

LICENSING COMMITTEE

Government Consultation - Taxi and PHV Licensing

5 February 2026

Report of Licensing Manager

PURPOSE OF REPORT

To provide members with information regarding a Department for Transport (DfT) consultation on making all local transport authorities (LTAs) in England responsible for taxi and private hire vehicle (PHV) licensing.

Members may wish to make additional comments to be considered part of the Officer response, prior to final comments and approval by Council Business Committee.

This report is public.

RECOMMENDATIONS

- (1) That members consider any additional comments to the Officer response prior to final comments and approval by Councils Business Committee.

1.0 Introduction

- 1.1 The Department for Transport is seeking feedback on the potential benefits and challenges of making all local transport authorities (LTAs) in England responsible for taxi and private hire vehicle (PHV) licensing.

The consultation focuses on the impact this would have on:

- local authorities
- taxi and PHV businesses
- passengers

As taxi and PHV licensing is devolved in all UK nations, this proposal would only apply in England.

- 1.2 This consultation follows publication of the English devolution white paper by the Ministry for Housing, Communities and Local Government (MHCLG) in December 2024. The white paper sets out the government's proposal to change the administrative level of licensing for taxis and PHVs to facilitate better and safer transport services for the public.
- 1.3 Also set out in the English devolution white paper, government has committed to a programme of local government reorganisation (LGR). The ambition is to move to a single tier of local government in all parts of the country. It is thought this would create simpler structures, strengthen disjointed services and help councils pursue

efficiencies.

A statutory invitation has been issued to all councils in 2-tier areas and small neighbouring unitary authorities to develop proposals for unitary local government, which will bring together lower and upper tier local government services in new unitary authorities. This means that services, including licensing, currently delivered by district councils would be delivered by new unitary councils.

Therefore, even if the proposals set out in the consultation do not proceed, the licensing authority in most areas will change. This is because, where implemented, LGR would move the licensing authority from district councils and any small neighbouring unitary councils within proposals to the successor unitary councils, resulting in fewer licensing authorities than at present.

2.0 Consultation Details

2.1 In most parts of England, councils are currently responsible for regulating the taxi and PHV sector, apart from in London, where the Mayor and Transport for London (TfL) are responsible for licensing. In areas where there is a single tier of local government, the responsibility lies with the relevant unitary council, while in areas where there are 2 tiers of local government, the responsibility lies with district councils. This means there are currently 263 licensing authorities in England.

- 164 district councils
- 62 unitary authorities
- 36 metropolitan councils
- Transport for London (TfL)

2.2 As outlined in the English devolution white paper (EDWP), there are concerns about the challenges caused by out-of-area working, where people licence away from the area in which they intend to work. [English Devolution White Paper: Power and partnership: Foundations for growth - GOV.UK](#)

These concerns were shared by Baroness Casey in her National audit on group-based child sexual exploitation and abuse report. [National Audit on Group-based Child Sexual Exploitation and Abuse - GOV.UK](#)

2.3 The government is exploring options for reforming taxi and PHV legislation to address the challenges caused by out-of-area working. As part of this, the EDWP included a commitment to consult on whether to make all local transport authorities (LTAs), including strategic authorities – who are the bodies that oversee local transport planning – responsible for taxi and PHV licensing. The Casey report reaffirmed this commitment.

2.4 The consultation document presents the benefits and challenges that the Department for Transport (DfT) has identified in making LTAs responsible for taxi and PHV licensing.

2.5 The full consultation document is attached at **Appendix 1**.

3.0 Details of Consultation

3.1 The consultation period will run from 8 January 2026 until 1 April 2026. A full list of

questions asked as part of the consultation can be seen from page 26 of the consultation document.

The following are applicable to Local Licensing Authorities, like Lancaster City Council who are currently responsible for taxi and private hire vehicle licensing.

If all local transport authorities were made responsible for taxi and private hire vehicle licensing as proposed, would your local authority expect:

Question 1: Any one-off costs? If so, what would the one-off costs to your authority be for? How much would the costs be?

Please provide a monetary value in pounds, if possible, otherwise the resource time required in hours.

Question 2: Any ongoing costs? If so, what would the ongoing costs to your authority be for? How much would the additional costs be?

Please provide a monetary value in pounds, if possible, otherwise the resource time required in hours.

Question 3: Any one-off savings? If so, what would the savings to your authority be for? How much would the savings be?

Please provide a monetary value in pounds, if possible, otherwise the resource time required.

Question 4: Any ongoing savings? If so, what would the savings to your authority be for? How much would the savings be?

Please provide a monetary value in pounds, if possible, otherwise the resource time required.

Consultation questions for all respondents

Consultation questions on proposals

Question 13: Should all local transport authorities be responsible for taxi and private hire vehicle licensing? Why?

Consultation questions on economic benefits and costs

Question 14: Are there wider economic benefits in making all local transport authorities responsible for taxi and private hire vehicle licensing? If so, what are they?

Question 15: Are there other costs in making all local transport authorities responsible for taxi and private hire vehicle licensing? If so, what are they?

A summary of responses. Including the next steps will be published in due course on gov.uk.

4.0 Consultation Response

- 4.1 The Officers prepared response(s) to Q1-4, 13, 14 and 15 are attached at **Appendix 2**.

5.0 Conclusion

- 5.1 The Department for Transport is seeking feedback on the potential benefits and challenges of making all local transport authorities (LTAs) in England responsible for taxi and private hire vehicle (PHV) licensing.
- 5.2 Officers have prepared responses to the consultation questions; members of Licensing Committee may wish to include additional comments prior to approval by the Councils Business Committee.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):

None

LEGAL IMPLICATIONS

None

FINANCIAL IMPLICATIONS

Financial Services have provided the information contained in the response in relation to service costs.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces

None.

SECTION 151 OFFICER'S COMMENTS

None.

MONITORING OFFICER'S COMMENTS

None.

BACKGROUND PAPERS

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