

Appendix 7

Review of London Taxi (Black Cab) Fares and Tariffs 2021

Impact assessments

Impact assessments

Document history

Version	Date	Summary of changes
V1	8 December 2021	<ul style="list-style-type: none">• First version• Published with taxi fares consultation (https://haveyoursay.tfl.gov.uk/taxi-fares-2021)
V2	24 February 2022	<ul style="list-style-type: none">• Document history added• Recommendations section added

Purpose

This document provides information about the potential impacts. We've considered the following:

- Health and safety, including crime and disorder, impacts
- Economic impacts
- Environmental impacts
- Impacts in relation to the protection of children and vulnerable adults
- Equality impacts – a summary of the equality impacts is included below and there is a separate equality impact assessment (EqIA) document

Health and safety, including crime and disorder, impacts

TfL is subject to [Section 17 of the Crime and Disorder Act 1998](#). This places a duty on public authorities to give due regard to the likely effect on crime, disorder, anti-social behaviour and substance misuse in the exercising of all its functions, and to do all that it reasonably can to prevent crime and disorder.

Licensed taxis play an important role in providing safer transport, especially late at night, and it is important that:

- There is a sufficient supply of taxis to meet demand
- The public do not perceive taxis as too expensive or unaffordable and instead use unlicensed vehicles or unbooked private hire vehicles (PHVs), or walk when this is could be a less safe option
- The public are able to get a taxi when they want to travel at night and do not face unacceptably long wait times

Item	Potential negative impacts	Potential positive impacts
Taxi fares and tariffs	No change to the minimum fares or tariffs <ul style="list-style-type: none">• Some people travelling late at night will experience a negative	No change to minimum fares or tariffs <ul style="list-style-type: none">• There could be a positive impact for people travelling late at night

Item	Potential negative impacts	Potential positive impacts
	<p>impact as they may already consider taxis too expensive and so freezing Tariff 3 will not persuade them to consider using a taxi instead of using an unlicensed vehicle or unbooked PHV, or choosing to walk when this could be a less safe option</p> <ul style="list-style-type: none"> • Not increasing the minimum fare or tariffs despite drivers' operating costs increasing could mean drivers stop working at night or stop being a taxi driver. It could also deter people from applying to become a licensed taxi driver. This could reduce the supply of available taxis at night and people travelling late at night may experience a negative impact • A reduction in the supply of available taxis or longer wait times for a taxi could mean that some people are more likely to consider using an unlicensed vehicle or unbooked PHV, or choosing to walk when this could be a less safe option • Longer wait times could also mean that people are more vulnerable for longer periods, especially at night • People who use taxis more often or are reliant on them (e.g. disabled people, older people, etc.) may be disproportionately negatively impacted 	<p>as the taxi fares they pay won't increase</p> <ul style="list-style-type: none"> • If the number of people using taxis at night increases this could encourage more drivers to work at night and increase the supply of available taxis or reduce wait times • An increase in the number of people using taxis at night could help taxi drivers who work at night cover increased operating costs • An increase in the number of people using taxis at night could mean incomes increase for taxi drivers who work at night
	<p>Increasing the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Taxi users travelling late at night will experience a negative impact as increasing the minimum fare or tariffs will mean they pay higher fares. This could make them more likely to use an unlicensed vehicle or unbooked PHV, or choosing to walk when this could be a less safe option 	<p>Increasing the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Taxi drivers may experience a positive impact, with their health and wellbeing positively affected, as increases to the minimum fares or tariffs may help them cover increased operating costs. Increases to the minimum fares and tariffs could also mean their

Item	Potential negative impacts	Potential positive impacts
	<ul style="list-style-type: none"> • Taxi drivers may experience a negative impact, with their health and wellbeing negatively affected, as increases to the minimum fare or tariffs may deter people from using taxis and drivers may struggle to cover increased operating costs or may have to work longer • People who use taxis more often or are reliant on them (e.g. disabled people, older people, etc.) may be disproportionately negatively impacted • Taxicard members' health and wellbeing may be negatively impacted as they may be more reliant on taxis but increases to the minimum fare or tariffs could mean they cannot travel as often. This could increase the risk of them feeling isolated or being unable to get out • As a result of the coronavirus pandemic there could be new health and safety arrangements to consider when updating some taximeters to ensure that the virus is not spread or that staff updating the taximeters do not contract the virus. This should not be a risk with taximeters that can be updated remotely or by posting out new sim cards with the new tariff information on 	<p>income increases and they can work fewer hours</p> <ul style="list-style-type: none"> • Taxi users and Taxicard members may experience a positive impact if increasing the minimum fare or tariffs means that taxi drivers continue to work or the number of people applying to become a taxi driver increases. This could help ensure that taxis are available when users want to travel or wait times are reduced
<p>Heathrow Extra</p>	<ul style="list-style-type: none"> • Taxi users taking a taxi from one of the taxi ranks at the airport would experience a negative impact if the Heathrow Extra is increased as it would mean the fare they pay increases. This could encourage some people to consider using a less safe option (e.g. unlicensed vehicle or unbooked PHV) when travelling from the airport 	<ul style="list-style-type: none"> • Taxi users taking a taxi from one of the taxi ranks at the airport may experience a positive impact if the Heathrow Extra is increased and this means that taxi drivers continue to work at the airport and there continues to be a good supply of taxis available • Taxi drivers who work at the airport may experience a positive impact, with their health and wellbeing positively affected, as

Item	Potential negative impacts	Potential positive impacts
	<ul style="list-style-type: none"> Taxi drivers who work at the airport may experience a negative impact, with their health and wellbeing negatively affected, as increasing the Heathrow Extra could deter people from taking a taxi from the airport and drivers' incomes could reduce 	<p>increasing the Heathrow Extra may help them cover increased operating costs</p>
<p>Potential new Heathrow charge (TDOC)</p>	<ul style="list-style-type: none"> Taxi users taking a taxi to the airport would experience a negative impact if a new charge is introduced as it would mean the fare they pay increases if they are dropped off at one of the terminals. This could encourage some people to consider using a less safe option (e.g. unlicensed vehicle or unbooked PHV) when travelling to the airport Taxi drivers who accept fares to the airport may experience a negative impact, with their health and wellbeing negatively affected, as introducing a new charge could deter people from taking a taxi to the airport and drivers' incomes could reduce 	<ul style="list-style-type: none"> Taxi users taking a taxi to the airport may experience a positive impact if a new charge is introduced and this means that taxi drivers continue to accept jobs to the airport Taxi drivers who accept fares to the airport may experience a positive impact, with their health and wellbeing positively affected, as introducing a new charge may help them cover increased operating costs

Economic impacts

The main economic impacts from any changes to taxi fares and tariffs are on:

- The fares taxi users pay
- Taxicard members and funding for the scheme
- Taxi drivers' incomes
- Taxi drivers' ability to cover their operating costs

The overall impact of the fares and tariffs options may be positive if it results in users paying lower fares or taxi drivers' incomes increasing. However, the impacts could be negative as it could lead to users paying more or drivers struggling to cover increased operating costs.

Increasing the minimum fare or tariffs will mean that some users pay more. Disabled and elderly residents, and some visitors to London may use taxis more often or be more reliant on them. These groups may be disproportionately negatively impacted by any increases in fares.

Members of the Taxicard scheme, which provides subsidised taxi travel for disabled Londoners and is funded by TfL and the London boroughs, would normally be affected by any increase to the minimum fare or tariff rates. Any increases to taxi fares can potentially result in members not being able to make as many trips unless funding for the Taxicard scheme is increased.

From 1 January 2019 capped fares for Taxicard journeys were introduced so members would have more certainty about their fare and be less severely affected by increases in taxi fares.¹ Taxicard members will be affected if taxi drivers are less willing to accept Taxicard jobs because they dislike the capped fares being charged and the difference between these and the metered fares increases. Following the introduction of the capped fares some Taxicard jobs were not being accepted as taxi drivers considered the capped fares too low. Changes were made to the fares drivers receive and they now receive either the capped fare or 90 per cent of the metered fare, whichever is higher. The feedback following this change has been positive but this continues to be monitored with City Fleet, who have the contract to provide the Taxicard service, and London Councils.

Taxicard users would be negatively impacted by increases to the minimum fare or tariff rates as this would mean taxi fares increasing for journeys where the fare is still below the capped fare level. They could be disproportionately impacted by increases to the minimum fare if they use taxis for short journeys.

Stakeholder feedback suggests that an increasing proportion of each taxi fare is based on time and they report that this is primarily due to increased congestion in London, falling traffic speeds, changes to roads or road closures. If journey times are increasing then increasing the time rate of any of the tariffs may have a greater impact on fares and mean users paying more.

Taxi drivers may already be experiencing a negative economic impact from the coronavirus pandemic. Drivers' incomes may be impacted as a result of a decline in the number of taxi journeys and people using taxis because:

- Fewer people are going out
- Fewer tourists are coming to London
- More people are working from home
- Events have been cancelled

The economic impact may be greater if the coronavirus pandemic continues and there is a negative reaction from taxi users or Taxicard members to taxi fares potentially being increased during the pandemic.

The economic impact on some taximeter companies may be more severe than normal if they may need to put in additional measures to be able to safely update taximeters and reduce the risk of staff catching coronavirus.

¹ London Councils press release, 14 December 2018, <https://www.londoncouncils.gov.uk/node/34901>

Option	Potential negative impacts	Potential positive impacts
Taxi fares and tariffs	<p>No change to the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Taxi drivers may experience a negative impact if no change is made to the minimum fare or tariffs and they cannot cover increased operating costs • The Cost Index shows that taxi drivers' operating costs have increased and so freezing the minimum fare and tariff rates could potentially mean a real terms reduction in drivers' incomes • Freezing Tariff 4 may have a negative impact on taxi drivers who work at Heathrow Airport as they are more likely to do longer journeys 	<p>No change to the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Taxis users and Taxicard members may experience a positive impact if no change is made to the minimum fare or tariffs as the fares will not increase • There could be a positive impact on taxi users making shorter journeys • Taxi drivers may experience a positive impact. Over the past few years the number of taxi journeys per day has been declining but if no change is made to the minimum fare or tariffs then this could potentially mean the number of taxi journeys or people using taxis increases and drivers' incomes increase • Freezing Tariff 4 could have a positive impact on taxi users making longer journeys
	<p>Increasing the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Taxis users and Taxicard members will experience a negative impact if the minimum fare or tariffs are increased as this will mean the fares they pay increase • Taxi drivers may experience a negative impact. Over the past few years the number of taxi journeys per day has been declining and if the minimum fare or tariffs are increased this would mean fares increase and there could potentially be a decline in taxi journeys or fewer people using taxis 	<p>Increasing the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Taxi drivers may experience a positive impact if increasing the minimum fare or tariffs results in their income increasing • Taxi drivers will experience a positive impact if the minimum fare or tariffs are increased as this may help them cover increased operating costs
Heathrow Extra	<ul style="list-style-type: none"> • Taxi users taking a taxi from one of the taxi ranks at the airport would experience a negative impact if the Heathrow Extra is 	<ul style="list-style-type: none"> • Taxi users taking a taxi from one of the taxi ranks at the airport would experience a positive impact if the Heathrow Extra is increased and it means taxi

Option	Potential negative impacts	Potential positive impacts
	<p>increased as it would mean the fare they pay increases</p> <ul style="list-style-type: none"> • Taxi drivers who work at the airport may experience a negative impact if the Heathrow Extra is increased and fewer people take a taxi from the airport • Taxi drivers who work at the airport may experience a negative impact if this Heathrow Extra is not increased and they cannot cover the increased cost of the taxi feeder park fee 	<p>drivers continue to work at the airport</p> <ul style="list-style-type: none"> • Taxi drivers who work at the airport may experience a positive impact if the Heathrow Extra is increased as this would help them cover the cost of the taxi feeder park fee
<p>Potential new Heathrow charge (TDOC)</p>	<ul style="list-style-type: none"> • Taxi users taking a taxi to the airport would experience a negative impact if a new charge is introduced as it would mean the fare they pay increases if they are dropped off at one of the terminals • Taxi drivers who accept fares to the airport may experience a negative impact if a new charge is introduced and fewer people take a taxi to the airport • Taxi drivers who accept fares to the airport would experience a negative impact if a new charge is not introduced but they have to pay to drop off passengers at the airport terminals • Introducing a new charge for when taxi users are dropped off at Heathrow Airport could encourage companies to introduce new charges for taxi access at other locations (e.g. train stations, shopping centres). Taxi drivers would experience a negative impact if they have to pay other charges. Taxi users would experience a negative impact if part or all of these costs are passed on to them through increased taxi fares 	<ul style="list-style-type: none"> • Taxi users taking a taxi to the airport would experience a positive impact if a new charge is introduced and it means taxi drivers continue to accept fares to the airport • Taxi drivers who accept fares to the airport may experience a positive impact if a new charge is introduced as this would help them cover the cost of dropping off passengers at one of the airport terminals

Environmental impacts

The majority of taxis are diesel and contribute to poor air quality issues in London. The following initiatives have been introduced to reduce harmful emissions from taxis and help improve air quality in the capital:

- Since 1 January 2018 all newly licensed taxis must be zero emission capable (ZEC)
- We are helping to fund a government-led plug-in vehicle grant, which gives taxi drivers up to £7,500 off the price of a new ZEC taxi
- We are funding a taxi delicensing scheme to help speed up the removal of the oldest diesel taxis
- On 1 November 2019 the taxi age limit exemptions were removed
- Since 1 November 2019 taxis have not been licensed to operate past their relevant age limit²
- Between 1 November 2020 and 1 November 2022 the age limit of Euro 3, 4 and 5 diesel taxis is being reduced by one year, each year

More information about these initiatives is available on our website.³

As of 1 November 2021 there were:

	Licensed taxis⁴	Percentage of fleet
ZEC taxis	4,569	33.13%
Other taxis	9,221	66.87%
Total	13,790	100%

Costs for the ZEC taxis plus charging/electricity costs have been added to the Cost Index and the 2019, 2020 and 2021 total Cost Index figures take these costs into account.

In the most recent Taxi and Private Hire Licensee Customer Satisfaction Survey (CSS) we asked taxi drivers how likely they were to purchase a ZEC taxi in the next 12 months and their reasons for not purchasing a ZEC taxi in the next 12 months.⁵ The results are shown below.

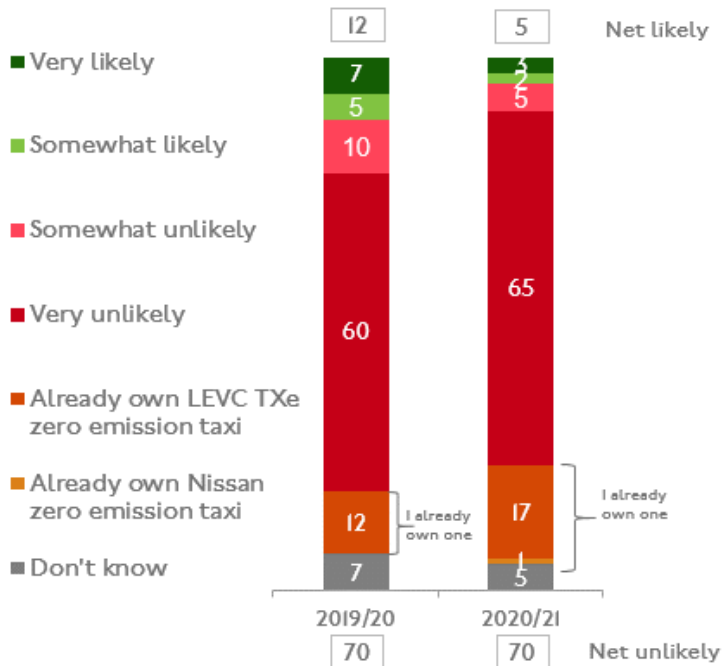
² A small number of taxis were relicensed during the coronavirus pandemic and the licence expired after the taxi had reached the maximum age limit. This was a limited arrangement and permitted as some of the vehicle inspection centres were closed at the start of the pandemic and taxi vehicle owners were unable to get their taxi relicensed for one final time

³ Emissions standards for taxis, <https://tfl.gov.uk/info-for/taxis-and-private-hire/emissions-standards-for-taxis>

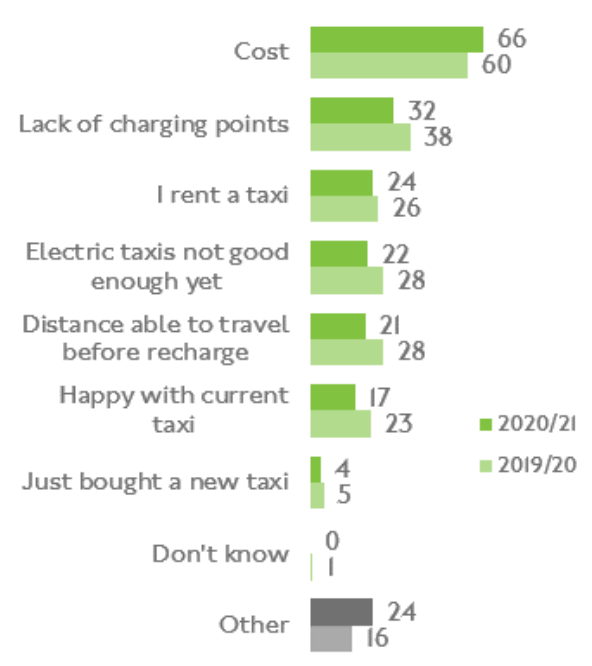
⁴ TfL licensing data 1 November 2021

⁵ Taxi and Private Hire Licensee Customer Satisfaction Survey (CSS), Kantar, 2020/21

Likelihood to purchase an electric/zero emission capable taxi in the next 12 months (%)



Reasons for not purchasing electric/zero emission capable taxi in next 12 months



Cost was the top reason for drivers not purchasing a ZEC taxi in the next 12 months. This situation could be worsened if drivers' incomes fall as a result of fares and tariffs increasing and the number of taxi journeys or people using taxis declines. Alternatively increases to fares and tariffs could increase drivers' incomes, meaning cost is a less significant issue when considering whether to purchase a ZEC taxi.

Mayor's Transport Strategy

The Mayor's Transport Strategy (MTS) includes a policy to "reduce Londoners' dependency on cars in favour of active, efficient and sustainable modes of travel, with the central aim for 80 per cent of all trips in London to be made on foot, by cycle or using public transport by 2041⁶".

We are not proposing changes to taxi fares with the aim of making fares too expensive for some people or too expensive for certain journeys (e.g. short journeys). Although increasing the minimum fare or tariffs would mean that the cost of taxi journeys increases, it is not our policy to make journeys in taxis prohibitively expensive. However, the potential positive impact in relation to the MTS policy has been included in the table below.

Option	Potential negative impacts	Potential positive impacts
Taxi fares and tariffs	No change to the minimum fare or tariffs	No change to the minimum fare or tariffs

⁶ MTS 2018, Policy 1, <https://www.london.gov.uk/sites/default/files/mayors-transport-strategy-2018.pdf>

Option	Potential negative impacts	Potential positive impacts
	<ul style="list-style-type: none"> ZEC taxis are more expensive than diesel taxis and taxi drivers could be deterred from purchasing a new ZEC taxi or they may delay any decision to replace their diesel taxi if their income does not increase as a result of the minimum fare and tariffs being frozen Air pollution caused by diesel emissions, high levels of nitrogen dioxide (NO₂) and particulate matter (PM) exacerbate poor health conditions and shorten the lives of Londoners. Taxi drivers, taxi users and the public may experience a negative impact if diesel taxis are licensed and operated for longer 	<ul style="list-style-type: none"> Freezing the minimum fare and tariff rates could mean the number of taxi journeys or people using taxis increases as the fares have not increased. If this results in drivers' incomes increasing it could make them more likely to consider purchasing a new ZEC taxi or they may bring forward any decision to replace their diesel taxi Air pollution caused by diesel emissions, high levels of nitrogen dioxide (NO₂) and particulate matter (PM) exacerbate poor health conditions and shorten the lives of Londoners. Taxi drivers, taxi users and the public may experience a positive impact if diesel taxis are replaced more quickly
	<p>Increasing the minimum fare or tariffs</p> <ul style="list-style-type: none"> If increases to the minimum fare or tariffs result in the number of taxi journeys or people using taxis declining this could have a negative environmental impact as it may mean drivers' incomes reduce and they could be deterred from purchasing a new ZEC taxi or they may delay any decision to replace their diesel taxi. This would have a negative environmental impact if it means that diesel taxis are licensed and operated for longer Air pollution caused by diesel emissions, high levels of nitrogen dioxide (NO₂) and particulate matter (PM) exacerbate poor health conditions and shorten the lives of Londoners. Taxi drivers, taxi users and the public may experience a negative impact if diesel taxis are licensed and operated for longer 	<p>Increasing the minimum fare or tariffs</p> <ul style="list-style-type: none"> Increasing the minimum fare or tariffs could mean drivers' incomes increasing and it could make them more likely to consider purchasing a new ZEC taxi or they may bring forward any decision to replace their diesel taxi potentially resulting in a positive impact Air pollution caused by diesel emissions, high levels of nitrogen dioxide (NO₂) and particulate matter (PM) exacerbate poor health conditions and shorten the lives of Londoners. Taxi drivers, taxi users and the public may experience a positive impact if diesel taxis are replaced more quickly Increasing the minimum fare or tariffs could mean that fewer people use taxis. If people switch from taxis to walking, cycling or public transport then this will have a positive impact in terms of the MTS policy to "reduce Londoners"

Option	Potential negative impacts	Potential positive impacts
		<i>dependency on cars in favour of active, efficient and sustainable modes of travel, with the central aim for 80 per cent of all trips in London to be made on foot, by cycle or using public transport by 2041” although taxi drivers will experience a negative impact if people switch from using taxis to other modes as drivers’ incomes will reduce</i>
Heathrow Extra	<ul style="list-style-type: none"> • Not increasing the Heathrow Extra could have a negative impact as it could mean some people still take a diesel taxi from the airport instead of choosing a less polluting mode of transport • Not increasing the Heathrow Extra could have a negative impact as it may mean that some taxi drivers delay switching from diesel to a ZEC taxi 	<ul style="list-style-type: none"> • Increasing the Heathrow Extra could have a positive impact as it could deter some people from taking a diesel taxi from the airport and they may switch to a less polluting mode of transport • Increasing the Heathrow Extra could have a positive impact as it could mean some drivers are more likely to consider purchasing a new ZEC taxi or they may bring forward any decision to replace their diesel taxi
Potential new Heathrow charge (TDOC)	<ul style="list-style-type: none"> • Not introducing a new charge could have a negative impact as it could mean some people still take a diesel taxi from the airport instead of choosing a less polluting mode of transport • Not introducing a new charge could have a negative impact as it may mean that some taxi drivers delay switching from diesel to a ZEC taxi 	<ul style="list-style-type: none"> • Introducing a new charge could have a positive impact as it could deter some people from taking a diesel taxi to the airport and they may switch to a less polluting mode of transport • Introducing a new charge could have a positive impact as it could mean some drivers are more likely to consider purchasing a new ZEC taxi or they may bring forward any decision to replace their diesel taxi

Protection of children and vulnerable adults impact assessment

The Secretary of State may issue statutory guidance to taxi and private hire licensing authorities in relation to the safeguarding of children and vulnerable adults under section 177 of the Policing and Crime Act 2017 and licensing authorities must have regard to the guidance when exercising their taxi and private hire licensing functions.

The Department for Transport (DfT) has published new statutory taxi and PHV standards⁷ and the focus of these is on protecting children and vulnerable adults. We will be consulting separately on proposals on how to implement the recommendations in the statutory taxi and PHV standards we are not already compliant with.

We have also:

- Created a new safeguarding training awareness course for taxi and PHV drivers⁸
- Introduced a requirement that all newly licensed PHV drivers and existing PHV drivers must pass a safety, equality and regulatory assessment⁹

Some London boroughs may use taxis to provide transport services for children or vulnerable adults and so there will potentially be impacts on these services if the minimum fare or tariffs change.

Option	Potential negative impacts	Potential positive impacts
Fares and tariffs	<p>No change to the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Some children and vulnerable adults will experience a negative impact if they already consider taxis to be too expensive and so still cannot afford to use them. Some may choose to use an unlicensed vehicle or unbooked PHV, or walk when this could be a less safe option • Some children and vulnerable adults will experience a negative impact if London boroughs use taxis to provide transport services for them and the number of licensed taxi drivers and supply of available taxis declines as drivers cannot cover increased operating costs and stop working as taxi drivers 	<p>No change to the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Some children and vulnerable adults will experience a positive impact if there is no increase to fares, this could mean they are less likely to choose to use an unlicensed vehicle or unbooked PHV, or walk when this could be a less safe option • Some children and vulnerable adults will experience a positive impact if London boroughs use taxis to provide transport services for them and no increase to fares means that the boroughs do not have to reduce or make cuts to these services
	<p>Increasing the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Some children and vulnerable adults will experience a negative 	<p>Increasing the minimum fare or tariffs</p> <ul style="list-style-type: none"> • Increasing the minimum fare or tariffs could help taxi drivers cover

⁷ DfT statutory taxi and PHV standards, July 2020, <https://www.gov.uk/government/publications/statutory-taxi-and-private-hire-vehicle-standards>

⁸ TfL taxi and PHV driver safeguarding awareness training course, <https://tfl.gov.uk/info-for/taxis-and-private-hire/safeguarding-awareness>

⁹ TfL taxi and PHV driver safety, equality and regulatory assessment, <https://tfl.gov.uk/info-for/taxis-and-private-hire/safety-equality-and-regulatory-understanding-requirement>

Option	Potential negative impacts	Potential positive impacts
	<p>impact if London boroughs use taxis to provide transport services for them and increasing the minimum fare or tariffs means they have to reduce or make cuts to these services</p> <ul style="list-style-type: none"> Some children and vulnerable adults will experience a negative impact if the minimum fare or tariffs are increased and they cannot afford to use taxis. Some may choose to use an unlicensed vehicle or unbooked PHV, or walk when this could be a less safe option 	<p>increased operating costs and mean that they continue to work as taxi drivers or that more people consider applying to become a licensed taxi driver. This could increase the supply of available taxis or reduce wait times and some children and vulnerable adults will experience a positive impact. This could also mean they are less likely to choose to use an unlicensed vehicle or unbooked PHV, or walk when this could be a less safe option</p>
Heathrow Extra	<ul style="list-style-type: none"> No negative impacts have been identified 	<ul style="list-style-type: none"> No positive impacts have been identified
Potential new Heathrow charge (TDOC)	<ul style="list-style-type: none"> No negative impacts have been identified 	<ul style="list-style-type: none"> No positive impacts have been identified

Equality impacts

Increasing taxi fares and tariffs, or fares for taxis to or from Heathrow Airport could have a negative impact on taxi users and Taxicard members as it could mean them paying higher fares or being able to travel less.

Some taxi users or Taxicard members who share a protected characteristic (e.g. older taxi users and Taxicard members, disabled taxi users and Taxicard members, female taxi users and Taxicard members, etc) may be disproportionately impacted.

Increasing taxi fares and tariffs, or fares for taxis to or from Heathrow Airport could have a negative impact on taxi drivers as it could result in a decline in the number of taxi journeys or people using taxis. If taxi drivers' incomes decline and they cannot cover their operating costs this could lead to a decline in the number of licensed taxi drivers or people applying to become a taxi driver, and the availability of taxis reducing or wait times increasing

There could be a positive impact from increasing taxi fares and tariffs, or fares for taxis to or from Heathrow Airport if this means:

- Taxi drivers can cover their operating costs
- The number of licensed taxi drivers or people applying to become a taxi driver stops decreasing, or even increases, and the availability of taxis increases and wait times reduce

Not increasing taxi fares and tariffs, or fares for taxis to or from Heathrow Airport could have a positive impact on taxi users and Taxicard members as it would mean the fares they pay do not change. However, there could be a negative impact as it could mean:

- Taxi drivers cannot cover their operating costs
- The number of licensed taxi drivers or people applying to become a taxi driver decreases, and the availability of taxis decreases and wait times increase

Further information about the negative and positive impacts, and potential mitigations is available in the separate equality impact assessment (EqIA) document.

Potential mitigations

Listed below are ways the negative impacts identified might be potentially mitigated:

- Capped fares have been introduced for Taxicard members and these help partly mitigate the impact on them from increases to the minimum fare or tariffs
- We are continuing to work with City Fleet, who have the contract to provide the Taxicard service, and London Councils to explore measures to improve the availability of taxis for Taxicard members, reduce wait times and help ensure that members can make a Taxicard journey by increasing the number of taxi drivers who can access and accept Taxicard bookings
- Increasing the number of taxi drivers who can access and accept Taxicard bookings may mitigate some of the negative impacts on taxi drivers as they will have the opportunity to increase their income
- Some people may be able to use a PHV instead of a taxi and information about licensed private hire operators in London, the services they offer, areas they cover, times they operate and contact details is available on our website.¹⁰ Information about PHV operators is also available from TfL's Travel Information Call Centre
- Some PHV operators may offer fares that are cheaper than taxis, although there have been recent reports the fares for some PHV journeys being more expensive than taxis
- Some people may be able to use the bus, Night Bus or trams instead of a taxi for all or part of their journey. Bus and trams fares have been frozen for four years in a row¹¹ although on 1 March 2021 average fares were increased by 2.6 per cent¹²
- Some people may be able to use the Tube or Docklands Light Railway (DLR) for all or part of their journey instead of using a taxi. Single pay as you go and paper single tickets on the Tube and DLR have been frozen for four years in a row¹³ although on 1 March 2021 average fares were increased by 2.6 per cent¹⁴

¹⁰ TfL Findaride service, <https://tfl.gov.uk/forms/12389.aspx>

¹¹ TfL fares freeze, <https://tfl.gov.uk/campaign/fares-freeze>

¹² TfL fares increase, <https://tfl.gov.uk/campaign/new-fares>

¹³ TfL fares freeze, <https://tfl.gov.uk/campaign/fares-freeze>

¹⁴ TfL fares increase, <https://tfl.gov.uk/campaign/new-fares>

- At the weekends some people may be able to use the Night Tube or Night Overground service instead of a taxi for all or part of their journey. Services were suspended during the coronavirus pandemic but:
 - Night Tube services will resume on the Central and Victoria lines on Saturday 27 November 2021
 - Night Tube services will resume on the other lines as soon as possible
 - Night Overground services between Highbury & Islington and New Cross Gate will restart on Friday 17 December 2021
- The average duration of a taxi journey is 19 minutes and the average distance is 2.6 miles.¹⁵ Some people may be able to walk or cycle for all or part of their journey instead of using a taxi. All Santander Cycle hire and access charges have been frozen for four years in a row¹⁶. Dockless cycle schemes which allow people to hire a bicycle also operate in some parts of London. We've also worked with Go Jaunty¹⁷ to make walking information, including station accessibility information, walking times and step by step directions, available on smartphones
- We've launched the TfL Go app¹⁸ to help people plan journeys in London. The app allows people to:
 - Use our live map to see their route or search for any place or address across London
 - Get live bus and train times for every station and the quieter times to travel
 - Get live updates on all bus, Tube, London Overground, DLR, TfL Rail and tram lines
 - Check walking and cycling routes for all or part of a journey
 - Use step-free mode for planning accessible journeys - this includes information on toilet availability, platform access and live lift status
- Some people may require step free access and so choose to use a taxi however, they may be able to use the Tube, DLR, London Overground or tram for all or part of their journey. Currently 89 Tube stations, 60 London Overground stations and 27 stations served by TfL Rail have step-free access. All DLR stations and tram stops are step-free. Two new stations created as part of the Northern line extension – Nine Elms and Battersea Power Station – have step-free access and all stations on the Elizabeth Line will have step-free access. In some places portable ramps or platform humps are being made available to help ensure a full step-free route from the street to the train¹⁹
- We advise the public of safer options when travelling late at night and to not use to use an unlicensed vehicle or unbooked PHV. We also work closely with the police and taxi and private hire trades to detect, disrupt and deter unlicensed drivers from

¹⁵ Taxi and Private Hire Driver Diary Survey 2016/17, Steer Davies Gleave, October 2017

¹⁶ Fares Freeze, <https://tfl.gov.uk/campaign/fares-freeze>

¹⁷ TfL and Go Jaunty partnership, <https://www.gojaunty.com/tfl-partnership>

¹⁸ TfL Go app, https://tfl.gov.uk/maps_/tfl-go

¹⁹ TfL step-free access, <https://tfl.gov.uk/travel-information/improvements-and-projects/step-free-access>

touting and licensed private hire drivers accepting jobs that have not been booked through a licensed PHV operator

- Work is already underway to reduce emissions from diesel taxis and the initiatives listed in the environmental impacts section will help continue to mitigate the negative environmental impacts
- The MTS sets out a number of initiatives to reduce congestion (e.g. reducing the number of lorries and vans entering central London in the morning peak, investigating proposals for the next generation of road user charging systems). The initiatives in the MTS and other measures (e.g. new bus lanes that taxis can also use) may help to reduce taxi journey times and this could mean fares are reduced for some journeys
- Blue Badge holders travelling to Heathrow Airport will be eligible for a 100 per cent discount from the new Terminal Drop-Off Charge (TDOC) and so won't have to pay this when taking a taxi to the airport and being dropped off at one of the terminals
- Some taxi users can avoid any new extra charge when being dropped off at Heathrow Airport by asking to be dropped off in the long stay car park and taking the free bus to the terminal
- Some taximeters can be updated remotely or by new sim cards which are posted to taxi vehicle owners. This reduces the risk from the coronavirus being spread during any update of taximeters

Recommendations

24 February 2022

After reviewing all of the responses to the consultation and considering the issues raised, including the alternative proposal put forward by the taxi driver representatives, and the positive and negative impacts identified, we are making the following recommendations to the TfL Finance Committee:

- Increase the minimum fare by 60 pence, from £3.20 to £3.80
- Increasing Tariffs 1 and 2 by 5.51 per cent
- Freeze Tariffs 3 and 4
- Increase the maximum Heathrow Extra from £2.80 to £3.60
- Introduce of a new Heathrow drop off charge which taxi drivers can add to the fare when dropping off passengers in one of the terminal drop-off zones at Heathrow Airport
- The new drop-off charge not applying to a journey when an exemption or discount from the Heathrow Terminal Drop Off Charge has been issued by Heathrow Airport Limited to the taxi for that journey
- The new Heathrow drop off charge being a maximum of £5.20

The paper submitted to the Finance Committee sets out our reasons for making these recommendations.