



# Driver Crisis

The LPHCA has now received many hundreds of calls, emails and faxes concerning what is now clearly a driver shortage crisis.

Sadly everything we predicted is coming to pass and whilst we hoped not to be saying 'told you so', sadly and reluctantly we are doing so.

Having been involved in the campaign to get licensing introduced for nearly 30 years Steve Wright has had the benefit of seeing the effect of Private Hire regulations elsewhere. Where licensing has been introduced outside London in local authorities there has inevitably been problems.

When criminal record checking was introduced several years ago in the provinces **25% of drivers failed to re-apply for their licenses.**

The introduction of the **Enhanced Criminal Record Checking system outside London** last year caused chaos, misery and mayhem for drivers, operators and the public. In addition delays within the **CRB checking process** has brought unemployment and driver shortages, which have led to illegal activity as passengers risk their well-being with illegal touts.

Steve Wright warned **The GLA** last December when he addressed the **Transport Scrutiny Committee** of the driver shortages and the **potential collapse of the legitimate Private Hire Industry in London** if regulations were over regulatory.

He warned **TfL** in the many consultation exercises in the past few years that anything other than the 'light touch' promised by **Alan Matthews** of The PCO would be a disaster.

In a letter to **Ed Thompson Director of Taxis and Private Hire** at **The PCO** in February he wrote:-



The GMB/GLPHD Branch has been operating in London for 18 months. During this period we have worked with the LPHCA at the Public Carriage Office GLA and TFL.

We offer a wide range of benefits for our members including legal representation.

Many companies have invited us to recruit their drivers.

We look forward to working jointly with LPHCA members for the good of the industry.

Membership phone: 0800 731 8151

Branch Secretary:  
T P Flanagan - 020 8202 8272  
or 07958 275 339





Dear Ed,

Further to a meeting on Friday last at **The PCO**, I can confirm that **The LPHCA** is broadly happy with the proposals set out by Alan Matthews and his team. We would, as always like our lawyers to look at and possibly comment on the draft regulations, as this has proven useful to everyone in the past.

We are very grateful that you have taken on board many of our recommendations however we still have 2 major worries, **our first concern** being the **Enhanced Criminal Record Check**.

In all our driver consultation responses **The LPHCA** has flagged the need to get drivers into the industry quickly and we have always said that we need to avoid serious delays with criminal record checks.

I have now attended several meeting with the **CRB** in London and the Midlands, and on each occasion I have been told that the performance of the enhanced record checking process is getting better. However, the reality is different, in some cases causing drivers to be unemployed outside London for 6 months.

You will also be aware that the **Government has today ordered a complete review of the Criminal Records Bureau because of their noted poor performance.**

Personal friends of mine who are qualified sports coaches have been waiting 6 months for clearance; one of the delays was caused by the **CRB** failing to input a single initial on a database correctly. **It is our considered view that new drivers are unlikely to wait several weeks, let alone months for the result of enhanced checks, they will simply get another job.**

At a meeting held in **The PCO** a few months ago, **the CRB representative** mentioned that an **almost insignificant amount of information** comes out of the enhanced check over and above the standard check. **He also questioned whether an enhanced check was necessary for Taxi and Private Hire Drivers.**

At our **PCO** meeting with the **CRB** I advocated a 'stepping stone approach' that allowed a new driver to work as soon as they were cleared on the standard record check. The enhanced check would be ongoing and completed as soon as the agencies outside the **CRB** provided any additional information.

This was recognised as a potentially realistic and sensible option as a start point by those attending the meeting. It is our considered opinion that if the enhanced check is implemented at day one as proposed, we believe **TfL will seriously and dangerously damage the supply of drivers and this will compromise the safety of the travelling public** far more than taking the two-step approach that we advocate. Furthermore it could affect the provision of an important part of the transport infrastructure in London.

In our opinion it would be sensible **not to specify the type of record check** in either the administrative rules or driver documentation. The wording 'undertake appropriate criminal record checks' may suffice and allow my proposal to be tried as a sensible start point.

The other area that is now of immediate concern is on timescales, in particular the dates between new and existing drivers. **The two-month window now seems very restrictive** in light of the driver exodus from the industry that has already happened and the certain continuation of that outflow as a result of the requirements of licensing.

It is likely that most drivers who want to work legitimately have now pre-registered which means that some 15,000 have disappeared. **Clearly many of those individuals are now working illegally**, either on the streets or in conjunction with hotels, clubs and other venues, keen to exploit the serious lack of enforcement of existing laws. This makes it even harder for the legitimate industry to operate when pre-booked fares are spirited away by the illegal elements.

The Licensing Exercise for drivers is a massive task and there will clearly, as with Operator Licensing, be unforeseen problems licensing such a great number of individuals.

In light of this, it would seem **sensible to extend the cut off date for new drivers to say 31<sup>st</sup> December** to enable the regulator to learn of problems in dealing with the existing driver population. Extending this date would not affect the driver-licensing commencement date but would give a reasonable amount of time for everyone to assess the impact of regulation on the industry with existing drivers.

**The LPHCA** would like the opportunity to discuss these two vital issues before you finalise the proposals purely to help those in the industry that have been committed to getting it right in a licensed environment and have supported sensible regulations from day 1.

Steve Wright



Dear Steve,

Thank you for your letter of 27 February in which you raise two concerns about the intended start up arrangements for private hire driver licensing.

Let me say first of all that I am most grateful to you and your other private hire trade association colleagues for the invaluable contribution you have made in helping Transport for London (TfL) develop the overall shape of driver licensing regulations. As you acknowledge in your letter, TfL has listened to the views of the trade associations and has reflected in the final regulations our shared view that minimum standards should be applied from the start with the prospect that improved standards might be introduced over time.

We have considered carefully the particular points raised in your letter. My response is set out below:

#### Enhanced Criminal Records Bureau checks

I fully understand, and recognise, your concerns about the performance of the CRB and of their ability to process private hire driver licence requests speedily and efficiently. As you rightly say in your letter, your position has been consistent throughout the extensive public consultation exercises in respect of the proposals for driver licensing.

The Licensing Authority's intention to carry out 'Enhanced' CRB checks was clearly set out in the follow up consultation document on driver licensing. In deciding the level of checking to be adopted, the Licensing Authority has had to take into account:

- the primary purpose of the Act and the intentions of Parliament
- the full range of responses to the public consultation exercise
- the level of checking undertaken by the PCO in respect of London's Taxi drivers
- the level of checking undertaken by other Licensing Authorities in England and Wales in respect of their taxi and private hire drivers
- NATPHLEO policy in respect of CRB checks
- performance of the CRB
- impact on London's private hire driver population.

The decision to include the 'Enhanced' CRB check within the licensing process is a policy decision made by the Licensing Authority. It is an administrative rule which can be changed in the light of experience should there be justification for doing so. By adopting the 'Enhanced' CRB check for private hire drivers, the PCO is adopting an established policy and practice used by most other Licensing Authorities in England and Wales. The risks of adopting some other standard on criminal history checks for the start up of licensing are considered to be too great.

We are committed to keep under review the effect of the new licensing arrangements on the industry and are more than happy to assess the impact in consultation with the trade associations. If we find, as a result of live operation, that the efficiency of the CRB checking process is, in itself, a barrier to entry then we will reconsider. In the meantime, I can say that our latest evidence shows that taxi driver CRB checks are taking, on average, 5-6 weeks (as opposed to 'Standard' record checks which CRB claim to be turning round in 3-4 weeks).

#### 'First' and 'Second' Appointed dates

Again, the Licensing Authority's intention to keep the pre-licensing registration scheme open for a period of 2 months from the date of commencement was clearly set out in the follow up consultation document. Whilst not specifically mentioned in your response to the follow up consultation, I think you have expressed the view at subsequent meetings that it would be desirable to extend the 'window' for drivers to qualify for a temporary permit.

The overriding principle of TfL's proposal (ie to allow an initial start up period after the date of commencement) has been generally well supported. Once the regulations have been enacted, the Licensing Authority is keen to demonstrate, sooner rather than later, that there is a credible driver licensing system in place. I do recognise that the industry will need to adjust more quickly than it would have hoped and I fully accept that we will need to monitor very closely the impact on new drivers coming into industry and the speed with which the PCO can process those applications.

We do think that the pre-licensing registration system has been very successful and by the time the 'second appointed date' occurs (ie 1 June 2003), the scheme will have been operational for a period of 18 months.

We are now proceeding with an implementation date of 1 April and, as a consequence, there is little to be gained by further consultation on these matters. Let me assure you, however, that the PCO is committed to keeping under review the impact of the new regulations on the private hire industry and I am sure there is much to be gained by maintaining consultation with you on this vital issue.

Many thanks in writing to me about your concerns and I regret that I am unable to give you the response you were probably hoping for.

*Ed Thompson Taxi and Private Hire Director*

It certainly wasn't the answer Steve was looking for so another letter was required so on 3rd April 2003. He wrote:

Dear Ed,

## RE: PRIVATE HIRE DRIVER LICENSING REGULATIONS & REQUIREMENTS

Thank you for your detailed reply to my previous letter, which I received in mid March.

I understand why your decision on using The Enhanced CRB check may have been influenced by what others do elsewhere in the country, however coming into line with what others do with a system that is so poor it is under Government Review preserves our previously stated viewpoints.

I would also like to say that Taxi Drivers are involved in a process that takes up to 4 years to gain a licence so what works for Taxi Drivers, as stated many times before, certainly won't necessarily work for Private Hire Drivers.

I take some comfort from the fact that the option for The Enhanced CRB check is an administrative rule, which can be changed in the light of experience. As any adverse impact on the industry and the safety of the travelling public is something we both wish to avoid, it would be very helpful to know how quickly TfL intend to respond if further downsizing of our industry takes place.

From the LPHCA's point of view we would like a review of the administrative rule and policy on enhanced CRB checks by the end of the first 3 months (31<sup>st</sup> August). If there is substantial evidence that there are problems recruiting and starting drivers we would seek an immediate change in administrative rules to prevent a catastrophic and dangerous shortage of drivers in the run up to Christmas.

We would also like as much statistical information as possible to be made available to us (ideally weekly) so we can evaluate independently the effect on the Industry. Useful information could be:

- New drivers applying
- New drivers starting
- New Drivers leaving
- Pre-registered drivers licensed
- Pre-registered drivers leaving
- Number of drivers registered or licensed

Steve Wright



## LPHCA 10-POINT PROPOSAL TO IMPROVE DRIVER SUPPLY

- Issue a provisional or conditional licence or temporary permit on application.
- Allow portability of existing Enhanced Criminal Record Checks.
- Issue every licensed operator with a supply of driver licensing packs.
- Improve the administrative systems for (Licensing and medical) application form design.
- Allow Licensed Operators to have more direct responsibility in the driver licensing process
- Introduce a part time / seasonal driver licence.
- Turn around licence applications in 24 hours
- Move resources from checking operators to licensing drivers
- Open the PCO at least 6 days a week and from 07. 00 until late evening
- Improve the communications systems between drivers, operators and The PCO

Well August 31st has come and gone so here are the facts. Since June 1st, the Private Hire Industry in London is being decimated by the lack of new drivers that are entering the industry. Companies are facing closure or being bought up by others, desperate to 'buy in' drivers.

The travelling public are being put at risk because demand in the summer at times could not be met and as winter arrives the usual vital recruitment of drivers is simply not happening. This means we could be 10,000 – 15,000 drivers short by this Christmas.

**As predicted, drivers want a job in days, not months, so they simply move elsewhere in the job market.**

You do not have to be a genius to work out the catastrophic effect this will have on Licensed Operators and the safety of the travelling public in London. It also plays straight into the hands of the unscrupulous, the unlicensed and uninsured criminals, the illegal touts.

We estimate that drivers are leaving the industry 10 times faster than they are joining.

So what can be done to resolve this crisis immediately?

### **Issue a provisional or conditional licence or temporary permit on application.**

The Industry needs to employ seasonally and quickly. There is no evidence that drivers, who are agents for legitimate companies, go out and harm passengers once they start driving.

Once a driver has filled in the forms, applied for a **CRB check** and undertaken a medical, paid the application fee, a temporary / conditional licence or permit to work could be issued. If necessary the **sworn oath system used successfully** by some **Local Authorities outside London** could be used.

### **Allow portability of existing Enhanced Criminal Record Checks.**

Simple, if a driver has a current **CRB check**, allow him or her to start. It's paranoia, expensive and time wasting to ask someone with a valid **CRB check** to undertake yet another one.

### **Issue every Licensed Operator with a supply of driver licensing packs.**

This should have already been done!

### **Improve the administrative systems for (Licensing and medical) application form design.**

The fact that some of the delays have been caused by confusion of form filling by drivers and doctors, means there must be improvements possible in the design of the forms.

Why is there not an electronic application form in place that lets you start the application process online? Most well designed Internet forms don't let you make omissions or obvious mistakes.

### **Allow Licensed Operators to have more direct responsibility in the driver licensing process**

Licensed Operators are issued licenses because they have met the conditions of responsibility required to run a **Private Hire** business and they are considered to be fit and proper people. They should be empowered to assist further in the decisions and processes needed to award a licence.

In conjunction with an online system the **Licensed Operator** could be used to validate forms, etc.

### **Introduce a part time / seasonal driver licence.**

The **Private Hire Industry** in London will collapse without the vital part-time and seasonal drivers; if things don't change there will be chaos this winter and the public will be left stranded.

### **Turn around licence applications in 24 hours**

Once a driver is licensed the **Licensed Operator** could be empowered to allow a driver to work

### **Move resources from checking operators to licensing drivers**

It is clear that operators are fed up with being checked then re-checked within weeks or months, with the same documents being seen time and time again. The human resources, now most operators are fully complying with licensing, should be switched to driver licensing.

### **Open the PCO at least 6 days a week and from 07. 00 until late evening**

9 till 4 Monday to Friday with no provision over holiday periods is totally inappropriate for a 24 x 7 x 365 days a year industry.

### **Improve the communications systems between drivers, operators and The PCO**

The **LPHCA** has had hundreds of complaints that **The PCO** is one of the hardest places in the world to communicate with. Can't get a response by fax, phone or email. Phones ringing out, phones playing a recorded message then cutting off, emails not replied to and much more.

We have formally complained to the **PCO** several months ago, all this makes getting drivers into the industry a nightmare and is fuelling the driver shortage crisis.

All the above suggestions would help a besieged industry and **TfL** must see what is and what is not possible as a matter of urgency.

**The PCO have had 5 years to prepare for Private Hire Driver Licensing!**



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