

# Law Commission Consultation on Automated Vehicles: Passenger services and public transport

## OVERVIEW

This is a public consultation by the Law Commission for England and Wales and the Scottish Law Commission.

The consultation questions are drawn from our second consultation paper published as part of a three-year review of automated vehicles. For more information about this project, click [here](#).

The focus of our second consultation paper is how passenger-only automated vehicles might be used to supply passenger transport services to the public. We recommend that consultees read the consultation paper, which can be found on our website: <https://www.lawcom.gov.uk/project/automated-vehicles/>.

A shorter summary is also available on the same page.

We are committed to providing accessible publications. If you require this consultation paper to be made available in a different format please email [automatedvehicles@lawcommission.gov.uk](mailto:automatedvehicles@lawcommission.gov.uk) or call 020 3334 0200.

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## About you

What is your name?

Rebecca Fuller

What is the name of your organisation?

Urban Transport Group

Are you responding to this consultation in a personal capacity or on behalf of your organisation? (Please select only one item)

Personal response

Responding on behalf of organisation

Other

If other, please state:

What is your email address? (If you enter your email address then you will automatically receive an acknowledgement email when you submit your response.)

What is your telephone number?

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## Operator licensing: a single national system (Chapter 3)

**Consultation Question 1:** Do you agree that Highly Automated Road Passenger Services (HARPS) should be subject to a single national system of operator licensing? (Please select only one item.)

Yes

No

Other

Do not know / not answering

Please explain your answer:

UTG agrees that HARPS should be subject to a national system of consistent safety and security standards (see response to Question 2). However, we believe that local transport authorities are best placed to determine licensing of HARPS to ensure they serve local needs and objectives.

We agree that distinctions between taxis, private hire services and public service vehicles are already blurring making for a somewhat fragmented system of regulation. However, there are – and will continue to be - important differences between types of vehicles providing a passenger service. Regulatory divisions between taxis, private hire and PSVs may be in need of updating but are still relevant. Any licensing regime should not allow smaller, less efficient vehicle formats (like taxis and PHVs) to crowd-out public transport, walking and cycling. Public transport, walking and cycling represent the most efficient use of road space, cut congestion and bring benefits to health, the environment, society and the economy.

In our view the concept of HARPs which the Law Commission mainly concerns itself with is essentially still a form of taxi / PHV. We also note that the ambitions the Law Commission had for the centralisation of the regulation of (and effective elimination of local discretion over) the current taxi and PHV market in its report on taxis and private hire services also find their expression in this report.

Whilst we accept that there should be higher base levels of quality standards for Taxi and PHV provision and that there is a strong case for changes in the operation of the licencing regime, it is our view that there should be local discretion in key aspects of the current taxi and PHV market (as set out in our report [‘Taxi! Issues and Options for City Region Taxi and Private Hire Policy’](#)).

Local transport authorities have long made the case (and indeed do have) considerable local discretion within wider national regulatory frameworks for existing mobility options – including taxis, PHVs and Buses. This is in order that the service provided is relevant to

local circumstances (that vary widely from busy urban centres to deep rural environments) and in line with local democratic mandates. Examples of this discretion include the regulatory environment for buses (where the 2017 Act rightly gives local transport authorities the responsibility for determining the format for bus provision) and the licencing regime for PHVS and taxis. In an era where the Government has pledged itself to further devolution, these proposals risk re-centralising local transport provision as well as giving new mobility options an entirely different regulatory basis from existing mobility options.

Even if they remain unused, local transport authorities need powers to be able to limit the numbers – and ensure the quality – of smaller vehicles providing passenger services in their local areas. At present, local councils have the power to grant licenses to taxis and PHVs. Outside London, councils can also limit the number of taxis licensed in their area (but not the number of PHVs). Transport for London have no powers to limit numbers of taxis or PHVs.

Given the rapid growth in private hire numbers in recent years, and the challenges this has generated – particularly around congestion – local transport authority and Transport for London need the power to limit the number of licenses granted to passenger service vehicles capable of carrying up to eight people. These decisions are best made locally in the context of the particular transport mix and priorities of the area.

Already much needed, the importance of these powers will only increase with the advent of HARPS. There is no guarantee that passengers will be willing to share smaller HARPS vehicles and their comfort and convenience could make HARPS highly attractive for exclusive-use journeys. Without the power to limit numbers of these smaller format HARPS, cities could face being inundated with smaller vehicles which do not represent the most efficient means of transporting people from A to B; undermine mass transit, cycling and walking; contribute to congestion; and make for an unpleasant urban realm.

Allowing local transport authorities to place limits on numbers could mitigate the risk of ‘regulatory shopping’ referred to in the consultation document as there would be limits to the extent to which an operator could exploit any given regulatory system.

We agree that the current system for taxi and PHV does present serious problems in enforcing standards across local authority boundaries. We suggest that local authority licensing officers should be given powers to undertake enforcement action against any taxi or PHV operating within their authority area, no matter where it is licensed.

We also agree that the emphasis of existing systems on the role of the driver in granting licenses will need to change - any regime for HARPS will need to focus on licensing responsible operators instead.

**Consultation Question 2:** Do you agree that there should be a national scheme of basic safety standards for operating a HARPS? (Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain your answer:

National government is best placed to set safety standards for operating HARPS. This will ensure consistency of service expectations across the country. Safety standards should include provisions for ensuring personal safety in an unsupervised space as well as around roadworthiness, vehicle design and so on.

Beyond this national safety baseline, licensing authorities should be free to set higher standards where they see fit – whether that is around safety or around other areas such as the kind of vehicle used, data sharing, customer service and information provision. This would allow local authorities to set standards that are in line with the goals and priorities for their people and places.

## Operator licensing: scope and content (Chapter 4)

**Consultation Question 3:** Do you agree that a HARPS operator licence should be required by any business which:

- (1) carries passengers for hire or reward;
- (2) using highly automated vehicles;
- (3) on a road;
- (4) without the services of a human driver or user-in-charge in the vehicle (or in line of sight of the vehicle)?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain your answer:

**Consultation Question 4:** Is the concept of "carrying passengers for hire or reward" sufficiently clear? (Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain your answer:

The concept is well established and understood in existing legislation.

**Consultation Question 5:** We seek views on whether there should be exemptions for community or other services which would otherwise be within the scope of HARPS operator licensing.

Please share your views:

Any licensing scheme and associated national standards should be designed to be applicable and reasonable for operators of all sizes, whether operating for profit or otherwise.

**Consultation Question 6:** We seek views on whether there should be statutory provisions to enable the Secretary of State to exempt specified trials from the needs for a HARPS operator license (or to modify licence provisions for such trials).

Please share your views:

Such a provision could be useful to allow time-limited trials of new transport services, but it will be important to ensure that any affected local authorities have a meaningful say in whether or not the exemption is granted. The maintenance of public safety must also be a primary consideration in decision-making.

**Consultation Question 7:** Do you agree that applicants for a HARPS operator licence should show that they:

- (1) are of good repute;
- (2) have appropriate financial standing;
- (3) have suitable premises, including a stable establishment in Great Britain; and
- (4) have a suitable transport manager to oversee operations?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:



**Consultation Question 8:** How should a transport manager demonstrate professional competence in running an automated service?

Please share your views:

Many skills gained from the Transport Manager Certificate of Professional Competence (CPC) are likely to be transferrable to the management of HARPS, however, HARPS will additionally bring new scenarios to manage and require different skill sets (e.g. ensuring software updates are completed, systems to ensure the vehicles remain clean and roadworthy throughout the day, strategies for minimising empty running). Additional modules could be added to the CPC to cover this.

Existing taxi and PSV managers looking to move into HARPS provision will also need to be upskilled, given there are no transport management training requirements for this group at present.

**Consultation Question 9:** Do you agree that HARPS operators should:

- (1) be under a legal obligation to ensure roadworthiness; and
- (2) demonstrate "adequate facilities or arrangements" for maintaining vehicles and operating systems "in a fit and serviceable condition"?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 10:** Do you agree that legislation should be amended to clarify that HARPS operators are "users" for the purposes of insurance and roadworthiness offences?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 11:** Do you agree that HARPS operators should have a legal duty to:

- (1) insure vehicles;
- (2) supervise vehicles;
- (3) report accidents; and
- (4) take reasonable steps to safeguard passengers from assault, abuse or harassment?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 12:** Do you agree that HARPS operators should be subject to additional duties to report untoward events, together with background information about miles travelled (to put these events in context)?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

We agree that such reporting would be essential to enable lessons to be learned that may prevent future 'untoward events'. HARPS operators (as well as manufacturers and operators of non-HARPS fleets) should be required to share any information that may help explain, contextualise and prevent future incidents. Local transport authorities should be among the stakeholders with whom information is shared.

In the most serious cases, this links to a wider issue around the need for a more systematic and comprehensive system of investigation of fatal and serious road collisions, focused on learning and dissemination of results, as already happens in rail and aviation.

**Consultation Question 13:** Do you agree that the legislation should set out broad duties, with a power to issue statutory guidance to supplement these obligations?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

It will be important to ensure that legislation and guidance has the agility and flexibility to respond to technology as it develops and as experience of real-world implementation grows.

**Consultation Question 14:** We invite views on whether the HARPS operator licensing agency should have powers to ensure that operators provide price information about their services.

In particular, should the agency have powers to:

(1) issue guidance about how to provide clear and comparable price information?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

As stated above, we believe that local transport authorities are best placed to license HARPS locally, in line with safety and security standards set nationally. It would be helpful if the licencing agency was able to require HARPS operators to provide price information, but this would need to apply to 'legacy' - non-HARPS – passenger services as well to ensure fairness and to provide a more complete picture to would-be passengers.

Such powers would be useful now - many bus companies, for example, currently fail to provide clear information to passengers about what they can expect to pay for their planned journey, leaving them to find out when they board the bus.

Local transport authorities should be able to add specific local requirements for HARPS operators where appropriate. This could include, for example, a requirement to submit information about services and pricing into local Mobility as a Service apps to enable customers to compare their options and helping to ensure that HARPS form part of an integrated transport offer.

There are, however, questions around how comparability of fare information could be ensured across modes and different types of HARPS. If HARPS include taxi-type services and bus type-services, fare structures and business models could be very different and hard to compare. For example, taxis may charge per mile and vary charges depending on time of day. Bus-type services may charge a single price for all-day travel. Both may vary their fares depending on the time of day. HARPS may generate an even more complicated picture if they adopt a more demand-responsive, agile service – varying routes and fares depending on how many people want to travel and the drop-offs along the way.

There are also wider questions about the implicit assumption that HARPs fares are essentially determined by the private sector. These include:

- the dangers of predatory pricing in order to undermine the operation of more conventional public transport (with its regulated fares)
- the implications for concessionary fares schemes for various low income or disadvantaged groups which public transport provides and the absence of which for HARPs could be used to compete in a way which eliminated the public transport provision which those groups rely on
- how this relates to the preference of the public for simple and integrated pricing structures for collective transport provision in large urban areas (such as Oyster in London).

There is inadequate consideration of these issues in the report.

(2) withdraw the licence of an operator who failed to give price information?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

Current public transport operators do not always make it easy for passengers to discover fare information. When it is available, it can be confusing for passengers with many different ticket types and terms and conditions as to how and when each may be used. Even when price information is provided, therefore, it is not always presented in a way that is helpful to passengers so defining 'failing to give price information' could require some further thought. That said, you would not expect to go into a supermarket and find that there were no prices on any of the products. In providing a public service, and to protect consumers, operators should have a duty to provide price information that is clear and easy to understand. The power to withdraw the licence of an operator who failed to give price information could be useful as a last resort.

**Consultation Question 15:** Who should administer the system of HARPS operator licensing?

Please share your views:

As stated above, we believe that local authorities are best placed to license HARPS locally. See response to Consultation Question 1.

**Consultation Question 16:** We welcome observations on how far our provisional proposals may be relevant to transport of freight.

Please share your views:

In future, a number of considerations relevant to HARPS licencing could be applicable to freight licensing (e.g. duty to supervise and maintain vehicles, the need for a transport manager to oversee operations).

There is potential for spare capacity within HARPS to be used to transport freight in order to make optimum use of the available space and opportunities connectivity presents for trip-chaining.

## Privately-owned passenger-only vehicles (Chapter 5)

**Consultation Question 17:** Do you agree that those making "passenger-only" vehicles available to the public should be licensed as HARPS operators unless the arrangement provides a vehicle for exclusive use for an initial period of at least six months?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 18:** Do you agree that where a vehicle which is not operated by a HARPS licence-holder is authorised for use without a user-in-charge, the registered keeper should be responsible for:

- (1) insuring the vehicle;
- (2) keeping the vehicle roadworthy;
- (3) installing safety-critical updates;
- (4) reporting accidents; and
- (5) removing the vehicle if it causes an obstruction or is left in a prohibited place?

Please select only one item

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 19:** Do you agree that there should be a statutory presumption that the registered keeper is the person who keeps the vehicle?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 20:** We seek views on whether:

(1) a lessor should be responsible for the obligations listed in Question 18 unless they inform the lessee that the duties have been transferred.

Please share your views:

No comments.

(2) a lessor who is registered as the keeper of a passenger-only vehicle should only be able to transfer the obligations to a lessee who is not a HARPS operator if the duties are clearly explained to the lessee and the lessee signs a statement accepting responsibility?

Please share your views:

No comments.

**Consultation Question 21:** Do you agree that for passenger-only vehicles which are not operated as HARPS, the legislation should include a regulation-making power to require

registered keepers to have in place a contract for supervision and maintenance services with a licensed provider?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 22:** We welcome views on whether peer-to-peer lending and group arrangements relating to highly automated passenger-only vehicles might create any loopholes in our proposed system of regulation.

Please select only one item

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 23:** We seek views on whether the safety assurance agency proposed in Consultation Paper 1 should be under a duty to ensure that consumers are given the information they need to take informed decisions about the ongoing costs of owning automated vehicles.

Please share your views:



No comments.

## Accessibility (Chapter 6)

**Consultation Question 24:** We seek views on how regulation can best promote the accessibility of Highly Automated Road Passenger Services (HARPS)? In particular, we seek views on the key benefits and concerns that regulation should address.

Please share your views:

The most effective means of ensuring the accessibility of HARPS is to involve people with disabilities in the design, development and testing of vehicles and services from the earliest possible stage.

Ensuring accessibility for all also goes beyond designing with disability in mind. The consultation rightly recognises that older people's needs must be taken into account, but other groups have also frequently been excluded from consideration in the past. Vehicles and transport services have too often – whether consciously or not – been designed around the able-bodied, white 'default male'. The needs of women, children and people from black and minority ethnic backgrounds are not explored or accounted for. This lack of consideration adversely affects the extent to which public transport is truly accessible for all.

The development of HARPS could potentially offer the opportunity to 'bake in' accessibility from the outset. There is good practice to learn from. For example, Transport for Greater Manchester's Disability Design Reference Group, made up of local people with a range of disabilities, input into the design and testing of TfGM's transport services.

The consultation document is right to recognise the need for every stage of a journey to be accessible – from initial planning to destination. In practice, this is often not the case as disruptions and breaks in the chain occur and this is likely to be true for HARPS as well. The regulations therefore need to ensure that passengers are equipped with the information they need to anticipate any accessibility gaps, understand where they may need support (and ideally have an easy means to arrange this support at minimal notice) and be well informed as to the alternatives should disruptions occur. Access to this information in a range of formats – including being able to speak to a human – will be important in giving the widest possible range of people the confidence to travel.

In respect of older and disabled people specifically, consideration will need to be given as to how the English National Concessionary Travel Scheme (ENCTS) will be transferred across to HARPS and for what kinds of vehicles/services it will be applied. Without ENCTS, there is a risk that new HARPS formats will be unaffordable for older and disabled people. The intention to use the term HARPS to encompass a wide range of vehicle types and services is problematic in this respect as it would not be desirable to allow ENCTS to be used to subsidise travel on low-capacity taxi or PSV type services as this could add to congestion and social atomisation as well as increase the costs of the scheme.

**Consultation Question 25:** We provisionally propose that the protections against discrimination and duties to make reasonable adjustments that apply to land transport service providers under section 29 of the Equality Act 2010 should be extended to operators of HARPS. Do you agree?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

**Consultation Question 26:** We seek views on how regulation could address the challenges posed by the absence of a driver, and the crucial role drivers play in order to deliver safe and accessible journeys. For example, should provision be made for:

(1) Ensuring passengers can board and alight vehicles?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

As far as possible, vehicles and infrastructure should be designed to ensure that passengers can board and alight vehicles unaided. It is unclear how HARPS will develop. It may be that passengers are not comfortable travelling with strangers in an unsupervised space. HARPS may therefore have customer hosts on board or at key points along the route who are trained and ready to provide assistance, reassurance and information as required. Alternatively, arrangements could be made to enable passengers to pre-book assistance (including at short notice) or to easily (and affordably) travel with a carer or companion.

(2) Requiring reassurance when there is disruption and accessible information?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

See previous answer – it is possible that human customer hosts could provide a valuable service in this respect. Training for staff and its application in practice is key. Currently the presence of a driver is no guarantee that information will be provided or explanations given in the event of disruption. It is also possible, therefore, that an accessible, onboard machine-based interface could be of value in providing more consistent, reliable reassurance and information to passengers. The interface could be powered by AI or use human operators based at a central service centre.

(3) Expansion of support at designated points of departure and arrival?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

Additional human support at key departure points, destinations and transport hubs will continue to be of value in helping people complete their journey. Potentially the removal of overheads associated with driver costs could be used to provide enhanced levels of customer service and provide new job opportunities, including for those displaced by autonomous technology.

**Consultation Question 27:** We seek views on whether national minimum standards of accessibility for HARPS should be developed and what such standards should cover.

Please share your views:

Minimum standards for the accessibility of HARPS should be developed, drawing on, and enhancing efforts made in improving the accessibility of taxis and buses. Any standards should allow – and encourage – manufacturers, operators and bodies specifying vehicles to go above and beyond the minimum standard in recognition of the benefits of opening up transport options to the broadest possible range of customers.

**Consultation Question 28:** We seek views on whether operators of HARPS should have data reporting requirements regarding usage by older and disabled people, and what type of data may be required.

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

Currently, the English National Concessionary Travel Scheme (ENCTS) generates data as to the usage of bus services by older and disabled people which operators are required to report on. This should continue to apply if the ENCTS is transferred to the relevant forms of HARPS (i.e. those providing bus-type services).

When older and disabled people travel on services where ENCTS passes do not apply it is not clear how operators will be able to monitor usage by this group without – for example - requiring passengers to create user profiles which link to their payments for travel. This additionally raises issues around data protection.

More broadly, occupancy data (regardless of passenger type) for HARPS would be helpful to understand whether vehicles are being well utilised.

## Regulatory tools to control congestion and cruising (Chapter 7)

**Consultation Question 29:** We seek views on whether the law on traffic regulation orders needs specific changes to respond to the challenges of HARPS.

Please share your views:

Whilst helpful, Traffic Regulation Orders (TROs) alone are not sufficient tools for enabling transport authorities to control congestion and empty-running. TROs are simply not designed to be a regulatory tool and would be an extremely cumbersome way of attempting to deal with what could be very nimble and fast moving tactics in the event that a large HARP operator was seeking to flood a market in order to achieve long term market dominance.

As mentioned above, authorities need powers to limit numbers of HARPS licences to prevent large numbers of smaller, low capacity vehicles crowding out more space-efficient mass transit formats. In some places, for example, more rural areas, it is likely that smaller format HARPS will be the right vehicles to address lower and more dispersed demand. However, in bigger towns and cities, transport authorities will want to encourage formats that ensure large numbers of people can be transported making the best use of available space (i.e. walking, cycling and public transport).

**Consultation Question 30:** We welcome views on possible barriers to adapting existing parking provisions and charges to deal with the introduction of HARPS.

In particular, should section 112 of the Road Traffic Regulation Act 1984 be amended to expressly allow traffic authorities to take account of a wider range of considerations when setting parking charges for HARPS vehicles?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

We do not agree that the answer to empty cruising is to charge HARPS less for parking than for using the road. This potentially creates a different problem with streets remaining cluttered with parked vehicles. It may also disincentivise efficient use of vehicles as there will be less reason for vehicles to carry on to another pick-up/job having dropped off its

passengers or load. Other tools, such as limiting numbers (so that there are fewer, but more intensively used vehicles) or road user charging are likely to be more effective in discouraging empty cruising.

Passenger service vehicles, like taxis, PHVs and buses – from which HARPS evolve - currently do not have parking provision as such. There are taxi ranks, bus stops, depots and so-on where vehicles can wait for passengers or return to base when they are not needed. In common with these modes, HARPS will require some 'standing still' space whilst they wait for their next job but they will not require parking provision as such. Unlike conventional vehicles, these spaces and depots could be on the outskirts of city centres where vehicles could wait to be summoned without taking up valuable street space that could instead be given over to paths, parks and play spaces.

Kerb use may therefore evolve from car parking to use for pick-up and drop-off. In its report 'The Shared-Use City' the OECD recommend that to regain lost parking revenues and to manage traffic and transport demand, public authorities should consider pricing kerb use and explore which instruments they might use.

The OECD remark that smart technology and connected vehicles could mean that kerb spaces are *'no longer static, inflexible installations. Instead curb use will resemble dynamic, highly flexible, self-solving puzzles.'* Booking, allocating and controlling the use of spaces for different purposes and at different times of the day could all be done dynamically and in real-time, with the infrastructure communicating with the vehicles to control access.

New legislation and regulations could be designed to provide transport authorities with the powers they need to manage and price the use of kerb space.

As with TROs, parking policy is not a suitable mechanism for seeking to manage excessive provision of HARPs just as it is not seen as an effective proxy measure for regulating taxi and PHV at present.

**Consultation Question 31:** We seek views on the appropriate balance between road pricing and parking charges to ensure the successful deployment of HARPS.

Please share your views:

Further to our answer to the previous question, we feel that road pricing – together with the ability to limit numbers of HARPS – will be more important to the successful deployment of HARPS than parking charges. Parking charges themselves could evolve into charges for kerb use as outlined above.

Given that we have seen a consistent pattern of new entrants to the mobility market operating services at a considerable loss and being willing to 'burn cash' in order to seek a position of market dominance, again it is the power to limit numbers as well as pricing power that is needed.

**Consultation Question 32:** Should transport authorities have new statutory powers to establish road pricing schemes specifically for HARPS?

(Please select only one item)

Yes

No

Other

Do not know / not answering

If so, we welcome views on:

- (1) the procedure for establishing such schemes;
- (2) the permitted purposes of such schemes; and
- (3) what limits should be placed on how the funds are used.

Please explain:

Transport authorities should have the flexibility to establish road pricing schemes for HARPS or for any other category of vehicle and to design schemes that fit with the goals and priorities set for their places. Establishing road pricing schemes for HARPS alone may be counter-productive as it could incentivise other, potentially less efficient forms of transport, like individual private car use.

Road pricing schemes would be a useful tool for reducing empty cruising HARPS as mechanisms could potentially be built in to encourage greater occupancy levels. However, as mentioned above, pricing mechanisms alone are not a sufficient deterrent given the track record of new entrants being willing to 'burn cash' in order to seek to achieve market dominance.

**Consultation Question 33:** Do you agree that the agency that licenses HARPS operators should have flexible powers to limit the number of vehicles any given operator can use within a given operational design domain?

(Please select only one item)

Yes

No

Other

Do not know / not answering



If so, how long should the period be?

Please explain:

As noted previously, we believe local transport authorities should have the powers to license HARPS operators deploying vehicles in their area. Decisions as to how many vehicles a given operator can use should be made locally to ensure deployment fits with wider strategic goals and priorities for the area.

**Consultation Question 34:** Do you agree that there should be no powers to impose quantity restrictions on the total number of HARPS operating in a given area?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

Transport authorities should have the power to impose quantity restrictions on HARPS, informed by the needs and priorities of their local area. The rapid growth of private hire services like Uber in recent years has contributed to congestion and authorities need the flexibility to prevent over-supply of vehicles. These powers may not ever be used but they are a useful back-up should market mechanisms fail.

Authorities also need the power to prioritise some forms of HARPS over others – for example, they may want to licence a number of smaller feeder services that connect people to main mass transit networks and/or prioritise HARPS with the capacity to carry larger numbers of people to make the most efficient use of road space. The key is to ensure that transport authorities have the necessary powers and flexibilities to plan transport networks that meet the unique needs of the people and places they serve.

## Integrating HARPS with public transport (Chapter 8)

**Consultation Question 35:** Do you agree that a HARPS vehicle should only be subject to bus regulation if it:

(1) can transport more than eight passengers at a time and charges separate fares?

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

We do not accept the assumption in the rest of the document that there should be a cliff edge between a bus (which is part of a locally determined regulatory framework which includes specified fares up to, and including, fully specified fares) and what is in effect a HARP taxi (over which local areas have no direct powers and where fares are left entirely to the market). This creates an obvious risk that HARPs taxis will use their different regulatory position to undermine public transport.

There could also be an argument for local discretion in deciding the level of passenger carrying capacity required in order to be considered as a bus service. In an urban area, in order to promote mass transit, you may wish to have a higher threshold whereas in a rural area (where it is costly to provide conventional public transport) you may wish to have a lower threshold to allow smaller vehicles to serve as buses.

(2) does not fall within an exemption applying to group arrangements, school buses, rail replacement bus services, excursions or community groups?

Please select only one item

(Please select only one item)

Yes

No

Other

Do not know / not answering

Please explain:

See answer above.

**Consultation Question 36:** We welcome views on whether any particular issues would arise from applying bus regulation to any HARPS which transports more than eight passengers, charges separate fares and does not fall within a specific exemption.

Please share your views:

See answer to Question 35.

**Consultation Question 37:** We welcome views on whether a HARPS vehicle should only be treated as a local bus service if it:

- (1) runs a route with at least two fixed points; and/or
- (2) runs with some degree of regularity.

Please explain:

This seems sensible in principle.

**Consultation Question 38:** We seek views on a new statutory scheme by which a transport authority that provides facilities for HARPS vehicles could place requirements on operators to participate in joint marketing, ticketing and information platforms.

Please share your views:

We would not wish to see the powers available in the 2017 Bus Services Act weakened. Instead they should be strengthened in order to make it easier for local transport authorities to take up the powers contained in it.

## Other comments

Is there any other issue within our terms of reference which we should be considering in the course of this review?

Please share your views:

We set out our views on the reform of the existing taxi and PHV market in our report ['Taxi! Issues and Options for City Region Taxi and Private Hire Vehicle Policy'](#) which include:

- New statutory national minimum standards for the licensing of taxis, PHVs, their drivers and operators.
- Enable licensing officers to undertake enforcement action against any taxi or PHV operating within their authority area, no matter where the vehicle is licensed.
- Clear, statutory definitions of 'plying for hire' and 'pre-booked services'.
- Introducing a requirement that taxis and private hire journeys start or end in the area for which the driver and vehicle are licensed.
- Giving authorities the powers to limit the number of PHV and PH driver licenses issued.

More details on each of these can be found in the report. We believe that the future regulatory review for HARPs should accommodate these conclusions.