

## Finance Committee

**Date:** 26 February 2025

**Item:** Taxi Fares and Tariffs Update

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### **This paper will be considered in public**

## **1 Summary**

- 1.1 The paper updates the Committee on the outcome of the 2024/25 taxi (black cab) fares and tariffs review and seeks approval of proposals for taxi fares and tariffs.
- 1.2 This paper concerns only taxi (black cab) fares and tariffs; private hire fares are not regulated by Transport for London (TfL).

## **2 Recommendations**

**2.1 The Committee is asked to note the paper and approve:**

- (a) increasing the minimum fare by 40 pence to £4.20;**
- (b) increasing Tariffs 1, 2 and 3 by 5.05 per cent;**
- (c) keeping the Tariff 4 rates the same as the Tariff 2 rates;**
- (d) reducing the Heathrow extra, which taxi drivers can add to the fare when picking up a passenger from one of the taxi ranks at Heathrow Airport, from £2.00 to £1.60;**
- (e) increasing the Heathrow drop off charge from £5.20 to £6.00;**
- (f) increasing the fixed-fares for shared-taxis from the All England Lawn Tennis Club (AELTC) to central London by £1.50;**
- (g) amending some of the authorised places (as set out in Appendix 8) where the fixed-fare, shared-taxi scheme operates from during the Wimbledon Tennis Championships; and**
- (h) extending one of the areas (as set out in Appendix 8) covered by the fixed-fare, shared-taxi scheme that operates during the Wimbledon Tennis Championships.**

## **3 Background**

- 3.1 Taxi and private hire services in London are licensed and regulated by TfL. TfL also regulates taxi fares.

- 3.2 Taxi fares are calculated using a taximeter and the taximeter shows the maximum fare that can be charged at the end of a journey in London. The fare is based upon the time of day, distance travelled and time taken.
- 3.3 When the tariffs apply is shown in the table below. There is a minimum fare of £3.80 at all times.

<b>Tariff</b>	<b>When tariff applies</b>
Tariff 1	<ul style="list-style-type: none"> <li>Monday to Friday between 05:00-20:00</li> </ul>
Tariff 2	<ul style="list-style-type: none"> <li>Monday to Friday between 20:00-22:00</li> <li>Saturday and Sunday between 05:00-22:00</li> </ul>
Tariff 3	<ul style="list-style-type: none"> <li>Every night between 22:00-05:00</li> <li>Public holidays</li> </ul>
Tariff 4	<ul style="list-style-type: none"> <li>At all times for journeys over six miles</li> </ul>

## 4 Reviewing taxi fares and tariffs

- 4.1 When considering changes to taxi fares and tariffs, we seek to strike an appropriate balance between taxi drivers being fairly paid and taxi users getting fair, reasonable and affordable fares. To achieve this we:
- use the Cost Index described below to inform proposals for any potential changes to taxi fares and tariffs, but we do not automatically increase or decrease fares or tariff rates by the total Cost Index figure;
  - consider any changes the Cost Index shows to the costs of being a taxi driver in London along with the need for fares and tariffs to be fair, reasonable and affordable for users;
  - take into account the need to maintain reasonable and justifiable differences between the tariffs and as the journey distance or duration of a journey increases;
  - recognise the time and investment required to meet specific criteria to enter into and remain licensed within the London taxi industry, including the [Knowledge of London](#) and [Conditions of Fitness for taxi vehicles](#); and
  - comply with the public sector equality duty under section 149 of the Equality Act 2010 and have due regard to the impact of changes to fares and tariffs on those sharing characteristics protected under the Equality Act 2010 including those who may use taxis more frequently or are more reliant on them because they are in a protected group (e.g. older people, disabled people).

## 5 Cost Index

- 5.1 The Cost Index is maintained and updated by TfL and it provides a way for us to track changes to:
- taxi drivers' operating costs:** This includes a number of different components related to being a taxi driver in London (e.g. cost of zero

emission capable taxis, vehicle parts, tyres, servicing, fuel, insurance, etc); and

- (b) **average national earnings:** This is the labour cost element of the Cost Index. It is based on data published by the Office for National Statistics (ONS) and is included to maintain drivers' net earnings growth in line with average national earnings growth.

- 5.2 Although lower than the 2023/24 figure, the 2024/25 total Cost Index figure is still relatively high. The increase in taxi drivers' operating costs included an increase in vehicle costs and another large increase in insurance costs.
- 5.3 At its meeting in March 2024, the Committee requested that costs for home charging be added to the Cost Index. The Cost Index has been updated and now includes costs for both home charging and rapid charging.
- 5.4 The Committee also asked us to consider other sources of information for electric vehicle charging costs. The Automobile Association (AA) has started to publish monthly electric vehicle charging costs<sup>1</sup> and we are now using the AA's figures in the Cost Index for electric vehicle charging costs.
- 5.5 Changes to most of the components in the Cost Index are informed by data from the ONS and TfL data. Figures for vehicle costs are taken from the vehicle manufacturers. Figures for diesel and petrol are normally taken from the AA fuel reports, this is temporarily suspended for improvements and so the Fleet News fuel report (<https://www.fleetnews.co.uk/costs/fuel-prices/>) was used instead.
- 5.6 The Cost Index figures since 2018/19 are shown in the table below. The full Cost Index is set out in Appendix 1.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Taxi drivers' operating costs	+2.30%	+2.00%	+0.58%	+1.00%	+7.61%	+5.20%	+4.17%
Average national earnings	+1.30%	+2.15%	-0.58%	+4.80%	+4.02%	+3.72%	+3.31%
<b>Total Cost Index figure</b>	<b>+3.60%</b>	<b>+4.16%</b>	<b>-0.01%</b>	<b>+5.80%</b>	<b>+11.64%</b>	<b>+8.92%</b>	<b>+7.48%</b>

## 6 Taxi fares and tariffs consultation

- 6.1 Our consultation on potential changes to taxi fares and tariffs opened on 21 October and closed on 2 December 2024.<sup>2</sup> A number of documents were published with the consultation including an equality impact assessment (EQIA), details of other impacts and factors to consider, and the Cost Index

<sup>1</sup> AA monthly recharge report, <https://www.theaa.com/about-us/newsroom/aa-monthly-ev-recharge-reports>

<sup>2</sup> Review of taxi (black cab) fares and tariffs in London 2024, TfL consultation <https://haveyoursay.tfl.gov.uk/taxi-fares-review-2024>

figures.<sup>3</sup> We also produced an Easy Read version of the consultation material and consultation questions, and a British Sign Language video. An option to translate the consultation pages into other languages was also included on the consultation webpage.

- 6.2 We sought views from a wide range of stakeholders using our stakeholder database, including stakeholder groups representing the interests of those with disabilities, those with a focus on women's safety and older people. We promoted the consultation online and at some of the busiest taxi ranks in London. The consultation was also sent to all London boroughs.
- 6.3 We received 1,313 responses to the consultation. A summary of the consultation responses is set out in Appendix 2. A summary of the stakeholder responses is set out in Appendix 3.
- 6.4 At its meeting in March 2024, the Committee asked for consideration to be given to verifying which groups responses were from. We have looked into whether we could verify who responses are from but this is not feasible as:
  - (a) responses can be submitted anonymously by email, post or phone;
  - (b) requiring respondents to provide additional information about themselves may deter some people from responding as they may not want to share some information or may have concerns about why this information is being asked for or how it will be used;
  - (c) we want it to be as easy and accessible as possible to submit a response to TfL consultations but adding in extra checks or requiring additional information could make it harder to submit a response;
  - (d) there is no practical way to verify whether someone is a taxi user or non-taxi user; and
  - (e) we want to encourage as many people as possible to respond to the consultation and for them to feel confident that they can comment openly and honestly on what is being proposed.
- 6.5 When reviewing the responses to the consultation and considering recommendations to the Committee we have taken the matters listed below into consideration; the Committee should also have these matters in mind when making its decisions on the recommendations above:
  - (a) all of the consultation responses received, including from different groups;
  - (b) that there is a risk that some respondents may have accidentally or deliberately chosen a different respondent type;

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<sup>3</sup> Review of taxi (black cab) fares and tariffs in London 2024, consultation documents, <https://haveyoursay.tfl.gov.uk/36361/widgets/106528/documents/>

- (c) the equality and other impacts on people with protected characteristics if taxi fares and tariffs are increased;
- (d) the Department for Transport (DfT) Statutory Taxi and Private Hire Standards and the impacts on children and vulnerable adults if taxi fares and tariffs are increased;
- (e) the issues raised in response to the consultation;
- (f) the ongoing decline in the number of licensed taxis and taxi drivers; and
- (g) the responses from stakeholders.

### Consultation proposals and questions

6.6 The table below lists the items covered in the consultation.

Item	Proposals/questions
<b>Value for money of taxi fares</b>	We asked respondents to rate the value for money of taxi fares in London
<b>Minimum fare</b>	<p>We asked respondents if they thought the minimum fare should be:</p> <ul style="list-style-type: none"> <li>• frozen at £3.80;</li> <li>• increased by 20 pence to £4.00; or</li> <li>• increased by 40 pence to £4.20.</li> </ul>
<b>Tariffs 1, 2 and 3</b>	<p>We asked respondents if Tariffs 1, 2 and 3 should be:</p> <ul style="list-style-type: none"> <li>• frozen;</li> <li>• increased and the total Cost Index figure (+7.48%) should be used; or</li> <li>• increased and the change in taxi drivers' operating costs (+4.17%) should be used.</li> </ul>
<b>Heathrow extra</b>	<p>Heathrow Airport Limited (HAL) charge taxi drivers a fee to access the airport taxi rank for most journeys. This charge set by HAL is currently £3.00.</p> <p>The Heathrow extra charge can be added to the fare for taxi journeys that start from one of the taxi ranks at the airport. This is to help taxi drivers cover the fee paid to HAL. The extra is typically set at around 50% of the fee taxi drivers must pay HAL.</p> <p>The arrangement where the Heathrow extra is around 50% of the taxi feeder park fee has been in place for several years.</p> <p>The reason this is set to around 50% is because taxi drivers do not have to pay the fee to HAL if they return to the airport within one hour, for example if they have completed a local taxi journey.</p>

Item	Proposals/questions
	<p>HAL have reduced the fee taxi drivers pay from £3.60 to £3.00.</p> <p>As a result of HAL reducing the fee taxi drivers to pay HAL we proposed reducing the Heathrow extra from £2.00 to £1.60. This is slightly above the 50% because extras can only be added to the taximeter in increments of 40 pence.</p>
<p><b>Heathrow drop off charge</b></p>	<p>HAL charge all drivers, including taxi drivers, a Terminal Drop-Off Charge (TDOC) when dropping off people at one of the terminal forecourts at the airport.</p> <p>In December 2021 we introduced a new Heathrow drop off charge that taxi drivers could add to the fare to cover the cost of the TDOC when they drop off passengers at one of the terminal forecourts.</p> <p>The TDOC was originally £5.00 but HAL advised us that they planned to increase this to £6.00 from 1 January 2025. HAL have subsequently advised us that the increase will not apply to London taxis dropping off passengers until 1 April 2025.</p> <p>Taxi drivers can currently add up to £5.20 to the fare when dropping off passengers at one of the terminal forecourts.</p> <p>We asked respondents if the Heathrow drop off charge taxi drivers can add to the fare when dropping off passengers at one of the terminal forecourts should be:</p> <ul style="list-style-type: none"> <li>• increased to £6.00 so it is the same as the fee HAL charge taxi drivers;</li> <li>• reduced;</li> <li>• frozen; or</li> <li>• removed altogether.</li> </ul>

## 7 Value for money

- 7.1 We asked respondents to rate the value for money of taxi fares in London.
- 7.2 Just under half (49 per cent) said they were good or very good value for money, with 31 per cent saying they were poor or very poor value for money.
- 7.3 Separately we know from our annual survey<sup>4</sup> amongst taxi and minicab passengers that 62 per cent of taxi users said they thought that in general taxi fares were too expensive, with 36 per cent saying they thought taxi fares were

<sup>4</sup> Black Cabs and Minicabs Customer Satisfaction Survey (CSS), Verian, 2023/24

about right. 80 per cent of minicab users said they thought taxi fares were too expensive, with 19 per cent saying they thought they were about right.

## **8 Minimum fare and Tariffs 1, 2 and 3**

### **Minimum fare consultation responses**

- 8.1 On the minimum fare respondents were split with:
- (a) 57 per cent of all respondents saying the minimum fare should be increased; and
  - (b) two fifths (40 per cent) of all respondents saying the minimum fare should be frozen.
- 8.2 There was a fairly even split amongst the respondents who supported increasing the minimum fare with:
- (a) just under one third (30 per cent) of all respondents saying the minimum fare should be increased by 40 pence to £4.20; and
  - (b) just under one third (27 per cent) of all respondents saying the minimum fare should be increased by 20 pence to £4.00.

### **Tariffs 1, 2 and 3 consultation responses**

- 8.3 On Tariffs 1, 2 and 3 there was an even split between respondents who thought the tariffs should be frozen, and those who thought they should be increased and the total Cost Index figure used:
- (a) just under two fifths (37 per cent) of all respondents thought Tariffs 1, 2 and 3 should be frozen; and
  - (b) just under two fifths (37 per cent) of all respondents thought Tariffs 1, 2 and 3 should be increased and the total Cost Index figure (+7.48 per cent) used.
- 8.4 Support was lower (20 per cent) for increasing Tariffs 1, 2 and 3 and using the change in taxi drivers' operating costs figure (+4.17 per cent).

### **Minimum fare and tariff options**

- 8.5 For several years the taxi tariffs were increased by the total Cost Index figure each year. However, in some recent reviews we have taken different approaches when considering increases to taxi fares and tariffs. Instead of just increasing the tariffs by the total Cost Index figure, we have used this figure but spread the increases across the minimum fare and tariffs.
- 8.6 The table below shows the changes since 2018 to taxi fares and tariffs, and the different approaches taken.

<b>Date changes implemented</b>	<b>Total Cost Index figure</b>	<b>Changes to the minimum fare and tariffs</b>
6 October 2018	+3.6%	<ul style="list-style-type: none"> <li>• Minimum fare increased by 40 pence (15.4%), from £2.60 to £3.00</li> <li>• Tariffs 1 and 2 increased by 0.6%</li> <li>• Tariffs 3 and 4 frozen</li> </ul>
11 January 2020	+3.4%	<ul style="list-style-type: none"> <li>• Minimum fare increased by 20 pence (6.7%), from £3.00 to £3.20</li> <li>• Tariffs 1 and 2 increased by 1.9%</li> <li>• Tariffs 3 and 4 frozen</li> </ul>
30 April 2022	+9.95%	<ul style="list-style-type: none"> <li>• For this review the combined sum of the 2019, 2020 and 2021 total Cost Index figures was used</li> <li>• Minimum fare increased by 60 pence (18.75%), from £3.20 to £3.80</li> <li>• Tariffs 1 and 2 increased by 5.51%</li> <li>• Tariffs 3 and 4 frozen</li> </ul>
29 April 2023	+11.64%	<ul style="list-style-type: none"> <li>• Minimum fare frozen</li> <li>• Tariffs 1, 2 and 3 increased by 7.61% which reflected the increase in taxi drivers' operating costs shown in the Cost Index</li> <li>• The average national earnings part of the Cost Index (+4.02%) was not applied</li> <li>• Tariff 4 frozen</li> </ul>
20 April 2024	+8.92%	<ul style="list-style-type: none"> <li>• Minimum fare frozen</li> <li>• Tariffs 1, 2 and 3 increased by 8.92%</li> <li>• Tariff 4 rates made the same as the Tariff 2 rates</li> </ul>

8.7 Spreading increases across the minimum fare and tariffs has provided a way to use the total Cost Index figure, but for the increase to Tariffs 1, 2 and 3 to be lower than the total Cost Index figure. This approach has been considered for this year's review and we could use either the total Cost Index figure (+7.48 per cent) or the change in taxi drivers' operating costs figure (+4.17 per cent).

8.8 The table below shows the different options available this year if we:

- (a) froze the minimum fare, or increased it by 20 pence or 40 pence;
- (b) increased Tariffs 1, 2 and 3 and the increase was based on either the total Cost Index figure (+7.48 per cent) or the change in taxi drivers' operating costs figure (+4.17 per cent); and
- (c) froze Tariffs 1, 2 and 3.

8.9 The different options were included in the consultation.

8.10 Options 1, 2 and 3 use the total Cost Index figure (+7.48 per cent) and show what the increases to Tariffs 1, 2 and 3 would be if the minimum fare was:



- (a) frozen at £3.80;
- (b) increased by 20 pence; and
- (c) increased by 40 pence.

8.11 Options 4, 5 and 6 show the same but if the increase in taxi drivers' operating costs figure (+4.17 per cent) was used instead of the total Cost Index figure.

8.12 Option 7 is if the minimum fare, and Tariffs 1, 2 and 3 were frozen.

Option	1	2	3	4	5	6	7
Cost Index figure used	7.48%	7.48%	7.48%	4.17%	4.17%	4.17%	0.00%
Current minimum fare	£3.80	£3.80	£3.80	£3.80	£3.80	£3.80	£3.80
Minimum fare increase	£0.00	£0.20	£0.40	£0.00	£0.20	£0.40	£0.00
New minimum fare	£3.80	£4.00	£4.20	£3.80	£4.00	£4.20	£3.80
Increase to Tariffs 1, 2 and 3	7.48%	6.27%	5.05%	4.17%	2.96%	1.74%	0.00%

### Rates per hour and per mile

8.13 The table below shows the rates per mile and hour for the tariffs that came into effect on:

- (a) 30 April 2022;
- (b) 29 April 2023; and
- (c) 20 April 2024 – these are the current rates.

	30-Apr-22	29-Apr-23	20-Apr-24
<b>Tariff 1 rate per mile</b>	£3.05	£3.37	£3.78
<b>Tariff 2 rate per mile</b>	£3.74	£4.11	£4.57
<b>Tariff 3 rate per mile</b>	£3.96	£4.35	£4.84
<b>Tariff 4 rate per mile</b>	£3.70	£3.70	£4.57
<b>Tariff 1 rate per hour</b>	£31.72	£35.12	£39.34
<b>Tariff 2 rate per hour</b>	£38.92	£42.86	£47.68
<b>Tariff 3 rate per hour</b>	£41.14	£45.28	£50.35
<b>Tariff 4 rate per hour</b>	£38.50	£38.50	£47.68

8.14 Shown in the table below are the rates per mile and per hour for the seven options from the consultation.

8.15 Options 1, 2 and 3 involve increases and use the total Cost Index figure (+7.48 per cent). Option 3 has the lowest rates per mile and hour of these three options.

- 8.16 Options 4, 5 and 6 involve increases and use the increase in taxi drivers' operating costs figure (+4.17 per cent). Option 6 has the lowest rates per mile and hour of these three options.
- 8.17 Option 7 is freezing the fares and tariffs and has the lowest rates per mile and hour of all of the seven options as there would be no change to the current rates.

	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>	<b>Option 5</b>	<b>Option 6</b>	<b>Option 7</b>
	<ul style="list-style-type: none"> <li>• Minimum fare frozen</li> <li>• Tariffs 1, 2 and 3 increased by 7.48%</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum fare increased by 20 pence</li> <li>• Tariffs 1, 2 and 3 increased by 6.27%</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum fare increased by 40 pence</li> <li>• Tariffs 1, 2 and 3 increased by 5.05%</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum fare frozen</li> <li>• Tariffs 1, 2 and 3 increased by 4.17%</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum fare increased by 20 pence</li> <li>• Tariffs 1, 2 and 3 increased by 2.96%</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum fare increased by 40 pence</li> <li>• Tariffs 1, 2 and 3 increased by 1.74%</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum fare frozen</li> <li>• Tariffs 1, 2 and 3 frozen</li> </ul>
<b>Tariff 1 rate per mile</b>	£4.11	£4.05	£4.00	£3.96	£3.91	£3.85	£3.78
<b>Tariff 2 rate per mile</b>	£4.96	£4.89	£4.83	£4.79	£4.73	£4.66	£4.57
<b>Tariff 3 rate per mile</b>	£5.24	£5.18	£5.12	£5.07	£5.01	£4.94	£4.84
<b>Tariff 4 rate per mile</b>	£4.96	£4.89	£4.83	£4.79	£4.73	£4.66	£4.57
<b>Tariff 1 rate per hour</b>	£42.60	£42.11	£41.62	£41.14	£40.68	£40.00	£39.34
<b>Tariff 2 rate per hour</b>	£51.43	£50.70	£50.35	£49.66	£49.32	£48.32	£47.68
<b>Tariff 3 rate per hour</b>	£54.55	£53.73	£53.33	£52.55	£52.17	£51.43	£50.35
<b>Tariff 4 rate per hour</b>	£51.43	£50.70	£50.35	£49.66	£49.32	£48.32	£47.68

## Stakeholder responses

- 8.18 Hackney Disability BackUp said the minimum fare, and Tariffs 1, 2 and 3 should be frozen.
- 8.19 London TravelWatch (LTW) said that taxis play an important part in the transport network, helping people get around when other options are not available, and can be particularly important to disabled and older people. LTW said they understood the need to increase taxi fares given the rise in drivers' costs and the falling number of taxis and taxi drivers. They also said it was important that people are not priced out of using the service, and that high fares and fare increases are likely to disproportionately disadvantage people who rely on taxis for accessibility or safety reasons. They called for Tariff 3 to be protected from high increases and listed mitigations they would like to see in place. The mitigations included:
- (a) TfL exploring wider and more innovative ways to make being a taxi driver more attractive, increase the number of drivers and in turn service availability;
  - (b) supporting Taxicard members, for example by freezing members' contributions, allowing 'triple swiping', and increasing the number of taxi drivers who can accept Taxicard bookings; and
  - (c) increasing the number of accessible private hire vehicles (PHVs).
- 8.20 Transport for All (TfA) said the minimum fare and Tariffs 1, 2 and 3 should be frozen. They were deeply concerned about the proposed increases and the disproportionate impact on disabled people. They said disabled people are already facing higher living and transport costs, and rely on taxis. TfA said raising fares will exacerbate existing inequalities and that while they recognised taxi drivers face increasing costs, passing these on to disabled passengers is unacceptable. TfA said their research shows that cost is the most frequently experienced and disabling barrier to using taxis for disabled people. They said that the consequences of fare increases for Taxicard members (i.e. disabled people who are eligible for subsidised taxi journeys) would be particularly severe, as members would reach the capped fare limit more quickly, forcing many to make fewer journeys or travel shorter distances than they need. TfA made a number of recommendations to mitigate the potential negative impacts on disabled people. These were:
- (a) increasing funding for the Taxicard scheme;
  - (b) investing in accessible and affordable public transport options to reduce reliance on taxis;
  - (c) targeted financial support for disabled passengers;
  - (d) strengthening enforcement against discriminatory practices (e.g. starting the taximeter early and overcharging disabled passengers); and

- (e) engaging directly with disabled Londoners to co-design and implement solutions that address affordability and ensure taxi services meet their needs effectively.
- 8.21 The Taxi Trade Tariff Group (TTTG) is made up of representatives from the five main taxi driver groups – the Licensed Taxi Drivers' Association (LTDA), London Cab Drivers Club, the National Union of Rail, Maritime and Transport Workers, United Cabbies Group (UCG) and Unite the Union. The TTTG submitted a joint response and said the minimum fare should be increased by 40 pence, and Tariffs 1, 2 and 3 should be increased by 5.05 per cent (which would equate to using the total Cost Index figure of +7.48 per cent). They said that changes that do not use the total Cost Index figure would mean taxi drivers were unfairly penalised and would exacerbate the existential problem of falling taxi driver and vehicle numbers.
- 8.22 The TTTG said that restricting tariff increases to less than the total Cost Index figure would not help people who were dependent on taxis. They said this would not be equitable as it would mean taxi drivers were subsidising not only those least able to pay, but also those most able to pay. The TTTG said that an alternative would be to consider the cost of congestion on taxi fares and try to reduce this, for example by allowing taxis to go where buses go.
- 8.23 The UCG and Unite the Union also submitted separate responses saying the minimum fare should be increased by 40 pence, and Tariffs 1, 2 and 3 should be increased by 5.05 per cent.
- 8.24 Bolt said the minimum fare should be increased by 20 pence to £4.00, and Tariffs 1, 2 and 3 should be increased with the change in taxi drivers' operating costs figure (+4.17 per cent) used. They also said that if fares are increased they support a corresponding increase in the Taxicard members' allowance.
- 8.25 FREENOW said the minimum fare should be frozen at £3.80, and Tariffs 1, 2 and 3 increased with the total Cost Index figure (+7.48 per cent) used. They said that passengers' perceptions of taxis may be negatively impacted by increased congestion, delays, detours and increases in journey times, and that the principle causes of these issues are:
- (a) reductions in road capacity, which might be improved were TfL to allow taxis to use all bus lanes;
  - (b) speed restrictions (e.g. 20 mile per hour limits);
  - (c) the introduction of road closures and traffic restrictions including access for taxis; and
  - (d) the huge number of roadworks.
- 8.26 FREENOW supported Tariff 2 applying to all journeys of six miles or more. They also called for changes to when Tariff 3 applies, a new higher minimum fare that could be charged for booked taxis, an increase to the booked taxi

extra, the introduction of a cancellation fee for booked taxis and an increase in the soiling charge.

- 8.27 Cabvision said none of the seven options reflected their views. They thought that making the Tarif 4 rates the same as the Tariff 2 rates last year was a mistake and were concerned that applying a 7.5 per cent increase across all tariffs could be an error.
- 8.28 Hale Taximeters said the minimum fare should be increased by 20 pence to £4.00, and Tariffs 1, 2 and 3 should be increased with the change in taxi drivers' operating costs figure (+4.17 per cent) used.
- 8.29 CHAPRA, which is a residents' association in the London Borough of Sutton, said the minimum fare should be frozen, and Tariffs 1, 2 and 3 should be increased with the change in taxi drivers' operating costs figure (+4.17 per cent) used.
- 8.30 The London Borough of Hammersmith & Fulham said the minimum fare, and Tariffs 1, 2 and 3 should be frozen.
- 8.31 Westminster City Council said the minimum fare should be increased by 40 pence to £4.20, and Tariffs 1, 2 and 3 should be increased with the total Cost Index figure (+7.48 per cent) used.

### Recommendation rationale

- 8.32 After reviewing all of the responses to the consultation and taking into consideration the issues raised, the positive and negative impacts identified, the equality issues and impacts, concerns about how respondents may have identified themselves) and that some respondents (e.g. private hire operators, taxi booking companies) may have commercial interests and that these may influence their responses, we are making the recommendations set out in 2.1(a), 2.1 (b) and 2.1 (c).
- 8.33 The table below shows the current distance and time rates, and the new rates based on the recommendation.

Item	Current rates		Rates for the recommended changes (option 3)	
	Distance (metres/unit)	Time (seconds/unit)	Distance (metres/unit)	Time (seconds/unit)
Tariff 1	85.2	18.3	80.5	17.3
Tariff 2	70.4	15.1	66.6	14.3
Tariff 3	66.5	14.3	62.9	13.5
Tariff 4	70.4	15.1	66.6	14.3

- 8.34 The table below shows the change in the distance and time rates. If the recommendation is approved and implemented then the distance and time that can be travelled before the fare increases by 20 pence would be reduced, so the fare increases by 20 pence at a quicker rate.

Item	Change in distance rate (metres/unit)	Change in time rate (seconds/unit)
Tariff 1	-4.7	-1.0
Tariff 2	-3.8	-0.8
Tariff 3	-3.6	-0.8
Tariff 4	-3.8	-0.8

8.35 The table below shows the current rates per mile and per hour, and the changes if the recommendation is approved and implemented.

	Current rates	Recommendation (option 3)	Change
Tariff 1 - Rate per mile	£3.78	£4.00	+£0.22
Tariff 2 - Rate per mile	£4.57	£4.83	+£0.26
Tariff 3 - Rate per mile	£4.84	£5.12	+£0.28
Tariff 4 - Rate per mile	£4.57	£4.83	+£0.26

Tariff 1 - Rate per hour	£39.34	£41.62	+£2.28
Tariff 2 - Rate per hour	£47.68	£50.35	+£2.67
Tariff 3 - Rate per hour	£50.35	£53.33	+£2.98
Tariff 4 - Rate per hour	£47.68	£50.35	+£2.67

8.36 We are making this recommendation for the following reasons:

- (a) the Cost Index shows there has been a relatively large increase in taxi drivers' operating costs (+4.17 per cent), with a particularly large increase in insurance costs;
- (b) the Cost Index shows that there has been an increase in average national earnings (+3.31 per cent);
- (c) this recommendation reflects the change in both taxi drivers' operating costs and average national earnings;
- (d) by spreading the increase across the minimum fare and Tariffs 1, 2 and 3 the increase to the tariffs is lower (5.05 per cent) than if we just increased Tariffs 1, 2 and 3 by the total Cost Index figure (7.48 per cent). The new rate per mile and rate per hour are also lower than if we just increased Tariffs 1, 2 and 3 by the total Cost Index figure (7.48 per cent);
- (e) it is important that taxi drivers are fairly paid to try and ensure that taxi driving remains a viable career, licensed taxi drivers do not stop being a taxi driver and people will consider applying to become a licensed taxi driver. If the number of licensed taxi drivers falls, then this could affect the supply of taxis and increase the risk that taxi users are unable to get a taxi or have to wait longer for a taxi. There could be an increased risk

to the safety of some people if taxi wait times increase or they are unable to get a taxi;

- (f) the number of applications to be a licensed taxi driver and the number of newly licensed taxi drivers is very low.<sup>5</sup> Although there was an increase in the number of applications to become a taxi driver in 2023, the number is still significantly lower than the number received each year up until 2015. Increasing the minimum fare and tariffs to reflect the change in both taxi drivers' operating costs and average national earnings may help encourage more people to apply to become a licensed taxi driver;
- (g) the number of licensed taxi drivers has been falling since 2013/14 and is now at its lowest since 1978.<sup>6</sup> It is important to try and retain existing taxi drivers and increasing the minimum fare and tariffs to reflect the change in both taxi drivers' operating costs and average national earnings may help with this;
- (h) the Tariff 4 rates were made the same as the Tariff 2 rates in the 2023/24 taxi fares and tariffs review. We did not propose any changes to this arrangement this year and are recommending that it continues for the time being; and
- (i) when making this recommendation we have considered the potential impacts identified in our EQIA, the impacts on children and vulnerable adults, and also other impacts identified.<sup>7</sup>

## **9 Heathrow extra**

- 9.1 At Heathrow Airport there are taxi ranks at each of the terminals. There is also a taxi feeder park, this is an area where taxis queue before proceeding to one of the terminal taxi ranks.
- 9.2 Taxi drivers must pay a fee to enter the taxi feeder park at Heathrow Airport and access the taxi ranks at the terminals. Heathrow Airport Limited (HAL) sets the fee taxi drivers must pay to enter the taxi feeder park. The fee is intended to only cover the cost of operating the taxi feeder park and the taxi ranks at the airport. Taxi drivers who do a 'local job' and return to the airport in under one hour normally do not have to pay the taxi feeder park fee, and can instead bypass the taxi feeder park and go straight to one of the taxi ranks.
- 9.3 We allow taxi drivers to charge passengers taking a taxi from one of the taxi ranks at the airport a Heathrow extra to help drivers cover part of the cost of the taxi feeder park fee. We introduced the Heathrow extra in April 2004. There has been a longstanding arrangement where the Heathrow extra is normally around 50 per cent of the taxi feeder park fee.

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<sup>5</sup> Figures for the number of taxi driver licence applications and newly licensed taxi drivers are enclosed in Appendix 4

<sup>6</sup> Licensed taxi driver numbers are enclosed in Appendix 4

<sup>7</sup> The EQIA is provided in Appendix 5. The assessment of other impacts is provided in Appendix 6.



- 9.4 HAL decide whether to increase or reduce the taxi feeder park fee. In July 2021 they increased the fee from £3.60 to £7.20 owing to losses incurred during the coronavirus pandemic when demand for taxis at the airport was materially reduced. As a result of the increase to the fee taxi drivers must pay, in April 2022 we increased the Heathrow extra taxi drivers can add to taxi fares from £2.80 to £3.60.
- 9.5 In April 2023 HAL decreased the fee taxi drivers pay from £7.20 to £3.60 and we reduced the Heathrow extra to £2.00. HAL have now reduced the taxi feeder park fee to £3.00.
- 9.6 Extra charges are added to the taximeter in increments of 40 pence, so any extra must be a multiple of 40 pence (e.g. £1.20, £1.60, £2.00, £2.40, etc.). In our consultation we proposed reducing the Heathrow extra from £2.00 to £1.60.

### **Consultation and stakeholder responses**

- 9.7 Just over half (51 per cent) of all respondents said the Heathrow extra should be left at £2.00, with 39 per cent saying it should be reduced to £1.60.
- 9.8 Hackney Disability BackUp, TfA, Hale Taximeters, CHAPRA and Hammersmith & Fulham Council said the extra should be reduced to £1.60.
- 9.9 Unite the Union, the UCG, Bolt, FREENOW and Westminster City Council said the extra should be left at £2.00.
- 9.10 HAL said that taxi drivers should be able to pass on the full cost of the taxi feeder park fee to passengers.

### **Recommendation rationale**

- 9.11 After reviewing all of the responses to the consultation and taking into consideration the issues raised, the positive and negative impacts identified, and that some respondents (e.g. taxi booking companies, HAL) may have commercial interests and that these may influence their responses, we recommend reducing the Heathrow extra to £1.60.
- 9.12 We are making this recommendation for the following reasons:
- (a) this maintains the longstanding arrangement where the Heathrow extra is around half of the taxi feeder park fee. This recognises that taxi drivers do not pay the taxi feeder park fee every time they go to one of the taxi ranks at the airport;
  - (b) after a significant fall in taxi use during the coronavirus pandemic, demand for taxis at Heathrow Airport has recovered and on some occasions is exceeding the pre-pandemic demand;
  - (c) we are recommending a relatively large increase to the minimum fare and Tariffs 1, 2 and 3. This follows a relatively large increase to Tariffs 1,

2 and 3 each year for the last three years. So all taxi users, including those who take a taxi from one of the taxi ranks at Heathrow Airport, will be paying more; and

- (d) if HAL change the taxi feeder park fee, we will review the Heathrow extra in the next taxi fares and tariffs review.

## **10 Heathrow drop off charge**

- 10.1 In 2021 HAL introduced a Terminal Drop-Off Charge (TDOC) that all drivers, including taxi drivers, must pay when dropping off people at one of the terminal forecourts at the airport.
- 10.2 We have no control over whether HAL charge for dropping off passengers at the airport terminals, if they decide to charge London taxi drivers or if London taxis are eligible for a discount.
- 10.3 However, it is TfL's decision as to whether London taxi drivers should be able to add an extra charge to taxi fares and in effect pass part or all of the cost on to taxi passengers.
- 10.4 After consulting on this in December 2021<sup>8</sup> we introduced a new Heathrow drop off charge that taxi drivers could add to the fare to cover the cost of the TDOC when they drop off passengers at one of the terminal forecourts.
- 10.5 The TDOC was originally £5.00 but HAL have advised us that they plan to increase this to £6.00 from 1 January 2025, although the TDOC will not increase for taxis until 1 April 2025.
- 10.6 Taxi drivers can currently add up to £5.20 to the fare when dropping off passengers at one of the terminal forecourts.
- 10.7 In the consultation we asked if the Heathrow drop off charge should be:
  - (a) increased to £6.00 so it is the same as the fee HAL charge taxi drivers;
  - (b) reduced so it is less than £5.20;
  - (c) frozen; or
  - (d) removed altogether.

### **Consultation and stakeholder responses**

- 10.8 Just over half (53 per cent) of all respondents said the Heathrow drop off charge should be increased to £6.00, with just over one quarter (26 per cent) saying it should be removed. 10 per cent of all respondents said it should be frozen at £5.20, and only seven per cent said it should be reduced.

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<sup>8</sup> 2021 Review of taxi (black cab) fares and tariffs in London, 8 December 2021, <https://haveyoursay.tfl.gov.uk/taxi-fares-2021>

- 10.9 Unite the Union, the UCG, Bolt, FREENOW, CHAPRA and Westminster City Council said the Heathrow drop off charge should be increased to £6.00.
- 10.10 Hale Taximeters said the drop off charge should be reduced, the London Borough of Hammersmith and Fulham said it should be removed.
- 10.11 HAL said that taxi drivers should be able to pass on the full cost of the TDOC to passengers and supported the drop off charge being increased to £6.00.

### **Recommendation rationale**

- 10.12 After reviewing all of the responses to the consultation and taking into consideration the issues raised, the positive and negative impacts identified, and that some respondents (e.g. taxi booking companies, HAL) may have commercial interests and that these may influence their responses, we recommend increasing the Heathrow drop off charge to £6.00.
- 10.13 We are making this recommendation for the following reasons:
- (a) taxi drivers have to pay the full TDOC (£6.00) when dropping off passengers in the terminal drop-off zones at Heathrow Airport;
  - (b) taxi passengers have the option of not paying the drop off charge by asking to be dropped off in the long stay terminal car parks at the airport for free. Passengers can then take the free bus to the terminals;
  - (c) we want to reduce the risk of passengers being dropped off in unsuitable locations because taxi drivers want to avoid paying the TDOC;
  - (d) Blue Badge holders can receive a 100 per cent discount from the TDOC and taxi drivers are not permitted to add the drop off charge to the taxi fare for taxi journeys if their taxi was registered for a Blue Badge concession; and
  - (e) our position is that taxis should be exempt from HAL's TDOC and should not have to pay to drop off passengers at the airport. However, only HAL can exempt taxi drivers from the TDOC, this is not something we can do.

## **11 Wimbledon Tennis Championships fixed-fare, shared-taxi scheme**

- 11.1 During the Wimbledon Tennis Championships fixed-fare, shared-taxi schemes operate. Passengers share their taxi with other people they may not know and each passenger pays a fixed fare. Potential benefits from these schemes include:
- (a) passengers have a shorter wait for a taxi and reduced fares;
  - (b) taxi drivers get a higher fare than for an equivalent exclusive hiring;
  - (c) the supply of available taxis can be used more efficiently; and

- (d) the local community potentially benefits from fewer taxi movements, resulting in less congestion, noise and pollution.
- 11.2 Fixed-fare, shared-taxis operate from the Wimbledon Tennis Championships to parts of central London. In the 2022/23 taxi fares and tariffs review<sup>9</sup> we reviewed these fixed fares and increased them. The increases ranged from 60 pence to £1.00. A full list of the increases and areas covered was included in the notice published in April 2023.<sup>10</sup>
- 11.3 Fixed-fare, shared-taxis also operate between Wimbledon and Southfields stations and the Wimbledon Tennis Championships. In the 2023/24 taxi fares and tariffs review<sup>11</sup> we reviewed these fixed fares and increased them from £2.50 to £3.50 per passenger.
- 11.4 We monitored the impact these changes made on the supply of available taxis and service for the public during the 2024 Wimbledon Tennis Championships. There was a good supply of taxis for passengers travelling between Wimbledon and Southfields stations and the Wimbledon Tennis Championships and no change is proposed to this fixed fare. However, there continued to be problems with an insufficient supply of taxis to take passengers from the Wimbledon Tennis Championships to central London.

### **Recommendations rationale**

- 11.5 We have met with the LTDA and one of the suburban taxi driver representatives to discuss the fares and arrangements for the fixed-fare, shared-taxi service that operates during the Wimbledon Tennis Championships. We discussed with them potentially increasing some of the fixed fares for the scheme, changing the description in the TfL Sharing Order for where passengers are picked up, and also expanding one of the areas covered by the scheme.
- 11.6 We are now recommending that:
- (a) the fixed-fares for shared-taxis from the AELTC to central London are increased by £1.50;
  - (b) some of the authorised places (as set out in Appendix 8) where the fixed-fare, shared-taxi scheme operates from during the Wimbledon Tennis Championships are amended; and
  - (c) one of the areas (as set out in Appendix 8) covered by the Wimbledon Tennis fixed-fare, shared-taxi scheme is extended.

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<sup>9</sup> Review of taxi (black cab) fares and tariffs 2022, 11 November 2022, <https://haveyoursay.tfl.gov.uk/taxi-fares-review-2022>

<sup>10</sup> TPH Notice 03/23, Taxi Fares and Tariffs Update, Appendix 1 – New fixed fares for the Wimbledon Tennis Championships, <https://content.tfl.gov.uk/03-23-tph-notice-taxi-fares-and-tariffs-update-2023.pdf>

<sup>11</sup> Review of taxi (black cab) fares and tariffs 2023, 09 October 2023, <https://haveyoursay.tfl.gov.uk/taxi-fares-review-2023>

11.7 The reasons for making these recommendations are:

- (a) we want to encourage taxi drivers to provide shared-taxi services from the Wimbledon Tennis Championships to central London;
- (b) at present the supply of taxis is not meeting the demand from passengers who want to take a shared taxi to central London;
- (c) by encouraging more taxi drivers to provide shared taxi services to central London, we want to reduce the time passengers have to wait for a shared taxi and reduce the risk that they are unable to take a shared taxi from the taxi rank;
- (d) we want to make these taxi fares more attractive to taxi drivers and acknowledge that although these fixed fares were increased in April 2023, there have been several relatively large increases in general taxi fares and tariffs and the fixed fares may not be considered good value by taxi drivers;
- (e) following the approval of the AELTC planning application<sup>12</sup> the location of the taxi rank and drop off areas may change each year while works are carried out. The taxi rank and drop off areas have already moved several times in recent years due to changes to the security and access arrangements. We want to update the sharing order so the description of the taxi rank and drop off areas does not need changing each time these are moved; and
- (f) the fixed-fare, shared-taxi scheme covers the areas between Westminster Bridge to Waterloo Bridge, and Blackfriars Bridge to Southwark Bridge. However, the area between Waterloo Bridge and Blackfriars Bridge is not currently covered but we want to update the scheme to cover this area.

## 12 Booked taxis

12.1 Recently, booking taxis via smartphone apps (taxi apps) has increased significantly. Recent figures show that 27 per cent of taxi passengers had used an app for their most recent taxi journey,<sup>13</sup> 57 per cent of taxi drivers said they use smartphone apps to access work, and that on average 19 per cent of taxi drivers' work was from taxi apps.<sup>14</sup>

12.2 There are a number of different taxi apps offering their services in London. Taxi apps are not subject to licensing or regulation by TfL as these services are not captured by the legislation governing licensing and regulation of taxis in London, which only applies to taxi drivers and vehicles. The only elements

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<sup>12</sup> Deputy Mayor approves planning application for All England Lawn Tennis Club, 27 September 2024, <https://www.london.gov.uk/deputy-mayor-approves-planning-application-all-england-lawn-tennis-club>

<sup>13</sup> Black Cabs and Minicabs CSS, Verian, 2023/24

<sup>14</sup> Taxi and Private Hire Licensee CSS, Verian, 2023/24

of a taxi journey booked via a taxi app that are licensed and regulated by TfL are the taxi driver, the taxi vehicle, and the fares as set out in the Cab Order.

- 12.3 There are differences between the operating models of the taxi apps in London, in particular around the additional fares and charges that are applied to a taxi journey which has been arranged using their services, such as cancellation fees. Those additional fees charged and retained by the taxi apps are not regulated or set by TfL. There appears to be some inconsistency in approach when taxis carry out pre-booked journeys and we will be giving consideration to this issue and how we can provide clarity. This may involve engaging or consulting with the taxi trade and other stakeholders, and amending the Cab Order.

## **13 Equality and other impacts**

- 13.1 TfL is subject to an ongoing duty, under section 149 of the Equality Act 2010 (known as the public sector equality duty), to have due regard to the need to:
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 13.2 The protected characteristics covered by section 149 of the Equality Act 2010 are: age, disability, gender reassignment, pregnancy and maternity, race, sex, religion or belief and sexual orientation, and in certain circumstances civil partnership or marriage.
- 13.3 When we review taxi fares and tariffs we take into account the potential impacts on the Taxicard scheme and Taxicard members. Disabled residents in London are eligible for subsidised taxi journeys under the Taxicard scheme, which provides a door-to-door service.<sup>15</sup> The scheme is funded by TfL and the London boroughs, and taxis are used for the majority of Taxicard journeys.
- 13.4 Our EQIA is provided in Appendix 5 and the EQIA evidence base is in Appendix 6. The EQIA identifies a number of negative impacts on people with protected characteristics if the taxi fares and tariffs are increased. These impacts may be greater for individuals with more than one protected characteristic (e.g. if someone is disabled and elderly). The negative impacts primarily relate to passengers having to pay more or potentially being unable to travel by taxi as often. The EQIA also identifies a negative impact if fares and tariffs are not increased and this results in the number of taxi drivers falling. This could affect the supply of taxis and some people may be unable to get a taxi when they want to travel.

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<sup>15</sup> Taxicard scheme, <https://tfl.gov.uk/modes/taxis-and-minicabs/taxicard-and-capital-call>

- 13.5 Some potential negative impacts on older taxi drivers are identified. They may be negatively impacted if the fares and tariffs are increased, this results in fewer people using taxis or a decline in the number of taxi journeys, and older taxi drivers cannot work longer to try and maintain their income or cover increased operating costs. However, they may also be negatively impacted if there is no increase to the fares and tariffs and they are unable to cover increased operating costs.
- 13.6 All options for the minimum fare and Tariffs 1, 2 and 3 would have some level of negative impact on those with protected characteristics.
- 13.7 The number of licensed taxi drivers and people applying to become a licensed taxi driver has fallen significantly and this can have a negative impact on people with protected characteristics, as they may have a longer wait for a taxi or be unable to take a taxi when they want to travel.
- 13.8 We recognise that not increasing fares and tariffs may have an adverse impact on drivers and driver supply, as it could mean more people leave the taxi trade or fewer people consider applying to become a taxi driver, which in turn may disproportionately impact some people with protected characteristics who may rely on taxi services more.
- 13.9 After considering the current issues and impacts we are proposing to increase the minimum fare by 40 pence to £4.20, Tariffs 1, 2 and 3 by 5.05 per cent, and to make the Tariff 4 rates the same as the Tariff 2 rates. This may also help address the issues with the number of licensed taxi drivers and people applying to become a licensed taxi driver.
- 13.10 Increasing the minimum fare and Tariffs 1, 2 and 3 to cover both the increase in taxi drivers' operating costs and the increase in average national earnings, may potentially help to stop or slow the decline in the number of licensed taxi drivers.
- 13.11 However, we acknowledge that increasing the minimum fare and Tariffs 1, 2 and 3 will have a negative impact on people with a protected characteristic as it will mean taxi fares increase and they may not be able to afford to use taxis or may need to reduce how often they use them.
- 13.12 Making the Tariff 4 rates the same as the Tariff 2 rates will also have a negative impact on people with a protected characteristic and who use taxis for longer journeys, as the fares for these journeys will increase and they may not be able to afford to use taxis or may need to reduce how often they use them.
- 13.13 As part of this review of taxi fares and tariffs, we also considered:
- (a) impacts relating to health and safety, and crime and disorder;
  - (b) economic impacts;
  - (c) environmental impacts; and

- (d) impacts in relation to the protection of children and vulnerable adults.

13.14 Some potential negative impacts were identified including:

- (a) taxi users and Taxicard members would be negatively impacted by increases to the minimum fare and tariffs as the fares they pay would increase;
- (b) if Tariff 3 is increased there may be a greater impact on people travelling late at night, as they may be more likely to use a taxi and their other transport options may be limited;
- (c) if the Tariff 4 rates continue to be the same as the Tariff 2 rates, and Tariff 2 is increased, then there may be a greater impact on people using taxis for journeys over six miles;
- (d) if the minimum fare and tariffs are increased and some taxi drivers can earn the same money but work fewer hours, this could have a negative impact on passengers as this could reduce the supply of available taxis and passengers may have to wait longer to get a taxi or be unable to find an available taxi when they want to travel;
- (e) not increasing the minimum fare or tariffs despite taxi drivers' operating costs and average national earnings increasing could mean drivers stop working at certain times or stop being a taxi driver altogether. It could also deter people from applying to become a licensed taxi driver. This could reduce the supply of available taxis, with people travelling late at night potentially disproportionately negatively impacted;
- (f) some taxi users and Taxicard members would experience a negative impact if the total number of licensed taxi drivers reduces as this could mean increased wait times for taxi passengers or taxis not being available when they want to travel;
- (g) some children and vulnerable adults will experience a negative impact if London boroughs use taxis to provide transport services for them and increasing the tariffs means they have to reduce or make cuts to these services;
- (h) some taxi users and Taxicard members would be negatively impacted by making the Tariff 4 rates the same as the Tariff 2 rates, as the fares for longer journeys would increase; and
- (i) some taxi users and Taxicard members would be negatively impacted by increases to some of the fares for the fixed-fare, shared-taxi scheme that operates during the Wimbledon Tennis Championships. If they use shared taxis to travel to central London then the fares they pay would increase.



13.15 Section 177 of the Policing and Crime Act 2017 requires licensing authorities such as TfL to have regard to the DfT's Statutory Taxi and Private Hire Vehicle Standards when exercising its functions. The assessment of other impacts and factors to consider, and the consideration of the Statutory Taxi and PHV Standards is set out in Appendix 7. We considered all of the recommendations in the Statutory Taxi and Private Hire Vehicle Standards and Appendix 7 shows our consideration of the recommendations that are relevant to the taxi fares and tariffs review.

## **14 Next steps**

- 14.1 Approval of proposals to make, vary or revoke orders which prescribe taxi fares is delegated to the Committee under TfL's Standing Orders. If approved, any changes to taxi fares and tariffs would come into effect in April 2025.
- 14.2 Approval of changes to London taxi sharing scheme orders including orders which prescribe fares of up to £20 is within officers' delegated authority. Any changes to Wimbledon Tennis Championship fixed-fare, shared-taxi scheme would be implemented before the start of this year's tournament.

### **List of appendices to this report:**

Appendix 1: Taxi Cost Index  
Appendix 2: Summary of consultation responses  
Appendix 3: Summary of stakeholder responses  
Appendix 4: Taxi driver figures  
Appendix 5: Taxi fares and tariffs review EQIA  
Appendix 6: EQIA evidence base  
Appendix 7: Assessment of other impacts and factors to consider  
Appendix 8: Wimbledon Tennis Championships fixed-fare, shared-taxi scheme

### **List of background papers:**

The consultation webpage and documents are available here:  
[haveyoursay.tfl.gov.uk/taxi-fares-review-2024](https://haveyoursay.tfl.gov.uk/taxi-fares-review-2024)

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