

Draft Taxi and Private Hire Vehicle Bill

- Taxi and private hire vehicle (PHV) laws are outdated. The Government will make everyday journeys safer, fairer and easier. It will strengthen public safety, remove barriers for disabled passengers, and reflect how people travel today, including the use of booking apps. By supporting a growing, innovative sector while making streets safer, especially for women and girls, the Bill will deliver taxi and private hire services people can trust.
 - This growing, nationally operating sector is regulated through an outdated and fragmented framework, leading to inconsistent standards, safeguarding risks, and ineffective enforcement. National standards will help, but further legislative measures are needed to align licensing with journeys, enable information sharing, and ensure resources are matched to risk and activity. The draft Bill provides the necessary framework to address these systemic issues.
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What does the Bill do?

- These reforms will look to modernise taxi and PHV laws. The draft Bill will be put forward for pre-legislative scrutiny, which will allow the Government to seek expert views from a range of stakeholders and create the strongest legislation possible.
- The Bill will:
 - **Modernise taxi and private hire law for the way people travel today**, replacing a patchwork of outdated, Victorian-era rules with a single, consistent framework across England that passengers and drivers can trust.
 - **Be the final step to delivering on the commitment to legislate in response to Baroness Casey's National Audit on Group-based Child Sexual Exploitation and Abuse**. It will: fix a fragmented system that has not always protected passengers as it should; strengthen public safety and accountability by setting clear requirements for obtaining and holding licenses; and improve the efficiency of licensing and the use of strong, consistent enforcement powers, with funding for enforcement matched to where services are delivered. Baroness Casey was clear that inconsistent taxi and PHV licensing creates vulnerabilities that can be exploited by grooming gangs. Reforming the

system is essential to strengthen the safeguarding response and disrupt any potential exploitation.

- **Give regulators stronger enforcement powers** so swift and effective action can be taken when drivers or operators breach their licence conditions, helping to drive up standards and tackle poor or unsafe practice.
 - **Improve transparency and information-sharing nationwide** by mandating use of a national database of all licensed vehicles, drivers and PHV operators, so licensing authorities can better protect the public and passengers can have greater confidence in the system.
 - **Deliver more accessible services for disabled passengers**, by strengthening existing protections and removing barriers to travel helping ensure people who rely most on taxis and PHV are not left behind.
 - **Provide a consistent customer experience wherever people travel**, so passengers can expect safe, reliable and properly regulated services whether they're travelling locally or long distances across local authority boundaries.
 - **Support a thriving, professional sector** by creating clearer rules to enable fair competition, while supporting the wider economy – from the night-time economy to shift workers and local businesses.
- These measures will create a modern, joined-up taxi and PHV system where people are confident in their safety and experience wherever they travel, and where the powers, data and accountability sit in the right place to act when standards fall short.

Territorial extent and application

- The draft Bill will extend to England and Wales and apply to England only.

Key facts

- **The taxi and PHV sector is large and growing.** As of 1 April 2024, there were 313,000 licensed vehicles and 381,100 licensed drivers in England, continuing a long-term upward trend, according to Government statistics published in 2024.
- **Regulation outside London remains rooted in legislation dating back to the Town Police Clauses Act 1847, designed for locally operating, horse-drawn vehicles.** Incremental reform has produced a complex system underpinned by case law and different regimes across Plymouth, London and

the rest of England, which is poorly suited to a market characterised by digital technology and cross-border working.

- **Licensing standards and practices vary widely between authorities**, including in decision-making, fees, conditions, and enforcement activity. While National standards are expected to improve baseline consistency and reduce incentives for drivers and operators to license away from where they intend to work, taken alone they are unlikely to resolve the full problem. Without a closer match between where licences are issued and where journeys take place, enforcement activity and resources remain misaligned, limiting effectiveness and undermining public confidence.
- **Weaknesses in regulation disproportionately affect groups with fewer transport alternatives**, increasing equality and safety risks. According to the same Government statistics, this includes children travelling from home to school, with 8 per cent of journeys by taxi and PHV in 2024 being for education, with many used for SEND provision.
- **Taxis and PHVs are disproportionately used by disabled people, women, lower-income households and those without access to a car**. People with mobility difficulties make almost 70 per cent more taxi or PHV trips per year compared to those without; women make around 25 per cent more taxi or PHV trips than men. People without a car make almost four times as many taxi or PHV trips, and households in the lowest income quintile make around 50 per cent more taxi or PHV trips than higher-income households.
- **Major safeguarding reviews, including those led by Baroness Casey, have identified taxi and PHV licensing as vulnerable to exploitation** where oversight is inconsistent and information is not effectively shared. While enhanced criminal record checks and guidance have improved individual vetting, they do not address wider structural issues, such as effective cross-border enforcement, where more powers might be needed and barriers to intelligence sharing.
- **52 per cent of all taxi and public hire vehicle journeys support economic activity, education or essential services**, underscoring the importance of effective regulation. When licensing, enforcement powers and resources sit with authorities that are not hosting the majority of activity, enforcement capacity is diluted and intervention is harder.
- **Safeguarding reviews consistently show that information silos reduce the ability to identify and respond to risk**. Current legislation does not mandate information sharing. Work is underway to expand existing databases, but for it to be effective its use needs to be mandatory to support proportionate, lawful information sharing across authorities, operators and the public.

- **The Law Commission** said *“The outdated legislative framework has become too extensive in some respects, imposing unnecessary burdens on business and artificially restricting the range of services available to consumers; and insufficiently comprehensive in other ways, undermining the fundamental goal of protecting the travelling public.”*
- **The Local Government Association** *“has long called for the urgent introduction of a comprehensive Taxi and PHV Licensing Reform Bill to replace the current outdated legislation and make the licensing system for taxis and PHVs fit for the 21st century.”*