

CEREDIGION COUNTY COUNCIL

Report to: Cabinet

Date of meeting: 5th July 2022

Title: Proposal to Increase Hackney Carriage Fare Tariffs

Purpose of the report:

1. To consider the proposed revision of Hackney Carriage Fare Tariffs;
2. To determine whether to approve to vary Ceredigion's the current Hackney Carriage Fare Tariffs.

Cabinet Portfolio and Cabinet Member: Councillor Mathew Vaux, Cabinet Member for Housing, Legal and Governance, People and Organisation and Public Protection

Background

The current conflict in the Ukraine has resulted in a significant increase in the cost of living, in particular the price of fuel, which has had a significant impact on licensed hackney and private hire licence holders. This has resulted in a request being made by the taxi trade in Ceredigion for consideration to be given to increasing the current maximum hackney carriage fares within the Authority area.

In accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, a local authority may fix and vary the rates or fares within its district and all other charges in connection with the hire of a hackney carriage. However, prior to bringing into force any changes, the authority must publicise its proposals in the local press for a period of fourteen days to allow for any objections.

During a Taxi Trade Meeting in 2018 it was decided that consideration to increase the fares would take place every four years. The current tariff was introduced in April 2018 following a request by the trade to increase the fares at that time. Since then, there has been no increase in fares.

When the fares were last increased in 2018 the average UK cost of unleaded petrol was £1.20 per litre, with diesel costing £1.23 per litre. The June 2022 UK cost of unleaded petrol is £1.82 per litre (an increase of 52%), with diesel now costing £1.88 per litre (an increase of 53%).¹

In February 2022, the Licensing Authority received a proposal to increase taxi fares from a representative of the local taxi trade and included the details of 46 other licensed drivers who supported the request for a rise in the maximum fares. The proposal was for an increase in Tariff 1,2,3,4, and 5 as well as other fares and charges. See **Appendix A**.

¹ Source: RAC Fuel data

Following the request, a consultation exercise with the trade took place in February 2022 in the form of an online survey, which was sent to all licensed drivers and proprietors. A total of 40 responses were received, 39 of which stated that they wished an increase in fares. 32 of the respondents agreed with the proposed increase set out in proposal A but 7 disagreed. The results of the consultation are contained **Appendix B**.

A taxi trade meeting was held in March 2022 and it was confirmed by members of the trade that they were in support of an increase. It is evident that several factors have affected the taxi trade in recent years, which has resulted in the request to vary the current fares including the Coronavirus pandemic, increases in the prices of second-hand cars, increases in the cost of living, an increase in the minimum wage, increases in insurance costs but the increase in fuel prices is the largest reason for a request to vary the fares.

Current Fare Tariffs

The current Ceredigion Hackney fares are attached in **Appendix C**.

The recognised means for comparing the fares charged in local authority areas in the UK is “The Private Hire and Taxi Monthly” magazine, which publishes “league tables” showing fare tariffs throughout, Wales, England and Scotland. Comparisons (in May 2022) show that based upon a two-mile journey, the current national average fare is £6.24, the all-Wales average being £6.

The Ceredigion two-mile tariff currently equates to £5.46 and is positioned at number 296 out of 355 on the National Fares Table. For the latest figures, the national table can be accessed from <https://www.phtm.co.uk/taxi-fares-league-tables>

Proposed Fare Tariffs

The revised fares being proposed by the taxi trade are contained in **Appendix D** of this report as “Proposal A”.

The trade has requested an increase to all tariff areas, i.e. an extra 5p per 1/10th of a mile in each tariff together with larger increases in the other associated charges table. In order to assist, the percentage increase requested in each area is illustrated below.

Having considered the results of all the general responses collated from consulting with the trade, the Licensing Team also offer an alternative set of increased fares for Cabinet to consider - “Proposal B”. Both set of fares are contained in Appendix D for ease of comparison.

The main differences between the proposed fares is that our proposal contains slightly lower per 1/10th mile increases and also lower associated charges for matters such as waiting time charges, carrying cases, trunks and fouling, which are not linked to fuel increases, are less than those proposed by the trade.

As an example, for a 2 mile, 5 mile and 10 mile journey, the following table illustrates the difference in fare costs for passengers.

Table 1: Comparison of current fare costs in relation to Proposal A and Proposal B.

Tariff 1 Journey	Current fare cost	Proposal A (Taxi Trade)	Proposal B (Licensing Team)
2 Mile Journey	£5.46	£6.80	£6.50
5 Mile Journey	£10.56	£13.40	£12.50
10 Mile Journey	£19.06	£24.40	£22.50

Several licensing authorities are currently reviewing their fares, which means that the current league table of fares is constantly changing. However, if Proposal A is accepted, the 2-mile fee in Tariff 1 in Ceredigion will place the Authority within the top 100 of the Private Hire Trade Magazine Hackney Taxi Fare Tables. If Proposal B is accepted it will place Ceredigion in place within the top 125.

Both proposed set of fares compare fairly and competitively with those set by our neighbouring authorities for a 2 mile journey:

- Carmarthenshire £6.80
- Pembrokeshire £6.30
- Powys £6.00 (Fare increase pending June 2022)

Any revised tariff would be the maximum amount that could be charged for a journey in a hackney carriage vehicle, meaning that licensees can use their discretion and continue to offer a lower tariff if they choose.

If a new tariff is introduced, meters in hackney carriages will require re-calibrating should vehicle proprietors wish to operate at the new tariffs.

Consultation

In accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, any proposed changes to the fares must be publicly advertised for the statutory fourteen-day public consultation period.

Following the statutory period, if no objections are received, the fare tariff shall come into effect immediately. If any objections are received, then Cabinet will receive a further report to consider these and to approve the fare tariff with or without modification and determine the date of the revised tariff should come into effect.

Recommendation(s):

1. Members to consider the proposal set out in this report and decide whether to:
 - a) accept the set of fares proposed by the taxi trade (Proposal A) or
 - b) accept the set of fares proposed by the Licensing Team (Proposal B).
2. In accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, Cabinet to agree that any proposed fares be publicly advertised for the statutory fourteen-day public consultation period.

- Reason for decision:**
- To review and consider varying the hackney carriage fares due to the increase in fuel prices and the cost of living.
 - To vary hackney carriage fares in accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976.
 - To allow the new proposed fares to be publicly advertised.

Overview and Scrutiny: TBC - Discussed at Licensing Committee – 4th July

Policy Framework: The statutory functions delivered by the Licensing Team is a fundamental element of Public Protection policy framework.

Corporate Priorities Promoting Environmental and Community Resilience

Finance and procurement implications: Within budget

Statutory Powers: Local Government (Miscellaneous Provisions) Act 1976

Background Papers None

Corporate Lead Officer: Alun Williams (Policy, Performance and Public Protection)

Reporting Officer: Anne-Louise Davies (Trading Standards & Licensing Manager)

Date: 14 June 2022

Appendices:

Appendix A – Request for Taxi Fare Increase from the Taxi Trade

Appendix B – Results of Consultation with Licence Holders regarding Taxi Fares 2022

Appendix C – Current Ceredigion Taxi Fares

Appendix D – Proposal A and Proposal B Taxi Fare Rates

Appendix A - Hackney Carriage Request Fare Increase

Submitted by a Taxi Trade Representative and 47 Licensed Drivers 14 February 2022

This document has been created to show the current interest there is amongst the taxi operators in Ceredigion for or against a fare increase. The last price increase was in 2018 after it was voted FOR by the attendees at the previous meeting. A lot has changed since 2018 such as Brexit and the COVID-19 pandemic, both events have had a noticeable impact of the daily costs of both living and operating.

As we approach the Government's 2030 deadline for vehicle manufacturers to stop production of fossil fuel engines in vehicles, I think we must get ready for the impact this will have on the industry as a whole by increasing the taxi fare costs accordingly to the purchase costs of these electric cars.

In the 2018 taxi trade meeting held by Ceredigion Licencing Committee, they said they would review the taxi fares every 3 years.



TAXIS	First ½ mile	Every 1/10 mile thereafter
Tariff 1		
6.00am to 9.00pm	£2.91	£0.17
Tariff 2		
9.00pm to 12 midnight & Bank Holidays (all day)	£3.33	£0.20
Tariff 3		
12 midnight to 6.00am	£3.33	£0.23
Tariff 4		
Christmas Day & New Year's Day	£5.81	£0.32
Each additional passenger in excess of the original hirer per journey		£0.21
MINI BUSES (Maximum 8 passengers)		
Tariff 5		
6.00am to 9.00pm	£3.67	£0.26
Tariff 6		
9.00pm to 6.00am & Bank Holiday (all day)	£4.79	£0.32
Tariff 7		
Christmas Day & New Years Day	£6.66	£0.44
In all instances extras may be charged up to the following:		
Waiting time per minute or part thereof		£0.18
Cases	£0.53 each	
Trunks	£1.08 each	
Fouling	£53.81	

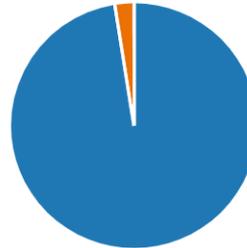
TAXIS	First ½ mile	Every 1/10 mile thereafter
Tariff 1		
6.00am to 6:00pm	£3.50	£0.22
Tariff 2		
6.00pm to 12 midnight & Bank Holidays (all day)	£4.00	£0.25
Tariff 3		
12 midnight to 6.00am	£4.00	£0.28
Tariff 4		
Christmas Day & New Year's Day	£6.00	£0.37
Each additional passenger in excess of the original hirer per journey		£0.25
MINI BUSES (Maximum 8 passengers)		
Tariff 5		
6.00am to 9.00pm	£4.00	£0.31
Tariff 6		
9.00pm to 6.00am & Bank Holiday (all day)	£5.00	£0.37
Tariff 7		
Christmas Day & New Years Day	£7.00	£0.49
In all instances extras may be charged up to the following:		
Waiting time per minute or part thereof		£0.25
Cases	£1.00 each	
Trunks	£1.50 each	
Fouling	£100.00 per incident	

Appendix B – Results of Consultation with the Licence Holders regarding Taxi Fares 2022

1. Do you feel that the current Hackney Carriage Maximum Table of Fares needs to be increased?

[More Details](#)

● Yes	39
● No	1
● Undecided	0

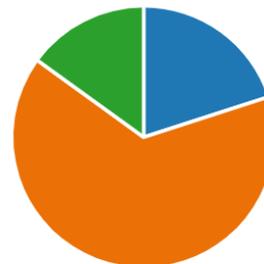


2. Do you have an alternative proposal for an increase in Taxi Tariffs?

[More Details](#)

Insights

● Yes	8
● No	26
● Undecided	6



3. The Authority have received a suggestion to increasing the fares currently charged. Please see the below summary and copy of the suggested fares on the email you have received. Do you agree with the proposed increases?

Taxis - Proposed Increases

An increase of £0.05 per 1/10 mile to every tariff rate.

Tariff 1 First 1/2 Mile - Increase from £2.91 to £3.50

Tariff 2 First 1/2 Mile - Increase from £3.33 to £4.00

Tariff 3 First 1/2 Mile - Increase from £3.33 to £4.00

Tariff4 First 1/2 Mile - Increase from £5.81 to £6.00

Each additional passenger in excess of the original hirer per journey increase from £0.21 to £0.25

Changes to Tariff times for standard Taxis - Tariff 1 - end 6pm instead of current 9pm.

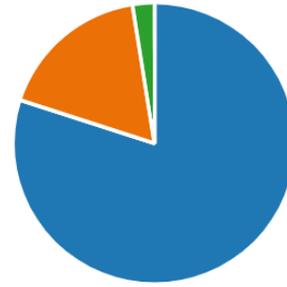
Tariff 2 - start 6pm instead of current 9pm.

Fouling charge to be raised to £100 per incident from £50.00

Luggage charge increase from £1.08 to each to £1.50 each.

Waiting time changed from £0.18 to £0.25 per minute.

● Yes	32
● No	7
● Undecided	1



4. If you have an alternative proposal please provide details.

15 responses were received.

1	Agree with above.
2	Don't know
3	There are no mini bus tariffs listed.
4	No
5	Personally I think tariff 1 should start at £3.50 rate 2 should start at £3.75 and rate 3 should start at £4.00.I do think the fouling charge should go up to £75
6	Change the current tariff 2 to tariff 1 etc. The above changes are too much. Change in fouling price and waiting time are good ideas. e are
7	Hi I don't think it's the right time to increase the tariff at the. moment what with fuel prices going up firms or struggling at the moment if this goes ahead some companies will fold and never come back.
8	An increase of £0.10 per 1/10 mile to every tariff rate
9	No
10	No
11	N/a
12	No
13	Not at this moment
14	Why can't we just take off tariff 1 and start on tariff 2
15	Increase of £0.02 per 1/10 mile to every tarif rate NOT £0.05 per 1/10 mile. All other proposals seem reasonable.

5. Do you have any comments regarding the Hackney Carriage Table Of Fares in Ceredigion?

22 Responses were received

1	If the current situation in Ukraine continues and fuel goes above £2.00/litre I believe that these prices should be looked at again.
2	We do need an increase as fuel has gone up in price
3	I believe these proposed changes are fair to both the service provider and the customer.
4	Don't know
5	Historically much lower than other regions in Wales
6	No
7	I think the fares should rise quite significantly out of all the licensing authorities we are one of the cheapest. We in Ceredigion are well below the national average for rate 1 and 2. We are way cheaper than our neighbouring counties and Ceredigion is a more expensive place to live.
8	Prices need to increase but not by as much as the suggested changes. Why alter tariff rate times ?
9	The proposal looks good, please also scrap the 'trunk' and add items such as bike instead.
10	I think they should stay as they are, they are more people living on benefits nowadays and they won't be able to afford to pay for a taxis.
11	Unfortunately a fare increase has been long overdue and currently the local industry is suffering from a mass exodus of drivers as the job simply doesn't pay, Used car prices have raised massively and with out a substantial increase owners will not be able to afford to upgrade there car/fleet, keep up with wages, inflation or maintenance.
12	No
13	No
14	N/a
15	Yes needs updating annually like originally agreed instead of this stupidity of waiting 4 years for a review
16	This proposal is very much needed and is long overdue, I believe the proposed tariff should be enough to compare against the cost of living and operating a taxi business within Ceredigion.

17	This prices are good and about time, also much needed with the ever increasing fuel prices. Also I think it needs being made public knowledge to the public as it is the drivers that have to put up with a small minority of people moaning about the prices.
18	No
19	Not at present
20	No
21	I strongly agree with the fouling charge as you would lose out on a nights work if it does happen and would need to get the car valeted. Also with the minimum charge to be raise to £3.50, as many calls I do are from the new integrated care centre in Aberaeron, into the town, which isn't worth me doing for £2.91 with the price of diesel these days
22	I think that the proposal increase is to high at 50p a mile increase and will effect the trade on the whole. An increase on the tariff 1 from £2.91 to new start rate of 3.50 is fine with perhaps a 15/20p mile there after.

Appendix C - Current Ceredigion Fares

Local Government [Miscellaneous Provisions] 1976
 Town Police Clauses Act 1847
 Taxi Fares from 20th April 2018

TAXIS		
	First ½ mile	Every 1/10 mile Thereafter
Tariff 1		
6.00am to 9.00pm	£2.91	£0.17
Tariff 2		
9.00pm to 12 midnight & Bank Holidays (all day)	£3.33	£0.20
Tariff 3		
12 midnight to 6.00am	£3.33	£0.23
Tariff 4		
Christmas Day & New Year's Day	£5.81	£0.32
Each additional passenger in excess of the original hirer per journey		£0.21
MINI BUSES (Maximum 8 passengers)		
Tariff 5		
6.00am to 9.00pm	£3.67	£0.26
Tariff 6		
9.00pm to 6.00am & Bank Holiday (all day)	£4.79	£0.32
Tariff 7		
Christmas Day & New Years Day	£ 6.66	£0.44
In all instances extras may be charged up to the following:		
Waiting time per minute part thereof	£	0.18
Cases	£	0.53
Trunks	£	1.08
Fouling	£	53.81

Appendix D - Proposal A and Proposal B Taxi Fare Rates

Proposal A – proposed by Ceredigion Taxi Trade

Local Government [Miscellaneous Provisions] 1976 / Town Police Clauses Act 1847 - Taxi Fares

TAXIS				
Tariff 1	First ½ mile	% +	Every 1/10 mile Thereafter	% +
6.00am to 9.00pm	£3.50	20.27 %	£0.22	29.41%
Tariff 2				
9.00pm to 12 midnight & Bank Holidays (all day)	£4.00	20.12 %	£0.25	25.00%
Tariff 3				
12 midnight to 6.00am	£4.00	20.12 %	£0.28	21.73%
Tariff 4				
Christmas Day & New Year's Day	£6.00	32.00 %	£0.37	15.62%
Each additional passenger in excess of the original hirer per journey			£0.25	19.04%
MINI BUSES (Maximum 8 passengers)				
Tariff 5				
6.00am to 9.00pm	£4.00	8.99%	£0.31	19.23%
Tariff 6				
9.00pm to 6.00am & Bank Holiday (all day)	£5.00	4.38 %	£0.37	15.6%
Tariff 7				
Christmas Day & New Years Day	£7.00	5.10 %	£0.49	11.36%
% +				
In all instances extras may be charged up to the following:				
Waiting time per minute part thereof	£0.25	38.88 %		
Cases	£1.00 each	88.67%		
Trunks	£1.50 each	38.88%		
Fouling	£100.00 per incident	85.83%		

Proposal B – proposed by Ceredigion County Council Licensing Team

Local Government [Miscellaneous Provisions] 1976 / Town Police Clauses Act 1847 - Taxi Fares

TAXIS				
Tariff 1	First ½ mile	% +	Every 1/10 mile Thereafter	% +
6.00am to 9.00pm	£3.50	20.27 %	£0.20	17.64%
Tariff 2				
9.00pm to 12 midnight & Bank Holidays (all day)	£4.00	20.12 %	£0.24	20.00%
Tariff 3				
12 midnight to 6.00am	£4.00	20.12 %	£0.27	17.4%
Tariff 4				
Christmas Day & New Year's Day	£6.00	3.27%	£0.37	15.62%
Each additional passenger in excess of the original hirer per journey			£0.25	19.04%
MINI BUSES (Maximum 8 passengers)				
Tariff 5				
6.00am to 9.00pm	£4.00	8.99%	£0.30	19.23%
Tariff 6				
9.00pm to 6.00am & Bank Holiday (all day)	£5.00	4.38 %	£0.37	15.6%
Tariff 7				
Christmas Day & New Years Day	£7.00	5.10 %	£0.49	11.36%
% +				
In all instances extras may be charged up to the following:				
Waiting time per minute part thereof	£0.20	11.11%		
Cases	£0.60 each	13.20%		
Trunks	£1.30 each	11.11%		
Fouling	£70.00 per incident	30.08%		