



Private Hire Operator Licence Fees Consultation

Transport for London (TfL) has today opened a consultation on proposals to change the fees private hire operators are charged for the costs of licensing, compliance and enforcement activity. This would ensure that operators pay a fee according to the resources required to regulate their operations.

The Capital's private hire industry has grown dramatically in recent years. The total projected cost for licensing, enforcement and compliance for the taxi and private hire trades over the next five years is £209m. It is estimated that over the next five years enforcement costs alone will reach £30 million from a previous estimate of £4m.

The proposed new fee structure includes a new five 'tier' system, which would replace the existing two 'tiers' where operators with no more than two vehicles pay £1,488 and those with more than two pay £2,826 for a five year licence.

It is proposed that charges will range from around £2,000 for a five year licence for those with 10 vehicles or fewer, to £167,000 plus £68 per car for large operators with more than 1,000 vehicles. This would ensure the licence fee structure for private hire operators reflects the costs of licensing and compliance activity.

Close to half of all operators have 10 vehicles or fewer and just five per cent of companies have over 100 vehicles registered with them to carry out bookings. TfL is also asking for views on whether there should be an option for operators in the top three tiers to pay their fees in annual instalments.

TfL will consider, on a case by case basis, whether private hire operator licences of a shorter duration should be issued, until the outcome of the consultation process is known and any changes are implemented.

The consultation closes on 16 June 2017. Customers and stakeholders can respond by visiting: <https://consultations.tfl.gov.uk/tph/private-hire-proposals>.

Regards,

A handwritten signature in black ink, appearing to read 'H Chapman', with a long horizontal flourish extending to the right.

Helen Chapman
General Manager
London Taxi and Private Hire

20 April 2017

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