



Licensing Committee  
Brighton & Hove City Council

October 5 2015

Dear Councillors

### Uber Operator Licence Application

The GMB Brighton & Hove Taxi section would like to make it very clear that there is no objection to Brighton & Hove City Council granting an Operator's Licence on commercial grounds. Indeed we welcome competition in the trade.

However...we would like offer the following points for the Licensing Committee to take into consideration when deciding as to whether Uber should be granted a Brighton & Hove Operators Licence which is a local requirement for operating a private hire company in the UK. *Hackney carriages do not require an Operators Licence*

- 1: What exactly is Uber?
- 2: Wheelchair Access and Wheelchair Bookings
- 3: Surge Pricing
- 4: Pre-booking an Uber vehicle
- 5: Communication

#### 1: What exactly is Uber?

On the Uber UK website .. in the small print its states: *"\*Uber is not a transportation provider"* And yet it is applying for an Operator's Licence?

Surely the principle and purpose of being a legitimate private hire operator is to transport people around?

So what exactly would the council be licensing? Would the council be just licensing a smart phone app...or rather a 'virtual operator' ?

#### 2. Disabilities / Wheelchair Access and Wheelchair Bookings

For many years there has been a close working relationship between the council and the major Brighton & Hove taxi operators with regard to wheelchair accessibility. *Compared to other areas it is considered that such a working relationship is quite unique in the taxi trade ...where the local trade reps and Operators meets with the council on a regular basis throughout the year to discuss various trade matters.*



In the current Blue 3<sup>rd</sup> Revision under 'Section 3. Part A. **Procedure for Licensing a Private Hire Operator**' it states:

##### **146. General.**

Anyone who makes provision for the invitation or acceptance of bookings for a private hire vehicle must hold an operators licence, (with the exception of those who only operate vehicles covered by section 75 of the Act of 1976). This means that any individual (group or company) which advertises the services of any private hire vehicle with the services of a driver for hire and reward, or has a mobile telephone or pager which is carried within a licensed vehicle then that driver and vehicle have made provision for the acceptance of bookings for hire and reward and will be required to hold a private hire operators licence.

Brighton and Hove City Council are subject to duties under the Equalities Act 2010 which includes the duties to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.

In relation to the Hackney and Private Hire as the licensing authority we are wishing to ensure that the needs and requirements of those with a disability are being acknowledged and met.

**Primary issues for the Council to take note of are:**

- Mobility – this is being addressed by the introduction of wheelchair accessible cabs. It is noted that certain service users who may have mobility issues still prefer old style saloon cars. The trade should be able to respond as appropriate where a particular type is requested/
- Visual impairment - drivers to be aware that greater assistance will be required. As per the detail already included in this document.
- Hearing impaired – note should be taken that those with hearing difficulties should wherever possible be provided with a text service.
- Awareness of those with mental health issues.
- Awareness of those with learning disabilities.
- Training for drivers on disability awareness for instance not assuming that because someone is slurring speech that they are drunk as opposed to having neurological disorder.

**It is desirable that the operators can on request provide monitoring information. What is required are figures on the numbers of journeys undertaken by those with an obvious disability or where one has been declared – personal information is not required. In addition where there has been an issue around a disability the details of that issue and what if any steps were taken to address that and prevent its reoccurrence.**

**This information will be required to be provided annually when the application for renewal is made.**

The last two paragraphs clearly shows that the council require “...monitoring information” regarding “figures on the numbers of journeys undertaken by those with an obvious disability or where one has been declared”... and may be quite unique to Brighton & Hove and this may reflect as to where Uber has been licensed in other areas where such an exercise to establish disability monitoring has not been adopted.

We would not expect any reduction in the obligations of Brighton & Hove Operators to accommodate any prospective Operator who may not be able to achieve the well established required standard. It is questioned as to whether a smart phone app (Uber).. or any ‘Virtual Operator’ would be able to provide the same service under the Equalities Act 2010 that has been attained by the major Operators in the city which has been achieved via the close working relationship with the council.

This is especially important where such information is required when an application for renewal is made. Quite how a smart phone app or ‘Virtual Operator’ can provide such information would be interesting?

However...perhaps one way to ensure that Uber is granted an Operators Licence would be to completely abandon any policy/conditions of wheelchair accessibility and disability awareness that the currently licensed Operators have been compelled to adhere to... otherwise why should any Operator in the city bother with it?

The major point though is that currently it is understood that Uber has no facility whatsoever for a wheelchair user to book a wheelchair accessible vehicle (WAV) on demand.. even more importantly Uber has no facility to pre-book a WAV ahead of time.

Surely the absolute essence of a being a responsible Operator is to cater for all needs at any time?

### 3: Surge Pricing

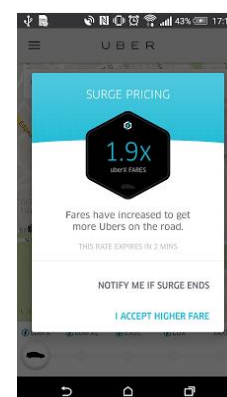
The Licensing Committee will know.. or will have been briefed... that an Operator's Licence is only required for a company that only uses private hire vehicles.

Uber only uses private hire vehicles.

Uber does not use hackney carriage taxis.

The reason as to why Uber only use private hire vehicles is because there is no control over what fares a private hire vehicle can charge. The council have no input on what those rates are. This has always been the case.

However.. a licensing council does have full control over what its licensed hackney carriages can charge at a maximum. This does not suit Uber's business model with regard to opportunist ‘Surge Pricing’ therefore only uses private hire vehicles.



*The major private hire Operators in the city run a mixture of private hire and hackney carriage taxis. Consequently such private hire vehicles run on the same metered rate as hackney carriage...although a private hire vehicle is not required to use a 'taxi meter'. However...if a private hire vehicle wishes to use a meter then such charges must be displayed on a tariff sheet in the vehicle for public viewing.*

If the council considers that Uber are to be licensed then we would like to know how taxi meters are incorporated with the Uber vehicles?

The Licensing Committee should be aware that where Uber are licensed in London there are major differences in private hire conditions. One of these conditions is that London private hire are forbidden to have 'taxi meters'. Indeed it is a fact that not all private hire vehicles licensed outside of London actually use taxi meters... unlike those in Brighton & Hove. This suits Uber's way of operating because all fares are effectively at the whim of Uber at any time which does not allow for calibrated and sealed taxi meters.

Therefore would the council need have to set a condition that no Uber vehicle operating under Uber's Brighton & Hove Operators licence would be allowed to install a 'taxi meter' because there would be no point as Uber has a fluctuating rate of charge?

The council has no control on how Uber sets its rate...indeed nor should any council be able to set the rates that a private hire company can charge. Consequently the council has no control either on Uber's policy of '**Surge Pricing**' as explained in the small print on the UK Uber website:

*"At times of intense demand, our rates change over time to keep vehicles available."*

This means that Uber vehicles will charge whatever Uber decides at any time of the day if there is an opportunity to do so depending on the demand or situation of crisis as happened during the dreadful siege in Sydney Australia in 2014 as quoted by the BBC *"The firm raised fares by as much as four times its normal rate when demand shot up during the siege that left three people dead"* <http://www.bbc.co.uk/news/technology-30595406>

This policy of '**Surge Pricing**' has been implemented at recent times in the UK such as during the tube strike where Uber passengers have been charged a substantially higher rate than normal:

**"The Guardian 09/07/2015**

*"Uber, the app-based taxi-booking business, has been accused of exploiting customers by tripling fares during London's tube strike.*

*Uber users were confronted on Thursday morning with warnings that the company was tripling fares because "demand is off the charts".*

*It warned of "surge pricing", with fares 2.9 times higher than normal and with a minimum fare of £14.50. Even sitting in standing traffic would cost 43p per minute instead of the normal 15."*

<http://tinyurl.com/uber-surge-pricing1>

**"Manchester Evening News 09/02/2014**

*Uber taxi users being charged £6 a mile during 'surge' fare times*

*One customer charged £42 for taxi from Northern Quarter to Withington*

*Passengers are facing £7-a-mile fares in Uber taxis around Greater Manchester at 'surge' times.*

*Customers of the app-based taxi service say they have been left shocked by the amounts they are charged through their phones at the end of a journey.*

*One passenger was charged £42 to go from the Northern Quarter to Mauldeth Road West in Withington.*

*Another faced a £34 charge from Didsbury Village to Handforth in Cheadle.*

*Some of those who complained to Uber have received partial refunds, which the MEN understands are given at the company's discretion.*

*Fares for Uber taxis go up during 'surge' times - when a high number of people are using the app to request taxis in certain areas.*

*It means the original fare can be four times higher while a surge is on - which customers say they have found confusing."*

<http://tinyurl.com/uber-surge-pricing2>

However....'Surge Pricing' is of course a commercial factor that the council cannot take into consideration regarding Uber's application for a Brighton & Hove Operators Licence.

#### 4: Pre-booking an Uber vehicle

Unlike with a traditional private hire company... you cannot pre-book even a standard vehicle with Uber ahead of time.... let alone a wheelchair accessible one.

The Licensing Committee will have to decide if this is a factor to take into consideration.



#### 5: Communication

Unlike the traditional private hire Operator... there is no facility to directly communicate with Uber as there is no telephone number advertised to call.

It is understood that the only initial communication a member of the public can use is via email.

We do wonder how a smart phone app/Virtual Operator will be able handle matters such as valuable lost property or... even more importantly... how emergency messages from the police are relayed to Uber vehicles?

We are very pleased to state that the established Brighton & Hove Operators have cooperated for many years with the police for emergency issues and act quickly to assist by immediately alerting their drivers to situations.



We trust that we have provided some useful basic information on Uber's working model to enable the Licensing Committee to make a decision on the application for Uber to become a Brighton & Hove Licensed Operator.

Andrew Peters  
Secretary  
GMB Brighton & Hove Taxi section