

**PUBLIC PROTECTION COMMITTEE: 5 March 2019**

**Report of the Head of Shared Regulatory Services**

**WELSH GOVERNMENT CONSULTATION ON IMPROVING PUBLIC  
TRANSPORT**

**1. Background**

- 1.1 As part of the new devolved settlement for Wales, introduced through the Wales Act 2017, the licensing of taxis, private hire vehicles, drivers and private hire operators became a matter within the legislative competence of the National Assembly for Wales.
- 1.2 Following on from consultations undertaken by the Law Commission from 2011-2014, and a Welsh Government consultation in 2017, the Welsh Government are considering proposals to reform the taxi and private hire licensing regime in Wales.
- 1.3 The Welsh Government published a White Paper on 10 December 2018 which outlined a number of proposals to legislate for reforming the planning and delivery of local bus services and licensing of taxis and private hire vehicles. This document also included a further consultation, by way of a questionnaire, on the proposed changes to the licensing framework. Part 2 of the White Paper is contained in Appendix A.
- 1.4 This purpose of this report is to provide details of the Welsh Government proposals for the licensing of taxis. Officers of the Shared Regulatory Service will provide a presentation to elected members at Committee to elicit views on the proposals.

**2. Introduction**

- 2.1 The Welsh Government is seeking views on proposals for reforming the planning and delivery of local bus services in Wales, together with the licensing of taxis and other private hire vehicles. Part 1 of the White Paper concerns bus services across Wales; this matter falls outside the remit of the Public Protection Committee. Consequently, a response to Part 1 of the consultation will be considered and submitted by the Cabinet.
- 2.2 Part 2 of the consultation concerns taxis and private hire vehicles (PHV) in Wales; those matters are reserved to the Public Protection Committee and are set out for consideration below.

## **National Standards**

As a taxi or PHV can undertake pre-booked work outside of the area in which it is licensed, applicants may be incentivised to apply in an area where standards are lower and then operate in an area whose standards they do not meet (and where enforcement action cannot be taken against them).

The Welsh Government is proposing to confer a power on the Welsh Ministers to create national standards, which the licensing authority will have to have regard to when issuing licences. This will mean that all taxis and PHVs in Wales would need to meet a common set of standards in order to obtain a licence. These standards would subsequently be set by regulations and so there will need to be further consultation on their content if the proposal is agreed.

## **Enforcement**

The law currently only allows local authorities to suspend, revoke or refuse to renew a licence that they have issued. Licensing officers cannot undertake enforcement against vehicles, drivers or operators licensed in another area. Due to the modern nature in which taxi and private hire vehicles operate, the Welsh Government is proposing to allow a licensing authority to take enforcement action against any vehicle operating in its area.

## **Information-sharing**

As there is currently no legal requirement for local authorities to share information with one another which might assist them in their decision-making. For example, if a driver is refused a licence or has their licence suspended or revoked by one local authority, it can be difficult for the remaining twenty one local authorities to obtain that information. The Welsh Government is proposing to create a duty on the Welsh Ministers to create a database, or make other information-sharing arrangements, to ensure that relevant information can be shared for the purposes of safeguarding.

## **3 Joint Transport Authority**

- 3.1 It is the view of the Welsh Government that the best way of underpinning improvement in all three of the above areas is to centralise the licensing regime. In order to achieve this they propose that the existing taxi and PHV licensing functions of the twenty two Welsh local authorities should be redirected to a single national licensing authority.
- 3.2 The Welsh Government are therefore seeking views on a further proposal to transfer all licensing functions which exist in law (including licencing, fee- and fare-setting, enforcement, hearing appeals arising from licensing decisions,

prosecutions and deciding matters such as whether to apply quantity controls to taxis) away from local authorities and into a Joint Transport Authority. This is referred to in the White Paper as Option A.

3.3 The Welsh Government recognise however the significant scale of Option A and the potential for unintended consequences. Therefore, the White Paper also outlines an alternative Option B; to introduce provisions to deal with the issues outlined in the three areas above, but to retain the current 22 Welsh licensing authorities.

3.4 The proposals outlined in this report are broad in nature and may be subject to further consultation.

#### **4. Achievability**

4.1 This report contains no equality personnel or property implications.

#### **5. Legal Implications**

5.1 The licensing of taxi and private hire services are now a devolved settlement for Wales, introduced through the Wales Act 2017.

#### **6. Financial Implications.**

6.1 There are no immediate financial implications arising directly from this report. However, should the Welsh Government decide to transfer the licensing of taxis away from the Council to a new Joint Transport authority, there may be financial consideration for the Council.

#### **7. Recommendations**

7.1 To note the contents of the report.

7.2 To authorise the Head of Shared Regulatory Services to draft a response to the consultation as regards taxi licensing, and incorporate that response into the full Cabinet reply.

#### **8. Reasons for Recommendation**

8.1 To provide the Committee with information on developments for public transport in Wales

**Dave Holland**  
**HEAD OF SHARED REGULATORY SERVICES**

**7 January 2019**

This report has been prepared in accordance with procedures approved by Corporate Managers.

Background Papers:

The Law Commission - Taxi and Private Hire Services Report (May 2014)

Welsh Government Consultation Document - Taxi and Private Hire Vehicle Licensing In Wales (June 2017)

Welsh Government Consultation Document – Improving Public Transport (December 2018)