

## Comments on Brighton & Hove 'Blue Book' Conditions

### Background - private hire

Consumer demand has spurred innovation and competition in private hire. People want access to safe, reliable and affordable transport, within minutes. As the UK's private hire industry continues to grow and become more flexible and efficient, so does its potential to improve the lives of riders and drivers - and indeed the cities in which we live. For example:

- Private hire can complement public transport, allowing those without cars to integrate with the broader economy and society.
- Ready availability of PHV improves safety, as people are less likely to be kept waiting on the street for a car to arrive, or tempted to resort to using unbooked vehicles or illegal minicabs.
- A well-functioning PHV market also has an impact on the broader economy. Transport costs are an important input to economic growth and attractiveness for investment.

### Licensing best practice

Licensing is important to ensure the taxi and private hire industry is trusted, and meet the needs of their local communities. However, regulation must be proportionate and well targeted. Best regulatory practice requires an assessment of whether any interventions are justified by specific and legitimate policy objectives. We believe that certain Brighton Licensing requirements should be revisited with this in mind.

Once an objective has been established, an assessment should consider the proportionality of each proposal against the objective, including whether the benefits outweigh the costs or impacts. This cost/benefit analysis has to consider not only the immediate impact of the regulation on customers and firms, but also any impact on the ability of the market to efficiently meet varied customer demand at a range of qualities and price points that customers deem appropriate.

Good regulation is particularly important during times of change. We would welcome Brighton & Hove Council's consideration if specific licensing requirements are i) appropriate for the private hire market as opposed to taxis, given that consumers can exercise choice over operators and ii) the least onerous means to achieve the intended benefits of the licensing processes. This will encourage innovation and competition amongst private hire operators and other transport providers to continuously improve service quality standards.

### Specific comments

With this regulatory best practice in mind, we urge Brighton & Hove Council to consider:

- **Making a clear distinction in the regulatory approach to Taxi (ply-for-hire) and PHV (pre-booked) services.** There is necessarily limited consumer choice at the point where a ply-for-hire vehicle is flagged down by a consumer, and it is right that local communities will wish to set a combination of price, quality, and quantity

that suits local needs. In contrast, because PHV services are pre-booked, competition and consumer choice can play a far greater role in ensuring that their provision meets local need and local differences in regulation should in large part be unnecessary. The distinctions between Taxi and PHV should aim at ensuring a minimum standard for the ply-for-hire market, and should not manifest as restrictions on PHV.

- Focusing licensing requirements **on promoting competition and consumer choice**. Local licensing requirements should be technology and process agnostic, and welcome the efficiencies that technology can deliver, without compromising on customer service or safety standards.
  - **Topographical test** - Given the significant advances and proliferation in GPS and mapping technology, such tests are no longer relevant in today's Private Hire market. GPS technology provides a much more accurate way of identifying the quickest or shortest route.
  - **Practical driving test** - Additional driving proficiency tests, over and above an initial practical driving test, are unnecessary. If Brighton is minded to retain a practical driving test, then we strongly urge the Council to set reasonable time and cost guidelines. Currently, drivers are required to spend nearly £100 (£35 on a route test and £87 driving test) before being be one step closer to supporting themselves through Private Hire.
  - **Role of the Professional Taxis and Private Hire Driver Tests** - The current testing requirements in the licensing process represent a significant cost barrier for potential drivers. We encourage Brighton & Hove Council to consider how skills development could be encouraged in a more affordable and timely manner.
- **Streamlined licensing processes benefit drivers and the consumers they intend to serve in future.** We would welcome steps to make the licensing application process more efficient for applicants. Simple changes could include: online application and document processing, online delivery of information and skills assessments, and allowing different stages of the application process to progress in parallel.