not recommending in full adoption of either Jacobs' or the taxi trade representatives' recommendations. The Directorate wrote to the trade on 6 December 2019 explaining what recommendations to the committee the Directorate was likely to make (Appendix 4).
- 4.10 In terms of applying a percentage increase to increments for Tariffs 3 and 4, the Directorate notes the significant differences in cost between Tariffs 1 and 2 and Tariffs 3 and 4. The Directorate has written to the trade asking for information to justify further increasing this gap.
- 4.11 Members may recall that some comparison has been made by the trade with other local authorities operating "time and a half" or "double time". The Directorate remains concerned that the proposals of the trade would represent a significant

increase in fares between Christmas and New Year without any evidence being submitted showing the additional costs to the trade which would justify this.

- 4.12 In terms of the cancellation fee, the trade has been asked to evidence that this increase is necessary, noting that the Jacobs report highlights that no other local authority has been identified as operating a similar level of fee.
- 4.13 With respect to fees at Edinburgh Airport, the Council is required to fix an actual fee and it is not legally permissible to allow an arrangement that any fee may be passed on without this being set on the fare card. This position is consistent with the advice which has been given to the committee in previous fare reviews. The trade has been asked to put forward proposals for a fee for airport charges.
- 4.14 To provide some comparative data, a table is provided at Appendix 3 with a projection of the impact of the proposed fare increases, should they be accepted by the committee.

## **5. Next Steps**

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- 5.1 It is recommended that the committee notes this report and agrees to receive a further report after the statutory advert is published.

## **6. Financial impact**

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- 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**

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- 7.1 The statutory framework provides that if a review of taxi fares is not completed within each 18 month period then the council will risk legal challenge. This report discharges the statutory duty.
- 7.2 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.
- 7.3 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
- 7.4 There is no environmental impact arising from the contents of this report.

## **8. Background reading/external references**

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- 8.1 None.

## **9. Appendices**

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- 9.1 Appendix 1: Current tariff (from 18 June 2018).
- 9.2 Appendix 2: Jacobs report dated November 2019.
- 9.3 Appendix 3: Comparative data.
- 9.4 Appendix 4: Letter dated 22 November 2019.
- 9.5 Appendix 5 – responses from taxi trade representatives.

THE CITY OF EDINBURGH COUNCIL  
CIVIC GOVERNMENT (SCOTLAND) ACT 1982

## FARE TABLE FOR TAXIS

With effect from 18 June 2018

### 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	<b>TARIFF 4</b> Monday - Friday 6pm – 6am the following day 6am on Saturday – 6am Monday during Christmas and New Year
<b>CHRISTMAS</b> <b>NEW YEAR</b>	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 style="list-style-type: none"> <li>▪ Initial hire not exceeding 516m</li> <li>▪ Initial 105 seconds of waiting time</li> <li>▪ Combination of initial time and distance</li> </ul>	<b>£2.60</b>	<b>£3.60</b>	<b>£3.60</b>	<b>£4.60</b>
<ul style="list-style-type: none"> <li>▪ Each additional 174m up until 1908m and thereafter each additional 201m</li> <li>▪ Each additional 37 seconds of waiting time</li> <li>▪ Combination of additional time and distance</li> </ul>	<b>£0.25</b>	<b>£0.25</b>	-	-
<ul style="list-style-type: none"> <li>▪ Each additional 184m up until 1988m and thereafter each additional 213m</li> <li>▪ Each additional 39 seconds of waiting time</li> <li>▪ Combination of additional time and distance</li> </ul>	-	-	<b>£0.35</b>	<b>£0.45</b>

### EXTRA PAYMENTS

<b>When more than 2 passengers</b>		<b>Each £0.20</b>
<b>Note:</b> 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.		
<b>Each Passenger must be properly seated</b>		
<b>Hires ending at Edinburgh Airport Inner Drop-off Zone</b> (See note 4 below)		<b>£1.00</b>
<b>Call Out Charge</b> Applicable when pre-booked	<b>£0.80</b>	<b>Airport Pickup</b> For hires commencing at Edinburgh airport <b>£2.80 maximum</b>
<b>Cancellation Fee</b> Applicable when taxi is pre-booked but not used	<b>£2.20</b>	<b>Cleaning Fee</b> Applicable when taxi is soiled (by travel sickness) <b>£50.00</b>

### 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](http://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 £1 extra for this. (2) If the passenger states he is disabled, the £1 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 £1 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.
- (5) Any airport pickup fee at the airport incurred by the driver subject to a maximum of £2.80

### 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.



## **Fare review 1**

City of Edinburgh Council

### **Final Report**

1 | <revision>

November 2019



## Fare review 1

Project No: Fares Review 1  
 Document Title: Final Report  
 Document No.: 1  
 Date: November 2019  
 Client Name: City of Edinburgh Council  
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 Project Manager: Project Manager  
 Author: Liz Richardson  
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### Document history and status

Revision	Date	Description	By	Review	Approved
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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 Scottish Government's Licensing of Taxis and Private Hire Cars Best Practice Guidance for Licensing Authorities, 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.

“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”.

## 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 May 2018 and councillors agreed to an increase of 50p on the flag and 6% on the increments on T1 and T2.

## 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,

#### **1.4 Low Emission Zone (LEZ)**

City of Edinburgh Council plan to implement a Low Emission Zone by December 2020. 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 by 2021 and petrol vehicles to be Euro 4 standard. Consultation on these proposals was held over the summer and a further report is due to be submitted in October 2019.

## 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 June 2018 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 additional tariffs for the Christmas and New Year period. Tariff 3 is operational 6am to 6pm over Christmas and New Year and Tariff 4 is operational 6pm – 6am Monday to Friday and all day Saturday and Sunday during Christmas and New Year. 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, 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 September 2019 table shows Edinburgh rated 96<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 other 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	£4.35	£6.35
Tariff 2	£5.35	£7.35
Tariff 3	£5.70	£7.30
Tariff 4	£7.30	£10.90

**Table 2.2 - Comparison of neighbouring and/or comparable authorities in terms of fares (Source Private Hire and Taxi Monthly, September 2019)**

Local Authority	Rank
East Lothian	19
Fife	60
Glasgow	71
<b>City of Edinburgh</b>	<b>96</b>
Midlothian	105
West Lothian	249
Falkirk	258

Figure 2.1 Current Fare Card

**THE CITY OF EDINBURGH COUNCIL  
CIVIC GOVERNMENT (SCOTLAND) ACT 1982  
CHANGES TO TAXI FARE TARIFF**

**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	<b>TARIFF 4</b> Monday - Friday 6pm – 6am the following day 6am on Saturday – 6am Monday during Christmas and New Year
<b>CHRISTMAS</b> <b>NEW YEAR</b>	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 style="list-style-type: none"> <li>▪ Initial hire not exceeding 516m</li> <li>▪ Initial 105 seconds of waiting time</li> <li>▪ Combination of initial time and distance</li> </ul>	<b>£2.60</b>	<b>£3.60</b>	<b>£3.60</b>	<b>£4.60</b>
<ul style="list-style-type: none"> <li>▪ Each additional 174m up until 1908m and thereafter each additional 201m</li> <li>▪ Each additional 37 seconds of waiting time</li> <li>▪ Combination of additional time and distance</li> </ul>	<b>£0.25</b>	<b>£0.25</b>	-	-
<ul style="list-style-type: none"> <li>▪ Each additional 184m up until 1988m and thereafter each additional 213m</li> <li>▪ Each additional 39 seconds of waiting time</li> <li>▪ Combination of additional time and distance</li> </ul>	-	-	<b>£0.35</b>	<b>£0.45</b>

**EXTRA PAYMENTS**

<b>When more than 2 passengers</b>	<b>Each</b>	<b>£0.20</b>
<b>Note:</b> 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.		
<b>Each Passenger must be properly seated</b>		
<b>Hires ending at Edinburgh Airport Inner Drop-off Zone</b> (See Note 4 below)		<b>£1.00</b>
<b>Call Out Charge</b> Applicable when pre-booked	<b>£0.80</b>	<b>Airport Pickup</b> For hires commencing at Edinburgh airport <b>£2.80 maximum</b>
<b>Cancellation Fee</b> Applicable when taxi is pre-booked but not used	<b>£2.20</b>	<b>Cleaning Fee</b> Applicable when taxi is soiled (by travel sickness) <b>£50.00</b>

**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](http://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 £1 extra for this. (2) If the passenger states he is disabled, the £1 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 £1 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.
- (5) Any airport pick up fee at the airport incurred by the driver subject to a maximum of £2.80

**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.

## 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
- Cancellation fees
- Wording around tolls;
- Wording around soilage charges.

All Scottish cities and a number of 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 day time 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. Dundee, Aberdeen, Birmingham and Liverpool have introduced a separate night time tariff for weekends.

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.



### 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**

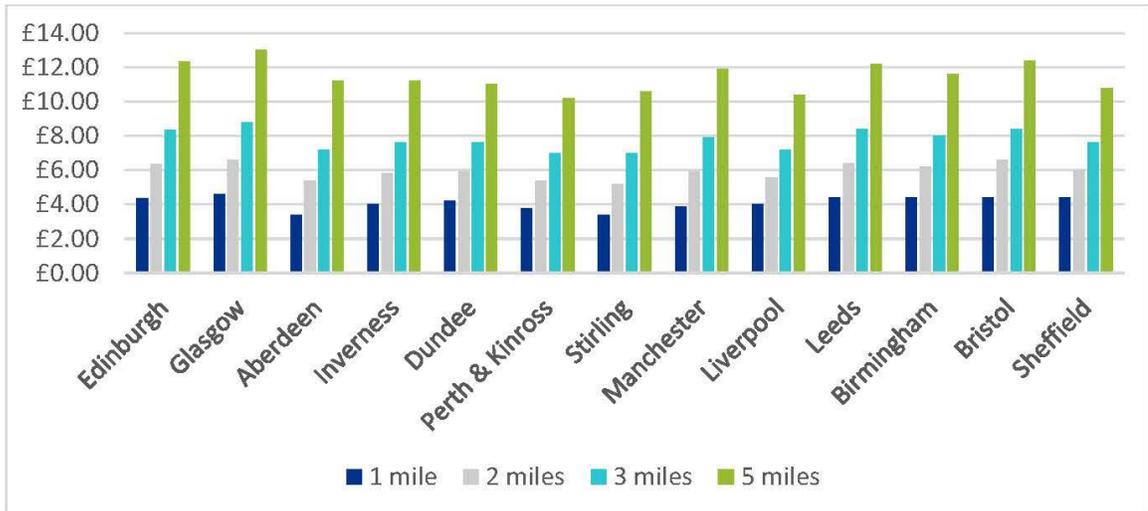
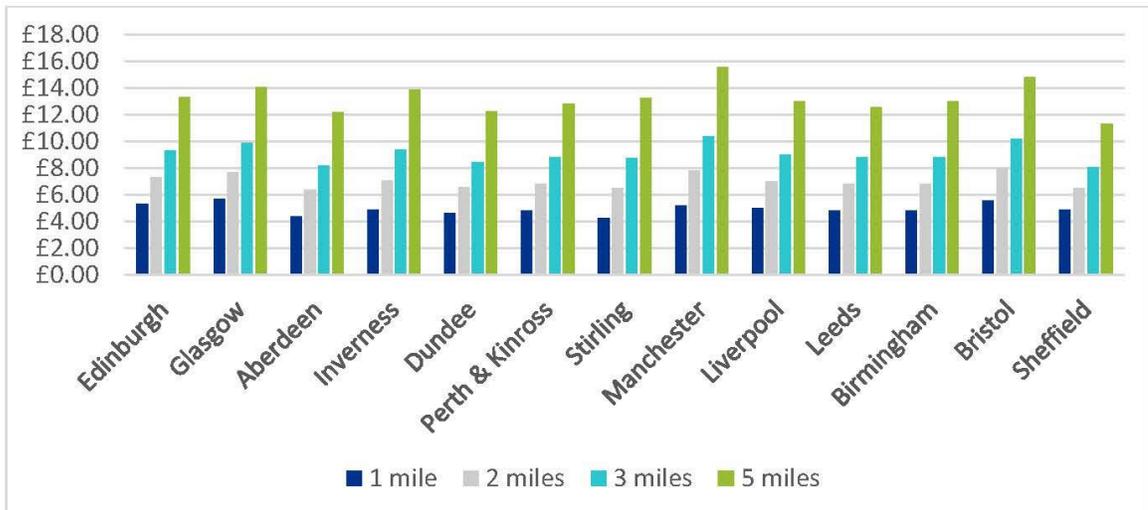


Figure 3.3 details the current night time fares for these authorities over a distance of 1, 2,3 and 5 miles. It illustrates that Edinburgh is just above the average of benchmarked fares for all distances.

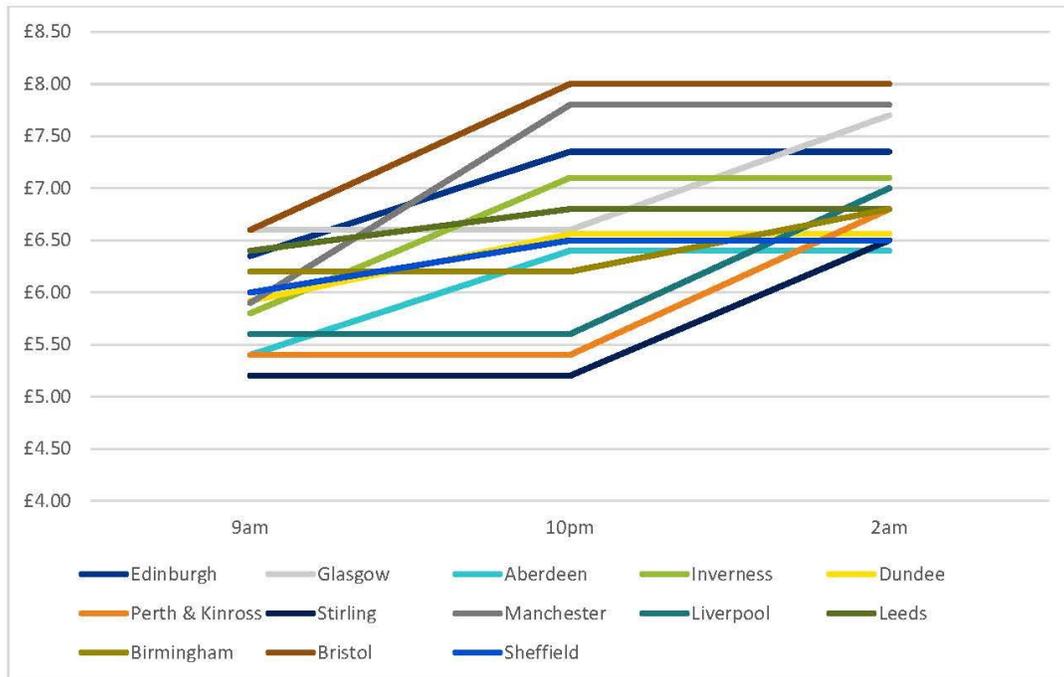
**Figure 3.3 Comparison at 1,2, 3 and 5 miles**



### 3.4 Fare for a 2-mile journey

Figure 3.3 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 £5.95; 10pm is £6.58 and £7.02 at 2am. Edinburgh is higher than average across all time periods.

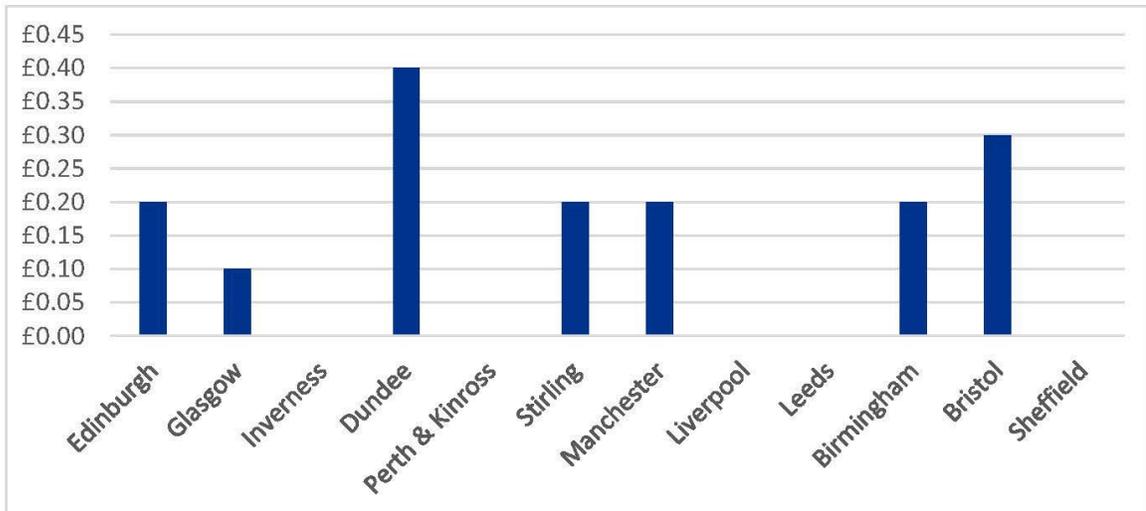
**Figure 3.3 Tariff 1 and Tariff 2 comparisons**



### 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 20p. Figure 3.4 illustrates that additional passenger charges do not apply in all authorities benchmarked. Of those authorities that do stipulate a charge the most expensive is in Dundee at 40p per additional passenger and the lowest is Glasgow at 10p.

**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.

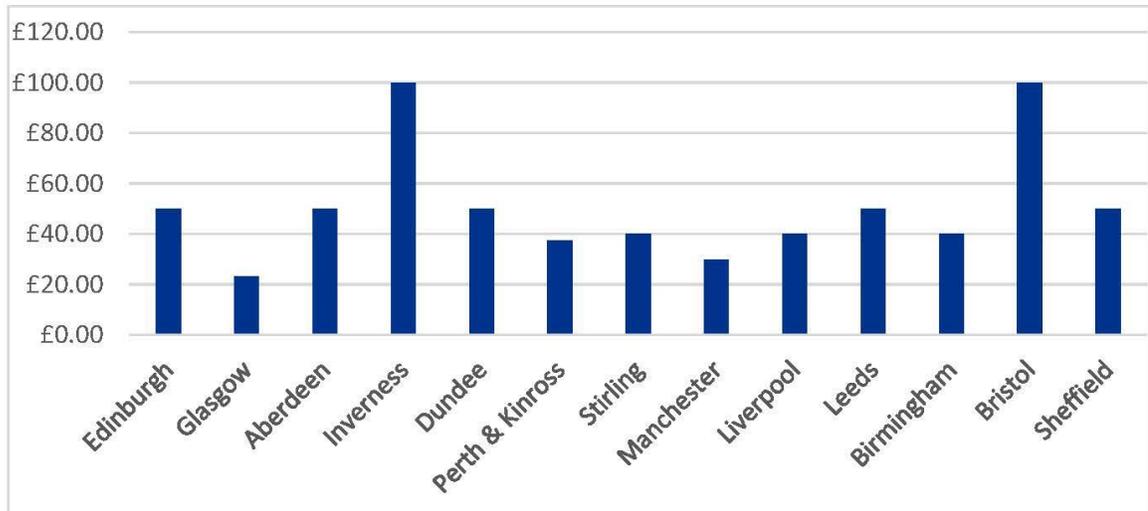
### 3.7 Cancellation fees

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

### 3.8 Soiling charges

Figure 3.5 details the range of charges in place for soiling incidents. Highland and Bristol have the highest charge at £100 and Glasgow has the lowest at £23.40. Edinburgh has a charge of £50.

**Figure 3.5 Soiling charges**



The terminology around soiling charges is very different for the benchmarked authorities. Table 3.1 provides this detail.

**Table 3.1 Soiling charges**

Authority	
Edinburgh	Cleaning fee – applicable when taxi is soiled (by travel sickness)
Glasgow	Soiling charge (only being appropriate in relation to an anti-social act)
Aberdeen	A charge per incident of fouling a taxi
Highland	Soiling Charge – maximum of £100.00 payable by an offending passenger, where a vehicle requires to be removed from service for cleaning in order for it to be restored to a usable state and condition.
Dundee	Soiling Charge – which results in the vehicle being taken off service for any period of time, minimum £25, maximum £50.
Perth & Kinross	A charge of £37.50 for any person soiling the vehicle.
Stirling	Soiling charge - £40
Manchester	Fouling charge - £30

Liverpool	A charge of £40 for cleaning the <b>inside</b> of the vehicle in the event of soiling or fouling and a charge of £10 for soiling or fouling of the <b>outside</b> of the vehicle
Leeds	Maximum charge for fouling £50
Birmingham	An additional charge may be made in the event of SOILAGE OR FOULING OF THE VEHICLE
Bristol	Spoilage or fouling of the vehicle
Sheffield	Fouling the vehicle MAXIMUM charge £50

### 3.1 Tolls and Fees

Edinburgh Airport charges drivers a fee for dropping off and picking up passengers. The fare card permits drivers to recover £1 of the fee incurred for dropping off and £2.80 maximum for the fee incurred in picking up a passenger. The benchmarking exercise identified that all authorities deal with the issue of recovering tolls and fees differently, as detailed in Table 3.2. Some authorities make no reference to tolls or fees.

**Table 3.2 Wording around tolls**

Authority	
Edinburgh	Hires ending at Edinburgh Airport Inner Drop-off Zone £1.00  Airport Pickup -For hires commencing at Edinburgh airport £2.80 maximum
Aberdeen	For each hiring commencing at the Airport (Airport zoned taxis only) £1  For each hiring dropping off passengers at the inner forecourt of the Airport (Non-airport zoned taxis only) £2  For each hiring commencing at Aberdeen Railway Station £0.50
Highland	Any bridge tolls or ferry charges, where applicable.  Any airport car parking charges (Only chargeable on production of a receipt to the hirer)
Manchester	Piccadilly Station charge 60p  Manchester Airport Charge – Barrier at the station 60p  Drop off - £1.80, Pick up £1.60
Liverpool	Tolls to and from the destination (including Tunnel, Motorway, Bridge and Airport tolls)

Leeds	The above fares do not include tolls, car park fees, entry/exit fees or any other such fees paid by the driver to pay to complete the journey. These will be added to the fare displayed at the end of the journey
Birmingham	Any road toll or barrier charge incurred in the execution of the hiring
Bristol	Every hiring commencing at Temple Meads Railway Station (unless pre-booked) 20p

## 4. Consultation – Trade

### 4.1 Introduction

Three trade meetings were held with representatives of the taxi trade. The approved minutes of all meetings are appended to this report (Appendix 2).

### 4.2 Trade Meeting 1

The first meeting was held on 31<sup>st</sup> July 2019. The objectives of this meeting were to garner views on the existing fare card and any proposed increases in the fare card. Invitees and attendees are detailed in Table 3.1

**Table 3.1 Meeting attendees**

Name	Representing
Les McVay	City Cabs
Mark McNally	Central Taxis
Tony Kenmuir	Central taxis
Laura Lucas	Central Taxis
Scott Blair	Unite
Jacqui Guthrie	Unite

During this meeting the trade presented a note that detailed the summary of a meeting convened by the trade (Appendix 1). The note covered a number of issues that the trade wished to be considered by City of Edinburgh Council:

- Edinburgh is in the top 10 locations for cost of living
- Glasgow trade have a higher fare tariff and pay lower fees to the council
- Licence fees increase 3% annually but the tariff reviews are only every 18 months
- Drivers are now having to pay more for road tax as vehicles are classed as 'luxury vehicles'
- Insurance premiums have risen 10% in the last 18 months
- City of Edinburgh Council are introducing training that costs £300 and results in a loss of work/income of 4 days
- Rising diesel costs
- Servicing costs have increased
- Concerns around recouping charges at Edinburgh Airport
- Financial Impact of the age and emission restrictions

During the meeting the following was discussed:

- Trade considered the structure of the fare card to be fine but not the weighting of fares – suggestion to increase the flag

- Amending the festive tariff so that T4 is applicable Christmas Day and New Year's Day irrespective of the day of the week
- Retain T4 during night-time on Christmas Eve and New Year's Eve
- Increase the cancellation fee to £4 or £5
- The ability to recover all fees associated with pick up and drop off at Edinburgh Airport
- Rewording of the soiling charge

Jacobs agreed to undertake a benchmarking exercise and report back to the next meeting of the trade.

### 4.3 Trade Meeting 2

The second meeting was held on 15<sup>th</sup> August 2019. The objectives of this meeting were to report back on the benchmarking exercise undertaken. Attendees are detailed in Table 3.2

**Table 3.2 Meeting attendees**

Name	Representing
Les McVay	City Cabs
Mark McNally	Central Taxis
Laura Lucas	Central Taxis
Murray Flemming	Scottish Taxi Federation
Scott Blair	Unite
Jacqui Guthrie	Unite

Following discussion of the benchmarking exercise the trade wished to see the following:

- Trade wanting to see the impact of increasing the flag charge
- Call out charges – attendees wanted to see this increase to £1
- Passenger charges – attendees want to see this increased to 40p per passenger
- Amendments in the conditions to make it compulsory for both public and private hires to accept card payments
- Increase in the cancellation fee to £5
- Amend the wording around the soilage charge in line with that adopted by Highland Council
- Introduce wording around 'tolls' rather than stipulate specific amounts to recoup

### 4.4 Trade Meeting 3

The third trade meeting was held on September 13<sup>th</sup>, 2019. Attendees are detailed in Table 3.3

**Table 3.3 Meeting attendees**

Name	Representing
Laura Lucas	Central Taxis

Murray Fleming	Scottish Taxi Federation
Jacqui Guthrie	Unite

Prior to this meeting Jacobs had circulated a note detailing the impacts on the fare card of the following options:

- Option 1: Increase of the flag only to £3, £4, £4 and £5
- Option 2: Application of CPI at 3.3%

Following discussion of the note the trade stated the following:

- Trade representatives hadn't discussed the option between themselves
- Option 1 and 2 did not provide the trade with a suitable increase
- Jacobs requested to look at a third option – Option 1 together with a 3.3% on the increments.

Following this meeting, Jacobs circulated a note detailing the impacts of Option 3 on the fare card.

#### 4.5 Conclusions

Following the final trade meeting, Murray Fleming spoke to all trade representatives regarding the options available to them. On September 18<sup>th</sup> 2019, via email, Murray Fleming confirmed that the trade had come to an agreement stating *'Representatives have unanimously agreed on the following proposals for consideration by CEC and wished to see the following'*:

- Option 3: Amending the flag to £3, £4, £4 and £5 and applying the CPI increase (3.3%) to the increments.
- Additional passenger charge from 20p to 40p
- Cancellation fee increased from £2.20 to £5.
- Soiling of taxi cost to remain the same but wording to be revised.
- All tolls, charges or fees to be recovered by the driver, similar wording to that used on Leeds fare card.

## 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 23<sup>rd</sup> August 2019 and 24<sup>th</sup> September 2019 and was hosted by SurveyMonkey. In total, the survey received 345 responses.

A screening question was included at the start of the survey, asking if the respondent was a licenced taxi or private hire car driver/ operator. Out of the responses, 56 participants stated 'yes' in response to the screening question. Therefore, these participants answers have been removed from the analysis to focus on obtaining the views of the general public. Due to this, 289 survey responses were taken forward to analysis.

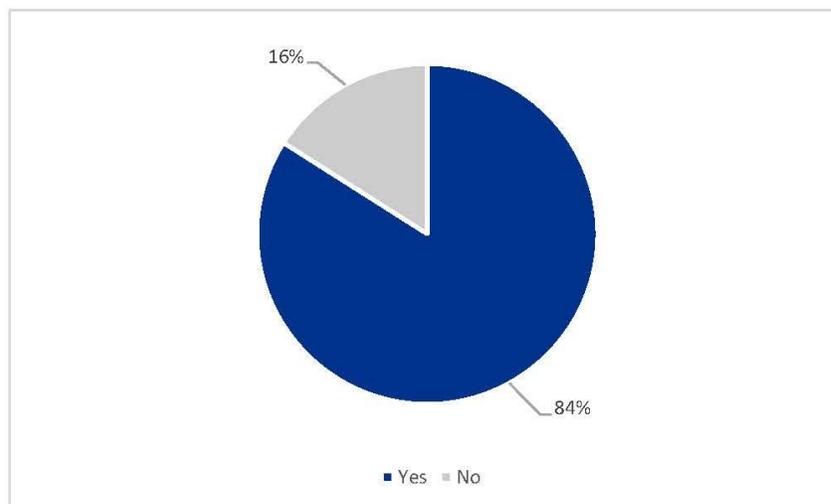
It should be noted that in the tables and figures below, the totals do not always add up to the same amount. This is due to one of two reasons:

- 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

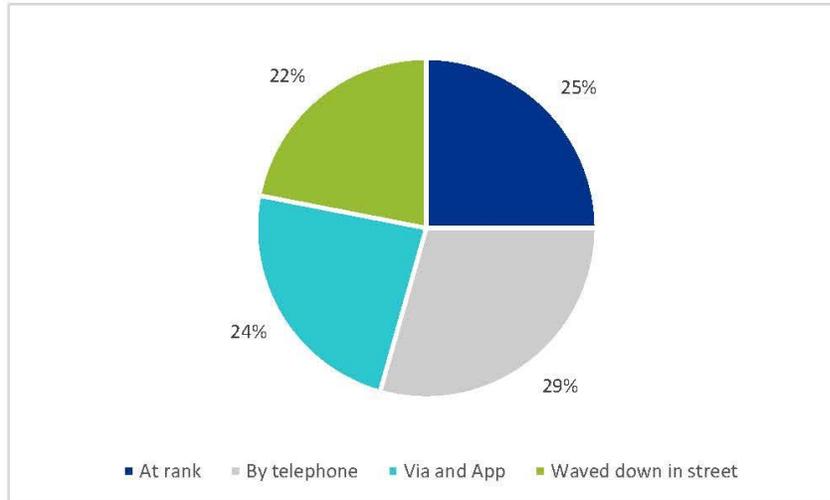
The respondents were asked if they had made a trip by taxi (black cab) in the last 3 months. Figure 5.1 displays the results, with 84% of the survey population stating they had used a taxi in this period.

**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 22% (waved down in the street) to a maximum of 29% (by telephone). In between lay via an app (24%) and at a specific taxi rank (25%).

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



Further information was collected from respondents who said they obtained their taxi via an app. Table 5.1 shows the split of which application was used.

**Table 5.1 Application that was used when taxi was obtained via and app**

App	%
City Cabs	38.9
Gett	37.0
Central Taxi	14.8
Ryde	3.7
Free Now	1.9
Halo	1.9
Taxi Operators	1.9

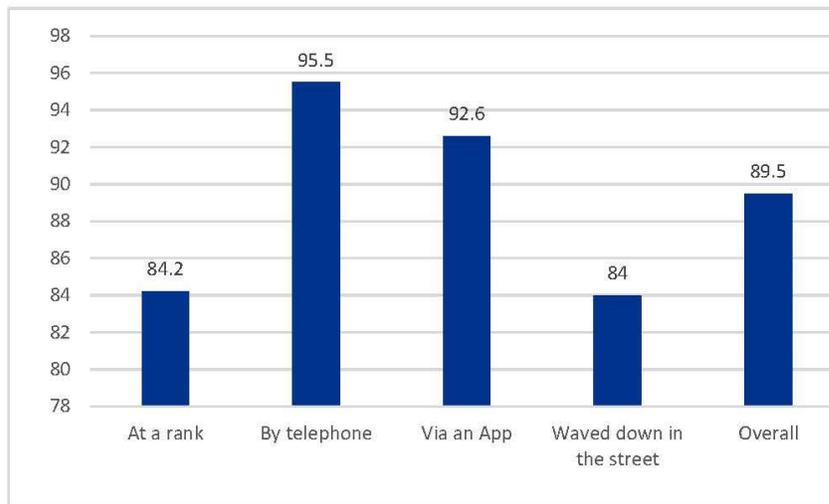
It should be noted that these apps have been identified from answers from the survey itself and some have been grouped together e.g. City cabs, City cabs app, citycabsapp and city cabs app in the data set have all been classified as City Cabs.

Out of the 23% of respondents that booked their taxi via an app in Edinburgh, the City Cabs app and Gett app proved to be the most popular, with three quarters of the group using them.

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, 89.5% 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 (95.5%) with the least satisfaction (84%) 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 – 68 minutes for their taxi. From the respondents that assigned a numerical value of time against their wait, the average wait time was 6 minutes.

Trip makers were then asked whether they were satisfied with the cost of their journey. Over half of trip makers were satisfied with the cost of their journey (57%), as seen in Figure 5.4.

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

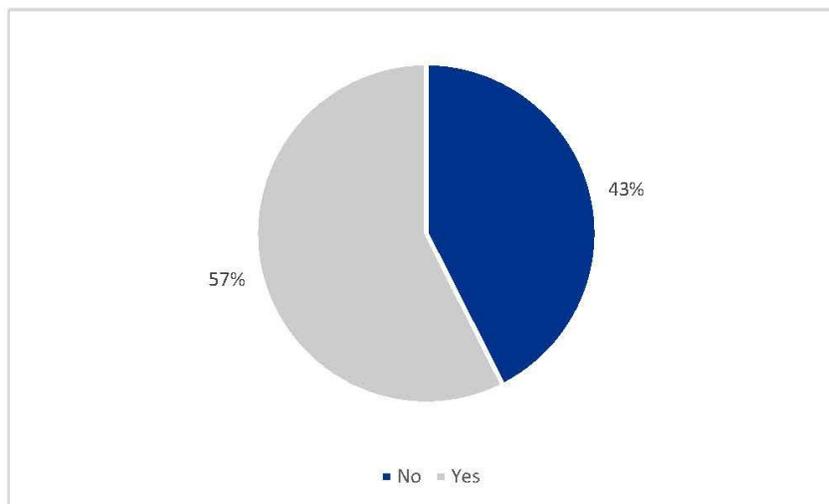
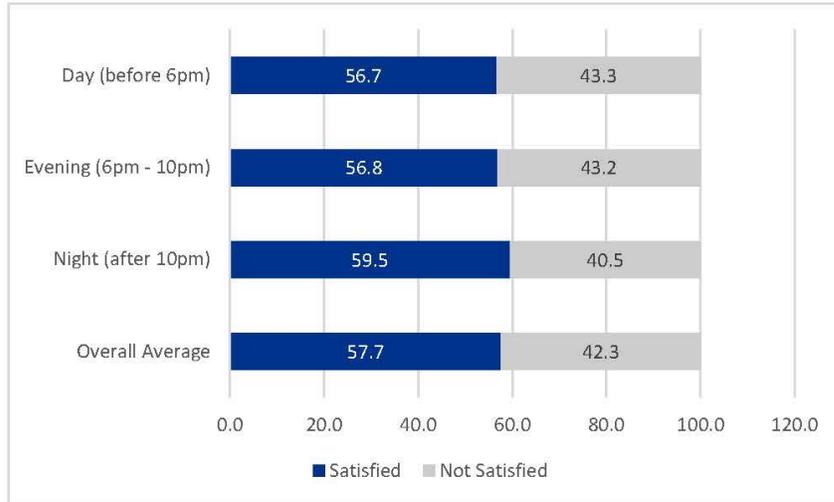


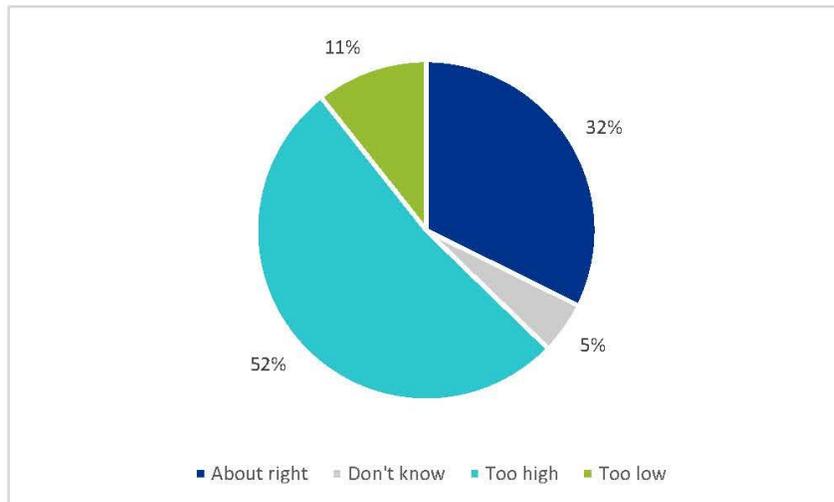
Figure 5.5 documents how this satisfaction with the overall cost varies depending on the time of day the taxi was obtained. Satisfaction was higher for those who used a taxi service at night (after 10pm).

**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. Over half (52%) felt that fares were 'too high', with an additional 32% stating they were 'about right' – this is displayed below in Figure 5.5.

**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**

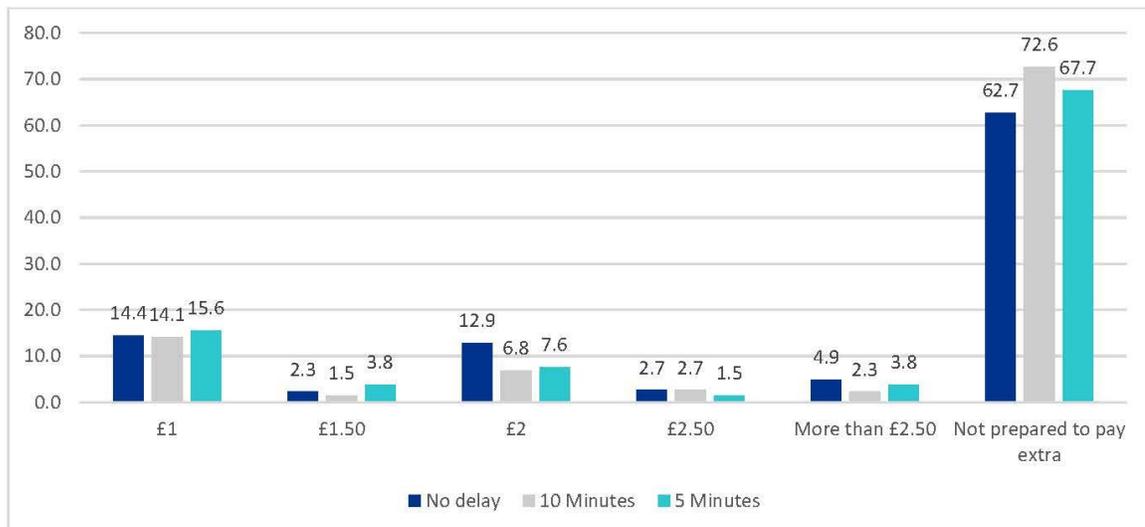
	Are you aware that taxi fares in Edinburgh increase after 6pm?	If taxi fares also increased from midnight to 5am, would you still travel by taxi after midnight?
Yes	65.4%	50.6%
No	33.5%	25.9%
Don't Know	1.1%	23.6%

Nearly two thirds of the respondents (65.4%) were aware that taxi fares increase in price after 6pm and 33.5% were not aware.

Respondents were then given the scenario of taxi fares increasing between midnight and 5am and were asked if they would still use them if this were the case. Some 50.6% of them stated that they would still use a taxi for their trip if this were to happen. The rest were equally split (25.9% and 23.6%) on either not using a taxi or unsure if they would if the fare were to increase between midnight and 5am.

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 and this percentage increases as the time of delay increases. Some 62.7% would not be prepared to pay any more even if it meant there was no delay at all. From the data obtained it's clear the majority of people are not prepared to pay any more to reduce the length of time that they have to wait for a taxi.

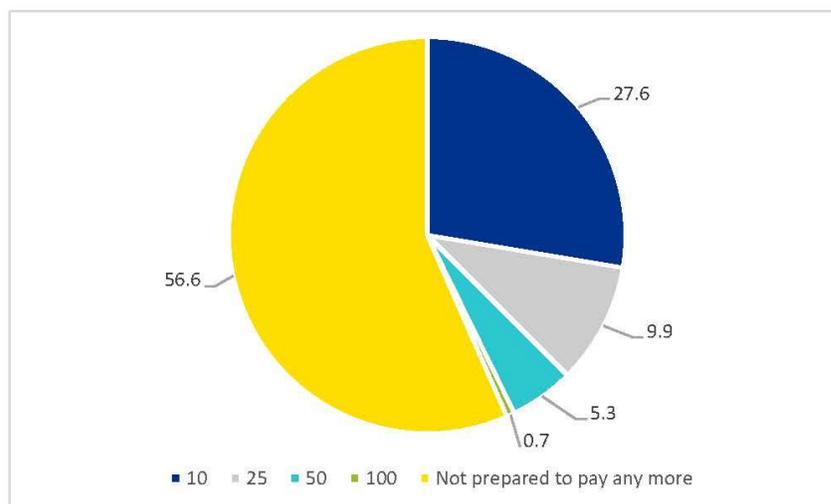
Respondents were then asked about their intention to travel via taxi over the festive period. Some 32.3% state that they do intend to travel via taxi over the festive period, currently, 26.2% are unsure of their plans. Of the 41.4% of respondents that said they are not planning on using a taxi over the festive period, 41.3% said it is

because they simply do not need to, 22% accounted it to the cost and another 22% will use a different mode of transport; public transport, driving themselves or walking.

Figure 5.7 looks at if people would be willing to pay more than the average fare (10%, 25%, 50%, 100% or no more) in order to reduce the delay during the festive period. Of those planning to travel by taxi over the festive period, half (56.6%), of those answering would not be prepared to pay any more than the average fare to reduce the level of delay. Over a quarter, 27.6% would be willing to pay an extra 10% to obtain a taxi with less of a delay. The higher the percentage increase, the fewer people are prepared to pay more.

In conclusion, the majority of respondents planning to travel by taxi over the festive period are not prepared to pay more in order to reduce delay.

**Figure 5.7 How much more would you be prepared to pay to reduce the level of delay during the festive period?**



### 5.3 Summary

Out of the 345 surveys that were completed online, only 289 were taken forward to analysis. Through the analysis above, some key summaries have been made:

- Of the respondents, 84% have used a taxi in Edinburgh within the last 3 months;
- 89.5% were satisfied with the promptness of their taxi;
- Obtaining a taxi via the telephone was both the most common way of ordering one (29%) and provided the highest satisfaction in relation to promptness of arrival (95.5%);
- 57% of the responders were satisfied with the cost and 43% were not;
- Slightly higher satisfaction levels for cost when hiring a taxi during the night (59.5%) when compared to the day (56.7%) or evening (56.8%);
- Some 52% believe that taxi fares are too high;
- 65.4% were aware that taxi fares increased post 6pm;
- Some 56.6% stated that if the fares were to increase between midnight and 5am they would still use taxis and a further 23.6% said they were unsure;

- The majority are not prepared to pay any more to reduce the length of time that they have to wait for a taxi (62.7%); and
- Currently only 32.3% intend to use taxis over the festive period, of them, 56.6% say they would not be prepared to pay any more to reduce a delay 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

Responses were received from three organisations with a further two responses from individuals providing personal views rather than on behalf of their organisations. The responses are detailed below.

#### Edinburgh City Private Hire Ltd

A response was received from Edinburgh City Private Hire Ltd. The following points were raised:

- The current format of the Fare Table is relatively straightforward and easy enough to understand;
- Fares are probably about right in comparison to other large cities, any increases should reflect local conditions at the time, but also the respective tariff's in other similar cities across the UK.
- The use of taxis may increase if fares were cheaper but this is the same with anything customers are required to pay for. I think a better question is whether or not the tariff offers the customer "value for money", and that would be taking into account the level of service to the customer, the type of fleet servicing the work, and the professionalism of the drivers involved in providing that service. To simply say that being cheaper would result in more people using the service is not really looking at the issue and all of its complexities;
- I think that the night time tariff is fair enough when you consider the unsociable hours element to a drivers take home pay, and the fact that most customers in Edinburgh are used to the Tariff changing at night, I do not really think that its something that causes any real issues at this point in time;
- There should not be a "party tariff " and Tariff's 3 and 4 should not be dropped.. I would **not** be in favour of it increasing any further however against the standard Tariff's.
- I think it would certainly be simpler having one tariff applicable across the entire festive period rather than 2, but given the nightshift element that already exists in the main tariff then I don't think that its too confusing, and whether it would have an impact on service if we went to 1 also would be debatable;
- The cleaning fee will never truly be reflective of the time the driver spends getting the vehicle fit for purpose again, depending on the incident, and therefor is probably relatively fair as it stands.
- **-Cancellation fee -** given the complexities of the issue and unless the customer is paying by card it is almost impossible to enforce any cancellation on cash paying customers;
- The only other comments I have are on the Airport Pick up charges and the fact that I think that these should always reflect the amount the driver has to pay to pick up, and that it is always in line with the charge levied on the driver, no more and certainly no less.

#### Central Taxis

A response was received from Central Taxis. The following points were raised:

- The fare structure is easy to understand. The fares are lagging behind the times and are low to medium however they are consistent and not subject to surging.
- If the fares were cheaper there would not be any taxis left in the city. The drivers/operators are already working additional hours to afford the running costs;
- The fare difference of £1 between day and night is negligible and the unsociable hours warrant an additional charge. The likelihood of transporting a more challenging passenger is also increased for the nightshift drivers.
- The two festive fare tariffs easy to understand and interpret
- The festive tariffs (3 & 4) should reflect the peaks of that holiday period and the highest tariff (tariff 4) should be in place in its entirety on Xmas day and New year's day regardless which day of the week Dec 25<sup>th</sup> and Jan 1<sup>st</sup> fall on.
- The festive Tariff currently commences on 24<sup>th</sup> Dec at 6pm which is acceptable and runs until 6am on 27<sup>th</sup> Dec. Then it recommences on 31<sup>st</sup> Dec at 6pm and runs until midnight on 2<sup>nd</sup> Jan. We believe this is appropriate to incentivise drivers to come out to work however due to Xmas day and New year's day sometime falling on a midweek as opposed to the weekend day taxi drivers/operators earnings can vary. We agree that the day of the week is irrelevant and if a driver is sacrificing Xmas day or New Year's day then he/she should be paid at the highest agreed Tariff rate. For example if a driver happens to work on a dayshift on Xmas day and it's a Friday he or she will be paid at a lower rate (tariff 3) than a driver working Boxing day on a Saturday (tariff 4) due to the current tariff structure. We would like to see that resolved and Xmas day and New year's day paid at tariff 4 rate in its entirety irrespective of what day it is;
- Currently the additional passenger charge is set at 20p extra and has been that amount for many years. We would like to see an increase in the charge to 40p.
- Satisfied there is no additional charge for luggage;
- The cleaning fee is currently set at £50 which is accepted by the trade as a fair amount however we would like to see the wording adjusted on the tariff sheet as it currently states that it can only be charged for travel sickness. That is only one of many reasons a taxi could be considered soiled. If a driver requires the taxi to be taken off the road to be cleaned/valeted then the burden should lie with the passenger responsible for causing the situation. We would like to see the amount remain at £50 but NOT limited to travel sickness;
- We would like to see the Cancellation fee increased from £2.20 to £5.00 in line with what the app companies are charging. We do not see this as an income stream but as a deterrent to dissuade customers from booking with multiple companies and taking whichever is first to arrive thus preventing additional emissions, adding to congestion and unnecessary vehicle movement;
- The taxi trade is currently under unprecedented financial burdens that are creating extreme difficulty for many owner operators. With the requirement now to take finance on a choice of 3 vehicles to comply with the age and emissions regulations the trade finds the cost increasing at a pace significantly greater than the tariff review rises. The choice of vehicles available to an Edinburgh taxi driver are £37k, £45K and over 60K. The finance is generally for a term of 5 years however due to the absence of a cap on Private Hire Vehicles there is no certainty for a taxi owner/operator that they will be able to meet the finance payments of a new taxi vehicle in 5 years' time due to the dilution of work. The lack of enforcement also results in loss of a number of jobs from the taxi ranks where the Private Hire vehicle regularly pick up in contravention of their licencing conditions in far cheaper vehicles that are unsuitable for wheelchairs. There is also the cost related to the introduction of driver training which will be £300 and a loss of 3 days wages. There are the credit card charges that have been passed on to the drivers since the last tariff review. A huge increase in the region of 10% has affected the insurance policies of the operators and the fees and charges from the council have also increased over the last 18 months in the region of 4%. Circuit fees from both the main taxi companies have been subject to at least 2 increases since the last review. All these factors have had a huge impact of the taxi operators and unfortunately the number of drivers graduating from private hire has diminished as the vehicles are significantly cheaper, the value of work from rank and hail has decreased enormously as passengers now don't walk out on the street or search for a rank if they want a journey, they now take out a mobile phone and have the vehicle come to them.

The taxi trade needs a significant rise just to stop us falling off the cliff edge and regardless of how much is agreed by the regulator it will only be a contribution to the loss of earnings the operators are now dealing with;

- With regards to the airport we would like to see the wording adjusted so the charges can be passed on to the passenger. The trade are obliged by our licencing conditions to ensure we convey the passenger to a destination of their choosing therefore the burden of cost should remain with the passenger. We would like to see the wording in respect of the airport charges changed so we may pass on the cost. The regulator has previously adjusted the tariff sheet at the 18 month review to ensure the drop off charge or the pickup charge was included at the levels the airport set and passed to the customer however it was with a specific monetary figure. Unfortunately the airport then saw fit to increase the amount without consultation and the taxi driver/operators have been subsidising the fares since. We would like to see the wording adjusted to ensure all tolls are passed to the customer regardless of whether the airport adjust the amount again.

#### Edinburgh Airport

Edinburgh Airport responded to the consultation and stated that they would like the airport Drop Off Zone fee raised to £2.00 as this is the current tariff for the 0-5 mins period in the Drop Off Zone. Also, the airport Pick Up fee now sits at £2.90 so we would like this reflected in the fare table.

No other written responses were received as part of the consultation exercise.

## 7. Fare Revision

### 7.1 Background and overall proposed increases

In May 2013, the Regulatory Committee took the decision to use CPI<sup>1</sup> as a means of calculating fare increases – this was based on a consultation with the trade. This was applied in July 2014 and then January 2018, when the index was 104.5. As of August 2019 the index was 108. This results in an increase of 3.3%.

Discussion with the trade identified a further two options for increasing fares. As detailed below the options are::

- Option 1: Amending the flag to £3, £4, £4 and £5
- Option 2: Applying 3.3%
- Option 3: Amending the flag to £3, £4, £4 and £5 and applying 3.3% to the increments

### 7.2 Impact of fare increases

To review the effect of these proposed increases Table 7.1 sets out the resultant cost of a 2 mile, 3 mile and 5 mile fare at Tariff 1 on the three options.

**Table 7.1 Proposed fares for 2, 3- and 5-mile journeys (Tariff 1)**

	2 miles	3 miles	5 miles
<b>Current</b>	<b>£6.35</b>	<b>£8.35</b>	<b>£12.35</b>
Option 1	£6.60	£8.60	£12.60
Option 2	£6.60	£8.60	£12.60
Option 3	£6.75	£9.00	£13.00

Figure 7.1 compares the figures for a 2-mile journey to comparable cities. The average cost of the 2-mile fare across the cities is £5.95. Presently at £6.35 Edinburgh is above this average. Adopting Option 1 or 2 puts Edinburgh to the third most expensive behind Glasgow and Bristol. Option 3 puts Edinburgh to the most expensive authority.

<sup>1</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.

**Figure 7.1 Impact of options on a 2 mile fare**

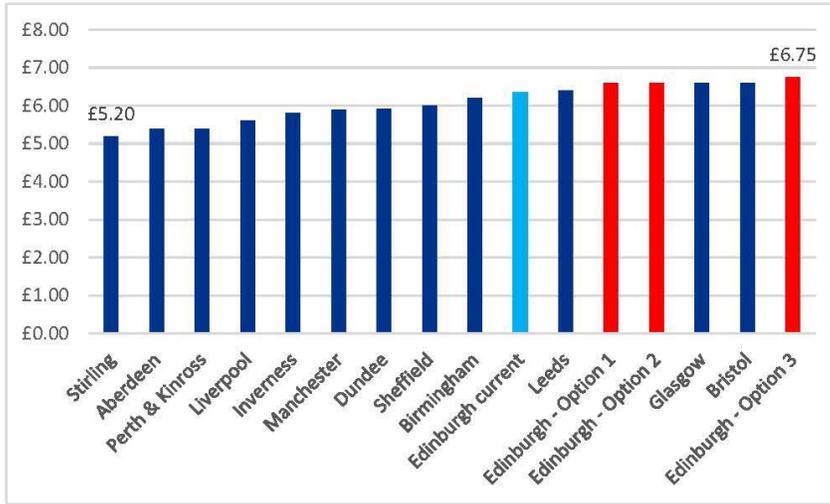
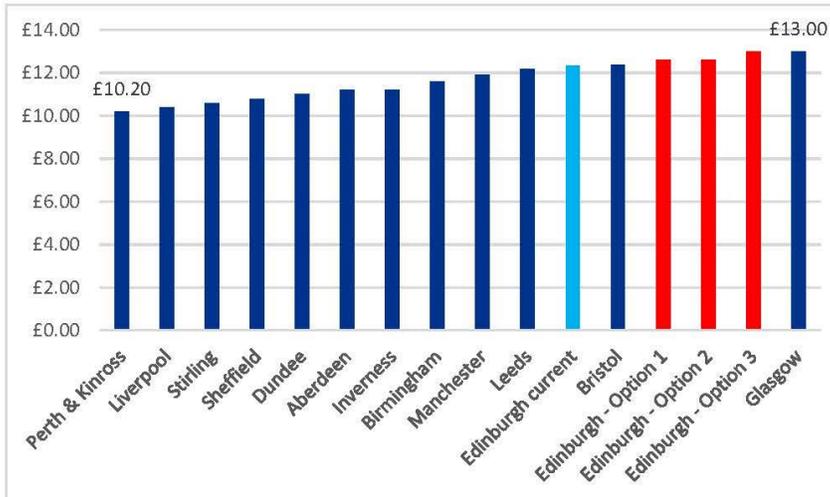


Figure 7.2 compares the figures for a 5-mile journey to comparable cities. The average cost of the 5-mile fare across the cities is £11.45. Presently at £12.35 Edinburgh is above this average. Adopting Option 1 or 2 puts Edinburgh to the second most expensive behind Glasgow and Bristol. Adopting Option 3 makes Edinburgh the most expensive but level with Glasgow.

**Figure 7.2 Impact of options on a 5 mile fare**



### 7.3 Amended Festive Tariff

The current festive tariffs (T3 and T4) are day dependent which can be confusing for the customer. If Christmas falls over a weekend the fare is greater than if it falls on a weekday. This can cause confusion to customers as they may not understand why the fare is significantly higher should they travel when Christmas Day falls on a Saturday or Sunday.

Trade representatives all wish to see the tariff amended so that T4 should be applied to Christmas Day and New Year's Day (25<sup>th</sup> and 1<sup>st</sup>) irrespective of day of the week. All attendees wished to retain T4 during night times on Christmas and New Year's Eve.

## 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 3.3%. **Appendix 3** details the proposed farecard for this scenario. However, consultation with the trade identified that since the last review the running costs associated with operating a taxi have significantly increased.

Discussions with the trade have been undertaken and the trade have expressed their preference for the tariff to be increase in line with Option 3. This results in the 'flag' being increased to £3 on T1, £4 on T2, £4 on T3 and £5 on T4. In addition to this change they wish to see 3.3% applied to the increments.

Those responding to the stakeholder consultation were all representatives of the trade aside from Edinburgh Airport. These views reiterated what had been discussed in the trade meetings.

Edinburgh Airport responded to the consultation and stated that they would like the airport Drop Off Zone fee raised to £2.00 as this is the current tariff for the 0-5 mins period in the Drop Off Zone. Also, the airport Pick Up fee now sits at £2.90 which they felt should be reflected in the fare table.

The public consultation undertaken highlighted that although passengers report high levels of satisfaction with the length of delay encountered when obtaining a taxi (89.5%), there are much lower levels of satisfaction with the cost of the journeys (57%).

### 8.2 Recommendations for further discussion

Having undertaken the fares review Jacobs have proposed a number of changes that merit further discussion with the trade representatives, council officers and councillors. Our recommendations cover:

- General Increase;
- Festive Tariff
- Extras
- Airport

### 8.3 General Increase

Edinburgh currently sits 96<sup>th</sup> of 365 authorities for taxi fares. In October 2017 when the previous report was produced, Edinburgh was at position 198. It is clear that Edinburgh currently has above average fares.

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. However given the results of the public consultation, the increase needs to be set at such a level that won't prohibit people from travelling in a taxi.

Our recommendation would be in line with those requested by the trade – Option 3. This would be to increase the flag to £3 on T1, £4 on T2, £4 on T3 and £5 on T4 and apply CPI (3.3%) to the increments. Tables 8.1 and 8.2 show the impact of all 3 options considered on a 2, 3 and 5 mile journey:

- Option 1 – Increase the flag to £3 on T1, £4 on T2, £4 on T3 and £5 on T4
- Option 2 – 3.3% increase
- Option 3 – Increase the flag to £3 on T1, £4 on T2, £4 on T3 and £5 on T4 and apply 3.3% to the increments

**Table 8.1 Tariff 1**

	2 mile	% increase from current	3 mile	% increase from current	5 mile	% increase from current
<b>Current T1</b>	<b>£6.35</b>	-	<b>£8.35</b>	-	<b>£12.35</b>	-
Option 1	<b>£6.75</b>	6.3	<b>£8.75</b>	4.8	<b>£12.75</b>	3.2
Option 2	<b>£6.60</b>	3.9	<b>£8.60</b>	3	<b>£12.60</b>	2.0
Option 3	<b>£6.75</b>	6.3	<b>£9.00</b>	7.8	<b>£13.00</b>	5.3

**Table 8.2 Tariff 2**

	2 mile	% increase from current	3 mile	% increase from current	5 mile	% increase from current
<b>Current T1</b>	<b>£7.35</b>	-	<b>£9.35</b>	-	<b>£13.35</b>	-
Option 1	<b>£7.75</b>	5.4	<b>£9.75</b>	4.3	<b>£13.75</b>	3
Option 2	<b>£7.60</b>	3.4	<b>£9.60</b>	2.7	<b>£13.60</b>	1.9
Option 3	<b>£7.75</b>	5.4	<b>£10.00</b>	7	<b>£14.00</b>	4.9

## 8.4 Festive Tariff

The current fare tariff is confusing. The fare varies according to which day of the week, Christmas falls. Our recommendation is to amend the tariff to be simpler and more transparent. We suggest the tariff is amended so

that T4 should be applied to Christmas Day and New Year's Day (25<sup>th</sup> and 1<sup>st</sup>) irrespective of day of the week and that T4 is retained during night times on Christmas and New Year's Eve.

Applying the three options detailed above to the festive tariff makes the following differences.

**Table 8.3 Tariff 3**

	2 mile	% increase from current	3 mile	% increase from current	5 mile	% increase from current
<b>Current T3</b>	<b>£8.50</b>	-	<b>£11.30</b>	-	<b>£16.55</b>	-
Option 1	<b>£8.90</b>	4.7	<b>£11.70</b>	3.5	<b>£16.95</b>	2.4
Option 2	<b>£8.85</b>	4.1	<b>£11.65</b>	3.1	<b>£16.90</b>	2.1
Option 3	<b>£9.25</b>	8.8	<b>£12.05</b>	6.6	<b>£17.30</b>	4.5

	2 mile	% increase from current	3 mile	% increase from current	5 mile	% increase from current
<b>Current T4</b>	<b>£10.90</b>	-	<b>£14.50</b>	-	<b>£21.25</b>	-
Option 1	<b>£11.30</b>	3.7	<b>£14.90</b>	2.8	<b>£21.65</b>	1.9
Option 2	<b>£11.35</b>	4.1	<b>£14.95</b>	3.1	<b>£21.70</b>	2.1
Option 3	<b>£11.75</b>	7.8	<b>£15.35</b>	5.9	<b>£22.10</b>	4

## 8.5 Extra charges

The trade has requested that the additional passenger charge should be increased from 20p to 40p. In light of the benchmarking we would struggle to support this increase but would suggest an increase to 30p.

The trade has requested that the cancellation fee is increased to £5 to act as a deterrent.

The Airport pick up charge should be worded to ensure that the fee can be recouped, without specifying the amount, provided the driver can evidence this. This would ensure that drivers can recoup the fee paid currently

and if this changes in future. However, this would need to be reviewed by City of Edinburgh Council legal team to check the legality of the proposed change.

The wording around soiling should have the 'travel sickness' phrase removed.

## Appendix A. Additional Information

Present: Tony Kenmuir Central Taxis, Laura Lucas Central Taxis, Andrew Mack City Cabs, Scott Blair Unite Union, Murray Fleming Scottish Taxi Federation.

The following items were discussed between our Public Hire Taxi Trade representatives and we urge the City of Edinburgh Council to consider them as the Taxi Fare Table is reviewed.

#### 1. Tariff relative to the marketplace

As of the above date, Edinburgh's tariff ranks 95<sup>th</sup> of 363 on the PHTM (Private Hire and Taxi Monthly magazine) league table for fares over a 2-mile journey at £6.35. Edinburgh is widely recognised as being in the top 10 UK locations for cost of living. The "flag drop" or initial hire price of £2.60 is very low. On journeys shorter than 2 miles our ranking would certainly fall still further although we have no league table information for this. Taxi tariffs exceeding Edinburgh in Scotland are Glasgow in 71<sup>st</sup> at £6.50, Fife in 60<sup>th</sup> at £6.60, East Lothian in 16<sup>th</sup> at £7.00.

#### 2. Glasgow

The size of the taxi fleets in Glasgow and Edinburgh is similar at 1412 and 1316 taxis respectively. Glasgow taxis enjoy a tariff 2.4% higher than Edinburgh measured over 2 miles. Their "flag drop" is £3.30 on Tariff 1 and £4.40 on Tariff 2 which is 27% and 23% higher than Edinburgh respectively so they are further ahead the shorter the journey; although Glasgow covers a larger geographic area.

There are c. £2,500 public hire taxi drivers in Glasgow. A taxi drivers' license renewal there costs £162 generating £405,000 revenue for CGC. There are c. 4,500 public hire drivers in Edinburgh. A license renewal here costs £173 which is 7% higher than Glasgow and generates £778,500 revenue for CEC overall.

Glasgow has limited the number of PHC licenses and Edinburgh has not. Glasgow provides 8 enforcement officers and Edinburgh provides none.

In summary, in Glasgow the taxi trade has a higher tariff, pays lower fees to the council and benefits from consideration and services that the Edinburgh trade has been told are impossible.

#### 3. License Fees

The City of Edinburgh Council is raising license fees at a rate of 3% annually. The tariff review is every 18 months and so fees are rising 4.5% between reviews.

#### 4. Road Tax

Due to the ever-rising capital price of Public Hire Taxis that meet the specifications required by CEC, we are now paying "Luxury Vehicle" road tax at £450; a premium of £310 above the norm of £140.

#### 5. Insurance

One of the main public hire taxi insurance providers is Clegg Gifford with policies from Tradex. Their Edinburgh branch manager estimates that premiums have risen 10% in the past 18 months.

#### 6. Training

The City of Edinburgh Council is introducing City & Guilds training for taxi drivers at a cost of £300 and 30 hours which is approximately 4 days lost work/income. Previously qualified drivers have to

new  
vehicle

## lyr or 3yr badge

re-sit the test every time they renew their license at a cost of £100 and a day off work. This is an additional cost and burden on the trade that is compounded by loss of income.

### 7. Fuel

Diesel costs have risen by 3% in the 12 months from 3<sup>rd</sup> June 2018 to 3<sup>rd</sup> June 2019. Over the last 18 months from 3<sup>rd</sup> January 2018 they have risen 9%. Source: RAC foundation.

### 8. Servicing

The Mercedes Vito has become a staple of the taxi fleet as vehicles are being changed to meet new license conditions. Western Mercedes is the main service agent for Edinburgh. The General Manager estimates that labour charges have risen 11.5% since the last tariff review.

### 9. Tolls / Airport charges

Very soon after the last tariff review, Edinburgh Airport raised the drop off fee by 100% from £1 to £2. The pre-booked pick-up fee has also been increased to £4. Based on experience, we anticipate that any adjustment of the amount that can be passed on to passengers through the fare table will be viewed as an opportunity and be met with another increase from Edinburgh Airport. The trade is firm on the view that all airport charges must be reflected in the fare table and passed on to the passenger in their entirety irrespective of the amount. Airport charges increase regularly and without consultation or notice and it would be unreasonable for CEC to leave the taxi trade forever playing catch-up with increasing airport tolls that we cannot avoid paying as we deliver a public transport service.

### 10. Age & Emissions restrictions ... finance and depreciation

Due to the new license conditions introduced by the City of Edinburgh Council; X% of the taxi fleet must now be replaced. Excluding finance charges, the cost of a LEVC TX is c. £57K, a Mercedes Vito is c. £43K and a Ford ProCab c. £37K. The cost of buying X vehicles at an average of £X is £X in total. The burden of meeting these conditions in the time frame allowed is being met entirely by the trade.

The average taxi operator is now paying £X finance monthly and their vehicle is depreciating at 18% annually which equals £X monthly.

CEC is planning to introduce a Low Emission Zone by 2021 and it is possible that vehicles will have to be changed even sooner to meeting the policies surrounding this. Taxis are categorised as Commercial Vehicles which must all be Euro 6 to enter the zone.

There are 0% interest loans available to some currently. We cannot factor these in as many do not qualify and we do not know when this facility will be withdrawn. Cost of finance must also be factored into the above figures.

### Summary

Taking all of the above into account, the trade feels that the market will not bear the increase in tariff that would be required to compensate us for all our increased costs. As such, we effectively find ourselves consulting on how much loss of income the trade can bear and survive.

Further, due to the policies of CEC we are being overwhelmed by PHC numbers and lack of enforcement. With little deterrent to Private Hire operators routinely breaching the conditions of their licenses, the commerce and viability of the Public Hire taxi trade are being seriously undermined.

We trust that the City of Edinburgh Council is committed to maintaining a Public Hire Taxi trade in the City and its survival and ability to meet the newly imposed standards will be reflected in its review of the Fare Table.

**Recommendations**

The trade feels that it is necessary for any revision of the tariff to be weighted towards shorter journeys by means of the "flag drop". The call-out charge has also not been reviewed for many years and no longer reflects the time and fuel required to travel to a passenger location. The cancellation fee serves as a deterrent to passengers booking a journey and not waiting for their taxi. Booking apps set their cancellation fee at around £5 and our £2.20 should be revised. Christmas Day and New Years Day should be at tariff 4.

Document prepared by Tony Kenmuir, Chairman, Central Taxis on behalf of Central Taxis, City Cabs, Unite Union and The Scottish Taxi Federation.

<b>Subject</b>	<b>Trade meeting 3</b>		
<b>Project</b>	CEC Taxi Fare Review 2019		
<b>Project No.</b>	B2340210	<b>File</b>	Approved Minutes
<b>Prepared by</b>	Liz Richardson and Lewis Haggerty	<b>Phone No.</b>	0113 3884627
<b>Location</b>	City Chambers, Edinburgh	<b>Date/Time</b>	September 13, 2019
<b>Participants</b>	Liz Richardson – Jacobs Lewis Haggerty – Jacobs Laura Lucas – Central Taxis Jacqui Guthrie – Unite Murray Fleming – Scottish Taxi Federation		
<b>Copies to</b>	All invitees	<b>Apologies</b>	Willie Thomson- Unite Les McVay – City Cabs Mark McNally – Central Taxis Scott Blair – Unite

		Action
1	The meeting commenced with LR asking if the trade had come together to agree a way forward on the proposed increase. All attendees stated that this had not happened.	
2	A discussion regarding an increase in fares in line with the CPI of 3.3% (as discussed during Trade meeting 2 held on August 15, 2019) concluded that all attendees felt this increase would be too low to account for the increased costs to the trade.	
3	LR presented the impact of increasing the flag for tariffs 1-4 at £3, £4, £4 and £5 respectively on journeys of varying lengths. Attendees stated that this did not provide an increase on fares of longer than	
4	LL expressed that solely having an increase to the flag would not be a significant enough increase in fares to which all attendees agreed.	
5	MF felt that LR should provide a recommendation for attendees consideration. LR commented that CPI was her preference but she agreed that the resulting increase was not aligned to the rising costs the trade faced.	
6	LR proposed increasing the flag then applying the CPI (3.3%) to the increments of fares where necessary to maintain a reasonable increase in fares. All attendees agreed this option should be explored further.	
7	LR agreed to issue with the minutes the impact on 2, 3 and 5 miles of the following 3 options:  Option 1: Application of CPI at 3.3%  Option 2: Increase of the flag only to £3, £4, £4 and £5	

	Action
<p>Option 3: As Option 2 and the application of CPI (3.3%) to the increments</p> <p>LR stated that she wished the trade to come to a consensus on their proposals for an increase as she would be presenting a number of options in the report. MF agreed to bring the trade together to identify a way forward by Wednesday 18<sup>th</sup> September.</p>	
6	LR asked for responses to the stakeholder consultation as the deadline was 15 <sup>th</sup> September – reminder to be issued. All agreed to reply.

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<b>Subject</b>	Trade meeting 2		
<b>Project</b>	CEC Taxi Fare Review 2019		
<b>Project No.</b>	B2340210	<b>File</b>	Draft Minutes
<b>Prepared by</b>	Liz Richardson and Martin Delchev	<b>Phone No.</b>	0113 3884627
<b>Location</b>	City Chambers, Edinburgh	<b>Date/Time</b>	August 15, 2019
<b>Participants</b>	Liz Richardson – Jacobs Martin Delchev – Jacobs Mark McNally – Central Taxis Laura Lucas – Central Taxis Les McVay – City Cabs Scott Blair – Unite Jacqui Guthrie – Unite Murray Fleming – Scottish taxi Federation		
<b>Copies to</b>	All invitees	<b>Apologies</b>	Willie Thomson- Unite

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	Action
<p>4 LR presented the results from a benchmarking exercise conducted according to the specification agreed during Trade Meeting 1 held on July 16, 2019. The exercise compared Edinburgh to main Scottish and core English cities on the following criteria:</p> <ul style="list-style-type: none"> <li>• 1-, 2- and 5-mile journeys, including daytime and night time</li> <li>• Additional cost per passenger</li> <li>• Call out charge</li> <li>• Cancellation fee</li> <li>• Soiling charge</li> <li>• Wording around 'tolls'</li> </ul> <p>LR confirmed the increase in CPI between January 2018 and July 2019 as 3.3%</p>	
<p>2 LR stated that in the report benchmarking will compare Edinburgh to small cities and towns in its neighboring authorities. LR to look at cities and towns in Midlothian, West Lothian, East Lothian, Scottish Borders and Fife.</p>	
<p>3 A discussion of the results from the benchmarking exercise presented by LR concluded that the Trade wished to see an increase in the tariff. The proposed increase is in line with the proposition made during Trade Meeting 1:</p> <ul style="list-style-type: none"> <li>• T1 flag increased to £3 (with no change to the distance calculation)</li> <li>• T2 flag increased to £4</li> <li>• T3 flag increased to £4</li> <li>• T4 flag increased to £5</li> </ul> <p>LR to calculate the impact of increasing the rates with a flat fee in terms of an overall percentage increase. The results from this exercise are to be sent prior to the next Trade Meeting. A breakdown of how the percentage increase changes for 2-, 3- and 5- mile journeys was requested.</p> <p>The corresponding percentage increase from increasing the fares by a flat fee is to be compared to the increase in CPI (3.3%)</p>	LR
<p>4 It was noted by MF that card payment processing charges are absorbed by the driver currently.</p> <p>MF expressed a desire to see amendments in the conditions/ legislation to make it compulsory for both public and private hires to accept card payments. This view was supported by the other present attendees.</p>	
<p>5 A discussion based on how Edinburgh benchmarks on additional cost per passenger concluded that all attendees wished to see an increase in the charge for additional passengers from 20p to 40p. This proposal was accepted by all present.</p>	
<p>6 In light of the benchmarking presented by LR, JG wished to see an increase in the call out charge from 80p to £1. All attendees agreed.</p>	
<p>7 It was suggested by MM that the cancellation fee should be increased to serve as a deterrent to cancelling or taking a street hire when a booking has been made.</p> <p>The proposed increase is from £2.2 to £5. All attendees agreed.</p>	
<p>8 LR presented fare cards from selected cities to serve as examples for wording related to soiling of a taxi.</p> <p>All attendees agreed that the current amount (£50) is reasonable and should remain the same. There is a desire to come up with a new wording, similar to the one used on the Highland fare card. Both the wording from the fare cards</p>	

	Action
<p>and the charge amount as reported by LR in the benchmarking were used to inform this decision.</p> <p>The charge is to remain £50 flat fee, as opposed to “a maximum of £50”, as seen on some fare cards. The rationale behind this wording is to prevent conflicts with clients where “a maximum of” might be seen as a bargaining opportunity.</p> <p>The question was asked regarding the enforceability of the soilage charge – LR to check</p>	
<p>9 In line with the discussion during Trade Meeting 1, all attendees wish to see a change in the wording around ‘tolls’. LR presented examples of wording used on fare cards in the cities used as a benchmark. The Trade wished to see a new wording that better matches the wording used on the Leeds fare card, allowing any tolls, charges or fees to be recovered by the driver.</p>	LR

<b>Subject</b>	<b>Trade meeting 1</b>		
<b>Project</b>	CEC Taxi Fare Review 1 2019		
<b>Project No.</b>	B2340210	<b>File</b>	Draft Minutes
<b>Prepared by</b>	Liz Richardson and Martin Delchev	<b>Phone No.</b>	0113 3884627
<b>Location</b>	City Chambers, Edinburgh	<b>Date/Time</b>	July 16, 2019
<b>Participants</b>	Liz Richardson – Jacobs Martin Delchev – Jacobs Mark McNally – Central Taxis Tony Kenmuir – Central taxis Laura Lucas – Central Taxis Les McVay – City Cabs Scott Blair – Unite Jacqui Guthrie - Unite		
<b>Copies to</b>	All invitees	<b>Apologies</b>	Murray Fleming – Scottish taxi Federation Willie Thomson- Unite

		Action
5	<p>TK provided a document summarising a meeting held between Central, City Cabs, Unite and the Scottish Taxi Federation. Summarising the discussions from the first meeting, TK raised concerns that Edinburgh is ranked in the top 10 when it comes to the cost of living and 95<sup>th</sup> on tariff sheet. Furthermore, TK pointed out that the current PHTM league table is based on 2-mile journey, however, Edinburgh is a compact city and most of the journeys are at shorter distances. TK is of the opinion that if the tariff tables were based on 1-mile journeys, Edinburgh would fall even further in the ranking, creating greater discrepancy between living costs and taxi fares.</p>	
6	<p>LR ran through the stages of the fare review and explained she would arrange a second trade meeting in August to discuss the findings of the benchmarking exercise. Liz agreed to benchmark based on a 1, 2 and 5-mile fare.</p> <p>Further rationale behind the suggested increase in taxi fares included:</p> <ul style="list-style-type: none"> <li>• Increase in license fees by 3% annually</li> <li>• Taxies are subject to 'luxury vehicle' road tax as the cost of the vehicles exceeds £40,000</li> <li>• A requirement that driver licenses have to be renewed every 1 or 3 years. In line with this renewal drivers have to resit the City and Guilds test every time they renew their licence at a cost of £100 and a day off work.</li> <li>• Increase in the cost of insurance by approximately 10%</li> <li>• Cost associated with the need to update vehicle fleet to be Euro 6 compliant, allowing taxies to enter Low Emission Zones (LEZ)</li> <li>• Increase in running costs</li> </ul> <p>It was recognised that although vehicle running costs are increasing the traditional 'taxi' market is in decline because of competitor hiring app services e.g. Uber. Therefore, a concern was expressed by SB, and supported by</p>	LR

others that any increase should be carefully considered so as not to put people off from using taxis.

All attendees confirmed that they wished to see an increase in the tariff. However, there was no prior agreement on the methodology to calculate the percentage increase nor on the amount of the increase. LR stated that CPI had been used on previous fare increases and she explained that currently this was coming out at a 3.3% increase

The Trade expressed concerns regarding the number of private hire vehicles. The trade wished for the Council to introduce a cap on the maximum number of private car hires licences issued. The general opinion was that public hires are not treated equally to private hires, with private hires not having a fixed tariff.

To further illustrate the disadvantaged position of public hires TK pointed out that with the introduction of LEZ the fleet would need to be updated in order to meet the emission standards. For public hires there is a limited variety of vehicles (3 types) to choose from while there are unlimited options for private hires. The restricted choice of vehicles and the associated price of vehicles suitable for public hires results in a large discrepancy between the cost of updating the public and private hire fleets, with public hires costing more.

In general, the trade was content with the structure of the components listed in the fare card but not with the weighting. All attendees agreed that the fares should be weighted more towards the flag drop across the 4 tariffs.

It was suggested that if a single percentage increase was applied across all tariffs, T3 and T4 would increase disproportionately. With that consideration in mind it was proposed that a percentage increase is applied as follows:

T1 between £3 and £3.2 (with no change to the distance calculation)

T2 between £4 and £4.2 (to keep a pound disparity between the T1 and T2)

T3 between £4 and £4.2

T4 between £5 and £5.2

All attendees agreed that T4 should be applied to Christmas Day and New Year's Day (25<sup>th</sup> and 1<sup>st</sup>) irrespective of day of the week. All attendees wished to retain T4 during night times on Christmas and New Year's Eve.

A brief discussion on the cancellation fee concluded that the fee is too low and should be increased. The suggestion was to increase from £2.2 to £4 or £5.

All attendees wished to be able to recover the full amount for pick-ups and drop-offs at the airport. The current maximum recoverable rate is £2.8 for pick-ups and £1 for drop-offs, whereas the full amount charged is £4 and £2 for pick-ups and drop-offs respectively. The proposed methodology to allow for full recovery of the fee is a change in the wording to allow for all fees, charges or tolls to be recoverable. LR agreed to see how the benchmarked authorities did this

The change of the wording of the cleaning fee is desired to allow for the fee to be applied in any case when a taxi is soiled, not only in cases of travel sickness as it is at present.

Benchmarking to be carried out by Jacobs comparing Edinburgh to main Scottish and English core cities on the following criteria:

- 1-, 2- and 5-mile journeys

	Action
<ul style="list-style-type: none"><li>• Additional cost per passenger</li><li>• Call out charge</li><li>• Soiling charge</li><li>• Wording around 'tolls'</li></ul>	

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

**Draft update 2019 3.3%**

**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	<b>TARIFF 4</b> Monday - Friday 6pm – 6am the following day 6am on Saturday – 6am Monday during Christmas and New Year
<b>CHRISTMAS</b> <b>NEW YEAR</b>	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 style="list-style-type: none"> <li>▪ Initial hire not exceeding 500m</li> <li>▪ Initial 105 seconds of waiting time</li> <li>▪ Combination of initial time and distance</li> </ul>	<b>£2.60</b>	<b>£3.60</b>	<b>£3.60</b>	<b>£4.60</b>
<ul style="list-style-type: none"> <li>▪ Each additional 168m up until 1860m and thereafter each additional 195m</li> <li>▪ Each additional 36 seconds of waiting time</li> <li>▪ Combination of additional time and distance</li> </ul>	<b>£0.25</b>	<b>£0.25</b>		
<ul style="list-style-type: none"> <li>▪ Each additional 178m up until 1940m and thereafter each additional 206m</li> <li>▪ Each additional 38 seconds of waiting time</li> <li>▪ Combination of additional time and distance</li> </ul>	-	-	<b>£0.35</b>	<b>£0.45</b>

**EXTRA PAYMENTS**

<b>When more than 2 passengers</b>	<b>Each</b>	<b>£0.20</b>
<b>Note:</b> 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.		
<b>Each Passenger must be properly seated</b>		
<b>Hires ending at Edinburgh Airport Inner Drop-off Zone</b> (See Note 4 below)		<b>£1.00</b>
<b>Call Out Charge</b> Applicable when pre-booked	<b>£0.80</b>	<b>Airport Pickup</b> For hires commencing at Edinburgh airport
<b>Cancellation Fee</b> Applicable when taxi is pre-booked but not used	<b>£2.20</b>	<b>£0.80</b>
<b>Cleaning Fee</b> Applicable when taxi is soiled (by travel sickness)		<b>£50.00</b>

**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](http://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 £1 extra for this. (2) If the passenger states he is disabled, the £1 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 £1 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 Section, 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  
CIVIC GOVERNMENT (SCOTLAND) ACT 1982  
**FARE TABLE FOR TAXIS**  
Draft update 2019 Flag increase +3.3%

**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	<b>TARIFF 4</b> Monday - Friday 6pm – 6am the following day 6am on Saturday – 6am Monday during Christmas and New Year
<b>CHRISTMAS</b> <b>NEW YEAR</b>	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 style="list-style-type: none"> <li>▪ Initial hire not exceeding 516m</li> <li>▪ Initial 105 seconds of waiting time</li> <li>▪ Combination of initial time and distance</li> </ul>	<b>£3.00</b>	<b>£4.00</b>	<b>£4.00</b>	<b>£5.00</b>
<ul style="list-style-type: none"> <li>▪ Each additional 168m up until 1860m and thereafter each additional 195m</li> <li>▪ Each additional 36 seconds of waiting time</li> <li>▪ Combination of additional time and distance</li> </ul>	<b>£0.25</b>	<b>£0.25</b>		
<ul style="list-style-type: none"> <li>▪ Each additional 178m up until 1940m and thereafter each additional 206m</li> <li>▪ Each additional 38 seconds of waiting time</li> <li>▪ Combination of additional time and distance</li> </ul>	-	-	<b>£0.35</b>	<b>£0.45</b>

**EXTRA PAYMENTS**

<b>When more than 2 passengers</b>	<b>Each</b>	<b>£0.20</b>
<b>Note:</b> 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.		
<b>Each Passenger must be properly seated</b>		
<b>Hires ending at Edinburgh Airport Inner Drop-off Zone</b> (See Note 4 below)		<b>£1.00</b>
<b>Call Out Charge</b> Applicable when pre-booked	<b>£0.80</b>	<b>Airport Pickup</b> For hires commencing at Edinburgh airport
<b>Cancellation Fee</b> Applicable when taxi is pre-booked but not used	<b>£2.20</b>	<b>£0.80</b>
<b>Cleaning Fee</b> Applicable when taxi is soiled (by travel sickness)		<b>£50.00</b>

**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](http://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 £1 extra for this. (2) If the passenger states he is disabled, the £1 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 £1 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 Section, 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.

### Appendix 3

#### Current Tariff

Tariff	IHC (516m)	Increment per 184m up to 1988m	Increment per 213m after 1988m	TOTAL COST per 1 mile	FARE INCREASE %	TOTAL COST per 2 mile	FARE INCREASE %	TOTAL COST per 5 mile	FARE INCREASE %
Tariff 1	£2.60	£0.25		£4.35	20.8%	£6.35	13.3%	£12.35	Not provided
Tariff 2	£3.60	£0.25		£5.35	16.3%	£7.35	11.3%	£13.35	Not provided
Tariff 3	£3.60		£0.35	£5.70	9.6%	£8.50	6.2%	£16.55	Not provided
Tariff 4	£4.60		£0.45	£7.30	7.3%	£10.90	4.8%	£21.25	Not provided

#### Proposed Tariff

Tariff	IHC (516m)	Increment per 184m up to 1988m	Increment per 213m after 1988m	TOTAL COST per 1 mile	FARE INCREASE %	TOTAL COST per 2 mile	FARE INCREASE %	TOTAL COST per 5 mile	FARE INCREASE %
Tariff 1	£3	£0.26		Not provided	Not provided	£6.75	6.3%	£13	5.3%
Tariff 2	£4	£0.26		Not provided	Not provided	£7.75	5.4%	£14	4.9%
Tariff 3	£4		£0.36	Not provided	Not provided	£9.25	8.8%	£17.30	4.5%
Tariff 4	£5		£0.46	Not provided	Not provided	£11.75	7.8%	£22.10	4%

## Appendix 4



Taxi Trade Representatives

Date 6 December 2019

Our Ref

Dear Sir / Madam,

### **TAXI TARIFF REVIEW 2019**

I am writing to update you on the current position regarding the Taxi Tariff Review which commenced earlier this year and with which you have been engaging with Jacobs.

The Council has now received the final report from Jacobs and is preparing a report for the Regulatory Committee in January 2020 to take this forward.

I understand that Jacobs held three consultation meetings with Taxi Trade Representatives on 31 July, 19 August and 13 September 2019. Following these meetings an email was sent to Jacobs on behalf of the representatives, outlining the views of the trade and seeking implementation of the following:

1. A general fare increase of 3.3% on all increments and a 40p increase in the flag drop. This would apply to all tariffs.
2. An increase in the additional passenger charge from 20p to 40p.
3. An increase of the cancellation fee to £5.
4. The wording of the definition of 'soiling' to be revised.
5. All tolls, charges or fees to be recovered by the driver.

Jacobs provided a copy of the draft report to trade representatives on 15 October 2019 and invited comments on the accuracy of the report. I understand that no comments were made. Thereafter the report was submitted to the Council on 18 Nov 2019. I provide a copy of Jacobs final report for your information.

Following the appeal against the decision of the Council in the fare review of 2016, the Council has adopted the practice of writing separately to the trade and explaining what the likely recommendations of Council Officers will be to the committee when it considers the report. This letter sets out the likely recommendations and invites members of the trade to make further submissions if they wish to do so.

The Regulatory Committee will reach its own decision. The following recommendations of Council Officers are simply recommendations, and as such are not binding.

1. The proposal that a 3.3% fare increase should be applied to increments on Tariffs 1 and 2, is likely to be accepted and recommended to the committee.
2. The proposal that 40p should be added to the flag drop of all Tariffs.



3. The proposal that, in addition to the above increases, a 3.3% fare increase should be applied to increments on Tariffs 3 and 4 causes concern, particularly as this would further increase the difference between Tariffs 1 and 2 and Tariffs 3 and 4. I would draw your attention to sections 8.4 and 9.3 of the Jacobs report (attached), which illustrate the resulting differences in the fares, in the event that this proposal is implemented.

Before Council Officers reach a decision about recommendation of this proposal, I invite trade members to submit further evidence showing:

- a) The additional costs borne by the trade which would justify these increases for the Christmas and New Year period; and/or
  - b) Any evidence that the current fare levels at Christmas and New Year is negatively affecting the number of drivers working.
4. Jacobs has recommended an increase of the additional passenger charge to 30p.

Trade members are invited to submit evidence which would justify any increase of the additional passenger fee beyond a general inflationary uplift. It would also be useful to understand what percentage of hires trade members think such an increase would affect.

5. In terms of the proposal to increase the cancellation fee to £5, Council officers are unlikely to recommend this unless trade members can supply evidence that there is a problem with cancellations. Such evidence might be made available from booking offices showing numbers and frequency of cancellations which would justify such an increase. It should be noted that the Jacobs report highlights that no other Local Authority has been identified as operating a similar level of fee.
6. In respect of amending the wording of the soiling charge, this is accepted, and the following wording will be recommended; *"Soiling Charge – maximum £50 payable by a passenger, where the vehicle required to be removed from service for cleaning in order for it to be restored to a useable state and condition"*.
7. In respect of tolls, charges and fees, I note the request from trade members. However, as explained during previous discussions on this issue, the Council's position is that the Council is required to fix an actual fee and it is not legally permissible to allow an arrangement that any fee may be passed on without this being set on the fare card. Accordingly, it will be recommended to the committee that it should not make such a change. As an alternative I invite trade members to put forward proposals for a specific and fixed fee for airport charges, which the Council will consider.

I look forward to hearing from you in response to the above matters. I would be grateful for any reply by Monday 23 December 2019.

Yours sincerely,

Andrew Mitchell  
Regulatory Services Manager

## Appendix 5 – Taxi Trade Responses

**From:** Les McVay [REDACTED]  
**Sent:** 18 December 2019 14:26  
**To:** Andrew Mitchell <Andrew.Mitchell@edinburgh.gov.uk>; Marcos Martinez <Marcos.Martinez@edinburgh.gov.uk>  
**Subject:** Tariff Review

Dear Andrew

In reply to your letter dated 6<sup>th</sup> December 2019.

Concerning the tolls, charges and fees section of the tariff review, City Cabs would like to put forward an alternative to the current proposal that would fall in line with the current charges being made at Edinburgh Airport.

The permitted drop-off fee on the current tariff sheet is £1. City Cabs would request that this is increased to £2 in line with the existing airport charges.

The permitted pick-up fee on the current tariff is £2.80. City Cabs would request that this is increased to £2.90 in line with the existing airport charges.

City Cabs would also ask that an increase in the extra passenger fee be implemented. Please see details of when the last increase was granted. The additional passenger fee was increased from 10p to 20p back in 1997, some 22 years ago. We feel that this increase is justifiable given the period since the last increase in this area.

Kindest Regards  
Les McVay  
Company Secretary  
1 Atholl Place, Edinburgh, EH3 8HP  
[REDACTED]  
[REDACTED]

**Web:** [www.citycabs.co.uk](http://www.citycabs.co.uk)



# CITY OF EDINBURGH COUNCIL

## FARE TABLE FOR HIRE VEHICLES

(OPERATIVE FROM 20th APRIL 1996)

### For up to 2 Passengers

For the initial hire not exceeding 640 yards (585.2 metres) ... ..		<b>TARIFF 1</b>	<b>TARIFF 2</b>
For the initial period of waiting time 120 seconds ... ..	}	<b>£1.20</b>	<b>£1.70</b>
For a combination of time and distance as above ... ..			

### Tariff 2

Will only apply Monday to Thursday from 18.00 hours to 06.00 hours and from 18.00 hours on Friday to 06.00 hours on Monday following

For each additional 320 yards (292.6 metres) or part thereof ... ..	}		
For each additional period of waiting time of 60 seconds ... ..			
For a combination of additional time and distance ... ..		<b>20p.</b>	

### EXTRA PAYMENTS

#### Additional Passengers:

When more than two passenger ... ..	}		
		<b>10p. each</b>	

#### Note:

Only two children under 12 years will be reckoned as one passenger. No extra fare will be charged in respect of one child under 5 years. Each passenger must be properly seated.

#### Call Out Charge:

Applicable when taxi is pre-booked ... ..	}		
		<b>60p.</b>	

#### Cancellation Fee:

Applicable when taxi is pre-booked but not used ... ..	}		
		<b>£1</b>	

#### Cleaning fee:

Applicable when taxi is soiled by travel sickness due to alcohol ... ..	}		
		<b>£10</b>	

#### Luggage:

For each item carried outside the passenger compartment ... ..	}		
		<b>10p.</b>	

### Special Tariffs for Hires

In the Christmas and New Year periods:

These tariffs will apply between 18.00 hours on 24th December and 0600 hours on 27th December and 18.00 hours on 31st December and 06.00 hours on 3rd January (inclusive) to the initial hire only and thereafter waiting time or a combination of time and distance will be the same as Tariff 1 above.

#### Tariff 3

Will apply to initial hires Monday to Friday between 06.00 hours and 18.00 hours.	}		
		<b>£2.70</b>	

#### Tariff 4

Will apply to initial hires Monday to Thursday 18.00 hours to 06.00 hours and 18.00 hours on Friday to 06.00 hours the following Monday.	}		
		<b>£3.20</b>	

#### 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 agreement before the journey commences.
- (3) A copy of the Conditions for the Licensing of Taxis and Private Hire Cars may be inspected at the Cab Unit, 33 Murrayburn Road, Edinburgh.
- (4) The above Tariff also applies to Private Hire Cars when fitted with a meter.

**APPROVED by the EDINBURGH DISTRICT COUNCIL 15th MARCH 1996**

Any hirer aggrieved at the level of the fare charged for any hire or for any other reason should note the licence number of the vehicle and then refer the matter to the Cab Inspector, Cab Unit, 33 Murrayburn Road, Edinburgh (Tel. 0131 455 7975) during normal office hours.

**CITY OF EDINBURGH COUNCIL**  
**FARE TABLE FOR HIRE VEHICLES**

**(OPERATIVE FROM 29th NOVEMBER 1997)**

**For up to 2 Passengers**

For the initial hire not exceeding 600 yards (548.6 metres) ... ..	} £1.30	} £1.80
For the initial period of waiting time 104 seconds ... ..		
For a combination of time and distance as above ... ..		

**Tariff 2**

Will apply on weekdays from 18.00 hours to 06.00 hours the following day and at weekends from 06.00 hours on Saturday until 06.00 hours on Monday following

For each additional 300 yards (274.3 metres) or part thereof ... ..	} 20p.
For each additional period of waiting time of 52 seconds ... ..	
For a combination of additional time and distance ... ..	

**EXTRA PAYMENTS**

**Additional Passengers:**

When more than two passenger ... ..	} 20p. each
-------------------------------------	-------------

**Note:** Only two children under 12 years will be reckoned as one passenger. No extra fare will be charged in respect of one child under 5 years. Each passenger must be properly seated.

**Call Out Charge:**

Applicable when taxi is pre-booked ... ..	} 60p.
---	--------

**Cancellation Fee:**

Applicable when taxi is pre-booked but not used ... ..	} £2.00
--	---------

**Cleaning fee:**

Applicable when taxi is soiled by travel sickness due to alcohol ... ..	} £20.00
---	----------

**Payment of Fare by Credit/Debit Card**

Applicable when paying fare by above means ... ..	} £1.00
---	---------

**Special Tariffs for Hires**

In the Christmas and New Year periods:

These tariffs will apply between 18.00 hours on 24th December and 0600 hours on 27th December and 18.00 hours on 31st December and 06.00 hours on 3rd January (inclusive) to the initial hire only and thereafter waiting time or a combination of time and distance will be the same as Tariff 1 above.

**Tariff 3**

Will apply to initial hires on weekdays from 06.00 hours and 18.00 hours ... ..	} £2.80
---	---------

**Tariff 4**

Will apply to initial hires on weekdays from 18.00 hours to 06.00 hours the following day and at weekends from 06.00 hours on Saturdays until 06.00 hours the following Monday	} £3.30
--	---------

- 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 AGREEMENT BEFORE THE JOURNEY COMMENCES.
  - (3) A copy of the Conditions for the Licensing of Taxis and Private Hire Cars may be inspected at the Cab Unit, 33 Murrayburn Road, Edinburgh.
  - (4) The above Tariff also applies to Private Hire Cars when fitted with a meter.

**APPROVED by the CITY OF EDINBURGH COUNCIL on 14th NOVEMBER 1997**

Any hirer aggrieved at the level of the fare charged for any hire or for any other reason should note the licence number of the vehicle and then refer the matter to the Cab Inspector, Cab Unit, 33 Murrayburn Road, Edinburgh (Tel. 0131 529 5000) during normal office hours Monday to Friday 08.00 to 16.00.

*Handwritten notes:*  
 2.78  
 2.80  
 2.78  
 3.99  
 3.99

**From:** Guthrie, Jacqueline (Branch activist)

**Sent:** 19 December 2019 12:39

**To:** Andrew Mitchell <[Andrew.Mitchell@edinburgh.gov.uk](mailto:Andrew.Mitchell@edinburgh.gov.uk)>

**Subject:** Taxi Tariff Review 2019

Dear Mr Mitchell,

As of your letter dated 06th December 2019, please find below our response to this.

Although we appreciate the Council requesting feedback from the trade representatives we have to point out the timetables for the fixing of the scales will over run again due to Edinburgh Council. The previous scales came in to effect on 18<sup>th</sup> June 2018 and therefore in accordance with the civic government Scotland act 1982 the new scales must be fixed by the 18<sup>th</sup> December 2019 or the council is again in breach of the act as per extract below :-

**17 Taxi fares.**

**(2) The licensing authority must fix scales for the fares and other charges mentioned in subsection (1) within 18 months beginning with the date on which the scales came into effect.**

Yet again we are seeing a slow paced review that will not see an increase on the fares until at least March 2020, which will be almost 3 months after the actual date it is meant to be according to the above legislation.

- 1. The proposal that a 3.3% fare increase should be applied to increments on Tariffs 1 and 2, is likely to be accepted and recommended to the committee.**

No Issues

- 2. The proposal that 40p should be added to the flag drop of all Tariffs.**

No Issues

**3. The proposal that, in addition to the above increases, a 3.3% fare increase should be applied to increments on Tariffs 3 and 4 causes concern, particularly as this would further increase the difference between Tariffs 1 and 2 and Tariffs 3 and 4. I would draw your attention to sections 8.4 and 9.3 of the Jacobs report (attached), which illustrate the resulting differences in the fares, in the event that this proposal is implemented.**

**Before Council Officers reach a decision about recommendation of this proposal, I invite trade members to submit further evidence showing:**

Current T2 for 2 miles is £7.35

T3 for 2 miles is £8.50 with a £1.15 difference from T2  
T4 for 2 miles is £10.90 with a £3.55 difference from T2

3.3% T2 for 2 miles £7.75

T3 for 2 miles £9.25 with a £1.50 difference from T2 ( overall increase of 0.35p)

T4 for 2 miles £11.75 with a £4.00 difference from T2 (overall increase of 0.45p)

So overall we are looking at an average of 0.40p increase on the tariff, which still is less than time and a half on the Festive Tariff when the average workers at this time would be on a minimum of double time and a day in lieu.

If there is no increase in T3/T4 to 3.3% then you are seeing a loss of earnings not an increase from previous year, as at the moment from T2 to T3 there is a £1.15 difference, this would decrease to £0.75p if no increase is given.

**a. a) The additional costs borne by the trade which would justify these increases for the Christmas and New Year period; and/or**

If there was no increase to T3 and T4 of 3.3% as stated above the trade would be working at a loss yet the cost of purchasing and running a Taxi, has gone up.

**b. b) Any evidence that the current fare levels at Christmas and New Year is negatively affecting the number of drivers working.**

We polled our members asking them, if they would work the festive season if there was no increase to the T3 and T4, 65% said NO, they wouldn't work.

**4. Jacobs has recommended an increase of the additional passenger charge to 30p.**

**Trade members are invited to submit evidence which would justify any increase of the additional passenger fee beyond a general inflationary uplift. It would also be useful to understand what percentage of hires trade members think such an increase would affect.**

The additional passenger charge has NOT been subject of any general inflationary uplift and has remained static for at least ten or more years. There is no measure of how many passengers are in each vehicle per journey and therefore we cannot advise what percentage of hires would be affected.

**4. In terms of the proposal to increase the cancellation fee to £5, Council officers are unlikely to recommend this unless trade members can supply evidence that there is a problem with cancellations. Such evidence might be made available from booking offices showing numbers and frequency of cancellations which would justify such an increase. It should be noted that the Jacobs report highlights that no other Local Authority has been identified as operating a similar level of fee.**

The £5 cancellation fee is more used as deterrent than able to be collected from the passenger, saying that Drivers using the Gett platform do get a £5 cancellation fee after 5 minutes of waiting if the passenger fails to arrive, so to have the tariff card reflect this, would deter passengers booking taxi's and failing to arrive.

**6. In respect of amending the wording of the soiling charge, this is accepted, and the following wording will be recommended; *“Soiling Charge – maximum £50 payable by a passenger, where the vehicle required to be removed from service for cleaning in order for it to be restored to a useable state and condition”.***

No Issue

**7. In respect of tolls, charges and fees, I note the request from trade members. However, as explained during previous discussions on this issue, the Council's position is that the Council is required to fix an actual fee and it is not legally permissible to allow an arrangement that any fee may be passed on without this being set on the fare card. Accordingly, it will be recommended to the committee that it should not make such a change. As an alternative I invite trade members to put forward proposals for a specific and fixed fee for airport charges, which the Council will consider.**

As of 17/12/2019 the Airport has increased its pick up charge to £5 for 0-15 minutes and with the current tariff fee of £2.80 allowed to be re-reimbursed we are at a loss of £2.20 and with the meter starting at £2.60 and £3.60 respectively we are starting at 0.40p/£1.40 drop off the flag at the Airport, this is highly unacceptable.

We are aware that there is a decrement card for the use of the Airport, but that too is subject to increase and still doesn't give the driver a reimbursement of their costs lost.

Section 17, Taxi fares of the Civic Government (Scotland) Act 1982, in subsection 4a before fixing scales under subsection 2 the licensing authority must consult with persons or organisations appearing to be representatives of taxis within its area, which we have duly done to advise you that we would like to see the Tariff Card, have wording that we can be reimbursed the full tolls that we can incur.

Highland Council unlike other Cities on the report from Jacobs have to follow the legislation in the Civic Government (Scotland) Act 1982 and they have on their Tariff card :-

Any Bridge Tolls or Ferry Charges – where applicable  
Any Airport car parking charges ( only chargeable on production of a receipt to the hirer)

This is the wording we would like to see on Edinburgh Council's Taxi Tariff card, a receipt is given when exiting the Airport and this can be given to the hirer.

In Subsection 3 of Section 17 of the Civic Government (Scotland) Act 1982 it states you **MAY** alter fares or other charges so you can legally allow the wording on the Tariff card to re Tolls/Fees to be FULLY reimbursed like Highland Council's tariff card.

Thank you.

Regards,

***Jacqueline Dunn***  
***Edinburgh Cab Branch Secretary***

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**From:** Scottish Taxi Federation [REDACTED]  
**Date:** 23 December 2019 at 09:55:14 GMT  
**To:** <[Andrew.Mitchell@edinburgh.gov.uk](mailto:Andrew.Mitchell@edinburgh.gov.uk)>  
**Subject:** Taxi Tariff Review 2019

Dear Mr Mitchell,

**Further to your letter dated 6th December, the STF responses are detailed below.**

**1 & 2** - Setting aside the debate regards tariff 3 & 4 it is essential that the increase of 3.3% plus an additional 40p on the drop of the flag for tariff 1 & 2 is applied to meet the additional costs being borne by the taxi trade.

Applying an inflationary increase of 3.3% in isolation would fail to recognise the significant increase in costs attributable to the Age & Emission policy which has increased capital costs and impacted on the residual values of the fleet.

We would urge the Committee to support this aspect of the review and note that Jacobs recommend approval @ 8.3 (option 3) in their report.

**3** - The increase in Tariff 3 & 4 is designed to encourage drivers to operate during the festive season and ensure that they are suitably rewarded in line with other transport providers who provide at a service at this time. Licensing areas that border Edinburgh such as East Lothian already operate on a higher tariff with a £5 drop of the flag applicable during this period.

**4** - Jacobs have recommended an increase to 30p, our only concern with this level of increase is operational as the extras increment on the meter will need to drop from 20p to 10p to facilitate this change.

**5** - Cancellations are a problem and this can impact on service delivery, we support an increase that would seek to deter passengers from booking a taxi that is not required and compensate the driver for his loss of earnings.

**6** - Agreed.

**7** - The trade recognises the difficulties in dealing with this type of charge. Transport Hubs are it seems accountable to no one and they regularly increase their charges without consultation and apply a revised rate that far exceeds any recognised inflationary mechanism. During the term of the current tariff, Edinburgh Airport increased the drop off fee from £1 to £2 overnight and taxi drivers have been unable to recover that cost from the customer.

More recently the cost of picking up a pre booked customer has risen from £4 to £5 and the reduced cost applicable to decrement card holders is scheduled to rise in April 2020.

If your legal advice insists that an actual fee must be agreed then we would ask that you adjust the tariff in line with existing charges and seek further guidance on the options available to CEC to restrict transport hubs from profiteering at transport providers and the general public's expense.

**Murray Fleming**  
**Secretary**

Although we appreciate the Council requesting feedback from the trade representatives, we must point out that the timescales for fixing the new tariff will over run again. The existing tariff came into effect on 18<sup>th</sup> June 2018 and therefore in accordance with the Civic Government Scotland Act 1982 the new tariff should have been fixed by the 18<sup>th</sup> December 2019.

Relevant extract from the Act is detailed below:

**17 Taxi fares.**

*(2) The licensing authority must fix scales for the fares and other charges mentioned in subsection (1) within 18 months beginning with the date on which the scales came into effect.*

Assuming the Committee supports an increase in line with the recommendations the effect of this results is every taxi driver in Edinburgh who is entitled to the benefit of a fare increase is delayed and any additional income has been lost for that period and it can never be re-cooped by the trade. In an employee situation income would be backdated, however that is not possible for the taxi trade, so it is imperative that these dates are strictly adhered to in the future.

Unfortunately, due to the delay in the process the taxi trade is anticipating, at best the end of February 2020 or possibly March before the new tariff can be implemented, given the Committee calendar and the requirement to advertise any changes for 28 days. This will be a minimum of two months lost revenue for 3000+ Edinburgh Taxi drivers.

**1. The proposal that a 3.3% fare increase should be applied to increments on Tariffs 1 and 2, is likely to be accepted and recommended to the committee.**

Agreed

**2. The proposal that 40p should be added to the flag drop of all Tariffs.**

Agreed

**3. The proposal that, in addition to the above increases, a 3.3% fare increase should be applied to increments on Tariffs 3 and 4 causes concern, particularly as this would further increase the difference between Tariffs 1 and 2 and Tariffs 3 and 4. I would draw your attention to sections 8.4 and 9.3 of the Jacobs report (attached), which illustrate the resulting differences in the fares, in the event that this proposal is implemented.**

**Before Council Officers reach a decision about recommendation of this proposal, I invite trade members to submit further evidence showing:**

Unfortunately the report does not include a section 9.4 on the attached report and therefore I am unable to draw any conclusion. Please advise if this was a typing error or if any part of the attached report is missing...

**a) The additional costs borne by the trade which would justify these increases for the Christmas and New Year period; and/or**

This point is not about additional cost borne by the trade this is about incentivising the drivers to work on a day when most would choose to spend it with their families. The festive tariff was introduced over 20 years ago for the purpose of ensuring people could use the taxi services available and enjoy the festive period without concerns regarding transport. For example as the current scales are set, a taxi driver is earning less on tariff 3 on Xmas dayshift than a night shift driver would earn on boxing night on tariff 4. Prices are enhanced for all workers over the Xmas period and this should be reflected in the tariff for the taxi trade also. The highest rate available to a taxi driver (tariff 4) does not even equate to double time and it's currently set at approx. 1.8 x normal rate. If the drivers who operate on the CEC Tariff are not incentivised and do not choose to work their shifts then the public do not have choices and may be subjected to unlimited surge pricing from alternative transport options. For comparison we have established that Lothian Bus drivers who have over one years' service are entitled to double time and a day in lieu during this period which translates to the equivalent of triple time.

**b) Any evidence that the current fare levels at Christmas and New Year is negatively affecting the number of drivers working.**

Historically Xmas day has always been busy for the taxi trade as many people wish to celebrate and consume alcohol. In December 2014 Scotland lowered its drink driving limits to the lowest in the U.K. The limit is now 50 milligrams of alcohol per 100 millilitres of blood, or 22 micrograms of alcohol per 100 millilitres of breath. This change re-enforces the need to encourage professional drivers to make themselves available so others can be conveyed to their destinations.

Taxi Companies are a vital transport solution for Hospitals and a wide range of business during this period many relying on a service being provided to tourists.

What we are likely to see during the festive period is drivers working shorter hours as they choose to see their families and alter their work commitments accordingly.

**4. Jacobs has recommended an increase of the additional passenger charge to 30p.**

**Trade members are invited to submit evidence which would justify any increase of the additional passenger fee beyond a general inflationary uplift. It would also be useful to understand what percentage of hires trade members think such an increase would affect.**

The additional passenger charge has not been subject of any general inflationary uplift and has remained static for 22 years now. The amount increased from 10p to 20p in 1997 and has not changed since. There is no measure of how many passengers are in each vehicle per journey and therefore we cannot advise what percentage of hires would be affected.

**5. In terms of the proposal to increase the cancellation fee to £5, Council officers are unlikely to recommend this unless trade members can supply evidence that there is a problem with cancellations. Such**

**evidence might be made available from booking offices showing numbers and frequency of cancellations which would justify such an increase. It should be noted that the Jacobs report highlights that no other Local Authority has been identified as operating a similar level of fee.**

We have requested an increase in the amount for the cancellations to act as a deterrent rather than a desire to receive an enhanced cancellation fee. In the world of technology, we now live in there are a large number of people who book with multiple taxis companies and apps and then take the first vehicle to arrive with no regard for the other drivers. This results in unnecessary downtime and associated costs in addition to unnecessary emissions. The app companies operating in Edinburgh such as GETT & Uber are already charging £5 cancellation charge. We have analysed a one month period in November 2019 and the cancellation rate on contract jobs are at circa 2%. Approximately one in every 50 jobs results in a cancellation.

**6. In respect of amending the wording of the soiling charge, this is accepted, and the following wording will be recommended; *“Soiling Charge – maximum £50 payable by a passenger, where the vehicle required to be removed from service for cleaning in order for it to be restored to a useable state and condition”.***

Agreed

**7. In respect of tolls, charges and fees, I note the request from trade members. However, as explained during previous discussions on this issue, the Council’s position is that the Council is required to fix an actual fee and it is not legally permissible to allow an arrangement that any fee may be passed on without this being set on the fare card. Accordingly, it will be recommended to the committee that it should not make such a change. As an alternative I invite trade members to put forward proposals for a specific and fixed fee for airport charges, which the Council will consider.**

We have real concerns with regards to the council having no control over the charges being imposed at the airport. On 17/12/2019 the airport without consultation has increased the pre-booked pick-up charge from £4 to £5. Within 24 hours an online petition has gained more than 1500 signatures objecting to the increase. We can only support a fixed amount if there is an assurance from the council that they can re-visit the amount during the term of the Tariff out with the normal review (as was done during the fuel shortage circa 2008). There appears nothing to prevent the Authority from reviewing a particular charge from time to time although the request was made mid fare review when the airport doubled the drop off zone charge and the council would not consider reviewing the tariff fare card at the time. We would wish some assurance that if the Airport continue to increase charges, then the Council will look at revising the charge to ensure that drivers are not out of pocket. If that is acceptable to CEC then we would accept the amount is set equal to the current charges however it is worth noting that the Highland council DO NOT have a fixed amount on their tariff sheet and they are also governed by the Civic Government Scotland Act 1982 unlike many of the other cities used for comparison in the report which are English. We have done a basic calculation based on a quiet week in December (winter schedule) and due to the fact the council would not re-visit the tariff mid-term when the increase was imposed, the drivers in CRT alone are suffering cost of an additional £3000 per week. Over the entire Edinburgh taxi trade (we have approx. 1/3 of the fleet) the figure the entire trade is suffering is an additional charge to the airport of £9000 per week and since the introduction of the drop off increase from £1 to £2 in November 2018 (56 weeks ago) this has cost the taxi trade in the region of an additional £500,000. That figure is a conservative estimate as the number of jobs reduce during the winter schedule and that was the period the figures were calculated from. This amount is based on an increase of £1 per drop off.

Laura Lucas

Director

For and on behalf of Central Radio Taxis (Tollcross) Limited