Full Guide to Startup a Small Taxi Cab Business in the UK

Steps to Startup a Small Taxi Cab Business in the UK

Create a Well-Laid Out Business Plan

After you've come up with an idea, the first step in starting your business is to create a well-laid out business plan. Not only will a bank require you to have a business plan, but several studies have shown that having a detailed business plan will increase your chances of starting a successful business.

Know Your Competition

How big is your taxi business in your area? What services do your competitors provide? Is there a market for a specific type of taxi? These few questions are required to learn about the competition before entering the taxi business. As the owner of a taxi startup, you must be aware of your competitors. Knowing your competition is essential to stay ahead of the competition.

Form a Business Structure

A business structure (also referred to as a legal structure or business entity) is the legal framework by which a company operates. There are four types of legal business entities to think about: Sole Proprietorship, Partnership, Corporation, and Limited Liability Company (LLC). Each entity type has its benefits and drawbacks, including liability exposure, costs, and administrative requirements.

Name Your Business

Choosing the best name for a taxi cab company can be difficult. The name must not only be memorable to your customers, but it should also be available for use.

Arrange Funding

As we all know, to start a taxi cab business, a business owner must first secure funding for a successful taxi service. However, business owners can seek loans from banks or private investors, and some form business partnerships. So, always make sure that your finances are in order before starting a taxi cab business.

Get Necessary Licenses and Permits

Taxi/cab businesses must hold several licenses and permits to operate. Apart from getting licenses and permits required for a business, the business owners must ensure that all their

employees have valid driver's licenses and any other additional licenses or permits required for the type of vehicles driven.

Want to automate and modernize you Taxi fleet?

[Get Exclusive Demo (free)](#)

Get Business Insurance

Starting a taxi cab business involves a lot of risks. Accidents, theft, or vehicle failure can all mean a loss. However, such losses get covered under the right insurance plan. Every cab/taxi you buy must have comprehensive insurance. Insurance offers the required liability insurance for your vehicles and drivers. Getting your fleet insured is vital to protect the business against future loss.

Hiring Staff, Do it Legally

A taxi company can employ a single driver or an entire fleet of drivers. Hiring staff, on the other hand, incurs expenditures in addition to pay. Workers' compensation insurance, unemployment insurance, health-care payments, and paid time off for full-time drivers, on the other hand, should all be included in your budget.

Get Your Taxi App

Taxi Apps are an excellent way to grow your online taxi business. It connects you to your customers more effectively than a website or a Facebook page. You'll be able to help your customers, hear their feedback firsthand, and make your service available with a single tap on their smartphones. And with the right on-demand app development company, you can even have a user-friendly, fully **customized taxi dispatch system** that fits into your budget and satisfies your business needs.

What is the Next Step?

Keeping track of your drivers and managing your fleet becomes challenging if you run your taxi business the traditional way. A robust taxi dispatch software with a GPS, on the other hand, can solve these kinds of issues. It enables you to monitor all of your drivers' actions. Any of your drivers who are taking longer-than-necessary trips can be alerted, saving you both time and money.

You'll need a robust, technically advanced taxi dispatch software to manage your taxis/cabs and transportation fleet business if you want to compete with on-demand taxi service providers

like Uber. If you're looking for a completely automated taxi dispatch system that can monitor, dispatch, and automate your vehicles for optimal efficiency, you've come to the right spot. We [UnicoTaxi](#) can help you get complete control over your business. Our [cloud-based taxi dispatch software](#) system automates everything from dispatching to accounting, booking to billing, passenger management, and amazingly more.

So, What Are You Going to Do Now?

Hire the best developers for your [taxi dispatch app](#), or get a ready-made white label solution to end all of your taxi woes.

Wrapping Up

Taxi service has become an essential mode of transportation not just in one country or city, but all over the globe. The convenience of booking a taxi has boosted demand for ride-hailing services, making the taxi industry one of the world's fastest-growing sectors. Uber, Lyft, Ola, and [other taxi dispatch software](#) companies are perfect examples of how they can make a big difference in handling a taxi business.