

Previous changes to fares and tariffs, 2019 proposals and fares for other modes of transport

Previous changes to taxi fares and tariffs

Any changes to fares and tariffs can be based on the total Cost Index figure and/or on other relevant factors and in recent years different approaches have been taken when reviewing taxi fares and tariffs. The table below shows the most recent total Cost Index figures and the main changes made.

Year	Total Cost Index figure	Tariff Changes
2014	+0.7 per cent	<ul style="list-style-type: none"> – Minimum fare frozen – Average fares across Tariffs 1, 2 and, 3 increased by 0.7 per cent
2015	-0.1 per cent	<ul style="list-style-type: none"> – Minimum fare frozen – Tariffs 1, 2, 3 and 4 frozen – 0.1 per cent decrease deferred until 2016
2016	+1.7 per cent	<ul style="list-style-type: none"> – Minimum fare increased by 20 pence – Average fares across Tariffs 1, 2 and 3 increased by 1.6 per cent, this incorporated the 0.1 per cent decrease deferred from 2015
2017	+2.8 per cent	<ul style="list-style-type: none"> – Minimum fare frozen – Tariff 1 increased by 3.7 per cent – Tariff 2 increased by 3.9 per cent – Tariffs 3 and 4 rates frozen
2018	+3.6 per cent	<ul style="list-style-type: none"> – Minimum fare increased by 40 pence – Tariff 1 and 2 increased by 0.6 per cent – Tariffs 3 and 4 rates frozen
2019	+3.4 per cent	<p>The proposed changes are:</p> <ul style="list-style-type: none"> – Minimum fare increased by 20 pence (6.7 per cent) taking this from £3.00 to £3.20 – Tariffs 1 and 2 increased by 1.9 per cent – Tariffs 3 and 4 rates frozen

2019 proposals

If we applied the total Cost Index figure to all tariff rates as part of this review it would mean an increase of 3.4 per cent to average fares across Tariffs 1, 2 and 3 plus Tariff 4 increasing. While we appreciate that the costs of operating a taxi in London have increased, we also need to consider the impact on users from any increases as well as the perception that taxi fares are expensive or potentially unaffordable.

For this year's review of taxi fares and tariffs we wanted to explore options that would include no increases to Tariffs 3 and 4 as we think that increasing these tariffs would have a negative impact on both taxi users and drivers. We've still used the +3.4 per cent figure to inform the proposed changes but our proposals combine increases to the minimum fare and Tariffs 1 and 2 with freezing Tariff 3 and the Tariff 4 rates.

When considering changes to taxi fares and tariffs we considered a number of options:

- **Increasing average fares across Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent)** – this was not proposed because of:
 - Concerns about some tariffs rates already being too high;
 - Concerns about other tariffs rates becoming too high;
 - A potential adverse impact on people who rely on or use taxis often, including disabled and elderly taxi users plus Taxicard members¹; and
 - A potential adverse impact on taxi drivers if fares increase by 3.4 per cent and this leads to fewer people using taxis and drivers' incomes falling.
- **Freezing all taxi fares and tariffs** – this option would have a positive impact on taxi users as fares and tariffs would not increase. It would also mean that no update to the taximeters was required. However, it could mean that taxi drivers' incomes or their ability to cover operating costs could be negatively impacted upon, although usage of taxis could increase if all fares were frozen. Our most recent research amongst taxi drivers showed that the majority said that the minimum fare

¹ The Taxicard scheme provides subsidised taxi travel for disabled Londoners and is funded by TfL and the London boroughs. More information about the scheme is available here <https://tfl.gov.uk/modes/taxis-and-minicabs/taxicard-and-capital-call>

plus all of the tariffs should stay the same rather than be increased or decreased². After consideration this option was not proposed this year. The reason for this is that we acknowledge that taxi drivers' costs have increased and so some increases to fare and tariffs are justified so as drivers can cover increased costs. However, freezing all taxi fares and tariffs will be considered as an option for the next taxi fares review.

- **A large increase to the minimum fare** – increasing the minimum fare significantly (e.g. to £4.00 or £5.00) was considered and increasing this could help avoid drivers' incomes or their ability to cover increasing costs being negatively impacted. After consideration a relatively large increase to the minimum fare was not proposed, partly as a result of concerns raised by some stakeholders about increasing the minimum fare last year, however, a smaller increase (20 pence) is one of this year's proposals.
- **Reducing or removing Tariff 3** – research we've commissioned shows that potentially the largest increase in taxi drivers' income and also taxi journeys is most likely to be achieved by reducing Tariff 3. This would make taxi fares at night cheaper and could increase the usage of taxis at night. Drivers who work at night would be impacted upon most by the changes and some drivers may need to work longer hours. Some drivers may choose to work at other times instead which could reduce the supply of available taxis late at night and make it harder for the public to find a taxi, this could have a negative impact on public safety at night if people then consider using illegal 'cabs' or unbooked private hire vehicles (PHVs) instead. However, the change would need to be promoted so as the public are aware that taxi fares at night are cheaper and funding would be required for promotional activity. After consideration we're not proposing to reduce or remove Tariff 3 this year but instead freeze it. We will however continue to consider whether changes should be made to Tariff 3.

² Taxi and Private Hire Licensee Customer Satisfaction Survey (CSS), TNS, 2018/19

Our proposals

As there are already concerns about Tariffs 3 and 4 being too high we have not proposed any further increases to these tariff rates.

The proposed increases to Tariffs 1 and 2 and the minimum fare are informed by the Cost Index figure (+3.4 per cent) and we explored how a relatively small increase to the minimum fare could be combined with increases to Tariffs 1 and 2 which were less than 3.4 per cent.

We followed the approach taken last year, which involved increasing the minimum fare plus Tariffs 1 and 2. However, for this review we decided to propose a lower increase to the minimum fare (20 pence). The average all week fare figure used in the fares and tariffs reviews is currently £13.33 and if this is increased by 20 pence it represents a 1.5 per cent increase (£13.33 to £13.53).

Following the approach taken last year this increase (1.5 per cent) was subtracted from the Cost Index figure (3.4 per cent) and Tariffs 1 and 2 were then increased by the remaining value (1.9 per cent).

This resulted in the following set of proposals:

- Increasing the minimum fare by 20 pence (6.7 per cent) taking this from £3.00 to £3.20
- Increasing Tariff 1 by 1.9 per cent
- Increasing Tariff 2 by 1.9 per cent
- No increase to Tariff 3
- No increase to the distance and time rates for journeys over six miles (Tariff 4)

These proposals would mean that the minimum fare increases by 20 pence and goes from £3.00 to £3.20. However, these proposals would also mean that the increases to all of the tariffs rates, average fares during these and the average fare across the whole week are lower than they would be if fares during Tariffs 1, 2 and 3 were increased by the Cost Index figure (3.4 per cent).

After consideration we decided that for this review we would follow the approach taken last year which involved increasing the minimum fare plus Tariffs 1 and 2 but not increasing Tariff 3 or the Tariff 4 rates. We think that taking this approach has helped us better develop proposals which strike an appropriate balance between drivers being fairly remunerated and taxi users getting fair,

reasonable and affordable fares. However, it is important to note that the reason for following the approach taken last year was not due to this being simpler, easier to repeat or as a result of us failing to consider alternative changes or options.

Equality impacts from our proposals

We've considered the impact of our proposals on different groups and if the impact would be negative or positive. Our Impacts Assessment (see supporting document Impact Assessments), provides information on the groups who could potentially be impacted by the proposed changes to taxi fares and tariffs.

When developing our proposals we considered the impacts on:

- All taxi users
- Taxicard members
- Taxi drivers

We considered the impact on taxi users, Taxicard members and taxi drivers who may share a protected characteristic. We also acknowledge that some taxi users, Taxicard members or taxi drivers may share more than one protected characteristic and so the severity of any negative impacts on them may be greater.

We consider that the severity of the impacts identified from our proposals will be less than if we increased average fares across Tariffs 1, 2 and 3 by the Cost Index figure (+3.4 per cent). The reasons for this include:

- The increase to Tariff 1 being lower under our proposals (1.9 per cent) than the total Cost Index figure (+3.4 per cent)
- The increase to Tariff 2 being lower under our proposals (1.9 per cent) than the total Cost Index figure (+3.4 per cent)
- The lower increases to the time rates for Tariffs 1 and 2 are particularly important as stakeholders have reported that journey times for some taxi trips have been increasing and a larger proportion of each taxi fare is based on time
- Tariff 3 being frozen rather than increased by the total Cost Index figure (+3.4 per cent)
- Tariff 4 rates being frozen rather than increased by the Cost Index figure (+3.4 per cent)

Our proposals do include an increase to the minimum fare of 20 pence (6.7 per cent) taking this from £3.00 to £3.20. This will have the greatest impact on people making short trips. However, the minimum fare increase is just one part of our wider package of

proposals and we consider our package of proposals preferable to increasing average fares across Tariffs 1, 2 and 3 by the Cost Index figure (+3.4 per cent).

This consultation will form part of our consideration of the impacts of this work on different groups, including those who share a protected characteristic. It will help us to ensure that we have considered fully the impact of our decisions. We acknowledge that there will potentially be negative impacts from our proposals on people who share one or more of the protected characteristics. Despite the potential negative impacts on people who share one or more of the protected characteristics we consider the proposals justified.

Average fare increases for our proposals

The tables below show the increases to average fares from our proposals and what they would be if average fares across Tariffs 1, 2 and 3 were increased by the Cost Index figure.

	Proposed changes				Increasing Tariffs 1, 2 and 3 by the Cost Index figure			
	Current fare	New fare	Price increase	Percentage increase	Current fare	New fare	Price increase	Percentage increase
Minimum fare	£3.00	£3.20	£0.20	6.7%	£3.00	£3.00	£0.00	0.0%
Ave fare changes	Current average	New average	Price increase	Percentage increase	Current average	New average	Price increase	Percentage increase
Tariff 1	£12.19	£12.42	£0.23	1.9%	£12.19	£12.61	£0.42	3.4%
Tariff 2	£14.16	£14.43	£0.27	1.9%	£14.16	£14.64	£0.48	3.4%
Tariff 3	£15.92	£15.92	£0.00	0.0%	£15.92	£16.45	£0.53	3.4%
All week average fare	£13.33	£13.52	£0.19	1.4%	£13.33	£13.78	£0.45	3.4%

Tariff figures for our proposals

The table below shows the current tariff figures plus those based on our proposals which are:

- Minimum taxi fare increased by 20 pence (6.7 per cent) taking this from £3.00 to £3.20
- Tariff 1 increased by 1.9 per cent
- Tariff 2 increased by 1.9 per cent
- No increase to Tariff 3
- No increase to the distance and time rates for Tariff 4

	Tariff 1		Tariff 2		Tariff 3	
	Current	Proposed	Current	Proposed	Current	Proposed
Minimum Fare	£3.00	£3.20	£3.00	£3.20	£3.00	£3.20
Minimum Units	2	2	2	2	2	2
Metres/Unit < T4 Tariff Distance (metres)	116.6	113.5	94.8	92.4	81.2	81.2
Secs/Unit < T4 Tariff Distance (seconds)	25.1	24.4	20.4	19.9	17.5	17.5
Metres/Unit > T4 Tariff Distance (metres)	86.9	86.9	86.9	86.9	86.9	86.9
Secs/Unit > T4 Tariff Distance (seconds)	18.7	18.7	18.7	18.7	18.7	18.7
T4 Tariff Unit Changeover	82	85	101	104	118.917	118
Distance T4 Tariff starts at (metres)	9561.2	9647.5	9574.8	9609.6	9656.1	9581.6

T4 Tariff Changeover – As part of the 2019 update it is proposed that the changeover to Tariff 4 takes place on a whole number of distance units for Tariffs 1, 2, and 3 rather than at exactly at six miles (9656.1 metres).

Tariff figures based on increasing Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent)

The table below shows the current tariff figures plus those if we increased Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent):

- No increase to minimum fare
- Tariff 1 increased by 3.4 per cent
- Tariff 2 increased by 3.4 per cent
- Tariff 3 increased by 3.4 per cent
- Tariff 4 rates for both distance and time would increase

	Tariff 1		Tariff 2		Tariff 3	
	Current	New	Current	New	Current	New
Minimum Fare	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00
Minimum Units	2	2	2	2	2	2
Metres/Unit < T4 Tariff Distance (metres)	116.6	111.9	94.8	91.2	81.2	78.3
Secs/Unit < T4 Tariff Distance (seconds)	25.1	24.1	20.4	19.6	17.5	16.8
Metres/Unit > T4 Tariff Distance (metres)	86.9	83.4	86.9	83.4	86.9	83.4
Secs/Unit > T4 Tariff Distance (seconds)	18.7	17.9	18.7	17.9	18.7	17.9
T4 Tariff Unit Changeover	82	86	101	105	118.917	123
Distance T4 Tariff starts at (metres)	9561.2	9623.4	9574.8	9576.0	9656.1	9630.9

Although we are proposing an increase to the minimum fare (£3.00 to £3.20), under our proposals the distance and time rates for all tariffs increase by less than they would if we increased Tariffs 1, 2 and 3 by the Cost Index figure (+3.4 per cent).

Comparison of tariff figures

The table below compares the tariff figures for our proposals to those if we increased Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent).

If we increased Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent) then the distance and time units for each tariff are smaller than they would be under our proposals – this means that fares increase at a lower rate under our proposals.

For example under our proposals the fare would increase by 20 pence for every 113.5 metres travelled during Tariff 1. Under an increase by the Cost Index figure the fare would increase by 20 pence for every 111.9 metres travelled.

	Tariff 1		Tariff 2		Tariff 3	
	Our proposal	Increase by Cost Index	Our proposal	Increase by Cost Index	Our proposal	Increase by Cost Index
Minimum Fare	£3.20	£3.00	£3.20	£3.00	£3.00	£3.20
Minimum Units	2	2	2	2	2	2
Metres/Unit < T4 Tariff Distance (metres)	113.5	111.9	92.4	91.2	81.2	81.2
Secs/Unit < T4 Tariff Distance (seconds)	24.4	24.1	19.9	19.6	17.5	17.5
Metres/Unit > T4 Tariff Distance (metres)	86.9	83.4	86.9	83.4	86.9	86.9
Secs/Unit > T4 Tariff Distance (seconds)	18.7	17.9	18.7	17.9	18.7	18.7
T4 Tariff Unit Changeover	85	86	104	105	118.917	118
Distance T4 Tariff starts at (metres)	9647.5	9623.4	9609.6	9576.0	9656.1	9581.6

The differences between our proposal and an increase to all tariffs by the total Cost Index figure can also be seen when looking at the rates per mile and hour. These are shown in the tables below for:

- The current tariff figures
- Tariff figures under our proposal
- Tariff figures if we increased Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent)

The rates per mile and per hour are lower under our proposals when compared to the rates if we increased Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent). At all times the fare would increase at a quicker rate if we were proposing to increase Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent). The impact on fares from this would be greater, even for short journeys, as a result of a greater proportion of taxi fares being based on time because of increased congestion, falling traffic speeds, changes to roads or road closures.

We have mitigated the impact on taxi users and Taxicard members by proposing changes with lower rates per mile and hour for all tariff rates when compared to those if we increased Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent).

	Current tariffs			
	Tariff 1	Tariff 2	Tariff 3	Tariff 4
Minimum fare	£3.00	£3.00	£3.00	NA
Distance unit (metres)	116.6	94.8	81.2	86.9
Rate per mile	£2.76	£3.40	£3.96	£3.70
Time unit (seconds)	25.1	20.4	17.5	18.7
Rate per hour	£28.69	£35.29	£41.14	£38.50
Taxi fare unit	20 pence	20 pence	20 pence	20 pence

	Tariff figures under our proposal			
	Tariff 1	Tariff 2	Tariff 3	Tariff 4
Minimum fare	£3.20	£3.20	£3.20	NA
Distance unit (metres)	113.5	92.4	81.2	86.9
Rate per mile	£2.84	£3.48	£3.96	£3.70
Time unit (seconds)	24.4	19.9	17.5	18.7
Rate per hour	£29.51	£36.18	£41.14	£38.50
Taxi fare unit	20 pence	20 pence	20 pence	20 pence

	Tariff figures if we increased Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent)			
	Tariff 1	Tariff 2	Tariff 3	Tariff 4
Minimum fare	£3.00	£3.00	£3.00	NA
Distance unit (metres)	111.9	91.2	78.3	83.4
Rate per mile	£2.88	£3.53	£4.11	£3.86
Time unit (seconds)	24.1	19.6	16.8	17.9
Rate per hour	£29.88	£36.73	£42.86	£40.22
Taxi fare unit	20 pence	20 pence	20 pence	20 pence

Example fares for our proposals

The tables below show the changes to fares, based on distance only, for our proposed changes and if average fares across Tariffs 1, 2 and 3 were increased by the Cost Index figure.

Example fares (based on distance only) for our proposals:

- Minimum taxi fare increased by 20 pence (6.7 per cent) taking this from £3.00 to £3.20
- Tariff 1 increased by 1.9 per cent
- Tariff 2 increased by 1.9 per cent
- No increase to Tariff 3
- No increase to the distance and time rates for Tariff 4

Although the changes for some shorter journeys are shown as being greater than the total Cost Index figure (+3.4 per cent) these fares are based on distance only. Stakeholder feedback suggests that an increasing proportion of each taxi fare is based on time. This is primarily due to increased congestion, falling traffic speeds, changes to roads or road closures. These issues can mean that there is an increase in journey times, resulting in higher fares with a larger proportion of the fare based on time.

Journey Length	Tariff 1			Tariff 2			Tariff 3		
Miles	Current	New	Change	Current	New	Change	Current	New	Change
Minimum	£3.00	£3.20	6.7%	£3.00	£3.20	6.7%	£3.00	£3.20	6.7%
0.5	£4.00	£4.40	10.0%	£4.40	£4.60	4.5%	£4.60	£4.80	4.3%
1	£5.40	£5.80	7.4%	£6.00	£6.40	6.7%	£6.60	£6.80	3.0%
1.5	£6.80	£7.20	5.9%	£7.80	£8.20	5.1%	£8.60	£8.80	2.3%
2	£8.20	£8.60	4.9%	£9.40	£9.80	4.3%	£10.60	£10.80	1.9%
2.5	£9.60	£10.00	4.2%	£11.20	£11.60	3.6%	£12.60	£12.80	1.6%
3	£11.00	£11.40	3.6%	£12.80	£13.40	4.7%	£14.60	£14.80	1.4%
3.5	£12.40	£12.80	3.2%	£14.60	£15.00	2.7%	£16.60	£16.80	1.2%
4	£13.80	£14.20	2.9%	£16.20	£16.80	3.7%	£18.60	£18.80	1.1%
4.5	£15.20	£15.60	2.6%	£18.00	£18.60	3.3%	£20.60	£20.80	1.0%
5	£16.60	£17.00	2.4%	£19.60	£20.40	4.1%	£22.60	£22.80	0.9%
6	£19.40	£20.00	3.1%	£23.00	£23.80	3.5%	£26.40	£26.60	0.8%
7	£23.00	£23.60	2.6%	£26.80	£27.60	3.0%	£30.20	£30.40	0.7%
8	£26.80	£27.40	2.2%	£30.40	£31.20	2.6%	£33.80	£34.00	0.6%
9	£30.40	£31.00	2.0%	£34.20	£35.00	2.3%	£37.60	£37.80	0.5%
10	£34.20	£34.80	1.8%	£38.00	£38.60	1.6%	£41.20	£41.40	0.5%
11	£37.80	£38.40	1.6%	£41.60	£42.40	1.9%	£45.00	£45.20	0.4%
12	£41.60	£42.20	1.4%	£45.40	£46.00	1.3%	£48.60	£48.80	0.4%
13	£45.20	£45.80	1.3%	£49.00	£49.80	1.6%	£52.40	£52.60	0.4%
14	£49.00	£49.60	1.2%	£52.80	£53.40	1.1%	£56.20	£56.40	0.4%
15	£52.60	£53.20	1.1%	£56.40	£57.20	1.4%	£59.80	£60.00	0.3%
16	£56.40	£57.00	1.1%	£60.20	£60.80	1.0%	£63.60	£63.80	0.3%
18	£63.80	£64.40	0.9%	£67.60	£68.20	0.9%	£71.00	£71.20	0.3%
20	£71.20	£71.80	0.8%	£75.00	£75.60	0.8%	£78.40	£78.60	0.3%

Example fares (based on distance only) if we increased Tariffs 1, 2 and 3 by the Cost Index figure (3.4 per cent):

- No increase to minimum fare
- Tariff 1 increased by 3.4 per cent
- Tariff 2 increased by 3.4 per cent
- Tariff 3 increased by 3.4 per cent
- Tariff 4 rates for both distance and time would increase

Journey Length Miles	Tariff 1			Tariff 2			Tariff 3		
	Current	New	Change	Current	New	Change	Current	New	Change
Minimum	£3.00	£3.00	0.0%	£3.00	£3.00	0.0%	£3.00	£3.00	0.0%
0.5	£4.00	£4.20	5.0%	£4.40	£4.40	0.0%	£4.60	£4.80	4.3%
1	£5.40	£5.60	3.7%	£6.00	£6.20	3.3%	£6.60	£6.80	3.0%
1.5	£6.80	£7.00	2.9%	£7.80	£8.00	2.6%	£8.60	£8.80	2.3%
2	£8.20	£8.40	2.4%	£9.40	£9.80	4.3%	£10.60	£11.00	3.8%
2.5	£9.60	£9.80	2.1%	£11.20	£11.60	3.6%	£12.60	£13.00	3.2%
3	£11.00	£11.40	3.6%	£12.80	£13.20	3.1%	£14.60	£15.00	2.7%
3.5	£12.40	£12.80	3.2%	£14.60	£15.00	2.7%	£16.60	£17.00	2.4%
4	£13.80	£14.20	2.9%	£16.20	£16.80	3.7%	£18.60	£19.20	3.2%
4.5	£15.20	£15.60	2.6%	£18.00	£18.60	3.3%	£20.60	£21.20	2.9%
5	£16.60	£17.00	2.4%	£19.60	£20.40	4.1%	£22.60	£23.20	2.7%
6	£19.40	£20.00	3.1%	£23.00	£23.80	3.5%	£26.40	£27.40	3.8%
7	£23.00	£23.80	3.5%	£26.80	£27.80	3.7%	£30.20	£31.20	3.3%
8	£26.80	£27.60	3.0%	£30.40	£31.60	3.9%	£33.80	£35.00	3.6%
9	£30.40	£31.60	3.9%	£34.20	£35.40	3.5%	£37.60	£39.00	3.7%
10	£34.20	£35.40	3.5%	£38.00	£39.40	3.7%	£41.20	£42.80	3.9%
11	£37.80	£39.20	3.7%	£41.60	£43.20	3.8%	£45.00	£46.60	3.6%
12	£41.60	£43.20	3.8%	£45.40	£47.00	3.5%	£48.60	£50.60	4.1%
13	£45.20	£47.00	4.0%	£49.00	£51.00	4.1%	£52.40	£54.40	3.8%
14	£49.00	£50.80	3.7%	£52.80	£54.80	3.8%	£56.20	£58.20	3.6%
15	£52.60	£54.80	4.2%	£56.40	£58.60	3.9%	£59.80	£62.00	3.7%

Journey Length Miles	Tariff 1			Tariff 2			Tariff 3		
	Current	New	Change	Current	New	Change	Current	New	Change
16	£56.40	£58.60	3.9%	£60.20	£62.40	3.7%	£63.60	£66.00	3.8%
18	£63.80	£66.20	3.8%	£67.60	£70.20	3.8%	£71.00	£73.60	3.7%
20	£71.20	£74.00	3.9%	£75.00	£78.00	4.0%	£78.40	£81.40	3.8%

Tariff 4

Although Tariff 4 applies to journeys over six miles it does not start at exactly six miles (9656.1 metres) during Tariffs 1 and 2. Instead the distance at which Tariff 4 starts during Tariffs 1 and 2 is based on the distance units for Tariff 1 and 2.

Linking the start of Tariff 4 to the respective distance units for Tariffs 1, 2 and 3 makes it easier to test and validate the taximeter updates and ensure the point at which the tariff rate should change can be clearly identified during testing.

No change to the time unit (18.7 seconds) and distance unit (86.9 metres) is proposed for Tariff 4 although the distance at which Tariff 4 starts would be affected by increases to Tariffs 1 and 2. We're proposing a small change to Tariff 4 so that this is linked to the distance unit for Tariffs 1, 2 and 3 rather than starting at six miles (9656.1 metres) as it does currently for Tariff 3. The distances at which Tariff 4 currently starts and would start if the proposed changes are implemented are shown below.

	Tariff 1		Tariff 2		Tariff 3	
	Current	Proposed	Current	Proposed	Current	Proposed
Number of units when Tariff 4 starts	82 units	85 units	101 units	104 units	118.917 units	118 units
Distance when Tariff 4 starts	9561.2 metres	9647.5 metres	9574.8 metres	9609.6 metres	9656.1 metres	9581.6 metres

Approvals

The TfL Finance Committee has responsibility for approving changes to taxi fares and tariffs. Once this consultation has closed the responses will be analysed and any recommendations will be submitted to the Finance Committee for consideration. Previous changes to taxi fares and tariffs have often taken place in April. However, there is no obligation on TfL to review fares annually or make changes at a particular time of year albeit any approved recommendations will be implemented as soon as is practically feasible.

If the proposals are approved the Cab Order will be amended and the minimum fare plus the distance, time and changeover figures updated. The London Taxi Sharing Scheme Order will also be amended to include the revised fares for shared taxis from Euston Station to Lord's Cricket Ground.

Taxi fares comparison with other modes

When reviewing taxi fares and tariffs we consider the competitiveness of taxi fares. The 2018 taxi fares and tariffs research included a comparison of the cost and duration of a sample of taxi journeys with the costs for other modes of travel³.

³ Taxi Fare and Tariff Review, Steer Davies Gleave (SDG) consultants, March 2018

The table below shows the average price per mile per passenger for the sample of taxi journeys and a range of other transport modes. Although taxis are more expensive than all of the other modes apart from executive private hire services when only one passenger is travelling, the average price per mile when five or six passengers are travelling is close to the average price per mile for 'traditional' minicabs, cycle hire and the Tube when five or six people are travelling together. Using a private vehicle has the lowest cost although the underlying cost of car ownership is excluded.

Average price per mile per passenger						
Mode of Transport	1 passenger	2 passengers	3 passengers	4 passengers	5 passengers	6 passengers
Executive PHV	£7.50	£3.80	£2.50	£1.90	£1.50	£1.30
Taxi	£5.00	£2.50	£1.70	£1.30	£1.00	£0.80
Traditional Minicab	£4.20	£2.10	£1.40	£1.00	£0.80	£0.70
App based minicab service	£2.60	£1.30	£0.90	£0.70	£0.50	£0.40
Express & Trains	£1.20	£1.20	£1.20	£1.20	£1.20	£1.20
Cycle Hire	£0.90	£0.90	£0.90	£0.90	£0.90	£0.90
Tube	£0.70	£0.70	£0.70	£0.70	£0.70	£0.70
Bus	£0.50	£0.50	£0.50	£0.50	£0.50	£0.50
Coach & Bus	£0.40	£0.40	£0.40	£0.40	£0.40	£0.40
Private Vehicle	£0.30	£0.20	£0.10	£0.10	£0.10	£0.10

We've compared fares for different taxi journeys with fares for some other modes of passenger transport. The fare for a journey of 2.6 miles has been included, as this was the average distance of a taxi journey in the 2016/17 Taxi and Private Hire Driver Diary Survey⁴. Fares for a short journey (1 mile) plus a longer journey (6 miles) have also been included.

The tables below show the fare per passenger plus total fare for different services and journey lengths.

	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
Tariff 1	Taxi	1 mile	Fare per passenger	£5.40	£2.70	£1.80	£1.35	£1.08	£0.90	TfL website
			Total fare	£5.40	£5.40	£5.40	£5.40	£5.40	£5.40	
Tariff 2	Taxi	1 mile	Fare per passenger	£6.00	£3.00	£2.00	£1.50	£1.20	£1.00	TfL
			Total fare	£6.00	£6.00	£6.00	£6.00	£6.00	£6.00	
Tariff 3	Taxi	1 mile	Fare per passenger	£6.60	£3.30	£2.20	£1.65	£1.32	£1.10	TfL

⁴ Taxi and Private Hire Driver Diary Survey 2016/17, Steer Davies Gleave, October 2017

			Total fare	£6.60	£6.60	£6.60	£6.60	£6.60	£6.60	
Gett (low)	Taxi	1 mile	Fare per passenger	£9.00	£4.50	£3.00	£2.25	£1.80	£1.50	Gett App
			Total fare	£9.00	£9.00	£9.00	£9.00	£9.00	£9.00	
Gett (high)	Taxi	1 mile	Fare per passenger	£14.00	£7.00	£4.67	£3.50	£2.80	£2.33	Gett App
			Total fare	£14.00	£14.00	£14.00	£14.00	£14.00	£14.00	
Addison Lee	PHV	1 mile	Fare per passenger	£8.45	£4.23	£2.82	£2.11	£1.69	£1.41	Addison Lee App
			Total fare	£8.45	£8.45	£8.45	£8.45	£8.45	£8.45	
Kabbee	PHV	1 mile	Fare per passenger	£9.00	£4.50	£3.00	£2.25	£1.80	£1.50	Kabbee App
			Total fare	£9.00	£9.00	£9.00	£9.00	£9.00	£9.00	

UberX (low)	PHV	1 mile	Fare per passenger	£6.00	£3.00	£2.00	£1.50	£1.20	£1.00	Uber App
			Total fare	£6.00	£6.00	£6.00	£6.00	£6.00	£6.00	
UberX (high)	PHV	1 mile	Fare per passenger	£8.00	£4.00	£2.67	£2.00	£1.60	£1.33	Uber App
			Total fare	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	
Uber (ridesharing service)	PHV	1 mile	Fare per passenger	£3.77	£1.89	N/A	N/A	N/A	N/A	Uber App
			Total fare	£3.77	£3.77	N/A	N/A	N/A	N/A	
ViaVan	PHV	1 mile	Fare per passenger	£6.95	£4.48	£3.65	£3.24	N/A	N/A	ViaVan App
			Total fare	£6.95	£8.95	£10.95	£12.95	N/A	N/A	
ViaVan (ridesharing service)	PHV	1 mile	Fare per passenger	£3.00	£2.50	£2.33	£2.25	N/A	N/A	ViaVan App

			Total fare	£3.00	£5.00	£7.00	£9.00	N/A	N/A	
CityMapper Ride (ridesharing service)	PHV	1 mile	Fare per passenger	£5.00	£2.50	£1.67	£1.25	£1.00	£0.83	City Mapper App
			Total fare	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	
Goldline	PHV	1 mile	Fare per passenger	£8.50	£4.25	£2.83	£2.13	£1.70	£1.42	Online
			Total fare	£8.50	£8.50	£8.50	£8.50	£8.50	£8.50	
Swiftcars	PHV	1 mile	Fare per passenger	£8.00	£4.00	£2.67	£2.00	£1.60	£1.33	Online
			Total fare	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	
Arrow Fleet	PHV	1 mile	Fare per passenger	£9.35	£4.68	£3.12	£2.34	£1.87	£1.56	Online
			Total fare	£9.35	£9.35	£9.35	£9.35	£9.35	£9.35	

Bus (single)	Bus	N/A	Fare per passenger	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	TfL
			Total fare	£1.50	£3.00	£4.50	£6.00	£7.50	£9.00	
Tube (single cash) Zone 1	Tube	N/A	Fare per passenger	£4.90	£4.90	£4.90	£4.90	£4.90	£4.90	TfL
			Total fare	£4.90	£9.80	£14.70	£19.60	£24.50	£29.40	
Tube peak (single oyster/contactless payment Card) Zone 1	Tube	N/A	Fare per passenger	£2.40	£2.40	£2.40	£2.40	£2.40	£2.40	TfL
			Total fare	£2.40	£4.80	£7.20	£9.60	£12.00	£14.40	
Tube off peak (single oyster/contactless payment Card) Zone 1	Tube	N/A	Fare per passenger	£2.40	£2.40	£2.40	£2.40	£2.40	£2.40	TfL
			Total fare	£2.40	£4.80	£7.20	£9.60	£12.00	£14.40	
River Bus Central Zone (Single cash)	Boat	N/A	Fare per passenger	£8.70	£8.70	£8.70	£8.70	£8.70	£8.70	TfL

			Total fare	£8.70	£17.40	£26.10	£34.80	£43.50	£52.20	
River Bus Central Zone (Single Oyster/App/Online fare)	Boat	N/A	Fare per passenger	£7.00	£7.00	£7.00	£7.00	£7.00	£7.00	TfL
			Total fare	£7.00	£14.00	£21.00	£28.00	£35.00	£42.00	

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
Tariff 1	Taxi	2.6 miles	Fare per passenger	£9.80	£4.90	£3.27	£2.45	£1.96	£1.63	TfL
			Total fare	£9.80	£9.80	£9.80	£9.80	£9.80	£9.80	
Tariff 2	Taxi	2.6 miles	Fare per passenger	£11.60	£5.80	£3.87	£2.90	£2.32	£1.93	TfL
			Total fare	£11.60	£11.60	£11.60	£11.60	£11.60	£11.60	

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
Tariff 3	Taxi	2.6 miles	Fare per passenger	£13.00	£6.50	£4.33	£3.25	£2.60	£2.17	TfL
			Total fare	£13.00	£13.00	£13.00	£13.00	£13.00	£13.00	
Gett (low)	Taxi	2.6 miles	Fare per passenger	£14.00	£7.00	£4.67	£3.50	£2.80	£2.33	Gett App
			Total fare	£14.00	£14.00	£14.00	£14.00	£14.00	£14.00	
Gett (high)	Taxi	2.6 miles	Fare per passenger	£21.00	£10.50	£7.00	£5.25	£4.20	£3.50	Gett App
			Total fare	£21.00	£21.00	£21.00	£21.00	£21.00	£21.00	
Addison Lee	PHV	2.6 miles	Fare per passenger	£13.60	£6.80	£4.53	£3.40	£2.72	£2.27	Addison Lee App
			Total fare	£13.60	£13.60	£13.60	£13.60	£13.60	£13.60	
Kabbee	PHV	2.6 miles	Fare per passenger	£12.50	£6.25	£4.17	£3.13	£2.50	£2.08	Kabbee App

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
			Total fare	£12.50	£12.50	£12.50	£12.50	£12.50	£12.50	
UberX (low)	PHV	2.6 miles	Fare per passenger	£11.00	£5.50	£3.67	£2.75	£2.20	£1.83	Uber App
			Total fare	£11.00	£11.00	£11.00	£11.00	£11.00	£11.00	
UberX (high)	PHV	2.6 miles	Fare per passenger	£15.00	£7.50	£5.00	£3.75	£3.00	£2.50	Uber App
			Total fare	£15.00	£15.00	£15.00	£15.00	£15.00	£15.00	
Uber (shared)	PHV	2.6 miles	Fare per passenger	£7.31	£3.66	N/A	N/A	N/A	N/A	Uber App
			Total fare	£7.31	£7.31	N/A	N/A	N/A	N/A	
ViaVan	PHV	2.6 miles	Fare per passenger	£10.31	£6.16	£4.77	£4.08	N/A	N/A	ViaVan App
			Total fare	£10.31	£12.31	£14.31	£16.31	N/A	N/A	

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
ViaVan (shared)	PHV	2.6 miles	Fare per passenger	£3.50	£2.75	£2.50	£2.38	N/A	N/A	ViaVan App
			Total fare	£3.50	£5.50	£7.50	£9.50	N/A	N/A	
CityMapper Ride	PHV	2.6 miles	Fare per passenger	£5.00	£2.50	£1.67	£1.25	£1.00	£0.83	City Mapper App
			Total fare	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	
Goldline	PHV	2.6 miles	Fare per passenger	£9.50	£4.75	£3.17	£2.38	£1.90	£1.58	Online
			Total fare	£9.50	£9.50	£9.50	£9.50	£9.50	£9.50	
Swiftcars	PHV	2.6 miles	Fare per passenger	£13.50	£6.75	£4.50	£3.38	£2.70	£2.25	Online
			Total fare	£13.50	£13.50	£13.50	£13.50	£13.50	£13.50	
Arrow Fleet	PHV	2.6 miles	Fare per passenger	£16.37	£8.19	£5.46	£4.09	£3.27	£2.73	Online

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
			Total fare	£16.37	£16.37	£16.37	£16.37	£16.37	£16.37	
Bus	Bus	N/A	Fare per passenger	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	TfL
			Total fare	£1.50	£3.00	£4.50	£6.00	£7.50	£9.00	
Tube (Single cash) Zone 1-2	Tube	N/A	Fare per passenger	£4.90	£4.90	£4.90	£4.90	£4.90	£4.90	TfL
			Total fare	£4.90	£9.80	£14.70	£19.60	£24.50	£29.40	
Tube peak (Oyster/Contactless Payment Card) Zone 1-2	Tube	N/A	Fare per passenger	£2.90	£2.90	£2.90	£2.90	£2.90	£2.90	TfL
			Total fare	£2.90	£5.80	£8.70	£11.60	£14.50	£17.40	
Tube off peak (Oyster/Contactless Payment Card) Zone 1-2	Tube	N/A	Fare per passenger	£2.40	£2.40	£2.40	£2.40	£2.40	£2.40	TfL
			Total fare	£2.40	£4.80	£7.20	£9.60	£12.00	£14.40	

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
River Bus West Zone (Single cash)	Boat	N/A	Fare per passenger	£4.80	£4.80	£4.80	£4.80	£4.80	£4.80	TfL
			Total fare	£4.80	£9.60	£14.40	£19.20	£24.00	£28.80	
River Bus West Zone (Single Oyster/App/Online fare)	Boat	N/A	Fare per passenger	£4.40	£4.40	£4.40	£4.40	£4.40	£4.40	TfL
			Total fare	£4.40	£8.80	£13.20	£17.60	£22.00	£26.40	

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
Tariff 1	Taxi	6 Miles	Fare per passenger	£19.40	£9.70	£6.47	£4.85	£3.88	£3.23	TfL
			Total fare	£19.40	£19.40	£19.40	£19.40	£19.40	£19.40	
Tariff 2	Taxi	6 Miles	Fare per passenger	£23.00	£11.50	£7.67	£5.75	£4.60	£3.83	TfL

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
			Total fare	£23.00	£23.00	£23.00	£23.00	£23.00	£23.00	
Tariff 3	Taxi	6 Miles	Fare per passenger	£26.40	£13.20	£8.80	£6.60	£5.28	£4.40	TfL
			Total fare	£26.40	£26.40	£26.40	£26.40	£26.40	£26.40	
Gett (low)	Taxi	6 Miles	Fare per passenger	£20.00	£10.00	£6.67	£5.00	£4.00	£3.33	Gett App
			Total fare	£20.00	£20.00	£20.00	£20.00	£20.00	£20.00	
Gett (high)	Taxi	6 Miles	Fare per passenger	£30.00	£15.00	£10.00	£7.50	£6.00	£5.00	Gett App
			Total fare	£30.00	£30.00	£30.00	£30.00	£30.00	£30.00	
Addison Lee	PHV	6 Miles	Fare per passenger	£19.90	£9.95	£6.63	£4.98	£3.98	£3.32	Addison Lee App
			Total fare	£19.90	£19.90	£19.90	£19.90	£19.90	£19.90	

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
Kabbee	PHV	6 Miles	Fare per passenger	£18.50	£9.25	£6.17	£4.63	£3.70	£3.08	Kabbee App
			Total fare	£18.50	£18.50	£18.50	£18.50	£18.50	£18.50	
UberX (low)	PHV	6 Miles	Fare per passenger	£16.00	£8.00	£5.33	£4.00	£3.20	£2.67	Uber App
			Total fare	£16.00	£16.00	£16.00	£16.00	£16.00	£16.00	
UberX (high)	PHV	6 Miles	Fare per passenger	£22.00	£11.00	£7.33	£5.50	£4.40	£3.67	Uber App
			Total fare	£22.00	£22.00	£22.00	£22.00	£22.00	£22.00	
Uber (shared)	PHV	6 Miles	Fare per passenger	£13.37	£6.69	N/A	N/A	N/A	N/A	Uber App
			Total fare	£13.37	£13.37	N/A	N/A	N/A	N/A	
ViaVan	PHV	6 Miles	Fare per passenger	£15.49	£8.75	£6.50	£5.37	N/A	N/A	ViaVan App

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
			Total fare	£15.49	£17.49	£19.49	£21.49	N/A	N/A	
ViaVan (shared)	PHV	6 Miles	Fare per passenger	£13.95	£7.98	£5.98	£4.99	N/A	N/A	ViaVan App
			Total fare	£13.95	£15.95	£17.95	£19.95	N/A	N/A	
CityMapper Ride (shared service)	PHV	6 Miles	Fare per passenger	£5.00	£2.50	£1.67	£1.25	£1.00	£0.83	City Mapper App
			Total fare	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	
Goldline	PHV	6 Miles	Fare per passenger	£17.50	£8.75	£5.83	£4.38	£3.50	£2.92	Online
			Total fare	£17.50	£17.50	£17.50	£17.50	£17.50	£17.50	
Swiftcars	PHV	6 Miles	Fare per passenger	£18.30	£9.15	£6.10	£4.58	£3.66	£3.05	Online
			Total fare	£18.30	£18.30	£18.30	£18.30	£18.30	£18.30	

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
Arrow Fleet	PHV	6 Miles	Fare per passenger	£31.57	£15.79	£10.52	£7.89	£6.31	£5.26	Online
			Total fare	£31.57	£31.57	£31.57	£31.57	£31.57	£31.57	
Bus	Bus	N/A	Fare per passenger	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	TfL
			Total fare	£1.50	£3.00	£4.50	£6.00	£7.50	£9.00	
Tube (Single cash) Zone 1-3	Tube	N/A	Fare per passenger	£4.90	£4.90	£4.90	£4.90	£4.90	£4.90	TfL
			Total fare	£4.90	£9.80	£14.70	£19.60	£24.50	£29.40	
Tube peak (Oyster/Contactless Payment Card) Zone 1-3	Tube	N/A	Fare per passenger	£3.30	£3.30	£3.30	£3.30	£3.30	£3.30	TfL
			Total fare	£3.30	£6.60	£9.90	£13.20	£16.50	£19.80	
Tube off peak (Oyster/Contactless Payment Card)	Tube	N/A	Fare per passenger	£2.80	£2.80	£2.80	£2.80	£2.80	£2.80	TfL

Provider	Service	Distance		Number of passengers						Source
				1	2	3	4	5	6	
Zone 1-3			Total fare	£2.80	£5.60	£8.40	£11.20	£14.00	£16.80	
River Bus East Zone (Single cash)	Boat	N/A	Fare per passenger	£4.80	£4.80	£4.80	£4.80	£4.80	£4.80	TfL
			Total fare	£4.80	£9.60	£14.40	£19.20	£24.00	£28.80	
River Bus East Zone (Single Oyster/App/Online fare)	Boat	N/A	Fare per passenger	£4.40	£4.40	£4.40	£4.40	£4.40	£4.40	TfL
			Total fare	£4.40	£8.80	£13.20	£17.60	£22.00	£26.40	

- Fares were checked on Wednesday 15 April 2019 with taxi and PHV fares checked at 10:00
- Tariff 1, 2 and 3 taxi fares are based on distance only and for the current tariff figures
- The lowest and highest quotes are shown for Gett
- The fares shown for Kabbee are based on the standard fare
- Some PHV fares are for ridesharing services
- Uber's ridesharing service is only for one or two passengers
- ViaVan's ridesharing service is for up to four passengers with £2.00 added to the fare for each additional passenger