Private Hire Regulations review

Part Three (Integrated Impact Assessment) Consultation Report
March 2016
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1 Executive Summary

We are reviewing a number of the regulations governing the licensing of the private hire trades in response to developments in the private hire industry, including the emergence of new technology and changes to the ways that people engage and use private hire services. The review is being carried out through a large consultation exercise that commenced in March 2015 and is scheduled for completion in March 2016.

The review was conducted into three main phases with supporting ancillary work conducted in between and throughout these phases:

- Part One, spring 2015, consisted of a comprehensive review of regulations and proposals for change following internal review and engagement with key private hire and taxi trade stakeholders.
- In autumn 2015, we published 25 detailed proposals based on the responses to Part One, and these formed the basis of the remainder of the consultation exercise. The consultation on these proposals (Part Two) was published in September 2015 and closed on 23 December 2015, attracting almost 16,000 responses.
- We commissioned an independent consultant, Mott MacDonald, to undertake an Integrated Impact Assessment (IIA) on the 25 proposals. An IIA explores the health, equality, environmental and business, and economic impacts of the regulatory proposals. This IIA was published for consultation on 28 January 2016 as Part Three, and the consultation closed on 24 February.

We received 68 responses to this consultation including 19 from stakeholders, one of which was a survey conveying the support of 596 individuals.

Annex 1 to this document summarises the findings from Part Three of the consultation process which ran between January to February 2015.
2 Background

We are a statutory body established by the Greater London Authority Act 1999 and are the licensing authority and regulatory body for London’s taxi and private hire industries. In respect of the private hire industry, we license and regulate around 3,000 private hire operators, 76,000 private hire vehicles and 98,000 private hire drivers¹ making us the largest licensing authority with responsibility for licensing over a third of all taxi and private hire vehicles (PHVs) in England and Wales.

London has a large and vibrant private hire sector, which has existed since the 1960s to cater for a wide range of journeys.


Private hire operators, drivers and vehicles licensed by TfL provide a range of vital services as part of London’s transport system which include minicab, chauffeur/executive and specialist accessible vehicle services.

In recent years, new technology has emerged and app-based platforms now offer near instantaneous private hire bookings at the touch of a button. This has triggered a rapid growth in the sector and the number of licensed drivers has grown from 59,000 in 2009/10 to the volumes seen today.

Given the scale of change and fact that regulations have not been comprehensively updated in almost two decades, we are seeking to bring the regulations up to date and are undertaking an extensive review.

The review was conducted in three main phases with supporting ancillary work conducted in between and throughout these phases:

- In spring 2015, we published a wide ranging and comprehensive review of regulations and proposals for change, following internal review and engagement with key private hire and taxi trade stakeholders. This review was published as a public consultation (Part One) between March and June 2015.

¹ TfL Licensing figures
In autumn 2015, following almost 4,000 responses to Part One of the consultation and further detailed engagement with the key private hire and taxi trade bodies, we identified 25 detailed proposals which formed the basis of the remainder of the consultation exercise. The consultation on these proposals (Part Two) was published in September 2015 and closed on 23 December 2015, attracting almost 16,000 responses.

We commissioned an independent consultant, Mott MacDonald, to undertake an Integrated Impact Assessment (IIA) on the 25 proposals. An IIA explores the health, equality, environmental and business, and economic impacts of the regulatory proposals. This IIA was published for consultation on 28 January 2016 as Part Three, and the consultation closed on 24 February.

The full public consultation process is intended to seek the views of private hire customers, private hire drivers, vehicle owners and operators and other key stakeholders interested in the trade, including members of the taxi trade and organisations that have an interest in private hire activities.

In September 2015 we also announced some policy measures that were to be taken forward outside of the consultation process, to enhance the standards across the private hire industry and improve the customer experience when engaging these services. These measures are:

- The introduction of an enhanced topographical skills test, to include map reading and navigation skills and a clear understanding of the rules governing private hire licensing
- An assessment of the English language skills of all PHV driver applicants through the verbal and written communication with TfL staff (as part of the topographical test)
- Enhanced driver training, including disability equality training

On 20 January 2016 we announced preliminary intentions for the proposals to go to the TfL Board in March, subject to further review including consultation on the IIA.
3 The consultation – Part Three

We designed Part Three of the consultation to enable us to understand views on the Integrated Impact Assessment of the proposed changes to regulations governing the private hire industry.

The consultation ran from 28 January to 24 February 2016. It was designed to enable us to understand the views of private hire customers, trade members and others in relation to the Integrated Impact Assessment (IIA) that Mott MacDonald had prepared on the proposed changes to regulations governing private hire activity. This is part of a review that TfL are carrying out in response to developments in the private hire industry, including the emergence of new technology and changes to the ways that people engage and use private hire services.

The objectives of the consultation were:

- To give stakeholders and the public the background to the IIA and the proposed regulations
- To help TfL identify any omissions or errors in the IIA
- To give respondents opportunity to present evidence relating to the impacts of the proposals
- To allow respondents to comment on other matters relating to the impacts of the proposed changes to regulations

Who was consulted

The consultation intended to seek the views of private hire customers, trade members and stakeholders in the trade, including members of the taxi trade and organisations that have an interest in private hire activities.

Individuals and organisations were invited to pass the details on to other organisations.

Consultation material, distribution and publicity

TfL produced a consultation document which:

- Set out the background to the regulations and the development of licensed private hire in London
- Discussed each proposal with a statement of the original proposal, the preliminary summary of responses to the September-December consultation, a summary of the findings of the IIA and TfL’s intention regarding the proposal (as announced on 20 January)
- Sought respondents’ views or evidence relating to the health, equalities, environmental and business impacts, and any suggested mitigations of adverse impacts
- Invited respondents to suggest any other impacts or possible mitigations not covered in the IIA
Invited respondents to comment on the impacts of the amended proposals as set out in TfL’s announcement on 20 January 2016.\(^2\)

We published this on the TfL consultation website in the form of a structured questionnaire, together with the IIA. It was also available as a downloadable file in PDF format.

We sent an email to stakeholders informing them of the consultation, highlighting key issues being discussed, and including a link to the consultation website. This information was also promoted on the TfL Taxi and Private Hire (TPH) Twitter feed (@TfLTPH), an email distribution list, including around 60,000 licensed drivers, and circulated to trade press contacts.

TfL invited people to respond by completing the questionnaire online through their consultation tool. People could also respond or ask questions by emailing the TPH enquiries or the TfL Consultations email addresses, given in the emails, the consultation page and the downloadable document.

The consultation asked 10 questions about the impacts and mitigations under six headings.

In addition, questions were asked in order to identify and classify respondents including name; email address; organisation (if any); any role in the taxi or private hire trade; how they heard about the consultation; and questions for equalities classifications.\(^3\)

We received 68 responses to this consultation including 19 from stakeholders, one of which was a survey conveying the support of 596 individuals.

We commissioned Steer Davis Gleave (SDG) to analyse and report on the responses to the IIA consultation. Annex 1 to this document is the report produced by SDG.


\(^3\) The identification and classification questions were not included in the pdf version of the document.
Appendix A – TfL responses to issues raised in the consultation

We made recommendations to the TfL Board informed by the responses to the consultations. These recommendations were considered by the Board on 17 March 2016.

We will shortly publish details of the proposals that the Board has decided we are taking forward, those we will take forward in a different form (or subject to further consideration) and those we are not going to take forward.

We will work closely with the private hire industry to ensure that any proposals are implemented in a timely and appropriate manner.
Appendix B – Consultation materials

The consultation was based around the online consultation tool, with a questionnaire that gave the background to each of the consultation questions in turn.

The background information and the questions were made available as a PDF document for download. This document is available as Annex 2. The IIA with its appendices was also made available and is provided as Annex 3 and 4.
The following email was sent to stakeholders on 28 January 2016

Dear Stakeholder,

In September 2015, we invited your comments on our proposals for changes to private hire regulations. We have now published an Integrated Impact Assessment of these proposals and we would welcome your comments on this.

Full details are available at consultations.tfl.gov.uk/tp/h/private-hire-proposals-iaa.

On 20 January we made a preliminary announcement stating which of these proposals we intend to take forward for decision by the TfL Board in March 2016. Details of this announcement are available here.

Yours faithfully,

Peter Bradley
Head of Consultation
Transport for London

A similar email was sent to those that responded to Part One of the consultation
Appendix C – List of stakeholders initially consulted

Consultees were invited to forward the consultation document to other interested parties and responses from these parties are also invited.

Private hire trade associations
- Chauffeur and Executive Association
- GMB (Greater London Private Hire Drivers Branch)
- Institute of Professional Drivers and Chauffeurs
- Licensed Private Hire Car Association
- Private Hire Board

Taxi driver associations
- Heathrow Airport Taxi Drivers United
- Licensed Taxi Drivers Association
- London Cab Drivers Club
- London Suburban Taxi Drivers Coalition
- RMT Cab Trade Section
- Unite the Union Cab Trade Section
- United Cabbies Group

Other licensing authorities
- Neighbouring taxi & private hire licensing authorities
- National Association of Licensing and Enforcement Officers
- Senior Traffic Commissioner
- Institute of Licensing

User groups and other stakeholders
- Action on Hearing Loss
- Age UK
- City of London Police
- Department for Transport
- Disabled Persons Transport Advisory Committee
- Equality and Human Rights Commission
- Guide Dogs
- Heathrow Airport Ltd
- Inclusion London
- Joint Committee on Mobility for Disabled People
- Living Streets
- London Accessible Transport Alliance
- London Assembly Members
- London Business Improvement Districts (BIDs)
- London Chamber of Commerce and Industry
- London City Airport Ltd
- London Councils
- London Cycling Campaign
- London First
- London local authorities
- London MPs
- Home Counties MPs
- London NHS bodies
- London TravelWatch
- Metropolitan Police Service
- Network Rail
- New West End Company
- Passenger Focus
- People 1st
- RNIB
- Roads Task Force members
- Society of West End Theatres
- Suzy Lamplugh Trust
- Train Operating Companies serving London
- Transport for all
- TfL Youth Panel
- Visit London (London & Partners)

Messages advertising the consultation were sent to taxi and private hire trade members on the Taxi and Private Hire email circulation list and recipients of the TPH Twitter feed.
Annex 1 – Analysis Report produced by Steer Davies Gleave

Annex 2 – Consultation document and questionnaire

Annex 3 – Integrated Impact Assessment produced by Mott MacDonald

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Executive Summary

Overview

Transport for London (TfL) is the licensing authority and regulatory body for London’s taxi and private hire industries. It is the largest licensing authority in the country, being responsible for licensing approximately one third of all taxis and private hire vehicles in England.

Due to a number of developments within the private hire industry, including advances in technology and changes to how people engage and share private hire services, TfL are reviewing the current regulations that govern the licensing of private hire operators, drivers and vehicles.

An initial consultation, conducted in March 2015, aimed to get a better picture of views about these proposals, and to invite other suggestions. Following that consultation, TfL developed detailed proposals for changes to regulations and published these for a further consultation in September 2015. As part of the consultation process, an independent consultancy, Mott MacDonald, completed an integrated impact assessment of the original proposals. TfL published this assessment in January 2016 and invited comments. This report provides a summary of the responses received, both from stakeholders and individual respondents.

Overall consultation findings

In total, there were 68 responses to the consultation, including 19 stakeholder responses, received via both the online portal and email.

Of the respondents who specified their connection with the private hire or taxi trade, roughly a third were stakeholders, 18% were connected with the taxi trade (taxi drivers) and 10% were connected with the private hire industry (private hire drivers). A further 10% of responses were from the general public.

A summary of the number of respondents discussing the impacts and mitigations of the consultation’s 25 proposals is shown in Table 1.1.

<table>
<thead>
<tr>
<th>Proposal Number</th>
<th>Detail</th>
<th>Stakeholders</th>
<th>Individual respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Operators must provide a booking confirmation to passengers containing the driver photo ID and details of the vehicle being used to discharge the booking.</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>Operators must provide booking confirmation details to the passenger at least five minutes prior to the journey commencing.</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>3</td>
<td>Operators will be required to seek TfL approval before changing their operating model.</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>Security of app-based booking platforms.</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>Operator must offer a facility to pre-book up to seven days in advance.</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>6</td>
<td>TfL proposes to no longer issue licenses for in-venue operators or temporary events.</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>Proposal Number</td>
<td>Detail</td>
<td>Stakeholders</td>
<td>Individual respondents</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>7</td>
<td>Operator must have a fixed landline telephone which must be available for passenger use at all times.</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>8</td>
<td>Operators must not show vehicles being available for immediate hire, either visibly or virtually via an app.</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>9</td>
<td>Operators will be required to provide specified information including details of all drivers and vehicles to TfL on a regular basis.</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>10</td>
<td>Operators must specify the fare prior to the booking being accepted.</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Operators must record the main destination for each journey which must be specified at the time the booking is made.</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>12</td>
<td>Harmonise the retention period for records to be 12 months where it is currently 6.</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>13</td>
<td>Limit the number of business names attached to each Operator’s licence to five.</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>14</td>
<td>Specific requirement for drivers to be able to demonstrate they have sufficient knowledge of English language at an intermediate level.</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>15</td>
<td>A private hire vehicle driver must be registered to a licensed operator and may only be registered to a single operator at any time.</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>16</td>
<td>Driver and Operator licence applicants to provide National Insurance numbers and share with Department for Work and Pensions (DWP).</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td>17</td>
<td>Vehicle licence to be revoked if driver licence revoked.</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>18</td>
<td>Checks on convictions of operator staff.</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>19</td>
<td>TfL to stop accepting payment by PO and cheque.</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>20</td>
<td>Hire and Reward insurance to be checked at point of licensing and must be in place for duration of vehicle licence.</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>21</td>
<td>Drivers to carry or display a copy of insurance details at all times.</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td>22</td>
<td>Hire and Reward fleet insurance in place by operators.</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>23</td>
<td>Operator licence type.</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>24</td>
<td>Controls on ridesharing in licensed vehicles.</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>25</td>
<td>Amendment of advertising regulation to include “in” vehicle.</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td><strong>Additional issues raised</strong></td>
<td>Including removing the Congestion Charge exemption for private hire vehicles</td>
<td>9</td>
<td>4</td>
</tr>
</tbody>
</table>
1 Introduction

Background

1.1 Transport for London (TfL) is a statutory body established by the Greater London Authority Act 1999 and is the licensing authority and regulatory body for London’s taxi and private hire industries. It is the largest licensing authority in the country, being responsible for licensing approximately one third of all taxis and private hire vehicles (PHVs) in England. As of January 2016, TfL licensed and regulated over 2,900 private hire operators, 75,000 private hire vehicles and 95,000 private hire drivers.


1.3 TfL is reviewing a number of the regulations governing the licensing of the private hire trades in response to developments in the private hire industry, including the emergence of new technology and changes to the ways that people engage and use private hire services.

1.4 TfL has identified a number of proposals for changes to these regulations through internal review and engagement with stakeholders. An initial consultation, conducted between March and June 2015, aimed to get a better picture of views about these proposals, and to invite other suggestions.

1.5 Following that consultation, TfL developed detailed proposals for changes to regulations and published these for the second part of the consultation between September and December 2015. TfL also announced some measures that it had introduced to improve enforcement and raise standards in the private hire trade.

1.6 On 20 January 2016, TfL gave a preliminary indication of which proposals they intended to progress. However, decisions on which proposals to be implemented, if any, will be taken by the TfL Board in March 2016.

1.7 As part of the consultation process, an independent consultancy, Mott MacDonald, commissioned by TfL, completed an Integrated Impact Assessment (IIA) to understand the health, equality, environmental and business and economic impacts of the 25 proposals set out in the September consultation document. Comments were invited on the identified impacts for each of the proposals and consultees could also comment on impacts they felt hadn’t been identified.
TfL commissioned Steer Davis Gleave (SDG) to analyse and report on the responses to the IIA consultation. The findings from the IIA consultation responses are detailed in this report.
2 Methodology

The Consultation

2.1 The consultation ran from 28 January to 24 February 2016. It was designed to enable TfL to understand the views of private hire customers, trade members and others in relation to the Integrated Impact Assessment (IIA) that Mott MacDonald had prepared on the proposed changes to regulations governing private hire activity. This is part of a review that TfL are carrying out in response to developments in the private hire industry, including the emergence of new technology and changes to the ways that people engage and use private hire services.

The objectives of the consultation were:

- To give stakeholders and the public the background to the IIA and the proposed regulations;
- To help TfL identify any omissions or errors in the IIA;
- To give respondents opportunity to present evidence relating to the impacts of the proposals, and
- To allow respondents to comment on other matters relating to the impacts of the proposed changes to regulations.

Who was consulted

2.2 The consultation intended to seek the views of private hire customers, trade members and stakeholders in the trade, including members of the taxi trade and organisations that have an interest in private hire activities.

2.3 Individuals and organisations were invited to pass the details on to other organisations.

Consultation material, distribution and publicity

2.4 TfL produced a consultation document which:

- Set out the background to the regulations and the development of licensed private hire in London;
- Discussed each proposal with a statement of the original proposal, the preliminary summary of responses to the September-December consultation, a summary of the findings of the IIA and TfL’s intention regarding the proposal (as announced on 20 January);
- Sought respondents’ views or evidence relating to the health, equalities, environmental and business impacts, and any suggested mitigations of adverse impacts;
• Invited respondents to suggest any other impacts or possible mitigations not covered in the IIA; and
• Invited respondents to comment on the impacts of the amended proposals as set out in TfL’s announcement on 20 January 20161.

2.5 This was published on the TfL consultation website in the form of a structured questionnaire, together with the IIA. It was also available as a downloadable file in PDF format.

2.6 An email was sent to stakeholders informing them of the consultation, highlighting key issues being discussed, and including a link to the consultation web site. This information was also promoted on the TfL Taxi and Private Hire (TPH) Twitter feed (@TfLTRPH), an email distribution list, including around 60,000 licensed drivers, and circulated to trade press contacts.

2.7 TfL invited people to respond by completing the questionnaire online through their consultation tool. People could also respond or ask questions by emailing the TPH enquiries address which was provided on the email, or the TfL Consultations email account shown on the consultation page and in the downloadable document.

2.8 The consultation asked 10 questions about the impacts and mitigations under six headings.

2.9 In addition, questions were asked in order to identify and classify respondents including name; email address; organisation (if any); any role in the taxi or private hire trade; how they heard about the consultation; and questions for equalities classifications2.

Analysis of Consultation Responses

2.10 Chapter 4 of this report includes analysis of the 68 responses to the consultation, including 19 stakeholder responses, received via both the online portal and email.

2.11 Stakeholder and individual responses were read, allocated to a proposal (if appropriate) and categorised according to the impacts and mitigations that they referred to. Other comments relating to the proposals were also captured. A summary of all responses, split according to proposal, is provided in Chapter 4.


2 The identification and classification questions were not included in the pdf version of the document, which was available to download.
3 Profile of Respondents

**Connection with the Private Hire or Taxi Trade**

3.1 This chapter describes the profile of the respondents to the consultation. TfL asked respondents how they were connected to the private hire or taxi trade, with the following options:

- Private hire operator;
- Private hire driver;
- Private hire vehicle owner;
- Taxi driver;
- Taxi owner;
- Customer;
- Member of the public; and
- Other connection with the taxi or private hire trade.

3.2 Although this question allowed respondents to specify whether they were connected to the private hire or taxi trade, it was not compulsory and respondents were able to select more than one option. We therefore used information provided in an accompanying open text box to allocate respondents to either one of the eight types listed above, or to the category stakeholder. This process is described in more detail in Appendix A.

3.3 Figure 3.1 shows the proportion of respondents by type. The highest proportion of respondents were stakeholders (28%), followed by taxi drivers (18%). It was not possible to identify the respondent type of 31% of respondents.

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3 This category included individuals with a close personal connection to someone who works in the taxi trade or private hire industry, for example the spouse of a taxi driver.
Figure 3.1: Respondent type

Sample size: 68

3.4 Table 3.1 below sets out the number of respondents in each respondent type.

<table>
<thead>
<tr>
<th>Respondent Type</th>
<th>Number of respondents</th>
<th>Share of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholder</td>
<td>19</td>
<td>27.9%</td>
</tr>
<tr>
<td>Taxi driver</td>
<td>12</td>
<td>17.6%</td>
</tr>
<tr>
<td>Member of the public</td>
<td>7</td>
<td>10.3%</td>
</tr>
<tr>
<td>PH driver</td>
<td>7</td>
<td>10.3%</td>
</tr>
<tr>
<td>Customer</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>Other connection</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>Not specified</td>
<td>21</td>
<td>30.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
Demographic and Other Information

Gender

3.5 A breakdown of respondents’ gender is shown in Table 3.2. The majority of respondents (60%) did not answer this question, including many respondents who submitted a letter or email response, rather than using the consultation portal.

Table 3.2: Respondents’ gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>20</td>
<td>29.4%</td>
</tr>
<tr>
<td>Female</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Gender neutral</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>4</td>
<td>5.9%</td>
</tr>
<tr>
<td>Not answered</td>
<td>41</td>
<td>60.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Age

3.6 A breakdown of respondents’ age is shown in Table 3.3. The majority of respondents (63%) did not answer this question, including many respondents who submitted a letter or email response, rather than using the consultation portal.

Table 3.3: Respondents’ age

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>16 - 24</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>25 - 34</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>35 - 44</td>
<td>6</td>
<td>8.8%</td>
</tr>
<tr>
<td>45 - 54</td>
<td>11</td>
<td>16.2%</td>
</tr>
<tr>
<td>55 - 64</td>
<td>3</td>
<td>4.4%</td>
</tr>
<tr>
<td>65 plus</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Not answered</td>
<td>43</td>
<td>63.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
Ethnicity

3.7 A breakdown of respondents’ ethnicity is shown in Table 3.4. More than half of respondents did not answer the question, including many respondents who submitted a letter or email response, rather than using the consultation portal.

Table 3.4: Respondents’ ethnicity

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>12</td>
<td>17.6%</td>
</tr>
<tr>
<td>Black/African/Caribbean</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Mixed/Multiple Ethnic Group</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Asian/Asian British</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>Other Ethnic Group</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>4</td>
<td>5.8%</td>
</tr>
<tr>
<td>Not Answered</td>
<td>46</td>
<td>67.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Disability

3.8 A breakdown of whether respondents considered themselves to have a disability is shown in Table 3.5. A quarter of respondents did not consider themselves to have a disability. The majority of respondents (65%) did not answer the question, including many respondents who submitted a letter or email response, rather than using the consultation portal.

Table 3.5: Whether respondents considered themselves to have a disability

<table>
<thead>
<tr>
<th>Disability</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>No</td>
<td>18</td>
<td>26.5%</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>5</td>
<td>7.4%</td>
</tr>
<tr>
<td>Not Answered</td>
<td>44</td>
<td>64.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Faith

3.9 A breakdown of respondents’ faith is shown in Table 3.6. Of those respondents who answered, the largest proportion (9%) stated that they were Christian.

Table 3.6: Respondents’ faith

<table>
<thead>
<tr>
<th>Faith</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Christian</td>
<td>6</td>
<td>8.8%</td>
</tr>
<tr>
<td>No religion</td>
<td>5</td>
<td>7.4%</td>
</tr>
<tr>
<td>Muslim</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>8</td>
<td>11.8%</td>
</tr>
<tr>
<td>Not Answered</td>
<td>45</td>
<td>66.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
**Sexual Orientation**

A breakdown of respondents’ sexual orientation is shown in Table 3.7. Of those respondents who answered, the largest proportion (25%) stated that they were heterosexual.

Table 3.7: Respondents’ sexual orientation

<table>
<thead>
<tr>
<th>Sexual Orientation</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heterosexual</td>
<td>17</td>
<td>25.0%</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>5</td>
<td>7.4%</td>
</tr>
<tr>
<td>Not Answered</td>
<td>44</td>
<td>64.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

**How Respondents Heard About the Consultation**

Respondents were asked in a closed question how they heard about the consultation. Table 3.8 shows the breakdown of these responses. Roughly a third of respondents heard about the consultation having received an email from TfL.

Table 3.8: How respondents heard about the consultation

<table>
<thead>
<tr>
<th>Channel</th>
<th>Total</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received an email from TfL</td>
<td>21</td>
<td>30.8%</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>5.9%</td>
</tr>
<tr>
<td>Saw it on the TfL website</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Social media</td>
<td>2</td>
<td>2.9%</td>
</tr>
<tr>
<td>Received a letter from TfL</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>Not answered</td>
<td>38</td>
<td>55.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

**Stakeholder Profiles**

A summary of the stakeholder respondents is provided below.

**Private hire trade bodies**

*Licensed Private Hire Car Association*

The Licensed Private Hire Car Association (LPHCA) is one of the principal bodies representing private hire operators in London and elsewhere. The Association consulted members and others in the London private hire trade to inform their responses, as well as meetings with TfL and with others.

*Private Hire Board*

The Private Hire Board (PHB) is another organisation of private hire operators that have also engaged with TfL throughout the review of regulations.
GMB Professional Driver's branch

3.15 The GMB branch is a part of the general trade union, representing those who drive professionally and related occupations. The branch predominantly includes private hire drivers as well as taxi drivers and members of other driving and support professions.

Driver-Guides Association

3.16 The Driver-Guides Association (DGA) is the national professional association for qualified Blue Badge tourist guides who undertake tours in their own vehicles.

United Private Hire Drivers

3.17 United Private Hire Drivers (UPHD) is a new organisation representing some private hire drivers.

Major or specialised private hire operators and trade suppliers

Uber

3.18 Uber started operations in London in 2012 and is now the largest private hire operator in the capital. The customer makes a booking with a smartphone app. Automated systems use GPS tracking to inform the customer of the car's progress before pick-up and to calculate the fare, with premium pricing at times of exceptionally heavy demand. The customer pays through the app using a pre-registered bank card.

1st Class Executive Travel

3.19 1st Class Executive Travel is a chauffeur/executive operator, offering high specification vehicles and additional services such as close protection security or support for events and corporate roadshows.

eConnect

3.20 eConnect is a private hire operator in London providing a chauffeur-driven car service using all electric vehicles.

Taxi trade bodies

Licensed Taxi Drivers' Association

3.21 The Licensed Taxi Drivers’ Association (LTDA) is the largest association of London taxi drivers, with over 10,000 drivers.

London Cab Drivers’ Club

3.22 The London Cab Drivers’ Club (LCDC) is an organisation of taxi drivers.

Unite the Union

3.23 Unite is the largest trade union in the UK, with a taxi trade branch representing a number of London taxi drivers.

United Cabbies Group

3.24 The United Cabbies Group (UCG) is an association of taxi drivers.
The National Union of Rail, Maritime and Transport Workers

3.25 The National Union of Rail, Maritime and Transport Workers (commonly known as the RMT) is a British trade union covering the transport sector and has a taxi trade branch.

AskPOB

3.26 AskPOB, a consultancy set up by a London taxi driver, responded with details of a survey the consultancy had conducted among taxi drivers and others.

Statutory bodies

Competition & Markets Authority

3.27 The Competition & Markets Authority (CMA) is an independent non-ministerial government department that works to promote competition for the benefit of consumers, with the aim of making markets work well for consumers, businesses and the economy.

London Boroughs: London Councils

3.28 We received responses from Westminster City Council (WCC) and the London Borough of Hillingdon (LBH).

Other

Motor Insurers’ Bureau

3.29 The Motor Insurers’ Bureau (MIB), established as a not-for-profit organisation in 1946, is funded through a levy paid by every company providing motor insurance in the UK. The MIB acts as the UK Green Card Bureau and Compensation Body supporting motorists making claims after an accident with a foreign vehicle in the UK and assisting UK victims after an accident in a foreign country. They manage the Motor Insurance Database (MID) which is the only central record of more than 37 million insured vehicles in the UK.

Member of Parliament

3.30 We received a response from Justine Greening, MP for Putney, Roehampton and Southfields.
4 Proposals

4.1 This chapter provides detail and analysis of the responses of 19 stakeholders and 49 individual respondents who answered questions asked in the consultation (through Transport for London’s online consultation portal or via email).

4.2 The Integrated Impact Assessment was based on the original 25 proposals set out in the autumn consultation. On 20 January 2016 TfL announced its preliminary view based on responses to this consultation. Consultees in this part of the consultation were therefore asked to comment on the identified impacts for the original proposals, and were also being given an opportunity to comment on the revised proposals and any perceived impacts of them.

4.3 The questions asked in the questionnaire were:

Health impacts and mitigations
- Q1. Please provide any comments or evidence you have on the potential health impacts of implementing the proposals.
- Q2. Will the proposed mitigations address these health impacts? If not, what other mitigations do you suggest?

Equalities impacts and mitigations
- Q3. Please provide any comments or evidence you have on the potential equalities impacts of implementing the proposals.
- Q4. Will the proposed mitigations address these equalities impacts? If not, what other mitigations do you suggest?

Environmental impacts and mitigations
- Q5. Please provide any comments or evidence you have on the potential environmental impacts of implementing the proposals.
- Q6. Will the proposed mitigations address these environmental impacts? If not, what other mitigations do you suggest?

Business and economic impacts and mitigations
- Q7. Please provide any comments or evidence you have on the potential business and economic impacts of implementing the proposals.
- Q8. Will the proposed mitigations address these business and economic impacts? If not, what other mitigations do you suggest?

Other impacts and mitigations
- Q9. Please provide any comments or evidence you have on other potential impacts of implementing the proposals.

Revised proposals
- Q10. We are inviting comments or evidence you have on the potential health, equality, environmental, business and economic impacts of the latest proposals.
4.4 With a couple of exceptions, individual respondents did not refer to the impacts or mitigations of specific proposals. Their responses are therefore primarily summarised in the ‘Other comments’ section, starting on page 46. Responses provided by stakeholders, and the few individual respondent exceptions noted above, that were relevant to specific proposals are summarised from page 15 onwards.

4.5 Stakeholder and individual responses were read, allocated to a proposal (if appropriate) and categorised according to the impacts and mitigations that they related to. We assigned the summaries of comments to the most appropriate impact group(s), not necessarily the impact group(s) identified by consultees in their submissions. Other comments relating to the proposals were also captured.
Part I: Private Hire Operators

Proposal 1: Booking Confirmation – Driver and Vehicle Details

4.7 TfL proposed that operators must provide a booking confirmation to passengers containing the driver photo ID and details of the vehicle being used to discharge the booking, in advance of the journey commencing.

4.8 The proposal received widespread support across the industry during the autumn consultation and particularly strong support from customers and customer groups.

4.9 On 20 January 2016 TfL announced their intention to proceed with the proposal for operators to provide this information to customers who are able to receive it.

4.10 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.11 The taxi trade stated that private hire operator costs should not be prioritised over passenger safety and therefore that this proposal, with the potential to have at least a moderate beneficial health impact on passengers, should be implemented, regardless of the impact on private hire operators.

4.12 UPHD felt that the health impacts on private hire drivers should be explored, in particular relating to drivers’ privacy in respect of this proposal. They cited examples of drivers’ details being published online by disgruntled passengers. PHB was also concerned that drivers’ safety could be compromised by this proposal.

Equalities impacts and mitigations

4.13 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

4.14 There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

4.15 Uber was concerned that regulating the way that booking details are provided could inadvertently stifle innovation and competition. To the extent that changes would require operators to incur additional costs to ensure compliance, Uber was concerned that these costs would likely be passed to customers. Uber was not convinced with the argument that smaller operators might benefit from lower licence fees (Proposal 23) which would compensate for the expenditure incurred in the implementation of this proposal.

Other impacts and mitigations

4.16 There were no comments regarding other impacts and mitigations.

Other comments

4.17 1st Class Executive Travel stated that the specific driver details/photo should not need to be provided when the initial booking confirmation is issued, but rather included in a booking confirmation within a practicable time before the commencement of the service. This is because many chauffeur/executive services are booked weeks ahead.
of the date of the service and therefore the exact driver is not always known when the initial booking is made.

4.18 The DGA took that position that Blue Badge driver-guides should be exempt from this proposal’s requirements as not all of them have the facility to send an electronic image to their clients. Similarly, not all clients necessarily have the facility to receive such information.

4.19 eConnect queried whether the photo ID referred to in the proposal would be made available from TfL for each driver or whether the operator would be required to obtain a compliant photo from a driver, upload it and pay for the booking and dispatch system to send out the photo ID once the driver had been allocated to a particular job.

4.20 The LPHCA felt that photos are likely to be superseded by other technology improvements for proving identity, including those that use secure biometrics.

Proposal 2: Booking Confirmation – Five Minute Interval

4.21 TfL proposed changes to the PHV Regulations that would 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. The proposed specified time interval was five minutes.

4.22 There was strong and widespread opposition to this proposal from customers and the business community, as well as from the main Taxi trade organisation and the Private Hire trade during the autumn consultation.

4.23 On 20 January TfL announced its intention not to proceed with this proposal.

4.24 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.25 The LCDC noted that the IIA, whilst identifying safety issues at night, failed to acknowledge that near-immediate private hire encourages passengers onto the street to make their booking but also to wait for the vehicles arrival. They cited passengers ‘wave of smartphones’ at passing vehicles as a concern and felt this would encourage touting by licensed and unlicensed vehicles.

4.26 UPHD suggested that when the proposal was first mooted, it was seen as a preventative measure to mitigate against passengers being hurt while running on to the road to find their car. The IIA didn’t consider this and UPHD feels that it should have done so for completeness. They also suggested that the scenario of drivers being able to mitigate against passenger agitation (due to being unable to commence their journey immediately) by contacting their operator is increasingly unrealistic and that operators such as Uber have no driver support in real time and none out of hours.

Equalities impacts and mitigations

4.27 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

4.28 There were no comments regarding environmental impacts and mitigations.
Business and economic impacts and mitigations

4.29 The LCDC stated that whilst the negative impact on private hire operators is justified, the positive impact on the taxi trade is ignored and that the two-tier service is undermined by the near-immediate services offered by some private hire operators. The LTDA touched on this also, but agreed with the decision not to carry this proposal forward and wondered at what point booking becomes hailing, given “app-based near-immediate communication”. The LCDC also felt that the IIA failed to consider the rationale for a time delay, which was to allow sufficient time for drivers to plan an appropriate route, and therefore the utility to the consumer has been understated as this benefit could possibly outweigh a small increase in waiting time.

Other impacts and mitigations

4.30 There were no comments regarding other impacts and mitigations.

Other comments

4.31 The LCDC suggested that it should not be beyond the regulator to exempt in-person visits to a booking office from the five minute rule, if there was a feeling that this was not a sensible approach.

4.32 UPHD felt that TfL hadn’t assessed business risks adequately and the Impact Assessment was therefore “fatally flawed”. They suggest that implementing such a proposal would see drivers’ earnings decline by 17%.

Proposal 3: Seeking TfL Approval Before Changing Operating Model

4.33 TfL proposed to amend the PHV Regulations to require operators to inform TfL prior to implementing specified changes to their operating model.

4.34 While there was some support for this proposal during the autumn consultation, business groups and parts of the PHV trade raised concerns as they felt it discouraged innovation and would prevent a better service for Londoners. Amongst those supporting the proposal a number thought that this proposal should be applied in a proportionate way so as to minimise the impact on business.

4.35 On 20 January 2016 TfL announced their intention to proceed with an amended proposal, requiring operators to inform TfL of changes to their operating model prior to implementation.

4.36 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.37 There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

4.38 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

4.39 There were no comments regarding environmental impacts and mitigations.
Business and economic impacts and mitigations

4.40 The CMA, whilst welcoming TfL’s decision to amend this proposal to require operators simply to inform TfL of changes to their business models, rather than seek approval of them, remained concerned that this requirement could raise administrative costs, thus placing smaller operators at a competitive disadvantage.

Other impacts and mitigations

4.41 There were no comments regarding other impacts and mitigations.

Revised proposals

4.42 UPHD disagreed with the revised proposal which they perceive as a diluted version of the original proposal. They argue that changes in operators’ business models that are not subject to regulatory scrutiny could result in adverse impacts on the rights of drivers. UPHD used the example of a major operator deciding to switch from an owned fleet model to an owner driver model and the economic impact this would have on drivers.

Other comments

4.43 The LCDC commented that the IIA has not considered the impact on the regulator of technological advancements and that, while technology advances are to be welcomed, the purpose of some recent innovation is to circumvent legislation.

4.44 Uber stated that pre-screening of changes to business models is only justifiable when there is a substantial risk of firms unintentionally undermining existing regulation and causing harm in the process. Uber had particular concerns about this proposal’s effect on operators ability to innovate quickly to attract customers.

4.45 Uber, 1st Class Executive Travel and the CMA stated that it is unclear what constitutes a ‘change in operating model’ and this needs further clarification.

4.46 The LPHCA expressed support for the proposal, stating that the regulator needs to know what activities those they regulate are undertaking.

Proposal 4: Security of App Based Booking Platforms

4.47 To prevent unauthorised use of apps, TfL proposed to make it a requirement that app based platforms could 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. TfL also proposed 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.

4.48 This proposal was strongly supported by customers and customer groups during the autumn consultation.

4.49 On 20 January 2016 TfL announced that they will not seek to make an immediate change, but will work with the trade and technology industry during 2016 to develop any necessary security solutions.

4.50 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.
Health impacts and mitigations

There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

The taxi trade made a general point that proposals should be implemented if there is major or moderate beneficial impact on passengers, regardless of the impact on the operators themselves. Another felt that implementing this particular proposal would have a major adverse effect on drivers.

Environmental impacts and mitigations

There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

The LCDC felt that whilst there would be obvious additional costs for operators, they are justified to ensure security.

UPHD was concerned about allowing operators to collect biometric data given a high profile incident which led to customer credit card details being stolen. They expect that solutions would need to be fully secured before they are rolled out to customers.

Other impacts and mitigations

There were no comments regarding other impacts and mitigations.

Other comments

The taxi trade suggested that ruling out a proposal purely because operators will have to change their practices undermines the whole consultation process and that it would go against its purpose which is to improve passenger safety.

Uber felt the consultation didn’t make it clear if there is a gap in the current regulatory framework and if so, what it was. They added that it also didn’t acknowledge the progress the introduction of app-based booking and dispatch systems have brought in the area of customer safety.

UPHD felt that an assessment of the impact on drivers should have been carried out as there would be a risk of biometric data not being held securely.

Proposal 5: Pre-Booking Facility up to 7 Days in Advance

TfL proposed 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.

The majority of consultation respondents did not support this proposal during the autumn consultation, with users in particular saying there are numerous Private Hire operators in the market who provide this facility already, so there was no need to make it a mandatory requirement for all operators.

On 20 January 2016 TfL announced its intention not to proceed with this proposal.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.
Health impacts and mitigations

There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

The taxi trade disagreed with the impact assessment’s assumption that most operators already offer an advanced booking service. They therefore considered it an understatement that making private hire operators offer a pre-booking service seven days in advance would have a minor beneficial equality impact, stating that for vulnerable passengers, private transport is often the only option for getting around. AskPOB’s response expressed concern that competition from private hire operators would contribute to a reduction in the number of London taxis present on the roads. Since these vehicles are wheelchair-accessible and guide dog-friendly, Ask POB believe their disappearance would significantly restrict the ability of vulnerable passengers to move around. As mitigation against this, they believe that a certain ratio of an operator’s fleet should be available and equipped for pre-booking by disabled passengers and suggest a figure of 16% - equivalent to the proportion of working age adults in the UK who are disabled.

Environmental impacts and mitigations

There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

There were no comments regarding business and economic impacts and mitigations.

Other impacts and mitigations

There were no comments regarding other impacts and mitigations.

Proposal 6: Licencing of In-Venue Operators and Temporary Events

TfL proposed to no longer issue operating licences in respect of in-venue operations and for temporary events.

The majority of respondents during the autumn consultation supported this proposal. Westminster City Council, which is where a significant number of in-venue operations are located, fully support the proposal due to the issues caused by the licensing of in-venue operators. Conversely, the stakeholders who disagreed with the proposal felt that existing arrangements were beneficial to consumers and removing in-venue licenses would increase the likelihood of touting and other illegal activity. There was also concern that these arrangements are necessary as part of local licensing conditions in some areas.

On 20 January 2016 TfL announced its intention to proceed with this proposal.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.
**Health impacts and mitigations**

4.74 The GMB thought that a facility to provide a safe option is better than no option at all. They were unhappy at suggestions that criminality is exhibited at venues and that the travelling public can simply use apps to book a vehicle. Westminster City Council, which is where a significant number of in-venue operations are located, fully support the proposal due to the issues caused by the licensing of in-venue operators.

4.75 The LCDC felt that the negative impact on passenger safety had been over-stated and the provision of a taxi rank at these venues would alleviate many of these safety concerns. The decision to not go ahead with the five minute rule also negates any proposed safety concerns as it allows drivers to arrive promptly and will likely reduce touting.

4.76 The LPHCA argued that this proposal was a backward step saying that they felt that evidence suggests there are more touts where there isn’t a licensed operator on site. They also disagreed that the health impacts would be neutral: the IIA report stated that there is little data available to indicate the numbers of passengers that would be affected. The LPHCA suggests an education programme to help passengers understand the dangers of walking out into the road and getting into a car without checking – something that they feel has been exacerbated by the advent of electronic booking apps. They also questioned a statement regarding concerns about the current safety and security levels associated with this type of licence, citing a lack of evidence from stakeholders and other interested parties.

4.77 The LPHCA also said that mobile/smartphones can never replace the presence of a licensed operator as they cannot escort a passenger into the right vehicle.

**Equalities impacts and mitigations**

4.78 The LPHCA suggested that the removal of in-venue operators or temporary events is likely to have a disproportionate impact on passengers who have heightened personal safety concerns including disabled people, LGB people, BAME groups, females and young people. Some of these groups also face barriers accessing alternative modes of transport, which may make travel to and from these events more difficult and potentially more expensive. Therefore they believe that to state the equalities impacts as neutral is both “irresponsible and misleading”.

**Environmental impacts and mitigations**

4.79 There were no comments regarding environmental impacts and mitigations.

**Business and economic impacts and mitigations**

4.80 The LCDC said that whilst in-venue operators would suffer with the ending of in-venue offices, it would present opportunities to non in-venue operators. As customer choice could be improved through a wider variety of operator options, they reject the conclusion of an overall adverse impact.

4.81 UPHD stated that the proposal will raise the risk of touting outside venues where operators will struggle to service demand.

**Other impacts and mitigations**

4.82 There were no comments regarding other impacts and mitigations.
Other comments

4.83 WCC suggested that both new and existing licences should be rescinded, including those attached to night clubs and other night time venues as they are the source of much illegal touting, informal ranking and more general traffic offences.

4.84 The LPHCA had concerns over the four week timeframe of the Integrated Impact Assessment, the fact that it took place over the Christmas holiday period and also the overlap with the previous consultation exercise which meant that it was looking at initial proposals rather than the final outcomes.

4.85 The LPHCA was also concerned about the lack of stakeholder engagement, particularly with some who they feel were primary contacts such as owners of venues, the Greater London Authority (GLA), Disabled Persons Transport Advisory Committee and TfL’s own Cabs Enforcement Unit – some of which have extensive experience at late-night venues. They sourced their own evidence from some of the missing stakeholders (mostly venues) and presented their findings. They are concerned that some of the feedback that was given by stakeholders didn’t make it into the published IIA.

Proposal 7: Fixed Landline

4.86 TfL proposed to amend the PHV Regulations to require all licensed private hire operators to have a landline number available at all times.

4.87 This proposal was supported by a majority of respondents at the autumn consultation. Many of those who were supportive sympathised with the importance of customers being able to contact an operator but did not necessarily agree that this should be prescribed as being through a landline. The proposal received mixed views from the PH trade, business groups and consumer organisations. Those supporting agreed that passengers want the reassurance of being able to speak in real time to operator staff if there is a problem with the journey. Those opposing suggested that operators should be able to decide the methods by which they interact with customers and that reference to a landline was antiquated.

4.88 On 20 January 2016 TfL announced that it intended to proceed with an amended proposal, making it clear that the requirement is for a customer to be able to speak to an operator verbally at all times when journeys are being undertaken, rather than specifying a landline per se. The requirement will be mandatory for enquiries or complaints in relation to booked journeys, but it will not be compulsory for operators to have to accept bookings by phone.

4.89 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.90 The PHB, eConnect and the LPHCA agreed with the proposal based on the potential safety benefits for passengers. The LPHCA and the GMB stated that they would expect the proposal to be undertaken by licensed operating centres in London, as ‘offshore’ facilities were considered a risk with regard to data protection and the ability to carry out satisfactory audits.
4.91 The taxi trade stated that private hire operator costs should not be prioritised over passenger safety and therefore that this proposal, with the potential to have at least a moderate beneficial health impact on passengers, should be implemented, regardless of the impact on private hire operators.

4.92 UPHD categorically disagreed with the driver impact assessment which states that ‘the scale of the impact is relatively low as many operators already offer this facility (ability to call control centre for assistance in the case of passenger verbal or physical assault)’. UPHD states that the largest private hire provider has no such facility and they are disappointed that the amended proposal makes no provision for driver support.

**Equalities impacts and mitigations**

4.93 There were no comments regarding equalities impacts and mitigations.

**Environmental impacts and mitigations**

4.94 There were no comments regarding environmental impacts and mitigations.

**Business and economic impacts and mitigations**

4.95 The LCDC acknowledged that the adoption of this proposal would add costs to operators, however, they perceive it as a justifiable cost for the potential benefits for disabled and vulnerable users.

4.96 The CMA felt that this proposal could increase barriers to entry (entrants would have to provide both a number and staff to handle calls) as well as restricting innovation (including platform-based business models) and could therefore lead to reduced competition between private hire operators.

**Other impacts and mitigations**

4.97 There were no comments regarding other impacts and mitigations.

**Revised proposals**

4.98 The GMB disagreed with the revised proposal which they perceive as a diluted version of the original proposal and discriminates against those without smartphones or those with disabilities that may prevent smartphone use.

**Other comments**

4.99 Uber stated their opposition to this proposal because they do not consider that TfL should regulate how firms choose to meet the differing demands of their customers and are concerned that requiring operators to make a telephone line available will involve significant costs and therefore act as a barrier to entry for smaller operators.

4.100 The DGA highlighted that for operator-drivers, being able to be contactable at ‘all times’ is onerous, impractical and potentially dangerous if a journey is underway.

**Proposal 8: Vehicles Being Available for Immediate Hire, Either Visibly or Virtually**

4.101 TfL proposed 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.
This proposal was supported by the taxi trade during the autumn consultation but there was strong and widespread opposition against this proposal from customer groups and some PHV operators.

On 20 January TfL announced its intention not to proceed with this proposal.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

**Health impacts and mitigations**

The LCDC opposed the provisional outcome whereby TfL indicated it was minded not to take this proposal forward. They felt that, as noted by the GLA, the vehicles shown as available on a smartphone screen are often not an accurate representation. Therefore, the passenger could have a false sense of security and be inconvenienced by such misrepresentation.

**Equalities impacts and mitigations**

There were no comments regarding equalities impacts and mitigations.

**Environmental impacts and mitigations**

There were no comments regarding environmental impacts and mitigations.

**Business and economic impacts and mitigations**

The taxi trade opposed the provisional outcome whereby TfL indicated it was minded not to take this proposal forward. They felt that allowing customers to see the location of private hire vehicle on an app and book them is effectively “plying for hire”. The two tier system between taxis and private hire, endorsed by the Law Commission, dictates that “plying for hire” is a privilege of taxis alone. They state that the taxi trade is subject to more stringent regulation than the Private Hire trade and it is felt “plying for hire” is a benefit awarded to taxi drivers in acknowledgement. It is felt that not proceeding with the proposal will have a major impact on taxi drivers’ business, as it will allow private hire vehicles to continue to ply for hire whilst offering more competitive fares and not being subject to the same stringent regulation.

**Other impacts and mitigations**

WCC notes additional support for the proposal because it will prevent private hire vehicles idling in certain areas, waiting for a fare, thereby reducing congestion in central London. They also question why the regulations review does not introduce any measures to address the increasing number of private hire vehicles on the road, as it is set to continue rising sharply and roads in central London are already subject to capacity constraints.

**Proposal 9: Providing Driver and Vehicle Details to TfL on a Regular Basis**

TfL proposed 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.

The proposal was widely supported, including by the industry and customers during the autumn consultation.
TfL intended to proceed with this proposal and would explore the optimum frequency of electronically uploading this information.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

The taxi trade expressed their support for this proposal and the potentially positive impact it could have on passenger safety, enforcement and compliance.

Equalities impacts and mitigations

UPHD was disappointed that the impact assessment failed to consider any driver impacts. They perceive that the terminology used in the discussion of this proposal conveys an attitude of ‘guilty until proven innocent’ from TfL in relation to drivers and as such has a severe adverse equalities impact.

Environmental impacts and mitigations

There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

The taxi trade stated that private hire operator costs should not be prioritised over passenger safety and therefore that this proposal, with the potential to have at least a moderate beneficial health impact on passengers, should be implemented, regardless of the impact on private hire operators.

The DGA stated that, due to their business model, their drivers change operators rarely, if at all. The DGA notes that the format and the frequency with which the information is to be submitted has yet to be determined and suggests that submission should be by exception only i.e. where there is a change in drivers.

The DGA and 1st Class Executive Travel highlight that their work is seasonal and therefore having to prepare and submit regular lists of drivers at the height of the season could be quite onerous and merely be a snapshot of that particular time.

Other impacts and mitigations

There were no comments regarding other impacts and mitigations.

Other comments

Uber questioned what extra safety benefit or reduction in public harm would result from the adoption of this proposal. They argued that any such database or reporting mechanism should be automated and constructed in such a way that drivers are not prevented from moving easily from one operator to another. Uber believes that the costs of compliance have been under-estimated, particularly with regard to the security and encryption of data during the transfer from the operator to regulator.

The MIB recommended that TfL apply specific phraseology to this proposal which will leave them with the ability to adjust the frequency with which operators are required to supply data. They also recommend that sufficient incentives or consequences are in place for not fully complying with the proposal.
Proposal 10: Fares to be Specified Prior to a Booking Being Accepted

4.123 In the autumn consultation TfL proposed to require operators to provide a specified fare prior to the booking being accepted.

4.124 There was strong support for operators providing a specified fare prior to the booking being accepted from both customers and most of the taxi and private hire industries during the autumn consultation, whilst business groups were strongly opposed.

4.125 On 20 January 2016 TfL announced that it intended to amend the proposal to require an estimated fare to be provided prior to the journey commencing. TfL would work with the trade on the detailed implementation, including accuracy required to implement this effectively.

4.126 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.127 There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

4.128 The LCDC was supportive of the proposal, claiming that it acceded with the original Private Hire Act and would adapt the regulations to prevent operators utilising technology to circumvent them. Technology has allowed operators to charge in a similar fashion to taxis but without the passenger safeguard of the regulator setting fares. They also state that fares can be and are changed by a digital operator mid-journey. Whilst a change will have a negative impact on private hire operators, it will have a positive impact on the taxi service.

4.129 Uber suggests that imposing the requirement could have a negative impact on passengers, as operators will be more inclined to price-in additional risk to begin with and thereforeinflate fares. Passengers generally have the option of receiving a fare estimate range and if they want a fixed fare rather than an estimate, they can choose from a number of private hire operators that provide a fixed fare.

Environmental impacts and mitigations

4.130 There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

4.131 The LCDC stated that any contract for hire is between passenger and operator and not between passenger and driver, and so any change in fare should be set and agreed between the passenger and the operator.

4.132 1st Class Executive Travel suggested that there needs to be the option of an hourly rate due to many executive/chauffeur services being employed on an ‘as directed’ basis with possibly no advance knowledge of the journey required by the passenger.

Other impacts and mitigations

4.133 There were no comments regarding other impacts and mitigations.
Revised proposals

4.134 Some of the taxi trade felt that a fair compromise was reached by insisting that operators provide an estimated fare before the journey commences which should offset concerns about under-estimation of fares. If there is any sort of multiplier of fares in operation, the actual fare should be stated rather than a base fare with a factor.

Other comments

4.135 The GMB felt that overall, a fixed price is the way forward and most operators already do this, although they feel this is more tricky now that some operators charge by both time and distance. They argue that estimated fares will cause friction between customers and drivers especially if the estimate is incorrect due to journey changes.

4.136 Uber is less in favour and states that there is a lack of evidence to show that passengers don’t currently have sufficient information to make a decision on either choice of provider or that they are being misled on the costs of services. They suggest that fare estimates are available on request from all private hire operators and therefore this additional regulation is unnecessary. They also state that price comparison sites already exist for private hire fares and customers are already well informed.

4.137 The PHB highlighted the need for full pick up and drop off locations destinations to accurately estimate a fare, otherwise it could cause problems for the driver and disappointment for passengers.

4.138 The LPHCA agreed with the proposal as long as the wording is adjusted to state ‘at the time of booking’ rather than ‘before the journey commences’. Without this, it will be impossible to provide an accurate estimate. They state that where electronic bookings by app or internet are made there are no good reasons as to why the fare can’t be agreed before the journey commences.

4.139 UPHD felt that TfL had neglected to assess negative driver impact particularly if the journey takes longer than the estimated time provided by a fixed fare.

Proposal 11: Recording the Main Destination for Each Journey

4.140 TfL proposed 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.

4.141 The proposal to record the main destination at the time of the booking being made had strong customer and industry support during the autumn consultation, with the majority of operators already recording this information.

4.142 On 20 January 2016 TfL announced that it intended to amend the proposal to require the main destination to be recorded by the operator prior to the journey commencing. Operators already have to record the main destination if specified by the customer at the time of booking, and this proposal would mandate the requirement to take this information prior to the journey commencing.

4.143 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.
Health impacts and mitigations

4.144 The LPHCA felt the original wording of the proposal – “Operators must record the main destination for each journey which must be specified at the time the booking is made” – was more appropriate, as it ensures safety. They felt that the driver should know the destination before accepting a job so, for example, they can decide whether they are fit to undertake a longer journey particularly towards the end of a shift.

Equalities impacts and mitigations

4.145 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

4.146 There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

4.147 There were no comments regarding business and economic impacts and mitigations.

Other impacts and mitigations

4.148 There were no comments regarding other impacts and mitigations.

Revised proposals

4.149 Uber welcomed the amendment to the proposal – entry before the commencement of a trip (rather than at booking). They agree this amendment is a more suitable approach, retaining flexibility for the customer while preventing journey discrimination. They recommend however that, because customers appreciate being able to make multiple stops and change their final destination as their plans change, there should be no requirement on drivers to inform the operator if the destination changes, as long as the route is recorded.

Other comments

4.150 eConnect supported the revised proposal as it will improve the safety of passengers and the accuracy of fare calculations at minimal cost for operators. eConnect highlight that, with the proposed move towards ultra-low emission vehicles, knowing the destination before the journey commences will be necessary to manage battery electric vehicles.

4.151 1st Class Executive Travel agreed with the proposal if the additional wording “if specified by the customer” is included, as many chauffeur/executive services can be ‘as directed’ with no prior knowledge of the destination.

4.152 The LPHCA, UPHD and PHB opposed the revised proposal. The LPHCA and UPHD felt that the original wording – “Operators must record the main destination for each journey, which must be specified at the time the booking is made” – was more appropriate. They state that knowing the destination at the time of booking allows drivers to better plan their routes, deters drivers from “plying for hire”, and encourages pick-up points to be recorded, which is also important for the safety of passengers. Furthermore, if drivers are to calculate fares and add journey details while the customer is inside the vehicle, it is more likely for disagreements to arise between the customer and driver, and for the customer to be delayed while they wait for the information to entered.
Uber appreciated that the destination may be necessary in order to specify fares at the time of the booking, however they did not feel this should be a requirement for the interest of the customer. In terms of customer safety, there are other ways to locate a vehicle: GPS technology is used by some organisations to track vehicles continuously throughout passenger journeys.

UPHD did not understand the language used in passenger impact about providing police access to investigate crimes, as they felt such data should be protected from unnecessary state surveillance and the right to privacy must be respected.

Proposal 12: Harmonise the Retention Period for Records

TfL proposed to harmonise the retention period for records under the Operator Regulations to be 12 months where it is currently six months.

This proposal received strong support in the consultation, including from customers during the autumn consultation, and a majority of the industry welcomed the clarification in the record keeping process.

On 20 January 2016 TfL announced that it intended to proceed with this proposal.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

There were no comments regarding business impacts and mitigations.

Other impacts and mitigations

Uber commented that neither the consultation document or the IIA detailed the need for this proposal. Uber welcomed efforts by TfL to clarify the intention, but was surprised that the IIA made no mention of the potential burdens on businesses that are part of the data storage process. They noted that that while harmonisation can seem simple from a regulatory point of view, it can place significant burdens on businesses in terms of data storage and compliance. Uber also noted concerns about potential privacy with relation to this issue.

Other comments

The LCDC, PHB, 1st Class Executive Travel and LPHCA noted that they agreed with the proposal.
Proposal 13. Business Names Attached to an Operator’s Licence

4.165 TfL proposed a limit of five on the number of business names attached to each operator’s licence.

4.166 There was strong support from customers on this proposal during the autumn consultation, although some alternatives to the five business name limit were proposed which are being considered by TfL, including how operators register their business names and trading names with TfL to avoid facilitating ‘passing off’ and confusing the public.

4.167 On 20 January 2016 TfL announced that it intended to proceed with this proposal.

4.168 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

*Health impacts and mitigations*

4.169 There were no comments regarding health impacts and mitigations.

*Equalities impacts and mitigations*

4.170 The LCDC commented on the impact of equality of the proposal. They support the proposal as it promotes transparency between the supplier and the passenger. The use of various names is thought to have the potential to confuse a passenger into using an operator they may not wish to use.

*Environmental impacts and mitigations*

4.171 There were no comments regarding environmental impacts and mitigations.

*Business and economic impacts and mitigations*

4.172 There were no comments regarding business and economic impacts and mitigations.

*Other impacts and mitigations*

4.173 There were no comments regarding other impacts and mitigations.

*Other comments*

4.174 WCC considers the proposal to be too lenient and believes the business model should be one licence per company, to provide assurance to customers.

4.175 The LPHCA welcomes the proposal and the improved wording, which they feel will allow TfL to distinguish between legitimate trading names and those that could potentially be used to dupe the travelling public.

4.176 The DGA is opposed to this proposal. The company owns numerous operating centres and business names, but each centre trades as a separate business and the trading name is the name of the member who operates from that centre, so it is not confusing for customers. When sub-contracting occurs, the company provides the customer with the names of the sub-contractor and the initial operating centre.

4.177 In section 4.1 of the consultation document it is acknowledged that “... where a proposal fundamentally affects a business operating model ... would need careful consideration before being progressed due to the associated costs that operators would face; in some cases these may have de-stabilising effects”. In relation to the DGA this
restriction is one of those proposals. For the DGA the impact of this proposal would be considerable – they believe it would render their business model unworkable.
Part II: Private Hire Drivers

Proposal 14: Requirement for an English Language Test

4.178 TfL proposed to 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 TfL’s review of the topographical test, TfL will ensure that the test centres are properly assessing the ability of candidates to communicate in English.

4.179 There was strong support during the autumn consultation from both customers and the industry on this proposal, as it would ensure that drivers are able to converse with passengers to an adequate standard to take direction from them (for example, where to go/park safely on reaching a destination) and especially in the case of an incident (e.g. road traffic accident or passenger emergency).

4.180 On 20 January 2016 TfL announced that it intended to proceed with this proposal and was considering progressing with English level B1 (intermediate) as a standard of English required by the Home Office for immigration purposes.

4.181 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.182 Uber felt that the proposal was unnecessary, as there is no evidence of a demonstrable need for English speaking drivers from customers.

Equalities impacts and mitigations

4.183 The LPHCA welcomed this proposal as they felt it would enhance standards of safety and customer service, for example it would ensure the driver and customer are able to discuss matters such as fares and routes.

Environmental impacts and mitigations

4.184 There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

4.185 There were no comments regarding business and economic impacts and mitigations.

Other impacts and mitigations

4.186 There were no comments regarding other impacts and mitigations.

Other comments

4.187 The GMB, PHB and eConnect made comments in support of the proposal. The GMB felt the standard of English should be higher than B1 (intermediate) English, as being considered by TfL, and that all drivers should be tested either when renewing their licenses or at TfL offices. The PHB noted that while they supported the proposal, the English language test must not become a block point like CRB checks have become. eConnect felt that existing drivers should be offered the opportunity to re-sit the test if they fail first time, otherwise the impact on their income will be severe. They also suggested that operators should be able to apply to become test centres.
Uber and UPHD left comments opposing the proposal. UPHD felt that retrospective application of such a standard is unfair and could result in drivers losing their jobs. They felt that the provision of more time to be inadequate mitigation for existing drivers. They also believed that the cost of English language training should be provided by TfL and/or the operator and that drivers should be compensated for loss of earnings due to the requirement of additional training.

Uber appreciated the need for communication between the driver and customer, however they note there is no evidence of customer detriment from drivers’ lack of English language skills. Uber believed it would be more cost effective to let market forces determine whether English language skills are a necessity for drivers. Furthermore Uber notes that this could become an issue of discrimination and the cost of the additional training would likely be borne by the passenger. In addition, Uber recommends:

- The examination adopted is only mandatory at the point of licensing or at point of licence renewal, and not a requirement for existing licence-holders prior to the point of renewal;
- British nationals are exempt as would be those who possess a secondary qualification from an English institution (consideration should be given to other relevant exemptions);
- The examination is oral in nature and relates to customer service language only;
- Given the nature of the transactions entered into by partners the CEFR A2 standard would be sufficient and mitigate the equality impacts noted by Mott MacDonald;
- The examination should not be expensive to take or capacity constrained; and
- The examination should be outsourced to a number of accredited parties (in the same way as the topographical examination).

Proposal 15: Limiting the Number of Operators that a Driver Can Work For

TfL 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.

Whilst there was general recognition during the autumn consultation that the issue of excessive drivers’ hours is one that needs to be addressed, there was mixed support to tackle it in this way.

On 20 January TfL announced its intention not to proceed with this proposal.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

The taxi trade bodies provided the same feedback on the health impacts of this proposal, proposing limiting drivers to work for one operator at any one time.

They agreed that the proposal would be moderately beneficial to the health of both drivers and passengers. They also noted that the proposal would reduce driver fatigue and therefore also benefit other road users (by helping to minimise accidents) and private hire operators’ reputations. They go on to state that the proposal would have a
major or moderate beneficial health impact on passengers and should therefore should be implemented, regardless of the impact on private hire operators.

4.196 They also state that any approach short of limiting one driver to one operator is a serious safety threat to all Londoners, not just those who travel in private hire vehicles. They reference that the IIA notes driver fatigue may be a contributory factor in up to 20% of road accidents and state that TfL should re-consider introducing the proposal. They also reference that limiting drivers to one operator is commonplace at many other licensing authorities in the UK.

4.197 UPDH disagreed that the proposal will result in driver health benefits in reduced fatigue. They note that few operators are controlling driver hours. They state that an alternative proposal is to enforce that drivers are paid at least the London living wage to reduce the need for drivers to work excessive hours.

4.198 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

4.200 The taxi trade bodies provided the same feedback on the business and economic impacts of the proposal, proposing limiting drivers to work for one operator at any one time.

4.201 With regard to the IIA findings that “driving for more than one operator is commonplace” and limiting the number of operators that a driver can work for could negatively affect drivers’ livelihood, the taxi trade bodies argued that is not the regulator’s responsibility to be concerned with drivers’ income but to ensure the safety of the public.

Other impacts and mitigations

4.202 The LCDC, after agreeing with the findings of the IIA noted a further concern regarding drivers having as many multiple devices for receiving fares and communicating with passengers (whilst working for multiple operators). In addition to this, reliance on satellite navigation results in a high level of demand on the driver’s attention, in addition to driving. Safety issues were highlighted as a primary concern.

Other comments

4.203 Both the London Borough of Hillingdon (LBH) and 1st Class Executive Travel noted that they agreed with the proposal.

Proposal 16: National Insurance Numbers

4.204 TfL proposed an application requirement to provide a National Insurance number for private hire driver and operator licences (where the operator is an individual).

4.205 This proposal received strong customer support and widespread support across the industry and from HMRC during the autumn consultation.

4.206 On 20 January 2106 TfL announced that it intended to proceed with this proposal.
Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

**Health impacts and mitigations**

4.207 Unite noted that a National Insurance number is not proof of identity and therefore a DWP check would also be needed.

**Equalities impacts and mitigations**

4.209 There were no comments regarding equalities impacts and mitigations.

**Environmental impacts and mitigations**

4.210 There were no comments regarding environmental impacts and mitigations.

**Business and economic impacts and mitigations**

4.211 UPHD thought that not carrying out an impact assessment for this proposal was a serious error. They were also concerned with regard to errors made by DWP, where a driver’s income is withheld while DWP investigates where an error. UPHD is concerned about the length of time this process could take, and the potential impact on a driver to generate an income. They further note that taxi drivers are not subject to the same level of scrutiny.

4.212 LPCHA agreed with the proposal, primarily to ensure that drivers have the right to work in the UK and pay tax in the UK.

**Other impacts and mitigations**

4.213 There were no comments regarding other impacts and mitigations

**Other comments**

4.214 The LCDC agreed that there are no adverse impacts on passengers, drivers or operators.

4.215 1st Class Executive Travel, LBH and PHB noted that they agreed with the proposal.

**Proposal 17: Revoking Vehicle Licences**

4.216 Where a licensed private hire driver has their driver’s licence revoked, and that driver is the owner of a licensed private hire vehicle, it was proposed that TfL would also revoke the vehicle licence.

4.217 This proposal received strong support from customers and most of the industry during the autumn consultation.

4.218 On 20 January 2016 TfL announced that it intended proceed with this proposal.

4.219 TfL made clear that this proposal does not mean that a vehicle licence would be automatically revoked if a driver licence is revoked. However, it gives TfL the power to do so under specific circumstances; for example, if there is a concern that a vehicle could be used for hire and reward by somebody without a private hire vehicle driver licence. Where a driver is renting a vehicle or using a vehicle belonging to an operator this would not apply. TfL intended to explore whether (under data protection laws) on line advice regarding driver licence suspensions and revocations (see proposal 9)
could be introduced to ensure that a company that rents/leases vehicles will be made aware that one of their drivers is no longer a licensed driver.

4.220 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.221 There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

4.222 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

4.223 There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

4.224 The LCDC argued that in the event of a private hire driver licence revocation, any hardship imposed on the driver as a result of vehicle revocation would have been brought on the driver by his/her own actions or inactions and any hardship should therefore not be considered by the regulator.

4.225 The DGA don’t believe that revocation should be automatic and that the reasons for it should be taken into consideration.

Other impacts and mitigations

4.226 There were no comments regarding other impacts and mitigations.

Revised proposals

4.227 The LCDC agreed with the revised proposal that revocation should not be automatic, with the reason for the revocation taken into consideration.

Other comments

4.228 1st Class Executive Travel commented that as all drivers carrying out private hire services must always hold a valid private hire vehicle driver licence and insurance, this should be sufficient.

4.229 The LBH, PHB and LPHCA noted that they agreed with the proposal.

Proposal 18: Convictions of Operator Staff

4.230 TfL proposed to seek to add operator staff to the Home Office list for DBS checks and amend the Regulations accordingly. As an interim measure it was proposed to require operators to ask any person working for them to provide a basic disclosure as part of the application process.

4.231 This proposal received strong customer support and widespread support across the industry during the autumn consultation, but it was also noted that it should be delivered in a proportionate and practical way.

4.232 On 20 January TfL announced that it intended proceed with this proposal.
TfL made clear that this would only apply to operator staff who have face-to-face contact with the public e.g. at minicab offices. Given the regular interaction with the public and access to personal information that such staff have access to, this would help to increase public safety.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

1st Class Executive Travel, PHB and LPHCA noted concerns about the length of time that DBS checks take (and current delays) and an associated difficulty in filling positions and vacancies.

The LPHCA also noted that they were unaware of any incidents to date regarding issues relating to members of the public and licensed private hire operator staff.

Other impacts and mitigations

There were no comments regarding other impacts and mitigations.

Other comments

The LCDC agreed with the proposal, noting that it has particular relevance with staff involved in operations carried out at “satellite offices” and at “special events”.

The LBH noted that they agreed with the proposal.

Proposal 19: Payment by Postal Order and Cheque

From 1 April 2016 TfL proposes to no longer accept cheques or postal orders as payment for licence fees for PHV drivers, operators and vehicles.

This proposal received widespread support across the industry during the autumn consultation. Less than one per cent of licensing transactions to TfL are paid by cheque or postal order.

On 20 January TfL announced that it intended proceed with this proposal..

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

There were no comments regarding health impacts and mitigations.
Equalities impacts and mitigations

4.248 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

4.249 There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

4.250 There were no comments regarding business and economic impacts and mitigations.

Other impacts and mitigations

4.251 There were no comments regarding other impacts and mitigations.

Other comments

4.252 The LCDC noted that there was no impact assessment for this proposal, presumably as it has no impacts on passengers, drivers or operators.

4.253 1st Class Executive Travel, LBH and the PHB noted that they agreed with the proposal.
Part III: Private Hire Insurance

Proposal 20: Hire and Reward Insurance – Checks and Duration

4.254 Tfl proposed to check Hire and Reward insurance at the point of vehicle licensing and insurance would 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.

4.255 The original proposal received strong customer and stakeholder support during the autumn consultation.

4.256 On 20 January TfL announced that it intended proceed with a variation of this proposal requiring Hire & Reward (H&R) insurance to be in place at all times whilst a vehicle is registered to an operator. For this proposal to be enforceable, it would need to operate in conjunction with proposal 9, which requires operators to regularly provide details of those vehicles that are registered to their operating platforms so that TfL can check these against the Motor Insurers’ Bureau database.

4.257 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.258 There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

4.259 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

4.260 There were no comments regarding environmental impacts and mitigations.

Business and economic impacts and mitigations

4.261 The LCDC noted that the proposal was inequitable for taxi drivers who either work part time or work seasonally, as they are required to have H&R insurance at all times whilst licensed.

4.262 The MIB recommended that in the proposal it is made explicitly clear that the operator/driver is consenting to TfL having the right to validate their compliance with the insurance requirement, by whatever means is effective and efficient, at any time. The MIB noted that this does not put a greater obligation or cost on the operator/driver than is currently the case and is also not introducing a barrier to applying for a licence.

Other impacts and mitigations

4.263 LCDC noted that continuous insurance cover should be of great benefit to passengers, rather than “minor beneficial” identified in this IIA.

Other comments

4.264 Uber noted that their drivers are automatically prevented from logging-in to their app when any document expires or becomes invalid for any reason and, therefore, receiving jobs. They noted that they conduct their own checks of insurance documents at recruitment and insurance renewal for all their drivers and additional spot checks over the course of the year. Uber also noted that the regulation should make
clear that it is the driver’s ultimate responsibility to have adequate hire and reward
insurance and operators should only be responsible for checking this is in place.

1st Executive Travel, LPHCA, LBH and PHB noted that they agreed with the revised
proposal.

The LCDC opposed the revised proposal, arguing that taxi drivers are required to have
H&R insurance at all times whilst licenced, regardless of whether the driver was
working a seasonal or part time basis, and it was inequitable.

An individual respondent queried TfL’s latest position on this proposal, following the
findings of the Integrated Impact Assessment. Due to seasonal variations in customer
demand, some private hire vehicles are taken out of operation during quieter times,
and TfL think that it would be punitive to expect drivers to pay Hire and Reward
insurance premiums when their vehicles are not being used for these purposes. As a
consequence, they intend to proceed with a variation of the proposal which will require
Hire and Reward insurance to be in place at all times whilst a vehicle is registered to
an operator. However, the respondent asked whether anyone had checked with
insurance companies about the cost of short term Hire and Reward Insurance and
stated that this type of short term insurance is typically more expensive than an annual
Hire and Reward policy. They also queried whether it is possible for a driver to switch
between social, domestic and pleasure, and Hire and Reward insurance on a regular
basis.

Proposal 21: Carrying a Copy of Insurance Documentation

TfL proposed to amend the Drivers Regulations to the effect that private hire drivers
must carry a copy of their insurance documents at all times.

This proposal was strongly supported in the autumn consultation although some
sections of the private hire trade opposed it.

On 20 January 2016 TfL announced that it intended proceed with this proposal.

TfL explained that this proposal harmonises the requirements with those in the taxi
trade. Drivers would be required to carry or display a copy of their hire and reward
insurance in the vehicles.

Comments from respondents discussing the impacts and potential mitigations of this
proposal are described below.

Health impacts and mitigations

The RMT commented with regard to the health impacts of this proposal. They noted
that as many private hire drivers have a low income that passengers, other road users
and pedestrians should have adequate compensation through insurance in the event
of injuries following an accident caused by a private hire driver. They noted that not
being able to claim against such insurance would have a negative impact on the health
of these individuals.

Equalities impacts and mitigations

There were no comments regarding equalities impacts and mitigations.
Environmental impacts and mitigations

There were no comments regarding environmental impacts and mitigations.

Other impacts and mitigations

There were no comments regarding other impacts and mitigations.

Other comments

Uber, LBH and 1st Class Executive Travel stated that they agreed with the proposals.

The DGA, LPHCA and PHB did not agree that insurance documents should be displayed, with the DGA noting that this would be inappropriate for services using luxury vehicles and that producing documentation on demand should be sufficient. The LPCHA and PHB suggested an electronic validation of insurance documents with the Motor Industry Database and major insurers. LPHC suggested the regulations should be worded along the lines of ‘drivers must be able to prove they have valid Hire and Reward insurance at all times.’

The MIB commented that TfL should make their operating guidelines clearer to promote not just the need for but also the benefit to operators of drivers being adequately insured.

Proposal 22: Hire and Reward Fleet Insurance

TfL proposed that operators should be required to have Hire and Reward fleet insurance.

This proposal was supported by a majority of respondents during the autumn consultation, although some preferred the alternative insurance related proposals. There were mixed views from PH trade stakeholders: those supporting the proposal felt that it would strengthen the responsibility of operators to ensure that vehicles were properly insured; those opposing argued that fleet insurance was unnecessary if the driver was properly insured, and it would represent a significant financial burden, particularly for smaller operators, which would be passed on to consumers.

On 20 January TfL announced that it was minded not to proceed with this proposal. However, there is broad agreement across the industry that there is an issue with indemnification in the event that a driver, intentionally or not, does not have the appropriate insurance in place. TfL intended to work with the trade to explore this in more detail and will seek to come forward with a new proposal in due course.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

The taxi trade disagreed with the IIA findings that introducing Hire and Reward operator insurance would have a minor beneficial impact on the health of passengers. They state that the proposal has a major beneficial health impact for passengers.

Their comments argued that some private hire drivers cancel Hire and Reward insurance once they have been accepted by a licensed operator and replace it with a cheaper Social, Domestic and Pleasure Policy. They also note examples of operators accepting fake or forged Hire and Reward policies, that ANPR cameras cannot
differentiate between types of insurance and that not requiring the same condition for licensing minicab as taxis is wrong.

4.286 They go on to state that introducing Hire and Reward operator insurance would have ensured that all passengers travelling in a private hire vehicle in London are covered in the event of an accident. They also state that this proposal would have made TfL’s task of checking policies easier.

4.287 The stakeholders also note that the IIA does not offer a suggestion to mitigate the health impacts.

**Equalities impacts and mitigations**

4.288 There were no comments regarding equalities impacts and mitigations.

**Environmental impacts and mitigations**

4.289 There were no comments regarding environmental impacts and mitigations.

**Business and economic impacts and mitigations**

4.290 The LCDC noted that, with fleet insurance, only annual production of an insurance certificate and occasional inspections are required.

4.291 They mention that the high cost of hire and reward insurance applies equally to taxi fleet owners. They also mention the failings of digital operators to make adequate checks on vehicle insurance and the issue where drivers have taken out hire and reward insurance in instalments and change to a domestic policy after presentation of a certificate to an operator. Each of these is detailed with regard to difficulties of compliance and enforcement. The LCDC states that the proposal would require much greater enforcement costs.

4.292 1st Class Executive Travel noted that the proposals would not be cost effective for small operators or executive/chauffeur operators, where frequent temporary vehicle and/or driver increases are common to cater for demand by sub-contracting to licensed owner/drivers.

4.293 The taxi trade noted that, with regard to the potential impacts on small or locally focused operators, a suggested mitigation is that operator insurance is mandatory for all operators with over 1,000 drivers. They argued that not proceeding with a proposal because it might increase operator costs is not justifiable and a proposal should only be discounted if it is concluded that it would not increase passenger safety, which the IIA has not done.

**Other impacts and mitigations**

4.294 There were no comments regarding other impacts and mitigations.

**Revised proposals**

4.295 UPHD noted particular disagreement with TfL’s decision not to go ahead with the proposal. They commented that the suggestion that, because TfL doesn’t have data to assess the risk the passenger benefits must be minor, is deeply flawed. On this basis they stated that TfL must proceed with an abundance of caution to protect the public and require fleet insurance.
4.296 The GMB commented that due to the revisions to the proposal drivers should be removing private hire discs and not able to benefit from the congestion charge exemption when not insured for Hire and Reward. They also commented that drivers who are not insured appropriately cost legitimate drivers work, create higher premiums and put the public at risk. In addition, with regard to the congestion charge the GMB questioned an app ‘demanding drivers break the law to come in to the congestion charge zone with no pre-booking in place’.

Other comments

4.297 AskPOB commented that the proposal should go ahead and that the IIA has underestimated the beneficial impact of operator insurance.

4.298 The LBH noted their agreement with the proposal.

4.299 The MIB commented that they support any attempts to ensure that any use of a motor vehicle on our roads is fully compliant with all obligations, commenting that use of a vehicle without insurance remains too high. They urged TfL to make their operating guidelines clear to promote not just the need for, but also the benefit to operators of being adequately insured.
Part IV: Private Hire Licensing

Proposal 23: Operator Licence Type

4.300 TFL proposed to review the current operator licence type and look to introduce additional category/categories.

4.301 This proposal was supported by a majority of respondents during the autumn consultation. Those who did not agree felt that this ultimately would increase costs to customers and, in any case, licensing costs should be reduced/minimised. It was also suggested that costs related to audit and enforcement should be funded through driver licences.

4.302 On 20 January TFL announced that it intended proceed with this proposal. Subject to approval by the TfL Board, TfL would alter the structure of licence fees paid by operators of different sizes to better reflect the costs of compliance and enforcement activity. This would provide further financial incentive for operators to maximise the efficiency of their operations and minimise the number of vehicles they use across London as a whole. The specific revisions to the licence fee structure will be consulted on separately.

4.303 Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

4.304 There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

4.305 There were no comments regarding equalities impacts and mitigations.

Environmental impacts and mitigations

4.306 AskPOB, LCDC and UCG note that a marginal short term gain in improving air quality from introducing these measures is not sufficient and that tackling air pollution needs to happen in the short term.

4.307 The LCDC noted that the IIA assessment finds it beneficial to offer discounts to encourage zero-emission vehicles. They commented that as most private hire vehicles are driver-owned rather than operator-owned, operator licence discounts would be unlikely to have any significant impact. They further comment about the Mayor’s air quality plans which intend to make new taxis zero-emission capable by 2018 and indicate that if there is the same intention for new private hire vehicles there is no need to encourage such change via licence fee discounts.

4.308 Uber commented that they do not consider that the proposed mitigations affect the environmental impact.

Business and economic impacts and mitigations

4.309 The LCDC commented that despite an adverse impact on operators, it is equitable to have at least two tiers of licence fees. They further strongly comment that it is inequitable that an operator with 20,000 vehicles should be paying the same fee level as an operator with very few vehicles.
Uber commented that there has been speculation smaller operators will benefit from lower licence fees. They note however, that TfL have not provided any detail on this suggestion. They comment that even if TfL were to lower licence fees, they think it would be better for the public for costs not to increase disproportionately.

Other impacts and mitigations

There were no comments regarding other impacts and mitigations.

Other comments

Uber supported that TfL will consult on this proposal separately. They state that in any consultation, TfL should set out clearly the problem with the current system in relation to consumer harm and the objectives that its new charging structure seeks to achieve.

They state that the charging structure should reflect the extent to which the systems of existing operators, such as electronic documentation and dedicated compliance teams, assist TfL in meeting its objectives to ensure the fee’s proportionality and transparency.

Uber adds that agreed-upon, proportional thresholds should be set in core areas that operators would have to meet under the terms of their licence.

UPHD noted that where specific proposals have been developed in consultation with driver representatives TfL should return for a formal round of consultation.

The LBH, 1st Class Executive Travel and PHB noted their general agreement with the proposal.

Proposal 24: Ridesharing

TfL proposed 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.

The autumn consultation responses generally, and customers in particular, supported the principle to explore proposals to promote passenger safety.

On 20 January 2016 TfL announced that it intended proceed with this proposal. The purpose of the new guidance would be to reinforce the overall support for ridesharing; signpost new and existing operators to the right people to discuss business models; and give guidelines around the regulatory parameters for ridesharing (and how to differentiate between car-pooling and ride sharing for hire and reward). TfL therefore intended to work with the DfT to develop guidance for ridesharing.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

Health impacts and mitigations

There were no comments regarding health impacts and mitigations.

Equalities impacts and mitigations

There were no comments regarding other equalities and mitigations.
Environmental impacts and mitigations

4.323 The taxi trade noted that a marginal short term gain in improving air quality from introducing these measures is not sufficient and that tackling air pollution needs to happen in the short term.

4.324 Uber commented that they do not consider that the proposed mitigations affect environmental impact.

4.325 An individual respondent commented that placing limits on ridesharing reduced the opportunities to tackle congestion and pollution and maximise efficient use of road space.

Business and economic impacts and mitigations

4.326 1st Class Executive Travel agreed with the proposal and noted that ride sharing is a positive from a congestion perspective and should not be obstructed by any non-essential regulation.

Other impacts and mitigations

4.327 The GMB noted that ride sharing is dangerous and there is a current lack of data available. They state that full guidelines for ride sharing should be developed and that public ride sharing for non-licensed vehicles is a safety risk on multiple levels. In summary, the GMB believes that ride sharing poses a risk to passengers and drivers and TfL should not support the concept.

4.328 The LCDC stated that ride sharing in private hire vehicles should be banned, rather than controlled. They note that groups of up to seven strangers, of mixed sex, often late at night lends itself to conflict and dispute, both among the passengers and between passengers and drivers. They noted that ride sharing has the potential to create serious and costly compliance and enforcement problems for the regulator.

Other comments

4.329 The CMA encouraged TfL to consider the potential benefits to consumers that ridesharing could provide alongside the public safety objectives. They continued to note that TfL should consider how its objectives could be achieved restricting competition as little as possible.

4.330 The PHB commented that controls must be in place to protect the public with regard to this proposal.

4.331 The LBH noted that they agree with the proposal.

Proposal 25: In-Vehicle Advertising

4.332 TfL proposed a small change to Regulation 8 of the Vehicle Regulations to clarify that advertising displayed “from” as well as “on” a vehicle is subject to the controls set out in that Regulation.

4.333 A majority of respondents supported this proposal during the autumn consultation although many felt it needed more explanation and/or rationale for why the change was being proposed. Respondents not supporting this proposal either felt it was unnecessary/over-regulatory, or they didn’t believe there was enough detail to offer support.
On 20 January TfL announced that it intended to proceed with this proposal.

Comments from respondents discussing the impacts and potential mitigations of this proposal are described below.

**Health impacts and mitigations**

There were no comments regarding health impacts and mitigations.

**Equalities impacts and mitigations**

There were no comments regarding equalities impacts and mitigations.

**Environmental impacts and mitigations**

There were no comments regarding environmental impacts and mitigations.

**Business and economic impacts and mitigations**

Uber noted that the proposal has the potential for significant costs (or profits foregone) for private hire operators to bear, to the detriment of customers. Uber also noted that the economic impact is not consistently given sufficient weight as there is no clear cost-benefit analysis carried out in the IIA.

The CMA and Uber commented that it was not clear what justification exists for the prohibition of advertising either inside or outside vehicles. They stated that the proposal has the effect of closing off a potential income stream for private hire drivers and operators and appears to be a disproportionate restriction on the private hire market, placing private hire at a commercial disadvantage compared to the taxi trade. They also noted that this proposal could reduce consumer choice and inhibit new entrants to the market.

**Other impacts and mitigations**

There were no comments regarding other impacts and mitigations.

**Other comments**

The CMA was not clear how the public interest is served by these restrictions and noted that a number of other local authorities do not apply equivalent regulations.

The LPHCA, 1st Class Executive Travel and LBH noted that they agree with the proposal.

**Other comments**

Justine Greening MP stated her broad agreement with the proposals for changes to private hire regulations, particularly those which enable her constituents to make full use of the range of options available in the private hire industry, including those from a digital platform. She expressed particular support for proposals which would help to protect passengers but noted it would be sensible to balance this priority with the ability of private hire companies to make the necessary changes within an appropriate time frame. She stated it would therefore be important to give them enough time, and information, to do so.
A number of individual respondents replied to the impacts and mitigations questions, but did not mention specific proposals. A summary of these responses is included below.

**General health impacts and mitigations**

Eight respondents stated that the high and increasing number of private hire vehicles in London is contributing to increased congestion, pollution, accidents and associated health disbenefits. Two respondents suggested that the number of private hire vehicles in London should be limited in order to mitigate against these impacts. On the contrary, four respondents commented that London’s taxis are the primary concern with regard to health impacts as the majority run on diesel fuel. Two respondents commented that, in respect of mitigations, efforts should be made to encourage or force taxis to use more environmentally friendly fuel.

Further mitigations mentioned by respondents included: the need to apply rules and regulations fairly and commensurately to both taxis and private hire vehicles; introducing a system where high emission vehicles either pay a slightly higher cost of licensing or receive grants/funds to install a catalytic converter; and increasing the fees that must be charged by taxi/private hire vehicles in order to operate in central London with the aim of reducing congestion and pollution and avoiding undermining public transport.

**General equalities impacts and mitigations**

There were no comments regarding general equalities impacts and mitigations.

**General environmental impacts and mitigations**

Seven respondents made general comments about the environmental impacts of the proposals. Of these, six commented that the number of private hire vehicles in the capital was having a severely adverse effect on congestion and consequently the levels of pollution. Five respondents stated that the only way to mitigate this is to cap the number of private hire licenses issued. Other proposed mitigations included requiring private hire drivers to complete an advanced drivers test (respondent considered private hire drivers’ poor driving ability as contributing to congestion) and more stringent eligibility requirements for private hire driver applications in an effort to limit the number of people able to apply a licence.

One respondent stated that, taken as a whole, the proposals will not have a beneficial effect on the environment as taxis and buses will continue to generate pollution.

**General business and economic impacts and mitigations**

There were a number of themes addressed within the comments centred on general business and economic impacts of the proposals, from the treatment of drivers and customers to the fairness of the private hire and taxi industry. Almost half of the respondents (four out of nine) noted that private hire drivers struggle to make a living due to a combination of low pay and an increasing supply of drivers/vehicles. One respondent commented that the preponderance of private hire vehicles on the road was also having a detrimental impact on taxi drivers, who end up having to work longer hours in order to earn a living.
Two respondents commented that taxis are too expensive and therefore unaffordable for some customers whilst two respondents foresaw the destruction of the taxi trade, and consequently a reduction in consumer choice, if private hire vehicles are allowed to ply for hire via apps. One respondent expressed frustration that taxis are afforded both an exemption from the congestion charge and permission to use bus lanes, whilst for private hire vehicles the latter is not the case. Another respondent stated that the proposals fail to address the potential economic impacts on the taxi trade.

Respondents proposed a number of mitigations to the issues noted above, including capping private hire licences, stricter regulation of the private hire industry, the implementation of rules and regulations to safeguard both industries (including fairer and more commensurate application of those rules) and for private hire vehicles to both retain their exemption from the congestion charge and be permitted access to bus lanes.

Other general comments

Twenty three respondents did not comment on any of the individual proposals or any general impacts/mitigations but instead commented generally on the private hire regulations consultations, TfL’s original and revised positions on the proposals, or gave abusive responses.

Aside from the abusive comments, respondents were concerned for the demise of the taxi trade, commented on the regulator’s alleged leniency towards the private hire trade, challenged the lack of a more public or widely advertised consultation process, expressed frustration at the slow speed with which TfL has embraced emerging technology and regulated accordingly, highlighted the impact of wider road improvement schemes (e.g. for bus lanes, cycle lane etc.) on the reliability of taxi journey times and lamented TfL’s lack of foresight with regard to greener technology for London taxis and the expense of purchasing a hybrid taxi.

Finally, one individual respondent challenged the premise of the Integrated Impact Assessment’s environmental assessment methodology. The full IIA report states that “To assess changes in emissions of NO\textsubscript{X}, \text{PM}\textsubscript{10} and CO\textsubscript{2} (resulting from proposals 23 and 24)...(an average speed of) 48kmph (30 mph) has been assumed as this is considered to represent the speed limit on many roads within London”. The respondent considers this to be an erroneous assumption and suggests that the actual average speed of a vehicle in central London is around 10-15mph due to congestion. The implication is that the calculations do not account for emissions during idling as a result of slow-moving traffic. The IIA evaluation of the environmental impact of proposals 23 and 24 is neutral.

**Congestion Charge**

On 20 January TfL announced its intention to investigate the impact and feasibility of removing the Congestion Charge exemption for private hire vehicles in central London to tackle pollution and reduce congestion. Linked to this, the Mayor has secured a commitment from the Government to progress separate legislation to enable TfL to regulate pedicabs, helping to tackle fare abuses prevalent among some pedicab drivers, whilst tackling the congestion they cause in central London, particularly in the evenings.
Despite this part of the announcement not forming part of the Integrated Impact Assessment, some respondents commented on these aspects during the consultation on the IIA. These comments are summarised here for information and TfL will ensure these are fed into the review of the Congestion Charge exemption which is being dealt with separately.

**Equality impacts and mitigations**

The PHB thought that the proposal to remove the congestion charge exemption for private hire vehicles would have a disproportionate impact on suburban passengers and drivers as they would attract a congestion charge for a single visit whereas those wanting to travel just within the zone could benefit from operators dividing the charge by many passengers in a day. The PHB considered that vulnerable passengers would include those travelling to and from the London teaching hospitals or those that cannot use other forms of public transport.

**Environmental impacts and mitigations**

Ask POB, UCG, Unite, LTDA and eConnect expressed support for the immediate implementation of the removal of the congestion charge exemption for private hire vehicles, in a bid to curb congestion and pollution in central London.

An individual respondent stated their support for the removal of the congestion charge exemption for private hire vehicles on the basis of environmental and air quality reasons. The respondent suggested that, in order to increase competition, operators with more than 1,500 private hire vehicles on their books should be forced to pay the full congestion charge for their entire fleet whilst smaller operators may benefit from reductions.

**Business and economic impacts and mitigations**

The CMA believed that applying the congestion charge only to private hire vehicles will have the effect of placing them at a competitive disadvantage in relation to taxis.

An individual respondent stated that businesses and the public will suffer if customers cannot use private hire vehicles within London’s congestion zone. The respondent implied that they rely upon private hire vehicles as they offer cheaper fares than London taxis. Another individual respondent stated that removing the congestion charge exemption for private hire vehicles would be detrimental to his/her business and put taxis at an advantage. They encouraged TfL not to implement the congestion charge for private hire vehicles.

**Other impacts and mitigations**

WCC deemed that the removal of the congestion charge exemption for private hire vehicles in an effort to curtail their growth in number would have no impact on the streets at night or at weekends when the scheme was not operational. WCC also questioned whether the retention of the concession for taxis but not for the private hire sector would be anti-competitive.

The DGA expressed disappointment that TfL is considering removing the congestion charge exemption for private hire vehicles because their driver-guides spend the majority of their day in central London. Removing the congestion charge exemption for the DGA is unlikely to reduce the number of their drivers in central London, it will
simply add to the cost of running their private hire vehicles/tours. The DGA also thought it was unfair and discriminatory that taxis will remain exempt even though they are often running more polluting engines. If the proposal is approved, the DGA will seek to gain an exemption.

4.366 eConnect agreed that a change to the structure of the licence fees to reflect more levels of operators would result in a more equitable split of the cost recovery between large and small operators.

4.367 1st Class Executive Travel sought to emphasise that private hire vehicles are a vital component of London’s transport system and it is for that reason that they are exempt from the congestion charge. 1st Class Executive Travel deemed that a primary reason that congestion and emissions have increased is due to the amount of ongoing road improvements in London.

4.368 An individual respondent questioned the potential impact of removing the congestion charge exemption for private hire vehicles given that many minicabs are hybrid and therefore already exempt. The respondent suggested that capping the number of private hire licences that are issued would be a better policy tool for reducing congestion.
A Respondent Type Analysis

A.1 Although one of the questions of the consultation allowed respondents to specify whether they were related to the private hire or taxi trade, it was not compulsory and respondents were able to pick more than one option. We have therefore used information provided in the ‘Other response’ open text box to allocate respondents to a respondent type. This appendix details this process and the assumptions used.

A.2 We have used the following questions, in the order shown, to allocate respondents to groups:

- How are you connected to the Private Hire or Taxi Trade? (closed question); and
- How are you connected to the Private Hire or Taxi Trade? – other responses (open text box).

How are you connected to the Private Hire or Taxi Trade? (closed question).

A.3 Using this closed question it was possible to allocate 27 of the 68 responses, as detailed in Table A.1.

Table A.1: Respondent types determined using closed question

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<tr>
<th>Category</th>
<th>Responses</th>
<th>Proportion</th>
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<td>Member of the public</td>
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<td>10.3%</td>
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<td>PH driver</td>
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<td>10.3%</td>
</tr>
<tr>
<td>Customer</td>
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<td>1.5%</td>
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<tr>
<td>Other connection</td>
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<td>60.3%</td>
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How are you connected to the Private Hire or Taxi Trade? – other responses (open text box)

A.4 Using this open question it was possible to allocate a further 20 of the 68 responses, including the 19 stakeholders, as detailed in Table A.2.

Table A.2: Respondent types determined using a combination of the closed and open elements of Q36

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<td>PH driver</td>
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<tr>
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Control Sheet

Document Title
Private Hire Regulations Review – Integrated Impact Assessment Consultation Analysis

Document Type
Report

Client Contract/Project No.  SDG Project/Proposal No.
22938401

Issue history

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Review

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