



Unite the Union response to the DfT consultation: Local transport authorities and the licensing of taxis and private hire vehicles

Introduction

- This response is submitted by Unite the Union, the UK's largest trade union with 1.2 million members across the private and public sectors. The union's members work in a range of industries, including manufacturing, financial services, print, media, construction, energy generation, chemicals, transport, local government, education, health and not-for-profit sectors.
- In the arena of transport, Unite represents over a quarter of a million members in all transport modes, making it the largest transport union in the UK.
- Unite has obtained the views of our members in the taxi and private hire sector through our lay member committees at the national and regional level. Therefore, Unite is in a unique position to submit a response to the Transport Select Committee Call for Evidence: Licensing of taxis and private hire vehicles.
- Examples were presented by our taxi and private hire sector representatives across the West Yorkshire Combined Authority, serving a populous of 2.4 million using mostly anecdotal evidence and verbal accounts from licensing leads in the region.

CONSULTATION QUESTIONS – TAXI & PHV SECTOR:

Questions 9 - 12:

Unite consider questions 9 to 12 to be inappropriately targeted to those working as taxi and PHV drivers who won't have access to this information, especially those that have little or no engagement with their licensing or council committees.

Equally, it is an impossibility for taxi and PHV as well as trade bodies who represent them to provide a quantitative amount based on speculation. Amounts needing to be raised are specific to numeric licences issued by each Licensing Authority (LA) and or each Licensing Taxi Authority (LTA) and are rarely forced into a spiral downwards or upward growth.

On the contrary, most LA's have the arduous task of mitigating numbers from neighbouring authorities, where those authorities do not and would never likely share their revenue to add value to the LA affected by insurgents from other LA's, this is because of cross border hiring which also inhibits the ability for LA's to save costs or to provide adequate compliance facilities for the safety of the travelling public, who are the key element of all aspects of licensing and that should never be detracted from, as mentioned in the Casey Review – Item 11, June 2025¹.

Furthermore, savings do not fall in to the scope of a licensing department. Under the Misc Provisions Act 1976, there is no scope as all monies recovered are finely tuned and 'ring fenced' with specific licence purpose and cannot be redistributed to any other part of a LA or STA (Strategic Transport Authority). This would ultimately require a huge change in Government policy and would then require monies raised outside of the specific departments to be more broadly used.

Ultimately, there would be no great advantage or specific disadvantage to drivers or passengers alike. As demonstrated by the North Yorkshire model where drivers were sold the idea under that consultation that licensing would be better, more efficient and cheaper, but this in fact had the opposite effect and delivered no savings, no increase in efficiency, no improved standards and no improvement for passenger safety.

For example, if we equate 10,000 vehicles all licensed and set an arbitrary sum of £150 by a LA or a STA, the main sum remains the same. Administrative costs do not reduce as the same number of staff are required to process the same number of licences. Compliance costs, purchasing costs, building costs, transport costs, pretty much every aspect would remain as is. This leaves the overall sum to remain as is, with no monetary reductions and the only potential increases would be born from salary uplifts each year from either the minimum wage or from inflationary increases.

As far as the business savings for the individual, there would likely be none. A vehicle still costs a sum of money equal to its age, a licence still costs exactly what the requirement for that LA or STA is based on the same numerical licenced fleet and costs attributed.

¹ https://assets.publishing.service.gov.uk/media/5a80c4fded915d74e6230579/The_Casey_Review_Report.pdf

CONSULTATION QUESTIONS – ALL:

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

This is the current system which in Unite's view, worked very well until introduction of the Deregulation Act 2015. Unite opposed this legislation at Bill stage as we understood would lead to a 'race to the bottom' and negatively impact on drivers' working conditions, job security, and passenger safety. The Act prioritises deregulation and business flexibility over driver livelihoods, fair competition, and consistent safety standards in the taxi and private hire industry.

Unite remains concerned that through the Deregulation Act there is **increased competition from out-of-area drivers** undercutting local taxi drivers who had to meet stricter licensing rules and this has also led to an oversupply of drivers, reducing earnings for locally licensed drivers. Furthermore we see **"Subcontracting" of bookings** where PHV operators could pass bookings to other operators in different regions making it harder to regulate who was actually picking up passengers, which reduces accountability, transparency and creates unfair competition for locally licensed drivers. With more drivers competing for the same work, we are seeing **downward pressure on wages and conditions**, as lowering fares reduces drivers' incomes and increases precarious, insecure work such as we have seen with the Uberisation of the industry. Ultimately the loosening of rules allowed through the Act has raised significant concerns for **passenger safety and regulatory concerns** as this has made it more difficult for local councils to enforce which has obvious implications for passenger safety as standards varied between areas.

These issues have not only impacted taxi and PHV drivers, but also LA's who have had to expend already stretched resources to address these issues.

Whether the DfT decide to remove 263 down to 70 licensing areas, the quantitative element remains the same. So, from that perspective, Unite believe that it is unnecessary and could prove counterproductive to truly reduce the number of licensing authorities. LA's have invaluable local information that allows them to operate through best practice in formatting working relationships with trade reps. A 'one area' fits all approach would diminish, and quite possibly erode that capability to the extent that there would be no more engagement.

Retaining the LA's as they are rather than the proposed licensing areas, is in line with the Casey Review. Localised control over both taxi and PHV maintains and can even improve safeguarding practises already in place in areas with tight controls.

Unite is concerned that proposals by the DfT to create larger Mayoral Controlled Authorities risk undermining, rather than strengthening, safeguarding within the private hire sector. Under large Mayoral Authority the same driver can operate across multiple cities and districts. This creates:

- **Fragmented oversight:** incidents may occur in different places with no single authority seeing the full pattern.
- **Reduced accountability:** enforcement teams in one area may not track behaviour occurring elsewhere.
- **Greater anonymity:** drivers can move between areas with different passenger bases.

For instance, in highly connected urban regions such as Leeds and its surrounding city network, a driver licensed within a single, expansive authority could lawfully operate across a wide geographic area encompassing multiple distinct communities. This extended reach increases the potential for a driver to move between different localities and passenger groups with reduced likelihood of consistent oversight, thereby making it more difficult for enforcement bodies to identify patterns of concerning behaviour, for example county lines drug trafficking, people trafficking and other illicit activities. By contrast, locally administered licensing regimes provide more contained operating areas, enabling stronger accountability, more effective monitoring, and clearer safeguarding responsibility.

Example scenario: A large “Mayoral Authority A” based on Leeds

Imagine a **single, enlarged Mayoral Controlled Authority (“A”)** covering a wide region such as West Yorkshire and surrounding travel-to-work areas.

Leeds is one of the busiest transport hubs outside London, with rail links to numerous major cities and a large commuter network serving towns and cities across the region. The wider region connects directly to Sheffield via the M1 and multiple rail lines such as Manchester via TransPennine rail routes.

Unite’s safeguarding concern:

1. Licensing in Authority “A” (Leeds-based super authority)

A private hire driver is licensed in the enlarged authority covering Leeds and surrounding districts.

2. Operational area “B” becomes very large

Because of deregulation and cross-border working the driver can legally operate across a **huge geographic area**, including:

- Leeds (core area)
- Wakefield, Bradford, Huddersfield
- Into nearby cities like Sheffield or even Manchester

3. Movement across multiple distinct communities (“C to E”)

Due to strong transport connectivity urban connectivity increases the number of reachable destinations within a short time, especially in large city regions.

So the same driver could:

- Work in **Leeds city centre at night (C)**
- Move to **Bradford suburbs (D)**
- Later operate in **Sheffield or outer districts (E)**

All under a single licence.

However, **under local licensing (smaller authorities)** a driver licensed in Leeds would mainly operate within Leeds boundaries where local enforcement officers have better knowledge of drivers, closer monitoring of complaints and patterns and thus suspicious behaviour is easier to detect within a contained geography, realising **clearer accountability, tighter monitoring, and stronger safeguarding visibility**.

Unite is also concerned about the impact on ‘honey pot’ cities, newly integrated towns and cities able to merge in as one fleet. For example, cities such as Leeds, where the nighttime economy is one that blossoms every night, with the daytime economy less favourable to drivers, would see a sharp influx of what once were classed as ‘out of area’ hackney carriages operating up on the cities ranks, forcing vehicles to challenge for every single space available. This could lead to drivers using illegal tactics to arrive at ranks before others. This is already being reported by our taxi sector members in North Yorkshire.

Unite anticipates that this would lead oversaturation of both taxi and PHV vehicles, traffic congestion and impact bus scheduling. Furthermore, Unite is also concerned that without limits on the number of taxi licenses issued, there may be a significant reduction on the number of drivers working as hackney cab drivers, in place of a cheaper alternative in mass supply.

Currently, areas that operate a regime of controlling the issue of hackney carriage licences can have a keen eye on transport planning over a 5-year period. The same could not be said and would not happen if an LA became part of a much larger STA with no control on numbers permitted to operate on such streets considered the ‘honey pot’.

Control of numbers with limitations on licensing and remaining local to each LA, means that there is never a significant drop in service in those LA’s, be that for disability service or other. Unite call for national legislation to allow the control and issue of PHV licences to each LA, this would improve planning by local transport planners enhance intermodal public transport models.

Unite believe Local Transport Authorities benefit:

Stronger Local Accountability:

- Councillors are closer to constituents.
- Taxi drivers can engage directly with local ward members.
- Local scrutiny committees can respond quickly to complaints.

A combined authority can feel more remote and less accessible to individual drivers and residents.

Each district has different:

- Night-time economies.
- Rural vs urban transport needs.
- Safeguarding risk profiles.

For example, Calderdale’s geography and rural coverage needs differ significantly from inner-city Leeds. Local authorities can tailor policies accordingly.

Local licensing teams can:

- Process applications and renewals more quickly.
- Carry out enforcement with local knowledge.

- Work directly with local police and safeguarding boards.

A combined authority risks becoming bureaucratically heavier, particularly during transition.

Safeguarding and Enforcement/Compliance MUST NOT BE DISRUPTED:

Safeguarding and public protection are paramount:

- District councils already have established compliance teams.
- Strong operational links exist with local police.
- Local intelligence informs enforcement / compliance activity.

A structural transfer introduces transition risk, including:

- Disruption to enforcement capacity.
- Delays in application processing.
- Policy uncertainty.
- Loss of local operational knowledge.

District councils already have:

- Licensing Administrative / Compliance officers.
- Established compliance systems.
- Local court relationships.
- Driver engagement frameworks (DfT Best Practise).

Transferring to a combined authority would require restructuring, new systems, TUPE processes, and possible service disruption.

A combined authority may introduce uniform standards that:

- Increase costs in lower-income districts.
- Impose urban-focused policies on rural areas.
- Remove flexibility to adjust vehicle age limits, fees, or fleet mix locally.

In summary, Unite recommends that taxi and private hire licensing functions remain at local authority level, with enhanced collaboration across licensing areas rather than structural transfer to the Combined Authority.

This response was prepared on behalf of Unite the Union on the 1st April 2026

For further information, contact

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