Transport for London response – Transport Committee call for evidence on licensing and standards in the taxi and private-hire vehicle sectors

4th September 2025

1. **Do current licensing arrangements and tools enable local authorities to effectively regulate and oversee the taxi and private hire vehicle (PHV) sector across England, in terms of safety, accessibility and quality of service? If not, what improvements could be made?**

   In recent years, there has been an increased focus on how the taxi and private hire vehicle (PHV) sectors are regulated across the country, and the challenges faced by local licensing authorities in maintaining effective oversight. The Department for Transport's (DfT) Task and Finish Group on Taxi and PHV Licensing produced a set of recommendations aimed at improving safety across the sector. In response, the Government introduced Best Practice Guidance and Statutory Taxi and PHV Standards, which place a strong emphasis on safeguarding children and vulnerable adults and set out clear expectations for how licensing authorities should exercise their powers.

   The introduction of these Statutory Standards was a step forward in strengthening regulatory frameworks across England which we welcomed. The majority of the Statutory Standards were already established in London, and we have since implemented the remainder of these Standards. While the Standards provide a strong foundation for improving safety and consistency, there remain opportunities to build on this progress, as they do not fully address all the recommendations outlined in the Task and Finish Group report.

   We published our Taxi and Private Hire Vehicle (TPH) Action Plan 2025 earlier this year, which sets out a strategic framework to strengthen safety, accessibility and environmental sustainability, while supporting the long-term viability of London's taxi and private hire industries.

   We remain keen to work with Government to further enhance the safety and security of taxi and PHV passengers and drivers. Our Action Plan includes a number of additional legislative proposals that would further support these goals. The following sections outline the key areas where we believe legislative reform is required to support better regulation and oversight at both local and national levels.

   Cross-Border Hiring

   Cross-border hiring refers to the practice where taxi or private hire vehicles and drivers licensed in one local authority operate predominantly or exclusively in another area.

Under current UK law, the driver, vehicle and – where private hire is concerned – the operator must all be licensed by the same licensing authority, and any private hire bookings must be made through that licensed operator.

We've long recognised that cross-border hiring presents a serious challenge to the regulation and enforcement of private hire services in London and elsewhere. Drivers and vehicles licensed in one area can operate predominantly or exclusively in another, without meeting the same safety, environmental, or operational standards that are enforced locally.

Passengers may reasonably assume that the operator, driver and vehicle fulfilling their booking comply with the licensing standards of the area in which the booking was made. However, this may not be the case if the operator, driver and vehicle are licensed elsewhere, meaning they may not meet the local licensing requirements or expectations.

This undermines the ability for local licensing authorities to regulate effectively and could, in the worst cases, compromise public safety.

The recent findings of the Casey Review into group-based child sexual exploitation exposed harrowing failures in protecting vulnerable children and identified licensing loopholes as contributing factors. These findings underscore the urgent need for reform and strengthen the case for legislative changes to ensure consistent safety standards across licensing authorities.

A recent Supreme Court judgment provides a clear example of how these issues can arise. The Court confirmed that private hire operators licensed outside London are not required to contract as principal when accepting bookings, allowing them to continue using agency-based or intermediary business models. By contrast, private hire operators licensed in London must contract as principal when accepting bookings. This ruling highlights a clear divide between London and other licensing authorities.

In 2018 we published a set of proposals for legislative change aimed at addressing the challenges associated with cross-border hiring which include:

- A Journey Start/End Rule: The introduction of a start or finish requirement, meaning that all taxi and private hire journeys must start or end in the licensing area of the driver and vehicle (and operator in the case of private hire).

- National Minimum Standards: Introduce consistent safety and accessibility standards across England.

- National Enforcement Powers: Allow enforcement officers to enforce the national minimum standards in their areas regardless of where the operator, driver and vehicle are licensed, supported by a provision for data sharing.

The Task and Finish Group report recommended that cross-border hiring be addressed by Government; however to date, this has not been taken forward.

Regulation of taxi booking companies

Current licensing arrangements do not provide a regulatory framework for taxi booking companies. As these platforms become increasingly popular, the absence of a regulatory framework raises concerns around fare transparency, passenger safety and driver compliance.

The lack of fare regulation is particularly problematic. While TfL is responsible for setting fares for licensed taxis, there is currently no equivalent oversight of pricing practices used by taxi booking platforms. As taxi booking platforms increase in popularity, the absence of regulatory scrutiny over the additional pricing structures they apply may raise questions around consistency and transparency.

The Task and Finish Group on Taxi and Private Hire Vehicle Licensing recognised the growing role of taxi app-based booking companies and highlighted the lack of regulatory oversight in their operations. While these platforms facilitate bookings for licensed taxis, they often apply additional charges that fall outside the scope of fare regulation set by licensing authorities like TfL.

The Task and Finish Group recommended that primary legislation be introduced to bring such platforms within the regulatory framework, ensuring greater transparency, consistency, and accountability in how fares and charges are presented to passengers and drivers.

We support this recommendation, recognising that the current regulatory framework does not adequately address the pricing practices of taxi booking platforms. Introducing legislative powers to oversee these services would help ensure that fare-related charges are transparent and aligned with public expectations.

Data Sharing

Strengthening data sharing between private hire operators – including taxi app-based booking companies – and licensing authorities is essential to ensuring the taxi and private hire vehicle sectors are regulated effectively and safely.

We have introduced measures to improve oversight, including a weekly operator upload requiring licensed private hire operators to submit details of the drivers and vehicles they've used or had available for bookings. Operators must also report any serious complaints or driver dismissals to TfL, helping ensure passenger safety risks are promptly identified and addressed.

While some progress has been made, there remains a significant gap in the availability and consistency of data from private hire operators and taxi app-based booking companies.

Our TPH Action Plan 2025 includes proposals to strengthen data sharing requirements. We urge the Government to grant us explicit authority to request data, such as passenger journey information, to improve transparency and safety for

passengers and drivers. Additionally, these changes should empower licensing authorities to establish powers regarding the collection and use of such journey data.

Authority to issue fixed penalty notices

Fixed penalty notices are an effective enforcement tool for non-compliance. While they exist for some taxi offences, they are not available for similar private hire offences.

Legislative changes are required to empower local licensing authorities with the ability to issue fixed penalty notices for private hire offences, enabling effective enforcement of existing regulations.

Enhancing Road Safety Through PG9 Powers

PG9 powers outline the legal authority granted to DVSA officers and police to issue a Prohibition Notice. This notice prohibits a vehicle from being used on public roads if it is found to be unroadworthy due to safety concerns, major mechanical faults, or other serious defects. Granting PG9 powers to TfL's authorised officers – officers designated to perform specific compliance and enforcement duties – would significantly enhance road safety and align with the Mayor of London's Vision Zero commitment to eliminate all deaths and serious injuries on London's transport network. These powers would enable TfL's authorised officers to immediately remove unsafe vehicles from service, reducing the risk of accidents and protecting passengers and other road users. TfL already has the infrastructure and expertise to conduct roadside inspections, and PG9 powers would streamline enforcement by reducing reliance on the DVSA or police presence.

Granting these powers would also support law-abiding drivers by ensuring that only compliant vehicles operate. It complements existing powers – such as licence suspensions and vehicle inspections – by filling a critical enforcement gap. Moreover, with the increasing prevalence of cross-border hiring, PG9 powers would allow TfL to address safety risks posed by vehicles licensed outside London but operating within the city.

Illegal Vehicle Registration Plates

The growing prevalence of illegal vehicle plates is a concerning trend across the taxi and private hire sectors – and beyond. These plates undermine enforcement efforts, pose safety risks to passengers, and erode public trust in licensed services.

We have seen a marked increase in the use of illegal plates recently. The issue was highlighted during an event in June 2025, hosted by Sarah Coombes MP and the British Number Plate Manufacturers Association (BNPMA), which TfL attended. While the problem extends beyond the taxi and private hire sectors, it has serious implications for licensing authorities and enforcement teams.

Addressing this issue will likely require national-level reforms to vehicle registration processes, alongside stronger penalties and improved coordination between agencies. We recommend that the Government explores legislative options to tackle

the use of illegal plates, including enhanced powers for licensing authorities to identify and act against vehicles operating unlawfully.

Accessibility and Assistance Dogs

Passengers with disabilities, including those accompanied by assistance dogs, should be able to access taxi and private hire services without fear of refusal or being charged extra. While it is a criminal offence under the Equality Act 2010 to refuse service or impose additional charges on the basis of disability or the presence of an assistance dog, such incidents continue to be reported in London.

To strengthen enforcement and improve outcomes for affected passengers, we recommend that Government clarify and amend the legislation relating to assistance dogs.

Prosecutions for refusing to carry assistance dogs in taxis and private hire vehicles are actively pursued by TfL wherever possible. However, prosecutions under section 173(1)(c) of the Equality Act 2010 are complex. This is due to the requirement that the assistance dog must be trained by a prescribed charity to accompany disabled passengers with certain specified disabilities. While some charities are covered by this section, Assistance Dogs UK has highlighted concerns about confusion arising from other legitimate charities not being specifically referenced in the legislation. We note that Assistance Dogs UK has proposed a number of changes to the Equality Act including:

- A new, clearer definition of “assistance dog”;
- The new definition of assistance dog applying to the whole Equality Act;
- Addressing concerns about companies selling dogs as assistance dogs without being trained to the appropriate standards;
- Establishing minimum standards for assistance dog training;
- Creating an official body for monitoring assistance dogs in the UK.

While these changes are not specific to taxi and private hire services, they could be considered by the Government as part of broader efforts to clarify legislation around assistance dogs.

Financial Support for Accessible and Low-Emission Vehicles

Accessible taxis are essential for supporting passengers with mobility needs, while low-emission vehicles play an important role in helping to tackle air pollution and cutting carbon emissions that contribute to climate change. However, rising operational costs and a decline in the number of licensed taxis in London are placing pressure on the sector. To help maintain and grow the availability of accessible services and facilitate the necessary switch to zero emissions, we recommend the following measures:

- Apply zero-rate VAT to all wheelchair-accessible taxis, recognising them as qualifying motor vehicles under existing criteria.
- Extend the Plug-in Taxi Grant for taxis beyond April 2025 to support the transition to zero-emission vehicles and reduce financial barriers for drivers.

- Reduce VAT on public electric vehicle charging from 20% to 5%, aligning it with domestic electricity rates and making charging more affordable for drivers without access to home charging.

These changes would provide meaningful financial support to the taxi and PHV trades, help sustain accessible services and accelerate the shift to cleaner vehicles.

Enabling Immediate Application of PHV Licensing Changes

The current provisions of the PHV (London) Act 1998 do not allow changes to be made to licences once granted. Given that PHV operator licences are issued for up to five years, driver licences for up to three years, and vehicle licences for one year, this limitation can significantly delay the implementation of new safety regulations.

In contrast, taxi licences, which are regulated under separate legislation, allow for greater flexibility. As the licensing authority, TfL is able to apply new licensing conditions to taxi drivers with immediate effect, including to those who already hold a licence. This enables us to implement safety and compliance measures across the taxi sector without waiting for licence renewals.

To ensure timely and consistent application of updated standards, we recommend that the legislation be amended to allow changes to be applied to all relevant licences with immediate effect. This would enhance public safety, ensure a level playing field across the industry, and align with the DfT's Statutory Standards.

Limited Licence Suspension Mechanisms

TfL is limited by the inability to suspend licences unless a defined end date is provided. The 2012 case, R (Singh) v Cardiff City Council, established that the power to suspend a private hire licence is a final sanction, not a temporary, administrative measure to allow for an investigation. Therefore, an interim suspension of a private hire licence pending investigation is generally unlawful. This means a licensing authority cannot suspend a licence to investigate a matter; they must make a final decision on whether to revoke or suspend the licence based on the available evidence. This is problematic in cases involving ongoing investigations where the duration and outcome are uncertain.

As a result, this can leave three limited options: impose a time-limited suspension, revoke the licence entirely, or choose not to take any licensing action until the investigation is concluded. Each of these options has drawbacks. A time-limited suspension may be inappropriate or premature, revocation may be disproportionate, and delaying action may compromise public safety. This lack of flexibility prevents licensing authorities from responding proportionately to different types of risk or misconduct.

To address this, it would be beneficial to introduce a sliding scale of regulatory options that allows licensing authorities to suspend licences without a fixed end date when justified by the circumstances. This would enable more proportionate action while preserving due process. Additionally, licensing authorities should be empowered to consult locally on what regulatory action is most appropriate for their

jurisdiction. This would support tailored approaches that reflect local conditions while maintaining consistency in regulatory standards.

Improving Background Checks to Support Public Safety Standards

Robust background checks are an essential part of maintaining public safety standards in the taxi and private hire sectors. We consider it important that licensing authorities are equipped with the necessary statutory powers to carry out these checks effectively. This includes access to relevant data sources – such as address history held by the DVLA – where appropriate, to help verify applicant information and support consistent, safety-focused decision-making.

Within this context, Certificates of Good Conduct are a valuable tool when assessing applicants with overseas backgrounds. While they can provide useful insights, their reliability may vary depending on the issuing country, and verification can be challenging. In our view, clearer national guidance on the assessment of these certificates, supported by improved access to international verification mechanisms, would help licensing authorities make informed decisions that support public safety standards.

In-vehicle CCTV

The Government's position is that local licensing authorities should consider the advantages and disadvantages of mandating in-vehicle CCTV in taxis and private hire vehicles in their local licensing area.

The Mayor of London has made a clear commitment to expanding the use of CCTV to support effective policing, including its role in investigations that bring offenders to justice and support victims of crime. In-vehicle CCTV contributes to this strategy, particularly in serious cases where evidence is needed to support enforcement or protect vulnerable individuals.

The most recent data on sexual offences in taxi and private hire vehicles demonstrates that the Government's mission to end violence against women and girls cannot be achieved without addressing risks within this sector. Robust and targeted measures are essential to improving safety and accountability. In-vehicle CCTV has a meaningful role in helping to deter harmful behaviour, support investigations, and build public confidence in the safety of licensed services.

Drivers also face abuse and other forms of work-related violence. In-vehicle CCTV can help reduce the risk of drivers being victims of crime, acting as both a deterrent and a source of evidence when incidents occur. We remain committed to preventing and tackling work-related violence and aggression against licensed drivers. Evidence from the use of body-worn cameras by transport staff in London shows that such technology can reduce the risk of physical violence, and similar benefits apply to the use of in-vehicle CCTV.

TfL currently permits the voluntary installation of approved CCTV systems in licensed taxis and private hire vehicles, and in 2021 conducted a consultation on whether CCTV should be mandatory across the fleet. This included a review of existing

guidelines and consideration of future steps such as impact assessments and further targeted consultation.

To ensure consistent standards for privacy, data handling, and safety benefits across all licensing authorities, we recommend that Government establish national minimum standards for in-vehicle CCTV. These standards should carefully consider key issues such as the designation of the data controller, how vehicles used for private purposes are treated and options for funding installation. A national framework would help maximise safety benefits while safeguarding privacy and ensuring clarity for drivers, CCTV operators and regulators.

In London, for example, licensed vehicles are also used privately, raising important questions about when and how CCTV should operate. Feedback from TfL's 2021 consultation highlighted a mix of views – with some respondents emphasising the safety benefits for both passengers and drivers, while others raised concerns about privacy, cost, and data management responsibilities.

As technology continues to advance, there is increasing potential for smarter, more secure systems that enhance safety while protecting privacy. A national framework would help realise these benefits by providing clarity for drivers, operators and regulators. It would also ensure that CCTV is used in a way that is proportionate, effective, and trusted.

2. **What is the impact on the travelling public and drivers of variation between licensing authorities? Is reform needed to bring greater standardisation?**

TfL's licensing regime is designed to meet London's specific needs, with rigorous standards around passenger safety, environmental sustainability and service quality. These standards reflect London's priorities, including commitments to reducing emissions and improving air quality.

Some of the largest private hire operators have also chosen to adopt elements of TfL's standards – particularly those relating to safety and service quality – in jurisdictions outside London. This reflects a recognition that these requirements often represent best practice and align with what customers expect. At the same time, there should also be recognition that some conditions may need to be tailored to suit the specific needs of different areas.

Passengers may reasonably assume that the operator, driver and vehicle fulfilling their booking comply with the licensing standards of the area in which the booking was made. However, this may not be the case if the operator, driver and vehicle are licensed elsewhere, meaning they may not meet local licensing requirements or expectations.

Role of Local Licensing Authorities

Local licensing authorities are best placed to set taxi and private hire standards that reflect the needs and priorities of their communities, and to regulate services in line with local transport needs and public safety expectations. While national minimum

standards provide a vital baseline for consistency and safety, it is equally important that local authorities retain the flexibility to go beyond these standards where needed to address specific local challenges. However, without reform to cross-border hiring rules, licensees may choose to obtain licences in areas with requirements that better suit their individual circumstances, and then operate primarily or exclusively elsewhere. This undermines the intent of local licensing frameworks, creates disparities for drivers who meet bespoke local licensing standards, and allows operators to sidestep licensing conditions designed to protect passengers and the environment.

Cross-Border Hiring Challenges

As mentioned in our response to Question 1, cross-border hiring remains one of the most pressing challenges currently facing the taxi and private hire sectors. While consistent minimum licensing standards across authorities are important for ensuring passenger safety, the more immediate concern lies in the ability of licensees to operate in other areas. This practice, though permissible under current legislation, undermines the ability for local licensing authorities to regulate effectively, creates enforcement gaps, and weakens the integrity of locally tailored regulations. In the worst cases, it could compromise public safety.

A recent Supreme Court judgment provides a clear example of how these issues can arise. The Court confirmed that private hire operators licensed outside London are not required to contract as principal when accepting bookings, allowing them to continue using agency or intermediary based business models. By contrast, private hire operators licensed in London must contract as principal when accepting bookings. This ruling highlights a clear divide between London and other licensing authorities

Our response to question 1 provides details of our proposals to address this.

3. **What would be the practical implications for licensing authorities and operators of more stringent or standardised licensing conditions in respect of safety, accessibility, vehicles and driver conduct?**

The introduction of more stringent or standardised licensing conditions for taxi and private hire licensees would have several practical implications for both licensing authorities and private hire operators.

National minimum standards, such as those outlined in the DfT's Statutory Standards, are a welcome development. They help ensure a consistent baseline of safety, accessibility and driver conduct across the country, which is particularly important given the increasing prevalence of cross-border operations. These standards promote public confidence, improve safeguarding – especially for vulnerable passengers – and support broader accessibility goals. Private hire operators also benefit from clearer expectations and greater consistency across the regulatory frameworks currently in place throughout the country, which can simplify compliance and improve service quality.

One area where national standards could have a particularly significant impact is in the use of in-vehicle CCTV. CCTV systems can enhance passenger and driver safety, support enforcement, and deter crime. TfL currently permits voluntary installation of approved systems and has consulted on making CCTV mandatory across its fleet. However, without a national framework, there is a risk of inconsistent approaches to privacy, data handling, and safety benefits. Establishing national minimum standards for in-vehicle CCTV would help address key issues such as the designation of the data controller, treatment of vehicles used for private purposes, and funding options for installation. This would provide clarity for drivers, operators and regulators, while maximising safety benefits and safeguarding privacy.

It is equally important that local licensing authorities retain the ability to set higher standards and apply additional conditions tailored to their specific contexts. Local circumstances vary significantly, and authorities must be able to respond to specific challenges and community needs. For example, London sees an exceptionally high volume of passenger-carrying trips. The ability to go beyond national minimum standards allows licensing authorities like TfL to address issues such as urban congestion, air quality, and night-time safety more effectively. Without this flexibility, licensing authorities could be constrained in their ability to maintain high standards, support the city's broader sustainability and public health goals, and protect public interest.

Ultimately, a balanced approach – where national standards provide a strong foundation, cross-border hiring is properly regulated, and licensing authorities retain discretion to enhance standards in line with local needs and priorities – will ensure that licensing remains both consistent and responsive. This approach supports safer, fairer and more sustainable taxi and private hire services across the country.

4. **What steps should the Government take to address the challenges posed by cross-border licensing in the taxi and PHV sector?**

   Please see related sections in our above responses.

   Our proposals for legislative change can be found here: London Taxi and Private Hire Cross Border Hiring - Proposals for Legislative Change.

5. **What would effective reform look like in terms of enforcement, passenger safety and safeguarding, and regulatory consistency? Is there a role for regional transport authorities?**

   The following response provides an overview of TfL's licensing and regulatory framework, which serves as a useful reference point when considering the potential role of regional transport authorities. It also sets out key considerations for reform in taxi and private hire regulation.

   TfL's Licensing Model

As the statutory licensing authority for all taxis and private hire vehicles in London, TfL operates a well-established model under powers granted by the Greater London Authority Act 1999. Licensing functions are not delegated to individual London borough councils; instead, TfL administers a single, city-wide licensing regime for taxis and private hire vehicles. We license almost a quarter of a million licensees including over 100,000 vehicles and more than 120,000 drivers. This includes taxis (black cabs), regulated under the Metropolitan Public Carriage Act 1869 and the London Cab Order 1934, and private hire services under the Private Hire Vehicles (London) Act 1998. We also set taxi fares, appoint taxi ranks, and enforce safety, equality and environmental standards – supported by dedicated licensing and compliance teams, along with robust governance systems. This enables consistent regulation and effective enforcement across one of the world's most complex and densely populated urban environments.

Pedicabs

Following the introduction of the Pedicabs (London) Act 2024, TfL has been granted new powers to regulate pedicabs in London. This marks an important development in extending oversight to a mode of transport that has previously operated without formal regulation. We have completed the first of two public consultations and will soon be putting in place regulations for the licensing of pedicabs in London.

Micromobility

For rental e-scooters, TfL has managed London's e-scooter rental trial since 2021 in partnership with London Councils and participating boroughs. The trial ensures high standards and a co-ordinated approach across the 11 participating boroughs. Data is collected to inform future legislative and policy positions on e-scooters. The DfT has recently enabled trials to continue until May 2028. However long-term regulation is needed to provide cities with powers to manage rental e-scooter schemes on a permanent basis and regulate private e-scooters with the minimum hardware standards on par with rental e-scooters.

For shared e-bikes, TfL welcomes the introduction of the English Devolution and Community Empowerment Bill, which includes provisions which would enable TfL to license bike (including e-bike) rental schemes in future. This legislation will help to drive up consistent and high standards for rental e-bike schemes across the whole of London. This will help to improve safety, ensure parking is better controlled, connect more people to public transport, and improve the experience for customers and other road users in London. TfL will be working closely with the DfT, London boroughs, London Councils and operators as the legislative process progresses. Initially, this Bill will cover shared bikes but may be extended to cover shared e-scooters in the future.

Regulatory Consistency and the Role of Regional Authorities

In our experience, local licensing authorities are best placed to set taxi and private hire standards that reflect the needs and priorities of their communities, and to regulate services in line with local transport conditions and public safety expectations. While national minimum standards provide a vital baseline for

consistency and safety, it is equally important that local authorities retain the flexibility to go beyond these standards where needed to address specific local challenges.

At the same time, significant differences in licensing requirements, fees and processing times between neighbouring authorities can lead to inconsistencies. These may incentivise drivers to obtain licences in jurisdictions with less costly or quicker processes, regardless of where they intend to operate. Such disparities complicate enforcement and can undermine public confidence.

In certain circumstances – particularly where licensed drivers routinely operate across multiple local authority boundaries – regional transport authorities may offer a more practical and joined-up approach to licensing, regulation and enforcement. A single, unified licensing body within a region could help reduce administrative duplication and improve enforcement, while still allowing for locally tailored policies.

However, the introduction of more regional licensing authorities would not negate the need for legislative changes to address the broader issue of cross-border hiring, as many out-of-town vehicles originate from well beyond regional boundaries.

Enforcement Powers

Strengthening enforcement capabilities of individual licensing authorities is important. We support enforcement officers being granted the authority to uphold national minimum standards within their areas, irrespective of whether the operator, driver, or vehicle is licensed elsewhere.

TfL's authorised officers have powers under the Community Safety Accreditation Scheme (CSAS), granted by the Metropolitan Police. These powers apply only to London-licensed vehicles and drivers, and allow officers to stop and inspect them, check insurance and driver licences and identify safety issues. Officers can also report a vehicle as unfit, meaning it cannot be used for hire and reward purposes until it has been inspected and deemed roadworthy.

While this has improved enforcement locally, it does not address the wider issue of regulating vehicles and drivers from other jurisdictions.

To help close this gap, further legislative change is needed to introduce national enforcement powers. Alongside this, better data sharing between authorities would support enforcement efforts and help maintain high standards across the board.

While these steps are important, national enforcement powers and improved data sharing are not sufficient on their own to resolve the broader challenges posed by cross-border hiring. Vehicles and drivers from outside jurisdictions remain more difficult to monitor and regulate, increasing enforcement costs and placing additional pressure on local compliance and enforcement teams. At the same time, the ability for licensees to "licence shop" – choosing areas with lower fees or less stringent requirements – can undermine the financial sustainability of local licensing regimes. This can result in a situation where remaining licensees bear a disproportionate

share of the financial burden, potentially leading to higher licence fees and a less equitable system.

These issues highlight the need for broader cross-border hiring proposals, set out in our response to Question 1, to establish consistent, enforceable and fair regulatory frameworks across all jurisdictions.

6. **How are digital ride-hailing platforms impacting standards in the sector, and is further regulation in this area required?**

Regulating Taxi Booking Companies

Current licensing arrangements do not provide a regulatory framework for taxi booking companies. As these platforms become increasingly popular, the absence of a regulatory framework raises concerns, particularly around fare transparency.

To address these concerns and ensure consistent standards across the sector, powers should be introduced through primary legislation to regulate taxi booking companies.

Our response to Question 1 provides further details.

Regulating and Maintaining PHV Standards

App-based private hire operator platforms have significantly reshaped the private hire sector, introducing new business models and technologies that have challenged traditional standards, including those designed to safeguard passenger safety.

In response to early concerns during the initial emergence of app-based operators in the PHV market, TfL introduced new regulations and also placed specific conditions on operator licences. These conditions are tailored to the nature and scale of each operator's business and are designed to address issues such as passenger safety, transparency and regulatory compliance, supporting consistent safety standards as business models evolve. Licences are granted for durations deemed appropriate, up to a maximum of five years, allowing TfL to closely monitor performance and compliance.

To obtain and retain a PHV operator licence in London, companies must undergo a comprehensive series of TfL licensing checks. These include assessments of their operating model, driver and vehicle compliance, data handling practices, as well as customer safety and customer complaint protocols. TfL also meets regularly with large operators and conducts regular compliance inspections and audits to ensure ongoing compliance.

As a result of these measures, we have seen greater consistency and higher standards across the sector. Some of the largest private hire operators have also chosen to adopt elements of TfL's standards – particularly those relating to safety and service quality – in jurisdictions outside London. This reflects a recognition that these requirements often represent best practice and align with what customers

expect. At the same time, there should also be recognition that some conditions may need to be tailored to suit the specific needs of different areas.

While the current regulatory framework has proven effective, it is important that it remains adaptable to future developments in technology and business models, should they arise.

Additional regulation may be necessary to address emerging risks and ensure consistent standards across all operators – whether app-based or otherwise. To support this, licensing authorities must have the appropriate powers and resources, including enforcement powers, to monitor compliance effectively, respond to new challenges and take the appropriate action to address issues that may be specific to their local licensing area, with passenger safety as a central priority.

7. **How effective, accessible, and trusted are complaints and incident reporting systems in the taxi and private hire vehicle (PHV) sector, for both passengers and drivers?**

The effectiveness, accessibility and trustworthiness of complaints and incident reporting systems in the taxi and PHV sector vary depending on the reporting structure and the level of regulatory oversight.

Private Hire Vehicles (PHVs)

It is not always straightforward for passengers to identify the relevant licensing authority when an incident occurs in a private hire vehicle – especially in cases involving cross-border hiring. This can lead to confusion about whether a complaint should be directed to the operator, the local licensing authority where the journey took place, or the local licensing authority that licensed the driver, vehicle and operator. This lack of clarity can hinder timely and effective complaint resolution.

To help address this, we are introducing new vehicle signage for both taxis and private hire vehicles, aligned with the DfT's Statutory Standards. This signage is designed to make it easier for passengers to understand how and when to raise concerns following an incident (see relevant subsection on vehicle signage below).

Private hire operators play an important role in managing complaints, and we recognise that the vast majority handle them professionally and effectively. Several years ago, we identified shortcomings in how safety-related complaints were being escalated by some operators. In response, we implemented enhanced reporting processes to ensure serious concerns are appropriately flagged and addressed.

Some operators are subject to specific non-prescribed licensing conditions that require them to report serious complaints directly to the police and TfL. These measures help ensure that safety-critical issues are dealt with swiftly and transparently.

While TfL does receive complaints directly, operators remain the first point of contact for most issues. They are required to maintain records of all complaints related to bookings and drivers, and must notify TfL of any complaint that results in a driver's

dismissal or involves serious safety concerns. These incidents must be reported using the designated PHV/105 process, which ensures TfL can take licensing action where necessary to protect public safety.

We continue to work closely with operators to improve transparency, consistency, and passenger confidence across the sector.

Taxis

Taxi complaints are submitted directly to TfL, allowing for consistent oversight which supports a more accountable complaints process. That said, the growing use of app-based taxi booking platforms introduces new risks. These companies may operate their own complaints systems, potentially limiting TfL's ability to take action, respond effectively and maintain oversight. Crucially, even when a platform identifies a clear safety concern involving a licensee, there is currently no obligation for them to notify or engage with TfL – undermining regulatory oversight and potentially compromising passenger safety.

Vehicle Signage

TfL is actively working to improve the accessibility of its complaints systems. The rollout of new vehicle signage for both taxis and private hire vehicles – aligned with the DfT's Statutory Standards – is a key step forward.

This signage aims to make the complaints process clearer and more visible to passengers, helping to reduce confusion and encourage reporting. However, there is a lack of consistency across licensing authorities. Some licensing authorities have more prominent signage and clearer processes, highlighting the need for greater uniformity in how complaints are communicated and managed across the board.

Technology and Data Sharing

TfL acknowledges the need to improve complaint handling and incident reporting across the taxi and private hire sectors and is actively exploring how technology can enhance these processes. This includes streamlining reporting mechanisms, strengthening data sharing between operators and TfL, and ensuring that all complaints – particularly those involving safety – are addressed promptly and effectively.

For example, operators could integrate a "Report an Issue" feature directly into the booking confirmation screen of mobile apps. This would allow passengers to easily raise concerns immediately after, or during, a journey.

Enhanced data sharing between licensing authorities would also support enforcement efforts and help maintain high standards across the industry.

8. **How effective is the National Register of Licence Revocations and Refusals (NR3) in supporting consistent licensing decisions across local authorities? What barriers, if any, are limiting its use or impact?**

The National Register of Licence Revocations, Refusals and Suspensions (NR3S) is effective in preventing “licence shopping,” where drivers who have been refused, suspended, or revoked by one licensing authority attempt to obtain a licence from another. Its effectiveness, however, relies on licensing authorities both consulting the register and making appropriate decisions based on the information it provides.

We recognise these checks as an important safety element in the licensing process, with between 1,000 and 1,500 checks conducted weekly, depending on application volumes. While the system serves its core purpose well, its value is limited beyond that. We would be keen to explore access to additional data, such as private hire operator licensing decisions, which would further enhance the robustness of our decision-making. There may also be an opportunity to improve the process through automation, such as integrating an API to streamline checks and reduce manual workload.

As outlined in our response to Question 1 (see “Limited Licence Suspension Mechanisms” section), there is also a need for legislative change to give licensing authorities greater flexibility in how they suspend licences during ongoing investigations, enabling more proportionate enforcement action where current powers – requiring a defined end date – are too limited.

9. What are the implications for taxi and PHV licensing of the future rollout of autonomous vehicles?

Autonomous vehicles (AVs) present a distinct area of development within the wider transport landscape. Their emergence raises a number of regulatory and operational questions that may be relevant for licensing authorities to consider. While the full implications are still emerging, there are several key considerations as set out below.

Licensing and Regulatory Frameworks

The Automated Vehicles Act 2024 introduces a distinct licensing framework for automated passenger services (APS), excluding them from existing taxi and private hire legislation.

Traditional models are built around human drivers, so new approaches will be needed to define responsibilities, ensure accountability and maintain public confidence. The relationship between AV operators, APS applicants, and local licensing authorities is still being defined, and ongoing collaboration with Government will be essential to shape the regulatory environment.

We are currently responding to the Government’s consultations on AVs, including the APS permitting scheme and protecting marketing terms, and the call for evidence on the AV statement of safety principles.

We look forward to continuing to work with Government to clarify roles and responsibilities, and to ensure that any future framework supports effective regulation, public confidence and safe integration of automated services into the wider transport network.

Evolving Role of Drivers and Operators

With over 120,000 drivers currently working in London's taxi and PHV sector, it will be important to understand how automation might complement or reshape existing services. The pace and scale of AV deployment will be an important consideration in determining the extent of any impacts on current taxi and private hire services.

Safety and Public Confidence in Taxi and PHV Services

As AV technology begins to enter the passenger transport space, safety will be a critical factor in determining its suitability for passenger carrying journeys. These services operate in highly dynamic and complex environments, often in close proximity to vulnerable road users such as pedestrians, cyclists and motorcyclists. Any future AV-based passenger service must therefore be able to meet the high safety standards currently expected of licensed drivers and vehicles.

Partnerships and Trials

TfL is actively working with the Centre for Connected and Autonomous Vehicles (CCAV) and other stakeholders to inform future policy and regulatory decisions.

More information on TfL's approach to automated vehicles can be found here: TfL approach to automated vehicles.

Your sincerely,

Helen Chapman
Director of Licensing and Regulation
Transport for London