

Report of	Meeting	Date
Corporate Director (Governance)	Licensing and Public Safety Committee	17 September 08

## CHORLEY COUNCIL'S CONDITIONS FOR THE LICENSING OF HACKNEY CARRIAGE AND PRIVATE HIRE VEHICLES

### PURPOSE OF REPORT

- To present members with revised conditions for the purpose of licensing Hackney Carriages and Private Hire vehicles to operate within the controlled district of Chorley.

### RECOMMENDATION(S)

- Members are recommended:
  - to consider the contents of the report and any representations made by members of the Hackney Carriage (HC) & Private Hire (PH) trade who have been invited today.
  - to ask the Corporate Director of Governance to implement new conditions with effect from 1<sup>st</sup> November 2008.

### CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances		Develop the Character and feel of Chorley as a good place to live	
Involving people in their communities		Ensure Chorley Borough Council is a performing organization	✓

### BACKGROUND

- Members may recall that this item was attached as agenda item 6, at the meeting of the Licensing and Safety Committee on the 4 June 2008.

Prior to that meeting a number of meetings including a workshop had taken place between the Council and the taxi trade, as part of the consultation and development process for formulating the proposed conditions. It was understood by Officers at the conclusion of those meetings that an acceptable agreement had been reached with the taxi trade to the content of the proposed conditions. The agenda item was withdrawn at the 11<sup>th</sup> hour as a substantive representation was received via Allanson Solicitors shortly before that meeting.

Following the representation, further consultation by way of workshops and a Licensing Liaison meeting have taken place, and significant modifications have now addressed many of the issues raised.

Since that time members of the Hackney Carriage and Private Hire trade have joined the National Private Hire Association who now act on their behalf. A copy of a representation received by the Council toward this proposal is attached as appendix G2. This includes documents titled Age Policies, a view and alternative suggestions, Taxi and Private Hire vehicle Licensing: Best Practice Guidance; and submissions forwarded on behalf of Chorley Hackney Carriage Association by Allanson Solicitors dated June 2008.

The Licensing Manager has by way of consultation written to all licensed Hackney Carriage and Private Hire drivers and proprietors inviting representations to the proposed conditions, to which we have received one written representation which has concerns for fees, this is attached as appendix G1.

## 5. **THE NEED FOR CHANGE**

Members will be aware that Chorley Council has the responsibility to ensure that Hackney Carriages and Private Hire vehicles are suitable and fit for purpose. This means that they must meet conditions as to roadworthiness, suitability, appearance and comfort. The Council has power to require those vehicles to be submitted for inspection and testing and to impose conditions on licences to ensure vehicles are of a suitable standard.

It would appear that the last time the Council's "taxi" licensing conditions were reviewed, was in 1996, some 12 years ago. A number of factors suggest that it is now timely to review those conditions.

It is fair to say that motor vehicle use, the motor trade and the way in which vehicles are traded has changed significantly in the past 12 years. This would also include the expectations of the travelling public who may use 'taxis'.

It is fair to say that the administrative procedures providing the statutory functions for the licensing of vehicles has changed in recent years - notably through the introduction of the Council's One Stop Shop and computerised systems operated by both internal and external customers of the Council including Lalpac, VOSA and the Police automatic number plate recognition system.

Further, with the recent removal of the exemption from licensing under section 75 of the Local Government (Miscellaneous Provisions) Act 1976 which covered vehicles hired on contracts for seven or more days, this could lead to vehicles of a different type and class being presented for licensing. The present licensing conditions offer insufficient guidance to the owners of such vehicles or those charged with testing of such vehicles for the purposes of HC/PH suitability.

The present system operated by Chorley Council requires vehicles to be tested twice a year for the purposes of the taxi test. Under the current arrangements taxi tests are arranged through 4 local garages that are MOT approved. One of those garages has now withdrawn its services of providing taxi testing, as it is uneconomical for them to continue.

The current testing regime may or may not run in sequence with the Hackney Carriage or Private Hire licence or insurance for that vehicle. This factor increases the administrative and enforcement burden on the Council in ensuring vehicles are correctly licensed. More importantly the current conditions of the taxi test relating to roadworthiness have not necessarily kept pace with changes in the MOT testing regime. This means that newer vehicles are not being tested to current MOT standards and the present arrangements do not meet the minimum statutory criteria, they fall below current best practice. (A copy of the current taxi test is appendix A).

## 6. PROPOSED TESTING ARRANGEMENTS

It is proposed that the revised conditions will address the concerns highlighted above. Under the proposed new arrangements a vehicle will be primarily tested using the MOT test which is independent to, and controlled by Vehicle Operating Standards Agency (VOSA). The price for the test is set at a government maximum and should this maximum fee be adopted as a condition of the provision of licensing, then the matter of re-determining any fee will not ordinarily have to be reconsidered by the Council in the future as it would be adjusted by VOSA, in line with trade and industry requirements.

It is proposed that the Council will administer the testing arrangements for those vehicles applying for HC/PH vehicle licences, including the payment of testing fees, and the fee shall be payable upon application.

It is proposed that the Council's taxi test is conducted immediately after the conclusion of the MOT test, irrespective of whether that vehicle has passed or has not passed the MOT test. It will be a requirement that the Council's taxi test will be conducted by the same engineer/tester who conducted the MOT test, as this will lead to greater consistency and economies, and that with experience the Council's taxi test would not ordinarily take longer than 15 minutes. The contents of the taxi test are set out in appendix B1 - Report of Hackney Carriage and Private Hire Vehicle Inspection and B2 – Report on Hackney Carriage and Private Hire Vehicle Inspections Guidance. The vehicle will be required to pass both the MOT test and a taxi test as a condition of licensing.

The benefits of adopting the MOT test and revised Council taxi test include the following:

- a) The vehicle will be examined to existing independent testing standard 'MOT' tests that are robustly enforced and tested by VOSA.
- b) The MOT test is uninterrupted and controlled by a maximum fee. Therefore the test is not price led.
- c) Consistency of testing standards.
- d) MOT details are recorded nationally on a central computer.
- e) The revised testing procedure will allow and enhance the testers of vehicles to focus on the Council's taxi test as a separate consideration to the mechanical conditions of the vehicle.
- f) It will offer the vehicle owners the opportunity to have any remedial work carried out at any repair centre to existing standards for the purposes of the MOT test (note only appointed garages may issue MOT test certificates and taxi test reports).
- g) The MOT testing procedure allows for greater transparency for identifying problematic vehicles by the issue of failure notices and advice notes regarding vehicle condition. This will allow for improved targeted enforcement action towards those vehicles giving concerns for safety and condition.

## 7. CHANGES TO LICENSE PLATE ARRANGEMENTS

The Council's Hackney Carriage and Private Hire vehicle rear plate describes the vehicle by 1) registration number, 2) vehicle type, 3) expiry date, 4) number of people licensed to carry. Members are aware that new livery including new style plates is being introduced. The expiry date shown on the new plates will be the expiry date of either the vehicle license or the taxi test whichever comes first. This will make it much easier for the public

to see that a taxi meets the license conditions. Currently information as to the expiry of the test is shown on the far less visible windscreen disk.

## 8. VEHICLES OVER THREE YEARS OLD

Under the present system vehicles older than 4 years may enter the taxi industry under the discretion of the Licensing Officer if they are in exceptional condition with regard also being given to the age, service history, type, class and the colour of the vehicle. Any such vehicle must have a valid MOT certificate. The provisions at present provide for subjective decision making by officers, with no regard to the mechanical condition of the vehicle.

Private Hire and Hackney Carriage vehicles complete a significantly higher mileage than the majority of cars used for domestic purposes. It is therefore reasonable to expect that those vehicles to which the Council have under their control are tested more regularly and thoroughly.

It is proposed that the council introduce a Vehicle Safety Report (VSR) (Appendix C) to further assess the mechanical condition of a vehicle that has reached 3 years of age from date of first registration, (new at first UK registration) and annually thereafter. This will be in addition to two taxi tests (incorporating the MOT procedure) required each year for vehicles of that age.

In the case of a vehicle reaching six years of age or more from the date of first UK registration or at the next renewal application after that date, which fails any part of the taxi test (including the MOT) or the Vehicle Safety Report, there will be a requirement for the vehicle to be tested every four months.

Where a vehicle reaches eight years old from the date of first UK registration fails any part of the taxi test (including MOT) or has any advice note issued against it, it will not be eligible for licensing.

The VSR report will be required as a condition of licensing when:

- a) An application is made for the grant of a HC/PH vehicle licence and the vehicle is more than 3 years old.
- b) On the application for the renewal of a HC/PH vehicle licence where the vehicle is more than 3 years old from first registration or at the next licence application and annually thereafter.
- c) On the request of an authorised officer where the vehicle in question is licensed as a HC/PH vehicle and is subject to a suspension notice. The VSR shall be required to ascertain the vehicle's fitness to have the suspension notice removed, where the officer believes this to be necessary.

The document is designed to give a quantitative measure to the condition of a vehicle that is intended to be used as a Private Hire / Hackney Carriage that is three or more years old. The VSR is broadly based on existing MOT requirements in respect of mechanical items of testing however the report also examines other items not covered by the MOT standards.

However it must be noted that the VSR is not a guarantee that the proposed vehicle will pass the Council's Taxi Test, but gives an indication as to the vehicles overall condition and fitness for purpose to enter the trade and the vehicle will be viewed in conjunction with the Council's Private Hire Vehicle Licence / Hackney Carriage Vehicle Licence conditions of application (items D2 & D1).

It is believed that the Vehicle Safety Report will benefit both the Council and the proprietors of existing and proposed HC/PH vehicles in that:

## 9. **BUYING A VEHICLE PRIVATELY**

- a) The VSR document should aid proprietors when selecting / buying used vehicles intended for licensing throughout the UK as the document can be completed by any qualified person.
- b) A proprietor wishing to purchase a vehicle more than 3 years old will have a detailed check list to which the vehicle must comply with, he may insist this is met prior to purchase by the vendor.

## 10. **BUYING A VEHICLE AT AUCTION**

- c) Many auction houses now sell vehicles with an engineer's report, this is not dissimilar to the proposed VSR and may indicate a vehicles condition for use as a taxi prior to purchase.
- d) The VSR will ensure the Council's minimum standard for HC/PH vehicles is maintained on an annual basis and will help establish and maintain standards.
- e) A minimum condition for vehicles on entry to the system, will for the first time, be quantified for mechanical means in addition to the subjective criteria already established.
- f) Public confidence will be reassured as to the condition and appearance of licensed HC/PH vehicles through quantitative scrutiny of the vehicle type and condition.

It is expected that the requirement for a VSR will coincide with the renewal process for existing vehicles at its next renewal on or after the vehicles 3<sup>rd</sup> birthday.

## 11. **LICENSING OF TESTERS**

In order that appointed garages can undertake the requirement of the Council's Taxi Test and Vehicle safety Report adequately it will on occasions be necessary to road test the vehicles. In this instance the examiner shall be required to be licensed as a Hackney Carriage / Private Hire driver. The Licensing Manager seeks discretion to issue Hackney carriage / Private Hire drivers licences to named individuals at appointed garages for the purpose of Taxi testing, (a restricted Hackney Carriage and Private Hire drivers licence).

There would be no fees or requirements for the following checks, medical, criminal record check or knowledge test, attached to the issue of these licences. To qualify the person must be employed by the appointed garages, hold an appropriate driving licence with the relevant vehicles classes, hold the appropriate qualifications to test vehicles at MOT standards and declare a restricted use.

## 12. **ESTABLISHING AGE/OWNERSHIP OF VEHICLES**

The present conditions attached to licensing of Hackney Carriage and Private Hire vehicles do not prescribe that the vehicle registration documents commonly known as the DVLA 'V5' are presented to the Council. In order that the age of a vehicle can be accurately assessed, Officers believe that the V5 document is presented at the time of the Hackney carriage / Private Hire vehicle licence grant or renewal application is made, and presented at the appointed garage at the time of taxi testing.

The V5 shall bear the name or names of the proprietor / proprietors of that vehicle, and the address at which the vehicle will be kept shall be the same as when the proprietor shall be required to afford the Council reasonable facilities to inspect the vehicle.

## 13. **VEHICLE CONDITIONS**

In accepting that the motor industry has changed in many ways over the past 12 years and more recently the repeal of Local Government (Miscellaneous Provisions) Act 1976 Section 75 exemption, officers now believe it is appropriate to introduce minimum tolerances for vehicle type and construction. This is necessary to address the vast array of vehicles now on the market, that without controlled measures in place, the Council could not refuse a legitimate request to licence.

Examples of vehicles that would perhaps give concern would be vehicles with adjustable configuration for seating or vehicles offering little or no luggage space. It is intended that the conditions as attached at (Appendix D1 – Hackney Carriage Vehicle Licences, Conditions of Application and Appendix D2 – Private Hire Vehicle Licences, Conditions of Application) will address those concerns of vehicle suitability without fettering the discretion of the council by precluding a vehicle type. This will also be reflected in changes to the licensing conditions as attached in Appendix E1 – Conditions Attached to the Issue of a Hackney Carriage Vehicle Licence in Addition to the Statutory Byelaws and Appendix E2 – Conditions Attached to a Private Hire Vehicle Licence.

It would be impossible to envisage all the variants available on the vast number of vehicles in today's marketplace, it is therefore appropriate that all proposed vehicles are given consideration at the discretion of a Licensing Officer. Proprietors will be encouraged to consult with officers prior to purchasing vehicles, this would ensure vehicles will meet with the expectations with regards to design and lay out.

Areas giving concern include:

- Pop-up seats
- Maximum weight for seats
- Luggage room
- Luggage trailers/security (pick ups) SUV's MPVs
- Seating configuration/exit and entry of passengers
- Members will be aware that where differences of opinion exist final decisions will be at the discretion of the Licensing Committee.

**14. LIQUID PETROLEUM GAS (LPG) CONVERTED VEHICLES**

All Liquid Petroleum Gas (LPG) converted vehicles must produce an LPG Association Installation or Safety Certificate, at the time of application for a Hackney Carriage or Private Hire Licence, when the vehicle is presented for a test, or immediately after the vehicle is fitted with the LPG fuel option. To ensure the safety of vehicles that have been converted to LPG, the Licensing Manager would like to appoint a specialist LPG converter within the borough of Chorley to act upon its behalf in returning the status of any installation of a licensed vehicle, at the discretion of an officer. The cost of which shall be borne by the proprietor.

**15. REVISED PROVISIONS TO THE COUNCIL'S DOOR SIGNS**

Following consultation with the Hackney Carriage and Private Hire trade it is appropriate to review the requirement as set out in the report of 2 April 2008 relating to door signs.

In that report there was a requirement that no signs shall be placed on the front passenger and drivers doors other than the signs provided by the Council.

It is appropriate that other signs may be attached to the lower part of the door below any door bumper and not to extend more than twelve inches from the bottom of the door sill in any case.

**16. FEES**

The taxi licensing fees shall remain unchanged save that the proprietor will now pay the Council in respect of the new tests.

Proprietors will be responsible for the full cost of test fees as appropriate at the time of testing and those fees shall be payable to the Council at the time of application. Where vehicles require re-testing with regards to conforming to MOT standards, the vehicles may be retested. Re-testing fees shall apply and these will be imposed by the testing garage.

The maximum MOT test fee is £50.35 at present. Through negotiation with the appointed garages, the Council's taxi test will be conducted immediately after the MOT test for a fixed fee of £9.65 inc VAT and, where appropriate, the annual Vehicle Safety Report (VSR) (for vehicles applying for a HC/PH vehicle licence over 3 years of age) will be conducted at the same time as the Council's taxi test for a fixed fee of £10.00 including VAT. To clarify, the Council's taxi test will consist of the Council's taxi test as at Appendix B1 and include the VOSA MOT, and vehicles over three years old the Vehicle Safety Report as at Appendix C.

Hence a vehicle under 3 years applying for the grant of a HC/PH vehicle licence for 12 months would incur a cost of:

Hackney Carriage		Private Hire	
Licence Fee	£416.00	Licence Fee	£220.00
MOT & taxi test	£60.00	MOT & taxi test	£60.00
Taxi Livery	£23.50 +VAT	Taxi Livery	£23.50 +VAT

It is envisaged that only vehicles under 3 years of age may apply for a HC/PH vehicle licence for a 12-month period. In all other cases where a vehicle is 3 years or older, vehicles will be required to undergo the Councils vehicle testing requirements and be licensed for a period not exceeding six months.

Vehicles applying for a grant of a licence of a HC/PH over 3 years of age will incur costs (for a six monthly licence) of:

Hackney Carriage		Private Hire	
Licence Fee	£216.00	Licence Fee	£125.00
MOT & taxi test VSR	£70.00	MOT & taxi test VSR	£70.00
Taxi Livery	£23.50 +VAT	Taxi Livery	£23.50 +VAT

Renewals will be as above less the cost of livery @ £23.50 plus VAT, plus £10.60 for the rear plate.

For vehicles reaching six years of age, testing will be required every four months and no licence shall be issued for a period of more than four months, as proposed in the summary of charges applicable as attached in Appendix F1.

It is appropriate to allow the proprietors of proposed vehicles to negotiate with a garage or appointed garages, any fee in undertaking the Council's VSR, where that report is used only to establish whether or not the vehicle is suitable to progress to an application for a HC or PH licence. The cost of the VSR is estimated at between £60-£70, when the report is completed in isolation. However it has been broadly agreed with garages that the VSR when conducted at the same time as the Council's taxi test will incur a further charge of £10.00.

17. **ALTERNATIVE OPTIONS**

The options are

- a) to approve the recommendations as presented in the report and approve as a condition of licensing the documents as given in

Appendix B1 – Report of Hackney Carriage / Private Hire Vehicle Inspection

Appendix C – Vehicle Safety Report

Appendix D1 – Hackney Carriage Vehicle Licences conditions of application

Appendix D2 – Private Hire Vehicle Licence conditions of application

Appendix E1 – Conditions attached to the issue of Hackney Carriage licence additional to the statutory byelaws.

Appendix E2 – Conditions attached to the issue of a private hire vehicle licence.

Appendix F1 – Proposed Hackney Carriage and Private Hire vehicle testing structure approximate costs; or

- b) to alter or reject any part of the proposed documents as members see fit.

## REASONS

The reasons for the recommendations are fully explained within the report.

## IMPLICATIONS OF REPORT

18. This report has implications in the following areas and the relevant Corporate Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal	✓	No significant implications in this area	

## COMMENTS OF THE CORPORATE DIRECTOR OF GOVERNANCE

19. There are no additional comments of the Corporate Director of Governance.

ANDREW DOCHERTY  
CORPORATE DIRECTOR (GOVERNANCE)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
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