



Department for Transport
[REDACTED]

Helen Chapman
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By email only: [REDACTED] [@dft.gov.uk](mailto:[REDACTED]@dft.gov.uk)

Dear [REDACTED],

I am writing in my capacity as the Director for Licensing & Regulation for Transport for London (TfL) with responsibility for the licensing and regulation of London's taxi and private hire services as I would like to follow up on the subject of cross-border hiring.

I am mindful that Government, in its response to the Task and Finish Group recommendations, said that it was going to give the matter of cross-border hiring further consideration and I would be grateful to understand the latest progress.

In recent years we have seen an increase in vehicles licensed by other authorities working predominantly or exclusively in London and we have also received complaints on this issue. We have particularly seen an increase in vehicles licensed by the City of Wolverhampton working in London.

Although this practice may be lawful when bookings are accepted by a PHV operator licensed by the relevant authority (e.g. the City of Wolverhampton), TfL licensing officers do not have enforcement powers in relation to drivers, vehicles and operators licensed by other authorities. We are very concerned, therefore, that these licensees are not subject to any of the usual compliance activity that we would ordinarily carry out with London licensees.

This potentially causes a serious safety risk to passengers and to other road users. It cannot be right that the law intended drivers, vehicles and operators to be able to operate without any form of on-street checks to ensure compliance with the regulations.

We have spent considerable time reviewing and enhancing the regulations in London to ensure passenger safety and to ensure that taxi and private hire services are fit for the diverse city we serve. These regulations are potentially being undermined and therefore passenger safety compromised by the loophole in the current legislation being exploited and we would welcome an opportunity to discuss this issue, and explore potential solutions, further with you.

As you will no doubt be aware, this is an issue that we have highlighted as a potential threat to the safety and security of passengers and other road users for



many years. In the Mayor's Taxi and Private Hire Action Plan (2016) we highlighted the risks of cross-border hiring and in March 2018 we published a policy paper which included proposals for legislative change.

We were also an active participant in the DfT commissioned Task and Finish Group and were (and remain) supportive of recommendation 11 in the final report:

Government should legislate that all taxi and PHV journeys should start and/or end within the area for which the driver, vehicle and operator (PHV and taxi – see recommendation 6) are licensed. Appropriate measures should be in place to allow specialist services such as chauffeur and disability transport services to continue to operate cross border. Operators should not be restricted from applying for and holding licences with multiple authorities, subject to them meeting both national standards and any additional requirements imposed by the relevant licensing authority.

In its [response](#), the Government stated it “agrees with the principle of this recommendation, and will consider further (with a view to legislation) how it might best work in detail.

In particular, Government will need to consider what size of area is appropriate. We will also consider what flexibilities or exemptions might be needed to reduce or avoid negative impacts on any particular business models, types of transport or passenger, and businesses or localities that are close to (perhaps multiple) licensing authority borders.”

We understand that behind London, the City of Wolverhampton Council is now the second largest licensing authority in the country. We also understand that more than 300 drivers licensed by Wolverhampton are London residents. We are also aware of several London-based PHV operators having obtained PHV operator licences from other authorities, including Wolverhampton.

We are concerned that this activity is an attempt to avoid London's licensing requirements and compliance activity and are concerned about the public safety implications of this practice. Furthermore, drivers and vehicles which do not conform to our licensing standards are actively undermining key objectives for TfL including cleaning London's air, reducing congestion and delivering our Vision Zero ambitions.

The difference in licensing requirements is also leading to unfair competition for London licensed drivers, distorting the market and creating perverse incentives for licensees to seek out lower, easier to meet standards in authorities elsewhere.

We have written to Wolverhampton Council to request shared powers under the [DfT's Statutory Standards](#) and to request that they urgently undertake joint compliance activity in London. However, we do not consider this is a permanent solution as it is unlikely Wolverhampton (and other authorities) have the resources available to provide a permanent 24/7 compliance presence in London.

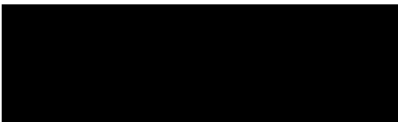


Unfortunately, without the necessary primary legislation, the root cause of this issue will remain and the risk to passenger safety will increase.

We note that the Welsh government has recently consulted on introducing a legislative solution to cross-border-hiring between England and Wales. We maintain that legislation requiring a journey to start or finish in the licensing area that the three entities (operator, driver and vehicle) are licensed, would eliminate the issues highlighted in this letter.

I would be grateful for an update on the consideration Government has given to the Task and Finish Group recommendation and welcome the opportunity to discuss this further.

Yours sincerely



Helen Chapman
Director of Licensing and Regulation
Transport for London