



# Guidance for operators of stretch limousines



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# Introduction

This Guidance tries to answer basic questions to assist owners and operators of stretched limousines.

It is only intended for general help; it is not a legal document. For details of the law you will need to refer to the relevant legislation or seek independent legal advice.

Section 1 and 2 cover the requirements to get your vehicle registered at DVLA; the remainder covers the licensing requirements for your vehicle, and the sanctions available to the enforcement authorities in relation to illegally operated vehicles.

**IMPORTANT-** Operations which involve hiring a vehicle out with a driver, or receipt of payment or any other kind of reward in return for the carriage of passengers, will require some form of licence, either for use as a public service vehicle (PSV) or as a private hire vehicle (PHV), depending on the size of vehicle and the way it is used. Failure to adhere to these requirements may result in your vehicle being impounded, and ultimately, destroyed.

Please ensure that you are familiar with all the requirements set out in this Guidance Booklet.

Licences for PSVs are granted by traffic commissioners and authorise the use of licensed vehicles throughout Great Britain. Licences for PHVs are issued by Local Authorities.

Section 4 explains which type of licence is needed and where to obtain more information about the licensing requirements.

Further information on specific aspects of the law can be found in the documents listed in this Guidance and from the web links provided to Government websites. If after considering the additional information you are still unsure about any aspect of the law you should consider seeking independent legal advice.

## 1. How do I register my Limousine for use on the road in Great Britain?

If you buy a brand new vehicle in Great Britain (GB) the dealer will usually arrange for it to be registered for you.

Further information can be obtained from <http://www.direct.gov.uk>, by following the pathway below;

- **Motoring**
- **Buying and selling a vehicle**
- **Registering a vehicle**

A vehicle imported into GB for use on the public road must be licensed and registered immediately after arrival. Information on the procedures for importing, licensing and registering vehicles purchased outside Great Britain can be found on the website above under 'Registering an Imported vehicle'.

The vast majority of Limousines imported into GB are exported from the USA. Legislation governing the construction and use of vehicles is significantly different in America and therefore the vehicles will need modifications (very substantial modifications in the case of larger vehicles) before being compliant with GB requirements. Before purchasing a limousine, you should investigate the matter fully and satisfy yourself that the vehicle can be modified to meet the GB requirements and that you know the cost of these modifications - see below for more information on what these are.

### Limousines with fewer than 9 passenger seats<sup>1</sup>

Smaller limousines, those with fewer than 9 passenger seats, will in almost all cases not be type approved to British or European standards and thus will need to prove compliance through the Individual Vehicle Approval Scheme (IVA), formerly known as the Single Vehicle Approval scheme (SVA). The IVA scheme provides a pre-registration inspection for all passenger and goods vehicles that have not been type-approved to British or European standards. The main purpose of this scheme is to ensure that these vehicles have been designed and constructed to modern safety and environmental standards before they can be used on public roads.

### Limousines with more than 8 passenger seats<sup>2</sup>

Traditionally a limousine of this size required a COIF (Certificate of Initial Fitness) from VOSA in order to be registered and used to carry paying passengers (referred to as "use for hire or reward"). Since April 2009 it has also been possible to apply for Individual Vehicle Approval (IVA) or type approval for such vehicles. From 29 October 2010, COIF will no longer be an acceptable route to registration, except for vehicles built more than 3 months prior to this date (i.e. manufactured prior to 29th July 2010).

There are very few limousine types that are currently compliant with COIF, IVA or type approval requirements. The Department is aware that vehicles not complying with GB, or EC, construction regulations have been registered in the past and has taken steps to prevent this. Operators need to consider, when purchasing a larger limousine, that most of these vehicles will require considerable expense to convert them in order that they can meet COIF or IVA requirements.

## 2. Can I convert a car that is already registered into a Limousine, by stretching it?

It is possible to take a car which is already registered with DVLA and convert it into a Limousine, using reputable coachbuilders here or in the USA. Once the vehicle has been converted you are legally required to notify DVLA of the changes, since the identity of the

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<sup>1</sup>The seating capacity is the number of passengers the vehicle is adapted to carry; Seating capacity can be defined by the number of seating positions - which could be defined by sculpting in the seat and/or seat belts.

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vehicle may be brought into question. It is possible that the passenger capacity, weight limits, or the taxation class of the vehicle would have changed, so the V5C registration document would no longer be valid.

If a vehicle or its chassis has been cut in half and extended, the vehicle would need to be inspected by DVLA and would be assessed as being in one of two categories; either as radically altered from its original specification or, if a kit of new parts has been used in the build, as a kit conversion. The registration number will change because this is not the same vehicle as that described on the vehicle records and it would be misleading to retain the original registration number when the vehicle has undergone such major modifications. A vehicle undergoing major structural alterations is likely to require approval (IVA) in its modified condition.

**IMPORTANT** - you are legally required to notify DVLA of any changes to your vehicle or if any details shown on your registration certificate are incorrect; examples of changes are engine, replacing/modifying chassis and seating capacity.

DVLA has published a guide to the registration of rebuilt, radically altered and kit converted vehicles, in the form of an information leaflet INF 26, which is available from DVLA Local Offices.

Further information can be obtained from <http://www.direct.gov.uk>, by following the pathway below;

- **Motoring**
- **Buying and selling a vehicle**
- **Registering a vehicle**

You will be required to show receipts, build plans and photographs of the build if you are applying for kit conversion status. DVLA advises that before modifying a vehicle which has a cherished registration mark, the vehicle keeper may wish to consider securing the mark, which may be lost if the vehicle's identity is changed. Moreover if the capacity now exceeds 8 passengers then the applicant should ensure that it is compliant with the applicable requirements, which (as above) means submitting the vehicle for either a Certificate of Initial Fitness (COIF) examination or an IVA inspection.

If, following modification, the identity of the vehicle is changed then evidence of approval will be required in order to register the vehicle. This will normally be provided by issue of an IVA certificate.

## **Evidence required before undergoing Individual Vehicle Approval (IVA) testing**

Before a converter submits his vehicle to VOSA for an IVA inspection evidence must be provided to demonstrate the modified vehicle's capability to operate at weights higher than the original vehicle's maximum gross weight where this will be exceeded when the vehicle is full of passengers. Key components such as the axles, suspension and brakes may have to be upgraded to take the extra weight of the converted vehicle, compared to the original base vehicle.

## More information

Further information on registering a rebuilt, radically altered or kit converted vehicle can be obtained from <http://www.direct.gov.uk> by following the pathway below.

- **Motoring**
- **Buying and selling a vehicle**
- **Registering a vehicle**

### 3. Can I use my Limousine to carry fare paying passengers?

Yes, however motor vehicles used in Great Britain to carry passengers for hire or reward must be used in accordance with the appropriate licence. The type of licence required depends on the capacity of the vehicle and the type of operation undertaken - further advice is contained in section 4 below.

### 4. What type of Operator's licence do I need?

#### **Vehicles constructed or adapted to carry more than 8 passengers require a PSV Operator's Licence**

For vehicles constructed or adapted to carry more than 8 passengers used to carry passengers for hire or reward, the licence required is a public service vehicle (PSV) operator's licence granted by the Traffic Commissioner.

#### **Vehicles constructed or adapted to carry 8 passengers or fewer, require either a private hire vehicle (PHV) licence or a Public Service Vehicle (PSV) operator's licence:**

- (a) a private hire vehicle (PHV) licence is required if the vehicle is hired out, with a driver, as a whole (ie: an exclusive hiring). In England and Wales these licences are administered by the relevant local authority or, in London, Transport for London (TfL), who have discretion as to what vehicles they will licence. Where the PHV licensing regime applies the vehicle, the driver and the operator<sup>3</sup> must all be licensed separately by the authority. The situation is similar in Scotland, where Local Authorities act as licensing agents for the Scottish Executive who have legislative responsibility.
- (b) a PSV operator's licence is required if the vehicle is used for carrying passengers at separate fares in the course of a business of carrying passengers. Such licences are granted by the Traffic Commissioner. This type of operation is known as a small PSV.

However, where certain conditions are met, vehicles constructed or adapted to carry fewer than 9 passengers will fall to be licensed as PHVs even if passengers pay separate fares. These conditions are essentially about private groups of individuals who make arrangements to share the vehicle, with those arrangements being made independently of

<sup>3</sup>The operator is the person who, in the course of business, makes provision for the invitation or acceptance of bookings for a private hire vehicle.



the operator and driver. The relevant conditions are as follows –

- the arrangement for the payment of separate fares must not be made by the owner, driver or operator of the vehicle, nor by any person who receives payment for making such arrangements;
- the journey must not be advertised to the public;

The following conditions may also be relevant-

- where the journey is to a particular destination, all the passengers must travel to, or within the vicinity of, that destination;
- no differentiation of fares for the journey must be made on the basis of distance or time.

**IMPORTANT** - where these conditions are met, the use of the vehicle falls within the PHV licensing regime even if passengers are carried at separate fares, and the appropriate licences must be held.

Information on the PSV operator licensing regime is contained in the guidance booklet PSV437 which can be obtained from any of VOSA's traffic area offices (for address and contact details see appendix 1) or can be accessed on the VOSA website

Publications can be viewed and downloaded from [www.vosa.gov.uk](http://www.vosa.gov.uk) by following the pathway below;

- **Publications**
- **Manuals and Guides**
- **Operator Licence Guides**

Information on the local private hire vehicle requirements can be obtained from your local licensing authority (district/borough councils, unitary authorities or TfL).

Contact details for your local authority can be found on <http://www.direct.gov.uk> by following the pathway below;

- **Directories**
- **Contacts**
- **Local Councils**

**Given that most limousine operations are likely to be exclusive hirings the majority of operations using vehicles adapted to carry fewer than 9 passengers, are likely to fall within the requirements of the PHV operator regime.**

If you need further information about the operation of small passenger-carrying vehicles (with 8 or fewer passenger seats) in Scotland ask the Scottish Traffic Area for a copy of the note Licensing of Small Passenger Carrying Vehicles.

**You will also need to ensure that you have the appropriate vehicle and operator insurance for your operation.**



**Operating without a valid PSV operator licence (where applicable) or vehicle insurance could result in your vehicle being impounded. Other offences could result in prosecution through the Courts, the issue of a Fixed Penalty and Immobilisation of the vehicle**

## 5. Operating services for hire or reward without the required Operator's licence is a criminal offence

Hire or reward is any sort of payment or other reward which gives a person a right to be carried on a vehicle regardless of whether a profit is made or not. The payment may be made by the person themselves or on their behalf. It may be a direct payment (such as a fare, hire charge or other payment made in respect of the journey) or an indirect payment (such as a membership subscription to a club, payment for a bed in a hotel or payment for concert tickets).

### What's "dry hire" and what's wrong with it?

"Dry hiring" is the term used to describe the practice whereby a company leases out a limousine without a driver. If the person hiring the vehicle intends to drive it himself (and holds a suitable driver's licence and insurance), then this is a perfectly legitimate arrangement.

However, some operators have sought to adopt the practice of offering (or requiring) the hirer to hire a driver from a connected/related company under a separate agreement. VOSA considers that where this practice is adopted in an attempt to circumvent the PSV operator licensing requirements where passengers are being carried for hire or reward, it is illegal. This view is backed up by the courts, who have upheld decisions to bring legal action against operators who have used this practice. VOSA will continue to bring such cases to court, and limousine owners who continue to use "dry hiring" in this way could have their vehicles impounded.

### Prohibition and Impounding of Unlicensed and Unsafe Vehicles

As from 1st October 2009 VOSA has the power, under new legislation<sup>4</sup>, to impound any vehicle constructed or adapted to carry more than 8 passengers which is being, or has been, used to carry passengers for hire or reward without a PSV operator's licence.

*VOSA may also prohibit vehicles from further use where serious mechanical defects, overloading and drivers' hours offences are detected.*

In addition to VOSA's powers the police have powers to seize a vehicle for other offences, for example, if it does not meet insurance requirements.

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<sup>4</sup>The Public Service Vehicles (Enforcement Powers) Regulations 2009 (S.I. 2009/1964).

VOSA has widely publicised the requirements of the PSV and PHV licensing regimes to raise awareness and enable as many operators as possible to obtain the necessary licence. Where possible, suspected operators of unlicensed PSVs (including limousines) have been or will be notified individually in writing. Clearly VOSA cannot send notification to operators it is not aware of and it remains the responsibility of all vehicle operators to ensure that they fully understand their legal obligations and comply with the law. If you have any doubts as to whether your operations are compliant with the law, you should seek independent legal advice.

**Ultimately, where vehicles are found unable to comply with COIF or IVA requirements, they may be destroyed.**

## Fixed Penalties and Immobilisation

On the 1st April 2009 the graduated fixed penalty, deposits and immobilisation scheme (GFP/DS) was launched. The Road Safety Act 2006 introduced powers to enable both police constables and VOSA examiners to:

1. Issue fixed penalties in respect of both non-endorsable and endorsable offences;
2. Request immediate financial deposits from non-UK-resident offenders (equivalent to an on-the-spot fine) - either in respect of a fixed penalty or as a form of surety in respect of an offence which is to be prosecuted in court; and,
3. Immobilise vehicles in any case where a driver or vehicle has been prohibited from continuing a journey or in any case where a driver declines to pay the requested deposit.

There are various offences covered by the scheme which are all driver related. The scheme includes offences such as failing to have a tachograph installed, failing to produce a driver CPC and failure to comply with Construction and Use Regulations.

More information on graduated fixed penalties, deposits and immobilisation schemes can be found on [www.businesslink.gov.uk/transport](http://www.businesslink.gov.uk/transport)

- This takes you to the BusinessLink (Transport and Logistics) home page
- Under the Heading 'Drivers' select Fixed Penalties

## 6. What can I do if my local authority will not license my vehicle as a PHV?

Each local licensing authority may decide which vehicles are suitable for licensing as PHVs in their area. Accordingly, it is for each licensing authority to decide for its area whether they wish to license stretched limousines as PHVs, taking into account local circumstances.

It is important to note that only vehicles constructed or adapted to seat fewer than 9 passengers can be licensed as PHVs. Where a vehicle is licensed and used as a PHV, the operator and any person who drives the vehicle for hire must also hold the appropriate licence issued by the local authority.

The Department for Transport has issued best practice guidance to local licensing authorities in England and Wales (similar guidance has been issued by the Scottish Executive to Scottish Local Authorities) on the licensing of taxis and PHVs. This guidance encourages local authorities to consider the licensing of limousines on a case by case basis and not to impose a blanket ban on the type of vehicle.

The licensing process, in England and Wales, allows for would-be licence holders, who are refused a licence on the grounds that a vehicle is unsuitable to be licensed as a PHV, to appeal against the authority's decision in the local magistrate's court.

## 7. Are there any exceptions to the requirement to licence as a PHV operator?

Vehicles constructed or adapted to seat fewer than 9 passengers, including stretched limousines, are exempt from PHV licensing requirements while being used in connection with a funeral or a wedding, or where used wholly or mainly for the purpose of funerals by a person carrying on the business of an undertaker.

## 8. Can I licence my Limousines as Small PSVs?

Further details on the use of vehicles as Small PSVs are available in the leaflet PSV 437 available to view and download from the VOSA website following the link included at Section 4 of this guide.

## 9. Can I use a Limousine to carry more than 8 passengers?

You can only do so if your vehicle is constructed or adapted to carry more than 8 passengers, and if you have a PSV operator's licence that entitles you to do so. In order to obtain such a licence you will need to prove that your vehicle complies with legally required safety standards. In order to prove this, your vehicle will need to have evidence of whole vehicle type approval, a Certificate of Initial Fitness (COIF) or an IVA issued by VOSA.

However, most limousines imported from the USA cannot obtain such a certificate because they do not comply with GB, or EC, construction and use regulations. In particular, the regulations require any passenger vehicle carrying more than eight people to have exits big enough to get passengers out quickly in the event of an emergency. Many limousines do not comply with this requirement. In addition, the regulations require European-approved lamps, mirrors, tyres, seat belts and glass, which are not present on American vehicles, and the regulations on turning circle are not met by most stretched American vehicles.

If your vehicle is able to comply with the safety standards, guidance on obtaining a PSV licence is available in the booklet PSV 437. The guidance provides details of the type of

services that you may provide using such a licence but you will also need to consider the impact of the drivers' hours, tachograph, and driver licensing requirements for PSV vehicles. Guidance on drivers' hours is available in the document PSV 375 (also available from VOSA).

Publications can be viewed and downloaded from [www.vosa.gov.uk](http://www.vosa.gov.uk) by following the below pathway:

- Publications
- Manuals and Guides
- Operator Licence Guides

Driver licence information is available from <http://www.direct.gov.uk> by following the below pathway

- Motoring -
- Driver Licensing

## 10. For more information

### PSV Operator Licensing

If you have a query about PSV Operator licensing contact:

Central Licensing Unit  
Hillcrest House  
386 Harehills Lane  
Leeds  
LS9 6NF  
Tel 0300 123 9000

### Private Hire Vehicle Licensing and Local Authorities

If you have a query regarding Private Hire Vehicle Licensing contact your Local Authority - contact information will be listed in your local phone book or can be found on <http://www.direct.gov.uk> by following this pathway -

- Directories
- Contacts
- Local Councils

### Publications

The PSV Operator Licence Guide and other VOSA publications can be viewed and downloaded from the [www.vosa.gov.uk](http://www.vosa.gov.uk) website by following the following path from the site home page:

- Publications
- Manuals and Guides

**Paper copies of VOSA guides are available by contacting the VOSA National Contact Centre on 0300 123 9000**

### Business Information

A wide range of information on transport as a business can be found on: [www.businesslink.gov.uk/transport](http://www.businesslink.gov.uk/transport)

**The Department for Transport** website address is: [www.dft.gov.uk](http://www.dft.gov.uk)

**The Transport for London** website address is: [www.tfl.gov.uk](http://www.tfl.gov.uk)

**The VOSA Contact Centre** Telephone Number: **0300 123 9000**







