

Licensing Committee

22 July 2015

Report Title Proposed Revisions to Hackney Carriage & Private Hire Vehicle, Driver and Operator Criteria

Accountable Strategic Director Tim Johnson
Place

Originating service Licensing Services

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Recommendation(s) for action or decision:

The Licensing Committee is recommended to:-

- (i) Approve and endorse for implementation the revised private hire vehicle criteria.
- (ii) Approve and endorse the revised driver training programme for private hire drivers.
- (iii) Note the introduction of three year driver and five year operator licences resulting from the Deregulation Act 2015
- (iv) Agree the proposed five year operators fees detailed at section 3.3.3 of the report.
- (v) Endorse officers to explore flexible payment options for driver, vehicle and operator licence fees.
- (vi) Agree the removal of the minimum engine size requirement for private hire vehicles.

1.0 Purpose

- 1.1 This report is intended to inform the Licensing Committee of the Deregulation Act 2015 and its impact on the private hire licensing regime.
- 1.2 Councillors are also recommended to endorse proposals to revise the existing hackney carriage and private hire driver, vehicle and operator criteria, fees and training programme.

2.0 Background

- 2.1 Hackney carriage and private hire licensing is a non-executive function and it is therefore the responsibility of Licensing Committee to determine the policy and procedures in respect of this matter.
- 2.2 On 26 March 2015 the Deregulation Bill received royal assent. The Deregulation Act 2015 introduces a number of changes relevant to the Licensing Committee, including two significant revisions to the current taxi licensing regime, these are:
 - the introduction of three year hackney carriage and private hire vehicle driver's licences and five year private hire vehicle operator licences.
 - the permitting of sub-contracting of private hire work between operators licensed in different licensing authority areas
- 2.3 The Council raised concerns with the government regarding both of the above proposals however they have been included in the Act and are scheduled to come into force on 1 October 2015.
- 2.4 At the private hire and hackney carriage trade working groups held in June, the impact of the Act was discussed and these discussions have contributed to the proposals detailed below at section 3 of this report.
- 2.5 The Deregulation Act 2015 also makes revisions to other regulatory regimes for which the Licensing Committee has oversight, these include:
 - changes to the Health and Safety at Work Act to remove certain businesses from scope of the Act (i.e. self-employed person conducting low risk activities)
 - the introduction of a statutory duty for regulators to have regard to the desirability of promoting economic growth when carrying out their functions and to consider the impact on economic growth by ensuring that any action taken is needed and proportionate
- 2.6 Due to the way Regulatory Services has, over many years, aligned operational service delivery to support businesses and the leading role the Council takes regionally in

encouraging other regulators to support businesses these changes will have little effect on the operational delivery of the Council's regulatory functions.

3.0 Proposals

3.1 Private hire livery

- 3.1.1 Discussions were held at both trade working groups regarding private hire and hackney carriage vehicle livery. This was in the context of the Deregulation Bill and an inevitable increase in 'out of town' vehicles working in Wolverhampton and also vehicles licensed by the council working in other licensing authority areas.
- 3.1.2 In the most recent consultation of Autumn 2014 the options outlined below were put to the trade and stakeholders:-
- Option 1 - Remove the requirement for private hire vehicles to display a roof sign as required by private hire vehicle licence conditions.
 - Option 2 - Retain the current requirement that private hire vehicles should display a type approved yellow magnetic illuminated roof sign.
 - Option 3 - Leave the option to have a roof sign or not to the proprietor of the private hire vehicle.
 - Option 4 - If roof signs remain the type, size and suppliers of the sign be optional to proprietors and operators.
- 3.1.3 However no overall consensus has previously been agreed by the trade until the trade working group meetings in June.
- 3.1.4 Following the discussions at the trade working groups, the trade agreed that public safety was paramount and that roof signs did contribute to illegal plying for hire. All agreed that subject to other appropriate signage making vehicles easily identifiable the removal of roof signs would reduce illegal plying for hire and would not compromise public safety.
- 3.1.5 It is proposed that the existing requirements that all private hire vehicles have a type approved roof sign and Council issued door stickers are both removed and replaced with a clear external visible internal plate displayed in the vehicle's front window screen and that prominent door stickers, unique to the operator and pre agreed with the Section Leader, Licensing, are placed on each side of the vehicle on its rear doors.
- 3.1.6 The trade did not believe that previous concerns regarding customers not knowing there pre-booked vehicle had arrived were still current, as technology has evolved since this issue was last considered, the trade reported that all companies operating in Wolverhampton now operate some form of ring/text back service.

- 3.1.7 This proposal is consistent with Department for Transport best practice guidance which discourages licensing authorities from permitting roof signs on private hire vehicles as they encourage illegal plying for hire.
- 3.1.8 The proposal is supported by the police who have also highlighted concerns regarding roof signs encouraging illegal plying for hire. One issue however the police did highlight was the benefit of identifying the operator from a roof sign, for this reason the door stickers will include operators name and telephone number.
- 3.1.9 It is proposed that the new requirements are phased in over the summer with a view to full implementation from 1 October 2015.
- 3.1.10 All parties felt that at this stage, with the hackney carriage demand survey pending, it was not appropriate to revise our current hackney carriage vehicle livery requirements.

3.2 Driver training requirements

- 3.2.1 The existing driving training programme has been in place since 2008 and Worcester County Council has administered and delivered the training on behalf of Wolverhampton City Council.
- 3.2.2 Due primarily to current concerns nationwide regarding safeguarding of children and the role taxi drivers could potentially play in tackling suspected CSE (child sexual exploitation) it is proposed to rebalance the training programme for new drivers towards this important area of work.
- 3.2.3 It is proposed that the training for new private hire driver applicants will focus on safeguarding/CSE awareness, learning and demonstrating an understanding of compliance conditions and the ability to communicate in English to a satisfactory level.
- 3.2.4 Outdated aspects of the test such as the A to Z have already been removed from the assessment on a pilot basis and it is proposed that this is made permanent as the vast majority of vehicles are fitted with modern satellite navigation equipment. For the same reason it is also proposed that the knowledge element is refined for private hire drivers. As whilst it is important that private hire drivers have a broad understanding of the city's geography, a detailed street by street local knowledge is not necessary as all fares are pre-agreed and not metered as is the case for hackney carriages.
- 3.2.5 Again it should also be noted that under the Deregulation Act 2015 it is feasible that private hire vehicles and drivers licensed in any other UK licensing authority area could legitimately complete fares in Wolverhampton, as such it is disproportionate and unfair to our own applicants to continue to maintain our current onerous and expensive requirements.
- 3.2.6 Save for modernising the safeguarding content it is not proposed to make any other revisions to the current hackney carriage training requirements as these are currently deemed fit for purpose.

- 3.2.7 It is proposed in future that due to the ever changing needs of the city that revisions to the testing arrangements for hackney carriage and private hire vehicle drivers be delegated to the Licensing Manager, with significant revisions presented to the Licensing Committee.
- 3.2.8 Finally, it is also proposed that employees from Licensing Services explore the most economically viable new driver training package which may include changing the service provider, currently Worcestershire County Council and/or give consideration as to whether to bring the function back in house to deliver.
- 3.2.9 Because the safeguarding of children and tackling CSE are priorities for the council it is proposed that the new training programme is implemented with immediate effect.

3.3 Five year operators licence fee

- 3.3.1 As detailed above the Deregulation Act sees the introduction of three year hackney carriage and private hire vehicle drivers licences and five year private hire vehicle operator licences from 1 October 2015. Licensing Services already offers a three year driver's licence at a fee of £240 which was approved by the Licensing Committee on 21 January 2015.
- 3.3.2 It is proposed that the Licensing Committee approve a private hire vehicle operators licence fee for a five year licence. Currently private hire vehicle operator's licences are only issued for a 12 month period at a cost of £1,077 for a new licence and £785 for a renewal of a licence.
- 3.3.3 It is proposed the fees of £3,400 for a five year private hire operator new licence and £3,140 for a renewal licence are approved by the Licensing Committee. These fees are based on the administrative section of the fee (approximately 30%) not being included in years two to five of the licence, but also reflects a slight increase in compliance costs associated with the introduction of sub-contracted work (approximately 5% additional compliance work is anticipated).
- 3.3.4 This proposed fee will be subject to public consultation in accordance with Section 70 of the Licensing Government (Miscellaneous Provisions) Act 1976 and any representations will be presented back to the Licensing Committee prior to implementation on 1 October 2015.

3.4 Flexible payment options

- 3.4.1 Councillors are recommended to approve employees from Licensing Services to work with Financial Services to introduce flexible payment options for hackney carriage and private hire proprietors, drivers and private hire vehicle operators.
- 3.4.2 Due to incrementally increasing costs with insurance, petrol, diesel and overall maintenance of vehicles, coupled with increased initial costs associated with the introduction of three and five year licences, it is proposed costs could be spread over the

term of the licence or shorter period. A default position for failure to comply with payment plan would result in suspension of the licence.

3.4.3 This flexibility was introduced for other licence regimes several years ago and has been well received by those trade groups with no significant financial impact on the service. The proposal will also bring licence fees into line with other services businesses are required to pay for, but given flexibility in the payment scheme, such as business rates, utility bills and insurance premiums.

3.5 Minimum vehicle engine sizes

3.5.1 Current private hire vehicle conditions restrict vehicles with engine capacities of less than 1395 cc from joining the private hire fleet.

3.5.2 This requirement has been in place for over thirty years and was initially introduced as vehicles with engine capacities below this size at the time were felt to provide insufficient performance.

3.5.3 Engine technologies have moved on significantly since this requirement was introduced and the evolution of hybrid and fully electric engines has resulted in a range of vehicles with engine capacities well below the current minimum that do not compromise performance or the passenger experience.

3.5.4 As such it is proposed to remove the vehicle minimum engine size requirement in its entirety. This will be implemented with immediate effect.

3.5.5 This proposal will also support the Council's aspirations regarding air quality, sustainability and promoting ultra-low emission vehicles.

4.0 Consultation

4.1 All proposals detailed in this report have been discussed at both the Hackney Carriage and Private Hire Trade Working Groups and both groups unanimously agreed with the proposals.

5.0 Financial implications

5.1 There are no direct financial implications for the Council arising from the proposals detailed within the body of this report. [TT/10072015/M]

6.0 Legal implications

6.1 As stated in Section 2 above the Deregulation Act 2015 introduces two significant revisions to the current taxi licensing regime namely the introduction of three year hackney carriage and private hire vehicle driver's licences and five year private hire vehicle operator licences AND the permitting of sub-contracting of private hire work between operators licensed in different licensing authority areas. The Act is scheduled to

come into force on 1 October 2015. Discussions on the impact of the Act have contributed to the proposals set out in Section 3 of this report.

- 6.2 The Local Government (Miscellaneous Provisions) Act 1976 (the Act) allows the local authority to condition licences for hackney carriage and private hire vehicles, proprietors, drivers and private hire vehicle operators.
- 6.3 Section 48(2) of the Act provides a district Council may attach to the grant of a private hire vehicle licence such conditions as they may consider reasonably necessary.
- 6.4 Section 51 of the Act provides that the Council may attach such conditions to a driver's licence as are reasonable.
- 6.5 Section 55 of the Act provides that the Council may attach such conditions to an operator's licence as are reasonable.
- 6.6 Further as stated at paragraph 3.3.4 above the proposed fees will be subject to public consultation in accordance with Section 70 of the Licensing Government (Miscellaneous Provisions) Act 1976 including notice being published in a local newspaper giving at least 28 days for representations to be made. Any representations will be presented back to the Licensing Committee for consideration prior to implementation on 1 October 2015.
[KR/13072015/P]

7.0 Equalities implications

- 7.1 The impact of these minor revisions to existing policies have been considered and there are no adverse equalities implications.

8.0 Environmental implications

- 8.1 There are no adverse environmental implications arising from this report.