

PART A

Report to: Licensing Committee
Date of meeting: 6 September 2012
Report of: Head of Environmental Services
Title: Reforming the Law of Taxi and Private Hire Services

1.0 SUMMARY

- 1.1 Following a well-publicised judicial review brought by Newcastle-upon-Tyne City Council against the now defunct Berwick-upon-Tweed Council and a subsequent High Court case, the House of Commons Transport Select Committee embarked on an enquiry into “cross-border hiring” of private hire vehicles. One of their recommendations was for the Government to review the law in this area, which the Law Commission agreed to undertake as part of its current programme of law reform.
- 1.2 The Commission has published an extensive consultation paper containing over seventy proposals for reform of legislation that dates back in parts to 1847. The formal consultation process closes on 10 September 2012.

2.0 RECOMMENDATIONS

- 2.1 That the Licensing Committee endorses the draft response to the Law Commission at appendix 1, together with any such amendments and dissenting or minority opinions that may be added to at the Committee meeting.

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Report approved by: Alan Gough, Head of Environmental Services

3.0 **DETAILED PROPOSAL**

3.1 In July 2011 the Law Commission – an independent, statutory law reform body – announced that it would:

“Review the law relating to the regulation of taxis and private hire vehicles, with a view to its modernisation and simplification, having due regards to the potential advantages of deregulation in reducing the burdens on business and increasing economic efficiency”.

3.2 The announcement was the culmination of a short sequence of events involving a judicial review application by one local authority against another council’s licensing policy and an Inquiry by the Transport Select Committee.¹

3.3 The Commission published its consultation paper on 10 May 2012, and the consultation period ends on 10 September 2012 (having been extended from 10 August 2012). The Commission is expected to publish its final proposals for reform with a draft Bill in November 2013, and it will be for the Government to decide whether to take the proposals forward, and for Parliament to decide whether to enact any of the changes into law.

3.4 The Commission’s consultation document, at more than 240 pages, is too long to reproduce or summarise here without distorting the ideas being presented. However, the main headline features are:

- the distinction between taxi and private hire services should be kept
- local authorities would not be able to limit the number of hackney carriages in their area
- hackney carriages would still be compelled to carry passengers within their licensing area
- hackney carriages would be subject to national minimum standards that local councils could add to in limited aspects
- private hire vehicles would be subject to national mandatory standards that might only be added to by local councils on grounds of safety
- private hire vehicles would be able to operate anywhere in the country through a licensed operator, rather than one licensed by their “home” local authority
- local authorities could issue fixed penalty notices for some contraventions of the new legislation

3.5 Members have previously been supplied with links to the full document and an electronic version of the shorter summary document. A meeting with Law Commission officials was arranged for Members on 30 August 2012 to discuss the provisional proposals in more detail and so the draft response may change in light of that event.

3.6 Officers have drafted a response at appendix 1 for Members to comment upon and endorse. It is anticipated that, perhaps unusually for this Committee, there may be a divergence of views to include in the final response given the complexity and breadth of the Commission’s proposals. Officers will endeavour to reflect any dissenting or

¹ See <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmtran/720/72002.htm> and also the Government’s response at <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmtran/1507/150702.htm>.

minority opinions as accurately as possible.

4.0 **IMPLICATIONS**

4.1 **Financial**

4.1.1 The Head of Strategic Finance comments that there are no financial implications arising from this report. Any implications will only become apparent if and when new legislation in this area is framed.

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 As above.

4.3 **Equalities**

4.3.1 As above.

4.4 **Potential Risks**

4.4.1 None

Appendices

Draft response to the Law Commission – Reforming the Law of Taxi and Private Hire Services

Background Papers

Reforming the Law of Taxi and Private Hire Services (www.lawcommission.org.uk)

File Reference