

By email: mikebrown@tfl.gov.uk

Date: 03/03/2016

Dear Mike,

I'm writing to express my concern over the way in which TfL is mandating credit card payments for Black Taxis. Although I am a strong supporter of the mandate in principle there are important aspects of it which I think are unfair. I have been contacted by Black Taxi drivers and trade representatives about this.

There are two ways in which the approach is unfair:

1. Fares – the 20p flag increase is inadequate to cover the charges Black Taxi drivers will incur by paying the 3% charge on credit card payments. Any journey paid for by credit card that costs more than £6.67 will result in a loss for the driver. My guess is that most fares are over that amount and that an increasingly large proportion of fares will be paid by credit card.
2. Requiring a fixed TfL-approved payment device. This is something that Black Taxi drivers will have to pay for and it is likely to be more expensive than an off the shelf mobile device. Drivers who are already offering credit card payments will be out of pocket. A fixed terminal will also be more vulnerable to vandalism by passengers and if the device is damaged the taxi will not be able to operate legally.

I recognise of course that mandating credit card payments will better able Black Taxis to compete, but there is the danger of yet more costs being heaped on the trade at a time when being a Black Taxi driver is increasingly difficult. Surely the change should be designed to be cost neutral. I have some questions that I think would help clarify the situation:

- What is the average fare for a trip in a Black Taxi in London?
- For Black Taxis that currently offer credit card payments, what proportion of their payments are made by credit card?
- What is the likely cost of buying and installing a TfL-approved fixed payment device?
- How does this compare to mobile models currently being used?
- Will there be any financial assistance from TfL to help drivers make the switch?
- Under the mandate if a Black Taxi's payment device breaks will the driver have to stop operating until the device can be fixed or replaced?
- Is it TfL's intention that this change will be cost neutral for Black Taxi drivers?

Please could you arrange for these questions to be answered in the near future, and also answer points (1) and (2) above. I would like to ask you to urgently review the current approach to make sure it is fair.

With best wishes,

A handwritten signature in black ink, appearing to read 'Caroline Pidgeon', with a stylized flourish at the end.

Caroline Pidgeon AM

Leader of the London Assembly Liberal Democrat Group