

DEREGULATION ACT 2015 – TAXI (DRIVERS & PRIVATE HIRE OPERATORS) LICENSING

1. INTRODUCTION

- 1.1 The purpose of this report is to consider the impact of the Deregulation Act 2015 on taxi licensing.

2. BACKGROUND

- 2.1 The Deregulation Act 2015 introduces three changes to taxi legislation. These being the requirement that driver licences should last for three years, private hire operator licences should be issued for 5 years and the freedom for a private hire operator (PHO) to subcontract a booking across a council boundary. These came into effect on 1 October 2015.

3. SUBCONTRACTING ACROSS BORDERS

- 3.1 This change allows a PHO licensed under the Local Government (Miscellaneous Provisions) Act 1976 to subcontract a booking for a journey to a licensed PHO in the same or another district. It should be noted that the first PHO commits an offence if they know that the second PHO is going to use an unlicensed vehicle or driver to fulfil the subcontracted booking. It will however clearly allow much freedom of operation by private hire firms.
- 3.2 Concerns about this change have been raised on the grounds of public safety. This does not appear to be a particularly convincing argument, as the vehicle and driver that are being supplied under the subcontracted booking must themselves be licensed by the authority which licences the 'new' operator.
- 3.3 There may also be questions over the quality of the vehicle and driver provided by the subcontracted firm; if the initial contract was for a high quality vehicle but the one supplied by the second operator fell short of that agreed or anticipated. However, this would appear to be a matter of contract rather than public safety.

4. CHANGES TO THE DURATION OF LICENCE

- 4.1 Section 10 of the Deregulation Act 2015 amends sections 53 and 55 of the Local Government (Miscellaneous Provisions) Act 1976, which deal with the granting of licences to drive hackney carriage and private hire vehicles.
- 4.2 Subsection (2) changes the law in such a way as to establish a standard duration of three years for driver licences. The section specifies that a licence may be granted for a period of less than three years but only in the circumstances of an individual case, not because of a blanket policy.
- 4.3 Subsection (3) changes the law in such a way as to establish a standard duration of five years for a private hire vehicle operator licence. The section also specifies that a licence may be granted for a period of less than five years but only in the circumstances of an individual case, not because of a blanket policy.

5. EXISTING FEES AND POLICY

- 5.1 The current policy is to issue a combined hackney and private hire drivers licence initially for one year only, at a cost of **£72** and every three years thereafter upon renewal at a cost of **£98**.
- 5.2 The current policy is to issue yearly private hire operators licences at a cost of **£290** for initial grant and at a cost of **£155** for annual renewals thereafter.

6. PROPOSALS

- 6.1 That the Council changes the licence duration from one to three years for the initial grant of a combined hackney and private hire drivers licence but maintains the right to issue such licences for a lesser period as appropriate on a case by case basis. The cost of both the new and renewal of a three year licence shall be **£140**.
- 6.2 That the Council introduces the issue of a five year private hire operator's licence at a cost of **£509**, replacing the current one year licence.
- 6.3 Circumstances where a licence would be issued for a shorter period could be as a probationary measure or after review of the licence. This is likely to occur rarely, but where it is deemed necessary to issue a licence for a shorter period than those specified above, the fee of £140 or £509, as applicable, will not be reduced.
- 6.4 Any increase in the fee for a private hire operator's licence must be advertised as prescribed by the relevant legislation. If objections to the proposed fees are made the committee will have to consider these representations at its next meeting in January 2016 before any increase can be implemented.

7. FINANCIAL IMPLICATIONS

- 7.1 The provisions of Local Government (Miscellaneous Provisions) Act 1976 do not allow the local authority complete discretion to charge whatever it likes for the grant of a licence. The cost of a licence has to be related to the cost of the licensing scheme itself. Fees have to be both reasonable and imposed with a view to recovering the costs of issue and administration. The proposed fees set out in this report have been calculated to cover the full costs of the issue and administration of the licence.

8. ENVIRONMENTAL, CRIME & DISORDER AND EQUALITY & DIVERSITY IMPLICATIONS

- 8.1 None directly arising from this report.

9. RECOMMENDATION

- 9.1 That the Committee considers the proposals in paragraphs 6.1 and 6.2 and set the fees applicable for a combined driver licence and a private hire operator's licence, subject to the procedure detailed in paragraph 6.4.

Further Information:

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Background Papers:

Deregulation Act 2015
NFDC Taxi Licensing Policy