

Agenda

Meeting: Finance Committee

Date: Wednesday 9 April 2025

Time: 10:30am

Place: Trustee Meeting Room, 8th Floor, Palestra, 197 Blackfriars Road, London, SE1 8NJ

Members

Anne McMeel (Chair)

Deborah Harris-Ugbomah (Vice-Chair)

Zoë Billingham CBE

Prof Greg Clark CBE

Seb Dance

Anurag Gupta

Government Observer

Samantha Collins-Hill

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Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Jackie Gavigan, Secretariat Manager; Email: [v JackieGavigan@tfl.gov.uk](mailto:JackieGavigan@tfl.gov.uk)

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: PressOffice@tfl.gov.uk

Andrea Clarke, General Counsel
Tuesday 1 April 2025

**Agenda
Finance Committee
Wednesday 9 April 2025**

1 Apologies for Absence and Chair's Announcements

2 Declarations of Interests

General Counsel

Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.

Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.

3 Taxi and Private Hire Licence Fees: Annual Review

Chief Operating Officer

The Committee is asked to note the paper and approve increasing the private hire vehicle driver licence fee from £310 to £343; freezing the private hire vehicle licence fee at £140; increasing the taxi driver licence fee from £300 to £343; increasing the taxi vehicle licence fee from £110 to £120; increasing the private hire vehicle driver first Topographical assessment fee from £36 to £40; increasing the private hire vehicle driver Topographical assessment resit fee from £16 to £30; increasing the private hire vehicle driver first English Language Requirement assessment fee from £36 to £40; increasing the private hire vehicle driver English Language Requirement assessment resit fee from £16 to £30; increasing the private hire vehicle driver first Safety, Equality and Regulatory Understanding assessment fee from £36 to £40; and increasing the private hire vehicle driver Safety, Equality and Regulatory Understanding assessment resit fee from £16 to £30.

4 Any Other Business the Chair Considers Urgent

The Chair will state the reason for urgency of any item taken.

5 Date of Next Meeting

Monday 14 July 2025 at 11.30am.

Agenda Item 3

Finance Committee



Date: 9 April 2025

Item: Taxi and Private Hire Licence Fees: Annual Review

This paper will be considered in public

1 Summary

- 1.1 The paper updates the Committee on the outcome of the recent taxi and private hire licence and assessment fees review and seeks approval of the proposals.

2 Recommendation

- 2.1 The Committee is asked to note the paper and approve:
- (a) increasing the private hire vehicle driver licence fee from £310 to £343;
 - (b) freezing the private hire vehicle licence fee at £140;
 - (c) increasing the taxi driver licence fee from £300 to £343;
 - (d) increasing the taxi vehicle licence fee from £110 to £120;
 - (e) increasing the private hire vehicle driver first Topographical assessment fee from £36 to £40;
 - (f) increasing the private hire vehicle driver Topographical assessment resit fee from £16 to £30;
 - (g) increasing the private hire vehicle driver first English Language Requirement assessment fee from £36 to £40;
 - (h) increasing the private hire vehicle driver English Language Requirement assessment resit fee from £16 to £30;
 - (i) increasing the private hire vehicle driver first Safety, Equality and Regulatory Understanding assessment fee from £36 to £40; and
 - (j) increasing the private hire vehicle driver Safety, Equality and Regulatory Understanding assessment resit fee from £16 to £30.

3 Background

- 3.1 The Metropolitan Public Carriage Act 1869, as amended by the Greater London Authority Act 1999, enables TfL to charge taxi licence fees. This includes fees associated with taxi driver and vehicle licence applications, licensing application tests and re-tests and licence grant fees for taxi drivers and vehicles. The Private Hire Vehicles (London) Act 1998 (PHV Act) allows TfL to charge licence application and grant fees for private hire drivers, vehicles, and operators, and to provide for fees to be payable by instalments in prescribed cases.
- 3.2 Effective regulation of the taxi trade and private hire industry ensures, in the overriding public interest, that standards remain high, and the public are protected. Ensuring that a licensing scheme is subject to an effective enforcement regime is essential to maintain the integrity of the licensing scheme and to achieve the public policy objectives of it. TfL as regulator and those regulated, the taxi trade and private hire industry, have a mutual interest in ensuring that standards remain high, and that effective enforcement work is undertaken. The costs of doing so, provided they are proportionate to the activities in respect of which they are charged, are recoverable through licence fees.
- 3.3 Licence fees allow us to recover our costs for administering a licensing service and undertaking compliance and enforcement activity for taxi and private hire services in London. We also have fees to cover our costs for taxi and private hire driver assessments. Any surplus on one licence stream cannot be used to cover a deficit on another and we are not able to collect a large surplus, so where income significantly exceeds costs, fees must be reduced.
- 3.4 All income received by TfL from taxi and private hire application and licence fees must be exclusively allocated to the administration of taxi and private hire licensing processes, driver assessments, and compliance and enforcement activities related to the regulation of the licensed taxi trade and private hire industry.

Licence Fee Reviews

- 3.5 The Department for Transport's (DfT) latest Best Practice guidance (2023) advises that licensing authorities should regularly review their fees to reflect changes to costs¹.
- 3.6 Prior to 2017 licence fees were considered annually. The last review took place in October 2017 and a number of licence fees were amended to reflect our costs at the time. We also consulted on and subsequently amended the private hire vehicle (PHV) operator licence fee structure, introducing a tiered system.

¹ <https://www.gov.uk/government/publications/taxi-and-private-hire-vehicle-licensing-best-practice-guidance/taxi-and-private-hire-vehicle-licensing-best-practice-guidance-for-licensing-authorities-in-england>

- 3.7 Licence fees were then frozen for several years. The coronavirus pandemic had a major negative impact on the taxi trade and PHV industry with significantly reduced demand for services and travel. Recognising the impact of the pandemic and the difficulties faced by taxi and private hire drivers, licence fees remained frozen between 2020 and 2024.
- 3.8 Since the last fee review in October 2017, there have been significant changes in the regulation of the taxi trade and PHV industry leading to additional costs for TfL. Key changes include:
- (a) significant increase in the number of compliance officers;
 - (b) introduction of new DfT statutory standards to enhance passenger safety, meaning new and amended regulations;
 - (c) provision of extended support to PHV drivers to support Safety, Equality and Regulatory Understanding (SERU) assessments and English Language Requirement (ELR) assessments;
 - (d) implementation of a new licensing system, which, once embedded, will benefit licensees as it will allow more self-serve streamlined application processes;
 - (e) introduction of driver HMRC tax checks;
 - (f) additional policing costs; and
 - (g) volatility in the number of licensees.
- 3.9 We have made a number of efficiencies to absorb as much of the cost of these changes as practicable including:
- (a) reduced the number of vehicle inspections sites;
 - (b) increased self-service options for licensees;
 - (c) closed the driver licensing telephone contact centre;
 - (d) closed Ashfield House and Baker Street driver assessment centres, consolidating our driver assessment service into a single location at Pier Walk;
 - (e) managed application volume fluctuations through the use of non-permanent labour rather than permanent staff;
 - (f) made improvements to recruitment, staff retention and training to address staff turnover; and
 - (g) made contractual changes to reduce costs and move to cheaper and more sustainable licence materials.

- 3.10 However, due to the significant additional cost we have incurred through increased provision of resources and a suite of new regulations and administration of background checks, the annual overall deficit is now around £5m. This is a consolidated total across all licence streams, but the position of each licence fee stream must be considered separately and is detailed in section 4.

4 Financial Position

- 4.1 All income received by TfL from licence fees must be spent on the taxi and private hire licensing administration process and compliance and enforcement activities associated with regulation of the licensed taxi trade and private hire industry. This includes:
- (a) all back-office resource costs for processing applications and renewals for driver, vehicle and PHV operator licences;
 - (b) all accommodation and associated costs, such as rates, service charges and utilities, which are re-charged centrally by TfL;
 - (c) Compliance, Policing, Operations and Security (CPOS) compliance officers, vehicles and equipment and a contribution towards Metropolitan Police Service enforcement officers engaged in supporting enforcement activities;
 - (d) all Knowledge of London examination costs for new taxi drivers;
 - (e) all costs associated with the administration of the mandatory assessments for PHV driver licensing;
 - (f) depreciation of licensing system;
 - (g) all stationery, IT hardware and software required to process and produce licences, postage, telephone costs, web maintenance; and
 - (h) all contract costs, in particular the vehicle licensing service.
- 4.2 The tables below represent the forecasted financial position over the next five years if there are no changes to the licence fees and assessment fees with a deficit of just under £5m per annum over the next two years.

Consolidated Profit and Loss						
Profit and Loss £m	2025/26	2026/27	2027/28	2028/29	2029/30	Total
Total Revenue	36.7	36.4	35.5	36.8	36.1	181.5
Total Operating costs	(41.6)	(41.3)	(42.6)	(44.0)	(45.4)	(214.9)
Total (Deficit)/Surplus	(4.9)	(4.9)	(7.1)	(7.2)	(9.2)	(33.4)
Deficit/Surplus by Stream						
Profit and Loss £m	2025/26	2026/27	2027/28	2028/29	2029/30	Total
PHV Driver	(1.0)	(2.7)	(2.8)	(1.9)	(3.9)	(12.3)
Taxi Driver	(0.9)	(1.1)	(1.2)	(1.4)	(1.5)	(6.1)
PHV Vehicle	1.3	1.3	1.0	0.6	0.3	4.6
Taxi Vehicle	(0.5)	(0.5)	(0.6)	(0.7)	(0.7)	(3.0)
Driver Assessments (including Taxi SERU)	(1.4)	(0.8)	(0.8)	(0.8)	(1.1)	(4.8)
Knowledge of London	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(3.4)
PHV Operator	(1.7)	(0.6)	(2.0)	(2.4)	(1.6)	(8.4)
Total Deficit	(4.9)	(4.9)	(7.1)	(7.2)	(9.2)	(33.4)

- 4.3 TfL can only use licence fee revenue to meet the costs of licensing, compliance and enforcement activity and not for other purposes. PHV vehicles has a surplus which is largely due to the volume of PHVs licensed and as result we are proposing that PHV vehicle licence fees are frozen until the next review.
- 4.4 We have recently introduced a new licensing system and initiated a new vehicle inspections contract, where a significant proportion of the cost associated with vehicle licensing are variable and depend on the volume of vehicle inspections conducted and licensed. Due to the volatility in volumes, freezing PHV vehicle licence fees until the end of the financial year will enable us to have a clearer understanding of our costs.
- 4.5 The main areas of operational spend include the overall resource required to process applications, the cost of CPOS compliance officers to ensure compliance on street as well as the support from the police and the overall cost of the licensing system.
- 4.6 If approved, any changes to licence fees would come into effect for licensees upon their next renewal cycle (typically one year for vehicles, three years for drivers and five years for PHV operators).
- 4.7 Changes to assessment fees will be applicable as soon as practically possible, if approved.
- 4.8 If approved, this is forecast to reduce the deficit by £1.2m in 2025/26 to £3.7m assuming the licence fee changes take effect by September 2025 at the latest.
- 4.9 It is likely that a significant proportion of the remaining deficit will reduce through further changes and efficiencies planned in 2025/26.

- 4.10 The current deficit for licence fees and assessment fees is not a sustainable position as it means that funding is required from other TfL budgets to maintain essential licensing activities. Given current pressure on budgets across TfL, it is important that we address this imbalance.
- 4.11 To inform our proposed adjustments to the licence fees and assessment fees, we have undertaken a comprehensive review of all our income and expenditure, apportioning costs to each licence category administration area based on staff time spent or expected volume of a certain activity and forecast expected licensing expenditure and income over the next five years.

PHV Operators

- 4.12 We are not proposing to adjust PHV operator licence fees at this stage as we are undertaking a separate review of the PHV operator licence fee structure. The review of the PHV operator licence fee structure is considering a range of options which may result in us bringing forward proposals to amend the tiered structure. Depending on the nature and the significance of any proposed changes, this may require a consultation.

5 Changes to Driver and Vehicle Fees

Licence Types

- 5.1 There are five separate licence types and TfL charge a fee for each type of licence. The maximum duration for each licence type differs:
- (a) taxi driver (three years);
 - (b) taxi vehicle (one year);
 - (c) PHV driver (three years);
 - (d) PHV vehicle (one year); and
 - (e) PHV operator (five years).
- 5.2 Within each licence type, fees are split into two parts: application fee; and grant of licence fee.
- 5.3 The application fee is a non-refundable amount payable by all applicants on submission of an application. It relates to the activities necessary to process an application, including fixed costs related to IT costs, staff payroll, service provider costs, building costs and document handling.
- 5.4 The grant of licence fee covers all post-licensing activities such as the compliance and enforcement work necessary to support the licensed trades.
- 5.5 Any changes in licence fees come into effect for licensees upon their next renewal cycle (typically one year for vehicles and three years for drivers).

Driver Assessment Fees

- 5.6 TfL charge a fee for the administration of driver assessments.
- 5.7 Both taxi and PHV driver licence applicants must pass mandatory assessments/examinations before they are granted a licence.
- 5.8 PHV drivers are required to pass the ELR, Topographical, and SERU assessments. These assessments are a 'one-off' requirement so if they pass first time they do not need to be repeated.
- 5.9 Taxi drivers are required to take Knowledge of London assessments.
- 5.10 In 2020 the DfT published the Statutory Taxi and Private Hire Vehicle Standards². To meet the DfT standard we are introducing a taxi driver version of the SERU assessment that all taxi driver licence applicants and existing licensed taxi drivers will have to pass.
- 5.11 The table below sets out the current fees and the proposed changes:

Licence Fees

Taxi / PHV	Type	Current Fee	Proposed Fee	£ change
Taxi driver	Application fee	£120	£138	£18
	Grant of licence fee	£180	£205	£25
	Total	£300	£343	£43
Taxi vehicle	Application fee	£66	£70	£4
	Grant of licence fee	£44	£50	£6
	Total	£110	£120	£10
PHV driver	Application fee	£124	£138	£14
	Grant of licence fee	£186	£205	£19
	Total	£310	£343	£33
PHV vehicle	Application fee	£84	£84	£0
	Grant of licence fee	£56	£56	£0
	Total	£140	£140	£0

² <https://www.gov.uk/government/publications/statutory-taxi-and-private-hire-vehicle-standards/statutory-taxi-and-private-hire-vehicle-standards>

Assessment Fees

Taxi / PHV	Type	Current Fee	Proposed Fee	£ change
Taxi applicants	Knowledge of London – written examination	£200	£225	£25
	Knowledge of London – appearances (one off payment)	£400	£425	£25
	Total	£600	£650	£50
Taxi applicants (and drivers)	SERU assessment from October 2025	N/A	£40	£40
	SERU (resit fee if required)	N/A	£30	£30
	Total	N/A	£40*	£40*
PHV applicants – first assessment	Topographical	£36	£40	£4
	SERU	£36	£40	£4
	ELR	£36	£40	£4
	Total	£108	£120	£12
PHV applicants – resit assessments (if required)	Topographical	£16	£30	£14
	SERU	£16	£30	£14
	ELR	£16	£30	£14
	Total	£16	£30*	£14*
PHV drivers – first assessment**	SERU	£36	£40	£4
	ELR	£36	£40	£4
	Total	£72	£80	£8
PHV drivers – resit assessments (if required)**	SERU	£16	£30	£14
	ELR	£16	£30	£14
	Total	£16	£30*	£14

*Additional fees will only be applicable if resits are required

**The SERU and ELR assessments are a one-off assessment. 79 per cent of PHV drivers have now passed both these assessments and so these fees (and any resits) are only applicable to 21 per cent of PHV drivers.

5.12 Under the proposals:

- (a) a typical PHV driver will see an increase of £33 when applying to renew their driver licence. PHV driver licences are typically granted for a three-year period so this equates to an increase of £11 per annum;
- (b) PHV vehicle licence fees would be frozen at £140 per annum;
- (c) a typical taxi driver would see an increase of £43 when applying to renew their driver licence. Taxi driver licences are typically granted for a three-year period so this equates to an increase of just over £14 per annum; and

(d) taxi vehicle licence fees would be increased by £10 to £120 per annum.

5.13 If approved, this is forecast to reduce the deficit by £1.2m in 2025/26 to £3.7m assuming the licence fee changes are implemented by September 2025 at the latest. It is our intention to implement licence fee changes as soon as practicable and we will issue a Taxi and Private Hire notice (regulatory notice) to the trade to confirm the date as soon as practicable.

5.14 The tables below represent the forecasted financial position over the next five years if our recommended changes are implemented.

Revised Consolidated Profit and Loss						
Profit and Loss £m	2025/26	2026/27	2027/28	2028/29	2029/30	Total
Total Revenue	37.9	38.5	37.7	39.1	38.2	191.3
Total Operating costs	(41.6)	(41.3)	(42.6)	(44.0)	(45.4)	(214.9)
Total Deficit/Surplus	(3.7)	(2.8)	(4.9)	(4.9)	(7.2)	(23.5)
Stream revised deficit/surplus						
Stream £m	2025/26	2026/27	2027/28	2028/29	2029/30	Total
PHV Driver	(0.2)	(1.4)	(1.5)	(0.5)	(2.6)	(6.2)
Taxi Driver	(0.8)	(0.8)	(1.0)	(1.2)	(1.3)	(5.1)
PHV Vehicle	1.3	1.3	1.0	0.6	0.3	4.6
Taxi Vehicle	(0.4)	(0.4)	(0.4)	(0.5)	(0.6)	(2.3)
Driver Assessments (including Taxi SERU)	(1.2)	(0.3)	(0.3)	(0.4)	(0.7)	(2.8)
Knowledge of London	(0.7)	(0.6)	(0.7)	(0.7)	(0.7)	(3.4)
PHV Operator	(1.7)	(0.6)	(2.0)	(2.4)	(1.6)	(8.4)
TOTAL Deficit	(3.7)	(2.8)	(4.9)	(4.9)	(7.2)	(23.5)

5.15 Any changes to licence fees would come into effect for licensees upon their next renewal cycle (typically one year for vehicles and three years for drivers). Assessment fees will be applicable with immediate effect.

6 Our Approach to Reviewing Licence Fees

6.1 We have conducted a detailed financial review of our income and relevant expenditure. Our methodology is detailed in Appendix 1.

6.2 In order to make proposals for changes to licence fees for taxi drivers, taxi vehicles, PHV drivers and PHV vehicles we developed and considered three specific options:

- (a) Option 1 – Do nothing – freeze licence fees;
- (b) Option 2 – Full cost recovery – where appropriate, increase licence fees to cover full costs; or
- (c) Option 3 – Partial cost recovery for 2025/26 – amend licence fees to partially recover our costs and review further on an annual basis.

- 6.3 The recommendation is Option 3 – partial cost recovery and fees return to an annual review cycle. As licence fees have not been reviewed and amended for several years, this option is preferred because it allows TfL to recover a substantial proportion of its deficit for 2025/26 but we do not consider the proposed increases will have a significant impact on licensees and applicants. Additionally, in February 2025, we introduced a new licensing system which may allow for further efficiencies in the longer term and consequential opportunities to reduce our costs in future years. Option 3 is therefore preferable because once the system and new working practices are fully embedded any cost savings can be reflected in subsequent reviews.

7 Impacts on Licensees and Applicants

- 7.1 We have considered whether it is necessary to consult on amending licence fees. We do not consider it is necessary to consult because there is no statutory obligation to do so, we have not historically consulted on amending licence fees and we consider that the proposed increases are not so significant that it would be necessary to consult in the interests of fairness.
- 7.2 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.
- 7.3 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.
- 7.4 TfL's review of licence fees considered the impact on all protected groups, including both passengers and drivers, and this analysis is summarised below. Our Equality Impact Assessment and supporting evidence base are provided in Appendices 2 and 3. PHV drivers who are from minority ethnic groups, where English is not their first language, may be impacted as they may have to undertake the ELR assessment more than once.
- 7.5 All taxi and private hire drivers and taxi vehicle owners may be affected by increases to the taxi and private hire licence fees, although they will benefit from the enforcement and compliance activity paid for through licence fees which prevents people using unlicensed vehicles. These increases along with other changes already introduced or proposed within the private hire industry, could result in some taxi and private hire drivers having to work longer hours or potentially leaving the industry.

- 7.6 Passengers who rely on or frequently use taxi or PHV services may potentially be affected by drivers leaving the industry. This could be of particular significance for elderly or disabled passengers or those people sharing protected characteristics who may be more likely to be travelling late at night by taxi or PHV such as young people or women.
- 7.7 The number of female taxi and PHV drivers is low and increased costs could act as a barrier to more women entering the industry and the gender mix becoming more representative of the capital.
- 7.8 There is a potential risk that increased taxi and private hire licence fees could reduce the total number of taxi and private hire licensees, meaning that costs are spread among a smaller group of licensees leading to higher increases and further impacts. This potential cycle of increasing licence fees and reducing licensee numbers will need to be kept closely under review.
- 7.9 The increase in the taxi and private hire driver and vehicle owner licence fees may have a disproportionately negative impact on those protected groups traditionally considered to have lower incomes (race, age and disability).
- 7.10 We are mindful of these negative impacts. However, it is considered that the increased fees are necessary and proportionate as detailed above. Ensuring that funding is available to regulate taxi and private hire services effectively and efficiently, and take enforcement action where appropriate, is necessary for public protection and passenger safety. For these reasons, increases in licence fees could lead to a positive and beneficial impact for those in certain protected groups who may use taxi and private services more than those not in those groups such as the elderly and disabled.

8 Implementation of the Proposals

- 8.1 Approval of proposals to make, amend or revoke the fees for taxi drivers and taxis, and for private hire drivers and vehicles is within the Committee's remit. If approved, we intend to implement the new fees as soon as practicable. We have recently transferred to a new licensing administration system and will need time to implement the change.
- 8.2 Approval of test or examination fees for taxi drivers can be approved at officer level; the proposals are, however, set out in this paper for completeness.
- 8.3 The arrangements for private hire licence fees are set out in the Private Hire Vehicles Regulations which are made by TfL. Any changes to fees would require an amendment to these Regulations. In accordance with Standing Order 138 in which the Board has delegated the making, amendment and revocation of Regulations under the PHV Act to the Commissioner, the Commissioner will be invited to amend the Regulations so as to implement the Committee's decision.
- 8.4 Changes to taxi licence fees do not require separate steps to be implemented once the decision to make the changes has been taken.

- 8.5 We are reviewing PHV operator fees separately and considering whether any changes may be necessary to the PHV operator licence fee structure. Depending on the nature of any proposed changes, this may require consultation. Once our review is complete, including any consultation, if necessary, we may bring forward proposals to amend PHV operator fees.

List of appendices to this report:

Appendix 1: Methodology for Forecasting and Apportioning Expenditure

Appendix 2: Equality Impact Assessment

Appendix 3: Equality Impact Assessment evidence base

List of Background Papers:

None

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Appendix 1: Methodology for Forecasting and Apportioning Expenditure

Forecasted Gross Expenditure (2025/26 to 2029/30)

The total forecasted gross expenditure to be recovered between financial years 2025/26 to 2029/30 is **£214.9m**. This expenditure is categorised as follows:

- **Staff Costs:** £70.6m
- **Administration Costs:** £29.1m
- **Contracted Services:** £30.6m
- **Compliance:** £58.6m
- **Policing:** £11.1m
- **Management Fees:** £14.9m

Apportionment Methodology

The expenditure is apportioned to each licensing administration area using the following methodologies:

Activity-Based Apportionment:

This method involves allocating costs based on predicted future volumes, using trends from prior years. Examples include driver medical expenses, printing, postage, compliance, and policing costs.

Direct Allocation:

Specific costs are directly allocated to the relevant areas. Examples include vehicle inspection expenses and driver assessment costs, which are directly focused on specific activities.

Staff Time Apportionment:

Costs are allocated based on the specific roles of staff members. For non-specific staff costs, apportionment is based on the time spent on relevant activities.

Overhead Apportionment:

Overheads are apportioned based on the number of full-time equivalents in each licensing business area. This includes costs such as finance, HR, and IT.

Example: Vehicle Licensing Costs (2025/26 to 2029/30)

The vehicle licensing costs for the financial years 2025/26 to 2029/30 are apportioned as follows:

- **Staff Costs:** £2.2m

Three per cent of staff costs have been allocated using staff time apportionment.

- **Administration Costs:** £15.6m

54 per cent of administration costs have been allocated using direct costs allocation and activity-based apportionment. This includes costs such as lease, rates, and running costs of vehicle inspection sites.

- **Contracted Services:** £26.3m

86 per cent of contracted services costs have been allocated using direct costs allocation. This includes services such as contact centre operations, vehicle inspections, printing, scanning, postage, and licensing systems operational costs.

- **Compliance:** £25.2m

43 per cent of compliance costs have been allocated using staff time apportionment. This primarily includes staff costs.

- **Policing:** £5.3m

48 per cent of policing costs have been allocated using staff time apportionment.

- **Management Fees:** £0.7m

Five per cent of management fees, including finance, HR, and IT costs, have been allocated using overhead apportionment based on headcount.

Taxi and Private Hire Licence fee adjustments proposal – annual review 2024/25

Customer Equality Impact Assessment (EQIA)

1. Key information and clarifying aims

Title of strategy, service, business plan, programme, or project	Taxi and Private Hire Licence fee adjustments proposal– annual review 2024/25		
Team/Department/ Directorate	Transport for London (TfL), Licensing and Regulation		
Who would benefit or be impacted by your strategy, service, business plan, programme, or project <i>(Please provide details of below)</i>			
Customer	<p>The main groups impacted are:</p> <ul style="list-style-type: none"> Existing Taxi drivers, taxi vehicle licensees, PHV drivers and PH vehicle licensees who wish to renew their licences or take driver assessments. New applicants applying for a taxi or PHV driver’s licence or a taxi vehicle or PH vehicle licence. 		
Employee <i>(for workforce or employee only impact assessment, please email the D&I workforce team at EQIA@tfl.gov.uk)</i>	None		

Provide background information and outline the aims/objectives/scope of the strategy, service, business	<p>Policy aims</p> <p>Following a comprehensive financial review, TfL is proposing changes to</p> <ul style="list-style-type: none"> licence fees for private hire drivers and private hire vehicles licence fees for taxi drivers and taxis private hire and taxi driver assessment fees
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plan, programme, or project

Licence fees allow us to recover our costs for administering a licensing service and undertaking compliance and enforcement activity for taxi and private hire services in London. We also have fees to cover our costs for taxi and private hire driver assessments. There are strict rules in place around the way fees are collected; a surplus on one licence stream cannot be used to cover a deficit on another and we are not able to collect a large surplus, so where income significantly exceeds costs, fees must be reduced.

All income received by Transport for London (TfL) from taxi and private hire application and licence fees must be exclusively allocated to the administration of taxi and private hire licensing processes, driver assessments, and compliance and enforcement activities related to the regulation of the licensed taxi trade and private hire industry.

At present these costs are not being met in full. This is not sustainable as it means funding is required from other TfL budgets to maintain essential licensing activities in the interests of public safety. Given current pressure on budgets across TfL it is important that we redress this imbalance.

Scope of assessment

The objective of the EqIA undertaken is to identify and determine possible impacts on different equality groups. The EqIA identifies and assesses potential positive and negative impacts of proposing to adjust taxi and private hire driver licence fees, driver assessment fees and taxi and private hire vehicle licence fees.

The table below sets out what is in scope and not in scope for the assessment.

In scope	<ul style="list-style-type: none">• Review the impact of proposed changes to changes to taxi and private hire driver application and licence fees, driver assessment fees and taxi and private hire vehicle licence fees.
Not in scope	<ul style="list-style-type: none">• Changes to licence fees for private hire operators.

Background

Transport for London (TfL) is responsible for the licensing and regulation of London's taxi (black cab) and private hire services.

The Metropolitan Public Carriage Act 1869, as amended by the Greater London Authority Act 1999, enables TfL to charge taxi licence fees. This includes fees associated with taxi driver and vehicle licence applications, licensing application tests and re-tests and licence grant fees for taxi drivers and vehicles. The Private Hire Vehicles (London) Act 1998 allows TfL to charge licence application and grant fees for private hire drivers, vehicles, and operators, and to provide for fees to be payable by instalments in prescribed cases.

Effective regulation of the taxi and private hire trade ensures, in the overriding public interest, that standards remain high, and the public are protected. Ensuring that a licensing scheme is subject to an effective enforcement regime is essential to maintain the integrity of the licensing scheme and to achieve the public policy objectives of it. TfL as regulator and those regulated, the taxi and private hire trades, have a mutual interest in ensuring that standards remain high, and that effective enforcement work is undertaken. The costs of doing so, provided they are proportionate to the activities in respect of which they are charged, can be recovered through licence fees.

Licence fees allow us to recover our costs for administering a licensing service and undertaking compliance and enforcement activity for taxi and private hire services in London but there are strict rules in place around the way fees are collected; a surplus on one licence stream cannot be used to cover a deficit on another.

The Department for Transport's latest Best Practice guidance (2023) advises that licensing authorities should regularly review their fees to reflect changes to costs¹.

Prior to 2017 licence fees were considered annually. The last review took place in October 2017 and a number of licence fees were amended to reflect our costs at the time. We also consulted on and subsequently amended the PHV operator licence fee structure, introducing a tiered system.

Licence fees were then frozen for several years in line with TfL's approach to the fares on other transport modes. The pandemic had a major impact on the taxi and private hire industry with reduced demand for services and travel. Recognising the impact of the pandemic and the difficulties faced by both taxi and private hire drivers, licence fees remained frozen between 2020 and 2024.

¹ <https://www.gov.uk/government/publications/taxi-and-private-hire-vehicle-licensing-best-practice-guidance/taxi-and-private-hire-vehicle-licensing-best-practice-guidance-for-licensing-authorities-in-england>

Since the last fee review in October 2017, there have been significant changes in the regulation of the taxi trade and PHV industry leading to additional costs for TfL. Key changes include

- Significant increase in the number of compliance officers
- Introduction of new DfT statutory standards, brought in to enhance passenger safety, meaning new and amended regulations
- Provision of extended support to PHV drivers to support Safety, Equality & Regulatory Understanding (SERU) assessments and English Language assessments
- Development of new licensing system, which, once live, will benefit licensees
- Introduction of driver HMRC tax checks
- Additional policing costs
- Volatility in the number of licensees

We have made a number of efficiencies to absorb as many of these changes as possible including:

- Reduced the number of vehicle inspections sites
- Increased self-service options for licensees
- Closed the driver licensing telephone contact centre
- Closed Ashfield House and Baker Street driver assessment centres
- Consolidating our driver assessment teams in a single location
- Managing application volume fluctuations through the use of non-permanent labour rather than permanent staff
- Improvements to recruitment, staff retention and training to address staff turnover

- Contractual changes to reduce costs, and moving to cheaper and more sustainable licence materials

However, due to the significant additional cost we have incurred through increased provision of resources and a suite of new regulations and administration of background checks, the annual overall deficit is now circa £5m.

Licence Types

There are five separate licence types and TfL charge a fee for each type of licence. The maximum duration for each licence type differs:

- (a) taxi driver (3 years)
- (b) taxi vehicle (1 year)
- (c) PHV driver (3 years)
- (d) PHV vehicle(1 year)
- (e) PHV operator (5 years)

Within each licence type, fees are split into two parts:

- (a) Application fee
- (b) Grant of licence fee

The application fee is a non-refundable amount payable by all applicants on submission of an application. It relates to the activities necessary to process an application, including fixed costs related to IT costs, staff payroll, service provider costs, building costs and document handling.

The grant of licence fee covers all post licensing activities such as the compliance and enforcement work necessary to support the licensed trades.

Any changes in licence fees come into effect for licensees upon their next renewal cycle (typically one year for vehicles and three years for drivers).

Driver Assessment fees

TfL charge a fee for the administration of driver assessments.

Both taxi and PHV driver licence applicants must pass mandatory assessments/examinations before they are granted a licence.

PHV drivers are required to pass the English Language Requirement (ELR), Topographical, and Safety, Equality and Regulatory Understanding (SERU) assessments. These assessments are a 'one-off' requirement so if they pass first time they do not need to be repeated.

Taxi drivers are required to take Knowledge of London assessments.

In 2020 the DfT published the Statutory Taxi and Private Hire Vehicle Standards². To meet the DfT standard we are introducing a taxi driver version of the safety, equality and regulatory understanding (SERU) assessment that all taxi driver licence applicants and existing licensed taxi drivers will have to pass.

Current fees and proposed changes

Current licence fees and assessment fees and proposed changes are detailed in the tables below:

Licence Fees

Taxi / PHV	Type	Current Fee	Proposed Fee	£ change
Taxi driver	Application fee	£120	£138	£18
	Grant of licence fee	£180	£205	£25
	Total	£300	£343	£43
Taxi vehicle	Application fee	£66	£70	£4
	Grant of licence fee	£44	£50	£6
	Total	£110	£120	£10
PHV driver	Application fee	£124	£138	£14
	Grant of licence fee	£186	£205	£19
	Total	£310	£343	£33

² <https://www.gov.uk/government/publications/statutory-taxi-and-private-hire-vehicle-standards/statutory-taxi-and-private-hire-vehicle-standards>

PHV vehicle	Application fee	£84	£84	£0
	Grant of licence fee	£56	£56	£0
	Total	£140	£140	£0

Assessment Fees

Taxi / PHV	Type	Current Fee	Proposed Fee	£ change
Taxi applicants	Knowledge of London – written examination	£200	£225	£25
	Knowledge of London – appearances (one off payment)	£400	£425	£25
	Total	£600	£650	£50
Taxi applicants (and drivers)	Safety, Equality & Regulatory Understanding assessment (SERU) from October 25	N/A	£40	£40
	SERU (resit fee if required)	N/A	£30	£30
	Total	N/A	£40*	£40*
PHV applicants – first assessment	Topographical	£36	£40	£4
	SERU	£36	£40	£4
	English language	£36	£40	£4
	Total	£108	£120	£12
PHV applicants – resit assessments (if required)	Topographical	£16	£30	£14
	SERU	£16	£30	£14
	English language	£16	£30	£14
	Total	£16	£30*	£14*
PHV drivers – first assessment**	SERU	£36	£40	£4
	English language	£36	£40	£4
	Total	£72	£80	£8
PHV drivers – resit assessments (if required)**	SERU	£16	£30	£14
	English language	£16	£30	£14
	Total	£16	£30*	£14

*Additional fees will only be applicable if resits are required

**The SERU and English language assessments are a one-off assessment. 79% of PHV drivers have now passed both these assessments and so these fees (and any resits) are only applicable to 21% of PHV drivers.

In 2020 the DfT published the Statutory Taxi and Private Hire Vehicle Standards³. To meet the DfT standard, to ensure the safety of taxi passengers we are introducing a taxi driver version of the safety, equality and regulatory understanding (SERU) assessment that all taxi driver licence applicants and existing licensed taxi drivers will have to pass.

If approved, any changes to fees would come into effect for licensees upon their next renewal cycle (typically one year for vehicles and three years for drivers). Assessment fees will be applicable as soon as practicable.

PHV drivers are required to pass the English Language Requirement (ELR) and Safety, Equality and Regulatory Understanding (SERU) assessment. Of the existing licensed drivers, 72,000 (almost 75%) have now passed both assessments. The remaining 25,000 drivers are still required to pass the ELR and SERU. The final deadline for drivers is 31 March 2025 and therefore it is likely that the majority of PHV drivers who intend to remain licensed will not be impacted by the increase in assessment fees and it will largely apply to new applicants only.

Impacts to licensees and applicants

We recognise that any changes to licence fees will impact licensees or those seeking to apply.

Under the proposals:

- (a) A typical PHV driver will see an increase of £33 when applying to renew their driver licence. PHV driver licences are typically granted for a three-year period so this equates to an increase of £11 per annum.
- (b) PHV vehicle licence fees would be frozen at £140 per annum.

³ <https://www.gov.uk/government/publications/statutory-taxi-and-private-hire-vehicle-standards/statutory-taxi-and-private-hire-vehicle-standards>

(c) A typical taxi driver would see an increase of £43 when applying to renew their driver licence. Taxi driver licences are typically granted for a three-year period so this equates to an increase of just over £14 per annum.

(d) Taxi vehicle licence fees would be increased by £10 to £120 per annum.

Additional costs

Licensees and applicants have additional costs that are linked to the licensing process including:

- Taxi and PHV drivers
 - Medical assessment - £60-£100
 - Criminal record checks - £52
 - Certificate of Good Conduct (if applicable) - £10-£50

- Taxi and PHV vehicle owners
 - Six monthly MOTs - £100
 - Insurance - £1,450
 - Vehicle overhaul (taxis optional)- £1000

Summary

This EQIA sets out the impact of our proposed changes to changes to taxi and private hire driver licence fees, driver assessment fees and taxi and private hire vehicle licence fees.

TfL would keep any impacts under review through our existing stakeholder and trade engagement activities, and further activities as appropriate in line with the Public Sector Equality Duty.

This EqIA will be added to and updated as we engage with relevant taxi trade and PHV industry associations.

2. The Evidence Base

Consider evidence in relation to all relevant protected characteristics and inclusion group listed in the table below. Please note that change always disproportionately impacts all protected characteristics, so there should be no blank boxes. Consideration should be given not just to the proposal impact but how you intend to communicate and engage on the proposed change.

See Evidence Base document.

The document contains the following sections:

- Numbers of licensed taxi and private hire drivers and licensed taxi and private hire vehicles
- Taxi and private hire drivers age, gender, faith and ethnicity figures
- Profile of taxi and private hire licensees
- Responses to the Black Cabs and Minicabs Customer Satisfaction Survey
- Disability and mobility data for Londoners
- Income and poverty amongst Londoners
- UK LGBT survey
- Travel in London report
- Visitors to London

Engagement and consultation

Outline how engagement and consultation with inclusion groups, people who share a protected characteristic, and other project teams have informed your work

	Yes	No	Don't Know	Comments
Has there been any engagement or consultation activity relating to this strategy, service, business plan, programme, or project?		No		Engagement with the main taxi and PH trade associations on the proposed changes is planned.
List the relevant stakeholders and inclusion groups you have consulted/engaged or intend to consult/engage with below. Please include any relevant consultation or engagement undertaken prior to completing this EQIA which relates each protected characteristic and inclusion group.				
Stakeholders and inclusion groups consulted/engaged with	Date		Feedback comments / issues raised	
Taxi Trade associations	Monthly meetings		TBC	

PHV Industry associations	Monthly meetings			TBC
				-
				-
	Yes	No	Don't Know	Comments (state clearly what this engagement or consultation will be and how it will be organised)
Does there need to be any further engagement or consultation? If yes, please add this as an action to the action planning section below. Please note that in some circumstances your work may require formal consultation	Yes			We will notify the taxi trade and private hire industry of the proposed changes.

3. Impact assessment – Protected characteristics and inclusion groups

Given the evidence listed in section 2 and 3, consider and describe the potential impacts this work could have on people with protected characteristics and other inclusion groups.

Positive impacts

There are potentially some positive impacts including:

- Users of taxi and PHV services will benefit as it will ensure that the appropriate level of enforcement and compliance activities targeting unsafe licensed drivers and vehicles continues. People with protected characteristics may be more likely to use taxi and PHV services more often than the general population and may therefore benefit more from this.

Negative impacts

There are potentially some negative impacts including:

- Increased costs may deter some driver applicants from applying
- Increased costs may deter existing licensees from continuing with the profession
- Increased costs may impact the number of taxi and PHV services available

- There is a potential risk that increased taxi and private hire licence fees reduce the total number of taxi and private hire licensees, meaning that costs are spread amongst a smaller group of licensees leading to higher increases and further impacts. This potential cycle of increasing licence fees and reducing licensee numbers will need to be kept closely under review.
- Taxicard members may be impacted if licence/assessment fees are increased and that reduces the number of taxis being licensed

All taxi and private drivers and taxi owners

All could be negatively impacted if:

- The proposed changes to the licence and assessment fees impact their overall operating costs and they can no longer afford to work as a taxi/PHV driver

Race and ethnicity

- May impact all those PHV drivers where English is not their first language as they may have to undertake the English Language Requirement assessment more than once and it will cost them more if the driver assessment fee is increased
- Taxi and private hire drivers and vehicle owners who are from minority ethnic groups may be adversely affected by increases to the taxi and private hire licence fees, although they will benefit from the enforcement and compliance activity paid for through licence fees which prevents people using unlicensed vehicles.
- These increases could result in some taxi and private hire drivers having to work longer hours or potentially leaving the industry. This would reduce the choice for consumers and have an adverse impact on this protected grouping who use taxi/PHV services to a greater extent than the rest of the population.

Sex (male, female, non-binary and other identities)

- The number of female drivers is low and not representative of the capital's population. Increased fees could deter new female drivers from entering the industry and contribute towards a perception that being a taxi /PHV driver is not an attractive career which would have a detrimental effect on diversity in the industry..
- Effective enforcement and compliance activities provides protection to the public and ensures to the safety of passengers. Female passengers are more susceptible to experiencing personal security concerns and will be positively impacted by the continuation of compliance activities which an increase in licence fees will bring.

Gender reassignment

- Taxi and private hire passengers whose gender identity is different from the gender assigned to them when they were born may experience a negative impact if proposed changes mean that there are fewer taxi or PHV drivers available. They may be disproportionately impacted if they have concerns about the safety of using certain modes of transport or walking or cycling at certain times and use taxis more often

Age

- Taxi and private hire drivers who are aged 60 or more may be disproportionately impacted by the proposed changes as they may not be able to work longer hours to cover the increase in fees.
- Increasing the licence and assessment fees, could deter young people from applying to become a licensed taxi/PHV driver as the initial outlay to becoming a driver could be cost-prohibitive.
- Passengers who rely on or frequently use taxi or PHV services may potentially be affected by drivers leaving the industry as a result of fee increases. This could be of particular significance for older passengers.

Religion and belief

No evidence of an impact on this protected group.

Disability (please consider all forms of disabilities)

- Disabled taxi/PHV drivers may be disproportionately impacted if the licence and assessment fees are increased as they may be less likely than drivers in general to increase the number of hours they work to cover the additional costs
- An increase in licence and assessment fees could lead to a perception that being a taxi/PHV driver is not an attractive career and could deter disabled people from applying to become a taxi/PHV driver which would have a detrimental impact on diversity in the industry.
- Passengers who rely on or frequently use taxi or PHV services may potentially be affected by drivers leaving the industry. This could be of particular significance for disabled passengers for whom other modes of public transport may be less accessible..

Sexual orientation

- A perception that being a taxi/PHV driver is not an attractive career, because of a proposed increase to the licence and assessment fees could deter those of all sexual orientation from applying to become a taxi/PHV driver.

- LGBTQ Londoners are significantly more likely than heterosexual Londoners to have experienced incidents of unwanted sexual behaviour or hate crime while travelling on the capital's public transport network. Fears of intimidation and/or abuse are sometimes mentioned by LGBTQ Londoners as barriers for increased public transport use.⁴ Increasing the fees ensures that compliance activities continue which may allay any concerns over being safe when travelling in taxis or PHVs.

Marriage or civil partnership

- No impacts on taxi/PHV drivers who are married or in a civil partnership have been identified

Pregnancy and maternity

- Taxi/PHV drivers who are pregnant or who have recently given birth may be disproportionately impacted by the increase if they cannot work longer to try and maintain their income or cover increased operating costs.

Disadvantaged, inclusion groups and communities e.g., carers, refugees, low income, homeless people etc

- If the licence and assessment fees are increased, some drivers will be negatively impacted if they are experiencing financial problems because of high inflation, the cost-of-living crisis, operating costs increasing or other items (e.g. food, utility bills, etc.) increasing.

Deprivation and socio-economic disadvantage of local communities e.g., people with lack of access to housing, education, social resources, geographic location, and income

- It is possible that higher fees may impact on the number of taxi/PHV drivers who work part-time. They may not be able to increase their hours to cover the additional fees.

People who share more than one protected or other characteristic

Some taxi/PHV drivers may share more than one protected or other characteristic, and the severity of the potential negative impacts identified may be greater for them.

Passengers who rely on or frequently use taxi or PHV services may potentially be affected by drivers leaving the industry. This could be of particular significance for those people sharing protected characteristics who may be more likely to be travelling late at night by taxi or PHV.

⁴ TfL Travel in London: Understanding our diverse communities 2019, <http://content.tfl.gov.uk/travel-in-london-understanding-our-diverse-communities-2019.pdf>

Comments and actions to mitigate or take forward (please include actions to mitigate the potential negative impact for this protected characteristic)

Item	Potential mitigations
The licence fees and assessment fees are increased	We recognise that there may be an impact to PHV drivers and PHV applicants who take multiple attempts to pass the SERU, English Language requirement and topographical assessments. We have put in place a number of measures to try and assist drivers prepare for the assessments to help them pass first time. This includes providing video guides, online practice materials and open-book assessments. If the proposed changes are approved, existing licence holders will not be impacted immediately as any changes to fees would come into effect for licensees upon their next renewal cycle (typically one year for vehicles and three years for drivers).
Improving cost efficiencies	There are a number of changes taking place in 2025 which, once fully embedded, may bring further opportunities for a reduction in costs in future years. Once the licensing administration system is fully operational further efficiencies above those forecast may be possible in licensing, driver assessments and accommodation.
Amending licence fees to partially cover our costs	We have taken a balanced approach and are not proposing amending the licence fees to allow full cost recovery.

4. Action planning

List all planned actions - actions which could help mitigate any potential negative impacts. Additionally, please remember to include in your plan any 'positive action'.

	Actions	Owner	Deadline
1	Recommendations will be submitted to the Finance Committee meeting on 9 April 2025	TfL Licensing and Regulation	
2	Continue to review licence and assessment fees to see if changes can be made which achieve the balance of ensuring drivers/applicants affordability with balancing TfL's operational costs This will involve meetings with the trade associations plus research (Taxi and Private Hire Customer Satisfaction Surveys) amongst users and drivers.	TfL Licensing and Regulation	Ongoing
3			
4			

5. Monitoring and evaluation

Detail how you will or plan to monitor and evaluate the success of the mitigation actions and the overall impact of your decision or proposal

1.	How would you monitor and evaluate the success of the mitigating actions once your proposal has been implemented?	We will keep licence fees under review to assess whether the partial recovery of our costs are being met and whether the proposed increase in fees is having any adverse effect on the availability of services for protected groups. We will do this principally through our annual customer satisfaction surveys for both licensees and passengers, and through monitoring any other feedback or complaints we receive.
2.	How would you monitor the actual impact of your proposal or decision once	The proposal will be successful if revenues generated meet the partial cost recovery of costs borne by TfL over the next five years, and that those costs demonstrably provide the safety

	your proposal has been implemented?	benefits. Compliance and enforcement activity is routinely reported highlighting the main trends and types of offences being detected.
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6. Decision-Making

Based on the above assessment, please select one of the options below that describe what you propose to do next. It is important that you provide the reason(s) for your decision and the evidence that supported these reasons.

1	Continue with your work because the assessment demonstrates that the work will have no potential negative or adverse impact on equality and inclusion groups.	
2	Justify and continue with your work despite negative equality impacts, and because there are other factors which make it reasonable for you to decide to continue with your work.	<p>We are mindful of these negative impacts. However, it is considered that the increased fees are necessary and proportionate as detailed above. Ensuring that funding is available to regulate taxi and private hire services effectively and efficiently, and take enforcement action where appropriate, is necessary for public protection and passenger safety. For these reasons, increases in licence fees could lead to a positive and beneficial impact for those in certain protected groups who may use taxi and private services more than those not in those groups such as the elderly and disabled.</p> <p>The implementation of these proposals will have a financial impact on taxi and private hire drivers and taxi owners. However, it is considered appropriate and justified that drivers and vehicle licensees pay appropriately for the proportionate costs of the licensing regime associated with them.</p>
3	Change or adapt your work to ensure it does not adversely or disproportionately impact certain	

	groups of people, communities, or miss opportunities to affect them positively	
4	Stop your work because there is a high probability of noticeable discrimination and negative impacts which cannot be objectively justified. Further research work may be needed.	

Taxi and Private Hire Licence fees– annual review 2024/25

Equality impact assessment evidence base

Taxi and Private Hire Licence fees– annual review 2024/25- Evidence Base

This document contains information to support the equality impact assessment for TfL's taxi and private hire licence fees and assessment fees proposed changes.

The document contains the following sections:

- Numbers of licensed taxi and private hire drivers and licensed taxi and private hire vehicles
- Taxi and private hire drivers age, gender, faith and ethnicity figures
- Profile of taxi and private hire licensees
- Responses to the Black Cabs and Minicabs Customer Satisfaction Survey
- Disability and mobility data for Londoners
- Income and poverty amongst Londoners
- UK LGBT survey
- Travel in London report
- Visitors to London

Transport for London (TfL) is the licensing authority for taxi (black cab) and private hire services in London.

In London there are¹:

- 14,510 licensed taxis
- 16,873 licensed taxi drivers
- 107,979 licensed private hire drivers
- 96,517 licensed PHVs

¹ TfL licensing data 25 January 2025

Age, gender, faith, and ethnicity figures²

	Taxi Drivers	%	PHV Drivers	%
Under 21	0	0.00%	0	0.00%
21-30	96	0.55%	6486	6.10%
31-40	1261	7.24%	27615	25.99%
41-50	3523	20.23%	37054	34.87%
51-60	7275	41.78%	24583	23.13%
61-70	4301	24.70%	7188	6.76%
71+	820	4.71%	452	0.43%
Not known	135	0.78%	2885	2.71%
Total	17411	100.00%	106263	100.00%
65+	2577	14.80%	2970	2.79%

Faith	Taxi Drivers	%	PHV Drivers	%
Yes	1986	11.41%	44089	41.49%
No	205	1.18%	4571	4.30%
Not known	15220	87.42%	57603	54.21%
Total	17411	100.00%	106263	100.00%

Gender	Taxi Drivers	%	PHV Drivers	%
Male	17006	97.67%	103052	96.98%
Female	401	2.30%	2374	2.23%
Not known	4	0.02%	837	0.79%
Total	17411	100.00%	106263	100.00%

² TfL licensing data April 2024

Ethnicity

Ethnicity - All	Taxi Drivers	%	PHV Drivers	%
Asian or Asian British	0	0.00%	167	0.16%
Asian or Asian British (Bangladeshi)	328	1.88%	12298	11.57%
Asian or Asian British (Indian)	119	0.68%	3268	3.08%
Asian or Asian British (Other)	304	1.75%	12771	12.02%
Asian or Asian British (Pakistani)	214	1.23%	14201	13.36%
Black	0	0.00%	72	0.07%
Black or Black British (African)	957	5.50%	14382	13.53%
Black or Black British (Caribbean)	363	2.08%	677	0.64%
Black or Black British (Other)	143	0.82%	706	0.66%
Mixed	0	0.00%	13	0.01%
Mixed (Other)	92	0.53%	591	0.56%
Mixed (White and Asian)	50	0.29%	351	0.33%
Mixed (White and Black African)	74	0.43%	400	0.38%
Mixed (White and Black Caribbean)	90	0.52%	133	0.13%
White	0	0.00%	84	0.08%
White British	10659	61.22%	4004	3.77%
White Irish	164	0.94%	108	0.10%
White Other	604	3.47%	9609	9.04%
Chinese or other ethnic group (Other)	232	1.33%	700	0.66%
Not known	3018	17.33%	31728	29.86%
Total	17411	100.00 %	106263	100.00 %

Profile of taxi and private hire licensees³

Taxi drivers

Keeper

- 56% own and drive ONE taxi
- 1% own and drive more than one taxi
- 2% share ownership and drive
- 41% drive but do not own

Length of time as a driver	Taxi Drivers	PHV Drivers
Up to 3 years	2%	18%
3-5 years	6%	18%
6-10 years	14%	35%
11-15 years	15%	15%
16-20 years	13%	7%
20+ years	49%	6%
Not answered	1%	1%
Total	100%	100%

³ Taxi and Private Hire Licensee Customer Satisfaction Survey 2023

Type of licence

- 90% hold an All London (Green Badge) licence
- 10% hold a Suburban (Yellow Badge) licence
- 0% hold a private hire/minicab licence
- 0% private hire/minicab owner

PHV Drivers

Type of PHV driver

- 100% Minicab/private hire driver
- 16% Minicab/private hire vehicle owner/keeper
- 1% Minicab/private hire operator

Keeper

- 61% own one private hire vehicle, and also drive that private hire vehicle

Disability, caring responsibilities and annual household income profile⁴

Disability	Taxi Drivers	PHV Drivers
Yes	5%	6%
No	85%	79%
Prefer not to say	10%	15%
Total	100%	100%

Annual household income	Taxi drivers	PHV Drivers
Up to £17,399	3%	16%
£17,400- £21,749	3%	11%
£21,750 - £26,099	4%	9%
£26,100-£30,499	4%	9%
£30,500-£47,849	14%	13%
£47,850+	12%	6%
Don't know/prefer not to say	59%	36%

Caring responsibilities	Taxi Drivers	PHV Drivers
Yes	15%	17%
No	76%	69%
Prefer not to say	9%	14%
Total	100%	100%

⁴ Taxi and Private Hire Licensee Customer Satisfaction Survey 2023

Responses to the Black Cabs and Minicabs Customer Satisfaction Survey⁵

	Taxi drivers		PHV drivers	
	2022/23	2023/24	2022/23	2023/24
Overall satisfaction with contact with TPH	45%	47%	67%	63%
Perceived fairness of treatment over time (total feeling fairly or very fairly treated by TPH)	70%	78%	84%	81%
Satisfaction with value for money for driver licensing fees <i>Satisfaction with the value for money for driver licensing fees has been steadily increasing for taxi drivers and phv drivers since 2017. Although satisfaction from PHV drivers dropped by 4% in the last annual survey 23/24.</i>	49%	50%	54%	50%
Satisfaction with value for money for vehicle licensing fees <i>Similar to driver licensing fees, satisfaction with value for money of vehicle licensing fees also increased among both taxi and PHV drivers (22/23)</i>	56%	59%	53%	47%
Feeling positive about the future of the trade <i>PHV drivers were significantly more negative about the future of the trade compared to 22/23</i>	33%	32%	47%	38%
Income increased as a result of the pandemic	1%	N/A	1%	N/A
Income decreased as a result of the pandemic	40%	N/A	38%	N/A

⁵ Taxi and Private Hire Licensee Customer Satisfaction Survey 2023

Disability and mobility data for Londoners

The Department for Work and Pensions Disability Unit ⁶ has published information about disability and mobility data for Londoners and this is shown in the table below.

% of all working-age (16-64)	London
% with mobility difficulties	6%
% use special equipment to help be mobile	2%
% with a mobility impairment	4%
% who currently have 'DDA' Disability	15%
% of all adults (16+)	London
% with mobility difficulties	11%
% use special equipment to help be mobile	5%
% with a mobility impairment	7%
% who currently have 'DDA' Disability	21%

Just over one fifth (21 per cent) of all Londoners aged 16 or more had a 'DDA' disability. The definition of 'DDA disability' under the Equality Act 2010 shows a person has a disability if:

- They have a physical or mental impairment
- The impairment has a substantial and long-term adverse effect on their ability to perform normal day-to-day activities

For the purposes of the Act, these words have the following meanings:

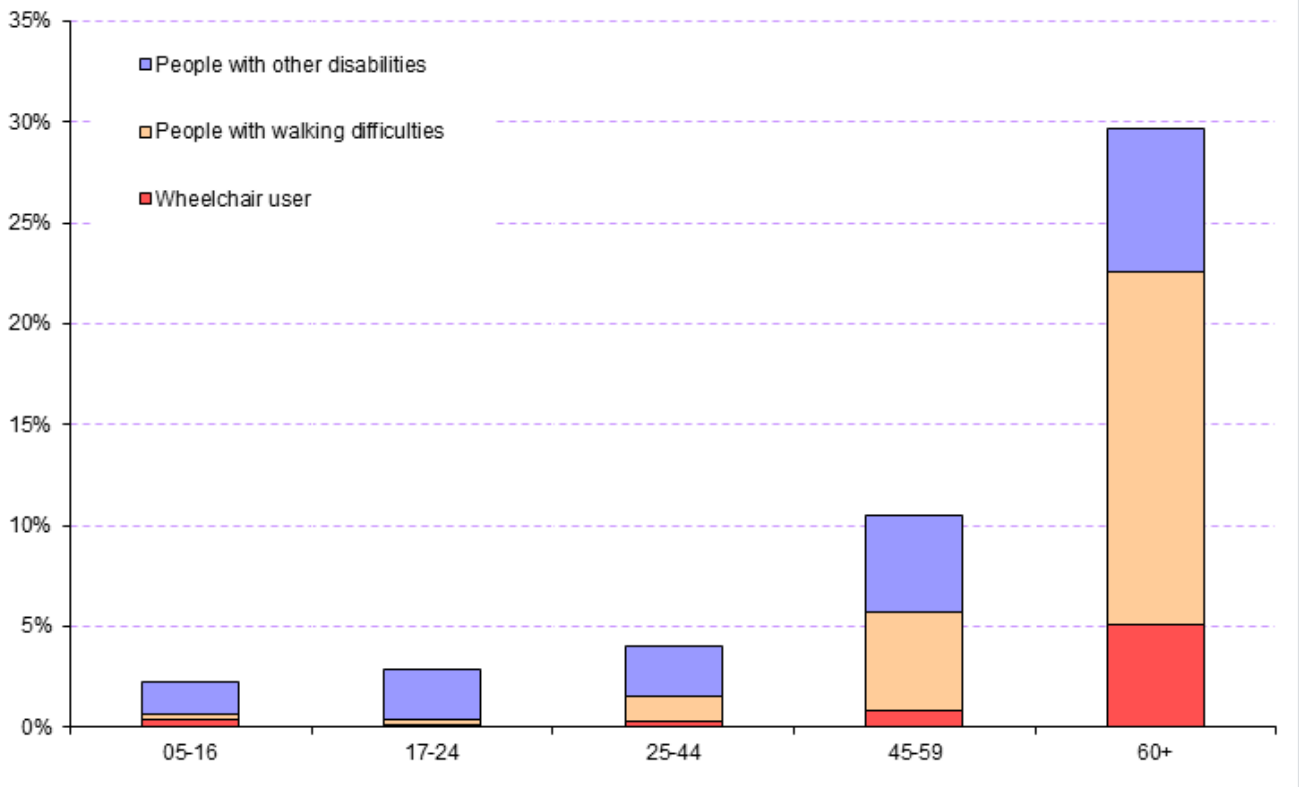
- 'Substantial' means more than minor or trivial
- 'Long-term' means that the effect of the impairment has lasted or is likely to last for at least twelve months (there are special rules covering recurring or fluctuating conditions)
- 'Normal day-to-day activities' include everyday things like eating, washing, walking and going shopping

There are additional provisions relating to people with progressive conditions. People with HIV, cancer or multiple sclerosis are protected by the Act from the point of diagnosis. People with some visual impairments are automatically deemed to be disabled.

The London Assembly has published a report titled 'Transport Committee Accessibility of the transport network'⁷ and this contains information about Londoners who are wheelchair users, have walking difficulties or other disabilities. Significantly more Londoners aged 60 or more are wheelchair users, have walking difficulties or have other disabilities compared to younger Londoners.

⁶ Disability and Mobility, London, 2014, <https://data.london.gov.uk/dataset/disability-and-mobility-london>

⁷ Transport Committee Accessibility of the transport network, London Assembly, November 2010 <https://data.london.gov.uk/dataset/londoners-reduced-mobility>



Income and poverty amongst Londoners

Information about income and poverty amongst Londoners has been published by the Trust for London⁸. Some of the findings are listed below:

- Twenty-four per cent of Londoners are living in poverty
- Thirty-four per cent of Londoners living in non-white households are living in poverty
- Forty seven per cent of single parents households in London are living in poverty
- Families made up of a single adult with children are the most likely to be in poverty. In London 47 per cent of these family types are counted as being in poverty, with 44 per cent in the rest of England. Other single person household types follow next, with couple households showing lower poverty rates. Couples pensioners and couples without children are the least likely to be in poverty – 13 per cent and 14 per cent, respectively, of this family type were in poverty in London for 2022/23
- In the last 10 years, the proportion of children in poverty in London has decreased by 5 percentage points - from 37 per cent to 32 per cent. The poverty rate among working-age adults has also decreased (from 27 per cent to 22 per cent), while for pensioners it has stayed the same (19 per cent)
- Poverty rates after housing costs were highest among children and young people in 2022/23, in both London and the rest of England:
 - In London 140,000 children aged four and under live in households in poverty
 - A third (33 per cent) of children aged 5-9 are in households in poverty
 - Over a third of 10-19 year olds live in households that are in poverty (35 per cent of those aged 10-14 and 37 per cent of those aged 15-19)
- In contrast, 15 per cent of Londoners aged 30-34 live in households that are in poverty - the lowest rate for any age group.
- Poverty rates in London are higher than those in the rest of England for people of most age groups, except for children aged 0-4 and adults aged 30-34, 35-39 and 60-64
- Londoners who live in families that include a disabled person are more likely to be in poverty than those living in families that do not include a disabled person. In the three years to 2022/23, 30 per cent of families that included a disabled person were in poverty compared to 22 per cent of those without a disabled household member. This gap has increased in the last 10 years - from 5 to 8 percentage points
- Poverty rates are highest among the Bangladeshi minority ethnic group with 63 per cent being counted as in-poverty. This is followed by the “any other Asian background” group for whom the poverty rate is 41 per cent
- Poverty rates for minority ethnic groups follow the same order in both London and the rest of England. The groups least likely to be in-poverty in London are “Mixed/Multiple Ethnic” (24 per cent) and “White” (17 per cent)
- More Londoners living in poverty are in working households than in workless households. This has been consistently the case for the last decade. In 2022/23 some 930,000 people in poverty are living in working households. By

⁸ Trust for London, London's Poverty Profile, 20 August 2024, <https://trustforlondon.org.uk/data/>

contrast, 380,000 people in poverty are living in working-age workless households

- 480,000 children in poverty live in households where someone is in work, whereas 180,000 live in workless households
- 200,000 pensioners in London are in poverty
- Poverty rates vary significantly across different demographic groups in London. The highest poverty rates are experienced by workless families (50 per cent) and households comprised of single people with children (47 per cent). Black and minority ethnic groups are far more likely to be in poverty (34 per cent) than white people (17 per cent), and single pensioners also see a higher than average poverty rate at 29 per cent
- Generally speaking all the groups included here have seen declining poverty rates since 2019/20 apart from couples and singles without children

UK LGBT survey

In July 2017 the Government launched a nationwide lesbian, gay, bisexual and transgender (LGBT) survey⁹. Findings included:

- More than two thirds of LGBT respondents said they had avoided holding hands with a same-sex partner for fear of a negative reaction from others
- At least two in five respondents had experienced an incident because they were LGBT, such as verbal harassment or physical violence, in the 12 months preceding the survey. However, more than nine in 10 of the most serious incidents went unreported, often because respondents thought 'it happens all the time'
- Existing evidence suggests that LGBT people are at greater risk than the general population of being victims of crime
- The National Institute of Economic and Social Research (NIESR) review found that underreporting of hate crime is a particularly common issue. They also found that LGBT people can be unwilling to use relevant services for fear of homophobic, transphobic or biphobic responses from staff and service users or because they do not think the response will meet their needs
- Data from the Crime Survey for England and Wales (CSEW) being published alongside this report for the first time revealed that gay, lesbian and bisexual people are more likely than heterosexual people to be victims of all CSEW crime
- One respondent (a gay man, aged 45-54, from London) said *"I still wouldn't walk down my street holding hands for fear of attack, or kiss on public transport. Simple things that heterosexual people take for granted."*
- In total, 40 per cent of respondents had experienced an incident in the 12 months preceding the survey committed by someone they did not live with and because they were LGBT
- Around a quarter (26 per cent) had experienced verbal harassment, insults or other hurtful comments, 14 per cent had experienced disclosure of their LGBT status without permission, six per cent had been threatened with physical or sexual harassment or violence, two per cent had experienced physical violence and two per cent had experienced sexual violence

⁹ Government Equalities Office, National LGBT Survey: Summary report, 7 February 2019, <https://www.gov.uk/government/publications/national-lgbt-survey-summary-report/national-lgbt-survey-summary-report>

Travel in London report

The latest Travel in London¹⁰ report provides information on journeys in London including the following:

- The last 18 months have seen a continued recovery of travel demand in London from the unprecedented lows of the coronavirus pandemic. Overall travel demand, however, remains short of pre-pandemic levels, particularly on public transport
- By October 2023, road traffic volumes had recovered to around 92 per cent of the pre-pandemic levels, but public transport demand has been slower to return. As at October 2023, representative London Underground and bus demand were both around 84 per cent of pre-pandemic levels
- In 2022 there were an estimated 24.7 million daily trips on an average day, an increase of 14 per cent on 2021. The year was mostly free of mandated pandemic-related restrictions, except for the first quarter which was still impacted by some restrictions associated with the Omicron variant
- Daily journey stages in London in 2022 were 28.0 million, up from 24.0 million in 2021 (17 per cent increase) but remain 12 per cent lower than the pre-pandemic level in 2019
- In 2022, the active, efficient and sustainable mode share increased by 4.5 percentage points, relative to 2021, to 62.3 per cent, and has improved further during 2023. This was mainly due to the strong recovery in public transport trips throughout 2022. However, it remained lower than the 2019 pre-pandemic value of 63.6 per cent
- Both walk and cycle mode shares remain higher than before the pandemic, with 27 per cent of all trips in 2022 being walk trips. Cycle mode share increased to 4.5 per cent in 2022, up from 3.6 per cent in 2016, albeit in the context of lower overall travel
- Despite the recovery in public transport demand in 2022, it is now clear that the pandemic legacy of lower overall demand for public transport is affecting progress towards the mayor's aim for 80 per cent of all trips in London to be made by active, efficient and sustainable modes by 2041
- The latest Census of Population was conducted across the UK in March 2021, during the latter stages of pandemic restrictions. The population in London was estimated at 8.8 million. Although this was an increase of 7.7 per cent compared with 2011 (8.2 million), the rate of increase over the preceding decade was slower than 2001-2011 (14 per cent), and two per cent lower than contemporary mid-year estimates. However, it is also possible that the later stages of the pandemic affected this estimate (March 2021)
- London's economic recovery post-pandemic has been strong – at the end of 2022 London's Gross Value Added (GVA) was four per cent higher than in 2019. However, inflationary pressures and the resulting cost-of-living crisis may dampen growth in the medium term
- In August 2023, a fifth of Londoners were reported to be struggling financially, this increases to 30 per cent of Londoners aged 25 to 34. Low-income Londoners are facing the largest squeeze on their finances – with 45 per cent of low-income households (<£20,000) reporting struggling financially

¹⁰ Travel in London Reports, TfL, December 2023, <https://tfl.gov.uk/corporate/publications-and-reports/travel-in-london-reports>

The 2018 London Assembly report ‘Who Cares? Helping London’s Unpaid Carers’¹¹ included figures on the estimated number of Londoners who provide care. The findings included:

- 8.5 per cent of Londoners spend at least one hour a week caring for someone between the ages of 25 and 64, around a third more women than men provide unpaid care
- Overall, in London 9.8 per cent of women are carers and 7.4 per cent of men
- This begins to change for older people, with the gender gap narrowing for those aged over 74. Here we see 12 per cent of men aged over 85 providing care, compared to five per cent of women in that age group
- As Black, Asian and minority ethnic people in the UK are on average younger than white people, a lower proportion give unpaid care. That said, research indicates that controlling for age, Black, Asian and minority ethnic families are more likely to care for older or disabled family members

Visitors to London

Information specifically about the diversity of visitors to London who use pedicabs is not held however, some general information about visitors to London is available.

- In 2018 London was the most visited area in the UK by overseas residents with 19.1 million visiting London¹²
- There were 11.9 million visits to London in 2018 by domestic tourists¹³
- The tables below show the gender and age profile for visitors to London for 2018¹⁴

Gender	Percentage
Male	56%
Female	44%

Age (years)	Percentage
0-15	2%
16-24	14%
25-34	24%
35-44	23%
45-54	19%
55-64	12%
65+	6%

¹¹ Who cares? Helping London’s Unpaid Carers, London Assembly, https://www.london.gov.uk/sites/default/files/who_cares_-_helping_londons_unpaid_carers_by_dr_onkar_sahota_am.pdf

¹² Tourism: Statistics and policy, House of Commons Library, 24 September 2019, <https://researchbriefings.files.parliament.uk/documents/SN06022/SN06022.pdf>

¹³ Tourism: Statistics and policy, House of Commons Library, 24 September 2019, <https://researchbriefings.files.parliament.uk/documents/SN06022/SN06022.pdf>

¹⁴ Visit Britain, 13 March 2020