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# Conclusions and recommendations

## The legislative framework and stalled reform

1. Evidence to our inquiry and the previous work undertaken by the Law Commission and the Task and Finish Group have all described a legislative framework that is unfit for purpose in the modern era, in which use of ride-hailing apps has grown rapidly. It is fragmented and does not provide a consistent basis for effective regulation and enforcement across England. Gaps in the framework cannot always be addressed through guidance alone. (Conclusion, Paragraph 21)
2. We are pleased that the government has set out plans for legislation to modernise and consolidate the licensing framework for taxis and private hire vehicles. We urge the government to use the Law Commission's 2014 draft bill and the report of the Task and Finish group as its starting points, updating them where necessary to reflect and incorporate opp-based operators. A new framework should maintain clear distinctions between taxis and private hire vehicles, while placing both within a single consolidated statutory framework. (Recommendation, Paragraph 22)

## Out-of-area working

3. Out-of-area working is now a widespread feature of the taxi and private hire vehicle market. We recognise the strength of concern about its impact on standards, local accountability and public confidence. We also acknowledge that outright prohibition would be impractical. (Conclusion, Paragraph 31)
4. We urge the department to bring forward a clear plan to curtail the extensive practice of out-of-area working and create greater incentives for drivers to license in the locality in which they operate. This will enable local licensing authorities to take enforcement action more readily, keep both drivers and passengers safe, and restore trust that has been lost across the sector. (Recommendation, Paragraph 32)

## Responsibility for licensing

5. The government's proposal to move responsibility for licensing to local transport authorities may have advantages in terms of improving operational capacity, and the ability of transport authorities to better integrate taxis into their transport plans and brand accordingly. However, we are not persuaded that a transfer of licensing responsibilities will, on its own, remove incentives to out-of-area working. Licensing areas will become larger, but drivers will still be able to operate across boundaries. (Conclusion, Paragraph 38)
6. Following the conclusion of its consultation on transferring taxi and PHV licensing to local transport authorities, the department should publish a comparative appraisal of licensing models, including the local transport authority approach and a potential national licensing model. This appraisal should assess which model would best reduce incentives for extensive out-of-area working. (Recommendation, Paragraph 39)

## Setting high national standards

7. The sheer scale of variation in standards across different licensing authorities has created an inconsistent and confusing landscape for trade and passengers alike. (Conclusion, Paragraph 41)
8. We welcome the department's acknowledgement that greater national consistency in licensing standards is required. However, we are not persuaded that the current plan to pursue national minimum standards will be sufficient, unless those standards are strong enough to avoid a lowest common denominator effect, and carefully specified to remove incentives for licence shopping. The department already accepts that in practice there should be an absolute standard in areas like safety. (Conclusion, Paragraph 50)
9. The government's plan for national minimum standards must not mean low by default. The areas in which variation in standards is permitted should be minimised in order to disincentivise licence shopping, and set at a high level wherever possible to ensure consistently high-quality passenger experiences. (Recommendation, Paragraph 51)

## What should national standards include?

10. The overwhelming majority of drivers uphold high standards and play an essential role in keeping communities moving safely. However, the system needs to provide a robust safety net for the protection of passengers and drivers. Safety standards must be absolute and not subject to local variations. (Conclusion, Paragraph 57)
11. An enhanced DBS check is the highest level of criminal record check available, yet it seemingly does not guarantee that licensing authorities receive all the information they need to make sound judgements about licence applications. We are concerned that the current framework creates a false sense of security: licensing authorities believe they are seeing a complete picture when they are not. (Conclusion, Paragraph 58)
12. We agree with the minister that every local authority must require drivers to have an enhanced DBS check and to be checked against the adults' and children's barring lists. We also recommend that requirements for safeguarding training and clear requirements for frequency of re-checking DBS certificates be included in national standards so that they are applied uniformly across every licensing authority. The department should also review the impact that legislative changes have had on DBS filtering and work with relevant partners to ensure these do not create unintended gaps in the information available to licensing authorities. (Recommendation, Paragraph 59)
13. Defining "fit and proper" in statute would not be straightforward, and any definition would need to preserve a degree of flexibility for licensing authorities to exercise judgement in individual cases. The consequences of getting decisions wrong are serious, however, and more specification could be useful for decision-makers. (Conclusion, Paragraph 64)
14. The government should ensure that guidance clearly links the criteria for making a fit and proper person judgement to national licensing standards. (Recommendation, Paragraph 65)
15. We recognise that there are established routes for sharing safeguarding and risk information between the police and licensing authorities. However, in practice, information sharing remains inconsistent and results in uneven access to information that is crucial for public protection. (Conclusion, Paragraph 69)
16. We welcome the commitment from government that it intends, through legislation, to improve transparency and information sharing. The department should work with the Home Office to place information sharing between policing bodies and licensing authorities on a statutory footing so that there are common expectations everywhere. This should

include a duty to share relevant safeguarding and risk information for licensing purposes, supported by a standard expectation on timeliness. (Recommendation, Paragraph 70)

17. The absence of a comprehensive national database makes it harder for licensing authorities to make safe and consistent decisions, particularly where drivers, vehicles and operators work across authority boundaries. We welcome the fact that the department has started work to address this. (Conclusion, Paragraph 75)
18. We welcome the department's work towards establishment of a mandatory national licensing database covering all taxi and private hire drivers, vehicles and operators. The database should enable licensing authorities to confirm licence status, licensing history and the responsible authority quickly and ensure that refusals, revocations and other relevant decisions are recorded consistently and visible to all authorities. The department should set out a clear timescale on which this work will be completed. (Recommendation, Paragraph 76)
19. We recognise that mandating in-vehicle CCTV across the sector would be a significant, and in some quarters, controversial step. However, we heard substantial evidence about its potential to strengthen safety for both passengers and drivers, and we consider that evidence to be compelling. (Conclusion, Paragraph 81)
20. We recommend that the government consult within the next 12 months on introducing mandatory in-vehicle CCTV, with a view to including this requirement within national standards if it is sufficiently supported by evidence. The consultation should also seek views on how data protection, privacy and storage concerns could be suitably addressed. (Recommendation, Paragraph 82)
21. Prolonged application and renewal delays create strong incentives for licence shopping. More acutely, they have a huge impact on the livelihoods of drivers. We welcome the government's intention to improve the efficiency of licensing through forthcoming legislation. (Conclusion, Paragraph 85)
22. National standards should set a clear benchmark for licensing processing times, covering applications, renewals and variations, and require all licensing authorities to publish performance against that benchmark in a consistent format. (Recommendation, Paragraph 86)
23. The government's proposal to move responsibility for licensing to local transport authorities will not apply in London, where Transport for London already acts as the licensing authority. London's recent experience of licensing backlogs demonstrates that this reform will not, at a stroke, solve resourcing and efficiency issues. The department must consider what

can be learned from this experience about the operational and resourcing conditions that need to be in place if licensing responsibilities are to be exercised efficiently and reliably at a larger strategic authority level. (Recommendation, Paragraph 87)

24. The current inconsistent expectations for English language proficiency and local knowledge across different licensing authorities can have negative effects on the safety and confidence of passengers and drivers alike. (Conclusion, Paragraph 93)
25. National standards should set proportionate and fair requirements for key elements of driver competence, including spoken English language proficiency and appropriate knowledge of the areas in which drivers operate. (Recommendation, Paragraph 94)
26. Refusals of service, low availability of wheelchair accessible vehicles and inconsistent disability equality training remain significant barriers to inclusive travel by taxi and private hire vehicle. The cost of and practical challenges for drivers in purchasing and maintaining wheelchair accessible vehicles exacerbate the problem. (Conclusion, Paragraph 103)
27. National standards should include mandatory disability awareness and equality training for drivers and operators, to be provided to a high minimum standard of quality, with clear refresher requirements and effective enforcement against non-compliance. (Recommendation, Paragraph 104)
28. The department should publish a national plan to increase wheelchair accessible vehicle (WAV) provision. The plan should be underpinned by a single national WAV fleet requirement, specifying the minimum proportion of each licensing authority's total licensed fleet that must be wheelchair accessible vehicles. The plan should require every licensing authority to demonstrate and report progress against that requirement. While local delivery models may differ, including in rural and low-density areas, the required minimum proportion of WAVs and the standard of passenger access those vehicles must meet should be consistent nationally. The plan should also include:

a new requirement to improve transparency, requiring all operators to publish their fleet's provision of WAVs; and

specific measures to improve WAV provision and provide greater incentives for drivers to use them across the country, including rural and low-density areas. (Recommendation, Paragraph 105)

29. The plan should also be accompanied by additional funding, delivered through licensing authorities, to help drivers meet the costs of acquiring, adapting and maintaining WAVs. (Recommendation, Paragraph 106)
30. Accessibility in the broadest sense also means giving users the widest variety of options for finding out about and booking services-both digital and non-digital. The department should consider including provision of a range of booking options by operators in the national standards. (Recommendation, Paragraph 107)
31. Complaints and incident reporting arrangements are fragmented. In some areas they are difficult for passengers and drivers to navigate, reducing transparency and weakening accountability. (Conclusion, Paragraph 112)
32. The introduction of national standards should be accompanied by a single national complaints and incident reporting portal for taxi and private hire services. It should be digitally inclusive, route reports to the responsible authority, and include clear service standards for acknowledgement, updates, and resolution. (Recommendation, Paragraph 113)

## **Enforcement that stops at the border**

33. Many licensing authorities lack the resources and capacity to carry out effective enforcement. Enforcement officers are not able to take action against all taxi and private hire activity in their area. Cooperation between licensing authorities can be a positive step in the right direction, but ad-hoc local agreements do not provide effective enforcement on a national scale. (Conclusion, Paragraph 120)
34. We welcome the minister's statement that the government wants licensing authorities to be able to take enforcement action against all the taxis and PHVs operating in their area. We look forward to the government's forthcoming legislation setting out a clear pathway to achieving this. (Recommendation, Paragraph 121)
35. Enabling full cross-border enforcement will only be effective if licensing authorities have the capacity and incentives to undertake it. The government should address the current mismatch between enforcement responsibilities and funding by enabling licensing authorities to recover the costs of enforcement action taken against out-of-area drivers from the authority that issued the licence. Transitional support may be required to build enforcement capacity in authorities with more limited resources. (Recommendation, Paragraph 122)