

Diesel Prices

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The majority of licensed taxis currently run on diesel fuel and the Cost Index includes a component for diesel costs. The fuel (diesel) component is one of the larger components of the total Cost Index figure contributing +1.3 per cent to the total figure of +3.4 per cent.

Diesel costs are taken from the monthly AA fuel report and the chart below shows London and South East diesel prices published by the AA¹. In February 2016 London prices stopped being published and so the figures for the South East were used. Publication of London prices recommenced in January 2017.

We're proposing to continue for one more year only the arrangement allowing 40 pence to be added to or deducted from taxi fares in the event of a significant increase or decrease in diesel prices. The new upper and lower threshold diesel costs are 176.69 pence per litre and 98.31 pence per litre

¹ AA fuel price report <http://www.theaa.com/driving-advice/driving-costs/fuel-prices>

