

West Berkshire Hackney Carriage & Private Hire Operators

12 Audley Close, Newbury, Berkshire, RG14 2NW

27th April 2017

Dear Sir,

The undersigned being owner operators of Hackney Carriages or Private Hire Vehicles request the Licensing committee consider the following application for an increase in the maximum tariff charged for implementation from the 1st June 2017. Members may wish to note that the current tariff has been in place since 2013

Please see attached revised tariff card.

The proposal equates to a 40 pence increase on the average 2 mile taxi fare.

In calculating our increase we have used the formula agreed and set out by the TGWU and the Public Carriage Office. Calculations are based on the following criteria,

1. The average cost of providing a vehicle. (In this case a Ford Mondeo and London Taxi). Calculations are based on 4 different methods.
 - a) Purchase new and run for 6 years.
 - b) Purchase new and run for 3 years.
 - c) Purchase at 3 years and run for 6 years.
 - d) Lease.
2. Vehicle Spares:

A basket of 15 components is taken into account, along with tyre costs from 3 manufactures.
3. Garaging and Servicing:

These are divided into property derived costs (rent, rates, heating, lighting), using the Hillier-Parker rent index for industrial premises and labour derived costs using the TGWU National Joint Council for the Motor Retail Repair Industry's Minimum rates of pay index.
4. Fuel costs:

The price of derv per gallon is taken from the Petroleum Times Energy Source, and assumes typical consumption of 25 miles to the gallon.
5. Insurance:

Three insurance companies provide quotes; this figure is then averaged out.
6. Miscellaneous costs:
 - 1) Licence fees
 - 2) MOT
7. Earnings:

As taxi fares comprise taxi drivers main income the formula takes account of earnings as 45% Of the overall calculation for a fares increase. The earnings figure is derived from the average earnings index for the whole economy.

We will be pleased to have a representative at the committee meeting to answer any further questions members might have.

Yours faithfully,

Mr R.Nemeth