

# TfL's Taxi and Private Hire Action Plan

someone ordering a taxi on phone

## Key information

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## Contents

[Introduction](#)

[Investigation aims and objectives \(Terms of Reference\)](#)

[Key issues](#)

[Key questions](#)

## Introduction

The London Assembly **Transport Committee** is investigating TfL's Taxi and Private Hire Action Plan. The investigation will examine timelines for the TfL's delivery of the plan and whether key issues faced by taxi and private hire drivers will be adequately addressed.

## Investigation aims and objectives (Terms of Reference)

To examine TfL's *Taxi and Private Hire Action Plan 2025*, particularly:

- Whether the Plan adequately addresses key issues faced by taxi and private hire drivers.
- How TfL intends to deliver the Plan, including key details on timelines and potential risks.

## Key issues

- The number of taxis licensed by TfL has declined significantly over the last decade. In 2013-14, there were 22,810 taxis licensed to operate on London's roads, but this fell by 35 per cent over the ten years to 2023-24. In a recent report by the Centre for London, it lists the cost of purchasing and operating a taxi as well as barriers associated with The Knowledge as some of the reasons for this decline.

- The number of private hire operators in London has also significantly declined from 3,038 in 2013-14 to 1,740 in 2023-24. The Transport Committee noted in its 2019 report *Raising the Bar Taxi and private hire services in London* that the taxi and private hire sector has been changed irreversibly by the advent of the app-only companies. In 2019, the private hire operator app, Uber, stated that more than 3.5 million Londoners use its service. However, despite the popularity of these apps amongst users, concerns have been raised by organisations representing drivers over large operator's use of big data and algorithms. Specifically, there are concerns on the affect this has on driver's welfare, employment issues and road safety.
- In March 2025, TfL published its *Taxi and Private Hire Action Plan 2025*, an update from its previous *Taxi and Private Hire Action Plan 2016*. The new Plan contains 14 actions focused around attracting drivers, safety, passenger experience and environmental impact.
- The new Action Plan includes commitments to work to "halt the decline of London's taxi trade" including making amendments to the Knowledge, and to "support the continuous professional development and wellbeing of taxi and private hire drivers".
- The new Action Plan also states it will call on the Government to address issues including cross-border hiring and the removal of VAT from taxis and designated wheelchair accessible PHVs. The Committee wrote to the Government concerning these issues in March 2024. In April 2024 the then Minister for Roads and Local Transport responded stating that the Government planned to introduce legislation to address cross-border hiring "when parliamentary time allows" but that the Government did not have any plans to remove VAT for taxis or wheelchair accessible PHVs. In March 2025, the Minister for Local Transport stated that the Government "recognises concerns around out-of-area working and is considering options to strengthen the regulation of the sector."

## Key questions

- Does TfL's *Taxi and Private Hire Action Plan 2025* sufficiently address the challenges facing the taxi and private hire industries and recognise the changing ways in which taxis and private hire vehicles are operating in London?
- Does TfL's *Taxi and Private Hire Action Plan 2025* provide enough support for taxi and private hire drivers, particularly in terms of operating costs, workforce challenges and accessing London's road network?
- How does TfL plan to call on the Government to provide more support to the taxi and private hire industry?
- How does TfL plan to deliver its *Taxi and Private Hire Action Plan 2025*?

[Back to table of contents](#)