

**CYNGOR SIR POWYS COUNTY COUNCIL**

**CABINET EXECUTIVE**

**Date 28<sup>th</sup> June 2022**

**REPORT AUTHOR: CLLR RICHARD CHURCH  
CABINET MEMBER FOR A SAFER POWYS**

**REPORT TITLE: PROPOSAL TO INCREASE HACKNEY CARRIAGE FARE  
TARIFFS**

---

**REPORT FOR: Decision**

---

**1. Purpose**

- 1.1 To inform Cabinet of requests received from the licensed trade for an increase in the Tariff of Fares for Hackney Carriages for Powys and the results of a consultation exercise with the trade on an amended tariff.
- 1.2 To seek Cabinet approval to advertise a proposed amended tariff of fares for a statutory fourteen day public consultation.

**2. Background**

- 2.1 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 their 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.
- 2.2 There are currently 375 licensed vehicles in Powys, 114 of these are Hackney Carriages 261 are Private Hire Vehicles to most members of the public these are all taxis but they are actually controlled by different pieces of legislation. Hackney carriages have a meter and the fare charged is regulated by the Council, they can pick up passengers anywhere – if hailed, at a rank or pre booked calls. They are distinguishable as they have a Taxi roof sign and a white Powys taxi licence plate on the rear. Private hire vehicles (PHV) on the other hand can only do jobs that are pre-booked, the fare charged by a PHV is usually agreed in advance with the customer and the council does not have powers to regulate the fares that they charge. They do not have a taxi roof sign and have a yellow Powys licence plate on the rear
- 2.3 The current tariff for Hackney Carriages was introduced in 2018. A copy of the current tariff is attached as **Appendix A**.

- 2.4 “The Private Hire and Taxi Monthly” magazine publishes “league tables” showing fare tariffs throughout England and Wales. Comparisons (in May 2022) show that based upon a two-mile journey, the current national average fare is £6.24, the all-Wales average is £6. Powys two-mile tariff equates to £5.40 and currently sits at 300 out of 358 local authorities in National Fare Tables. It is expected that most areas will be reviewing tariffs because of recent significant increases in fuel costs. A copy of this table is attached as **Appendix B**.
- 2.5 A Comparison of the two-mile tariff across Wales is attached as **Appendix C**.
- 2.6 Requests have been received from Hackney Carriage Vehicle Proprietors in Powys for the current hackney carriage fare tariff to be increased. A consultation exercise subsequently took place with Powys Licensed Taxi Drivers between 17<sup>th</sup> March and 1st April seeking views on new fare tariffs. The results of this are attached at **Appendix D** There were 33 responses of which 31 were in favour of increased tariffs. The current tariff has been in place since 2018
- 2.7 Since 2018 there has been an increase in the cost of both diesel and unleaded petrol. \*The average petrol price for Wales in January 2018 when the fares were last set was 121.2p /litre unleaded 124.4p/litre diesel. As of 31<sup>st</sup> March 2022 unleaded average price per litre in Wales is 162.2p/litre and diesel 172.8p/litre, a 39% uplift for diesel and 33% for unleaded
- \*Figures from [Compare latest petrol and diesel fuel prices | The AA](#)
- 2.8 A new tariff table has been prepared considering feedback from the consultation exercise, and taxi tariffs throughout Wales. The proposed tariff table is attached at **Appendix E**. This will make a two-mile fare on Tariff 1 to £6, comparable with the Wales average and a 11% uplift.
- 2.9 Taxi fares need to be set at a reasonable level in order to attract and maintain taxi operators for the community. With the taxi trade facing increased operating costs there is a risk that taxi businesses in the county will fail if fares are not increased to meet their extra operating costs. Taxi fares need to be fair to be both the drivers and vehicle owners in order to make a living at a level and at a level to be affordable and used by the travelling public.
- 2.10 The fare increases proposed are a 11% uplift since 2018 - over a 4 year period, and represents a rise far less than inflation or CPI rises over the last four years. In the last 12 months alone the rate of inflation has risen to 7.8% [Inflation and price indices - Office for National Statistics \(ons.gov.uk\)](#)
- 2.11 It is difficult to mitigate against the additional costs that will be borne by the general public who rely on taxi services without jeopardising the viability of the taxi services on who they rely. Such services are likely to

become less available should the tariffs not be increased. It is also possible that there may be a shift from the Hackney Carriage trade to the Private Hire Vehicle trade, where fares are not regulated by the Council.

- 2.12 If a new tariff is introduced, meters in hackney carriages will require recalibrating should vehicle proprietors wish to operate at the new tariffs. The new tariffs are not mandatory, the licensees will have the ability to continue to offer a lower tariff should they choose. Any revised Tariff would be the maximum amount that could be charged for a journey in a hackney carriage vehicle.

### **3 Advice**

- 3.1 Cabinet are asked to consider the proposal set out in this report and to approve an amended tariff for publication in the press. Following the statutory fourteen-day public consultation 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 to determine the date upon the revised tariff should come into effect

### **4. Resource Implications**

- 4.1 Resources for this exercise have been officer time to prepare and circulate a questionnaire to the trade, to consider the responses, prepare a new tariff table and prepare the report. There will be advertising costs associated with the public notice. Officer time and advertising costs are fully recovered through taxi licensing fees
- 4.2 The Head of Finance (Section 151 Officer) notes the content of the report and can support the recommendation

### **5. Legal implications**

- 5.1 Legal: the recommendations can be accepted from a legal point of view
- 5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: "I note the legal comment and have nothing to add to the report".

### **6. Data Protection**

- 6.1 N/A

### **7. Comment from local member(s)**

- 7.1 N/A Powys-wide issue

### **8. Impact Assessment**

- 8.1 Increasing taxi tariffs will affect all passengers who use Hackney Carriages (taxis), it will impact mostly on those who rely or depend on such services such as those that do not have access to their own transport, have mobility issues or those who live in rural areas with limited public transport.
- 8.2 Taxi tariffs in Powys have not changed since 2018 and the costs associated with providing such services have increased, the same for anyone who runs their own car. Passengers can contact private hire companies to book vehicles in advance, these fares are set by the private hire companies.
- 8.3 Rejecting any increase in taxi tariffs will impact on the viability of taxi businesses in Powys and may reduce the availability of such services that are needed to sustain a local transport system in Powys. The fare tariffs need to be fair to taxi drivers and owners to make a living and at a level to be affordable and used by the public, this balance needs to be struck.
- 8.4 In order to achieve this balance, the local taxi trade have been consulted and their views taken into consideration along with the published 'league table' of taxi fares that show that the current national average fare is £6.24 and the all-Wales average is £6. The proposal will bring Powys in line with the all-Wales average.

## **9. Recommendation**

- 9.1 That cabinet approve the tariff of fares for hackney carriages as detailed at Appendix E for a fourteen-day public consultation. Following the statutory fourteen-day public consultation 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 to determine the date upon the revised tariff should come into effect.

Contact Officer:	Sue Jones
Tel:	01874 612263
Email:	susan.jones@powys.gov.uk

Head of Service:	Gwilym Davies
------------------	---------------

Corporate Director:	Nigel Brinn
---------------------	-------------