

Investigation into taxi and private hire services in London

Transport Committee

Introduction

The London Assembly's Transport Committee is investigating taxi and private hire services in London with a particular focus on passenger issues and how these are being addressed.

Aim of investigation

The purpose of this investigation is to examine the current state of taxi and private hire services in London and how the Mayor and Transport for London (TfL) are working with the taxi and private hire trades to respond to passenger concerns and issues.

This investigation could have an impact by generating a new understanding of what passengers expect from taxi and private hire services and what changes, if any, they would like to see in future to improve these services.

The investigation could provide a formal, public way for people to express their views and influence TfL's approach to licensing and regulating taxi and private hire services and persuade the Mayor and TfL to take different actions on future decisions relating to the taxi and private hire trades.

Terms of reference

The terms of reference for this investigation are:

- To explore the key issues for taxi and private hire passengers in London;
- To examine how the Mayor, TfL and the taxi and private hire industries are responding to these issues;

- To examine the performance of TfL's Taxi and Private Hire unit (TPH); and
- To make recommendations to the Mayor and TfL on any further actions they could take to improve taxi and private hire services in London.

Background

Taxi and private hire services in London

Around 300,000 trips per day in London are made by taxi or private hire vehicle. This represents around one per cent of total daily journeys in the capital. There are over 25,000 licensed taxi drivers and over 67,000 licensed private hire drivers in London. Licensed taxis (black cabs) are able to accept street hails, can operate from ranks and must have a meter. Private hire vehicles (minicabs) cannot accept street hails or use ranks, and must be pre-booked through a licensed operator.

TfL acts as both the licensing authority and the regulator for both the licensed taxi and private hire industries in Greater London. TfL's Taxi and Private Hire unit (formerly the Public Carriage Office) is responsible for licensing all London's taxi and private hire drivers, vehicles and operators and setting standards that the operators must meet. TfL also sets the fare tariffs for licensed taxis and works with the police and boroughs to ensure compliance with taxi and private hire legislation and regulations.

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Overview of passenger needs and expectations

Taxis and private hire vehicles are used by a range of Londoners including some vulnerable groups. In 2013, 55 per cent of taxi passengers and 62 per cent of minicab passengers were women, and 14 per cent of taxi passengers and 19 per cent of minicab passengers were disabled.¹

TfL's most recent survey of taxi and private hire passengers suggests that overall satisfaction with taxi services is decreasing, while satisfaction ratings with minicabs have improved slightly.² The survey covered various issues that have an impact on passenger satisfaction including service availability, safety and security, and value for money.

This investigation will provide for exploration of a range of passenger issues including the taxi and private hire industries' views on these issues and how these issues affect particular groups of Londoners.

Availability of taxi and private hire services

Concerns have been raised about the availability of taxis both in terms of geographical location and at different times of the day. There may be limited availability of licensed taxis in areas outside central London with only a few drivers working in the suburban sectors. There are further questions around how to incentivise licensed drivers to work at nights and at weekends when demand is traditionally high but supply is low.

¹ TfL's Taxi and Minicab Customer satisfaction survey Quarter 3 2013/14

² *ibid*

Recent technological developments to allow "e-hailing" through mobile phone apps have proved popular with some drivers and customers but have not been universally welcomed. The rise in use of mobile phone booking apps has led to concerns from some taxi and private hire operators that drivers and vehicles may not be thoroughly vetted, potentially posing a risk to the travelling public.³ TfL has expressed an interest in working with the taxi and private hire trades to help shape regulation for these apps.⁴

There have been calls for greater numbers of taxi ranks across London, including marshalled ranks. There are currently ten marshalled ranks⁵ out of approximately 480 ranks in Greater London.⁶ The length of time taken to appoint new ranks has led to concerns that ranks are not always provided where there is greatest demand for services. The ease of locating a rank, personal safety while waiting at a rank and the length of time spent waiting have all been suggested to have an impact on passenger satisfaction⁷.

By law, London's licensed taxis must be wheelchair accessible. However, this requirement does not extend to private hire vehicles. Transport for All has raised concerns that disabled

³ http://www.lphca.co.uk/industry_news_lphca_press_release_140414.html

⁴ <http://www.tfl.gov.uk/info-for/media/press-releases/2014/april/tfl-invites-trades-to-help-shape-regulatory-framework-for-taxi-and-private-hire-apps>

⁵ <http://www.tfl.gov.uk/modes/taxis-and-minicabs/marshalled-taxi-ranks>

⁶ <http://www.tfl.gov.uk/modes/taxis-and-minicabs/marshalled-taxi-ranks>. 32 ranks are appointed by the City of London corporation; the rest are appointed by TfL. Figures correct as of September 2013.

⁷ Taxi and Minicab Customer satisfaction survey Quarter3 2013/14

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people often face considerable difficulties in accessing taxi and private hire services.⁸

This investigation will provide an opportunity to explore how easy it is for passengers to make journeys by taxi and private hire including the availability of these services across London and the impact of technological changes on passengers' use of taxis and private hire vehicles.

Safety and security including touting

Illegal activity, including aggressive touting by unlicensed minicabs and pedicabs, remains a considerable concern for the travelling public, taxi and private hire trades, TfL and the police. TfL funds the Met's Cab Enforcement Unit and works with the police to tackle illegal behaviour including touting. The Safer Travel at Night initiative seeks to raise awareness of the dangers of using unlicensed minicabs. In 2008 the Mayor doubled the number of officers in the Cab Enforcement Unit from 34 to the current figure of 68. In comparison, New York City's equivalent enforcement unit has 189 officers.⁹

The taxi and private hire industries have raised concerns about how TfL ensure that vehicles and drivers are properly licensed, including background checks on drivers and enforcement actions against unlicensed vehicles such as rickshaws/pedicabs.

This investigation will provide an opportunity to explore the safety and security of taxi and private hire services and how the Mayor and TfL are ensuring that vehicles and drivers are properly licensed.

Fares and payment options

TfL's 2013/14 Taxi and Minicab Customer Satisfaction Survey showed that over two thirds (68 per cent) of passengers thought that taxi fares were either a little too expensive or much too expensive¹⁰. TfL regulates taxi fares but does not have powers to regulate private hire fares. These fares are set by individual operators so have greater variation.

A number of initiatives have been considered to make it easier to pay for taxi journeys. These include: a 2010 trial of an 'Oystercard-style' card for black cabs; options for fixed or zonal fares for certain journeys; and the introduction of credit/debit card payment facilities. Some mobile phone booking apps also allow pre-payment for licensed taxi journeys.

This investigation will provide an opportunity to explore the additional measures that could be taken to make it more convenient to pay for taxi journeys.

The Mayor's position on taxi and private hire service provision

⁸ <http://www.transportforall.org.uk/news/disability-discrimination-in-the-private-hire-vehicle-industry>

⁹ http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2012.pdf

¹⁰ <http://www.tfl.gov.uk/cdn/static/cms/documents/fpc-20140123-part-1-item07-taxi-fares-and-tariffs-annual-revision.pdf>

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The Mayor's Transport Strategy (2010) sets out his broad aspiration to support improvements to both taxi and private hire services in London. Proposal 26 in the Strategy covers licensed taxis. This proposal provides for the Mayor, through TfL and working with others, to implement a number of measures. These include: highway priority for taxi services; provision of ranks and facilities; taxi marshalling; action against touting and illegal cabs; improved driver behaviour through licensing; and fare regulation including incentives for taxi provision to meet demand, especially at night.¹¹

Proposal 27 in the Transport Strategy covers private hire vehicles. This proposal provides for the Mayor, through TfL and working with others, to implement a number of measures including: initiatives to successfully deliver the Safer Travel at Night Scheme, provision of appropriate pick-up and drop-off facilities, and action against plying for hire, touting, un-roadworthy vehicles and illegal cabs.¹²

In addition, the Mayor set out plans in his 2012 transport manifesto to: set up a "cabbie cabinet" to meet with him once a year to discuss issues affecting the trade; take further action against pedicabs/rickshaws; and develop a "ranks plan" to protect existing ranks and identify new locations¹³. The Mayor, through TfL, has recently consulted on a Suburban Action plan to address issues faced by licensed taxi drivers in suburban London.¹⁴

¹¹ Mayor's Transport Strategy 2010 – link to report [here](#)

¹² Mayor's Transport strategy 2010- link to report [here](#)

¹³ Mayor's 2012 transport manifesto- link [here](#)

¹⁴ https://consultations.tfl.gov.uk/tph/suburbantaxis/consult_view

This investigation will provide an opportunity to explore how the Mayor and TfL are delivering on commitments to improve taxi and private hire services in London including how they ensure that passenger views are fully considered.

Relevant past Assembly work on taxi and private hire services

The Transport Committee's investigation will build on the Assembly's past work on taxi and private hire services including the Transport Committee reports listed below.

- *Tackling Taxi Touting* (March 2008). This report covered how effectively TfL and the Met police were enforcing against touting and made recommendations on how to improve enforcement activity.
- *Where to, Guv?* (November 2005). This report covered the performance of the former Public Carriage Office (PCO)

Questions for the investigation

During the investigation the Transport Committee will seek to answer the following key questions:

- What are passengers' views about taxi and private hire services in London including about the availability at different times and locations, safety and cost of these services?
- How well are the Mayor, TfL and the taxi and private hire industries responding to passenger issues?
- What more could the Mayor, TfL and the taxi and private hire industries be doing to improve taxi and private hire services in London?

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Details of the investigation

The Committee will gather views and information for this investigation in various ways including through written submissions and two meetings

The Committee will invite contributions from a wide range of organisations including:

- The Mayor;
- TfL;
- Taxi and private hire passengers;
- Taxi and private hire operators and drivers;
- London TravelWatch;
- London Councils;
- London Boroughs;
- Public transport user groups;
- Representative bodies including trade unions;
- The Met police;
- National and international experts on taxi and private hire operations ; and
- Safety campaign groups

The Committee will conduct a survey of taxi and private hire passengers and a survey of taxi and private hire drivers to inform its investigation. It may also hold one or more site visits to explore taxi and private hire issues.

The Committee will use its first meeting on 9 July 2014 to hear from groups representing taxi and private hire users to identify the key issues and concerns for passengers.

The Committee will use its second meeting on 2 September 2014 to hear from representatives of the Mayor/TfL and taxi and private hire services drawing on the findings from its first meeting.

After the Committee has gathered views and information, it will publish its findings and recommendations.

Timetable for the investigation

This investigation will take place from June 2014 to December 2014. The stages in the investigation will include:

- Agreement of terms of reference: June 2014
- Desk-based research/gather written views and information/conduct surveys/hold site visits: June – November 2014
- Formal meetings: 9 July and 2 September 2014; and
- Produce findings: By December 2014.

How to contribute to the investigation

The Transport Committee welcomes written views and information to inform its investigation. Written submissions should aim to address the questions outlined above.

Please send written submissions to the Transport Committee London Assembly, City Hall, The Queen's Walk, London SE1 2AA, or email: scrutiny@london.gov.uk

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It would be helpful to receive any initial written submissions, however brief, by **Monday 30 June 2014** so they may be used to inform the Committee's meeting on 9 July 2014. However, the Committee will also accept written submissions provided after this date up until the end of September 2014.

About the Transport Committee

The Transport Committee examines all aspects of the capital's transport system in order to press for improvements for Londoners. The Committee pays particular attention to how the Mayor's Transport Strategy is being implemented, and the work of TfL.

The membership of the Transport Committee and details of its work are available on its [website](#)

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