

LICENSING AND REGULATION COMMITTEE

12 DECEMBER 2006

APPLICATIONS FOR HACKNEY CARRIAGE AND PRIVATE HIRE DRIVER LICENCES -  
POLICIES AND PROCEDURES

REPORT OF CITY SECRETARY AND SOLICITOR

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

This report sets out suggested policies and procedures to be applied in the case of applications for driver's licences for hackney carriages and private hire vehicles. It also sets out progress made on the review of conditions and byelaws, and summarises recent Guidance issued by the Department of Transport in respect of Taxi and Private Hire Licensing.

RECOMMENDATIONS:

1. That the Policies and Procedures for Applications for Hackney Carriage and Private Hire Driver Licences attached as Appendix 1 to this report be approved as a draft document for consultation with relevant representatives of the taxi and private hire trade.
2. That the Guidance issued by the Department of Transport be noted and taken into account in future reviews of policies, conditions, and byelaws on taxi and private hire licensing.

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##### DETAIL:

#### 1 Introduction

- 1.1 Members will be aware that for the past year, officers have been working on revising existing licensing conditions and byelaws in respect of taxis and private hire vehicles. Prior to this, several meetings of the Taxi and Private Hire Working Party had been held to discuss various issues relevant to this work.
- 1.2 This work is continuing, and it is planned to bring various reports to Members over forthcoming meetings of the Committee, so that the various policies, conditions and byelaws can be reviewed to bring them up to date with current legislation, practice, and circumstances.

#### 2 Policies and Procedures in respect of Applications for Hackney Carriage and Private Hire Driver Licences.

- 2.1 Appendix 1 sets out suggested Policies and Procedures in respect of Applications for Hackney Carriage and Private Hire Driver Licences. This document covers some of the matters discussed by the Taxi and Private Hire Working Party, including the use of a knowledge test and driving test.
- 2.2 Members will note that exemptions to the requirement for knowledge and driving tests are suggested for drivers who are solely engaged on schools or disabled contracts. This is due to the fact that the County Council experiences difficulties in obtaining sufficient numbers of drivers to carry out this work. Many of the drivers engaged on these jobs will not do any other form of licensable driving, and if knowledge and driving tests were to be imposed, they would choose not to work for the County Council. Drivers still need to be licensed by the City Council, and checks on medical condition, criminal convictions and references are all carried out. The County Council are satisfied with these checks, and in any event would be able to remove a driver who did not satisfy their requirements from this type of work. Driver Licences which are covered by this exemption specifically preclude any other licensed work being carried out.
- 2.3 The document also includes a formal policy on how convictions will be taken into account when dealing with drivers' applications, and cases where suspension or revocation is being considered. The policy is based on a policy produced originally by the Metropolitan Police for London, and which has been adapted and used by most local authorities.
- 2.4 It is recommended that this document is published as a draft for consultation purposes, and that relevant representatives should be consulted. The results of such

a consultation exercise would then be brought back to the Committee so that the policy can be formally adopted.

### 3 Department of Transport Guidance

3.1 The Department of Transport has recently published Guidance on 'Best Practice' in relation to licensing of Taxi and Private Hire Vehicles. A copy of the full Guidance is included as Appendix 2.

3.2 Key aspects of the Guidance are summarised below.

#### **Quantity Restrictions**

3.3 For at least the past twenty years, Winchester has not imposed any quantity restrictions on the number of hackney carriages which it licensed. Restrictions on the type of vehicle licences have been imposed, requiring that all vehicles where a new licence is issued must be "wheelchair capable", i.e. the vehicle must be capable of loading and transporting a passenger seated in a wheelchair, safely and easily, without the need for the passenger to get out of the wheelchair.

3.4 The holders of vehicle licences are able to transfer the licence (or "plate") to other vehicles. Plate numbers 1 to 48 were issued prior to the new requirements for vehicles to be wheelchair capable, and have historically been allowed to be used and transferred to saloon cars (which clearly are not wheelchair capable). The remaining plates, and any new ones issued, can only be used to licence a wheelchair capable vehicle.

3.5 There are therefore no quantity restrictions, in that licences will continue to be issued to new applicants, provided the proposed vehicle is wheelchair capable. The issue of restrictions is dealt with by paragraphs 29 to 35 of the Guidance under 'Quantity Restrictions of Taxi Licences outside London'.

3.6 The Guidance recommends a survey be carried out every three years if there is a restriction. This would then determine whether or not there is any "unmet demand" – in order to maintain or introduce a restriction, the Council must be satisfied that there is no unmet demand. As there is no restriction in place, a survey would not be necessary unless a restrictive policy were to be proposed. No survey has been carried out in the Winchester District for many years.

3.7 The Guidance confirms that best practice is to avoid imposing restrictions. There are no proposals to carry out a survey at present. A survey for Winchester would cost the Council around £25,000, and it is proposed that the question of whether or not such a survey should be carried out should be considered at the same time as the licence conditions for vehicles are reviewed, as the topics of vehicle type and quantity are closely linked (see below on Accessibility).

#### **Accessibility.**

3.8 Currently, there is a mixed fleet of taxis. There are currently 48 plates which can be used for saloon cars, and 73 wheelchair capable vehicles (which include both purpose built and conversions). As the "saloon" plates can be transferred to other saloon cars, there is a significant element of the fleet which does not provide for wheelchair users.

- 3.9 Members will be aware of the Disability Discrimination Act 2005, which prohibits discrimination against disabled people in a wide variety of areas. Certain exclusions applied, however, including parts of the transport sector such as buses and taxis. From 4 December 2006, new Regulations come into force which lift this exemption. Although these Regulations will not require taxis to be to a certain specification, it would be an appropriate time to review the saloon plate allocation. This will be done as part of the review of the vehicle licence conditions, which will be the subject of a separate report. However, it may be necessary to retain a choice of vehicles for potential customers, as many elderly people prefer to be carried in a saloon car rather than a wheelchair capable vehicle, which often are larger vehicles.
- 3.10 The Guidance (at paragraph 17) sets out the details of the changes under the new Regulations. Members will note that licensing authorities such as the City Council will be required to review any practices, policies and procedures that make it impossible or unreasonably difficult for a disabled person to use their services, and the forthcoming work will cover this aspect.

### **Driver Licensing**

- 3.11 Paragraphs 39-55 of the Guidance deal with driver licensing, which is the subject of the draft Policies and Procedures document in Appendix 1.
- 3.12 The best practice set out in the Guidance reflects current practice at Winchester. Appendix 1 aims to set out in a single document the Council's requirements and general approach.

### **Enforcement**

- 3.13 Paragraphs 56-59 of the Guidance deal with enforcement.
- 3.14 With the completion of the transition to the new licensing regime under the Licensing Act 2003, officers have been able to undertake more enforcement work on taxis and private hire vehicles. This work has included several evening check patrols, as well as continuing to monitor activities during normal daytime working hours.
- 3.15 Officers are also in discussions with the Police and the Vehicle and Operator Service Agency (VOSA) to carry out joint enforcement work.

### **Flexible Transport Services**

- 3.16 Paragraphs 63-66 encourage local authorities to develop Flexible Transport Services. Initial discussions are under way with Private Hire Operators to investigate how this could be developed in Winchester.

## **4 Review Programme**

- 4.1 As indicated above, the review of conditions and policies is being dealt with in a series of review documents, each dealing with a particular area. It is intended that draft documents will be brought to Members for any comments, prior to being published for consultation purposes. The results of this consultation will then be reported back to the Committee, for it to then agree the final form of the document. It may be appropriate for the Taxi and Private Hire Working Party to consider these documents first, before they are referred to the Licensing and Regulation Sub-Committee, especially those dealing with driver conditions and vehicle licences.

- 4.2 This report and Appendix 1 deals with general principles for Driver's Licences, and also includes the proposed policy on criminal convictions. A further document will be prepared, initially for consideration by the Taxi and Private Hire Working Party, looking at the conditions and byelaws which regulate in detail the conduct of drivers. Once considered by the Working Party, the document would be referred to the Licensing and Regulation Committee for approval as a consultation draft. A final document, taking into account the results of the consultation, would then be brought back to the Committee for the revised conditions/byelaws to be approved and adopted.
- 4.3 The second document, which is also well advanced at present, will deal with vehicle issues (such as type, appearance, etc.), and will undergo a similar process to that outlined in 4.2 above.
- 4.4 A further document would deal with Private Hire Operators, and a final document may be produced setting out the Council's enforcement policy.

#### OTHER CONSIDERATIONS:

##### 5 CORPORATE STRATEGY (RELEVANCE TO):

- 5.1 The licensing function relates to the priorities of "Homes and Jobs" and "Safer and More Inclusive Communities".

##### 6 RESOURCE IMPLICATIONS:

- 6.1 The resources required are largely officer time to prepare the review documents, together with minor expenses to consult relevant groups. All of this can be contained within existing budgets.

#### BACKGROUND DOCUMENTS:

Department of Transport Guidance (Appendix 2).

Department of Transport Circular 2/92

#### APPENDICES:

Appendix 1 - Policies and Procedures in respect of Applications for Hackney Carriage and Private Hire Driver Licences.

Appendix 2 - Department of Transport Guidance – Taxi and Private Hire Vehicle Licensing: Best Practice Guidance – October 2006



## ***APPLICATIONS FOR HACKNEY CARRIAGE AND PRIVATE HIRE DRIVER LICENCES- POLICIES AND PROCEDURES***

### 1. Ability to Speak and Understand English

Licence-holders will need to be able to deal with passengers and must therefore be able to understand and converse in English to an adequate standard for this purpose.

### 2. Driving Licence

Applicants must have held a full driving licence for at least 12 months, granted by a country which belongs to the European Union or is within the European Economic Area (Iceland, Liechtenstein, and Norway are not in the EU, but are members of the EEA). An applicant from any country outside of these will have to pass a U.K. driving test and hold for at least 12 months before re-applying.

### 3. Entitlement to Work in UK

The Council co-operates with the Home Office by scanning all application forms and forwarding these to the Home Office to ensure that applicants are entitled to work as a hackney carriage/private hire driver in the UK.

### 4. Assessing Applicants' Fitness and Propriety

All applicants must supply details of two referees from whom references may be obtained by the Council. Referees cannot be a member of the applicant's family or connected with the taxi trade. At least one reference must be from a previous employer.

Applicants who were not born in the U.K. and/or have not lived in the U.K. for 10 years must supply a certificate of good conduct from their embassy or home country.

### 5. Criminal Records Bureau Check

All applicants must complete and submit with their application a Criminal Records Bureau application form. This form will be submitted by the countersigned by the Council and submitted to the Bureau. Any convictions disclosed will be taken into account in deciding whether or not to grant the application in accordance with the Policy on Criminal Convictions.

Notwithstanding the Council's requirements for a Criminal Records Bureau check, applicants **MUST** disclose full details of their criminal convictions (including any "spent" convictions under the Rehabilitation of Offenders Act 1974), on the application form. An applicant's failure to disclose convictions which are subsequently disclosed under the Criminal Records Bureau check will be taken into account when considering their application.

### 6. Driving Standards

In addition to possessing a driving licence issued by a relevant country, all applicants are required to undertake and produce a pass certificate from the Driving Standards Agency Taxi Assessment Test. The City Secretary and Solicitor has discretion to require any licensed hackney carriage or private hire driver to undergo and pass a Taxi Assessment Test where he is satisfied that the

driver's standards of driving or general conduct are such that such an assessment is desirable (LR 52, Licensing and Regulation Committee 19 February 2002 refers).

### Exemptions

Drivers licensed for Schools and Disabled Contracts only

#### 7. Knowledge Test.

All applicants will be required to take and pass the Private Hire and Hackney Carriage Knowledge Tests. Tests will be conducted by the Council on a regular basis, usually once a month.

Private Hire Knowledge Tests are used to examine an applicant's knowledge of streets, public houses, hotels and other important locations within the Winchester Town area (i.e the six Town Wards together with Olivers Battery, Kings Worthy and Harestock).

Hackney Carriage Knowledge Tests are used to examine an applicant's knowledge of the whole of the Winchester City Council area which runs from Sutton Scotney to the north, Portsdown Hill to the south, Hursley to the west and West Meon to the east.

The pass mark for both tests is 80%. Applicants who achieve between 75% and 79% may undertake a further oral test with the Licensing and Registration Manager, comprising 10 questions. Applicants who are able to answer 8 questions or more will be treated as having passed the Knowledge Test. Applicants who fail the oral test may retake the oral test on up to two further occasions. Applicants who fail three successive oral tests will be required to wait one year and resit the written exam.

### Exemptions

Private Hire knowledge tests are required for any driver working in the Winchester Town area for Winchester based Private Hire Operators.

(a) Drivers from outside this area are not required to take a private hire knowledge test, but it will be necessary if they transfer to a Winchester operator.

(b) Drivers licensed for Schools and Disabled only are exempt from the requirement to undergo a knowledge test.

## Hackney Carriage and Private Hire Driver's Licences - Policy on Criminal Convictions.

### GENERAL

1. This Policy applies to the following:-
  - a. Applications for a Hackney Carriage/Private Hire Driver's Licence;
  - b. Revocation of an existing Hackney Carriage/Private Hire Driver's Licence;
  - c. Suspension of an existing Hackney Carriage/Private Hire Driver's Licence.
2. Each case will be decided on its own merits.
3. A person with a conviction for a serious crime will not normally be permanently barred from obtaining a licence but **should** be expected to remain free of conviction for 3 to 5 years, according to the circumstances, before the application is entertained. However, persons with convictions of a sexual or child related nature or other very serious crime will not normally be issued with a licence.
4. The Council will exercise discretion where an offence is isolated and there are mitigating circumstances. However, the overriding consideration in all cases will be the protection of the public.
5. The City Secretary and Solicitor (acting through the Licensing and Registration Manager) has delegated authority to issue Driver's Licences. In any case where he considers it appropriate to do so, he may refer the application to the Licensing Sub Committee for it to determine whether or not an application for a licence should be granted (or, where a licence has already been granted, whether that licence should be suspended or revoked).
6. The Council accepts that where an applicant/licensee has been found guilty of a criminal offence, the Court will have imposed what it considers to be an appropriate penalty for that offence. Accordingly, in considering convictions for such offences, the Sub-Committee dealing with a case should not 're-try' any offence for which the applicant/licensee has pleaded guilty or been found guilty by a court of law. However, it should take into account the type and nature of the offence, and the penalty handed down for the offence, and should bear in mind the fact that the paramount consideration is the protection of the public.
7. For the same reason, offences will not be disregarded simply on the basis that the offender has served his or her sentence, and has therefore paid the appropriate penalty for his or her crime. In considering whether to grant an application for a licence, or to suspend or revoke an existing licence, the Sub-Committee is not deciding what penalty to impose, but whether or not the public will be adequately protected.
8. The Council considers that in determining applications for licences, or deciding whether to revoke or suspend licences, the Sub-Committee proceedings will constitute "proceedings before a judicial authority" within the meaning of Section 4(6) of the Rehabilitation of Offenders Act 1974, and therefore, where the Sub-Committee hearing a case considers that justice cannot be done except by admitting evidence relating to spent convictions, such evidence may be admitted in accordance with Section 7 of that Act. Given the need to protect the public, it is likely that in the case of spent convictions involving serious offences. (e.g. death by dangerous driving, drugs, violence, sexual offences or offences of an habitual nature), evidence of such convictions will be admitted.



## **SPECIFIC EXAMPLES OF OFFENCES**

### Minor Motoring Offences

9. Isolated convictions for minor traffic offences e.g. obstruction, waiting in a restricted street, speeding, etc should not prevent a person from proceeding with an application. Any new applicant must have held a full drivers licence for a period of 12 months without any period of suspension during those 12 months. Licence Holders convicted of such offences during the period of licence may be warned as to future conduct, and informed that any disqualification may lead to revocation of any hackney carriage or private hire licence issued by the Council

### Major Traffic Offences

10. An isolated conviction for reckless or dangerous driving or driving without due care and attention etc will normally merit at least a warning as to future driving and advice on the standards expected of hackney carriage and private hire drivers. In addition, an existing licence holder will normally be required to take (or retake) a Driving Standards Agency Taxi Assessment Test. More serious convictions and those with more than one conviction for these type of offences within 2 years will merit revocation of any existing licence, or a refusal of the application in the case of new applicants, and no further application will then be considered until a period of at least three years from the time the conviction has elapsed.

### Drunkenness

#### (i) With a motor vehicle

11. A serious view will be taken of convictions of driving or being in charge of a vehicle under the influence of drink. An isolated incident in the past will not necessarily debar an applicant provided he/she has been at least three years free of conviction but strict warnings will be given as to future behaviour. More than one conviction for these offences will raise grave doubts as to an applicant's fitness to hold a hackney carriage or private hire driver's licence. If the applicant is found to be an alcoholic a minimum period of five years should elapse after treatment is completed before a licence application is considered.
12. A driver found guilty of driving passengers for hire and reward under the influence of drink will have his/her hackney carriage or private hire drivers licence revoked immediately and be banned from holding a hackney carriage or private hire drivers licence with the Council for a minimum of five years.

#### (ii) Not in a motor vehicle.

13. An isolated conviction for drunkenness need not debar an applicant from being granted a licence, nor will it automatically be a ground for revoking or suspending an existing licence. However, a number of convictions for drunkenness could indicate a medical problem necessitating a critical examination.

### Insurance Offences

14. A serious view will be taken of convictions of driving or being in charge of a vehicle without insurance. An isolated incident in the past will not necessarily debar an applicant provided at least three years free of conviction have elapsed since the offence, but strict warning will be given as to future behaviour. More than one conviction will raise grave doubts as to the applicant's fitness to hold a hackney or private hire licence. At least three years should elapse (after the restoration of the D.S.A. driving licence) before an applicant is considered for hackney carriage or private hire licence.

15. A driver found guilty of driving passengers for hire and reward whilst without insurance will have his/her driving licence revoked immediately and be banned from holding a hackney carriage or private hire driving licence with the Council for five years.
16. Any applicant with three insurance offences or more will not be considered fit and proper to hold a hackney carriage or private hire licence with the Council.

#### Drugs

17. An applicant with a conviction for a drug related offence should be required to show a period of at least three years free of convictions before any application is entertained, or a minimum of five years after detoxification treatment, if applicant was an addict.

#### Violence

18. As hackney carriage and private hire drivers maintain close contact with the public, a firm line will be taken with applicants who have convictions for grievous bodily harm, wounding or assault. A minimum of three years free of convictions should be shown before an application is entertained and even then a strict warning will be administered. An existing licence holder could expect his/her licence to be suspended or revoked if convicted of these offences.

#### Indecency

19. As hackney carriage and private hire drivers often carry unaccompanied passengers, applicants with convictions for indecent exposure, indecent assault, importuning, or any or the more serious sexual offences, will not normally be granted a licence until they can show a substantial period (at least 3 to 5 years) free of such offences. A strict warning of future conduct would always be given if a licence is granted.

#### Dishonesty

20. Licence holders are expected to be persons of trust. The widespread practice of deliveries for companies, taking children to school, and families on holiday, shows the trust which is placed in such drivers. It is easy for dishonest drivers to defraud foreign visitors when giving change, or other customers by taking them by other than the shortest route. Lost property can be kept by unscrupulous drivers. For these reasons a serious view will be taken of any convictions involving dishonesty. In general, a period of at least three years free of conviction will be required before entertaining an application for a hackney carriage or private hire drivers licence by the Council. Any existing driver convicted of dishonesty may expect any licence held to be suspended or revoked and a possible ban on holding a hackney carriage or private hire drivers licence for a minimum period of three years.

#### Scanners

21. Anyone convicted for an offence involving the unlawful use of a radio scanner will be banned from holding any licence for a minimum of a five year period.

#### Notes

It is an offence for any person knowingly or recklessly to make a false statement or to omit any material particular in giving information required by the application for a licence, punishable by up to seven years imprisonment upon conviction. However with regard to questions concerning previous convictions the applicants attention is drawn to the provisions of section 4(2) of the Rehabilitation of Offenders Act 1974 which, in summary provides that any such question shall be treated as not relating to spent convictions as defined in that Act or to any circumstances ancillary to spent convictions and answer thereto may be framed accordingly. However notice is also brought to Section 4 (2), and 6 and 7 of that same Act that the Local Authority may admit evidence of spent convictions which relate to determining whether an applicant is suitable to hold a licence.

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23 October 2006

*Stephen*

Dear Sir/Madam

**TAXI AND PRIVATE HIRE VEHICLE LICENSING - BEST PRACTICE GUIDANCE**

As you may know, the Department for Transport has been preparing Best Practice Guidance to assist taxi and private hire vehicle (PHV) licensing authorities in England and Wales.

The Guidance has now been published and I enclose a copy for your information. It can also be accessed on the Department's web-site ([www.dft.gov.uk](http://www.dft.gov.uk) - click on "Regional and Local Transport" and then "Taxi"). Though I am enclosing a hard copy now, our intention in future is that the web will be the main means local authorities and others will use to consult the Guidance; further paper copies will not be available from the Department. Updating the web-site document will be the means of making future changes to the Guidance.

It is important to stress that the Guidance does not change the legal position - licensing authorities, of course, still have the legal responsibility for deciding what is best for their area. However, we hope that the Guidance will provide a useful resource in terms of assisting licensing authorities in reviewing their policies and taking decisions.

The taxi and PHV trades, as well as passengers who use taxi services, might also find the Guidance of interest in terms of engaging with the local licensing authority on any review of their local policies.

We are grateful for all the valuable responses to the consultation exercise last year; they were fully considered in drawing up a final version of the Guidance. A summary of the consultation responses, along with a comment on the Government's position on each issue, has also been published on the Department's web-site.

If you have any comments or questions on the Guidance please send them to Andrew Neilson at the above address or e-mail them to [Andrew.Neilson@dft.gsi.gov.uk](mailto:Andrew.Neilson@dft.gsi.gov.uk). (It would be preferable to receive any comments or enquiries in writing rather than by telephone.)

I hope you find the Guidance helpful.

Yours faithfully,

*David Farmer*

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David Farmer

# **Taxi and Private Hire Vehicle Licensing: Best Practice Guidance**

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October 2006

## **Introduction**

1. This Guidance is issued with the aim of assisting those local authorities in England and Wales that have responsibility for the regulation of the taxi and private hire vehicle (PHV) trades.
2. The Guidance follows the publication in November 2003 by the Office of Fair Trading of a market study of the regulation of taxis and PHVs in the UK. One of the recommendations of that study was that the Department for Transport (DfT) should produce guidance on best practice for the local licensing authorities concerned. The Guidance is issued in fulfilment of that recommendation.
3. However, it will be appreciated that it is for individual licensing authorities to reach their own decisions both on overall policies and on individual licensing matters, in the light of their own views of the relevant considerations.
4. The Department consulted on a draft version of the guidance in the autumn of 2005. We are grateful for all the views expressed on that draft. A summary of the consultation responses and our reaction to them is available on the DfT web-site. Some respondents to the consultation draft felt that the document should be made more prescriptive whilst others felt that the draft struck the right balance in this respect. Taxi and private hire vehicle legislation makes it clear that it is primarily for local licensing authorities to make decisions on the matters covered in this guidance. Furthermore, it is right that local circumstances and requirements are taken into account in making these decisions in each licensing area. So we have in general resisted the calls for the guidance to be more prescriptive. The key purpose of the guidance remains, as proposed in the draft version, to assist local decision-making by setting out the main considerations authorities might wish to take into account in reaching the right balance between costs and benefits in determining the licensing policies for their area.

## **The Role of Taxis and PHVs**

5. Taxis (more formally known as hackney carriages) and PHVs (or minicabs as some of them are known) play an important part in local transport. In 2003 some 650 million journeys were made by taxi and PHV in Great Britain, and households spent around £3 billion on taxi and PHV journeys; spending by businesses and foreign visitors was a substantial extra figure. Taxis and PHVs are used by all social groups; low-income young women (amongst whom car ownership is low) are one of the largest groups of users.
6. Taxis and PHVs are also increasingly used in innovative ways - for example as taxi-buses - to provide innovative local transport services (see paras 63-66).

## **The Role of Licensing: Policy Justification**

7. The aim of local authority licensing of the taxi and PHV trades is to protect the public. Local licensing authorities will also be aware that the public should have reasonable access to taxi and PHV services, because of the part they play in local transport provision. Licensing requirements which are unduly stringent will tend unreasonably to restrict the supply of taxi and PHV services, by putting up the cost of operation or otherwise restricting entry to the trade. Local licensing authorities should recognise that too restrictive an approach can work against the public interest - and can, indeed, have safety implications.
8. For example, it is clearly important that somebody using a taxi or PHV to go home alone late at night should be confident that the driver does not have a criminal record for assault and that the vehicle is safe. But on the other hand, if the supply of taxis or PHVs has been unduly constrained by onerous licensing conditions, then that person's safety might be put at risk by having to wait on late-night streets for a taxi or PHV to arrive; he or she might even be tempted to enter an unlicensed vehicle with an unlicensed driver illegally plying for hire.

## Taxi and Private Hire Vehicle Licensing: Best Practice Guidance

9. Local licensing authorities will, therefore, want to be sure that each of their various licensing requirements is in proportion to the risk it aims to address; or, to put it another way, whether the cost of a requirement in terms of its effect on the availability of transport to the public is at least matched by the benefit to the public, for example through increased safety. This is not to propose that a detailed, quantitative, cost-benefit assessment should be made in each case; but it is to urge local licensing authorities to look carefully at the costs - financial or otherwise - imposed by each of their licensing policies. It is suggested they should ask themselves whether those costs are really commensurate with the benefits a policy is meant to achieve.

## **Scope of the Guidance**

10. This guidance deliberately does not seek to cover the whole range of possible licensing requirements. Instead it seeks to concentrate only on those issues that have caused difficulty in the past or that seem of particular significance. Nor for the most part does the guidance seek to set out the law on taxi and PHV licensing, which for England and Wales contains many complexities. Local licensing authorities will appreciate that it is for them to seek their own legal advice.

## **Consultation at The Local Level**

11. It is good practice for local authorities to consult about any significant proposed changes in licensing rules. Such consultation should include not only the taxi and PHV trades but also groups likely to be the trades' customers. Examples are groups representing disabled people, or Chambers of Commerce, organisations with a wider transport interest (eg Transport 2000 and other transport providers), womens' groups or local traders.

## **Accessibility**

12. Local licensing authorities will want to consider how accessible the vehicles they license as taxis are for disabled people (which includes - but is not limited to - people who need to travel in a wheelchair).

13. Licensing authorities will know that the Department has for some years now been working on proposals which would substantially improve taxi provision for people with disabilities. This work is continuing and an announcement will be made in due course. In the meantime licensing authorities are encouraged to introduce taxi accessibility policies for their areas. The Department's letter to local licensing authorities of 9 September 2002, the relevant part of which was repeated in the letter of 16 June 2004, gave more detailed guidance.

14. Different accessibility considerations apply as between taxis and PHVs. Taxis can be hired on the spot - in the street or at a rank - by the customer dealing directly with a driver; but PHVs can only be booked through an operator. It is important that a disabled person should be able to hire a taxi on the spot with the minimum delay or inconvenience, and having accessible taxis available helps makes that possible. For PHVs, it may be more appropriate for a local authority to license any type of saloon car, noting that some PHV operators offer accessible vehicles in their fleet.

## **Existing duties under the Disability Discrimination Act 1995 (DDA)**

15. Since 31 March 2001 licensed taxi drivers in England and Wales have been under a duty (under s.37 of the Disability Discrimination Act 1995) to carry guide, hearing and other prescribed assistance dogs in their taxis, without additional charge. Drivers who have a medical condition that is aggravated by exposure to dogs may apply to their licensing authority for exemption from the duty on medical grounds. Any other driver who fails to comply with the duty is guilty of a criminal offence and liable, on summary conviction, to a fine of up to £1,000. Similar duties covering PHV operators and drivers have been in force since 31 March 2004.

16. Enforcement of the duties is the responsibility of local licensing authorities. It is therefore for authorities to decide whether breaches should be pursued through the courts or considered as part of the licensing enforcement regime, having regard to guidance issued by the Department.

## **Duties under the DDA , as amended by the Disability Discrimination Act 2005**

17. The Disability Discrimination Act 2005 amended the DDA 1995 to enable the Government to lift the exemption in Part 3 of that Act for operators of transport vehicles. The amendment allowed for the exemption to be lifted for different services, at different times and to different extents. Regulations have been made to lift the exemption in relation to vehicles used to provide public transport services, including taxis and PHVs, as well as for vehicle hire services and breakdown services. These Regulations come into force on 4 December 2006 and will effectively apply certain duties in Part 3 of the DDA 1995 to providers of transport services who provide such services through the use of specified vehicles. In order to meet these new duties, licensing authorities will be required to review any practices, policies and procedures that make it impossible or unreasonably difficult for a disabled person to use their services. The Disability Rights Commission (DRC) has produced a Code of Practice to explain the new Part 3 duties for the transport industry. This is on the DRC's website at [www.drc-gb.org](http://www.drc-gb.org). The Code is a supplement to, and should be read in conjunction with, the Code of Practice for Part 3 of the Act: Rights of Access to Services and Premises, which is also on the website. An example of responding to these new duties would be providing - for use in informing passengers - Braille cards to those drivers exempted from the duty to carry prescribed assistance dogs.



## Vehicles

### Specification Of Vehicle Types That May Be Licensed

18. The legislation gives local authorities a wide range of discretion over the types of vehicle that they can license as taxis or PHVs. Some authorities specify conditions that in practice can only be met by purpose-built vehicles but the majority license a range of vehicles.

19. Normally, the best practice is for local licensing authorities to adopt the principle of specifying as many different types of vehicle as possible. Indeed, local authorities might usefully set down a range of general criteria, leaving it open to the taxi and PHV trades to put forward vehicles of their own choice which can be shown to meet those criteria. In that way there can be flexibility for new vehicle types to be readily taken into account.

20. It is suggested that local licensing authorities should give very careful consideration to a policy which automatically rules out particular types of vehicle or prescribes only one type or a small number of types of vehicle. For example, the Department believes authorities should be particularly cautious about specifying only purpose-built taxis, with the strict constraint on supply that that implies. (There are at present only two designs of purpose-built taxi.) But of course the purpose-built vehicles are amongst those which a local authority could be expected to license. Similarly, it may be too restrictive to automatically rule out considering Multi-Purpose Vehicles, or to license them for fewer passengers than their seating capacity (provided of course that the capacity of the vehicle is not more than eight passengers).

### Imported vehicles: type approval (see also "stretched limousines", paras 26-28 below)

21. It may be that from time to time a local authority will be asked to license as a taxi or PHV a vehicle that has been imported independently (that is, by somebody other than the manufacturer). Such a vehicle might meet the local authority's criteria for licensing, but the local authority may nonetheless be uncertain about the wider rules for foreign vehicles being used in the UK. Such vehicles will be subject to the 'type approval' rules. For passenger cars up to 10 years old at the time of first GB registration, this means meeting the technical standards of either:

- a European Whole Vehicle Type approval;
- a British National Type approval; or
- a British Single Vehicle Approval.

Most registration certificates issued since late 1998 should indicate the approval status of the vehicle. The technical standards applied (and the safety and environmental risks covered) under each of the above are proportionate to the number of vehicles entering service. Further information about these requirements and the procedures for licensing and registering imported vehicles can be seen at [http://www.dft.gov.uk/stellent/groups/dft\\_roads/documents/page/dft\\_roads\\_506867.hcsp](http://www.dft.gov.uk/stellent/groups/dft_roads/documents/page/dft_roads_506867.hcsp).

### Vehicle Testing

22. There is considerable variation between local licensing authorities on vehicle testing, including the related question of age limits. The following can be regarded as best practice:

- **Frequency Of Tests.** The legal requirement is that all taxis should be subject to an MOT test or its equivalent once a year. For PHVs the requirement is for an annual test after the vehicle is three years old. An annual test for licensed vehicles of whatever age (that is, including vehicles that are less than three years old) seems appropriate in most cases, unless local conditions suggest that more frequent tests are necessary. However, more frequent tests may be appropriate for older vehicles (see 'age limits' below). Local licensing authorities may wish to note that a review carried out by the National Society for Cleaner Air in 2005 found that taxis were more likely than other vehicles to fail an emissions test. This finding, perhaps suggests that emissions testing should be carried out on ad hoc basis and more frequently than the full vehicle test.
- **Criteria For Tests.** Similarly, for mechanical matters it seems appropriate to apply the same criteria as those for the MOT test to taxis and PHVs\*. The MOT test on vehicles first used after 31 March 1987 includes checking of all seat belts. However, taxis and PHVs provide a service to the public, so it is also appropriate to set criteria for the internal condition of the vehicle, though these should not be unreasonably onerous.

\*A manual outlining the method of testing and reasons for failure of all MOT tested items can be obtained from the Stationary Office see  
<http://www.tsoshop.co.uk/bookstore.asp?FO=1159966&Action=Book&From=SearchResults&ProductID=0115525726>

- **Age Limits.** It is perfectly possible for an older vehicle to be in good condition. So the setting of an age limit beyond which a local authority will not license vehicles may be arbitrary and inappropriate. But a greater frequency of testing may be appropriate for older vehicles - for example, twice-yearly tests for vehicles more than five years old.
- **Number Of Testing Stations.** There is sometimes criticism that local authorities provide only one testing centre for their area (which may be geographically extensive). So it is good practice for local authorities to consider having more than one testing station. There could be an advantage in contracting out the testing work, and to different garages. In that way the licensing authority can benefit from competition in costs. (The Vehicle Operators and Standards Agency - VOSA - may be able to assist where there are local difficulties in provision of testing stations.)

## Security

23. The owners and drivers of vehicles will often want to install security measures to protect the driver. Local licensing authorities may not want to insist on such measures, on the grounds that they are best left to the judgement of the owners and drivers themselves. But it is good practice for licensing authorities to look sympathetically on - or actively to encourage - their installation. They could include a screen between driver and passengers, or CCTV. Care however should be taken that security measures within the vehicle do not impede a disabled passenger's ability to communicate with the driver. Licensing authorities may want to encourage the taxi and PHV trades to build good links with the local police force, including participation in any Crime and Disorder Reduction Partnerships. There is extensive information on the use of CCTV, including as part of measures to reduce crime, on the Home Office web-site, <http://www.homeoffice.gov.uk> (and see for instance, <http://www.crimereduction.gov.uk/cctvminisite4.htm>).

## Vehicle Identification

24. Members of the public can often confuse PHVs with taxis, failing to realise that PHVs are not available for immediate hire and that a PHV driver cannot be hailed. So it is important to distinguish between the two types of vehicle. Possible approaches might be:

- **a licence condition that prohibits PHVs from displaying any identification at all apart from the local authority licence plate or disc.** The licence plate is a helpful indicator of licensed status and, as such, it helps identification if licence plates are displayed on the front as well as the rear of vehicles. However, requiring some additional clearer form of identification can be seen as best practice. This is for two reasons: firstly, to ensure a more positive statement that the vehicle cannot be hired immediately through the driver; and secondly because it is quite reasonable, and in the interests of the travelling public, for a PHV operator to be able to state on the vehicle the contact details for hiring;
- **a licence condition which requires a sign on the vehicle in a specified form.** This will often be a sign of a specified size and shape which identifies the operator (with a telephone number for bookings) and the local licensing authority, and which also has some words such as 'pre-booked only'. This approach seems the best practice; it identifies the vehicle as private hire and helps to avoid confusion with a taxi, but also gives useful information to the public wishing to make a booking. It is good practice for vehicle identification for PHVs to include the contact details of the operator.
- Another approach, possibly in conjunction with the previous option, is a requirement for a roof-mounted, permanently illuminated sign with words such as 'pre-booked only'. But it can be argued that any roof-mounted sign, however unambiguous its words, is liable to create confusion with a taxi. So roof-mounted signs on PHVs are not seen as best practice.

## Environmental Considerations

25. Local licensing authorities, in discussion with those responsible for environmental health issues, will wish to consider how far their vehicle licensing policies can and should support any local environmental policies that the local authority may have adopted, bearing in mind the need to ensure that the benefits of any policies outweigh the costs (in whatever form). Local authorities may, for example, wish to consider setting vehicle emissions standards for taxis and PHVs. However, local authorities would need to carefully and thoroughly assess the impact of introducing such a policy; for example, the effect on the supply of taxis and PHVs in the area would be an important consideration in deciding the standards, if any, to be set.

## Stretched Limousines

26. Local licensing authorities are sometimes asked to license stretched limousines as PHVs. It is suggested that local authorities should approach such requests on the basis that these vehicles have a legitimate role to play in the private hire trade, meeting a public demand. Consistent with this view licence applications involving use of these limousines should not be automatically rejected (for example just because the vehicles may be left-hand drive). The Department is currently revising its guidance on the licensing arrangements for stretched limousines.

27. Imported stretched limousines are normally checked for compliance with British regulations under the Single Vehicle Approval (SVA) inspection regime, before they are registered. A licensing authority might wish to request sight of the SVA certificate to ensure that the vehicle was tested by VOSA before being registered and licensed (taxed) by DVLA. The SVA test verifies that the converted vehicle is built to certain safety and environmental standards (there are some vehicles that have gained registration without an SVA and these may not comply with British regulations).

28. Stretched limousines which clearly have more than 8 passenger seats should not of course be licensed as PHVs because they are outside the licensing regime for PHVs. However, under some

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circumstances the SVA regime accepts vehicles with space for more than 8 passengers, particularly where the precise number of passenger seats is hard to determine. In these circumstances, if the vehicle has obtained an SVA certificate, the authority should consider the case on its merits in deciding whether to license the vehicle under the strict condition that the vehicle will not be used to carry more than 8 passengers, bearing in mind that refusal may encourage illegal private hire operation. Authorities should check with local MOT testing stations to find out if the station has the facilities to test such vehicles. If there is difficulty in finding a suitable station, the local enforcement office may be able to advise (contact details on <http://www.vosa.gov.uk/vosa/vosalocations/vosaenforcementoffices.htm>).

## Quantity Restrictions of Taxi Licences outside London

29. The present legal provision on quantity restrictions for taxis outside London is set out in section 16 of the Transport Act 1985. This provides that the grant of a taxi licence may be refused, for the purpose of limiting the number of licensed taxis 'if, but only if, the [local licensing authority] is satisfied that there is no significant demand for the services of hackney carriages (within the area to which the licence would apply) which is unmet'.

30. Local licensing authorities will be aware that, in the event of a challenge to a decision to refuse a licence, the local authority concerned would have to establish that it had, reasonably, been satisfied that there was no significant unmet demand.

31. Most local licensing authorities do not impose quantity restrictions; the Department regards that as best practice. Where restrictions are imposed, the Department would urge that the matter should be regularly reconsidered. The Department further urges that the issue to be addressed first in each reconsideration is whether the restrictions should continue at all. It is suggested that the matter should be approached in terms of the interests of the travelling public - that is to say, the people who use taxi services. What benefits or disadvantages arise for them as a result of the continuation of controls; and what benefits or disadvantages would result for the public if the controls were removed? Is there evidence that removal of the controls would result in a deterioration in the amount or quality of taxi service provision?

32. In most cases where quantity restrictions are imposed, vehicle licence plates command a premium, often of tens of thousands of pounds. This indicates that there are people who want to enter the taxi market and provide a service to the public, but who are being prevented from doing so by the quantity restrictions. This seems very hard to justify.

33. If a local authority does nonetheless take the view that a quantity restriction can be justified in principle, there remains the question of the level at which it should be set, bearing in mind the need to demonstrate that there is no significant unmet demand. This issue is usually addressed by means of a survey; it will be necessary for the local licensing authority to carry out a survey sufficiently frequently to be able to respond to any challenge to the satisfaction of a court. An interval of three years is commonly regarded as the maximum reasonable period between surveys.

34. As to the conduct of the survey, the Department's letter of 16 June 2004 set out a range of considerations. But key points are:

- **the length of time that would-be customers have to wait at ranks.** However, this alone is an inadequate indicator of demand; also taken into account should be...
- **waiting times for street hailings and for telephone bookings.** But waiting times at ranks or elsewhere do not in themselves satisfactorily resolve the question of unmet demand. It is also desirable to address...
- **latent demand,** for example people who have responded to long waiting times by not even trying to travel by taxi. This can be assessed by surveys of people who do not use taxis, perhaps using stated preference survey techniques.
- **peaked demand.** It is sometimes argued that delays associated only with peaks in demand (such as morning and evening rush hours, or pub closing times) are not 'significant' for the purpose of the Transport Act 1985. The Department does not share that view. Since the peaks in demand are by definition the most popular times for consumers to use taxis, it can be strongly argued that unmet demand at these times should not be ignored. Local authorities might wish to consider when the peaks occur and who is being disadvantaged through restrictions on provision of taxi services.

- **consultation.** As well as statistical surveys, assessment of quantity restrictions should include consultation with all those concerned, including user groups (which should include groups representing people with disabilities, and people such as students or women), the police, hoteliers, operators of pubs and clubs and visitor attractions, and providers of other transport modes (such as train operators, who want taxis available to take passengers to and from stations);
- **publication.** All the evidence gathered in a survey should be published, together with an explanation of what conclusions have been drawn from it and why. If quantity restrictions are to be continued, their benefits to consumers and the reason for the particular level at which the number is set should be set out.
- **financing of surveys.** It is not good practice for surveys to be paid for by the local taxi trade (except through general revenues from licence fees). To do so can call in question the impartiality and objectivity of the survey process.

35. Quite apart from the requirement of the 1985 Act, the Department's letter of 16 June 2004 asked all local licensing authorities that operate quantity restrictions to review their policy and justify it publicly by 31 March 2005 and at least every three years thereafter. The Department also expects the justification for any policy of quantity restrictions to be included in the five-yearly Local Transport Plan process. A recommended list of questions for local authorities to address when considering quantity controls was attached to the Department's letter. (The questions are listed in Annex A to this Guidance.)

### **Taxi Fares**

36. Local licensing authorities have the power to set taxi fares for journeys within their area, and most do so. (There is no power to set PHV fares.) Fare scales should be designed with a view to practicality. The Department sees it as good practice to review the fare scales at regular intervals, including any graduation of the fare scale by time of day or day of the week. Authorities may wish to consider adopting a simple formula for deciding on fare revisions as this will increase understanding and improve the transparency of the process. The Department also suggests that in reviewing fares authorities should pay particular regard to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give taxi drivers sufficient incentive to provide a service when it is needed. There may well be a case for higher fares at times of higher demand.

37. Taxi fares are a maximum, and in principle are open to downward negotiation between passenger and driver. It is not good practice to encourage such negotiations at ranks, or for on-street hailings; there would be risks of confusion and security problems. But local licensing authorities can usefully make it clear that published fares are a maximum, especially in the context of telephone bookings, where the customer benefits from competition. There is more likely to be a choice of taxi operators for telephone bookings, and there is scope for differentiation of services to the customer's advantage (for example, lower fares off-peak or for pensioners).

38. There is a case for allowing any taxi operators who wish to do so to make it clear - perhaps by advertising on the vehicle - that they charge less than the maximum fare; publicity such as '5% below the metered fare' might be an example.

## **Drivers**

### *Duration of Licences*

39. It is obviously important for safety reasons that drivers should be licensed. But it is not necessarily good practice to require licences to be renewed annually. That can impose an undue burden on drivers and licensing authorities alike. Three years is the legal maximum period and is in general the best approach. One argument against 3-year licences has been that a criminal offence may be committed, and not notified, during the duration of the licence. But this can of course also be the case during the duration of a shorter licence. In relation to this, authorities will wish to note that the Home Office in April 2006 issued revised guidance for police forces on the Notifiable Occupations Scheme. Under this new guidance the police are requested to notify the appropriate local licensing authority of convictions and other relevant information when it comes to their attention that an individual is working as a Taxi or PHV driver. (Further details are contained in Home Office Circular 6/2006. Further information can be obtained from the Criminal Records Section, Safeguarding Vulnerable Persons Team, Police Leadership and Powers Unit, Home Office, Fourth Floor, Peel Building, 2 Marsham Street, London SW1P 4DF; e-mail [Robin.Manson@homeoffice.gsi.gov.uk](mailto:Robin.Manson@homeoffice.gsi.gov.uk))

40. However, an annual licence may be preferred by some drivers. That may be because they have plans to move to a different job or a different area, or because they cannot easily pay the fee for a three-year licence, if it is larger than the fee for an annual one. So it can be good practice to offer drivers the choice of an annual licence or a three-year licence.

### **Acceptance of driving licences from other EU member states**

41. Sections 51 and 59 of the Local Government (Miscellaneous Provisions) Act 1976 as enacted stated that an applicant for a taxi or private hire vehicle (PHV) driver's licence must have held a full ordinary GB driving licence for at least 12 months in order to be granted a taxi or PHV driver's licence. This requirement has subsequently been amended since the 1976 Act was passed. The Driving Licences (Community Driving Licence) Regulations 1996 (SI 1996 No 1974) amended sections 51 and 59 of the 1976 Act to allow full driving licences issued by EEA states to count towards the qualification requirements for the grant of taxi and PHV driver's licences. Since that time, a number of central and eastern European states have joined the EU and the EEA and the Department take the view that drivers from the Accession States are eligible to acquire a taxi or PHV driver's licence under the 1976 Act if they have held an ordinary driving licence for 12 months which was issued by an acceding State. To complete the picture, the Deregulation (Taxis and Private Hire Vehicles) Order 1998 (SI 1998 No 1946) gave equal recognition to Northern Ireland driving licences for the purposes of taxi and PHV driver licensing under the 1976 Act.

### **Criminal Record Checks**

42. A criminal record check is an important safety measure and is widely required. Taxi and PHV drivers can be subject to an Enhanced Disclosure through the Criminal Records Bureau; this level of disclosure includes details of spent convictions and police cautions. In considering an individual's criminal record, local licensing authorities will want to consider each case on its merits, but they will doubtless take a particularly cautious view of any offences involving violence, and especially sexual attack. In order to achieve consistency, and thus avoid the risk of successful legal challenge, local authorities will doubtless want to have a clear policy for the consideration of criminal records, for example the number of years they will require to have elapsed since the commission of particular kinds of offences before they will grant a licence.

43. Local licensing authorities will also want to have a policy on background checks for applicants from elsewhere in the EU and other overseas countries. One approach is to require a certificate of good conduct authenticated by the relevant embassy. The Criminal Records Bureau website ([www.crb.gov.uk](http://www.crb.gov.uk)) gives information about obtaining certificates of good conduct, or similar documents, from a number of countries. More generally, the Home Office's Employers' Helpline

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(0845 010 6677) can be used by licensing staff to obtain general guidance on immigration documentation, although this Helpline is not able to advise on individual cases. The authority can obtain case specific immigration status information, including whether a licensing applicant is permitted to work or details of work restrictions, from the Evidence and Enquiry Unit, Floor 12, Lunar House, Wellesley Road, Croydon CR9 2BY . Further details on the procedures involved can be obtained by contacting the Unit (020 8196 3011).

44. It would seem best practice for Criminal Records Bureau disclosures to be sought when a licence is first applied for and then every three years, even if a licence is renewed annually, provided drivers are obliged to report all new convictions and cautions to the licensing authority.

### **Medical Criteria**

45. It is clearly good practice for medical checks to be made on each driver before the initial grant of a licence and thereafter for each renewal. It is common for licensing authorities to apply the 'Group 2' medical standards - applied by DVLA to the licensing of lorry and bus drivers - to taxi and PHV drivers. This seems best practice. The Group 2 standards preclude the licensing of drivers with insulin treated diabetes. However, exceptional arrangements do exist for drivers with insulin treated diabetes, who can meet a series of medical criteria, to obtain a licence to drive category C1 vehicles (i.e. 3500-7500 kgs lorries); the position is summarised at Annex B to the Guidance. In the light of the latest guidance from the Secretary of State's Honorary Medical Advisory Panel on Diabetes Mellitus and Driving, it is suggested that best practice is to apply the C1 standards to taxi and PHV drivers with insulin treated diabetes.

### **Age Limits**

46. It does not seem necessary to set a maximum age limit for drivers provided that regular medical checks are made. Nor do minimum age limits, beyond the statutory periods for holding a full driver licence, seem appropriate. Applicants should be assessed on their merits.



### **Driving Proficiency**

47. Many local authorities rely on the standard car driving licence as evidence of driving proficiency. Others require some further driving test to be taken. Local authorities will want to consider carefully whether this produces benefits which are commensurate with the costs involved for would-be drivers, the costs being in terms of both money and broader obstacles to entry to the trade. However, they will note that the Driving Standards Agency provides a driving assessment specifically designed for taxis.

### **Other training**

48. There may well be advantage in encouraging drivers to obtain one of the nationally-recognised vocational qualifications for the taxi and PHV trades. These will cover customer care, including how best to meet the needs of people with disabilities. More information about these qualifications can be obtained from *GoSkills*, the Sector Skills Council for Passenger Transport. *GoSkills* is working on a project funded by the Department to raise standards in the industry and *GoSkills* can guide and support licensing authorities through its regional network of Business Advisers. Some licensing authorities have already established training initiatives and others are being developed; it is seen as important to do this in consultation with the local taxi and PHV trades. Training can cover customer care, including how best to meet the needs of people with disabilities and other sections of the community, and also topics such as the relevant legislation, road safety, the use of maps and GPS, the handling of emergencies, and how to defuse difficult situations and manage conflict. Authorities may wish to note that nationally recognised qualifications and training programmes sometimes have advantages over purely local arrangements (for example, in that the qualification will be more widely recognised).

Contact details are:

GoSkills, Concorde House, Trinity Park, Solihull, Birmingham, B37 7UQ.

Tel: 0121-635-5520

Fax: 0121-635-5521

Website: [www.goskills.org](http://www.goskills.org)

e-mail: [info@goskills.org](mailto:info@goskills.org)

### **Topographical Knowledge**

49. Taxi drivers need a good working knowledge of the area for which they are licensed, because taxis can be hired immediately, directly with the driver, at ranks or on the street. So most licensing authorities require would-be taxi-drivers to pass a test of local topographical knowledge as a pre-requisite to the first grant of a licence (though the stringency of the test should reflect the complexity or otherwise of the local geography, in accordance with the principle of ensuring that barriers to entry are not unnecessarily high).

50. However, PHVs are not legally available for immediate hiring in the same way as taxis. To hire a PHV the would-be passenger has to go through an operator, so the driver will have an opportunity to check the details of a route before starting a journey. So it may be unnecessarily burdensome to require a would-be PHV driver to pass the same 'knowledge' test as a taxi driver, though it may be thought appropriate to test candidates' ability to read a map and their knowledge of key places such as main roads and railway stations.

### **PHV Operators**

51. The objective in licensing PHV operators is, again, the safety of the public, who will be using operators' premises and vehicles and drivers arranged through them.

### **Criminal Record Checks**

52. PHV operators (as opposed to PHV drivers) are not exceptions to the Rehabilitation of Offenders Act 1974, so Standard or Enhanced disclosures cannot be required as a condition of grant of an operator's licence. But a Basic Disclosure could be seen as appropriate, after such a system has been introduced by the Criminal Records Bureau. No firm date for introduction has yet been set; the Home Office during 2006/07 will be undertaking a new feasibility study in this regard. Overseas applicants may be required to provide a certificate of good conduct from the relevant embassy if they have not been long in this country. Local licensing authorities may want to require a reference, covering for example the applicant's financial record, as well as the checks outlined above.

### **Record Keeping**

53. It is good practice to require operators to keep records of each booking, including the name of the passenger, the destination, the name of the driver, the number of the vehicle and any fare quoted at the time of booking. That will, for example, enable police checks to be made if any mishap should befall a passenger and may also be of use to licensing authorities in enforcement enquiries. It is suggested that 6 months is generally appropriate as the length of time that records should be kept.

### **Insurance**

54. It is appropriate for a licensing authority to check that appropriate public liability insurance has been taken out for premises that are open to the public.

### **Licence Duration**

55. A requirement for annual licence renewal does not seem necessary or appropriate for PHV operators, whose involvement with the public is less direct than a driver (who will be alone with passengers). Indeed, a licence period of five years may well be appropriate in the average case. Although the authority may wish to offer operators the option of a licence for a shorter period if requested.

### **Enforcement**

56. Well-directed enforcement activity by the local licensing authority benefits not only the public but also the responsible people in the taxi and PHV trades. The resources devoted by licensing authorities to enforcement will vary according to local circumstances, including for example any difficulties with touting by unlicensed drivers and vehicles (a problem in some urban areas). Local authorities will also wish to liaise closely with the police.

57. Local licensing authorities often use enforcement staff to check a range of licensed activities (such as market traders) as well as the taxi and PHV trades, to make the best use of staff time. But it is desirable to ensure that taxi and PHV enforcement effort is at least partly directed to the late-night period, when problems such as touting tend most often to arise.

58. Some local licensing authorities employ taxi marshals in busy city centres where there are lots of hirings, again perhaps late at night, to help taxi drivers picking up, and would-be passengers queuing for taxis.

59. As part of enforcement, local licensing authorities will often make spot checks, which can lead to their suspending or revoking licences. They will wish to consider carefully which power should best be used for this purpose. They will note, among other things, that section 60 of the Local Government (Miscellaneous Provisions) Act 1976 provides a right of appeal for the licence-holder, whereas section 68, which is also sometimes used, does not; this can complicate any challenge by the licence-holder.

### **Taxi Zones**

60. The areas of some local licensing authorities are divided into two or more zones for taxi licensing purposes. Drivers may be licensed to ply for hire in one zone only. Zones may exist for historical reasons, perhaps because of local authority boundary changes.

61. The Department recommends the abolition of zones. That is chiefly for the benefit of the travelling public. Zoning tends to diminish the supply of taxis and the scope for customer choice - for example, if fifty taxis were licensed overall by a local authority, but with only twenty five of them entitled to ply for hire in each of two zones. It can be confusing and frustrating for people wishing to hire a taxi to find that a vehicle licensed by the relevant local authority is nonetheless unable to pick them up (unless pre-booked) because they are in the wrong part of the local authority area. Abolition of zones can also reduce costs for the local authority, for example through simpler administration and enforcement. It can also promote fuel efficiency, because taxis can pick up a passenger anywhere in the local authority area, rather than having to return empty to their licensed zone after dropping a passenger in another zone.

62. It should be noted that the Government intends to make a Regulatory Reform Order which will remove the need for the Secretary of State to approve amalgamation resolutions made by local licensing authorities. It is intended that the RRO should be introduced for Parliamentary scrutiny during 2006.

### **Flexible Transport Services**

63. It is possible for taxis and PHVs to provide flexible transport services in a number of different ways. Such services can play a valuable role in meeting a range of transport needs, especially in rural areas - though potentially in many other places as well. In recent years there has been a significant increase in the provision of flexible services, due partly to the availability of Rural Bus Subsidy Grant and Rural Bus Challenge Support from the Department.

64. The Department encourages local licensing authorities, as a matter of best practice, to play their part in promoting flexible services, so as to increase the availability of transport to the travelling public. This can be done partly by drawing the possibilities to the attention of taxi and PHV trade. It

also should be borne in mind that vehicles with a higher seating capacity than the vehicles typically licensed as taxis (for example those with 6, 7 or 8 passenger seats) may be used for flexible services and should be considered for licensing in this context.

65. The main legal provisions under which flexible services can be operated are:

- **Shared taxis and PHVs - advance bookings (section 11, Transport Act 1985):** licensed taxis and PHVs can provide a service at separate fares for up to eight passengers sharing the vehicle. The operator takes the initiative to match up passengers who book in advance and agree to share the vehicle at separate fares (lower than for a single hiring). An example could be passengers being picked up at home to go to a shopping centre, or returning from the shops to their homes. The operator benefits through increased passenger loadings and total revenues.
- **Shared taxis - immediate hirings (section 10, Transport Act 1985):** such a scheme is at the initiative of the local licensing authority, which can set up schemes whereby licensed taxis (not PHVs) can be hired at separate fares by up to eight people from ranks or other places that have been designated by the authority. (The authority is required to set up such a scheme if holders of 10% or more of the taxi licences in the area ask for one.) The passengers pay only part of the metered fare, for example in going home after a trip to the local town, and without pre-booking, but the driver receives more than the metered fare.
- **Taxibuses (section 12, Transport Act 1985):** owners of licensed taxis can apply to the Traffic Commissioner for a 'restricted public service vehicle (PSV) operator licence'. The taxi owner can then use the vehicle to run a bus service for up to eight passengers. The route must be registered with the Traffic Commissioner and must have at least one stopping place in the area of the local authority that licensed the taxi, though it can go beyond it. The bus service will be eligible for Bus Service Operators Grant (subject to certain conditions) and taxibuses can be used for local authority subsidised bus services. The travelling public have another transport opportunity opened for them, and taxi owners have another business opportunity.

66. The Department is very keen to encourage the use of these types of services. More details can be found in the Department's publication 'Flexible Transport Services' (available from [dft@twoten.press.net](mailto:dft@twoten.press.net)). The document itself can be accessed at: [www.dft.gov.uk/stellent/groups/dft\\_localtrans/documents/page/dft\\_localtrans\\_504004.hcsp](http://www.dft.gov.uk/stellent/groups/dft_localtrans/documents/page/dft_localtrans_504004.hcsp).

### Local Transport Plans

67. The Transport Act 2000 requires most local transport authorities in England (not London) to produce and maintain a Local Transport Plan (LTP), having regard to any guidance issued by the Secretary of State. The latest guidance was published in December 2004 asking for a provisional LTP by 29 July 2005 and a final one by 31 March 2006. LTPs set out the authority's local transport strategies and policies, and an implementation programme over a five year period. Authorities report each year on their delivery of policies and programmes in Annual Progress Reports.

68. All modes of transport including taxi and PHV services have a valuable part to play in overall transport provision, and so local licensing authorities have an input to make to the LTP process. The key policy themes for such services could be availability and accessibility. LTP input could include statements of policy on:

- quantity controls, if any, and plans for their review;
- licensing conditions, with a view to safety but also to good supply of taxi and PHV services;
- fares;
- on-street availability, especially through provision of taxi ranks;
- vehicle accessibility for people with disabilities;

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- encouragement of flexible services.

69. There should also be a statement of changes in policy since the last LTP and changes that are intended. It would be useful to provide statistics of changes in the number of licences for vehicles, drivers and operators, so that trends in availability can be identified.

## **Annex A: Taxi and Private Hire Vehicle Licensing: Best Practice Guidance**

### **Useful questions when assessing quantity controls of taxi licences**

- Have you considered the Government's view that quantity controls should be removed unless a specific case that such controls benefit the consumer can be made?

### **Questions relating to the policy of controlling numbers**

- Have you recently reviewed the need for your policy of quantity controls?
- What form did the review of your policy of quantity controls take?
- Who was involved in the review?
- What decision was reached about retaining or removing quantity controls?
- Are you satisfied that your policy justifies restricting entry to the trade?
- Are you satisfied that quantity controls do not:
  - reduce the availability of taxis;
  - increase waiting times for consumers;
  - reduce choice and safety for consumers?
- What special circumstances justify retention of quantity controls?
- How does your policy benefit consumers, particularly in remote rural areas?
- How does your policy benefit the trade?
- If you have a local accessibility policy, how does this fit with restricting taxi licences?

### **Questions relating to setting the number of taxi licences**

- When last did you assess unmet demand?
- How is your taxi limit assessed?
- Have you considered latent demand, ie potential consumers who would use taxis if more were available, but currently do not?
- Are you satisfied that your limit is set at the correct level?
- How does the need for adequate taxi ranks affect your policy of quantity controls?

### **Questions relating to consultation and other public transport service provision**

- When consulting, have you included etc
  - all those working in the market;
  - consumer and passenger (including disabled) groups;
  - groups which represent those passengers with special needs;
  - local interest groups, eg hospitals or visitor attractions;
  - the police;

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- a wide range of transport stakeholders eg rail/bus/coach providers and traffic managers?
- Do you receive representations about taxi availability?
- What is the level of service currently available to consumers (including other public transport modes)?