



### **Annual Taxi Fares Review and Taxi and Private Hire Licence Fees**

On 2 February 2011 the Transport for London Board approved an increase of 2.7 per cent in taxi fares from Saturday 2 April 2011.

This increase reflects the changes in the costs of providing a London taxi service, more details of which can be found on the attached tables which show the revised average fares and the tariff rates.

Full details of the responses to the consultation regarding the cost index and the responses to the tariff consultation will be published shortly.

TfL is pleased to announce that all taxi and private hire licence fees will be frozen for the coming year. This is the second year running the driver licence fees have not increased and the first time that there has been no increase to any licensing fees. This follows a rigorous review of the cost of TfL's taxi and private hire licensing activity which has focused on improving the quality of service provided whilst identifying areas of duplication, streamlining processes and reducing unnecessary administrative processes.

In addition, approximately one million pounds of licence fee income will now be used to partially fund the enforcement activity undertaken by the Cab Enforcement Unit, part of the Metropolitan Police Safer Transport Command currently entirely funded by Transport for London. In an environment of increasing restrictions on public spending, the savings made in the delivery of licensing services will continue to ensure the vital operations against touts and illegal cabs continues.

There will be an increase in the one-off fee for 'appearances' and the charge for the written test for Knowledge of London candidates. The one-off appearance fee will rise from £200 to £250, and the test fee from £50 to £100. These increases will mean that aspiring taxi drivers pay a greater share of the costs associated with the Knowledge, reducing the 'subsidy' from working taxi drivers. In the same vein, the fee for the written test will no longer be refundable if the candidate gives less than 48 hours notice of non-attendance for the exam. The revised fees will take effect from Monday 4 April and the change in arrangements for refunding the test fees will apply from the same date.

Transport for London continues to work on a long term plan of changes and initiatives that seek to improve the quality of service provided whilst reducing the cost of licensing to licensees.

## Tariff Changes – 2.7% average increase

### Average Fares

	Current average	New average	Increase (£)	Increase (%)
Tariff 1	£10.39	£10.67	£0.28	2.7%
Tariff 2	£12.05	£12.37	£0.32	2.7%
Tariff 3	£14.15	£14.54	£0.39	2.7%
All Week	£11.48	£11.79	£0.31	2.7%

### Tariff Rates – 2.7% average increase

	Tariff 1		Tariff 2		Tariff 3	
	Current	New	Current	New	Current	New
minimum fare	£2.20	£2.20	£2.20	£2.20	£2.20	£2.20
minimum units	2	2	2	2	2	2
metres/unit < 6 miles	139.8	135.3	113.5	110.0	91.7	88.9
secs/unit < 6 miles	30.0	29.1	24.4	23.7	19.7	19.1
metres/unit > 6 miles	98.0	94.9	98.0	94.9	98.0	94.9
secs/unit > 6 miles	21.1	20.4	21.1	20.4	21.1	20.4
Units at lower rate	69	71	85	87	105	108
Metres at lower rate	9646.2	9606.3	9647.5	9570.0	9628.5	9601.2
changeover fare	£15.80	£16.20	£19.00	£19.40	£23.00	£23.60

### Example Fares – 2.7% average increase

Journey length Miles	Tariff 1			Tariff 2			Tariff 3		
	Current	New	Change	Current	New	Change	Current	New	Change
minimum <sup>1</sup>	£2.20	£2.20	0.0%	£2.20	£2.20	0.0%	£2.20	£2.20	0.0%
0.5	£3.00	£3.00	0.0%	£3.40	£3.40	0.0%	£3.60	£3.80	5.6%
1.0	£4.20	£4.20	0.0%	£4.80	£4.80	0.0%	£5.40	£5.60	3.7%
1.5	£5.40	£5.40	0.0%	£6.20	£6.20	0.0%	£7.20	£7.40	2.8%
2.0	£6.60	£6.60	0.0%	£7.60	£7.80	2.6%	£9.00	£9.20	2.2%
2.5	£7.60	£7.80	2.6%	£9.00	£9.20	2.2%	£10.60	£11.00	3.8%
3.0	£8.80	£9.00	2.3%	£10.40	£10.60	1.9%	£12.40	£12.80	3.2%
3.5	£10.00	£10.20	2.0%	£11.80	£12.20	3.4%	£14.20	£14.60	2.8%
4.0	£11.20	£11.40	1.8%	£13.20	£13.60	3.0%	£16.00	£16.40	2.5%
4.5	£12.20	£12.60	3.3%	£14.60	£15.00	2.7%	£17.60	£18.20	3.4%
5.0	£13.40	£13.80	3.0%	£16.00	£16.60	3.7%	£19.40	£20.00	3.1%
6.0	£15.80	£16.20	2.5%	£19.00	£19.40	2.1%	£23.00	£23.60	2.6%
7.0	£19.00	£19.60	3.2%	£22.20	£22.80	2.7%	£26.20	£27.00	3.1%
8.0	£22.20	£23.00	3.6%	£25.40	£26.20	3.1%	£29.60	£30.40	2.7%
9.0	£25.60	£26.40	3.1%	£28.80	£29.60	2.8%	£32.80	£33.80	3.0%
10.0	£28.80	£29.80	3.5%	£32.00	£33.00	3.1%	£36.00	£37.20	3.3%
11.0	£32.20	£33.20	3.1%	£35.40	£36.40	2.8%	£39.40	£40.60	3.0%
12.0	£35.40	£36.60	3.4%	£38.60	£39.80	3.1%	£42.60	£44.00	3.3%
13.0	£38.80	£40.00	3.1%	£42.00	£43.20	2.9%	£46.00	£47.40	3.0%
14.0	£42.00	£43.40	3.3%	£45.20	£46.60	3.1%	£49.20	£50.80	3.3%
15.0	£45.20	£46.80	3.5%	£48.40	£50.00	3.3%	£52.60	£54.20	3.0%
16.0	£48.60	£50.20	3.3%	£51.80	£53.40	3.1%	£55.80	£57.60	3.2%
18.0	£55.20	£57.00	3.3%	£58.40	£60.20	3.1%	£62.40	£64.40	3.2%
20.0	£61.80	£63.60	2.9%	£64.80	£67.00	3.4%	£69.00	£71.00	2.9%

*All example fares assume entire journey charged on distance rates*

## Licence and other fees

Fee Type		Current Fee	Proposed fee
Taxi Vehicle (1 year)	Application Fee	£101	No change
	Licence Fee	£53	No change
Taxi Driver (3 years)	Application Fee	£50	No change
	Licence Fee	£199	No change
Knowledge of London (one-off)	Appearance Fee	£200	£250
	Written Test Fee	£50	£100
Private Hire Operators (5 years)	Application Fee	£703	No change
	Licence Fee (small)	£550	No change
	Licence Fee (standard)	£1,707	No change
Private Hire Drivers (3 years)	Application Fee	£157	No change
	Licence Fee	£105	No change
Private Hire Vehicles (1 year)	Application Fee	£87	No change
	Licence Fee	£27	No change

**John Mason**  
**Director Taxi and Private Hire**

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