

**RESPONSE TO ‘PRIVATE HIRE REGULATIONS REVIEW: RESPONSE TO
CONSULTATION AND PROPOSALS – CONSULTATION – SEPTEMBER 2015’**

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

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

- a) *We agree with the proposal.*
- b) *We suggest “best practice” would include supplying a driver photograph, however, we recognise that there may be technological impracticalities regarding the method of delivery of this data to customers.*
- c) *We agree that operators should provide the driver name and the vehicle registration number and suggest that vehicle brand, name and colour should also be provided to minimise the risk of a passenger getting into the wrong vehicle.*

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.

- a) *We agree with the proposal.*
- b) *We are of the view that a five minute delay constitutes pre-booking and therefore is in keeping with the traditional distinguishing characteristics between taxis and PHVs.*
- c) *We are of the view that a five minute delay will allow sufficient time for the requirements of Proposal 1. to be fulfilled by a PHV operator.*
- d) *We have received representations that a five minute delay could be unsafe because people may be waiting outside on the streets. We note, however, that the nature of pre-booking ensures that a customer will know when a PHV is arriving and so do not foresee a reason for customers to need to leave premises before a PHV arrives. We also note that hailing a taxi requires being on the streets and following the same logic would be deemed to be unsafe. We therefore find the argument that a five minute delay endangers customers to be without merit.*

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.

- a) *We believe that a time period of five minutes is adequate to ensure that the operator can communicate any necessary information.*
- b) *We are of the view that a five minute delay is sufficient to comply with the pre-booking characteristic of a PHV.*
- c) *We have received representations that a longer delay could prove an unnecessary inconvenience to customers.*

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.

- a) *We agree with the proposal.*
- b) *We are of the view that this proposal will ensure that there is no danger of PHV operators inadvertently changing their operating model to be non-compliant with the purpose of any relevant legislation or regulations.*

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?

- a) *We agree with the proposal.*

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

- a) *We understand that there is sufficient technology to require PHV drivers to log in via fingerprint such as the technology used on a number of smartphones.*

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.

- a) *We agree with the proposal.*
- b) *We are of the view that the proposal is in keeping with the pre-booking characteristic of PHVs.*

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

- a) *We are of the view that a seven day advance booking requirement adequately reflects the defining characteristic of PHVs regarding pre-booking.*
- b) *We note that a longer booking period may place unreasonable logistical burdens on PHV operators.*
- c) *We recognise that the mere act of pre-booking will not usually constitute the formation of a contract between a customer and PHV operator. We therefore suggest that it may be necessary to consider methods to ensure PHV operators do not accept bookings up to seven days in advance to comply with any new regulation and then cancel that booking.*

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.

- a) *We agree with this proposal.*
- b) *We note the concerns raised in the London Assembly Transport Committee Future Proof Report 2014 at paras 7.22-7.26 and have received similar representations regarding problems with enforcement.*
- c) *We are of the view that all present licenses should be cancelled with immediate effect.*
- d) *We suggest that suspending all licenses would make practices such as illegal PHV ranks easier to identify and take enforcement action against.*
- e) *We note that technological advances such as app-based booking have rendered the need for satellite offices almost wholly obsolete.*

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

- a) *See 9 e)*
- b) *London venues are typically located close to tube stops, bus stops or taxi ranks.*
- c) *We are of the view that the 24 hour tube service will reduce demand for PHVs during its operational hours.*

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.

- a) *We agree with the proposal.*
- b) *We are of the view that requiring operators to have a landline is important to ensure the highest possible level of customer service.*
- c) *We are of the view that operator landlines offer an important way for customers to check on the status of the PHV they have ordered.*

- d) *We have received representations that some PHV operators removed their landline facility after gaining a licence and support steps to ensure this requirement is made permanent.*
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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.

- a) *We agree with the proposal.*
 - b) *We are of the view that displaying the location of a PHV gives the impression that it is immediately available for hire.*
 - c) *We are of the view that implying that a vehicle is immediately available for hire is inconsistent with the fundamental characteristics of a PHV, namely, that it is pre-booked.*
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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.

- a) *We agree with the proposal*
 - b) *We are of the view that the proposal will aid TfL in its enforcement roll.*
 - c) *We recognise that detailed record keeping could provide important information for any relevant authorities with regard to non-transport related offences.*
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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.

- a) *We agree with the proposal.*
 - b) *We are of the view that requiring a PHV operator to provide a fare before the booking is accepted is in keeping with the traditional differences between taxis and PHVs and specifically in light of the Law Commission's findings regarding the importance of competitive market forces in the pre-booked PHV trade (Law Commission Paper No 347, 'Taxi and Private Hire Services' at 2.12-2.13).*
 - c) *We are deeply concerned regarding business practices such as "surge pricing". We are of the view that this allows non-surge price journeys to be charged at a surprisingly small price with the effect that they are operating as "loss leaders". Surge pricing lacks certainty for the customer and can therefore be a licence to rip people off.*
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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.

- a) *We agree with the proposal.*
- d) *We are of the view that through record-keeping is essential in the interests of public safety, to ensure compliance with transport regulations and to assist any relevant authorities with regard to non-transport related offences.*
- b) *We note that the proposal is in keeping with London Assembly Transport Committee Recommendation 13.*

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.

- a) *We agree with the proposal.*
- b) *We are of the view that harmonising data collection periods is important to reduce confusion for regulators and operators within the industry.*

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.

- a) *We agree with the proposal.*
 - b) *We are of the view that reducing the number of business names attached to each Operator's licence will reduce customer confusion.*
 - c) *We are of the view that placing limits on the number of business names attached to each operators' licence may aid TfL in its compliance and enforcement duties.*
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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 Reference¹. 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.

- a) *We agree with the proposal.*

- b) *We are of the view that the ability of a driver to communicate with a customer is essential for a PHV operator to provide sufficient customer service.*
- c) *We agree that it is important for all drivers to be able to communicate with other road users and emergency services.*
- d) *We note that often customers may need to vary their journey - for example stopping at an ATM machine - and recognise the necessity of communication to enable such changes to be made during a journey.*

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

- a) *We are of the view that an intermediate level of English will be sufficient to enable communication regarding most situations that will foreseeably occur and which can reasonably be expected to be dealt with by a PHV driver.*

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.

- a) *We disagree with the proposal.*
- b) *We are of the view that the proposal would unreasonably limit drivers' employment options.*

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.

- a) *We agree with the proposal.*
 - b) *We are of the view that reasonable additional safeguards to identity checks are important to ensure the integrity of the licensing process.*
 - c) *We are of the view that the provision of National Insurance numbers would aid the DWP in any investigations it may have cause to undertake in relation to a PHV driver or operator.*
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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.

- a) *We agree with the proposal.*
 - b) *We are of the view that an appeal process to the Magistrates' Court provides a sufficient check on the exercise of this power.*
 - c) *We note that the safety of customers and other road users must be prioritised.*
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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.

- a) *We agree with the proposal.*
- b) *We are of the view that the safety of customers must be paramount and that a DBS check will make an important contribution to ensuring all operator staff are sufficiently screened.*

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.

- a) *We agree with the proposal.*

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.

- a) *We agree with the proposal.*
- b) *We agree that Hire and Reward insurance is necessary to adequately protect customers and other road users.*
- c) *We are of the view that checking the relevant insurance before issuing a licence may reduce the amount of time spent by enforcement officers checking insurance on the streets.*
- d) *We note that in the case of checking insurance it is vital that TfL approaches this issue proactively rather than retroactively.*

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.

- a) *We agree with the proposal.*

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

- a) *We are of the view that PHV drivers should display a copy of their insurance.*
- b) *We consider it vital that taxis and PHVs have equivalent rules regarding insurance given the importance of insurance.*
- c) *We note that requiring insurance to be displayed may aid compliance officers in their duties.*

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.

- a) *We are of the view that Hire and Reward fleet insurance would be preferable to ensure safety for all road users.*
- b) *We recognise the costs this may have for operators, however, we are of the view that the need to take action regarding the protection of customers and other road users supersedes this.*

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.

- a) *We agree with the proposal.*
- b) *We are of the view that the application fees charged for large operators are too small.*
- c) *We note that the London Assembly Transport Committee Future Proof Report 2014 Recommendation 11 evidenced concern regarding the resources currently devoted to enforcement and highlighted the presence of funding gaps. We suggest that an increase in the application fee for large operators could provide a substantial new revenue stream.*

24. Controls on ridesharing in licensed vehicles

There was some confusion amongst consultees about what issues we were consulting on, 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. 2 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?

- a) *We agree with the proposal.*

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.

- a) *We agree with the proposal.*