

# COUNCIL BUSINESS COMMITTEE

## Taxi and Private Hire Vehicle Licensing – Department for Transport Consultation

19 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.

**This report is public.**

#### RECOMMENDATIONS

- (1) That Council note the Department for Transport (DfT) consultation on making all local transport authorities (LTAs) in England responsible for taxi and private hire vehicle (PHV) licensing.
- (2) That Council agree the draft response to consultation questions as set out in the report.
- (3) That Council delegate the Licensing Manager to make minor alterations to the response and submit the final version of the response to the DfT.

#### 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

- 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 Consultation Response

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.

*Taxi and Private Hire Licensing fees are required to be cost neutral, with each licence fee being recovered for the activity related to the administration and monitoring of that licence only (one cannot subsidise another).*

*So, whilst the Licensing Authority would have a reduced income, the loss would be resource rather than monetary.*

*It is estimated that Taxi and Private Hire Licensing equate to between 60-70% of Officer time, this in resource time would be 1x 37hr per week Licensing Officer, 1 x 37hr per week Administration Officer, 1 x 37hr per week mechanic and approx. 10-15hr per week of Licensing Manager time.*

*Transition costs also require consideration, ensuring the licensed trade understand and comply with any new or updated requirements, communication, guidance and signposting.*

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.

*None Identified.*

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.

*None Identified.*

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.

*None Identified.*

## **Consultation questions for all respondents**

Consultation questions on proposals

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

*Lancaster City Council understands the benefits and challenges of making LTAs responsible for taxi and private hire licensing.*

*The primary purpose and consideration for Local Licensing Authorities in respect of taxi and private hire licensing is the safety of the public, in its widest context.*

*The ability to locally set policies and standards, with trained officers (on the ground) are key to safeguarding the public. Local knowledge may be diluted should LTAs be responsible for taxi and PHV licensing.*

*Licensing Officers are generally trained across the sector, moving taxi and PHV licensing to LTAs may result in a loss of specialist officers at a local authority level. The ability to address local issues in a timely manner may be difficult, response times to both the public/licensed trade may increase.*

*Lancaster City Council acknowledge and support endeavours to address the cross-border loophole in legislation, inconsistent standards and variable licensing fees allow drivers to shop around for licences. Reducing the number of licensing authorities and introducing minimum standards could alleviate the impact currently felt by the local licensed trade by out of area drivers.*

*There will be variance in political direction due to Council specific plans and priorities. Members of Licensing Committees are trained prior to undertaking any decision-making in respect of licensing matters; this must be upheld should LTAs be responsible for taxi/PHV licensing.*

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?

*Recognise the benefit to the local licensed trade, boundaries increase opportunities for Hackney/PHO businesses.*

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?

*Resourcing the migration of data from local authorities to LTAs would be a significant, LTAs required to purchase Licensing software, additionally there would be an annual maintenance cost.*

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

#### 4.0 Options and Options Analysis (including risk assessment)

	<b>Option 1:</b> Provide a detailed response to the consultation	<b>Option 2:</b> Not Respond
Advantages	That the views of Lancaster City Council are considered and communicated to the DfT, additionally that these views are clearly stated in public.	None.
Disadvantages	None.	The views of Lancaster City Council are not heard and made public.
Risks	That the responses are not taken account of.	As above.

#### 5.0 Officer Preferred Option (and comments)

5.1 The preferred options for the response are as outlined above.

#### 6.0 Conclusion

6.1 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; they have been approved by members of Licensing Committee prior to consideration and approval by Councils Business Committee.

<b>CONCLUSION OF IMPACT ASSESSMENT</b> (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):
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None.

<b>LEGAL IMPLICATIONS</b>
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None.

<b>FINANCIAL IMPLICATIONS</b>
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Financial Services have provided the information contained in the response in relation to service costs.

<b>OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces</b>
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None.

<b>SECTION 151 OFFICER'S COMMENTS</b>
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None.

<b>MONITORING OFFICER'S COMMENTS</b>	
<b>BACKGROUND PAPERS</b>	<b>Contact Officer:</b> Miss Jennifer Curtis <b>Telephone:</b> 01524 582732 <b>Email:</b> jcurtis@lancaster.gov.uk <b>Ref:</b> DfTconsulat2026