



Release: TBC

Mayor refuses to review ‘astronomical’ license fee rises that ‘will put hundreds of minicab firms out of business’

- Medium-sized companies face increases of up to 12,000 per cent
- Sadiq Khan challenged to review plan by London Assembly member Gareth Bacon
- Mayor refuses despite pleas from private hire industry representatives

Sadiq Khan today refused to review ‘astronomical’ increases in minicab licence fees, despite claims it will put hundreds of firms out of business.

During Mayor’s Question Time, London Assembly Member Gareth Bacon challenged the Mayor to look again at Transport for London’s decision to introduce ‘dramatic and disproportionate’ rises for private hire operators.

His refusal comes despite pleas and threats of legal action from across the private hire industry, including the chairman of the Licensed Private Hire Car Association and the GMB union.

Under TfL’s proposals, private hire firms across London will face huge increases in the cost of a five-year private hire operator’s license.

Operators with between 101-500 cars will see their licence fees jump by over £147,000 – or 5,200 per cent. Meanwhile, operators with 501-1000 cars face an increase of over £347,000 – or 12,000 per cent.

At City Hall today, the Mayor refused to instruct TfL to reconsider the rises, despite claims it will increase costs and reduce choice for Londoners.

London Assembly member Gareth Bacon said: “These astronomical increases are aimed at making bigger firms like Uber pay more for the large numbers of drivers they operate.

“The side effect is a crushing financial burden on hundreds of small and medium-sized minicab firms that will be wiped out by these fees.

“TfL’s argument that it wants to address costs and improve standards do not justify dramatic and disproportionate increases of up to 12,000 per cent.

“This is a blatant attack on small business owners that will have a knock-on effect for consumers and completely goes against the Mayor’s rhetoric of London being open for business.

“The Mayor today had an opportunity to look again at these plans and address the disproportionate impact on smaller firms. Instead he refused.”

Steve Wright MBE, chairman of the Licensed Private Hire Car Association (LPHCA) which represents hundreds of thousands of drivers in London, said: “If TfL sticks to these plans then hundreds of operators in London will go bust and thousands of jobs will be lost.

“Those operators that do survive will be forced to increase costs to hard working drivers and raise their prices so ordinary Londoners and drivers will suffer.

“TfL should engage properly with operators and think again as London Private Hire Operators, drivers and passengers must not pick up the cost for shortfalls in the TfL budget.”

ENDS.

Notes

- Gareth Bacon is the group leader of the GLA Conservatives
- See the full exchange between the Mayor and Gareth Bacon AM here:
https://www.youtube.com/watch?v=QY_07PIFaOk

For more information or to arrange an interview, please contact the press office below.

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