

Reading Borough Council
Civic Offices
Bridge Street
Reading
RG1 2LU



21/07/2022

To: Reading Borough Council's Licensing Applications Sub-Committee:

INTRODUCTION

1. Based on my written submissions to Reading Borough Council's Licensing Applications Sub-Committee dated 10th July 2022, I strongly oppose the decision made by the Committee to increase Hackney carriage fares implemented on 12th July 2022.
2. It is also important to bring to the attention of the Committee that a petition is in circulation on the taxi rank, opposing the current fare increase and indeed clarifying that a large number of Reading Taxi Association members had not been consulted by the Reading Taxi Association (RTA), specifically with regards to the £1 flag drop increase proposed by the RTA to this Committee.
3. It is disappointing to learn that some taxi drivers were reluctant to sign the said petition to avoid any backlash and repercussions from other taxi drivers and indeed the RTA itself.
4. Therefore, and under the circumstances the identity of those who have signed the said petition must remain confidential and anonymous.
5. Other taxi drivers have reported that the RTA have been scaremongering drivers into not signing the petition and voicing their views and concerns. Stating that any opposition to the currently implemented fare increase by taxi drivers could lead to further delays with some taxi drivers have even been told by the RTA that it could take up to a year before the matter is reviewed.
6. Some drivers have even reported being told by the RTA that they could lose their right to any fare increase altogether if they opposed this increase.

BACKGROUND

7. The Current Committee implemented the fare increase as recommended by The Reading Taxi Association's (RTA) who proposed a fare increase on the flag drop rather than a decrease to yardage and time in the usual manner.
8. This would mean increasing the current flag drop by £1.00 on both day and night tariffs. The day tariff currently set at £2.60, would therefore increase to £3.60, and the night tariff which is currently set at £3.60 would therefore increase to £4.60.
9. I, therefore, strongly disagree and oppose the fare increase of £1.00 flag drop as being fair in its entirety on the following grounds:

- (a) RTA members have not fully been consulted by the RTA who have also failed to be transparent with its members on this issue;
- (b) The said fare increase may be unfair, disproportionate, and discriminatory in nature under the Equality Act 2010 to some taxi users.

REVIEWING TAXI FARES AND TARIFFS

10. When considering changes to taxi fares and tariffs the Committee must aim to try to strike an appropriate balance between taxi drivers being fairly paid and taxi users getting fair, reasonable, and affordable fares.
11. The current fare increase fails to strike this appropriate balance in its entirety and must be reviewed or disregarded completely.
12. To assist the Committee in achieving its objectives regarding striking the appropriate balance when considering any increase in fares, I submit that the following: Six factors should be taken into consideration:
 - (1) Use the taxi vehicle and driver's running costs when determining any potential changes to taxi fares and tariffs;
 - (2) Consider any changes to the costs of being a taxi driver in Reading along with the need for fares to be fair, reasonable, and affordable for users;
 - (3) Take into account the need to maintain reasonable and justifiable differences in the tariffs for journeys in the:
 - I. Daytime;
 - II. Evening;
 - III. Weekends;
 - IV. At night; and
 - V. On public holidays.
 - (4) Take into account the need to maintain reasonable and justifiable differences in fares as the distance and duration of a taxi journey increases; this requires the Committee to review waiting time and time spent in traffic and so on;
 - (5) Recognise specific criteria regarding taxi licensing and services in Reading for example taxi vehicles having to meet the Conditions of Fitness; and
 - (6) Having due regard to the impact of changes to fares and tariffs on those sharing characteristics protected under the Equality Act 2010. This includes the impact on those who may use taxis more frequently or are more reliant on them compared to others because they are in a protected group.

This suggests that the Committee's current fare implementation could be unfair, disproportionate, and discriminatory in nature between users.

The current implementation means a typical journey where users previously paid up to £5.00 would under the current plans increase by 20%. Compare this to those users who were previously paying up to 20.00 would now only be paying an increase of 5% and so on.

Under the circumstances this could be seen as unfair, disproportionate, and discriminatory in nature between users and therefore the Committee must seek independent legal advice in this regard to prevent any prejudice between users.

Taxi running costs

13. As mentioned above when considering any increase, it is fundamental to consider taxi driver vehicle running costs as well as other costs of being a taxi driver, as the cost of running a taxi in the current climate is expensive to say the least.
14. A break down of the current costs of running a taxi should provide the Committee with a good illustration as to how fares and tariffs should be reviewed as costs relating to being a taxi driver.
15. The cost includes a number of different components covering drivers' operating costs for example: (This is a non-exhaustive list)
 - (a) vehicle costs;
 - (b) parts;
 - (c) tyres;
 - (d) servicing;
 - (e) insurance; and
 - (f) most importantly under the current climate fuel costs.
16. Please also note that drivers who are currently renting from other proprietors do not incur all the above costs directly but do contribute towards the running cost components indirectly through rental payments, this of course precludes the cost of fuel which renting drivers must pay directly.
17. It is imperative that the figures for these running cost components are reviewed when the Committee considers a taxi fares and tariffs increase.
18. The fact of the matter is when reviewing taxi fares the Committee should not look at for example a single running cost component such as fuel in isolation but must look at the running costs components as a whole.
19. The whole aim and purpose of a fare increase is to ensure most importantly that taxi drivers are paid fairly so that:
 - (a) taxi drivers can cover their running or operating costs.
 - (b) taxi driving remains a viable career and licensed taxi drivers do not cease trading simply because the running costs of a taxi exceed potential income. As this could

negatively affect the supply of taxis and mean taxi users are unable to get a taxi or must wait longer for a taxi;

20. It seems clear that the RTA under the circumstances have failed to take into consideration the above running cost components when reviewing any proposals for a taxi fare increase on behalf of all RTA members and the trade as a whole.
21. Also, the Committee should take additional factors into consideration when reviewing fares and tariffs, such as the requirement for taxi drivers to change their vehicles to electric as required by the Council in the next few years.

Additional factors

22. Other additional factors which the Committee should take into consideration when reviewing taxi fares include the impact that the coronavirus pandemic has had on the taxi industry which taxi drivers are still trying to recover from.
23. As the Committee is aware taxi drivers were hit hard during the pandemic and the near future is uncertain in this respect.
24. The requirement for taxi drivers to change their vehicles to electric vehicles, as per Reading Borough Council's current emissions policy is also another crucial factor which the Committee should take into consideration, as well as rising inflation and the current cost of living in this case on taxi drivers;
25. It is also important that taxis remain affordable for users because:
 - (a) taxis may be particularly important for some people who require an accessible vehicle or a door-to-door service;
 - (b) taxis provide an important service late at night or otherwise and if taxis are considered too expensive people may be more likely to use an unlicensed vehicle or unbooked PHVs or walk when this is a less safe option.

Other matters to consider

26. The Committee is also invited to recommend that:
 - (a) the 'extra charges' are increased from 20p; and
 - (b) as a matter of transparency, the fare chart is updated with regards to toll charges such as: Ulez, Congestion Charge, and
 - (c) relevant drop off charges at Heathrow; Gatwick; Luton and Stansted airport.

PROPOSAL

27. This Committee is invited to apply the fare increase and tariff increase in the usual manner which is a combination of:
- A. A proportionate increase in the flag drop or flag down rate;
 - B. An increase in yardage during the day on tariff one, up by at least 10% and during the evening or night rate on tariff two by 13.5%;
 - C. Waiting time/duration should be reviewed and increased accordingly to a reasonable amount due to time spent in traffic;
 - D. increase in extras 20p to at least 40p;
 - E. In addition, the waiting time should be increased to £20 per hour from what it is right now given the economic climate.
28. In addition, this Committee is invited to review any increase in fares and tariffs after 12 months of implementation as a matter of transparency in the best interests of users as well as taxi drivers.

CONCLUSION

29. In conclusion, I therefore strongly oppose the current fare increase for the reasons mentioned above, as it is unlikely to cover increasing taxi driver vehicle overheads as well as the cost of their living.
30. The fare increase should be set in accordance with a combination of a dropdown rate, yardage, and time as well as the other recommendations made above.
31. I therefore respectfully invite this Committee to review and if required disregard the fare increase currently being implemented based on my submissions and invite this Committee to take into consideration those proposals put forward applying the common-sense approach.
32. I look forward to addressing this Committee in the next forthcoming Committee meeting and having this matter concluded as an urgent priority.

Yours sincerely



(A Taxi Driver)

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