

TO: LICENSING AND SAFETY COMMITTEE
11 OCTOBER 2012

LAW COMMISSION CONSULTATION ON TAXI AND PRIVATE HIRE SERVICES
Director of Environment, Culture and Communities

1 INTRODUCTION

1.1 The purpose of this report is to make the Committee aware of provisional proposals of reform to the legislation governing hackney carriage and private hire vehicles, drivers and operators.

2 SUPPORTING INFORMATION

2.1 In July 2011, the Law Commission agreed to undertake a law reform project on the law of taxis and private hire vehicles as proposed by the Department for Transport. The resulting consultation paper reviews the law, and makes provisional proposals for reform. The consultation closes on 10 September 2012, and the response sent by the Council is attached at Annex A. The Law Commission plans to publish a final report with a draft Bill in November 2013. It will be for Parliament to decide whether to change the law.

2.2 The common view is that the law on taxis and private hire vehicles is fragmented, complex, and out of date. The oldest taxi legislation that still applies dates from 1831 and the regime has been extended, amended and adapted ever since. Private hire legislation was not introduced until 1976, in response to growth in the unlicensed trade, and many regard it as hastily constructed and ill thought out.

2.3 The aim of the reform project is to clarify and simplify the existing law on taxis and private hire vehicles and to promote more consistency in safety standards across England and Wales, including better provision for disabled passengers. The other key aim is to deregulate aspects not linked to protecting public safety in order to encourage more competitive services.

2.4 The Law Commission does not propose significant changes to the way in which licensing is administered and enforced. As now, local authorities would be responsible for issuing licences, and for taking action (with the police) against those who break the law.

2.5 The proposals retain the distinction between taxis which can 'ply for hire' on the street or a taxi rank, and private hire vehicles which can only be pre-booked. This is sometimes referred to as the two tier system.

2.6 The key proposed changes are:

- National minimum safety standards for both taxis and private hire vehicles.
- Changes to standard-setting: additional local standards, above the national standards, would continue to apply to taxis (for example knowledge tests and vehicle requirements). However, for private hire vehicles, only the national standards would apply and there would be no scope for additional local standards.
- Private hire operators would no longer be restricted to accepting or inviting bookings only within a particular locality; nor to only using drivers or vehicles licensed by the same licensing authority. Subcontracting would be allowed.
- Licensing authorities could no longer limit the number of taxi licences.
- More enforcement powers for officers against out-of-borough vehicles and drivers.
- Disability awareness training for drivers.
- Weddings and funeral cars would no longer be exempted through primary legislation.

Unrestricted

- Allowing leisure use of taxis and private hire vehicles.
- Bringing more vehicles within the licensing system (including for example limousines, motorbikes and pedicabs) and clearer exclusions for volunteers and other services where transport is not the main service provided, such as childminders.
- Powers for government to issue binding statutory guidance to create greater consistency in how taxi and private hire legislation is applied.

2.7 The Law Commission also suggest that consideration should be given to

- a new category of wheelchair accessible vehicles;
- extending operator licensing to taxi radio circuits;
- possible use of the term “taxi” in respect of private hire services if used in phrases like “pre-booked taxi only”;
- reintroducing a (revised) contract exemption;
- improving the enforcement powers of licensing officers; and
- a new “peak time” taxi licence that could only be used at particular times of day as decided by the licensing authority.

2.8 The most significant change would be that the Council would no longer have the power to set standards in respect of private hire licensing. The view of the Law Commission is that the pre-booked market works reasonably well as a competitive market, and so there is no need for rules and regulations to guarantee quality.

Background Papers

Law Commission Consultation: Reforming the Law of Taxi and Private Hire Services

<http://lawcommission.justice.gov.uk/consultations/1804.htm>

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