

**Taxi fares and tariffs,  
taxi driver licensing and 2018 changes**

**MAYOR OF LONDON**



## **Taxi fares**

Taxi fares are based upon the time of day, distance travelled and the time taken for a taxi journey. Fares are calculated using a taximeter and the maximum fare payable is shown on the taximeter at the end of the journey, although drivers can charge less than the fare shown on the taximeter.

For each taxi journey there is a minimum fare which is currently £3.00 at all times.

## **Taxi tariffs**

There are four different taxi tariffs:

- Tariff 1 (T1): Monday to Friday, 05:00-20:00
- Tariff 2 (T2): Monday to Friday, 20:00-22:00 and Saturday and Sunday, 05:00-22:00
- Tariff 3 (T3): Every night 22:00-05:00 and public holidays
- Tariff for journeys over six miles which is sometimes referred to as Tariff 4 (T4)

The different tariffs set the rates taxi users pay to travel a certain distance or for a certain length of time on specified days and times of day. For each of the four tariffs there are two rates:

- Distance rate – this sets the distance that can be travelled for each 20 pence increase to the taxi fare
- Time rate – this sets the period of time that can be travelled for each 20 pence increase to the taxi fare

The taxi fare increases by 20 pence each time the relevant distance has been travelled or period of time has passed. Whether increases to the taxi fare are based on distance or time depends upon the speed of the taxi. If the speed drops below 10.4 miles per hour then the increase is based on time, otherwise it is based on distance travelled.

The current distance and time rates are shown below.

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

So if a user is travelling when Tariff 1 applies then the taxi fare will increase by 20 pence for each 116.6 metres travelled or 25.1 seconds that pass.

### **Other charges**

Other permitted charges include:

- Up to £2.00 for phone or online bookings;
- £2.80 for journeys that start from one of the taxi ranks at Heathrow Airport;
- £4.00 for journeys made between 20:00 on 24 December and 06:00 on 27 December or between 20:00 on 31 December and 06:00 on 2 January; and
- A soiling charge of up to £60.00.

## 2018 changes

Following the 2018 consultation on taxi fares and tariffs<sup>1</sup> the TfL Finance Committee approved:

- Increasing the minimum fare by 40 pence (from £2.60 to £3.00);
- Increasing Tariff 1 by 0.6 per cent;
- Increasing Tariff 2 by 0.6 per cent;
- Adding fares for six passengers sharing to the shared taxi conversion table;
- Increasing by 50 pence the fixed fares for shared taxis from Euston Station (with the exception of the Euston Station to Lord's Cricket Ground fare); and
- Increasing the soiling charge from £40.00 to £60.00.

The Committee also approved:

- Freezing Tariff 3;
- Freezing the tariff rates for journeys over six miles (Tariff 4);
- Extending the arrangements regarding a significant increase or decrease in diesel prices until the next taxi fares and tariffs update;
- Further work and research being carried out on fixed and capped fare schemes to and from Heathrow Airport; and
- All card payment devices approved for use in taxis being required to accept American Express.

The changes came into effect on Saturday 6 October 2018 and a copy of the paper the Committee considered is available [here](#).

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<sup>1</sup> Taxi fares and tariffs consultation 2018, <https://consultations.tfl.gov.uk/taxis/fares-2018/>

The table below shows example fares, based on distance only, for the previous tariff rates plus those that came into effect on 6 October 2018.

Journey Length	Tariff 1			Tariff 2			Tariff 3		
Miles	Fare based on previous tariff rate	Fare based on tariff rate from 6 Oct 2018	Change	Fare based on previous tariff rate	Fare based on tariff rate from 6 Oct 2018	Change	Fare based on previous tariff rate	Fare based on tariff rate from 6 Oct 2018	Change
Minimum	£2.60	£3.00	15.4%	£2.60	£3.00	15.4%	£2.60	£3.00	15.4%
0.5	£3.60	£4.00	11.1%	£4.00	£4.40	10.0%	£4.20	£4.60	9.5%
1	£5.00	£5.40	8.0%	£5.60	£6.00	7.1%	£6.20	£6.60	6.5%
1.5	£6.40	£6.80	6.3%	£7.40	£7.80	5.4%	£8.20	£8.60	4.9%
2	£7.80	£8.20	5.1%	£9.00	£9.40	4.4%	£10.20	£10.60	3.9%
2.5	£9.20	£9.60	4.3%	£10.80	£11.20	3.7%	£12.20	£12.60	3.3%
3	£10.60	£11.00	3.8%	£12.40	£12.80	3.2%	£14.20	£14.60	2.8%
3.5	£11.80	£12.40	5.1%	£14.00	£14.60	4.3%	£16.20	£16.60	2.5%
4	£13.20	£13.80	4.5%	£15.80	£16.20	2.5%	£18.20	£18.60	2.2%
4.5	£14.60	£15.20	4.1%	£17.40	£18.00	3.4%	£20.20	£20.60	2.0%
5	£16.00	£16.60	3.7%	£19.20	£19.60	2.1%	£22.20	£22.60	1.8%
6	£18.80	£19.40	3.2%	£22.60	£23.00	1.8%	£26.00	£26.40	1.5%
7	£22.40	£23.00	2.7%	£26.20	£26.80	2.3%	£29.80	£30.20	1.3%
8	£26.20	£26.80	2.3%	£30.00	£30.60	2.0%	£33.40	£33.80	1.2%
9	£29.80	£30.60	2.7%	£33.60	£34.20	1.8%	£37.20	£37.60	1.1%
10	£33.60	£34.20	1.8%	£37.40	£38.00	1.6%	£40.80	£41.20	1.0%
11	£37.20	£38.00	2.2%	£41.00	£41.80	2.0%	£44.60	£45.00	0.9%
12	£41.00	£41.60	1.5%	£44.80	£45.40	1.3%	£48.20	£48.60	0.8%
13	£44.60	£45.40	1.8%	£48.40	£49.20	1.7%	£52.00	£52.40	0.8%
14	£48.40	£49.20	1.7%	£52.20	£53.00	1.5%	£55.80	£56.20	0.7%
15	£52.20	£52.80	1.1%	£55.80	£56.60	1.4%	£59.40	£59.80	0.7%
16	£55.80	£56.60	1.4%	£59.60	£60.40	1.3%	£63.20	£63.60	0.6%
18	£63.20	£64.00	1.3%	£67.00	£67.80	1.2%	£70.60	£71.00	0.6%
20	£70.60	£71.60	1.4%	£74.40	£75.40	1.3%	£78.00	£78.40	0.5%

## Taxi drivers

London has just under 23,200 licensed taxi drivers and just under 20,000 licensed taxis<sup>2</sup>.

There are two types of taxi driver's licence:

- All London (Green Badge): these taxi drivers can ply for hire anywhere in London and around 20,300 drivers hold this type of licence
- Suburban (Yellow Badge): these taxi drivers are licensed to ply for hire in one or more of nine suburban sectors and around 2,800 drivers hold this type of licence

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<sup>2</sup> TfL licensing data 5 May 2019

The map below shows the Suburban taxi driver sectors.



The Suburban sectors are:

- Enfield, Haringey and Waltham Forest
- Barking & Dagenham, Havering, Newham and Redbridge
- Bexley, Greenwich and Lewisham
- Bromley
- Croydon
- Merton and Sutton
- Hounslow, Kingston upon Thames and Richmond upon Thames
- Ealing and Hillingdon
- Barnet, Brent and Harrow

We license London taxis (black cabs/Hackney Carriages) and taxi drivers under the Metropolitan Public Carriage Act 1869. Section 9 of this Act allows us to make regulations which fix the rates or fares to be paid for taxis. The London Cab and Stage Carriage Act 1907 allow us to make regulations to fix the fares to be paid for the hire of taxis fitted with taximeters, on the basis of time or distance or both. The London Cab Order 1934 (as amended) is the main set of regulations made under these Acts and it sets the fares regime that covers most taxi journeys in London.