

LICENSING AND APPEALS COMMITTEE
26 MARCH 2014

Report of the Corporate Director

HACKNEY CARRIAGE AND PRIVATE HIRE VEHICLE (TAXI) LICENSING POLICY REVIEW – PROGRESS REPORT

SUMMARY

The report provides the Committee with an update on the review of the Council's Taxi Licensing Policy. The planned review is not a major one and an initial consultation on the current policy has taken place with the Trade only, at this stage.

The report seeks approval for one change to be made to the Policy with immediate effect; this is in relation to a 10-year maximum age of licensed vehicles to be approved from 1st April 2014, to enable operators and drivers more financial flexibility than they have currently when replacing a licensed vehicle. This proposal is in line with other authorities' age of vehicle policies in the region.

The report also seeks to inform Members of the need to consider further revisions to the policy which are currently being discussed with the Trade in light of a recent announcement from the Head of the Taxi and PSV Regulation Branch of the Department for Transport.

RECOMMENDATION(S)

- 1) That from 1st April 2014, the age limit for vehicles which can be licensed as a taxi or private hire vehicle is revised to allow vehicles up to the age of 10 years old to be licensed before they need to be replaced.
- 2) That subject to 1) above, owners/drivers of existing licensed vehicles which are 9 years old or older at 31st March 2014, will have until 31st August 2015 to replace them.
- 3) That taking into account the proposed national changes to taxi licensing legislation, a revised draft policy is produced, further consultation is carried out with the trade, and a final report is considered at next appropriate meeting of this Committee.

WARDS AFFECTED

All

STRATEGIC LINK

An effective licensing regime supports the core values and key aims set out in the Council's Corporate Plan, in particular, the priority focused on delivering safer communities.

1 REPORT

- 1.1 The current Taxi Licensing Policy has been in operation for over 5 years. There have been several interim amendments made based on practical and operational issues

experienced by the Trade and Officers during the first 18 months it was in force. These amendments were approved by the appropriate Committee at the time, as Members will be aware that officers do not have delegated authority to make policy changes.

- 1.2 The Licensing Policy was put in place to improve standards across the entire fleet of licensed vehicles operating in the Derbyshire Dales, to protect public safety and to maintain a consistent and transparent approach to determining applications for licences.
- 1.3 Members will recall that one particular area of concern for the Trade arising from the introduction of the policy was the age of vehicles that the Council would licence for the first time. At 1st April 2009, existing licensed vehicles could continue to be licensed indefinitely, but the new policy would not allow any vehicle older than 3.5 years old to be licensed as a taxi or a private hire vehicle for the first time. In addition, any vehicle newly licensed after 1st April 2009 could only be re-licensed until it was 7 years old and would then have to be replaced.
- 1.4 Members will be aware that there have been several occasions during the last 5 years when the Trade has expressed concern at this requirement owing to the economic climate. Evidence suggests that the imposition of the condition has resulted in some operators resisting renewing vehicles, on the basis that it would be more economical to keep the older vehicle running as long as possible, rather than have to purchase a vehicle that was less than 3.5 years old. This has resulted in a much larger proportion of the overall fleet being older than planned 5 years after the introduction of the policy.
- 1.5 At the last meeting this issue was highlighted as an area for revision and one which would not compromise public safety or environmental considerations. The proposal in the revised draft policy was to remove the 3.5 year age limit for a vehicle to be licensed for the first time, and allow any vehicle up to the age of 10 years to be licensed on the basis that once it was 10 years old it would have to be replaced. This would allow a 9 year old vehicle to be licensed on the understanding that it could only be licensed for 1 year; an 8 year old for only 2 years, and so on.
- 1.6 It is acknowledged that there would need to be a period of grace for those operator/drivers with vehicles currently licensed that are 9 or more years old as time to replace with a newer vehicle would be required.
- 1.7 During the consultation this proposal has been welcomed by the Trade. It is suggested that this change should be introduced with effect from 1st April this year, to allow a number of older vehicles to be replaced as soon as possible, thereby improving the average condition of the overall fleet.
- 1.8 Members may wish to consider an 18 month lead-in period to allow drivers until September 2015 to comply with the requirement.
- 1.9 National Proposals for Changes to Taxi Legislation

Members will recall that at the July 2012 meeting it was reported that the Law Commission was leading a project to review and reform the law relating to taxis and private hire vehicles in England and Wales. The legislative overhaul was considered to be long overdue, by licensing authorities and the licensed trade.

- 1.10 In 2012 the timescale for completion of the exercise was uncertain, but a provisional date for a final report and Draft Bill had been given as December 2013. However, it was not until April 2013 that an Interim Statement was provided by the Commission outlining the proposed changes it would be recommending to Government.
- 1.11 Officers had suggested a delay of the review of the local policy, to avoid introducing any proposals which might conflict with national policy, but by November 2013, an indication had been received that the Law Commission report would not be available until April 2014, and on that basis it was suggested that a review of the Council's policy need not be delayed any longer.
- 1.12 However, in moving forward with the Council's policy review during the last 2 months, some issues with our policy and processes have been raised by the Trade that may also be national issues. eg the need for driver knowledge tests for private hire drivers; the frequency of licence renewals for taxi and phv drivers; local licence conditions which seem unreasonable – for example the age of vehicles that can be licensed.
- 1.13 The licensed taxi/phv trade have recently received a letter from James Padden, Head of Taxi and PSV Regulation at the Department for Transport. The letter to all taxi and private hire stakeholders draws attention to several changes to taxi and private hire vehicle legislation proposed by the Government, as part of the Deregulation Bill, currently on its passage through parliament.
- 1.14 Three measures have been added to the Deregulation Bill –
- Allowing private hire operators to sub-contract bookings to operators licensed in a different district.
 - Allowing anyone with a DVLA driver's licence to drive a private hire vehicle when it is "off duty" and
 - Making the duration of all taxi and phv driver's licences 3 years; phv operator licences 5 years, and only allowing licences to be issued for a shorter period where it can be justified. The aim being to reduce the financial and administrative burden of having to make more frequent renewals.
- 1.15 Mr Padden has also asked the trade to supply him with examples of conditions attached to their licences which they find unreasonable or overly restrictive. He has explained to the licensed trade that dependent on the information he receives from the Trade, there may be a fourth measure added to the Deregulation Bill which would provide a case for changing the law in such a way to qualify local authorities' powers to attach conditions to licences.
- 1.16 Mr Padden has stressed that whilst information gathered by the DfT will help Ministers to make a decision about whether Government intervention is justified, a consultation exercise would be carried out before any regulations would be made.
- 1.17 These 4 measures are described as representing 'the first steps of a longer journey towards a deregulated trade, which will be continued when the Government is ready to take forward the more comprehensive reforms being proposed by the Law Commission'.
- 1.18 The Law Commission is due to publish its report and draft Bill at the end of April. The Government will then have a year in which to consider the report and prepare a response. This timescale means that there will not be time to take forward a dedicated Taxi Bill before the next general election, which is why these changes are being introduced using the Deregulation Bill.

1.19 The Way Forward

Officers consider it prudent to take account of these issues now whilst reviewing the District Council's own policy, to ensure that it will not be compromised by national changes in 12 months' time. It is suggested that the draft policy document presented to Members at the November 2013 meeting is reviewed further, taking account of the comments already received from the Trade, and the Government's proposals outlined in this report.

1.20 Rather than seek approval of a policy that may require change in less than a year's time, it is suggested that during the next 4 weeks licensing officers continue to meet with the Trade, to discuss both the local and national proposals to ensure that a workable local policy is produced and presented to the next appropriate meeting of this Committee for consideration.

2 **RISK ASSESSMENT**

2.1 Legal

The Council's Policy in this matter underpins the decision making process and ensures that our administration of this function has a robust basis. Ensuring that the Policy is up to date enables the Council to manage the risks of delivering this service for the Communities served, for those involved in the trade and for the Council as an organisation. Therefore the legal risk is low.

The Council also has a statutory duty under Section 149 of the Equality Act 2010 to ensure that in exercising its function it seeks to, eliminate discrimination, advance equality and foster good relations.

2.2 Financial

There are no financial risks directly arising from this report other than officer time.

3 **OTHER CONSIDERATIONS**

In preparing this report the relevance of the following factors has also been considered; prevention of crime and disorder, equality of opportunity, environmental health, climate change, legal and human rights, financial personal and property considerations.

4 **CONTACT INFORMATION**

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5 **BACKGROUND PAPERS**

| Description | Date | File |
|---|----------|-------------------|
| Letter from DfT to taxi and private hire stakeholders – Deregulation Bill | 14 March | RS/ET/Taxi Policy |

6 **ATTACHMENTS**

None.