

LAW COMMISSION RECOMMENDATIONS

- 1 We recommend retaining the two-tier system. Regulation should continue to distinguish between taxis, which can be hailed or use ranks, and private hire vehicles, which can only be pre-booked.
- 2 We recommend that the offences relating to plying for hire should be abolished. We propose replacing the concept of plying for hire with a new scheme of offences, resting on the principal prohibition of carrying passengers for hire without a licence, alongside a new offence making it unlawful for anyone other than a local taxi driver to accept a journey starting “there and then”.
- 3 We recommend a statutory definition of pre-booking in order to create a clear distinction between the work of a taxi in its licensing area and the work of a private hire vehicle.
- 4 We recommend that the term “hackney carriage” should be replaced in legislation with the word “taxi”. The term “private hire vehicle” should remain unchanged.
- 5 We recommend that only the providers of licensed taxi services should be allowed to describe themselves using the term “taxi” on vehicles or in advertising materials.
- 6 Operators across England and Wales (dispatchers) should be under a duty to provide a price or an estimate of the fare on request.
- 7 We recommend that taxis picking up passengers outside their licensing area should be subject to a pre-booking requirement, which would be statutorily defined for the first time. This would require provision of an estimate of the price for the journey in advance, if requested, and record-keeping obligations. These requirements could be further refined through national standards in secondary legislation.
- 8 We do not recommend the introduction of record-keeping requirements in respect of taxis except where they are picking up passengers outside their licensing area.
- 9 We recommend that local authority stopping officers should have a new enforcement power to require licensed vehicles to move on where the officer considers that:
 - (1) there is a reasonable likelihood that the public may believe the vehicle is available for immediate hire;
 - (2) the vehicle is causing an obstruction to traffic flow; or
 - (3) the driver is attempting to take work away from ranked taxis.
- 10 We recommend introducing a new offence which makes it unlawful for anyone other than a locally licensed taxi driver to accept a booking for a journey starting there and then.
- 11 We recommend that compellability should be retained in its current form. It should be open to licensing authorities to express compellability as a time or distance from the point of hire, or as extending to the boundaries of a licensing zone. Licensing authorities should also be able to extend the

- compellable distance up to seven miles beyond the boundary of the licensing area.
- 12 Licensing authorities should have the power to make a determination that in their areas, taxis should be under a duty to stop when hailed. In such areas, it would be an offence for a taxi driver in a vehicle displaying a “for hire” sign to fail to stop in response to a hail, without reasonable excuse.
 - 13 Licensing authorities should be under a duty to consult on the need to alter rank provision; and to consider whether new ranks should be appointed, or current ones moved or removed, on a periodic basis not exceeding every three years.
 - 14 We recommend that those acting in the course of a business who pass taxi or private hire bookings to providers who they know or suspect to be unlicensed should be guilty of an offence.
 - 15 We do not propose to require intermediaries working solely with licensed taxis (“radio circuits”) to be licensed.
 - 16 We recommend that licensed dispatchers should be retained as a necessary element of the regulation of private hire services.
 - 17 We recommend that operator licensing should only cover dispatch functions, and no longer apply to the invitation or acceptance of bookings as such. However, if it is shown that an individual or company accepted a hire vehicle booking, a presumption should arise that that person also “dispatched” the driver. This ensures the continued accountability of those who, in the course of business, accept hire vehicle bookings from the public.
 - 18 It should also be an offence, in the course of business, to dispatch an unlicensed vehicle or driver. It would also be an offence for a person to dispatch a private hire vehicle and driver unless that person holds a dispatcher’s licence. It would be a defence if the driver and vehicle were reasonably believed to hold appropriate taxi licences.
 - 19 Persons accepting a hire vehicle booking in the course of business should be under a duty to provide information to the hirer in respect of any person on to whom they passed the booking.
 - 20 Proposed reforms should extend to all of England and Wales, including London and Plymouth.
 - 21 Taxi and private hire licensing should cover vehicles regardless of their form or construction, including non-motorised vehicles.
 - 22 Taxi and private hire licensing requirements should only cover services provided for commercial gain.
 - 23 Taxi and private hire licensing should not cover the carriage of a passenger as an ancillary or incidental part of another service.
 - 24 For the purposes of taxi, private hire and public service vehicle legislation, all passenger seats and spaces capable of carrying a standing passenger should be included when assessing vehicle carrying capacity.

- 25 Consideration be given to revising the criteria for licensing a vehicle as a “small public service vehicle” , making them more clearly centred on local bus services.
- 26 We recommend extending the reach of taxi and private hire licensing to larger vehicles in two circumstances:
 - (a) on a mandatory basis, in respect of stretch limousines and novelty vehicles; and
 - (b) on an optional basis, where providers want to use larger vehicles in a taxi or private hire business. (*Page 70*)
- 27 We recommend that the Secretary of State should have the power to exempt certain categories of vehicle or services used to carry passengers for hire from the requirement to hold a taxi or private hire licence. Licensing authorities would, however, retain the power to impose licensing requirements on vehicles used as taxis within their local licensing area.
- 28 Wedding and funeral cars should continue to be exempt from taxi and private hire licensing while the vehicle is being used in connection with a wedding or a funeral.
- 29 Non-professional use of licensed taxi and private hire vehicles, including by nonprofessional drivers, should be permitted, subject to a rebuttable presumption that such vehicles are being used professionally when they are carrying passengers.
- 30 Introduction of national standards for taxi and private hire services.
- 31 National standards should promote enforcement, protection of the environment and accessibility, in addition to safety.
- 32 National standards for taxi services should be comparable but not necessarily identical to national standards for private hire services.
- 33 Driver and vehicle standards should be set in secondary legislation by the Secretary of State.
- 34 The standard setting power of the Secretary of State should be subject to a statutory consultation requirement.
- 35 Applying for a vehicle licence should no longer be restricted to vehicle owners.
- 36 Applicants for vehicle licences should not be subject to a fit and proper person test.
- 37 Licensing authorities should not have a general power to impose individual conditions on the holders of taxi or private hire licences.
- 38 The Secretary of State should exercise the standard setting power to provide that a conviction for specified offences is a breach of a licensing condition, or incompatible with eligibility to hold a licence.
- 39 The Secretary of State should have the power to designate specific licence conditions, breach of which will amount to a criminal offence.

- 40 Private hire services should only be subject to national standards. Licensing authorities should no longer have the power to impose local conditions.
- 41 Dispatchers should continue to be subject to fit and proper person requirements as part of national standards.
- 42 Dispatchers should be subject to a statutory duty to maintain records in such form as may be prescribed by the Secretary of State.
- 43 Signage requirements for private hire vehicles should form part of the national standards determined by the Secretary of State. The Secretary of State should impose requirements that aim to ensure that the public are able to distinguish easily between taxis and private hire vehicles.
- 44 Dispatchers should no longer be restricted to working only with drivers and vehicles whose licences are issued by the same licensing authority as the dispatcher.
- 45 Dispatchers should have the ability to sub-contract bookings to any dispatcher in England and Wales.
- 46 Licensing authorities should retain the power to set local taxi standards over and above national standards.
- 47 Licensing authorities should be required to consult on additional licensing conditions for taxi drivers and vehicles.
- 48 Licensing authorities should retain the ability to regulate taxi fares, in respect of any journey within the compellable distance.
- 49 A taxi driver should be allowed to charge more than the metered fare for journeys starting inside the licensing area and ending beyond the compellable distance only if this is agreed in advance. In the case of pre-booked journeys starting outside the compellable distance the price or an estimate should be given on request and, if so, recorded.
- 50 Licensing authorities should retain the power to regulate fares charged for pre-booked taxi journeys. However, there should be no power to regulate third party booking fees, provided these are agreed in advance.
- 51 The principle of cost recovery should continue to apply in respect of taxi and private hire licensing fees.
- 52 Licensing authorities should be able to collect and use licensing fees from taxi and private hire licensing only for the following purposes:
- (1) administration of the licensing system (including but not limited to processing applications for granting or renewing licences and carrying out inspections and tests);
 - (2) statutorily required reviews of fare levels, rank provision, accessibility and existing quantity restrictions at least every three years;
 - (3) enforcement of the licensing system including but not limited to the control and supervision of taxi and private hire services (whether licensed or unlicensed) and activities associated with suspending or revoking licences; and:
 - (4) providing taxi ranks.

- 53 The Secretary of State should set a private hire licensing fee which could not be varied locally. Taxi licensing fees should continue to be set locally, but at a level no lower than the national private hire fee.
- 54 The Secretary of State should have the power to set up a system of pooling private hire licence fees nationally, for the purposes of redistributing these to reflect enforcement needs, in accordance with such a scheme as may be prescribed.
- 55 Licensing authorities should have the power to combine their taxi and private hire licensing areas.
- 56 Licensing authorities should be under a duty to publish their driver, vehicle and dispatcher licensing data in such form as the Secretary of State may require.
- 57 Licensing authorities should have a more flexible power to introduce and remove taxi licensing zones. This power would permit removal or introduction of zones within a licensing district. The power should be subject to consultation and a statutory public interest test.
- 58 Licensing authorities should continue to have the power to limit the number of taxi vehicles licensed in their area.
- 59 The power of licensing authorities to impose quantity restrictions should be subject to a statutory public interest test. Further, the Secretary of State should have regulation-making powers prescribing how the statutory test should be applied.
- 60 Decisions to restrict taxi numbers should be reviewed at least every three years and be subject to local consultation in accordance with such procedures as may be prescribed in regulations made by the Secretary of State.
- 61 In licensing areas where quantity restrictions already exist at the time of the introduction of our reforms, but not in other areas, vehicle licence holders should continue to be able to transfer their taxi licences at a premium.
- 62 Taxi and private hire drivers be required to undergo disability awareness training of a standard set by the Secretary of State.
- 63 The Secretary of State require information on how to complain about taxi and private hire vehicle services to be displayed in taxi and private hire vehicles.
- 64 Licensing authorities should display complaint information in offices, libraries and on websites.
- 65 Licensing authorities conduct an accessibility review at three year intervals.
- 66 The Secretary of State require holders of taxi and private hire driver licences and dispatcher licences to comply with the Equality Act 2010 as a condition of the licence.

- 67 Licensing authorities should reconsider rank design to ensure compliance with the Equality Act 2010.
- 68 Licensing conditions should provide that information about the licensing authority and local operators should be provided in alternative formats, as well as information about the types of vehicle available in their area.
- 69 The Secretary of State should have the power to impose accessibility requirements on large dispatchers. In particular, the power should permit the setting of quotas of accessible vehicles which must be available to such dispatchers.
- 70 Licensing officers who have been suitably trained and accredited should be given the power to stop licensed taxi and private hire vehicles in a public place for the purpose of checking compliance with licensing requirements.
- 71 The offence of touting should be retained. It should continue to be an offence of broad application which extends to all persons, whether licensed or unlicensed.
- 72 There should be a new defence to touting, where the solicitation is in respect of a licensed taxi or private hire vehicle, if the soliciting occurs in a place which has been designated by that licensing authority for that purpose, and that conditions as may be specified by the licensing authority have been complied with.
- 73 The Sentencing Council consider amending the Magistrate's Court Sentencing Guidelines in respect of taxi touting to take into account the vulnerability of the persons solicited as a relevant factor in sentencing.
- 74 Licensing authorities should have the power to impound vehicles used in connection with touting.
- 75 Fixed penalties should be among the sanctions available in respect of minor criminal offences under taxi and private hire legislation.
- 76 Extending the power to suspend licences immediately on grounds of public safety to all licence types.
- 77 Licensing officers should be able to take non-criminal enforcement action against vehicles, drivers and operators, licensed outside their licensing area.
- 78 Powers to revoke a licence should be available only to the licensing authority which issued that licence. However, enforcement officers in another area should have the power to:
- (a) suspend a licence when they consider this to be necessary in the interests of public safety; and
 - (b) make recommendations to the home licensing authority as to appropriate sanctions, to which the home authority must have regard.
- 79 The right to appeal against refusals to grant or renew taxi and private hire licences or to suspend or revoke them should be limited to the applicant or licence holder.

- 80 The first stage in the appeal process in respect of refusals, suspensions or revocations of licences should be the right to require licensing authorities to reconsider the original decision. Appellants should have the right to bypass this stage and proceed direct to the magistrates' court.
- 81 All taxi and private hire licensing appeals should be heard in the magistrates' court.
- 82 Retention of an onward right of appeal to the Crown Court.
- 83 Applicants for a vehicle licence for an opt-in vehicle should have a right of appeal to the Upper Tribunal if their application is refused on the basis of an objection by the Senior Traffic Commissioner.
- 84 A County Court judicial review procedure along the lines provided under the Housing Act 1996 should be available to challenge taxi conditions set by licensing authorities.