

# **Private Hire Regulations Review: Response to consultation and Proposals**

## **Consultation**

### **September 2015**

**Contents**

SUMMARY ..... 1

    INTRODUCTION ..... 1

BACKGROUND..... 3

PURPOSE OF THE CONSULTATION..... 4

CHANGES TO PRIVATE HIRE POLICY AND LEGISLATION..... 5

PROPOSALS ..... 6

    PART 1: PRIVATE HIRE OPERATORS ..... 6

    PART 2: PRIVATE HIRE DRIVERS ..... 14

    PART 3: PRIVATE HIRE INSURANCE ..... 18

    PART 4: PRIVATE HIRE LICENSING ..... 20

    PART 5: ADDITIONAL MEASURES..... 22

    HOW TO RESPOND TO THIS CONSULTATION ..... 24

APPENDIX A - Initial Consultation List..... 25

## SUMMARY

Transport for London (TfL) has carried out a wide-ranging review of private hire vehicle regulations and this is the second and final consultation in respect of this review.

The first consultation took place between March and June 2015 and almost 4,000 responses were received and analysed. TfL has subsequently developed a more detailed set of proposals for this consultation before deciding whether or not to implement any regulatory changes.

The consultation will close 23 December 2015 and responses will be analysed in early 2016 ahead of any amendments to the regulations being announced and implemented.

## INTRODUCTION

Transport for London (TfL) is a statutory body established by the Greater London Authority Act 1999 and is the licensing authority for London's taxi and private hire industries. It is the largest licensing authority in the country, being responsible for licensing approximately one third of all taxis and private hire vehicles (PHVs) in England.

Private hire operators, drivers and vehicles licensed by TfL provide a range of vital services as part of London's transport system which include minicab, chauffer/executive and specialist accessible vehicle services.

Because of a number of developments within the private hire industry including advancements in new technology and an increase in the different ways people engage and share taxi and private hire services, we are undertaking a review of the current policies and processes that govern the licensing of private hire drivers, vehicles and operators.

We launched a consultation in March 2015 which reviewed the regulations and requirements that are currently in place for private hire services and invited comments, suggestions and information and an indication whether it was felt these should be revised, if at all.

The consultation sought the view of those involved in the private hire trade, users of private hire services and any other interested parties.

Nearly 4,000 consultation responses were received. A report setting out these responses, including those received from the main private hire and taxi trade representatives as well as from large private hire operators and passenger groups, is attached at **Annex A**.

We have carefully considered the responses to this consultation and in this second consultation we set out a number of proposed changes in more detail. Certain of

these proposals were not included in the March 2015 consultation but which we think are appropriate to take forward.

We now invite comments on the proposed changes. Where possible, consultees are asked to provide evidence or examples in support of their comments and suggestions.

Full details of how to respond to the consultation are provided below.

The following abbreviations are used when referencing the private hire regulations (“the PHV regulations”):

Private Hire Vehicles (London) Act 1998 – “the 1998 Act”

Private Hire Vehicles (London) (Operators’ Licences) Regulations 2000 – “Operators Regulations”

Private Hire Vehicles (London PHV Driver’s Licences) Regulations 2003 - “Drivers Regulations”

Private Hire Vehicles (London PHV Licences) Regulations 2004 – “Vehicles Regulations”

## **BACKGROUND**

The Private Hire Vehicles (London) Act 1998 provided for the introduction of licensing of private hire operators, drivers and vehicles in London. The Private Hire Vehicles (London) (Operators' Licences) Regulations 2000 were introduced and licensing of operators commenced in 2001.

Under the 1998 Act as originally enacted, the responsibility for private hire licensing fell to the Public Carriage Office (PCO), the section of the Metropolitan Police responsible for regulation and licensing of London's taxis. Upon the establishment of the Greater London Authority and Transport for London (TfL) as the Mayor's integrated transport authority in 2000, the PCO transferred into TfL, subsequently becoming part of TfL's Surface Transport Directorate as London Taxi and Private Hire.

Since the introduction of operator licensing, it has been illegal to accept a private hire booking without an operator's licence. Operators must have one or more licensed operating centres and bookings can only be accepted at these centres. Records of bookings, complaints and lost property must be held at the operating centre(s) together with details of drivers and vehicles used to fulfil bookings, including copies of documents to prove that the driver and vehicle are licensed for private hire work and covered by the appropriate insurance etc. All these records must be available for inspection by TfL staff.

There are two types of operator's licence and both are normally granted for five years:

- 'Small' – the operator has no more than two vehicles at any time; and
- 'Standard' – the operator has more than two vehicles

There are approximately 1,000 small and 2,000 standard operators currently licensed in London. Many of the small operators are one-person chauffeur businesses in which the same person is licensed as an operator, driver and vehicle owner. However, some are booking agents that sub-contract the service provision to other licensed operators.

The vast majority of operators have one operating centre however there are around 330 with multiple centres.

## **PURPOSE OF THE CONSULTATION**

The purpose of this consultation is to review various aspects of the existing regulations covering private hire services, and to invite comments on proposals for change.

We have identified a number of issues that could be addressed by further amendment to the regulations to ensure that they remain appropriate and fit for purpose. This document sets out these issues and invites comments on proposals to address them.

Consultees are invited to comment on any aspect of the proposals or make other suggestions and, in particular, are invited to provide any evidence relevant to issues or proposals that are discussed.

## **CHANGES TO PRIVATE HIRE POLICY AND LEGISLATION**

After careful consideration of the responses to our initial consultation, we are bringing forward a package of proposals for further consultation that we consider will strengthen the regulation of private hire services in London.

Our overriding concern in developing these proposals is to improve passenger safety. We are also committed to maintaining a clear distinction between the taxi and private hire trades and further improving the quality, safety, accessibility and overall standard of private hire vehicle provision in London. We believe that the proposed measures will contribute to this aim and invite comments and views before making any changes.

## PROPOSALS

### PART 1: PRIVATE HIRE OPERATORS

#### 1. Operators must provide a booking confirmation to passengers containing the driver photo ID and details of the vehicle being used to discharge the booking

Our March 2015 consultation asked if passengers should be provided with driver and vehicle details prior to commencement of a journey.

This proposal was strongly supported by consultees. Whilst many private hire operators already provide this information, we believe it is essential for public safety that all operators should do this for all journeys. It will minimise the risk of a passenger getting into the wrong (and possibly unlicensed) vehicle and will help to deter illegal touting or plying for hire.

We propose that the information to be provided will be the vehicle registration number and the name and photograph of the driver. Clearly the method by which the operator provides this information is dependent on the means by which the customer can receive it. For example, if the customer is using a mobile phone without smartphone technology then it would not be possible to send the driver photograph. However, the proposal is that operators must ensure they provide all passengers with sufficient detail about the driver that is undertaking the booking and the vehicle that will be used.

#### Proposal

We propose amendments to the PHV Regulations to the effect that operators must provide driver and vehicle identification in advance of the journey commencing. Photographic evidence for the driver must be provided if the customer has provided a means by which such information can be transmitted.

#### Question 1

*Do you agree with the above proposal? If you don't agree, please explain why.*

#### 2. Operators must provide booking confirmation details to the passenger at least five minutes prior to the journey commencing

A number of consultees suggested that booking confirmation details (including the vehicle and driver information set out above) should be provided to the passenger within a minimum set period prior to commencement of the journey.

A delay between the booking and commencement of a journey will further reduce the risk of a customer getting into the wrong car and/or into an unlicensed vehicle. It will also enable the driver to ensure the passenger is in a safe pick-up location, i.e. not having to run out into traffic to get into the vehicle. A short time period will give more certainty that the driver and vehicle information has been successfully sent, delivered

and read by the passenger, and that the driver has had sufficient time to plan an appropriate route.

A number of consultees suggested this period should be 15 minutes, 30 minutes or longer. However, there is a contrary view that imposing a significant delay between a booking being made and the passenger being picked up would, in some circumstances, particularly late at night, unnecessarily inconvenience passengers. In our view, the period between booking and commencement of the journey must therefore be long enough to facilitate consideration of the booking confirmation details by passengers whilst short enough not to unnecessarily inconvenience passengers. A period of 15 minutes or longer could present a safety risk to passengers, particularly at night. We therefore propose a period of five minutes.

### Proposal

We propose changes to the PHV Regulations that will require operators to ensure that there is a time interval between a booking being accepted and the commencement of that journey to allow the driver and vehicle information to be communicated to passengers.

It is proposed that the specified time interval is five minutes.

### Question 2

***Do you agree with our proposal for a time delay between journey booking and commencement? If you don't agree, please explain why.***

### Question 3

***Do you think that a different time interval to five minutes is appropriate? If you do, please say what you consider an appropriate time interval to be, and why.***

## **3. Operators will be required to seek TfL approval before changing their operating model**

When assessing a new operator licensing application we expect all applicants during a pre-licensing inspection to demonstrate how they will meet the requirements of the 1998 Act and associated regulations.

With the advances in new technology such as mobile phone applications, operators must be mindful when making any changes to their operating business model that they are still required to meet the same requirements under which their licence has been issued.

Our proposal is to place a specific obligation on operators to inform us of changes to specified aspects of their operating model prior to implementing those changes. By requiring operators to provide us with information of these operating model changes prior to them being implemented, we will be able to determine whether the new operating model is compliant with private hire legislation in the interests of passenger safety.

Examples of what may potentially be caught by this requirement include changes to the way in which bookings are accepted, including use of app based booking systems, how records are retained, changes to operating centres etc.

#### Proposal

We propose to amend the PHV Regulations to require operators to inform TfL prior to implementing specified changes to their operating model.

#### Question 4

***Do you agree with our proposal? If you don't agree, please explain why.***

### **4. Security for app based booking platforms**

Where a licensed operator uses an app based platform, bookings must only ever be allocated to licensed drivers

To prevent unauthorised use we propose to make it a requirement that app based platforms have, and can demonstrate during pre-licensing checks and compliance inspections, appropriate security measures to prevent the app being used by a person other than the licensed driver they are allocating bookings to. We also propose to require operators to demonstrate what security measures they have in place to protect passengers from fraudulent use of their accounts and/or personal data.

Our preference is for operators to design a system whereby, whilst available for work for an operator, the driver must periodically log back in to their booking app, for example via facial or fingerprint technology, thus minimising the possibility of the account being passed off for use by another driver.

#### Question 5

***What are your views on ensuring that app based platforms are secure and do not allow passenger or driver fraud?***

#### Question 6

***Do you believe that there is sufficient technology available to achieve this and if so what technology do you believe we should consider?***

### **5. Operator must offer a facility to pre-book up to seven days in advance**

A number of consultees suggested that an essential part of a private hire operator's role is to offer the facility to accept advance bookings.

Whilst there is currently no requirement for operators to offer an advance booking facility for a specified period, our view is that it is reasonable to expect a private hire operator to offer such a facility. An increasing absence of advance booking facilities will restrict the choice for passengers.

Our proposal is that operators should be required to offer advance booking facilities of up to 7 days. This will widen choice for PHV customers. It may also assist disabled passengers to secure journeys – due to the relatively small number of fully accessible PHVs, disabled passengers often have to book in advance.

#### Proposal

We propose to amend the PHV Regulations to require licensed operators to offer the facility for customers to book a journey up to seven days in advance of that journey.

#### Question 7

*Do you agree with our proposal? If you don't agree, please say why.*

#### Question 8

*Do you consider a period other than seven days to be appropriate? If you do, please say why.*

### **6. TfL proposes to no longer issue licenses for in-venue operators or temporary events**

Our March 2015 consultation asked if we should make any changes to the current arrangements for in-venue operators (sometimes called “satellite offices”) and the licensing of temporary events.

A significant number of consultees felt that we should no longer issue licences for these venues and events. There have been issues with operator staff accepting bookings outside venues and touting, particularly late at night; and with PHVs parking and waiting in the vicinity of operating centres. Touting has occurred outside venues because customers, who are typically unaware of the legal distinctions and the need for a PHV to be booked at an operating centre, approach the drivers as if they were offering a taxi service.

There were differences in opinion as to how venue owners and those arranging temporary events could provide safe transport provision for those leaving the venue.

Options suggested included the use of licensed marshals attached to licensed private hire operators, and the provision of more taxi ranks at venues.

TfL has, however, already suspended new applications for these licenses on the recommendation of the GLA Transport Committee, and this proposal would effectively make this permanent.

#### Proposal

TfL proposes to no longer issue operating licences in respect of in-venue operations and for temporary events. We will continue to assist with arrangements for temporary taxi ranks and parking areas for pre-booked PHVs when requested for major sports and social events.

**Question 9**

***Do you agree with our proposal? If you don't agree, please say why.***

**Question 10**

***How would you propose that venues and temporary events ensure safe and adequate transportation options for those attending such events?***

**7. Operator must have a fixed landline telephone which must be available for passenger use at all times**

A number of consultees suggested that licensed operators must have a fixed landline in place at all times.

Operators are already required to provide a landline number as part of their application for an operator's licence. This proposal will mean a landline will have to be available for the use of passengers throughout the duration of an operator's licence, and be operational at all times during the operating hours of the business.

Ensuring that such a number is available at all times during operational hours, will mean that a customer will be able to contact and speak to the operator when concerned about any aspect of the journey. Concerns can be addressed in real time rather than through often less reactive electronic communication.

**Proposal**

We propose to amend the PHV Regulations to require all licensed private hire operators to have a landline number available at all times so passengers can speak to operator staff for the purposes of customer care, complaints and the booking of private hire journeys. The number of staff managing customer telephone enquiries will be required to be commensurate with the size of the operator and the volume of private hire bookings.

**Question 11**

***Do you agree with our proposal? If you don't agree, please say why.***

**8. Operators must not show vehicles being available for immediate hire, either visibly or virtually via an app**

A number of consultees have suggested that, whether through an app or through physical street ranking, some operators are creating the impression of vehicles being available for immediate hire. This is increasing the risk of unauthorised vehicle/driver "touting" and other illegal cab activity.

Operators with a physical base for their drivers (e.g. a local minicab office) could still have vehicles at the premises awaiting a booked journey.

Proposal

We propose to amend the PHV Regulations to require operators to ensure that private hire vehicles are not visibly shown to be available for immediate hire, whether physically (e.g. signage or otherwise on the street) or via an app, or other means.

Question 12

*Do you agree with our proposal? If you don't agree, please say why.*

## **9. Operators will be required to provide specified information including details of all drivers and vehicles to TfL on a regular basis**

Consultees were mostly supportive of a requirement that operators provided TfL with details of their drivers and vehicles on a regular basis.

At present we do not know for certain which driver is working for which operator. This change would mean that we can quickly trace back the driver to the operator where illegal activity is suspected and/or a complaint is made about a vehicle or driver. It also means we can better monitor whether drivers connected to a particular operator are consistently committing offences or other behavioural indiscretions. This will enhance enforcement and compliance activity.

Although operators are obliged to keep a record of drivers and vehicles, which are inspected as part of any routine (or other) compliance inspection, having a nearer "real-time" record will enable us to react quickly where we have to follow up an enforcement issue and/or identify a pattern of poor operator behaviour.

We do not intend to require booking records to be routinely shared with us due to the huge volume of data that would entail. However the record keeping requirements will still apply and we will continue to review records as part of compliance inspections.

Proposal

We propose to require operators to provide TfL with information in such form, content and at such intervals as TfL specifies including details of drivers and vehicles.

Question 13

*Do you agree with our proposal? If you don't agree, please say why not.*

## **10. Operators must specify the fare prior to the booking being accepted**

A number of consultees suggested that a private hire operator must specify the fare for each journey prior to commencement of that journey.

The Operator Regulations already require an operator to keep a record of any fare or estimated fare if requested by the passenger. This proposed amendment would provide certainty to customers and minimise the risk of customers being overcharged and/or additional charges/tariffs being applied after the journey has commenced. It will

also mean that the operator will have to properly take into account any ancillary costs (e.g. parking or waiting time) prior to commencement of the journey.

#### Proposal

We propose to require operators to provide a specified fare prior to the booking being accepted.

#### Question 14

*Do you agree with our proposal? If you don't agree, please say why.*

### **11. Operators must record the main destination for each journey which must be specified at the time the booking is made**

This proposal was supported by most consultees. We believe it is important for public safety that the precise details of each journey are recorded.

A number of consultees also suggested that the starting point for each journey should also be recorded so that a full record of the complete journey is made before the journey commences. This will support passenger safety and assist with compliance.

#### Proposal

We propose to amend the Operators Regulations to require the operator to record the main destination of private hire journeys which must be specified at the time the booking is made.

#### Question 15

*Do you agree with our proposal? If you don't agree, please say why.*

### **12. Harmonise retention periods for records**

Having different retention periods for different records causes confusion to operators. Our proposal, which was largely supported by consultees, is that the period for retention of records is made 12 months for all records as opposed to 6 months for some records (e.g. complaints, lost property) and 12 months for others (e.g. driver and vehicle records).

#### Proposal

We propose to harmonise the retention period for records under the Operator Regulations to be 12 months where it is currently 6.

#### Question 16

*Do you agree with our proposal? If you don't agree, please say why.*

### **13. Limit on the number of business names attached to each Operator's licence**

While we acknowledge that operators may use different trading names to identify different parts of their business, there are concerns regarding the large number of trading names that some operators are using. We receive applications from operators applying to use the same trading names as existing operators in their Borough causing confusion amongst the public as to who they are making a booking with. There are also examples of operators applying for names containing geographic areas they do not provide services in, and using personal names of other individuals (not related to the business), causing further confusion.

Multiple business names can mean it is confusing for customers to remember the operator they used for a journey. It is important that a passenger can remember these details in case of complaint or dispute.

Requests to vary an operator's licence can be made under section 18 of the 1998 Act. We propose that only five business names can be associated with each individual operator's licence and the number of fields on an operators licence be amended accordingly. Operators will still be able to make a request for additional business names to be attached under section 18, but we will be minded to refuse these requests unless the operator can demonstrate there are exceptional circumstances to justify the additional name.

#### **Proposal**

We propose a limit of five on the number of business names attached to each Operator's licence

#### **Question 17**

***Do you agree with our proposal? If you don't agree, please say why.***

## PART 2: PRIVATE HIRE DRIVERS

### 14. Specific requirement for an English Language test

There is currently no specific language requirement for PHV drivers, except that the topographical test has to be delivered in English. Our March 2015 consultation asked if we should consider introducing a formal requirement for private hire applicants to be able to speak English to a certain standard, and what the criteria should be.

The ability of private hire drivers to demonstrate English language skills was strongly supported by consultees. We believe it is essential PHV drivers are able to communicate with customers and other road users, especially in case of an emergency and from a consumer perspective passengers may also need to communicate with drivers during or after the journey.

Many consultees suggested that TfL set an English Language requirement at an intermediate level. The Home Office requires visa applicants applying for settlement to demonstrate that they meet the English language criteria by taking an “English for Speakers of Other Languages” (ESOL) test which is equivalent to level B1 of the Common European Framework of Reference<sup>1</sup>. B1 is an intermediate level at which individuals should be able to demonstrate that they can understand everyday English.

We see no reason why a private hire driver should not also be able to demonstrate a similar level of language skills. In fact other licensing bodies outside London have already implemented similar English language assessment tests.

#### Proposal

We will make regulations that will require drivers to be able to demonstrate they have sufficient knowledge of English language at an intermediate level. The requirement will be applied to all new driver applicants and renewals. In the interim, as part of our review of the topographical test, we will ensure that the test centres are properly assessing the ability of candidates to communicate in English.

#### **Question 18**

***Do you agree with our proposal? If you don't agree, please say why.***

#### **Question 19**

***What standard do you think it would be appropriate for applicants to demonstrate?***

---

<sup>1</sup> The Common European Framework of References for languages (CEFR) was developed by the Council of Europe to establish international standards for language learning, teaching and assessment in all modern languages, including English. There are various levels within the framework, representing different levels of language capability. For further information on the Common European Framework of Reference for Languages, please go to [http://www.coe.int/t/dg4/linguistic/Cadre1\\_en.asp](http://www.coe.int/t/dg4/linguistic/Cadre1_en.asp) (accessed 25 September 2015)

## **15. Drivers to only work for one operator at a time**

A number of consultees suggested that PHV drivers should be restricted to working for only a single licensed operator at one time.

This proposal would reduce the risk of drivers working excessive hours for a number of different operators. It also will assist enforcement and compliance activity because there would be more certainty as to whom a driver is undertaking bookings for at any particular time. There will be no restriction on the number of times that a driver changes the operator they are working for.

### Proposal

We proposed to make it a requirement that a PHV driver must be registered to a licensed operator and may only be registered to a single operator at any time.

### Question 20

*Do you agree with our proposal? If you don't agree, please say why.*

## **16. Driver and Operator licence applicants to provide National Insurance numbers and share with Department for Work and Pensions (DWP)**

A number of consultees suggested that applicants for a PHV driver or operators licence should be required to provide their National Insurance number as part of their application. Operators are already required under regulation 13 of the Operator Regulations to record the National Insurance number of any driver carrying out bookings for them.

Whilst a National Insurance number is not proof of identity, it does provide an additional safeguard to other identity checks. Furthermore, the information could be of use to the DWP to assist any relevant investigations.

### Proposal

We propose an application requirement to provide a National Insurance number for private hire driver and operator licences (where the operator is an individual).

### Question 21

*Do you agree with our proposal? If you don't agree, please say why.*

## **17. Vehicle licence to be revoked if driver licence revoked**

There is no 'fit and proper' requirement for the owners of PHVs and the 1998 Act suggests that the suspension or revocation of a licence, under that section, can only be for a reason connected to the fitness of the vehicle for use as a PHV. This is causing concern in situations where, for example, a driver is convicted of a sexual offence or touting in a licensed vehicle and may attempt to keep working (while unlicensed) in that vehicle.

A majority of stakeholders supported the proposal that, where a licensed driver has their drivers licence revoked, and that driver is the owner of a licensed vehicle, we should also revoke the vehicle licence. This will ensure the driver is not able to illegally work and/or ply for hire.

A suspension or revocation of a vehicle licence can be with immediate effect where we believe it is in the interest of public safety to do so. Our proposal would be to immediately revoke the vehicle licence when the drivers licence has been revoked. A PHV owner can appeal our decision to suspend or revoke a vehicle licence in the Magistrates' Court.

#### Proposal

Where a licensed driver has their driver's licence revoked, and that driver is the owner of a licensed vehicle, then we will also revoke the vehicle licence.

#### Question 22

*Do you agree with our proposal? If you don't agree, please say why.*

### **18. Checks on convictions of operator staff**

The Operators Regulations require an operator to notify us of any convictions of the operator or anyone named on the application for the licence. This does not however extend to other employees and neither is there a formal requirement to undertake any pre-employment checks.

Concerns have been raised regarding the suitability of individuals working for operators such as controllers and it has been suggested that this requirement be extended to all those working for the operator to prevent unsuitable persons acting as controllers. Controllers often have day-to-day contact with the public and are responsible for ensuring the booking is discharged safely by a licensed driver and vehicle.

Consultees strongly supported more rigorous checks on operator staff. We propose to mandate operators to undertake checks on all employees who come into contact with passengers and booking details. A full Disclosure and Barring Service (DBS) check was the most popular option suggested, however to do this will require the addition of operator staff to the list of DBS occupations for which such checks can be made. As an interim measure we will require operators to ask employees to provide a basic disclosure.

#### Proposal

We will seek to add operator staff to the DBS list and amend the Regulations accordingly. As an interim measure we will require operators to ask any person working for them to provide a basic disclosure as part of the application process.

#### Question 23

*Do you agree with our proposal? If you don't agree, please say why.*

## **19. TfL stop accepting payment by PO and cheque**

Only a small number of payments are made by Postal order or cheque, however we incur significant costs in processing them. Consultees were broadly supportive of our proposal that these will no longer be accepted as payment.

### Proposal

From 1 April 2016 we will no longer accept cheques or postal orders as payment.

### Question 24

***Do you agree with this proposal? If you don't agree, please say why.***

## **PART 3: PRIVATE HIRE INSURANCE**

Our consultation asked for views on whether we should check that hire and reward insurance was in place at the time of vehicle licensing. Whilst some consultees said that we should do this check, the overriding feedback from consultees was that there should be further checks and controls to ensure hire and reward insurance was always in place.

Comments are welcomed on the following options which are under consideration.

### **20. Hire and Reward insurance to be checked at point of licensing and must be in place for duration of vehicle licence**

This was supported by many consultees although, as noted above, most of this support was dependent on additional checks and controls.

Requiring Hire and Reward insurance be in place at all times whilst the vehicle is licensed will remove any ambiguity as to whether insurance was in place at the time of any journey. It will also aid compliance in that a private hire driver must be able to demonstrate the insurance is in place regardless of whether the driver is claiming to be using the vehicle for personal use.

#### Proposal

We propose to check Hire and Reward insurance at the point of vehicle licensing and insurance will be required to remain in place for the duration of the licence. No licence can be issued without evidence that the appropriate insurance is in place.

#### Question 25

*Do you agree with our proposal? If not, please say why.*

### **21. Drivers to carry or display a copy of insurance details at all times**

To support the requirement above, we believe private hire drivers should either carry in the vehicle, whether or not displayed in the vehicle, a copy of their insurance documentation. Licensed taxis must have hire and reward insurance in place at all times the vehicle is licensed and must display a copy of that insurance. We see no reason not to require similar provision for private hire vehicle drivers.

#### Proposal

We propose to amend the Drivers Regulations to the effect that private hire drivers must carry a copy of their insurance documents at all times

#### Question 26

*Do you agree with our proposal? If you don't agree, please say why.*

**Question 27**

***If you agree, should the driver be required to display the insurance in the vehicle? If you don't agree, please say why.***

**22. Hire and Reward fleet insurance in place by operators**

As an alternative to the above proposals, some consultees suggested that operators should be required to have Hire and Reward fleet insurance.

We understand some operators have fleet insurance in place but for those that don't, we recognise that there may be a considerable financial cost. Nevertheless, fleet insurance would ensure customers are protected in case the driver is uninsured or if the insurance is in any way invalidated.

**Question 28**

***Do you agree that Hire and Reward fleet insurance put in place by operators is necessary in addition to, or instead of, individual driver insurance cover? If you don't agree, please say why.***

## PART 4: PRIVATE HIRE LICENSING

### 23. Operator licence type

We currently issue two types of private hire operator licence: Small (less than two private hire vehicles available) and Standard (more than two private hire vehicles available). The current costs for these licence types are as follows:

	Small	Standard
Licence application fee (non-refundable)	£838	£838
Grant of licence fee (five-year licence)	£650	£1988
Total	£1488	£2826

A key element in both taxi and private hire licensing is that the licence fees can only be used to cover the costs of the licensing, compliance and enforcement functions, and cannot be used to fund other TfL activities.

It has been previously suggested that we should look to introduce an additional category/categories that better reflect and recover costs of the licensing, compliance and enforcement functions. This could include, for example, a greater licence fee cost for operators that have over 1,000 vehicles available. We could also explore a lower licence fee to incentivise the take up of specialist services, such as the provision of wheelchair accessible vehicles or zero emission vehicles.

#### Proposal

We will review the current operator licence type and look to introduce additional category/categories.

#### Question 29

***Do you agree with our proposal? If you don't agree, please say why.***

### 24. Controls on ridesharing in licensed vehicles

There was some confusion amongst consultees about what issues we were consulting on<sup>2</sup>, however there was a very clear consensus that unlicensed private hire vehicles (and by extension, drivers) should not be used for any journey where multiple passengers were taken on the same trip for commercial gain. The most common concerns were about passenger safety, but also driver safety given potential for disputes between “strangers” and issues about splitting fares.

---

<sup>2</sup> We asked: “How are shared private hire services different to exclusive hires and how should this be reflected in the requirements that apply to them?”

Generally our position is to support developments in technology which comply with relevant laws and provide benefits to passengers. Sharing of private hire services has the potential to provide a range of benefits such as cheaper individual fares, reduced congestion and greater utilisation of vehicles, thus reducing emissions.

However, the regulatory framework must properly address any safety concerns and the safety of passengers and drivers must not be put at risk. We will continue to take action in relation to the use of any vehicle undertaking journeys for commercial reward which circumvents the licensing system.

#### Proposal

We intend to explore measures to ensure that private hire vehicles cannot be used for ride sharing purposes in London unless there are very clear controls in place to protect the safety of passengers and drivers.

#### **Question 30**

***Do you support the above proposal? If not, why not?***

### **25. Amendment of advertising regulation to include “in” vehicle**

#### Proposal

We are proposing a small change to Regulation 8 of the Vehicle Regulations which will clarify that advertising displayed “from” as well as “on” a vehicle is subject to the controls set out in that Regulation.

#### **Question 31**

***Do you agree with our proposal? If you don't agree, please say why.***

## **PART 5: ADDITIONAL MEASURES**

We are also taking forward the following measures:

### **Topographical skills**

We shall introduce a significant enhancement in the content, management and delivery of the PHV Topographical Skills Assessment (TSA or 'the test') and an applicants' general understanding of the rules that govern private hire licensing. We will invigilate the TSA going forward, utilising a core of the existing test centres. The new test would be delivered in three parts:

- A computer package testing map reading skills;
- The ability to navigate to/from key points in London (e.g. mainline stations);
- Clear understanding of private hire licensing regulations.

We will not provide training for the enhanced TSA and instead would encourage candidates to attend accredited operator training centres to adequately prepare for the test

### **Complaints**

We will take a greater role in the oversight and management of private hire complaints.

As an interim step, from autumn 2015, private hire operators will provide reports / information to TfL on a periodic basis (to be defined), providing a full summary of all complaints (so we can understand the volumes) and a full breakdown of complaints related to private hire driver behaviour or problems relating to vehicles. This would include details of the investigation undertaken by the operator and the outcome.

We will then establish a more formal role for private hire complaints, providing a fair and independent complaints process for customers not satisfied with private hire services.

### **Disability awareness training**

This was strongly supported by consultees.

Groups representing disabled passengers have told us of many issues with the availability of PH vehicles and more general attitude to those with disabilities. PH drivers cannot discriminate against disabled passengers and this training will protect both the passenger and the driver.

We will include a requirement that introduces training for private hire drivers, to include disability awareness. This will be developed from autumn 2015 and all new licence applicants will be expected to undertake the training prior to becoming licensed. Renewal applicants will also be required to undertake this training ahead of the renewal of their licence.

## **Driver training**

Most consultees suggested further training for private hire drivers was desirable. Driver training will help raise standards of PHV drivers with clear benefits to customers and other members of the travelling public. We are considering further what elements this should take and how it should be delivered.

## HOW TO RESPOND TO THIS CONSULTATION

This consultation document seeks views on issues relating to the licensing of private hire vehicles in London. Respondents are invited to comment on the proposals and are also invited to provide relevant information to support our decisions on this issue.

We are publishing this document online at [consultations.tfl.gov.uk/tph/private-hire-proposals](http://consultations.tfl.gov.uk/tph/private-hire-proposals) and are sending a notice initially to the organisations and individuals listed in Appendix A. Comments from other interested organisations or individuals are also welcome. You are invited to pass this link or document on to anybody else that you think should see it. We welcome suggestions as to other organisations that should be aware of this consultation

Please let us know your views on these proposals by visiting our consultation website at [consultations.tfl.gov.uk/tph/private-hire-proposals](http://consultations.tfl.gov.uk/tph/private-hire-proposals). Responses must be received by **23 December 2015**.

You can also contact us by emailing [consultations@tfl.gov.uk](mailto:consultations@tfl.gov.uk), stating 'Private Hire Proposals' in the subject line. Please state your views on the questions set out above, as well as any other comments you wish to make. If you are responding on behalf of an organisation, please provide background information about your organisation and the people that you represent.

The Freedom of Information Act 2000 requires public authorities to disclose information they hold if it is requested. This includes information contained in responses to public consultations. If you ask for your response to be kept confidential this will only be possible if it is consistent with TfL's obligations under the Freedom of Information Act and if certain grounds for confidentiality under the Act apply.

Further copies of the consultation document can be obtained via the TfL consultation website shown above.

Enquiries about the contents of this consultation document may be made by email to [consultations@tfl.gov.uk](mailto:consultations@tfl.gov.uk).

Alternatively, you can contact us by post at:

Private Hire Proposals  
FREEPOST TFL CONSULTATIONS

## APPENDIX A - INITIAL CONSULTATION LIST

Consultees are welcome to forward the consultation document to other interested parties and responses from these parties are also invited.

### TfL TPH email circulation

#### TfL TPH Twitter feed

#### Private hire trade associations

- Chauffeur and Executive Association
- GMB (Greater London Private Hire Drivers Branch)
- Institute of Professional Drivers and Chauffeurs
- Licensed Private Hire Car Association
- Private Hire Board
- British Bangladesh Minicab Drivers Association

#### Taxi driver associations

- Heathrow Airport Taxi Drivers United
- Licensed Taxi Drivers Association
- London Cab Drivers Club
- London Suburban Taxi Drivers Coalition
- RMT Cab Trade Section
- Unite the Union Cab Trade Section
- United Cabbies Group

#### Other licensing authorities

- Neighbouring taxi & private hire licensing authorities
- National Association of Licensing and Enforcement Officers
- Senior Traffic Commissioner
- Institute of Licensing

#### Individuals and organisations that gave email addresses when responding to the previous private hire regulations consultation

#### User groups and other stakeholders

- Action on Hearing Loss
- Age UK
- City of London Police
- Department for Transport
- Disabled Persons Transport Advisory Committee
- Equality and Human Rights Commission
- Guide Dogs
- Heart of London
- Heathrow Airport Ltd
- Inclusion London
- Living Streets
- London Accessible Transport Alliance
- London Assembly Members
- London Chamber of Commerce and Industry
- London City Airport Ltd
- London Councils
- London Cycling Campaign
- London First
- London local authorities
- London MPs
- Home Counties MPs
- London NHS bodies
- London TravelWatch
- Metropolitan Police Service
- Network Rail
- New West End Company
- Passenger Focus
- People 1st
- RNIB
- Roads Task Force members
- Society of West End Theatres
- Suzy Lamplugh Trust
- Train Operating Companies serving London
- Transport for All
- TfL Youth Panel
- Visit London (London & Partners)