

Appendix 2 – Halcrow Manchester Formula – component data sources

Component	Data Source	Notes
Vehicle Cost	London Taxi Company (LTC) Mercedes Cab Direct	<p>New TXs can no longer be purchased, having been replaced by the TX Electric Taxi.</p> <p>New Peugeot E7s are no longer available to purchase and so Peugeot prices have been taken out of the formula.</p> <p>Cab Direct have informed that there is currently no second-hand market to purchase compliant vehicles.</p> <p>Vehicle costs are included for: Cost of new purchase, current HP rate and monthly payments - purchase new and run for 12.5 years.</p> <p>NB. The formula has not taken into account that grants are due to be offered to licensees when replacing their existing vehicle with a new vehicle</p>
Parts	Office for National Statistics (ONS): Retail Price Index (RPI)	<p>Previous data source Mann & Overton - no longer trading</p> <p>TfL (formerly Public Carriage Office upon which the Halcrow formula is based) identified a new data source for parts & tyres; they apply the yearly change in the ONS RPI figure for motoring expenditure: maintenance of vehicles.</p> <p>Data Base year = 1987 = 100 Increase applied from base at 2016 compared to 2022</p>
Tyres	Office or National Statistics (ONS): Retail Price Index (RPI)	Previous data source Mann & Overton - no longer trading

	'motoring expenditure: maintenance of vehicles'	TfL (formerly Public Carriage Office upon which the Halcrow formula is based) identified a new data source for parts & tyres; they apply the yearly change in the ONS RPI figure for 'motoring expenditure: maintenance of vehicles' Data Base year = 1987 = 100 Increase applied as % increase from base as at 2016
Garage & Servicing – Labour	Office of National Statistics (ONS) This is obtained from the Annual Survey of Hours and Earnings (ASHE) via www.ons.gov.uk .	The data is obtained from Table 14.6a Hourly Pay – All employees. The mean% change for Vehicle Technicians, Mechanics and Electricians is used and applied to the 2016 value
Fuel	AA Fuel price index	The AA no longer publish the level of granularity on their fuel index as they did in 2016. Therefore the cost of a litre of diesel in the Northwest region as of July 2022 has been used - the % change from the cost price index in Jan 2017 as been used within the formula
Insurance	Office for National Statistics (ONS) Retail Price Index (RPI) figure for motoring expenditure: 'vehicle tax and insurance'	Previous source AA Insurance Index – no longer available. In line with its application at TfL, costs for insurance will be uplifted by the yearly change in the ONS RPI figure for 'motoring expenditure: vehicle tax and insurance' Data Base year = 1987 = 100 Increase applied as % increase from base as at 2016

Miscellaneous	Licensing Unit	This is the annual cost of: <ul style="list-style-type: none">• renewal licence for a hackney carriage vehicle• renewal licence for hackney carriage driver (apportioned to annual cost)• 2 vehicle compliance tests
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The table below provides the cost comparison and final calculation provided by the Halcrow-Manchester Formula:

Component on index	Total Costs 2016-17	Total Costs 2022
Vehicle Cost	5782	5763
Parts	3438	3986
Tyres	281	326
Garage & Servicing - Labour	986	1117
Fuel	3548	5732
Insurance	2515	3421
Licence Fees	402	507
Grand Total (£s)	16952	20852
Difference 2016/17 compared to 2022	23.01% increase	