

Meeting: Cabinet

Date: 21 July 2026.

Wards affected: All

Report Title: Hackney Carriage Tariff Increase

Cabinet Member Contact Details: Councillor Tranter, Cabinet Member for Adult and Community Services, Public Health and Inequalities

Director Contact Details: Anna Coles, Director of Adults and Community Services

1. Purpose of Report

- 1.1 For the Cabinet to consider the review of the Taxi Table of Fares (Taxi Tariff), following a request to increase the Hackney Carriage fare tariff in Torbay from the Torbay Licensed Taxi Association (TLTA). Meetings have been held with the TLTA, Torquay United Licensed Driver Association (TULDA) and other hackney carriage representatives to agree this proposal.
- 1.2 For Cabinet to determine whether to accept the proposal detailed in the following report and send the proposal out for consultation as set out in the prescribed process under section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

2. Reason for Proposal and its benefits

- 2.1 The Local Government (Miscellaneous Provisions) Act 1976, allows the Council to set the maximum level of charges to be levied by all Hackney Carriages operating under its control.

The Council does not have powers to set fares for journeys in private hire vehicles.
- 2.2 The setting of the Table of Fares (tariff) is an executive function of the Council.
- 2.3 The Tariff was last increased in October 2024.
- 2.4 The Table of Fares (Tariff) should be set to enable sustainable income for drivers, future investment in vehicles and to clearly set rates that minimise the opportunity for overcharging or confusion.

3. Recommendation(s) / Proposed Decision

- 3.1 That the Cabinet consider approving one of the following options:

- i) Option 1: The proposed amendments to the Tariff as set out in the submitted report be approved and the Director of Adults and Community Services be instructed to carry out the public consultation as set out in the prescribed process under section 65 of the Local Government (Miscellaneous Provisions) Act 1976.
- ii) Option 2: That the proposed amendments to the Tariff as set out in the submitted report be amended and the Director of Adults and Community Services be instructed to carry out the public consultation as set out in the prescribed process under section 65 of the Local Government (Miscellaneous Provisions) Act 1976.
- iii) Option 3: That the proposed amendments to the Tariff as set out in the submitted report be rejected.

Appendices

Appendix 1: Proposed Table of Fares (Tariff)

Appendix 2: Current Table of Fares (Tariff)

Appendix 3: Tariff setting methodology.

Appendix 4: Current Running Costs per Mile Calculations

Appendix 5: Table to show the proposed increase in costs to the travelling public for journeys up to 10 miles.

Appendix 6: AA Motoring Costs 2014

Background Documents

None

1. Introduction

- 1.1 The common term for Hackney Carriages is 'taxis' and this term is used throughout this report. A customer can flag down a taxi in the street or at taxi ranks without booking unlike private hire vehicles that must always be booked in advance of the journey.
- 1.2 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (LGMPA76), allows the Council to set the maximum costs and fares that drivers may charge the public for journeys taken in a taxi. The Council does not have powers to set fares for journeys in private hire vehicles. Members should note that drivers may charge a lower fare or offer a discount if they wish and negotiate fares for travel outside of the district boundaries.
- 1.3 Taxi fares are made up of an initial hiring charge (flag fall) and a mileage rate, both of which are expressed in terms of distance and or time. This is because when a hired taxi is stationary or moving at less than 6mph in traffic the meter continues charging by time instead of distance. It can never charge both time and distance at the same time.
- 1.4 The Table of Fares (Tariff) should be set to enable sustainable income for drivers, future investment in vehicles, and to clearly set rates that minimise the opportunity for overcharging or confusion.
- 1.5 The Tariff has to be displayed within all taxis to allow passengers to calculate the approximate cost of their journey. Section 4 of Torbay Council's Hackney Carriage Byelaws requires taximeters to be fitted in every licensed hackney carriage vehicle, which are calibrated and sealed. Once set, all drivers must display the maximum fare on their taximeter. This ensures consistency across all taxis and provides public confidence that the fare they are charged is correct.
- 1.6 In accordance with the statutory procedure set out in Section 65 of the LGMPA76, should Members agree the proposed changes to the Tariff, the Council must then undertake a public consultation prior to making any amendment to the Tariff. A notice must be published in at least one local newspaper circulating in the areas setting out the variation and specifying the period, which cannot be less than 14 days from the date of the first publication of the notice, within which and the manner in which, objections can be made. If no objections to the variation of the Tariff are received, or if all objections are withdrawn, the revised Tariff will come into operation on the date of the expiration of the consultation period.

However, if any objections are made and not withdrawn, the Council will consider the objections and set a further date, not later than two months after the first specified date, on which the tariff shall come into force with or without further modifications.

- 1.7 Since the last review, the consumer price index (CPI), which represents inflation through the change in the cost of living, has eased. CPI rose by 2.8% in the 12 months to April 2026, down from 3.3% in the 12 months to March. On a monthly basis, CPI rose by 0.7% in April 2026, compared with a rise of 1.2% in April 2025. However there has been large increases in motor fuel prices.

Fuel prices over the next two years are expected to remain volatile and elevated with the tensions in the Middle East, keeping oil markets unstable.

Inflation has fallen significantly since it reached 11.1% in October 2022, which was the highest rate for 40 years. However, prices aren't falling, they are just rising less quickly.

Inflation has remained above the Bank of England's 2% target partly because of high energy and food prices.

The most up-to-date information obtained from the Office of National Statistics (Consumer price inflation, UK - Office for National Statistics) shows that:

- The CPI rose by 2.8% in the 12 months to April 2026, down from 3.3% in the 12 months to March.
- On a monthly basis, CPI rose by 0.7% in April 2026, compared with a rise of 1.2% in April 2025.

The price of fuel on 21 May 2026 rose to 159.1 for Petrol and 185.6 pence per litre for diesel. However, this is still lower than the peak in June 2022 which was at 191.1 for Petrol and 198.96 pence per litre of diesel (UK pump prices over time (racfoundation.org)). At the time of the last tariff review in October 2024, the prices on 4 October 2024, were 133.8 pence per litre for petrol and 138.4 pence per litre for diesel.

Therefore, the price has increased by 25.3 pence per litre of petrol and 47.2 pence per litre of diesel. Based on a 47-litre tank, this is an increase of £11.89 for a tank for petrol and £22.18 for diesel.

- 1.8 The methodology shown in Appendix 3, has been used to provide a transparent process for calculating taxi fares and seeks to measure the true costs of providing taxis and the 'cost per mile' figure necessary to safeguard the sustainability for this valuable public service. The information provided in this document is supported by factual evidence. If statistical data is not available, the calculations are based on reasoned argument. Appendix 4 shows the calculations for the current running costs per mile.
- 1.9 Section 10 of the Department for Transport Taxi and Private Hire Licensing Best Practice Guidance for Licensing Authorities states *'in reviewing fare rates, authorities should pay particular regard to the needs of the travelling public, with reference to both to what it is reasonable to expect people to pay but also to the need to give taxi drivers the ability to earn a sufficient income and so incentivise them to provide a service when it is needed. There is likely to be a case for higher tariffs at times of higher demand to encourage more drivers to make themselves available or when the journeys are required at anti-social times. To ensure that taxi tariffs reflect the costs of the trade, they should be reviewed following significant changes in licensing fees and other major costs such as fuel. Regular reviews will assist drivers in maintaining their earnings and so continue to attract those seeking to become taxi drivers and provide existing licensees with greater confidence to remain in the trade and plan for the future investment in new vehicles. Regular reviews will also avoid large changes in fares for passengers that infrequent reviews are more likely to result in'*.

2. Options under consideration

- 2.1 The proposed tariff is set out in Appendix 1. The current tariff can be found in Appendix 2.
- 2.2 Using the fee setting methodology shown in Appendix 3 and the calculations shown in Appendix 4, it can be seen that the current cost to operate a taxi in Torbay is calculated at £1.84 per mile. This is the basic cost to run a taxi; it only includes the earnable mileage so does not account for the dead mileage (when travelling to or returning from a fare).
- 2.3 Under the current Tariff 1, the running mile before any extras applied is set at £2.40 per mile. This does not include the initial charge (flag fall), any extras or waiting times. The proposed uplift would see the running mile costs remain at £2.40 for Tariff 1 and rise to £3 for Tariff 4 (5-8 passengers), however the current Tariff 1 allows drivers to charge 20p per additional passenger as extras. Therefore, this is the equivalent of an additional 3 passengers.

Tariffs 1 and 2 include a £0.60 increase to the initial charge, providing a clear uplift. Distance and waiting time rates for Tariffs 1 and 2 remain unchanged. Tariffs 3 and 4 reflect the higher operating costs associated with larger vehicles, with increased distance and waiting rates. The waiting time has been aligned with distance rates across all tariffs to ensure consistency. When compared against the current model using passenger extras, the revised Tariffs 3 and 4 provide a more consistent and, in many cases, comparable or improved return across typical journeys, particularly as the distance increases.

- 2.4 The proposed tariff by the TLTA, takes into account the cost of living and inflation and applies an average uplift to the Tariff 1 of an average of 4.6% and an average uplift of 3.8% for Tariff 2. The TLTA have requested that two additional tariffs are included for vehicles taking 5-8 passengers. This will assist with the costs involved with purchasing a larger vehicle and will make the fare clearer for passengers as no extras will be added per passenger. The passengers will only be charged for the Tariff 3 and 4 where the passenger numbers are 5 or more. If a single passenger hires a multi-person vehicle that can take 8 passengers, they will only be charged at Tariff 1 or 2. If there are more people using the vehicle then this will work out cheaper per head than hiring more than one taxi and it is hoped this will encourage investment of the larger vehicles.

- 2.5 With the proposed uplifts, the flag fall (initial charge) would rise to the following costs:

	Current	Proposed
Tariff 1 (up to 4 passengers)	£3.90	£4.50
Tariff 2 (up to 4 passengers)	£4.50	£5.10
Tariff 3 (5 – 8 passengers)	N/A	£5.50
Tariff 4 (5 – 8 passengers)	N/A	£6.10

Distance rates will change to:

	Pence per applicable distance
Tariff 1	£0.20 (no change)
Tariff 2	£0.25 (no change)
Tariff 3	£0.25
Tariff 4	£0.30

2.6 For members ease the table shown in Appendix 5 shows the current cost per mile to the travelling public and the proposed costs should an average 4.6% uplift be applied to Tariff 1 and an average 3.8% to Tariff 2. The figures do not take into account waiting time or any extras that maybe charged. Tariff 3 has an average increase of 29.7% compared to the current Tariff 1 and Tariff 4 has an average increase of 24.4% compared to the Tariff 2, however as advised above, these also incorporate the extra charges that used to be applied per passenger.

2.7 Extra Charges

The Taxi Trade Associations have requested an increase to the maximum soiling charge from £75 to £100 and an increase to the Christmas charges from £1 to £3.

The additional charges for passengers have also been removed from the extra charges as these have now been incorporated into the four separate tariffs.

The booking charge has increased from 50p to a maximum of £1. Additional wording has been included for the booking charge to make this clear that this is at the discretion of the hackney carriage driver/operator at the point of booking, and the hirer must be informed of this charge when making the booking.

3. National and Regional Context

3.1 National Context

The Private Hire and Taxi Monthly trade magazine publish a league table of all Local Authority Hackney Carriage Tariff 1 Fare Tables Hackney Taxi Fare Tables which are updated on a daily basis. Out of the 341 local authorities that regulate taxi fares, as of 22 May 2026, Torbay is currently ranked 67 for 2 miles.

At the proposed £8.70 for 2 miles, Torbay would be ranked 38th with seven other local authorities at the same rate, including East Devon.

3.2 Regional Context

When comparing the proposed uplift to other Devon local authorities it can be seen that Torbay would be the third highest, however other Devon Authorities are reviewing their fees so this is likely to change.

Local Authority	Proposed Tariff 1 (2 miles)
Exeter City Council	£9.50
Torridge	£8.79
Torbay	£8.70
East Devon District Council	£8.70
Plymouth City Council	£8.10
North Devon District Council	£8.10

South Hams/West Devon District Council	£7.80
Teignbridge District Council	£7.26
Mid Devon District Council	£6.80
Devon Average	£8.19

4. Conclusion

- 4.1 A balance needs to be struck between the legitimate right of the trade to a viable and sustainable livelihood and the needs of the travelling public to have a safe and affordable service. The cost-of-living crisis has resulted in escalating vehicle purchase, maintenance and fuel costs. These costs are no longer absorbed through the existing Tariff. If the fares are not increased on a regular basis in line with inflation, then many potential drivers will be discouraged from entering or staying in the trade, leading to a shortage of supply and a decline in the quality of the service.
- 4.2 The proposed Tariff increase is a reasonable overall rise with an average overall rise of 4.6% for Tariff 1 and 3.8% for Tariff 2. The two additional tariffs for vehicles taking 5-8 passengers show a higher increase, however these costs have incorporated the current extra charges and will make the fare meter clearer for passengers.
- 4.3 It is considered that the proposed uplift will assist those taxi drivers licensed through the Council to face the rise in fuel costs and other cost of living rises and support Torbay's taxi trade to make a viable living, therefore reducing the number of drivers leaving the trade for better remunerated work and encouraging consideration of investment in newer environmentally friendly vehicles.

5. Financial Opportunities and Implications

- 5.1 There are no financial risks to the Council by increasing the taxi tariff.

6. Legal Implications

- 6.1 The Council must ensure they follow the prescribed public consultation has outlined in this report to comply with section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

7. Engagement and Consultation

- 7.1 As outlined above, the Council is required to undertake a public consultation prior to making any amendment to the tariff. If no objections to the variation of the tariff are received, or if all objections are withdrawn, the revised Tariff will come into operation on the date of the expiration of the consultation period. However, if any objections are made and not withdrawn, the matter will return to Cabinet to consider the objections and set a further date, not later than two months after the first specified date, on which the Tariff shall come into force with or without further modifications.

8. Procurement Implications

- 8.1 There are no procurement implications.

9. Protecting our naturally inspiring Bay and tackling Climate Change

- 9.1 There are no negative carbon footprint or other environmental implications resulting from amending/uplifting the Taxi Tariff. The proposed uplift should encourage members of the trade to invest in cleaner more efficient vehicles.

10. Associated Risks

- 10.1 There are no significant risks.

11. Equality Impact Assessment

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Age	18 per cent of Torbay residents are under 18 years old. 55 per cent of Torbay residents are aged between 18 to 64 years old. 27 per cent of Torbay residents are aged 65 and older.	Younger people may be disproportionately negatively impacted as they may rely more on taxis for educational purposes. Older people may also be disproportionately negatively impacted due to their increased reliance on taxis and the door-to-door service they provide. Public transport, including taxis play a crucial role in helping people to stay connected and maintain independence when they are unable to drive, and are therefore of particular significance to older residents aged over 65 and to younger people who may not have access to a car. Aging is linked with reduction in personal car use and are therefore more reliant on taxis especially as it is a door-to-door service. The availability of public transport is also very important to all adults and parents who do not have a car for work and social activities.	There are grants available to support vulnerable groups to access transport. Low-income families, children with a special need or medical condition or if a child's school is more than 2 miles away may also be eligible for school transport.	N/A
Carers	At the time of the 2021 census there were 14,900 unpaid carers in Torbay.	Carers are more likely to experience deprivation and therefore any rise in costs will have an impact on this group. They	.	N/A

	5,185 of these provided 50 hours or more of care.	may also require a hackney carriage to travel with the person they are caring for or travel to support them.		
Disability	In the 2021 Census, 23.8% of Torbay residents answered that their day-to-day activities were limited a little or a lot by a physical or mental health condition or illness.	People with disabilities are more likely to be negatively impacted due to their reliance on taxis and the door-to-door service they provide. They are also more likely to experience financial difficulty/poverty. This includes SEND (Special Educational Needs and Disabilities) students, although, as with other groups, the impact varies depending on how transport is funded. Any increases are likely to have an impact on the Local Authorities finances who fund the school transport provision. The Council have a register of all wheel chair accessible vehicles at Helping disabled passengers - Torbay Council All licensed vehicles must also carry assistance dogs.	There may be grants available to support vulnerable groups to access transport. Any discriminatory complaints received are fully investigated.	Licensing Officers and Police Officers
Gender reassignment	In the 2021 Census, 0.4% of Torbay's community answered that their gender identity was not the same as their sex registered at birth. This proportion is similar to the Southwest and is lower than England.	. The Department for Transport (DfT) FS13 report highlights how discrimination is part of daily life for trans people and generates 'behaviours of avoidance', particularly to using public transport. This group tend to use taxis and private hire vehicles instead of other means of public transport and therefore may be more adversely impacted by any increase in fares.	Any discriminatory complaints received are fully investigated	Licensing Officers and Police Officers

Marriage and civil partnership	Of those Torbay residents aged 16 and over at the time of 2021 Census, 44.2% of people were married or in a registered civil partnership.	These proposals are not intended to impact on this client group	Any discriminatory complaints received are fully investigated	Licensing Officers and Police Officers
Pregnancy and maternity	Over the period 2010 to 2021, the rate of live births (as a proportion of females aged 15 to 44) has been slightly but significantly higher in Torbay (average of 63.7 per 1,000) than England (60.2) and the Southwest (58.4). There has been a notable fall in the numbers of live births since the middle of the last decade across all geographical areas.	These proposals are not intended to impact on this client group. The DFT FS13 report identified that public transport plays a vital role in supporting social inclusion for many parents with young children and therefore they may be more adversely impacted by any increase in fares.	Any discriminatory complaints received are fully investigated.	Licensing Officers and Police Officers
Race	In the 2021 Census, 96.1% of Torbay residents described their ethnicity as white. This is a higher proportion than the Southwest and England. Black, Asian and minority ethnic individuals are more likely to live in areas of Torbay classified as being amongst the 20% most deprived areas in England.	The DFT FS13 report identifies that 'people from BAME background are less likely to have access to a private vehicle, be more reliant on public transport to access employment. Furthermore 'for many people from a BAME background having regular, affordable, clean and efficient transport is essential'. There is also evidence that individuals from a minority background are more likely to experience poverty and therefore any increase in fares will have an impact.	Any discriminatory complaints received are fully investigated	Licensing Officers and Police Officers

Religion and belief	64.8% of Torbay residents who stated that they have a religion in the 2021 census.	The DFT FS13 report identifies that certain groups of people, face an increasing risk of being victims of religious hate crime. For people who have a marked religious identity through clothing there is a heightened risk for harassment or discrimination. It is reported that this is particularly true for women who are already more vulnerable regardless of the way they dress. Therefore, any increase in fares will have an impact.	Any discriminatory complaints received are fully investigated	Licensing Officers and Police Officers
Sex	51.3% of Torbay's population are female and 48.7% are male	Females are more likely to experience poverty and are more likely to use taxis and other public transport. The DFT FS13 report identifies that 'as women are more likely than men to live on low incomes, work part time and undertake paid work in the home and in the community, such as being carers for dependent relatives, poor quality unreliable and expensive transport has a far bigger impact on the lives of women'. The report also identified that women may not have access to a car during the day as they 'either cannot afford one or the family car is being used by a partner'. The F13 report also identifies women make greater use of taxi's than men, increasing with age, where women over 70 make double the number of trips than men. Any increase in fares may encourage more females to risk walking home at night or seek lower cost, less regulated alternatives such as unlicensed vehicles. A UK Survey	Any discriminatory complaints received are fully investigated	Licensing Officers and Police Officers

		by Plan International found that 62% of young women take taxis home at least monthly for safety reasons. Around 6 in 10 young women use taxis due to anxiety about other routes at night. 9 in 10 women report feeling unsafe walking alone after dark www.gov.uk/government/speeches/women-and-girls-walking-safety)		
Sexual orientation	In the 2021 Census, 3.4% of those in Torbay aged over 16 identified their sexuality as either Lesbian, Gay, Bisexual or, used another term to describe their sexual orientation.	The DFT FS13 report identifies that safety and security (and perceptions of them) are key for lesbian, gay and bisexual people and may influence how they choose or prefer to travel. It also says that a 2018 LGBT survey pointed to public transport as the most common place where respondents avoided being open about their sexual orientation and that it may even be avoided altogether. Therefore, they may use taxis more than other forms of transport so may be adversely impacted by any rise.	Any discriminatory complaints received are fully investigated	Licensing Officers and Police Officers
Veterans	In 2021, 3.8% of residents in England reported that they had previously served in the UK armed forces. In Torbay, 5.9 per cent of the population have previously serviced in the UK armed forces.	Some veterans could be negatively affected by taxi fare increases. This will depend on a number of factors, many of which may fall into the other categories such as age, disability, socio-economic impacts.	Any discriminatory complaints received are fully investigated	Licensing Officers and Police Officers

Additional considerations				
Socio-economic impacts (Including impacts on child poverty and deprivation)	The taxi tariff has to be raised to balance the legitimate right of the trade to a viable livelihood and the needs of the travelling public. The cost-of-living crisis has hit the taxi trade hard most notably through the escalating vehicle purchase, maintenance and fuel costs. These costs are no longer absorbed through the existing tariff.	As advised above, the people that rely on public transport will be impacted by any rise in costs and they may not be able to take alternative transport.	N/A	N/A
Public Health impacts (Including impacts on the general health of the population of Torbay)	N/A	There is a possibility of social isolation if there are barriers in obtaining affordable transport.	N/A	N/A
Human Rights impacts	There are no human rights impact with regards to the taxi tariff.	There may be impacts on the right to family life and the right to education if the fees impact on people's ability to travel.	N/A	N/A
Child Friendly	Torbay Council is a Child Friendly Council, and all staff and Councillors are Corporate Parents and have a responsibility towards cared for and care experienced children and young people.	Care experienced children are more likely to have poor education and health outcomes and are more likely to experience poverty and may be more adversely affected by any rise in fares. It may also have an impact on the ability to travel to school if they rely on taxis.	N/A	N/A
FS13: Future of Transport - Equalities and access to opportunity - rapid evidence review (publishing.service.gov.uk)				

12. Cumulative Council Impact

None

13. Cumulative Community Impacts

None

Appendix 1: Proposed tariff

Tariff	Fares for up to four passengers
1	For all hirings commencing between 7am and 9pm from Monday to Saturday inclusive except those mentioned in Tariff 2. Initial Charge £4.50 for the first 470 yards (430 metres) or part thereof and 20p for each subsequent 145 yards (133 metres) or part thereof. Waiting time 20p for every 30 seconds or part thereof.
2	For all hirings commencing between 9pm and 7am from Monday to Saturday inclusive, all day Sundays and Bank Holidays. Also, between 7pm on Christmas Eve until 7am on Boxing Day and between 7pm on New Years Eve until 7am on the 2nd of January. Initial Charge £5.10 for the first 470 yards (430 metres) or part thereof and 25p for each subsequent 145 yards (133 metres) or part thereof. Waiting time 25p for every 30 seconds or part thereof.
Tariff	Fares for 5, 6, 7, or 8 passengers
3	For all hirings commencing between 7am and 9pm from Monday to Saturday inclusive except those mentioned in Tariff 4. Initial Charge £5.50 for the first 470 yards (430 metres) or part thereof and 25p for each subsequent 145 yards (133 metres) or part thereof. Waiting time 25p for every 30 seconds or part thereof.

4	For all hirings commencing between 9pm and 7am from Monday to Saturday inclusive, all day Sundays and Bank Holidays. Also, between 7pm on Christmas Eve until 7am on Boxing Day and between 7pm on New Years Eve until 7am on the 2nd of January. Initial Charge £6.10 for the first 470 yards (430 metres) or part thereof and 30p for each subsequent 145 yards (133 metres) or part thereof. Waiting time 30p for every 30 seconds or part thereof.
Additional charges – No extra charges will be made for luggage, prams, pushchairs or wheeled trolleys	
Booking Charge At the discretion of the operator for each booking made in advance which requires the driver to drive to the hirer's designated pick-up point. The Hirer must have been informed of the charge at the time of making the booking. Maximum Charge: £1	
£3 for each hiring carried out between 7pm on Christmas Eve until 7am on Boxing Day and between 7pm on New Years Eve until 7am on 2 nd January.	
£1.50 for each uncaged animal, except guide, hearing and other assistance dogs	
£100 for the soiling of the interior or exterior of a cab	
For charging purposes only Two children between the ages of 3 years and 6 years shall be regarded as one person. A child under the age of 3 years shall not be reckoned. The meter will be reset at the start of each journey, charges for distance and time registering automatically and additional charges being set by the driver.	

Appendix 2: Current tariff

Tariff 1 – For all hiring's commencing between 7am and 9pm from Monday to Saturday inclusive, except those mentioned in Tariff 2.

£3.90 for any distance up to 470 yards (430 meters)

20p for each subsequent 145 yards (133 meters) or part thereof

20p for each completed period of 30 seconds (waiting time)

Tariff 2 – For all hiring's commencing between 9pm and 7am on Monday to Saturday inclusive, all day Sundays and Bank Holidays. Also, between 7pm on Christmas Eve until 7am on Boxing Day and between 7pm on New Years Eve until 7am on the 2nd of January.

£4.50 for any distance up to 470 yards (430 meters)

25p for each subsequent 145 yards (133 metres) or part thereof

25p for each completed period of 30 seconds (waiting time)

Additional charges –

Each additional passenger in excess of one (accompanied children under the age of 3 are not charged, two children between 3 and 6 to be charged as one)	20p
For each uncaged animal except guide, hearing or other assistance dogs	£1.50
Booking Charge For each hiring where the driver is required to drive to the hirer's designated pick-up point.	50p
For the soiling of the interior or exterior of a cab.	£75
For each hiring carried out between 7pm on Christmas Eve until 7am on Boxing Day and between 7pm on New Years Eve until 7am on the 2 nd of January.	£1

Appendix 3

Tariff Setting Methodology

In order to regularly review the maximum taxi fares for Torbay, there should be a fair and robust method for doing so. Licensing Officers have subsequently reviewed the methodologies used by a number of different Local Authorities and the following method has been used to determine whether any fare increase is necessary and balanced.

The proposed methodology has been created to provide a transparent process for calculating taxi fares and seeks to measure the true costs of providing taxis and the 'cost per mile' figure necessary to safeguard the sustainability for this valuable public service. The information provided in this document is supported by factual evidence. If statistical data is not available, the calculations are based on reasoned argument.

The proposed calculation uses the relevant factors shown in the following table:

1	The annual average earnings figure for a full-time employee for Torbay (£)
2	Average of the AA pence per mile total for standing charges and running costs (pence)
3	Vehicle Insurance costs (£)
4	The cost of a council taxi driver badge and vehicle licence, and an allowance for: training, medicals, and DBS checks.
5	Cost of installing and maintaining card terminal per year (does not include the 3% charge as this is not able to be passed onto the customer)
6	The average annual earnable mileage of a licensed Torbay taxi

The relevant factors used in the calculation are explained in more detail below.

1. Annual Average Earnings

The economic cost of running a hackney carriage includes the drivers' earnings and this factor must be taken into account when setting the fare tariff. There is no reliable information on the earnings of taxi drivers, and it is therefore proposed that the government's annual average earnings figure should be used.

The annual average earnings figure for a full-time employee for Torbay is sourced from The Office of National Statistics (ONS) found at:

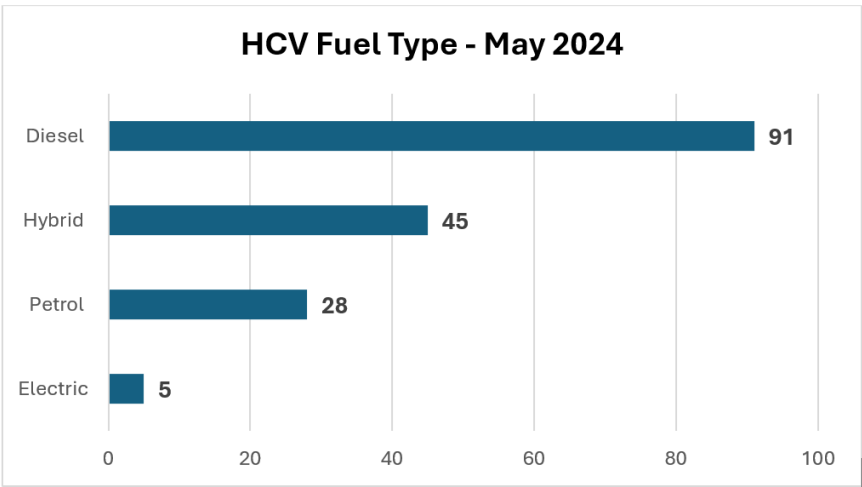
Earnings and Hours Worked, Work and Residence-Based Travel to Work Area: ASHE Tables 11 and 12 - Office for National Statistics (ons.gov.uk)

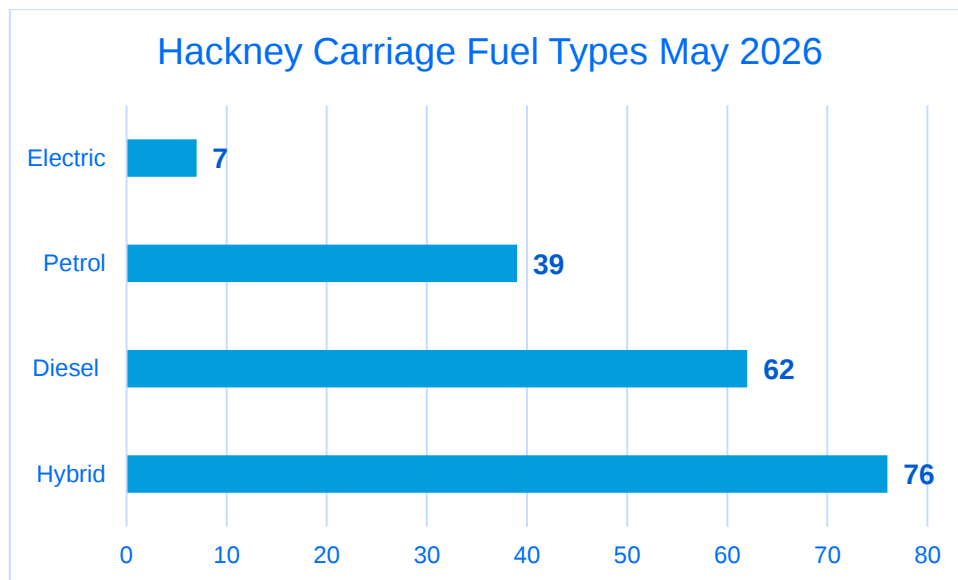
Please note the data has not been updated since 2022 and there is no date specified for when any new data will be published. The filters applied to obtain the information are shown in the table below:

ONS Filters	
Statistics	Mean Average
Geography	Geography-England, South West, Torquay and Paignton
Hours and earnings	Hours and Earnings-Annual Pay Gross
Sex	All
Time	2022 (or most recent available year)
Working Time	All (Full & Part Time)
Workplace or Residence	Both
Average	= £24,381

1. Vehicle Costs

We have based the calculations on a diesel vehicle. There has been an increase in Hybrid vehicles since May 2024, however there is a still a large number of diesel vehicles and the cost of diesel fuel is currently higher.





The average costs of running a diesel vehicle are calculated without taking individual or differing business practices into account.

Until 2014, the Automobile Association (AA) provided the most accurate data available for the costs of running a diesel vehicle based upon the fuel type and average mileage of a vehicle. This is a detailed index and consists of costs for road tax, insurance, depreciation, subscriptions, fuel, oil, tyres, servicing, repairs and replacements for a variety of vehicle types and distances travelled. Please refer to Appendix 7.

While the AA currently do not publish recent information of this nature, they do provide a detailed explanation as to how a vehicle proprietor can estimate their vehicle standing which captures the above information and is still considered appropriate to use. Therefore the 2014 data provided by the AA is used to provide an average figure but is adjusted to allow for the percentage inflation rise along with the cost of fuel since the data was obtained.

The formula below takes the average of the total of standing charges and running costs in pence per mile for diesel cars costing between £26,000 and £32,000 on purchase.

AA Vehicle Motoring Costs April 2024		
The AA Motoring Costs 2014 document has been used and adjusted where figures not available.		
Cumulative price increase of 42% June 2014 to May 2026		
Standing Charges Per Year (£)	£26,000 to £36,000	Inflation Adjusted for 2024
VED (Road Tax) Average of £180 & £400	£180.00	X
Insurance	£601.00	X
Cost of Capital	£541.00	X
Depreciation	£3373.00	X
Breakdown Cover	£50.00	X
Standing Charges Only: £	£4,745.00	X
Standing Charges as Pence Per Mile (At 30000 per year)	17.28	X
Running Costs at Pence Per Mile		
Diesel Fuel*	£12.88	X
Tyres	£2.02	X
Service & Labour Costs	£2.24	X
Replacement Parts	£2.99	X
Parking and Tolls	£2.00	X
Running Costs Only	22.14	X
* Nb Fuel for AA based on 137.0 pence per litre. For each penny more or less add or take away 13p (0.09 x 1.42 inflation)		
Average UK pump prices (https://www.gov.uk/government/statistics/weekly-road-fuel-prices) Diesel Fuel on 18 May 2026 was 186.56 pence per litre		
Total of Standing and Running Costs as Pence Per Mile	39.42	X

2. Vehicle Insurance Costs

All insurance policies are different, and some proprietors/drivers pay more than others depending on individual circumstances. In addition, taxi drivers incur additional insurance premiums for the 'hire and reward' element of driving. The calculation is based on the average premium from a random sample of drivers.

4. Costs of maintaining driver and vehicle licence with Torbay Council

This calculation takes in to account the cost of maintaining driver and vehicle licences with additional allowances for DBS checks, medicals and attending appropriate training.

5. Earnable mileage figure

Dead mileage is the term used to describe the amount of mileage spent driving without a passenger in the vehicle i.e. non-earnable mileage. HMRC generally consider dead mileage is set at 40% for rural areas whereas 50% is considered suitable for urban areas.

As Torbay is mainly urban, then the earnable mileage and dead mileage should be set at an even 50/50 % split.

We have estimated the average annual mileage figure at around 30000 miles therefore the earnable mileage is set at 15000 miles.

6. Calculation Results

Once the data has been obtained it is input into the below equation to provide a figure showing the cost per mile to run a taxi in Torbay.

1	The annual average earnings figure for a full-time employee for Torbay (£)	x
2	Average of the AA pence per mile total for standing charges and running costs (pence)	x
3	Vehicle Insurance costs (£)	x
4	The cost of a council taxi driver badge and vehicle licence, and an allowance for: training, medicals, and DBS checks.	x
5	Cost of installing and maintaining card terminal per year (does not include the 3% charge as this is not able to be passed onto the customer)	x
6	The average annual earnable mileage of a licensed Torbay taxi	x

Running Costs per Mile = £ X

Appendix 4

Worked example of Fare setting calculations – Torbay Council

Average Earnings

The most up to date data shows that the average salary in Torbay for 2021 is **£24,480 per year**.

The annual average earnings figure for a full-time employee for Torbay is sourced from The Office of National Statistics (ONS) found at:

Earnings and Hours Worked, Work and Residence-Based Travel to Work Area: ASHE Tables 11 and 12 - Office for National Statistics (ons.gov.uk)

The filters applied to obtain the information are shown in the table below:

ONS Filters	
Statistics	Mean Average
Geography	Geography-England, South West, Torquay and Paignton
Hours and earnings	Hours and Earnings-Annual Pay Gross
Sex	All
Time	2022 (or most recent available year)
Working Time	All (Full & Part Time)
Workplace or Residence	Both
Average	= £24,381

1. Cost of Running a Diesel Vehicle

The calculations are based on the cost of a new representative vehicle in the fleet licensed by Torbay Council around £30k, namely:

- Skoda Octavia, 1498 or 1598- Skoda Octavia Hatchback 1.5 TSI SE 5dr specification and running costs (fleetnews.co.uk) – £25, 700
- Toyota Hybrid 1798- Toyota Corolla Hatchback 1.8 Hybrid Design 5dr CVT specification and running costs (fleetnews.co.uk) - £31,900

Current prices have been inputted where this is possible, and prices have been adjusted (using the Inflation calculator | Bank of England) by the cumulative price increase of 42% along with the cost of fuel since the data was obtained.

AA Vehicle Motoring Costs May 2026

The AA Motoring Costs 2014 document has been used and adjusted where figures not available.
Cumulative price increase of 42% from 2014 to April 2026 using [Inflation calculator](#) | [Bank of England](#)

Standing Charges Per Year (£)	£26,000 to £36, 000	Inflation Adjusted for 2024
VED (Road Tax) Average of £180 & £400	£180.00	£200 (actual cost)
Insurance	£601.00	£2312 (actual average cost based on 12 drivers' insurance costs)
Cost of Capital	£541.00	£768.22
Depreciation	£3373.00	£4,755.93
Breakdown Cover	£50.00	£200
Standing Charges Only: £	£4,745.00	£8236.15
Standing Charges as Pence Per Mile (At 30000 per year)	17.28	27.45
Running Costs at Pence Per Mile		
Diesel Fuel*	£12.88	£19.20
Tyres	£2.02	£2.87
Service & Labour Costs	£2.24	£3.18
Replacement Parts	£2.99	£4.25
Parking and Tolls	£2.00	£2.84
Running Costs Only	22.14	32.34
* Nb Fuel for AA based on 137.0 pence per litre. For each penny more or less add or take away 13p (0.09 x 1.42 inflation)		
Average UK pump prices (https://www.gov.uk/government/statistics/weekly-road-fuel-prices) Diesel Fuel on 18 May 2026 was 186.56 pence per litre		
Total of Standing and Running Costs as Pence Per Mile	39.42	59.79

The figure obtained is vehicle running costs of **60 pence per mile**.

2. Vehicle Insurance Costs

This figure is set at **£2312 per annum** based on an average of a sample of 12 hackney carriage drivers' insurance premiums.

3. Costs of maintaining driver and vehicle licence with Torbay Council

For this current year (From 1 May 2026) this is set at **£340**.

(Based on Vehicle renewal of £207 and 1/3rd of the 3-year drivers' renewal of £294, plus medical (£50 plus), training (£35) etc. so rounded to £340)

4. Calculations

1	The annual average earnings figure for a full-time employee for Torbay (£)	£24,381
2	Average of the AA pence per mile total for standing charges and running costs (pence)	£0.60
3	Vehicle Insurance costs (£)	£2312
4	The cost of a council taxi driver badge and vehicle licence, and an allowance for: training, medicals, and DBS checks.	£340
5	Cost of installing and maintaining card terminal per year (does not include the 3% charge as this is not able to be passed onto the customer)	£520
6	The average annual earnable mileage of a licensed Torbay taxi	15,000
Cost per mile Calculation (1+2+3+4+5) ÷ 6 =		£1.84

Running Cost Per Mile = **£1.84**, which is an increase of **£0.05 (2.8%)** since the last review in 2024.

Appendix 5

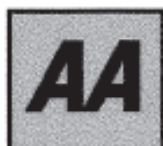
Tariff 1 – Day rate, up to 4 passengers				
Current/baseline	Tariff 1 – Current	Proposed	Tariff 1 – Proposed	
Journey (Miles)	Current / Baseline	Proposed	Difference	% Increase
1	£5.70	£6.30	£0.60	10.5%
2	£8.10	£8.70	£0.60	7.4%
3	£10.70	£11.30	£0.60	5.6%
4	£13.10	£13.70	£0.60	4.6%
5	£15.50	£16.10	£0.60	3.9%
6	£17.90	£18.50	£0.60	3.4%
7	£20.30	£20.90	£0.60	3.0%
8	£22.70	£23.30	£0.60	2.6%
9	£25.10	£25.70	£0.60	2.4%
10	£27.50	£28.10	£0.60	2.2%
Average	£16.66	£17.26	£0.60	4.6%

Tariff 2 – Night/Sunday/Bank Holiday rate, up to 4 passengers				
Current/baseline	Tariff 2 – Current	Proposed	Tariff 2 – Proposed	
Journey (Miles)	Current / Baseline	Proposed	Difference	% Increase
1	£6.75	£7.35	£0.60	8.9%
2	£9.75	£10.35	£0.60	6.2%
3	£13.00	£13.60	£0.60	4.6%
4	£16.00	£16.60	£0.60	3.8%
5	£19.00	£19.60	£0.60	3.2%
6	£22.00	£22.60	£0.60	2.7%
7	£25.00	£25.60	£0.60	2.4%
8	£28.00	£28.60	£0.60	2.1%
9	£31.00	£31.60	£0.60	1.9%
10	£34.00	£34.60	£0.60	1.8%
Average	£20.45	£21.05	£0.60	3.8%

Tariff 3 – Day rate, 5–8 passengers				
Current/baseline	Tariff 3 – Current baseline	Proposed	Tariff 3 – Proposed	
Journey (Miles)	Current / Baseline	Proposed	Difference	% Increase
1	£5.70	£7.75	£2.05	36.0%
2	£8.10	£10.75	£2.65	32.7%
3	£10.70	£14.00	£3.30	30.8%
4	£13.10	£17.00	£3.90	29.8%
5	£15.50	£20.00	£4.50	29.0%
6	£17.90	£23.00	£5.10	28.5%
7	£20.30	£26.00	£5.70	28.1%
8	£22.70	£29.00	£6.30	27.8%
9	£25.10	£32.00	£6.90	27.5%
10	£27.50	£35.00	£7.50	27.3%
Average	£16.66	£21.45	£4.79	29.7%

Tariff 4 – Night/Sunday/Bank Holiday rate, 5–8 passengers				
Current/baseline	Tariff 4 – Current baseline	Proposed	Tariff 4 – Proposed	
Journey (Miles)	Current / Baseline	Proposed	Difference	% Increase
1	£6.75	£8.80	£2.05	30.4%
2	£9.75	£12.40	£2.65	27.2%
3	£13.00	£16.30	£3.30	25.4%
4	£16.00	£19.90	£3.90	24.4%
5	£19.00	£23.50	£4.50	23.7%
6	£22.00	£27.10	£5.10	23.2%
7	£25.00	£30.70	£5.70	22.8%
8	£28.00	£34.30	£6.30	22.5%
9	£31.00	£37.90	£6.90	22.3%
10	£34.00	£41.50	£7.50	22.1%
Average	£20.45	£25.24	£4.79	24.4%

Appendix 6



Motoring Costs 2014

Petrol Cars

See note:	Standing charges per year, £	Purchase price of the car when new:				
		Up to £13 000	£13 000 to £18 000	£18 000 to £25 000	£25 000 to £32 000	Over £32 000
A	VED (Road Tax)	110	145	180	283	609
B	Insurance	360	409	481	571	762
C	Cost of capital	203	251	355	494	877
D	Depreciation	1190	2156	2611	3672	6974
E	Breakdown cover	50	50	50	50	50
	Standing charges only: £	1913	3011	3678	5070	9271
	Standing charges as pence per mile					
	at 5,000 miles per year	37.78	59.36	72.51	99.93	182.64
	at 10,000	19.13	30.11	36.78	50.70	92.71
	at 15,000	13.07	20.65	25.21	34.78	63.67
	at 20,000	10.16	16.13	19.69	27.18	49.84
	at 25,000	8.22	13.08	15.96	22.04	40.43
	at 30,000	6.89	10.97	13.39	18.49	33.93
	Running costs, pence per mile					
F	Petrol *	10.84	13.12	14.55	16.22	18.04
G	Tyres	1.37	1.57	1.94	2.32	3.35
H	Service labour costs	2.10	2.07	2.09	2.04	2.34
I	Replacement parts	2.24	2.39	2.25	2.73	3.34
J	Parking and tolls	2.00	2.00	2.00	2.00	2.00
	Running costs only: p.	18.56	21.14	22.83	25.31	29.06
	* NB: Petrol at 129.0 pence per litre					
	For each penny more or less, add or take away:	0.08	0.10	0.11	0.13	0.14
	Total of standing and running costs as pence per mile					
	at 5,000 miles per year	56.34	80.51	95.34	125.24	211.70
	at 10,000	37.68	51.26	59.60	76.01	121.78
	at 15,000	31.63	41.79	48.04	60.09	92.73
	at 20,000	28.72	37.28	42.52	52.49	78.91
	at 25,000	26.78	34.22	38.79	47.35	69.50
	at 30,000	25.45	32.12	36.22	43.80	62.99

Please see the associated notes for more detail. These figures are typical but do not represent all types of vehicle and conditions of use. Once compiled, some of the variables may change at any time.



Motoring Costs 2014

Diesel Cars

See

note:

Standing charges per year, £		Purchase price of the car when new:				
		Up to £16 000	£16 000 to £22 000	£22 000 to £26 000	£26 000 to £36 000	Over £36 000
A	VED (Road Tax)	30	110	180	180	361
B	Insurance	424	499	511	601	771
C	Cost of capital	245	325	429	541	823
D	Depreciation	1705	2426	2618	3373	5197
E	Breakdown cover	50	50	50	50	50
Standing charges only: £		2454	3411	3788	4745	7203

Standing charges as pence per mile

at 5,000 miles per year	48.40	67.24	74.71	93.55	141.98
at 10,000	24.54	34.11	37.88	47.45	72.03
at 15,000	16.81	23.38	25.95	32.53	49.40
at 20,000	13.12	18.27	20.25	25.41	38.61
at 25,000	10.63	14.81	16.41	20.60	31.31
at 30,000	8.92	12.42	13.76	17.28	26.26

Running costs, pence per mile

F	Diesel Fuel *	9.28	10.20	12.65	12.88	16.79
G	Tyres	1.15	1.49	2.06	2.02	2.87
H	Service labour costs	2.10	2.14	2.29	2.24	2.76
I	Replacement parts	2.73	2.43	2.53	2.99	3.44
J	Parking and tolls	2.00	2.00	2.00	2.00	2.00
Running costs only: p.		17.26	18.25	21.54	22.14	27.85

* NB Fuel at: 137.0 pence per litre

For each penny more or less,

add or take away:	0.07	0.07	0.09	0.09	0.12
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Total of standing and running costs as pence per mile

at 5,000 miles per year	65.66	85.49	96.25	115.69	169.83
at 10,000	41.80	52.36	59.41	69.59	99.88
at 15,000	34.08	41.64	47.49	54.67	77.26
at 20,000	30.39	36.52	41.79	47.55	66.47
at 25,000	27.90	33.06	37.94	42.74	59.16
at 30,000	26.18	30.67	35.30	39.42	54.11

Please see the associated notes for more detail. These figures are typical but do not represent all types of vehicle and conditions of use. Once compiled, some of the variables may change at any time.

Fuel Price Report

January 2015



The pace of fall in petrol and diesel pump prices accelerated in December as supermarkets took advantage of plunging wholesale prices to compete for customers with cars. However, with oil needing to fall to \$40 a barrel at least but staying in the \$45-\$50 range, £1 a litre predictions look misplaced.

Unleaded prices are down 7.4p from 116.3 ppl to 108.9 ppl. **Diesel** prices have fallen 6.1p from 122.2 ppl to 116.1 ppl. The price difference between unleaded and diesel has increased to 7.2 ppl.

East Anglia has recorded the highest price for **unleaded** at 109.4 ppl. The **North, Northern Ireland, South West and Yorkshire and Humberside** have recorded the lowest price for **unleaded** at 108.8 ppl. **Scotland** has recorded the highest **diesel** price at 116.9 ppl. **Northern Ireland** has the cheapest **diesel** at 115.7 ppl.

Supermarket prices for **unleaded** have fallen to 107.1 ppl. The gap between supermarket prices and the UK average for **unleaded** has shrunk to 1.8 ppl.

Garages and Supermarkets	Unleaded 95 Octane (pence)		Diesel (pence)		Super Unleaded (pence)		LPG (pence)
	litres	(gallons)	litres	(gallons)	litres	(gallons)	litres
Northern Ireland	108.8	494.6	115.7	525.98	114.4	520.1	0.0
Scotland	109.2	496.4	116.9	531.44	119.5	543.3	62.4
Wales	109.0	495.5	116.4	529.16	121.2	551.0	61.5
North	108.8	494.6	116.2	528.26	119.7	544.2	62.4
North West	109.1	496.0	116.1	527.80	123.3	560.5	0.0
Yorkshire & Humberside	108.8	494.6	115.9	526.89	125.7	571.4	63.2
West Midlands	109.0	495.5	116.2	528.26	122.8	558.3	67.9
East Midlands	109.0	495.5	115.9	526.89	121.1	550.5	61.6
East Anglia	109.4	497.3	116.5	529.62	116.8	531.0	63.9
South East	108.9	495.1	116.2	528.26	118.4	538.3	61.4
South West	108.8	494.6	116.1	527.80	118.2	537.3	60.3
London	108.9	495.1	116.0	527.35	118.3	537.8	63.9
UK AVERAGE	108.9	495.1	116.1	527.80	119.7	544.2	62.2
Per cent taken as Tax		69.9		66.58		65.1	

Supermarkets	Unleaded 95 Octane		Diesel		Super unleaded		LPG
	Litres	(gallons)	litres	(gallons)	litres	(gallons)	litres
SUPERMARKET AVERAGE	107.1	486.9	113.9	517.8	112.1	509.6	60.2
Per cent taken as Tax		70.8		67.55		68.4	

The AA Public Affairs Fuel Price Report uses data sourced from Experian Catalist (www.catalist.com)
They are an average of mid-month prices from the respective regions.