

# **REPORT OF THE EXECUTIVE DIRECTOR OF CITY SERVICES**

## **REGULATORY COMMITTEE – 3 SEPTEMBER 2012**

### **REFORMING THE LAW ON TAXI AND PRIVATE HIRE SERVICES**

#### **A CONSULTATION PAPER BY THE LAW COMMISSION**

##### **1.0 PURPOSE OF THE REPORT**

- 1.1** To seek the Committee's approval to respond to a consultation document issued by the Law Commission with regard to the proposed reform of the law relating to taxi and private hire services in England and Wales.

##### **2.0 DESCRIPTION OF DECISION**

- 2.1** The Committee is requested to consider the proposed responses to the above-mentioned consultation document set out in Appendix 1 and agree to respond to the Law Commission.

##### **3.0 INTRODUCTION/BACKGROUND**

- 3.1** On 10 May 2012 the Law Commission published a consultation document outlining their proposals as to how to reform the law on taxi and private hire services in England and Wales. The aim of the reform is to review the law relating to the regulation of taxis and private hire vehicles with a view to its modernisation and simplification, having due regard to the potential advantages of deregulation in reducing the burdens on business and increasing economic efficiency.
- 3.2** The Committee at its meeting of 23 July 2012 considered a report on the consultation issued by the Law Commission and discussed in detail some of the proposals and questions contained in that document.

##### **4.0 CURRENT POSITION**

- 4.1** The Law Commission have set a closing date for the submission of comments in respect of this document of 10 September 2012.
- 4.2** Licensing Officers have prepared draft responses to those proposals and questions outlined in the consultation document apparently most pertinent to this City and a copy of these are attached to the report at Appendix 1.
- 4.3** The Committee is requested to consider these proposed responses and agree to reply to the consultation paper of the Law Commission.

## **5.0 REASONS FOR THE DECISION**

**5.1** To inform legislators.

## **6.0 ALTERNATIVE OPTIONS**

**6.1** None submitted.

## **7.0 RELEVANT CONSIDERATIONS**

**7.1** None.

## **8.0 GLOSSARY**

**8.1** None.

## **9.0 APPENDICIES**

**9.1** Appendix 1 – Responses to questions asked in the Law Commission Consultation Document.

## **10.0 BACKGROUND PAPERS**

**10.1** None.

# **Appendix 1**

## **PROPOSED CONSULTATION RESPONSES RE REFORM OF LAW ON TAXIS AND PRIVATE HIRE VEHICLES**

### **Provisional proposal 1**

Regulation should continue to distinguish between taxis, which can accept pre-booked fares, be hailed on the street and wait at ranks, and private hire vehicles, which can only accept pre-booked fares.

*Response – Agree*

### **Provisional proposal 11**

Weddings and funerals should no longer be expressly excluded from private hire licensing through primary legislation.

*Response – Agree*

### **Provisional proposal 15**

The defining feature of taxis, the concept of “plying for hire”, should be placed on a statutory footing and include:

- (a) references to ranking and hailing;
- (b) a non-exhaustive list of factors indicating plying for hire; and
- (c) appropriate accommodation of the legitimate activities of private hire vehicles.

*Response – Agree*

### **Provisional proposal 19**

Pre-booking would continue to be the only way of engaging a private hire vehicle and cover all technological modes of engaging cars. This is without prejudice to the continued ability of taxis to be pre-booked.

*Response – Agree*

### **Provisional proposal 24**

Taxi and private hire services should each be subject to national safety requirements.

*Response – Agree*

### **Provisional proposal 25**

National safety standards, as applied to taxi services, should only be minimum standards.

*Response – Disagree. Local authorities should be able to apply local policies above any national standard determined in order to meet the specific requirements of their communities.*

### **Provisional proposal 26**

National safety standards, as applied to private hire services, should be mandatory standards.

*Response – Disagree. Local authorities should be able to apply local policies above any national standard determined in order to meet the specific requirements of their communities.*

### **Provisional proposal 27**

Private hire services would not be subject to standards except those related to safety. Requirements such as topographical knowledge would no-longer apply to private hire drivers.

*Response – Disagree. We consider topographical knowledge is necessary for holders of both hackney carriage and private hire driver's licences.*

### **Question 28**

Should local standard-setting for private hire services be specifically retained in respect of vehicle signage? Are there other areas where local standards for private hire vehicles are valuable?

*Response – Agree that local authorities should be able to apply local policies in respect of vehicle signage.*

### **Question 29**

What practical obstacles might there be to setting common national safety standards for both taxis and private hire vehicles?

*Response –A poor standard may be applied nationally.*

### **Question 30**

Should national conditions in respect of driver safety be different for taxi services compared with private hire services?

*Response – No, the same standards should apply for taxi and private hire services.*

### **Provisional proposal 34**

Licensing authorities should retain the power to set standards locally for taxis provided above the minimum national standards.

*Response – Agree. Local authorities should be able to apply local policies above any national standard determined.*

### **Question 35**

Should there be statutory limits to licensing authorities' ability to set local taxi standards?

*Response – No. A local authority should be able to set local standards based upon local knowledge of the needs of its community. The present system of unmet demand surveys serves our community well.*

### **Question 36**

Should licensing authorities retain the power to impose individual conditions on taxi and private hire drivers or operators?

*Response – Yes. Local authorities should retain the power to apply local policies above any national standard determined.*

### **Provisional proposal 38**

Neighbouring licensing authorities should have the option of combining areas for the purposes of taxi standard setting.

*Response – Agree.*

### **Provisional proposal 39**

Licensing authorities should have the option to create, or remove, taxi zones within their area.

*Response – Agree.*

### **Question 40**

Would it be useful for licensing authorities to have the power to issue peak time licences which may only be used at certain times of day as prescribed by the licensing authority?

*Response – No. We foresee practical difficulties e.g. enforcement around timings.*

#### **Provisional proposal 41**

Private hire operators should no longer be restricted to accepting or inviting bookings only within a particular locality; nor to only using drivers or vehicles licensed by a particular licensing authority.

*Response – Disagree. This would create severe enforcement difficulties.*

#### **Provisional proposal 42**

We do not propose to introduce a “return to area” requirement in respect of out of-area drop offs.

*Response – Agree.*

#### **Provisional proposal 43**

Licensing authorities should retain the ability to regulate maximum taxi fares. Licensing authorities should not have the power to regulate private hire fares.

*Response – Agree.*

#### **Question 44**

Should taxis be allowed to charge a fare that is higher than the metered fare for pre-booked journeys?

*Response – Disagree. This would cause confusion to the public.*

#### **Provisional proposal 46**

Vehicle owners should not be subject to “fit and proper” tests and the criteria applied would relate solely to the vehicle itself.

*Response – Disagree. Regulation of vehicle owners is an important tool in order to protect passengers.*

#### **Provisional proposal 48**

Operator licensing should be retained as mandatory in respect of private hire vehicles.

*Response – Agree.*

#### **Provisional proposal 52**

Operators should be expressly permitted to sub-contract services.

*Response – Agree.*

#### **Provisional proposal 54**

Licensing authorities should no longer have the power to restrict taxi numbers.

*Response – Disagree. Local authorities should be able to retain local control of their hackney carriage licences. This proposal is not in the interests of our travelling public in that it will lead to congestion in our City Centre.*

#### **Question 55**

What problems (temporary or permanent) might arise if licensing authorities lost the ability to restrict numbers?

*Response – Traffic congestion and pressure on constrained rank space.*

#### **Question 56**

Should transitional measures be put in place, such as staggered entry to the taxi trade over a scheduled period of time, if quantity restrictions are removed?

*Response – Agree that, should de-restriction occur, staggered entry to the trade would be advantageous.*

#### **Provisional proposal 61**

National standards for drivers of both taxis and private hire vehicles should include recognised disability awareness training.

*Response – Agree.*

#### **Provisional proposal 68**

Enforcement officers should have the powers to enforce against vehicles, drivers and operators licensed in other licensing areas.

*Response – We do not disagree in principle but any proposals to allow more out-of-area working will lead to a drop in licence income in some areas. Without income to fund licensing officers, additional powers are pointless.*

#### **Question 69**

Should cross-border enforcement powers extend to suspensions and revocation of licences? If so what would be the best way of achieving this?

*Response – The cost of Committee hearings and court cases (on appeal) are unlikely to be affordable by local authorities where many of the vehicles providing private hire services are licensed by other local authorities.*