



Elly Baker AM

Chair, London Assembly Transport Committee

By email

Dear Chair,

Thank you for your letter of 6 October detailing your Committee's recommendations on TfL's forthcoming work and engagement on taxi and private hire issues. Working together with the taxi trade and private hire industry we have taken great strides in further enhancing the safety of these services in London and on reducing emissions since our first Action Plan in 2016. We do recognise however, that some important challenges remain, including a reduction in the number of licensed taxis and taxi drivers; the need to further improve air quality and reduce carbon emissions; and the need to continue to enhance safety both of passengers of these services and drivers. The Taxi and Private Hire Vehicle (PHV) [Action Plan](#) we published in March 2025 is aimed at achieving these actions and was the result of wide-ranging engagement with stakeholders, the taxi trade and the private hire industry, as well as customer groups.

Please see below for responses to the matters raised in your letter:

Recommendation 1: TfL should establish ongoing proactive engagement with the Committee on taxi and private hire in London. This should include annual verbal briefings to the Committee on its progress on delivering the Action Plan and the recommendations set out in this letter.

We welcome the Committee's recommendation and agree that proactive engagement is essential. We published our 2025 Taxi and Private Hire Action Plan following wide-ranging engagement with stakeholders, the taxi trade, the private hire industry and customer groups, and we are grateful to everyone who contributed.

The Action Plan sets out a series of commitments and delivery milestones through to 2030. We recognise the importance of maintaining transparency and accountability as we deliver these actions and will be publishing annual updates. We have previously provided briefings and attended Committee sessions to discuss our plans and we are committed to engaging constructively with the Committee. We welcome the opportunity to provide regular engagement and would be happy to participate in verbal briefings, should the Committee wish to convene them, to share updates on our progress, discuss challenges, and support ongoing dialogue, to ensure the Committee is kept informed as we move forward.

Recommendation 2: TfL should publish an annual Taxi and Private Hire Action Plan progress report, which should be published on TfL's website and shared with the Committee and taxi and private hire driver representatives.

We are committed to providing the Committee with an update on our progress against our Action Plan objectives on an annual basis. We believe that sharing this directly with you, as well as trade representatives as part of our regular communications, is the best way to provide these updates.

Recommendation 3: TfL should lobby the Government for legislative powers to establish a private hire vehicle cap.

Addressing cross-border hiring is our key policy objective. While a cap could be considered in future, our view is that without addressing the broader issue of cross-border hiring, any powers to cap PHV numbers in London would be ineffective and could lead to unintended consequences.

Under current legislation, PHV drivers and operators licensed outside London are permitted to carry out pre-booked work in the capital. This practice undermines the ability of licensing authorities to enforce local standards and poses risks to passenger safety and public confidence.

We continue to call on Government to address this issue and recently gave oral and written evidence to the House of Commons Transport Select Committee's inquiry into taxi and private hire licensing on 15 October 2025. During the session, we outlined the limitations of the current framework and the urgent need for reform to support effective regulation and enforcement.

We are calling on Government to introduce a Journey Start/End Rule. This would require all taxi and PHV journeys to start or end in the licensing area of the driver and vehicle (and operator, for PHVs). This would help ensure that vehicles and drivers are operating within the jurisdiction that licensed them.

We first proposed this in our [2018 policy paper](#) and confirmed during our recent evidence session that it remains our top legislative priority.

In addition to this, we are calling on Government for further measures to close existing regulatory loopholes, enhance passenger safety and support the taxi trade and private hire industry.

These measures are:

- National minimum standards to ensure consistency in safety, accessibility and environmental requirements across all licensing authorities
- National enforcement powers to allow authorised officers to act on any licensed vehicle operating in their area, regardless of where the licence was issued

- The powers to issue fixed penalty notice powers for private hire offences to support swift and proportionate enforcement
- The powers to regulate app-based booking platforms, including transparency on fare structures and data sharing obligations
- To mandate data sharing, requiring licensees to share relevant data, including passenger journey information, to improve transparency and safety for passengers and drivers
- To amend private hire legislation to align driver licensing requirements with those of taxi drivers. This includes making changes effective immediately and allowing conditions to be added mid-licence
- To clarify the legislation around assistance dogs To reduce VAT on energy from public charge points, matching domestic charging
- To remove VAT from the purchase of taxis and designated wheelchair accessible private hire vehicles, to make it consistent with other wheelchair accessible vehicles
- To continue the plug-in taxi grant

We know that there are several considerations regarding powers to cap taxi and / or PHV numbers. We can see that there are potential benefits to introducing a cap, including improved driver earnings, reduced congestion and emissions, and market stability. However, these would need to be weighed carefully against a number of disadvantages. These include, but are not limited to: passenger safety could be compromised if there is reduced availability of drivers and vehicles due to sudden changes in demand; drivers holding onto their licences even if not working which would impact supply; the creation of a barrier to entry for new applicants; ongoing administration costs of a cap including regular supply and demand surveys, which would result in increased licence fees for drivers and operators; and a significant risk of an increase in touting by unlicensed individuals.

Recommendation 4: To improve the transparency and robustness of its relicensing, TfL should:

- **explore conditions, including data sharing, for monitoring the business practices of operators.**
- **engage with the Committee and organisations representing drivers regarding licensing conditions before issuing licences to private hire operators.**
- **publish the licensing conditions immediately once a licence has been issued.**

[The PHV \(London\) \(Operators' Licences\) Regulations 2000](#) (2000 Regulations) prescribe conditions that apply to all PHV operators and these are published [here](#) . These regulations are in place to ensure the safety of passengers using private hire services in London. Where considered appropriate, we would carry out public consultation on proposals to amend the 2000 Regulations, and take into account the responses received before amending them. We have previously considered whether

prescribed conditions should vary depending on the size or tier of the operator, and this is something we intend to explore further.

In addition to the published and prescribed conditions that apply to all PHV operators through the regulations, we also consider each licence application on a case by case basis and, where appropriate, may add licence conditions when granting a licence to an individual PHV operator. For example, larger PHV operators have a number of licence conditions that they must meet in addition to the regulations. PHV operators have the right to appeal any conditions and it is important these are proportional, lawful and relevant.

Where appropriate, licence conditions that have been applied to an individual PHV operator's licence may later be prescribed into regulation if we consider it is appropriate that all PHV operators meet the standard. A recent example of this is regulation 9(4) which now requires all PHV operators to report to TfL any instances where any individual associated with the licence has been arrested and released, charged, cautioned or convicted within 48 hours. Previously, this was only required within 14 days.

When TfL is considering a licence application, we will have regard to any representations that have been received from interested parties, including the Committee and driver representative organisations.

It should be noted that the current provisions of the PHV (London) Act 1998 do not allow changes to be made to licences once granted. Given that PHV operator licences are issued for up to five years, driver licences for up to three years, and vehicle licences for one year, this limitation can significantly delay the implementation of new safety regulations. In contrast, taxi licences, which are regulated under separate legislation, allow for greater flexibility. As the licensing authority, TfL is able to apply new licensing conditions to taxi drivers with immediate effect, including to those who already hold a licence. This enables us to implement safety and compliance measures across the taxi sector without waiting for licence renewals. To ensure timely and consistent application of updated standards, we have included within our legislative asks that the legislation is amended to allow changes to be applied to all relevant licences with immediate effect. This would enhance public safety, ensure a level playing field across the industry, and align with the DfT's Statutory Standards.

In the interests of transparency, we intend to publish the licence conditions that have been applied to individual PHV operators in due course.

As noted in our response to recommendation 3, we are calling on Government to give TfL legislative powers to mandate data sharing by PHV operators. If introduced, this would allow us to better understand passenger journey information which would help to improve safety and market oversight and assess the impact of regulatory interventions.

Recommendation 5: By the end of 2025, TfL should make it a condition of licensing that operators do not use technologies that require drivers to read messages or touch their phones whilst they are driving.

We support safe driving practices and compliance with the law. Our approach has always been to promote responsible technology use and ensure that operators and drivers understand their obligations.

We have previously issued [guidance](#) to PHV operators and drivers on the legal use of mobile devices while driving, in line with the Highway Code and Road Traffic Act. This includes clear messaging that handheld device use while driving is illegal, even when stationary in traffic. We have also worked with the Metropolitan Police Service to support enforcement activity targeting unsafe driving behaviours, including mobile phone use.

We regularly engage with PHV operators to understand how their apps are designed to support hands-free use and minimise distraction.

We have consulted on safety-related licensing conditions, including through our *Improving Safety for Taxi and PHV Passengers* consultation, and continue to explore how technology can be used safely in licensed vehicles. We have also reviewed app use and its impact on driver behaviour through surveys and focus groups. However, it is important to acknowledge that mobile device use while driving is a wider issue across the transport and delivery sectors. Our regulatory remit does not extend to taxi app booking companies or other industries such as delivery services, which means we cannot impose conditions on those businesses. Imposing blanket restrictions solely on PHV operators could therefore create disproportionate requirements and an uneven playing field, particularly given the widespread reliance on navigation and communication tools.

Nevertheless, to address these challenges, we have taken action and will continue to:

- Engage with PHV operators to understand and influence how they ensure safe app use, including voice-activated and hands-free functionality
- Engage with app developers to understand and influence the functionality of their apps
- Review existing guidance to reinforce best practice and highlight the importance of reducing driver distraction
- Ensure PHV operators regularly remind their drivers to minimise distractions from mobile devices
- Continue internal policy development to explore feasible approaches that balance safety, legal compliance and operational practicality

We remain committed to working with the Committee, industry stakeholders and government to ensure technology supports, rather than compromises, driver and passenger safety.

Recommendation 6: TfL should set a specific target to increase the number of taxi drivers in London.

We recognise the vital role that London's licensed taxi drivers play in the capital's transport network and remain committed to supporting the trade. Our Taxi and Private Hire Action Plan sets out a range of actions aimed at halting the decline in driver numbers and creating the conditions for long-term growth.

We are working closely with the taxi trade to identify and address barriers to entry, including the cost of vehicles and the time required to complete the Knowledge of London. We have made amendments to the Knowledge to attract more applicants, including publishing a list of assessment points and reviewing the Blue Book guide. These changes are designed to make the process more transparent and accessible, while maintaining the high standards that Londoners expect.

Alongside this, we are collaborating with Knowledge schools and stakeholders to raise awareness of taxi driving as a career, particularly among under-represented groups. This includes outreach to schools, careers events and community organisations, as well as supporting initiatives that encourage women and people from diverse backgrounds to join the trade.

The taxi trade itself is also investing in promotional campaigns to attract new drivers and passengers. For example, the Licensed Taxi Drivers' Association's (LTDA) ongoing "Your Freedom Starts Here" campaign focuses on showcasing the independence and flexibility of taxi driving as a career, using digital and print advertising to reach potential recruits. Meanwhile, FREENOW's recent "Bold Black Cab" campaign celebrates the heritage, reliability and trust of London's black cabs through outdoor ads and social media engagement, while also offering financial incentives to help drivers complete the Knowledge and join the trade.

There is no target number of taxi vehicles or drivers required in London as drivers can work flexibly at different hours or in locations according to personal circumstances, or demand. Our aim is to ensure a thriving and attractive trade that ensures its long-term future and meets the needs of passengers.

As such, we are actively monitoring driver numbers and will continue to assess the impact of our interventions. Our aim is to create a more inclusive and sustainable pathway into the profession and ensure that the licensed taxi workforce reflects the diversity of the city it serves.

As a result of our ongoing work, we're seeing positive momentum, with more applications coming through. In 2025 to date we've received over 800 new taxi licence applications, up significantly from the roughly 500 over the same period last year. Since May, we've accepted an average of 63 applications per month, and currently have 76 students at Stage 5 of the Knowledge. Encouragingly, we are also seeing a decrease in the time it takes to complete the Knowledge, which is a positive sign for new entrants. We've also seen encouraging engagement on social media this year, with over one million impressions for the story of the youngest driver receiving his badge – a sign of growing interest in the trade.

We are also planning some media activity in December, to celebrate 160 years of the Knowledge of London, and we would welcome the Committee's support in amplifying these messages. We will keep you updated as plans progress.

We remain committed to working with the Committee, trade representatives and wider stakeholders to support the future of the taxi industry and ensure it continues to provide safe, accessible and high-quality services for Londoners.

Recommendation 7: TfL should bring forward proposals for new financial support mechanisms for the taxi trade, beyond the plug-in taxi grant and VAT exemption. This should include exploring using the Mayor's Green Finance Fund.

We have provided more than £50 million in funding through a range of initiatives to support the taxi trade in retiring older, more polluting vehicles and encouraging the uptake of cleaner, greener alternatives. We understand that the upfront and financing costs of zero-emission capable taxis remain a significant barrier for many, and we continue to advocate for measures that reduce the cost of electric vehicle purchase for both taxi and private hire drivers.

Following a request from the LTDA, we are progressing work internally to consider options for new financial support, looking at what is being done elsewhere and what mechanisms could be possible in London, alongside eligibility criteria to ensure any such scheme would support the Mayor's wider goals.

We continue to expand London's electric vehicle charging infrastructure to support high-mileage users such as taxi and private hire drivers. London now has more than 27,000 public charge points, including over 1,500 rapid chargers and 57 rapid charging hub sites. Our focus on rapid charging has been shaped by the needs of essential road users who require reliable, top-up charging throughout the day.

To address land availability and affordability, we are delivering two programmes for rapid and ultra-rapid charging, meeting our commitment in London's EV Infrastructure Strategy to unlock GLA Group land. We are also supporting boroughs to deliver slower charge points through the government's Local EV Infrastructure (LEVI) fund.

We hope this is a helpful update but remain open to further discussion.

Regards,

Christina Calderato
Director of Strategy

Helen Chapman,
Director of Licensing and Regulation

