

Taxi and private hire vehicle licensing best practice guidance for licensing authorities in England November 2023

<https://www.gov.uk/government/publications/taxi-and-private-hire-vehicle-licensing-best-practice-guidance/taxi-and-private-hire-vehicle-licensing-best-practice-guidance-for-licensing-authorities-in-england>

This is non-statutory best practice guidance. Licensing authorities are still responsible for deciding their own policies. The personal safety of passengers is critical. The primary and overriding objective of licensing must be to protect the public. Licensing authorities should also be aware that, as well as ensuring taxi and private hire vehicles are safe, the public have a reasonable expectation that the services available will be accessible and affordable.

It is for licensing authorities to ensure that their licensing policy and requirements are proportionate, so that passengers can choose from a wide range of safe services. As indicated above, the primary function of the licensing regime is public safety; however, an unduly stringent regime on other issues may restrict the supply of taxi and private hire vehicle services by putting up the cost of operation, or otherwise restricting entry to the trade. Licensing authorities should recognise that too restrictive an approach can be counter-productive, restricting the licensed trade to such an extent that the public resort to the use of unlicensed, unvetted and uninsured drivers and vehicles.

[Section 17 of the Crime and Disorder Act 1998](#) requires local authorities to consider the crime and disorder implications of all their activities and functions and do all that they reasonably can to reduce crime. Licensing authorities routinely do this by setting licensing requirements that protect passengers, but this duty also extends to considering ways that licensing requirements and policies can reduce crime against drivers. It is the case that drivers are subjected to robbery, verbal and physical assault, this can be racially motivated or aggravated. Licensing authorities must consider ways to protect those working in the trade as well as those that use its services.

Licensing authorities are required under the [Public Sector Equality Duty](#) to pay regard to the need to eliminate conduct prohibited by the Equality Act 2010, to promote equality of opportunity and to foster understanding between people who share a protected characteristic and those who do not. It is beyond the scope of this document to identify actions which would demonstrate compliance with this duty, and ultimately only a court can do so definitively. We would however suggest that authorities:

- maintain a body of evidence on the impact of services on people with different protected characteristics and use it to make policy decisions consistent with the duty
- consider how they can actively promote equality, such as by consulting regularly with users, planning strategically to provide services which meet their needs, and by prioritising actions which seek to eliminate discrimination or barriers to equal access

- consider how to demonstrate the consideration given in a manner which promotes public awareness of the authority's inclusive approach to service support and provision

Disability is a protected characteristic under the Equality Act 2010, and disabled people may face particular barriers accessing taxi and private hire vehicle services if authorities fail to regulate services inclusively and to uphold the rights of affected passengers. In our view, an inclusive service accessible to disabled people is one where:

- there are sufficient vehicles meeting disabled people's access needs, to allow them to travel as easily, between the same locations and at the same times, as non-disabled people
- policy decisions are informed by an accurate and up-to-date understanding of the experience and needs of disabled people with a range of visible and less visible impairments
- action is taken proactively to improve the accessibility of the services supported
- disabled people have confidence that services will meet their needs and that, if things go wrong, their concerns will be understood and investigated thoroughly
- if operators and drivers fail in their responsibilities, that appropriate enforcement action is taken to prevent its recurrence and protect other disabled passengers

3.1 The regulators' role

Licensing authorities are required under [section 22\(2\) of the Legislative and Regulatory Reform Act 2006](#), to have regard to the [Regulators' Code](#).

The code states that:

Regulators should avoid imposing unnecessary regulatory burdens through their regulatory activities and should assess whether similar social, environmental and economic outcomes could be achieved by less burdensome means. Regulators should choose proportionate approaches to those they regulate, based on relevant factors including, for example, business size and capacity.

As with other regulators, licensing authorities' interventions should be focussed on mitigating safety risks for passengers and drivers, and enabling fair competition within the trade by ensuring consistency of regulation and enforcement. Licensing authorities should actively promote inclusivity, equality and independence for disabled people and ensure that they only issue licences to those that are fit and proper to hold one.

A need to intervene might be established through analysing complaints received or consulting with passengers and/or the trade. Licensing authorities should consider the wider impact of interventions and how they affect the delivery of safe, available, affordable and accessible services.

3.2 The objective of regulation and consideration of policies

When formulating a taxi and private hire vehicle policy, the primary and overriding objective must be to protect the public. Ensuring high safeguarding requirements and processes, as set out in the [Statutory Taxi and Private Hire Vehicle Standards](#), is only one way in which licensing authorities can help ensure the personal safety of passengers.

Ensuring local residents understand the distinction between the taxi and private hire vehicle trades and how each service can be legally engaged is very important. The key message needs to be that, unless you are hailing a locally licensed taxi in the street or at a stand, you should not get in any other vehicle unless you have pre-booked it and have received information from the operator to identify it. This messaging can be supported by a policy that makes taxis look distinct from private hire vehicles; this is discussed further in section 8.

In addition to the safety of passengers, regulation should protect equality and enable fair competition. Once a need to intervene is established, licensing authorities should consider whether any policy changes would have unintended negative consequences that might outweigh the benefits of that policy.

For example, if a licensing authority established that the drivers they license have frequent collisions, it may set an objective to reduce these. The authority might try to address this concern by requiring all drivers to have ten years' driving experience on the basis that 'experienced drivers are safer'.

Such a requirement would however prevent an individual under the age of 27 entering the trade. This would be regardless of whether they held an advanced driving qualification. It is probable that such an individual is a safer driver than someone over 27, who passed their driving test 10 years ago but has rarely driven since. While experience is generally useful, individuals should be able to evidence that they meet the objective of the policy rather than an arbitrary criterion.

Licensing authorities should ensure that their various licensing requirements are proportionate to the risk they aim to address or the policy objective they are seeking to achieve. The cost of a requirement, in terms of its effect on the availability of transport to the public, should be at least matched by its benefit. A detailed, quantitative, cost-benefit assessment is not needed in each case, but licensing authorities are urged to look carefully at the costs, financial or otherwise, imposed by each of their licensing policies and of the equality impacts as required by law.

The Competition and Markets Authority provided [guidance to licensing authorities](#) to consider when designing policy or regulations to assess their impact on competition and the interests of consumers. Their [competition impact assessment](#) guidelines are a useful tool in this process.

The guidelines contain 4 tests which help policy makers assess whether their proposals will limit competition:

- Will the measure directly or indirectly limit the number or range of suppliers?
- Will the measure limit the ability of suppliers to compete?

- Will the measure limit suppliers' incentives to compete?
- Will the measure limit the choices and information available to consumers?

Consideration of these questions will help ensure licensing authorities are aware of the restrictions they may be introducing on competition and may encourage them to consider alternative courses of action where possible.

As well as setting licensing requirements and imposing conditions, licensing authorities may introduce byelaws to assist them in the regulation of the taxi sector. The department has provided:

- [a set of model byelaws](#)
- [guidance on the process of making or amending byelaws](#)

3.4 Licensing Fees should be set to ensure sufficient income to administer the regime and be self-funding.

Fees were reviewed last year and a CPI increase in drivers' fees is recommended this year.

3.5 Licensing Policies should be published:

See : [Hackney Carriage and Private Hire Policy and Guidance \(windows.net\)](#)

3.6 Authorities should consult the public and trade in changes in conditions that may have a significant impact.

4. Accessibility

This section provides a challenge for the authority. We are aware there are very few licensed vehicles that can carry wheelchairs and some vehicles may not be suitable to carry passengers with disabilities (who do not require a wheelchair). It difficult to adopt policies or conditions that will increase this provision. Officers will need to discuss options with the trade and bring forward proposals later.

5.5 Points-based enforcement systems

See page 92:

[Hackney Carriage and Private Hire Policy and Guidance \(windows.net\)](#)

This is recommended by the guidance. We do operate a penalty-points system if drivers or operators fail to comply with conditions. However, the guidance recommends that these penalty points remain on the duration of the licence. **It is therefore recommended that our policy is amended - penalty points will remain on the licence for three years.**

6.3 The guidance recommends that drivers be trained in disability awareness. **It is therefore recommended that our policy is amended to require new drivers to be trained from 1 April 2024 and existing drivers are trained before their next licence renewal after 1 October 2024.**

6.4 Driver Proficiency

The guidance recommends drivers should undertake training and/or assessment focused on attitudes and behaviours. **It is therefore recommended that our policy is amended to require new drivers to be trained from 1 April 2024 and existing drivers are trained before their next licence renewal after 1 October 2024.**

6.10 Safeguarding Training

The guidance recommends all drivers should be required to undertake safeguarding training to understand policies and guidance relating to the protection of children and vulnerable adults to identify and act on signs of exploitation. We currently require training on child sexual exploitation. **It is therefore recommended that our policy is amended to require new drivers to be trained from 1 April 2024 and existing drivers are trained before their next licence renewal after 1 October 2024.**

7.2 Disability Awareness-Operators

The guidance recommends Operators and their customer-facing staff should receive training. **It is therefore recommended our policy is amended to require new operators and their customer-facing staff to be trained from 1 April 2024 and existing operators and their staff are trained before their next licence renewal after 1 October 2024.**

8.4 Vehicle Age Limits

The guidance states that:

The frequency of testing required (see [frequency of vehicle tests](#)) to ensure the ongoing safety of vehicles is a separate issue to the setting of maximum age limits at first licensing, or maximum age limits beyond which an authority will not licence a vehicle.

The setting of an arbitrary age limit may be inappropriate, counterproductive and result in higher costs to the trade and ultimately passengers. For example, a maximum age for first licensing may have adverse unintended consequences. A 5-year-old used electric vehicle will produce less emissions than a new Euro 6 diesel or petrol car – enabling the trade to make use of previously owned vehicles will assist it to transition more rapidly to zero emission vehicles and improve air quality.

Licensing authorities should not impose age limits for the licensing of vehicles instead they should consider more targeted requirements to meet their policy objectives on emissions, safety rating and increasing wheelchair accessible provision where this is low.

Our policy states

For vehicles licensed before 1st April 2018 there is no age limit for vehicles. All vehicles must continue to meet the Vehicle Compliance Test and other vehicle specifications. From 1st April 2018, a vehicle will only be accepted for licensing if the date of first registration is less than SEVEN years at the date the licence is issued*. Subject to meeting other requirements a licensed

vehicle (first licensed after 1st April 2018) will continue to be re-licensed until it is TEN years old. The age of a vehicle for licensing purposes shall be determined by the date of first registration on the V5 document.

This condition was brought in in 2018, when Officers found a number of old vehicles in very poor condition, which was a public safety concern and detrimental to the interests of the trade.

It is recommended that we consult on amending the age condition for electric and hybrid vehicles and vehicles which are wheelchair accessible to limit the age to 15 years (from 10 years at present).

8.8 Tinted windows

The guidance states:

For most cars on the road today, the minimum light transmission for windscreens is 75% and 70% for front side windows. There are no rules for tinting the windows rear of the B-pillar and vehicles are often manufactured with glass in the rear that is darker than the front, especially in luxury, estate and people carrier style vehicles.

There is a significant cost and inconvenience associated with requiring drivers to replace the standard manufacturer or factory specifications for window glass. Some passengers may feel more comfortable in vehicles that do not have very heavily tinted rear windows but there is a lack of evidence to suggest that these are detrimental to public safety. Balancing these factors, the department considers that licensing authorities should not require the removal of windows rear of the B-pillar if they have a minimum light transmission of 30% or above. This should maintain passenger confidence whilst ensuring a wide range of vehicles may be licensed.

Our policy states:

Tinted Windows (includes factory fitted tinted glass).

The rear passenger windows should be no darker than the front side windows 38 (including glass to the third-row seating). The driver and any passengers should be clearly visible when looking into the vehicle from all windows* at all times, (*except for the glass to the luggage. It is a legal requirement that front side windows should allow 70% visual light transmission VLT).

[We have this policy to protect the passenger-so they can see if anyone is in the back seat before entering the vehicle.](#)

It is recommended we consult on amending this condition to permit windows to the rear of the B-pillar if they have a minimum light transmission of thirty percent or above.

8.12 Vehicle Identification

The guidance refers to the importance of the public being able to easily distinguish between hackney carriages (which can apply for hire) and private hire vehicles. Many Councils require hackney carriages to have the same colour.

It is recommended we consult on requiring all newly licensed hackney carriages to be white and no newly licensed private hire vehicles to be white from 1 October 2024.

8.17 In-vehicle visual and audio recording – CCTV

The [Statutory Taxi and Private Hire Vehicle Standards](#) set-out the department's position on this matter - that CCTV can provide additional deterrence to prevent crime and investigative value when it occurs. The use of CCTV can provide a safer environment for the benefit of taxi and private hire vehicle passengers and drivers by:

- deterring and preventing the occurrence of crime
- reducing the fear of crime
- assisting the police in investigating incidents of crime
- assisting insurance companies in investigating motor vehicle accidents

The statutory standards state that all licensing authorities should consult to identify if there are local circumstances which indicate that the installation of CCTV in vehicles would have either a positive or an adverse net effect on the safety of taxi and private hire vehicle users, including children or vulnerable adults, and taking into account potential privacy issues. Signs in the vehicle are required to highlight the presence of CCTV to passengers and an extra indicator is required to show when audio recording has been activated. The department's view is that CCTV in vehicles can enhance both drivers' and passengers' safety and consideration of the merits of CCTV by licensing authorities must include both aspects.

Licensing authorities should review the [Statutory Taxi and Private Hire Vehicle Standards](#) for further information on consideration of mandating CCTV in taxis and private hire vehicles.

[Minute LG22/20:](#)

[That the decision to make CCTV compulsory in licensed vehicles be approved in principle, but implementation be deferred until the Council had overcome the implications of its role as data controller. This should be achieved by October 2024.](#)

8.19 Vehicle Testing

The guidance recommends annual vehicle testing for all vehicles.

We currently require VCTs every 6 months.

It is recommended that VCTs are only required annually, except vehicles more than 10 years old which will be required to have a VCT every 6 months.

10.2 Hackney Carriage Fares

The Department recommends that in reviewing fare rates, 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 the ability to earn a sufficient income and so incentivise them to provide a service when it is needed. There is likely to be a case for higher fare tariffs at times of higher demand to encourage more drivers to make themselves available or when the journeys are required at anti-social times.

Last year the Council revised the maximum fares hackney carriages can charge.

According to the PHTM magazine (the trade newspaper) neighbouring authorities have set these fares for a two-mile journey:

Mid Sussex and Tonbridge and Malling	£8.40
Worthing	£8.20
Brighton and Hove	£8.10
Arun and Tunbridge Wells	£8.00
Rother	£7.90
Eastbourne and Hastings	£7.80
Wealden	£7.70
Lewes	£7.40
Ashford	£7.30
Crawley	£7.10
Folkestone and Hythe	£6.60

[PHTM December 2023 Issue 375 :: 72 \(yudu.com\)](#)