



Changes to Taxi and Private Hire Vehicle Legislation in the Road Safety Act 2006

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Dear Sir/Madam,

Changes to taxi and private hire vehicle (PHV) legislation in the road safety act 2006

I am writing - following the completion of the passage through Parliament of the Road Safety Bill which received Royal Assent on 8 November and which is now therefore the Road Safety Act 2006 ("the Act") - about the implementation of the measures in the Act on taxi and PHV licensing. This letter is being sent to those who have written to us about this matter and relevant organisations.

Consultation on the coming into force of the repeal of the PHV "contract exemption" outside London

You will be aware that the Government brought forward during Parliamentary consideration of the Bill an amendment which would repeal the exemption from PHV licensing outside London for contracts lasting not less than 7 days ("the contract exemption"). However, before repeal takes effect it will be necessary to

bring forward a Commencement Order setting a date for coming into force.

During Parliamentary discussion, Ministers promised that they would seek the views of stakeholders on the date for coming into force of the repeal. This letter fulfils that commitment.

Ministers see the repeal of the contract exemption as necessary for public safety. They therefore wish to see it come into force as soon as possible. They also however see that there is a need to leave an appropriate period before coming into force to allow currently unlicensed drivers, vehicles and operators to be licensed or for alternative contract arrangements to be made where necessary.

The initial view of Ministers is that the balance of argument suggests the commencement date for repeal of the contract exemption should be between 6 months and 12 months from Royal Assent, that is, the coming into force should not be earlier than May 2007 or later than November 2007. They would however welcome views before reaching a final decision.

I should be grateful for your views by *Friday 5 January* on what you would consider to be the appropriate date for the coming into force of the repeal of the contract exemption and for a brief summary of the main factors which you would wish Ministers to take into account.

I should stress that this consultation is not about the principle of repeal or whether or not there should continue to be an exemption for particular types of contract or PHV operation. The decision that the PHV licensing regime should be comprehensive (apart from continuation of the existing exception for weddings and funerals) has already been taken and embodied in the Act.

Changing the definition of private hire vehicle in London

The Act amends the definition of private hire vehicle in the Private Hire Vehicle (London) Act 1998 by removing the words "to the public" from the current definition. The effect of this amendment will be similar to the effect of the repeal of the contract exemption outside London, namely that additional drivers, operators and vehicles will be brought within the PHV licensing regime. In consultation with Transport for London, Ministers will reach a final decision on the commencement date for this provision after taking into account the views expressed on the date of coming into force of repeal of the contract exemption outside London.

Immediate suspension or revocation of a taxi or PHV driver's licence if required in the interests of public safety

As you will also know, a further measure which Ministers brought forward for inclusion in the Road Safety Bill was a new power for local licensing authorities outside London to be able, if they considered that the interests of public safety required it, to bring into immediate effect suspension or revocation of a taxi or PHV driver's licence (a similar provision already applies in London). A Commencement Order bringing this measure into force will be brought forward at the earliest opportunity.

Ministers are clear that licensing authorities should have discretion to decide for themselves in which cases it is appropriate to use this new power. Authorities will however wish to consider carefully in each case whether there are clear grounds for deciding that immediate suspension or revocation of the licence is required in the interests of public safety. Ministers would expect that the normal position will remain that

the suspension or revocation of a driver's licence will only take effect after the 21 days the driver has to decide whether to appeal or - if there is an appeal - after that appeal has been determined.

Ministers will also keep under review whether guidance to authorities on the use of this new power would be appropriate or necessary.

Yours sincerely,

David Farmer