

MDA No.: 1731

Title: Transport for London's (TfL) Taxi and Private Hire Action Plan 2025

1. Executive Summary

- 1.1 At the Transport Committee meeting on 17 June 2025 the Committee resolved that:

Authority be delegated to the Chair, in consultation with party Group Lead Members, to agree any output arising from the meeting.

- 1.2 Following consultation with party Group Lead Members, the Chair agreed the Committee's letters to TfL and the Government on TfL's Taxi and Private Hire Action Plan 2025, as attached at **Appendices 1 and 2.**

2. Decision

- 2.1 **That the Chair, in consultation with party Group Lead Members, agrees the Committee's letters to TfL and the Government on TfL's Taxi and Private Hire Action Plan 2025, as attached at Appendices 1 and 2.**

Assembly Member

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:

A handwritten signature in blue ink, appearing to be 'Elly Baker', written over a light blue grid background.

Printed Name: Elly Baker AM, Chair of the Transport Committee

Date: 3 October 2025

3. Decision by an Assembly Member under Delegated Authority

Background and proposed next steps:

- 3.1 The terms of reference for this investigation were agreed by the Chair, in consultation with relevant party Group Lead Members, under the standing authority granted to Chairs of Committees and Sub-Committees. Officers confirm that the letters and their recommendations fall within these terms of reference.
- 3.2 The exercise of delegated authority approving the letters will be formally noted at the Transport Committee's next appropriate meeting.

Confirmation that appropriate delegated authority exists for this decision:

Signature (Committee Services): *Hannah Barlow*

Printed Name: Hannah Barlow, Principal Committee Manager

Date: 2 October 2025

Financial Implications: NOT REQUIRED

Note: Finance comments and signature are required only where there are financial implications arising or the potential for financial implications.

Signature (Finance): Not Required

Printed Name:

Date:

Legal Implications:

The Chair of the Transport Committee has the power to make the decision set out in this report.

Signature (Legal): *Rory McKenna*

Printed Name: Rory McKenna

Date: 4/10/25

Email: rory.mckenna@london.gov.uk

Supporting Detail / List of Consultees:

- *Keith Prince AM (Deputy Chairman)*
- *Caroline Russell AM*
- *Hina Bokhari OBE AM*

4. Public Access to Information

- 4.1 Information in this form (Part 1) is subject to the FoIA, or the EIR and will be made available on the GLA Website, usually within one working day of approval.
- 4.2 If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.
- 4.3 **Note:** this form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If yes, until what date:

Part 2 – Sensitive Information:

Only the facts or advice that would be exempt from disclosure under FoIA or EIR should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form? NO

Lead Officer / Author

Signature: *Eleanor Haigh*

Printed Name: Eleanor Haigh

Job Title: Senior Policy Advisor

Date: 2 October 2025

Countersigned by Executive Director:

Signature: *Helen Ewen*

Printed Name: Helen Ewen, Executive Director – Assembly Secretariat

Date: 3 October 2025

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Elly Baker AM
Chair of the Transport Committee

Andy Lord
TfL Commissioner
(Sent by email)

6 October 2025

Dear Andy,

TfL's Taxi and Private Hire Action Plan 2025

The London Assembly Transport Committee has become increasingly concerned over the past few years about the future of the taxi and private hire (PH) sector in London, carrying out several scrutiny investigations. Most recently, in May and June this year we examined Transport for London's (TfL) new *Taxi and Private Hire Action Plan*, published in March 2025.

We are disappointed with the lack of TfL's engagement with the Committee before the publication of this Action Plan. In March 2024, the Committee wrote to the Mayor recommending that:

"TfL should set out an engagement plan for developing the updated Taxi and Private Hire Vision. This should be a participatory process, including engaging with Assembly Members and the London Assembly Transport Committee."¹

The Committee wrote to you in October 2024 requesting an update on TfL's full plan for stakeholder engagement, consultation and production of the Action Plan.² We wrote again to Christina Calderato, Director of Strategy, and Helen Chapman, Director of Licensing and Regulation, in

¹ London Assembly Transport Committee, [Taxi and Private Hire Vehicle Letter to Mayor](#), March 2024

² London Assembly Transport Committee, [Letter to the Commissioner, Transport for London](#), 29 October 2024

December 2024 requesting a copy of the draft Plan for the Committee to engage with.³ Following this, we received an informal briefing from TfL on the new Action Plan just before its publication. However, we are deeply concerned by the lack of TfL's meaningful engagement with the Committee on the Action Plan and believe there is a need for more proactive engagement from TfL going forward.

Our investigation this year drew heavily on the experience of taxi and PH drivers and their representatives. Through this work, we have heard strong criticism of the Action Plan from driver representatives. It was described to us as "a missed opportunity".⁴ We believe that the Action Plan could have been more effective had TfL conducted more meaningful engagement.

Given the negative response from drivers' representatives, and that a key goal of the Action Plan is to make taxi and PH driving an attractive career for current and future drivers,⁵ we would like to see TfL make a concerted effort to address industry concerns and engage with taxi and PH drivers directly to work through how the Action Plan can deliver the changes demanded. We are aware that TfL meets regularly with driver representative groups, and believe this engagement should be used as an opportunity to build trust with drivers and deliver the improvements we call for in this letter.

This engagement should also feed into the delivery of actions within the Plan given many have a broad delivery timescale of 2025/26 – 2029/30.⁶ Christina Calderato, Director of Transport Policy and Strategy at TfL, told the Committee this timescale is because some actions will be multi-stage and require more stakeholder engagement to inform how the next steps will progress.⁷ TfL must ensure that this ongoing engagement is proactive and meaningful.

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.

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.

The advent of app-based operators has irreversibly changed the landscape of taxi and PH, along with a changing approach to road transport policy. We believe that both Transport for London and Government policy have been slow to catch up, leading to a steep decline in numbers of taxi drivers,

³ London Assembly Transport Committee, [Letter to the Directors of Strategy and Licensing and Regulation, Transport for London](#), 9 December 2024

⁴ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 2](#), 15 May 2025, p. 2

⁵ TfL, [Taxi and Private Hire Action Plan 2025](#), 27 March 2025

⁶ TfL, [Taxi and Private Hire Action Plan 2025](#), 27 March 2025

⁷ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 5

and concerning evidence about working practices in the PH sector. Given the sector's importance to integrated transport, including journeys taken by those who may not have other travel options, and all our commitment to road safety, we believe much more should be done. We want to see immediate action in a number of areas, which we feel are missing from the new Action Plan relating to both the PH and taxi sectors.

Private hire

There are over 100,000 PH drivers working in London.⁸ The Committee has heard evidence from PH driver representatives that this volume of drivers is causing extreme competition for fares.⁹ We heard that it is common among PH drivers to work long hours to earn enough money to live on, and heard of some drivers working 16 hours a day.¹⁰ Working shifts as long as this can result in driver fatigue, and we heard that driving under these conditions is dangerous for drivers, members of the public and passengers.¹¹ This also raises serious concerns about safety. We believe TfL need to take more proactive responsibility for conditions in the sector.

TfL has previously called on the Government for a cap on PH vehicles,¹² and the Mayor's Transport Strategy (MTS) states that the Mayor, through TfL, will seek powers to limit the overall number of PH vehicles licensed for use in London.¹³ In March 2024 the Committee called on the Mayor and the Government to impose a cap on PH vehicles in London.¹⁴ We continue to believe that a cap on PH vehicles is necessary to improve working conditions of drivers and increase the safety of passengers and the public. Yet, the Action Plan does not include this ask.

We asked Helen Chapman, Director of Licensing, Regulation and Charging at TfL, about this and we were told that TfL does not believe that a cap is necessary.¹⁵ Instead, we heard TfL is calling for an end to cross-border hiring¹⁶, stating that this is a more urgent issue and that "the risk is that you get the powers to cap and the loophole with cross border hiring is not addressed".¹⁷

⁸ TfL, [Licensing information](#)

⁹ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025, p. 11

¹⁰ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025, p. 2, pp. 7-8 and p.16

¹¹ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025, pp. 7-8

¹² London Assembly Transport Committee, [Taxi and Private Hire Vehicles](#), 23 January 2024

¹³ Mayor of London, [The Mayor's Transport Strategy](#), March 2018

¹⁴ London Assembly Transport Committee, [Taxi and Private Hire Vehicle Letter to Mayor](#), March 2024

¹⁵ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025](#), 17 June 2025, pp. 18-21

¹⁶ Cross border hiring is where taxis or private hire vehicles that are licensed by one licensing authority work wholly or predominantly in another licensing authority area. This practice is permitted under current legislation.

¹⁷ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 19

The Committee agrees that cross-border hiring is a serious issue, and we have previously written to the Government to call for a stop to this practice.¹⁸ However, both these issues require urgent attention, and TfL should call for both simultaneously. Given the impact a PH vehicle cap would have on driver welfare and safety we believe TfL must reinstate its support for this.

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

As drivers work longer hours to make up their pay, this can lead to driver fatigue and raises questions around road safety. Increased data sharing by operators as part of their licensing agreements with TfL would enable TfL to monitor the business practices of operators. It would also provide TfL with a better picture of how long drivers are working, how much they are being paid and where they are operating. This would help TfL to ensure that the PH industry is supporting the MTS targets in terms of safety and congestion. Helen Chapman told us that a legislative change is required in order for TfL to collect this type of data.¹⁹ Action 7 in TfL's Action Plan calls on the Government to make legislative changes to allow TfL to mandate data sharing as part of its licensing agreements.²⁰ The Committee will also be writing to the Government to recommend this change to legislation, however, TfL's approach to this matter feels somewhat like passing the buck, and given the importance of these issues to drivers and the public, we believe TfL could be actively exploring what is within its power when relicensing PH operators. To improve transparency, we also believe TfL should publish a PH operator's licensing conditions as soon as it has issued their licence.

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.**

As an example of where we believe TfL should use its licensing powers more proactively to ensure driver welfare and road safety is considered, we heard evidence on the impact of algorithmic job allocation through mobile phones. Many app-based PH operators currently use technology that requires drivers to read messages and touch their phones whilst driving. Uber's 'Trip Radar' technology allows "drivers using Uber a chance to see and select requests happening nearby" and that "While driving, Trip Radar requests will appear like offer cards".²¹ We heard that Trip Radar is

¹⁸ London Assembly Transport Committee, [Taxi and Private Hire Vehicle Letter to Mayor](#), 15 March 2024, p. 3

¹⁹ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 6

²⁰ TfL, [Taxi and Private Hire Action Plan 2025](#), March 2025, p. 34

²¹ Uber, [More choices over trips with Trip Radar](#), 21 July 2022

dangerous because drivers must touch their phones and focus their attention on a message to read what has been sent or they risk losing work.²² This raises serious safety concerns.

It is illegal to hold or use a phone while driving.²³ It is concerning that this technology appears to be pressuring drivers into committing an offence. Helen Chapman told us that touching a phone whilst driving “is not something that we regulate for specifically” but that TfL does issue “weekly comms to drivers” on the law around mobile phone offences.²⁴ This approach puts the burden onto drivers, rather than tackling the root cause of the issue – unsafe operator systems. It also directly contradicts two of the ambitions in TfL’s Action Plan, attracting drivers and ensuring safety.²⁵ We believe that TfL’s hands-off approach to regulating PH operators is having a serious impact on road safety, passenger safety, and driver working conditions. TfL must be more proactive in taking steps to resolve issues related to large app-based operator systems, such as Trip Radar.

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.

Taxi

The taxi industry in London is in decline. 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 2023-24.²⁶ The Taxi and PH Action Plan demonstrates clearly how the taxis can provide safe options for travel, and black cab is one of London’s most accessible forms of transport, and so the decline has a disproportionate impact on Disabled Londoners. Given this context we are concerned TfL is not taking this decline seriously enough.

We heard from taxi drivers that some of their greatest concerns are access to London’s roads, modernising the Knowledge and the increasing cost of buying and operating a taxi.²⁷ These are not new issues. In March 2024 we wrote to the Mayor recommending he look at steps to increase competition in the approved London taxi market.²⁸ We also recommended that the Mayor and TfL should further explore making the Knowledge more modular and should set out steps to encourage and support more women and people from a diverse range of backgrounds to enrol in the Knowledge.²⁹ We continue to believe action on these issues would help reverse the decline of taxis in

²² London Assembly Transport Committee, [Transport for London’s Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025, p. 13

²³ Department for Transport, [Using a phone, sat van or other device while driving](#)

²⁴ London Assembly Transport Committee, [Transport for London’s Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 17

²⁵ TfL, [Taxi and Private Hire Action Plan 2025](#), March 2025, p. 19

²⁶ There were 14,800 licensed taxis in 2023/24; TfL, [Licensing information](#)

²⁷ London Assembly Transport Committee, [Transport for London’s Taxi and Private Hire Action Plan 2025 – Panel 2](#), 15 May 2025, p. 1 (access to London’s roads), pp. 6-7 (modernising the Knowledge), p.2 (costs)

²⁸ London Assembly Transport Committee, [Taxi and Private Hire Vehicle Letter to Mayor](#), March 2024

²⁹ London Assembly Transport Committee, [Taxi and Private Hire Vehicle Letter to Mayor](#), March 2024

London, and would request regular progress updates on TfL's work to address these issues, in line with Recommendation 1 in this letter.

TfL told us that it sees taxis as a "really important part of London's transport mix" and that its Action Plan is setting out a "long term commitment and vision" for taxis to be a thriving trade.³⁰ We welcome TfL's statement in its Action Plan that it will take steps to halt the decline of London's taxi trade.³¹ The Committee wants to see transparency in the specific targets TfL has to address the declining number of taxis in London.

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

The Committee has heard that the cost of purchasing and operating London's iconic black cab is a key barrier to entry for those wanting to join the industry. We heard that in December 2017, the price of a black cab was £47,000³² but that now, the cheapest taxi available costs £70,000.³³ We heard to finance it, the cost is around £100,000 with current interest rates.³⁴

TfL's Action Plan states TfL will continue to call on the Government to continue the plug-in taxi grant and remove VAT from the purchase of taxis as options for financial support for taxi drivers.³⁵ However, the Committee notes that the value of the plug-in taxi grant has continually decreased and the Government has made it clear it does not intend to remove VAT from taxis.^{36 37} The Committee therefore believes that TfL must start considering other forms of financial support for taxi drivers, on the cost of purchasing and financing vehicles, that can be brought in quickly and provide long-term reassurance to those wanting to become a taxi driver.

The Committee asked TfL if they are considering any alternative measures to financially support taxi drivers. In response, TfL told us about its de-licensing scheme that is no longer running, and that it continues to lobby Government for the plug-in taxi grant and wheelchair accessible VAT

³⁰ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 21

³¹ TfL, [Taxi and Private Hire Action Plan 2025](#), March 2025, p. 22

³² London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 2](#), 15 May 2025, p. 2

³³ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 2](#), 15 May 2025, p. 12

³⁴ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 2](#), 15 May 2025, p. 12

³⁵ TfL, [Taxi and Private Hire Action Plan 2025](#), March 2025

³⁶ Department for Transport [1,000 jobs created at new £325 million factory for electric taxis](#), 22 March 2017; Department for Transport, [£120 million to roll-out more electric vans, taxis and motorbikes](#), 25 February 2025

³⁷ Minister for Roads and Local Transport, [Response to Letter on Taxis and PHVs](#), 19 April 2024, p. 2

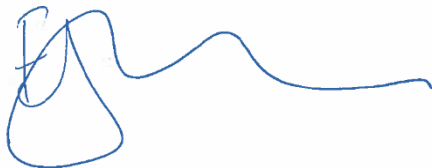
exemptions.³⁸ It is clear that TfL is not exploring alternative options to support taxi drivers with the cost of vehicles.

We heard that the Mayor's Green Finance Fund could be used to solve the problem faced by taxi drivers in terms of the upfront cost of the taxi.³⁹ Future rounds of the Mayor's Green Finance Fund will be subject to the availability of funds.⁴⁰ But, we believe this funding stream should be explored further.

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.

I would be grateful if you could respond to this letter by 17 November 2025. Please send your responses to Hannah Barlow, Principal Committee Manager, hannah.barlow@london.gov.uk and Eleanor Haigh, Senior Policy Adviser, eleanor.haigh@london.gov.uk.

Yours,



Elly Baker AM
Chair of the Transport Committee

³⁸ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 30

³⁹ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 2](#), 15 May 2025, p. 13

⁴⁰ GLA, [Green Finance Fund FAQs](#), 'When is the deadline for applications?'

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Elly Baker AM
Chair of the Transport Committee

The Rt Hon Heidi Alexander MP
Secretary of State for Transport
(Sent by email)

6 October 2025

Dear Heidi,

Taxi and Private Hire trade in London

The London Assembly Transport Committee has become increasingly concerned over the past few years about the future of the taxi and private hire (PH) sector in London, carrying out several scrutiny investigations, most recently in May and June of this year with an examination of Transport for London's new *Taxi and Private Hire Action Plan* which drew heavily upon the experience of taxi and PH drivers and their representatives.

The advent of app-based operators has irreversibly changed the landscape of taxi and PH, alongside a changing approach to road transport policy. We believe that both Transport for London (TfL) and Government policy have been slow to catch up, leading to a steep decline in numbers of taxi drivers, and concerning evidence about working practices in the private hire sector. Given the sector's importance to integrated transport, including journeys taken by those who may not have other travel options, and all our commitment to road safety, we believe much more should be done. We write to outline key measures that could be taken at a national level and powers that should be given to TfL to more effectively support a thriving and safe taxi and PH sector in London.

Private hire vehicle cap

There are over 106,000 PH drivers licensed by TfL to work in London.¹ The Committee heard from PH driver representatives that this volume of drivers is causing extreme competition for fares.² We heard that it is common among PH drivers to work long hours to earn enough money to live on, and heard of some drivers working 16 hours a day.³ Working shifts as long as this can result in driver fatigue, and we heard that driving under these conditions is dangerous for drivers, passengers, and other members of the public.⁴

The Committee wrote to the Mayor in March 2024 calling for a cap on private hire licences.⁵ The Committee also wrote to share its findings with the previous Government.⁶ In response the Minister outlined that the Government did not plan to introduce a cap on the number of PH vehicle licences granted in London.⁷ We have heard powerful evidence from drivers in this investigation that without a cap on the number of PH vehicles the welfare of drivers will continue to suffer and progress on road safety will be put at risk.⁸ We cannot see the reasoning behind continuing to resist this call, which has wide support across taxi and private hire drivers.

Cross-border hiring

The issues with the number of PH drivers working in London is exacerbated by cross-border hiring.⁹ Cross-border hiring enables drivers who are licensed by a different licensing authority to work wholly or predominantly in London, further increasing the number of PH drivers working in London. It also undermines the licensing standards that London sets.

The Government previously told the Committee it plans to address the negative impacts of cross-border hiring “when parliamentary time allows”.¹⁰ The Committee is concerned that not enough priority is being given to this issue, and believes urgent action is required. Helen Chapman, Director of Licensing, Regulation and Charging at TfL told the Committee that cross-border hiring needs to be addressed urgently so that TfL can close this regulatory loophole.¹¹ We agree and can see no reason to delay.

¹ TfL, [Licensing information](#)

² London Assembly Transport Committee, [Transport for London’s Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025, p. 11

³ London Assembly Transport Committee, [Transport for London’s Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025, pp. 7-8 and p.16

⁴ London Assembly Transport Committee, [Transport for London’s Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025, pp. 7-8

⁵ London Assembly Transport Committee, [Taxi and Private Hire Vehicle Letter to Mayor](#), March 2024

⁶ London Assembly Transport Committee, [Taxi and Private Hire Vehicle Letter to Mayor](#), March 2024

⁷ Minister for Roads and Local Transport, [Response to Letter on Taxis and PHVs](#), 19 April 2024, p. 1

⁸ London Assembly Transport Committee, [Transport for London’s Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025

⁹ Cross border hiring is where taxis or private hire vehicles that are licensed by one licensing authority work wholly or predominantly in another licensing authority area. This practice is permitted under current legislation.

¹⁰ Minister for Roads and Local Transport, [Response to Letter on Taxis and PHVs](#), 19 April 2024, p. 1

¹¹ London Assembly Transport Committee, [Transport for London’s Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 19

Recommendation 1: 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.**
- **stop cross-border hiring.**

Data

We heard that there are too many private hire vehicles doing too few trips, adding to congestion and pushing down driver pay.¹² As drivers work longer hours to make up their pay, this leads to driver fatigue and raises questions around road safety. Increased data sharing by operators as part of their licensing agreements with TfL would enable TfL to monitor the business practices of operators. It would also provide TfL with a better picture of how long drivers are working, how much they are being paid and where they are operating. This would help TfL to ensure that the PH industry is supporting the Mayor's Transport Strategy targets in terms of safety and environmental impacts. TfL's Helen Chapman told us that a legislative change is required in order for TfL to collect this type of data.¹³

The Committee heard that requiring operators to share data with licensing authorities is already being successfully carried out in other major cities. We heard from driver representatives that New York has been successful in mandating that large app-based operators share data as part of its licensing requirements and that this transparency enables fairer working conditions and informed decision making.^{14 15} TfL's Helen Chapman also highlighted the legislative powers that New York has and stated that TfL is calling on the Government to have the same level of authority.¹⁶

London is often seen as world-leading when it comes to transport systems. Yet, if we continue to lack the regulatory powers other cities have, we risk attracting bad actors who can exploit drivers and jeopardise the safety of Londoners. We believe the Government should legislate to give TfL the power to require this data from operators.

Recommendation 2: The Government should legislate to grant TfL the power to mandate data sharing by private hire operators as part of its licensing requirements. This should include:

- **Data on journey patterns, including passenger journeys, number of active drivers, working hours and patterns, including driving time and working time when the vehicle is occupied, and areas drivers are operating.**

¹² London Assembly Transport Committee, [Appendix 12 – ADCU commitment response](#)

¹³ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 6

¹⁴ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 1](#), 15 May 2025, p. 15

¹⁵ Abdurzak Hadi, Written evidence submitted to the Committee, 19 May 2025, p. 1

¹⁶ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025](#), 17 June 2025, p. 6

- **Data on fares, including algorithmic pricing, commission rates and cancellation rates.**

Financial support

The taxi industry in London is in decline. 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 2023-24.¹⁷ The causes of this decline are varied, and many fall within TfL's remit and will be addressed to them, but the increasing cost of purchasing and operating a taxi in London is matter the government can assist with, and will make becoming a taxi driver a more accessible and attractive career.

The Committee has heard that the cost of purchasing and operating London's iconic 'black cab' is a key barrier to entry for those wanting to join the industry. We heard costs have increased by at least £23,000 in the last eight years and that currently the cheapest vehicle is £70,000, which on finance can be £100,000 with interest rates.¹⁸

The Committee previously wrote to the Government calling for an extension to the plug-in taxi grant and for black cabs and accessible PH vehicles to be made VAT exempt.¹⁹ We believe these are vital measures needed to financially support the taxi and PH industries. The Committee was pleased to see that in February this year the plug-in taxi grant was extended until April 2026, albeit at a lower rate of £4,000 per vehicle.²⁰ Originally when the plug-in taxi grant was granted in 2017, it provided £7,500 per vehicle.²¹ This is despite the cost of the vehicles increasing over the same time period.

The Committee notes that the Government does not wish to provide black cabs and accessible PH vehicles with a VAT exemption.²² However, given the importance of access to taxi and accessible PH vehicles for many Londoners with mobility impairments, we believe this should be reconsidered.

Recommendation 3: The Government should extend the plug-in taxi grant beyond April 2026, and reinstate the original rate of £7,500 per vehicle.

Recommendation 4: The Government should make taxis and wheelchair accessible private hire vehicles exempt from VAT by the end of 2025.

What we are calling for in this letter is not new, but the time to provide it is becoming increasingly urgent. I hope you will agree and can take the actions that are required now.

¹⁷ There were 14,800 licensed taxis in 2023/24; TfL, [Licensing information](#)

¹⁸ London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 2](#), 15 May 2025, p. 2, see also London Assembly Transport Committee, [Transport for London's Taxi and Private Hire Action Plan 2025 – Panel 2](#), 15 May 2025, p. 12

¹⁹ London Assembly Transport Committee, [Taxi and Private Hire Vehicle Letter to the Mayor](#), 15 March 2024, p. 5

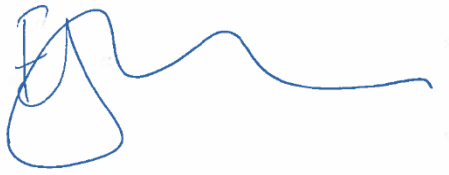
²⁰ Department for Transport, [£120 million to roll-out more electric vans, taxis and motorbikes](#), 25 February 2025

²¹ Department for Business, Energy & Industrial Strategy, Department for Transport and Office for Low Emission Vehicles, [1,000 jobs created at new £325 million factory for electric taxis](#), 22 March 2017

²² Minister for Roads and Local Transport, [Response to Letter on Taxis and PHVs](#), 19 April 2024, p. 2

I would be grateful if you could respond to this letter by 17 November 2025. Please send your responses to Hannah Barlow, Principal Committee Manager, hannah.barlow@london.gov.uk and Eleanor Haigh, Senior Policy Adviser, eleanor.haigh@london.gov.uk.

Yours,

A handwritten signature in blue ink, appearing to read 'Elly Baker', with a long, horizontal flourish extending to the right.

Elly Baker AM
Chair of the Transport Committee