

Letters to the Government and TfL about the taxi and private hire industry

someone ordering a taxi on phone

Key information

Publication type: General

Publication status: Adopted

Publication date: Monday 6 October 2025

d

The Transport for London (TfL) Taxi and Private Hire Action Plan has been described as a “missed opportunity”, with a lack of meaningful engagement with drivers and the industry contributing to its flaws.

A London Assembly Transport Committee investigation into the plan has found more action is needed to support drivers and the industry.

In letters to the government and TfL published today, the Committee calls for a range of measures aimed at improving drivers’ financial security, working conditions, and the safety of drivers and passengers alike.

The Committee is calling for measures including a cap on the number of private hire vehicles in the capital and additional funding to help drivers purchase electric vehicles.

Recommendations in the letters include:

- The Government should legislate by the end of the 2025-26 Parliamentary session to grant TfL the power to establish a cap on the number of private hire vehicles licensed for use in London and stop cross-border hiring.
- 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.
- The Government should extend the plug-in taxi grant beyond April 2026 and reinstate the original rate of £7,500 per vehicle.
- The Government should make taxis and wheelchair accessible private hire vehicles exempt from VAT by the end of 2025.
- 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.