

WYRE FOREST DISTRICT COUNCIL

LICENSING AND ENVIRONMENTAL COMMITTEE

17TH JULY 2009

Implementation Report on Taxi Deregulation

OPEN	
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APPENDICES	Taxi & Private Hire Vehicle Licences: Best Practice Guidance can be found at: http://www.dft.gov.uk/consultations/open/hirevehiclelicensing/ and a public inspection copy is available on request. (See front cover for details)

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to apprise Members of the Council's progress with the implementation of the Deregulation Plan which commenced on 1st October 2005 and to agree a proposed response to the current Department for Transport Consultation on 'Taxi & Private Hire Vehicle Licensing: Best Practice Guidance'.

2. RECOMMENDATION

The Committee is asked to DECIDE:

- 2.1 **to note the progress with the implementation of the Taxi Deregulation Plan.**
- 2.2 **to recommend to Cabinet the responses to the current "Taxi – Private Hire Vehicle Licensing: Best Practice Guidance" consultation as set out at paragraph 5.2 of the report.**

3. BACKGROUND

- 3.1 In November 2003 the Office of Fair Trading (OfT) published a market study into the regulation of taxis and private hire vehicles in the UK. The government response to this was to require those Councils that operated a policy of restricting the number of hackney carriage licenses issued, of which Wyre Forest was one, to review their policy of restriction and to publish, by 31st March 2005, their justification for maintaining such policies if they wished to continue and to restrict the issue of licences; such a practice being seen as anti competitive and requiring Councils to demonstrate a clear benefit to the customer if they choose to maintain that policy.

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- 3.2 Historically Wyre Forest had operated such a restriction and, every three years, a survey of unmet demand would be undertaken and, if necessary, a limited number of additional licences would be released. At the time of the OfT report, the Council was due to undertake such a survey of unmet demand.
- 3.3 The matter was considered by the Licensing & Environmental Committee on 6th September 2004 at which time it was agreed to progress with a survey of unmet demand. It was also agreed that the matter should be considered by the then Economic Regeneration & Scrutiny Panel on 6th October 2004.
- 3.4 The Economic Regeneration and Scrutiny Panel met on the 6th October 2004 and made the following recommendations:
- (a) that they recommend to Council the deregulation of the number of taxi vehicle licences issued within the district and
 - (b) all new additions to the fleet be
 - (i) purpose built
 - (ii) new vehicles
 - (iii) DDA compliant
 - (iv) Have a particular livery, preferably silver and bear the Words Wyre Forest district Council logo and the words Licensed Taxi on both rear doors.
 - (c) from a date set in the future, to be specified by the Council, all replacement vehicles to fulfil the same requirements.
- 3.5 On 8th December 2004 Halcrow Group Ltd were commissioned to undertake the needs survey to identify unmet demand and to advise the Council on whether it would be justified in retaining its policy of restricting the issue of licences.
- 3.6 The Halcrow report was finalised on 31st March 2005 identifying significant unmet demand in the district and finding no sound reason why the Council should continue with its policy of restriction of the number of hackney carriage licences issued.
- 3.7 At its meeting of 18th May 2005, Council agreed that a plan to deregulate the issue of hackney carriage licences should be prepared, i.e. the Council would no longer operate a policy of restriction of the issue of licences.
- 3.8 Extensive consultation was undertaken, including on the then consultation, by the Department of Transport (DfT) on Taxis and Private Hire Best Practice (August 2005). The Deregulation Plan and new conditions came into effect on 1st October 2005. In recognition of the concerns of the taxi trade, it was agreed that a 12 month period of grace would precede the first introduction of the new conditions for existing members of the taxi trade to enable them to adjust to the new proposals. In effect, therefore, existing saloon car hackney carriages due for replacement after 30th September 2006 would be the first affected. It was anticipated that, by 2013, all the hackney carriage fleet would have transferred over to the new conditions.
- 3.9 The Deregulation Plan was itself phased over three years in order not to flood the market with new vehicles, again, as a means to protect the existing traders. So a small number of additional licences were issued in April 2006 and April 2007 and then in April 2008 restriction on numbers was completely lifted.

- 3.10 The Deregulation Plan set out ten specific objectives. This report assesses the progress against each of these objectives since the Deregulation Plan came into effect.

4. PROGRESS IN IMPLEMENTING THE DEREGULATION PLAN

- 4.1 **Objective 1** – *“Phase out regulation of numerical limits by 1st April 2008”*. This has been successfully achieved; anyone is now free to apply for a hackney carriage licence with no upper limit on the number of licences that could be issued.
- 4.2 **Objective 2** – *“Introduce new conditions for taxi entry and ensure that vehicles meet established standards for roadworthiness and safety in their mechanical systems from October 2005”*. Regular inspections of vehicles are undertaken at the Council’s Green Street depot and this has been supported by one off enforcement exercises held in conjunction with West Mercia Police and has highlighted some mechanical deficiencies with some vehicles.
- 4.3 **Objective 3** – *“Increase in the number of hackney carriages that fully comply with the Disability Discrimination Act requirements and improve standards of driver training, in particular in the area of disability awareness”*. In May 2005, when licences were still under regulation, there were 83 hackney carriages in the fleet, of which only six were wheelchair accessible (7%). In October 2005 there were 93 hackney carriages and 26 wheelchair accessible (27%). This percentage has steadily risen to 31% in 2006, 35% in 2007 and today, of the 98 hackney carriages, 46 are wheelchair accessible (48%). Further, all drivers have attended training in disability awareness. Disability Action Wyre Forest continue to support at least 75% of the fleet being wheelchair accessible and have recently undertaken an online poll which supports their view. Further, on 29th June, the Council received a letter from the Spinal Injuries Association setting out their Charter for accessible taxis which includes support for 100% wheelchair accessible Hackney Carriages.
- 4.4 **Objective 4** – *“Ensure that taxi related businesses provide services in a safe and secure manner”*. As part of the review and improvement of licensing conditions, the safety of both the customer and the driver is considered important. The introduction of the standardised silver livery and the identification decals make unlicensed vehicles more easy to distinguish and consequently there is not currently a problem with unlicensed vehicles operating in the district.
- 4.5 **Objective 5** – *“Ensure taxi related businesses provide a high quality of service”*. Passenger comfort and safety is very important and the high minimum standard of the conditions for licensing ensures that all of the vehicles on the fleet have to meet an improved level of quality.
- 4.6 **Objective 6** – *“Ensure that all participants in the taxi related business (owners, drivers, etc) and the general public share fairly in the costs and benefits to the regulatory system”*. The Council has been careful to ensure that the application of the Deregulation Plan and associated conditions has been fair and equitable to those already operating and those new entrants to the taxi trade, with the cost of new vehicles being the same for each group. The Council has also enabled a number of vehicles of differing prices to qualify for a licence as wheelchair accessible vehicles. The Council has restricted calls from within the trade to allow them to retain their saloon vehicles whilst new entrants provide wheelchair accessible vehicles, as this is inequitable. The Council has responded positively to the trade’s request for fare increases to meet the cost of maintaining the quality of the fleet.

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- 4.7 **Objective 7** – *“Improve the provision and location of taxi ranks and ensure they continue to meet the needs of our developing town centres”*. The Council’s recently adopted Regeneration Prospectus and the future Kidderminster Central Area Action Plan Development Plan Document under the Local Development Framework will shape the future of the town centre. Part of the consultation process considers passenger transport modes, including access to taxis.
- 4.8 **Objective 8** – *“Encourage taxi related business to promote safety and sound business practices amongst members of their industry and encourage them to enter a Voluntary Code of Conduct”*. This has been promoted through the Taxi Trade Liaison Group, but has so far fallen short of a Voluntary Code of Conduct.
- 4.9 **Objective 9** – *“To ensure the quality and safety of vehicles is maintained”*. See Objectives 4 and 5. The Council has recently considered the extension of licences to some vehicles that have passed the seven year age limit and the Council has been careful to consider the quality and safety of vehicles as part of this through a visible inspection of each vehicle, supported by proof of mechanical soundness.
- 4.10 **Objective 10** – *“Produce, distribute and monitor feedback of a taxi and private hire vehicle information leaflet”*. The Council has recently approved a Taxi handbook, following consultation with the trade which contains all the relevant information on taxi and private hire licensing.
- 4.11 It can clearly be seen from the above that the implementation of the Taxi Deregulation Plan, following its approval in 2005, has been immensely successful. However, there are still a few years remaining before the entire hackney carriage fleet will be of a uniform livery and accessibility standard.

5. TAXI & PRIVATE HIRE VEHICLE LICENSING: BEST PRACTICE GUIDANCE

- 5.1 As mentioned in paragraph 3.8 above, the last consultation on Best Practice was undertaken in August 2005 and the Council was able to participate fully as it coincided with our own review of policy and practice. Curiously, this recent consultation in 2009 overlaps with another recent consultation on taxi accessibility (February 2009) which the Council also responded to, but which has not had final findings published yet.
- 5.2 To that extent the current Best Practice consultation is unhelpful and extremely poorly timed as the entire section on accessibility is therefore subject to change. For consistency, it is recommended that the Council responds to the current consultation in respect of accessibility by reaffirming its policies to the DfT and reminding them of the recent responses to the accessibility consultation. Further, by outlining the experience in Wyre Forest of implementing the wheelchair accessibility policy and the resistance from the taxi trade, the DfT should be requested to give clear and comprehensive advice on wheelchair accessibility and mixed fleets rather than simply leaving this to each authority to deal with on a piecemeal policy basis.

There are no other amendments to the Best Practice which the Council would not support.

6. FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications arising from this report.

7. LEGAL AND POLICY IMPLICATIONS

7.1 There are no legal or policy implications arising from this report.

8. RISK MANAGEMENT

8.1 There are no risk management issues arising from this report.

9. CONCLUSION

9.1 When the Council adopted the Taxi Deregulation Plan in 2005, it did so having consulted widely on its contents and the proposed new conditions. The Plan set out ten specific objectives; this report shows that the Council has made considerable progress against those objectives and can consider that the implementation of the Deregulation Plan has, to date, been successful and effective.