

LICENSING AND REGULATION COMMITTEE

11 October 2012

REVIEW OF POLICY FOR LICENSING PRIVATE HIRE VEHICLES

REPORT OF HEAD OF LEGAL SERVICES

Contact Officer: Carol Stefanczuk Tel No: 01962 848 188

RECENT REFERENCES:

[LR371](#) - Statement of Licensing Policy with respect to Hackney and Private Hire Vehicles, Drivers and Private Hire Operators - Minor Amendments – 10 November 2011

[LR0331](#) - Statement of Licensing Policy with respect to Hackney Carriage & Private Hire Vehicles, Drivers & Private Hire Operators – 25 January 2011

EXECUTIVE SUMMARY:

This report is to consider whether changes should be made to the Statement of Licensing Policy with respect to Hackney and Private Hire Vehicles, Drivers and Private Hire Operators for the initial licensing of private hire vehicles following a letter to the Licensing and Regulation Committee on 14 June 2012 from Mr John Fairey.

RECOMMENDATIONS:

- 1 That Members consider the information contained in this report and whether any change should be made to the Statement of Licensing Policy with respect to Hackney and Private Hire Vehicles, Drivers and Private Hire Operators.
- 2 If no comments are received, that Members delegate to the Head of Legal Services power to implement the amended Policy within a reasonable time.

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DETAIL:

1 Introduction

- 1.1 On 25 January 2011, the Licensing and Regulation Committee considered a new Statement of Licensing Policy with respect to Hackney and Private Hire Vehicles, Drivers and Private Hire Operators ("the Policy"). This policy took effect from 1st April 2011 (extract at Appendix 1).
- 1.2 The Licensing Policy was reviewed by the Licensing and Regulation Committee on 10 November 2011 and resolved to make minor amendments including a requirement that licensed vehicles should be right-hand drive, unless exceptional circumstances applied, and to include the 'Blue Lamp Trust' as an example of an appropriate driving assessment or training.
- 1.3 At the last Licensing and Regulation Committee on 14 June 2012, a letter from Mr John Fairey was read out to the Committee during the Public Participation section, as Mr Fairey was unable to attend in person (Appendix 2).
- 1.4 Mr Fairey is a licensed private hire operator who mainly provides private hire vehicles for school contracts and requires larger vehicles that can carry up to 8 passengers. Mr Fairey claims he has been unable to purchase any vehicles since the change to the Policy which requires all private hire vehicles licensed for the first time to be less than 3 years old, as the cost of the vehicle to meet the policy is too high and not justifiable.

2 History

- 2.1 Prior to the Policy which took effect on 1st April 2011, private hire vehicles when licensed for the first time could be any age but in a good condition. Officers considered that when reviewing the policy, private hire vehicles should be brought in line with the age policy for hackney carriage vehicles.
- 2.2 In the past, there have been discussions as to whether this Council should require full service history or introduce mileage limits for all vehicles licensed for the first time. It was considered that full service history should not be included in the Policy as many of the licensed drivers can service their vehicles themselves, or know someone else that can, for much less cost than having it carried out and requiring a stamp from a registered garage. Introducing a mileage limit is something that the Committee may wish to consider.

3 Current Policy

3.1 The current Policy states:-

When first presented for licensing as a private hire vehicle, the vehicle must be within certain age limits:

- a) All vehicles, both saloon and purpose built, when licensed for the first time must be less than three years from the date of first registration. The Vehicle can remain in use for six years from the date of first registration after which it may be renewed on a year by year basis at the discretion of an Authorised Officer.
- b) Once the Vehicle is six years old and every year thereafter, the vehicle must be presented to an Authorised Officer for an inspection for its appearance and suitability prior to testing at the nominated garage and renewal of the licence. Any vehicle that is not to the satisfaction of an Authorised Officer must be repaired, prior to the expiry date, or replaced, subject to the age limits above.
- c) A converted vehicle should have a certificate of conversion from a reputable company and will not be accepted without such a document.
- d) In exceptional circumstances these age limits may be waived. For example, a classic car or executive vehicle in excellent condition.

3.2 In reference to d) above, some drivers have chosen to purchase a Mercedes or similar type of vehicle which was in immaculate condition inside and out and requested the Council to depart from the Policy with regard to its age, rather than purchase a private hire vehicle that is less than 3 years old. It has been noted that this could well be a cheaper way of licensing a private hire vehicle for the first time and therefore calls into question this aspect of the Policy.

3.3 All hackney carriage and private hire vehicles are inspected annually before the licence renewal date once the vehicle is 6 years old or more. This has made a positive impact on the appearance and condition of the licensed vehicles in Winchester.

4 Law Commission consultation

4.1 The Law Commission produced a consultation document "Reforming the Law of Taxi and Private Hire Services" which went out for consultation from 10 May 2012 to 10 September 2012.

4.2 One of the Law Commission's proposals was that taxis should have *minimum* national safety standards and that private hire vehicles should have *mandatory* national safety standards. It is considered that the mandatory national safety standards for private hire vehicles should be set at the same

level as the minimum standard for taxis. Council's would not be able to impose additional requirements on private hire vehicles.

- 4.3 It is not clear what standard the Law Commission considers is safe. If introduced, this would likely be set by the Secretary of State and Welsh Ministers.

5 Department for Transport – Best Practice Guidance

- 5.1 The Department for Transport – Best Practice Guidance issued in March 2010 states the following:-

- a) Age Limits. It is perfectly possible for an older vehicle to be in good condition. So the setting of an age limit beyond which a local authority will not license vehicles may be arbitrary and inappropriate. But a greater frequency of testing may be appropriate for older vehicles - for example, twice-yearly tests for vehicles more than five years old.
- b) Frequency Of Tests. The legal requirement is that all taxis should be subject to an MOT test or its equivalent once a year. For PHVs the requirement is for an annual test after the vehicle is three years old. An annual test for licensed vehicles of whatever age (that is, including vehicles that are less than three years old) seems appropriate in most cases, unless local conditions suggest that more frequent tests are necessary. However, more frequent tests may be appropriate for older vehicles (see 'age limits' below). Local licensing authorities may wish to note that a review carried out by the National Society for Cleaner Air in 2005 found that taxis were more likely than other vehicles to fail an emissions test. This finding, perhaps suggests that emissions testing should be carried out on ad hoc basis and more frequently than the full vehicle test.

6 Other Authorities in Hampshire

- 6.1 Members of the Hampshire and Isle of Wight Licensing Officers Group were contacted by email to find out whether other Authorities in Hampshire allow exceptions or have a different policy for vehicles used for school contracts.
- 6.2 The responses received were from; Basingstoke and Deane, East Hampshire, Fareham, Gosport, Havant, New Forest, Rushmoor and Test Valley, all of which state that vehicles used for school contracts must meet the requirements of a 'normal' private hire vehicle. Their age policy (if applicable) and number of vehicle tests are shown below:-

Authority	Maximum age when first licensed	Additional tests
Basingstoke and Deane	3 years (Chauffeur vehicles 7 years and list purchase price when new of £28,000 or more)	6 monthly between 3-5 years of age and every 4 months after 5 years old
East Hants	3 years	Twice a year for vehicles over 6 years old
Fareham	None	On request
Gosport	None	Twice a year for vehicles over 6 years old
Havant	5 years	On request
New Forest	None	On request
Rushmoor	None	Mileage of 60,000 up to 120,000 - 2 tests per year and above 120,000 miles - 3 tests per year.
Test Valley	None	Vehicles over 6 years old at 6 monthly intervals

7 Considerations

7.1 Members may wish to consider the following:-

- a) Amend the current Policy for private hire vehicles so that, when licensed for the first time there must be fewer than 'X' years from the date of first registration.
- b) If allowing vehicles to be licensed for the first time to be older than 'X' years, to require an additional 6 monthly mechanical inspection check at the cost of the vehicle proprietor.
- c) If b) above is introduced, to bring this in for all licensed private hire vehicles that are 'X' years old.
- d) To set a maximum age limit for executive vehicles when licensed for the first time as a private hire vehicle, where licensing officers are currently departing from the Policy as shown in 3.1 d) above. This would still exclude classic cars and novelty vehicles.
- e) To set a maximum mileage figure for private hire vehicles when licensed for the first time.

7.2 Any changes to the current Policy must be in consultation with the trade. Officers would allow a minimum of 14 days for responses.

- a) Members are asked to delegate to the Head of Legal Services, where no comments have been received, power to implement the amended Policy within a reasonable time.

- b) If relevant comments are received, a report would be prepared for decision at the next Licensing and Regulation Committee.

8 Conclusion

- 8.1 Licensing officers recognise that there can be a significant cost difference between purchasing a vehicle less than 3 years old in comparison to a vehicle with a similar mileage and condition that is up to, for example, 6 years old. When considering the age limit at the time the Policy was first introduced, the maximum 3 year age limit was introduced to bring private hire vehicles in line with the age limits applied to hackney carriages as it was considered that they carry out the same role and that there should be no distinction.
- 8.2 There has been some suggestion in the past of having a separate 'special' licence including a different coloured licence plate for school contract private hire vehicles only. However, licensing officers do not consider this to be a viable option and would expect this to be extremely difficult to enforce. There also does not appear to be anything in the current legislation to allow these types of vehicles to be treated any differently from a 'normal' private hire vehicle.
- 8.3 Ultimately, the overriding consideration is the safety of the public. However, licensing officers feel that the appearance and condition of licensed vehicles is an important factor in the type of service customers receive and of the way in which the City of Winchester is portrayed.

OTHER CONSIDERATIONS:

9 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 9.1 This report relates to ensuring the safety of the public using taxis and private hire vehicles licensed by the Council.

10 RESOURCE IMPLICATIONS:

- 10.1 It is anticipated that the cost of implementation will be covered in the existing budget.

BACKGROUND DOCUMENTS:

Department for Transport Taxi and Private Hire Vehicle Licensing – Best Practice Guide – 2 March 2010.

Law Commission – Reforming the law of taxi and private hire services – May 2012

APPENDICES:

- | | |
|------------|----------------------------------------------------|
| Appendix 1 | Extract from current Statement of Licensing Policy |
| Appendix 2 | Email from Mr John Fairey dated 7 June 2012 |

6 Private Hire Vehicles

When first presented for licensing as a private hire vehicle, the vehicle must be within certain age limits:

- a All vehicles, both saloon and purpose built, when licensed for the first time must be less than three years from the date of first registration. The Vehicle can remain in use for six years from the date of first registration after which it may be renewed on a year by year basis at the discretion of an Authorised Officer.
 - b Once the Vehicle is six years old and every year thereafter, the vehicle must be presented to an Authorised Officer for an inspection for its appearance and suitability prior to testing at the nominated garage and renewal of the licence. Any vehicle that is not to the satisfaction of an Authorised Officer must be repaired, prior to the expiry date, or replaced, subject to the age limits above.
 - c A converted vehicle should have a certificate of conversion from a reputable company and will not be accepted without such a document.
 - d In exceptional circumstances these age limits may be waived. For example, a classic car or executive vehicle in excellent condition.
- 6.2 All vehicles must have at least four doors. Saloon vehicles must have four doors in addition to any tailgate.
- 6.3 The engine capacity must be not less than 1600 cc.
- 6.4 In exceptional circumstances, an exemption certificate may be granted to dispense with the requirement to display the licence plate. This will only be granted where satisfactory proof of "executive hiring" has been received by the Council.
- 6.5 All vehicles must be right hand drive. In exceptional circumstances a licence may be granted for a left hand drive vehicle.

Carol Stefanczuk

From: John Fairey [REDACTED]
Sent: 07 June 2012 18:09
To: Carol Stefanczuk
Subject: Vehicle purchases

Carol, as requested. Please put this forward to the meeting of councillors. Many thanks. John.

At the last meeting of councillors that I attended; it was agreed that operators licensed by WCC, would only be able to buy vehicles they proposed to licence, which were less than 3 years old, and that vehicles of more than 6 years of age would need to be pre inspected by one of the licensing officers, prior to being approved for submission for its annual test to renew the licence plate.

At that meeting I submitted a statement objecting to the new regulation on the purchasing age of a vehicle. As an operator who mainly does school contracts, I require multi seat vehicles, 6,7 and 8 seaters. My annual mileage is low, and vehicles can be run for a long time provided they are well maintained. Until the new regulation came in, I was able to purchase very clean low mileage vehicles that were 5 or 6 years old. Since it came in, I have not purchased 1 vehicle because of the cost of doing so. A 2 year old 8 seater could easily be £15000 or more.

I am afraid there is not enough money in running school contracts to justify that sort of expenditure. The result is that my fleet is getting older. Vehicles require more maintenance to keep them up to scratch and the opportunity to upgrade to more modern, less polluting and more fuel efficient vehicles is not available to me. I am sure other operators are doing the same calculations as me. If you look at any of the taxi ranks, it is rare to see any vehicles less than 3 years old.

The overall effect of these changes then, is the opposite of what was intended. i.e to modernise WCC licensed Hackney and Private Hire vehicles.

What has also not been thought through, is that there is a very limited supply of up to three year old vehicles available, because many fleet purchased cars are leased over three years and are then sold off to be replaced by new ones. This particularly applies to multi seat cars and minibuses. So there are actually not many opportunities to buy a second hand vehicle, less than 3 years old.

A quick scan through Autotrader will show a lot of 4 and 5 year old vehicles with very low mileages, I have found several immaculate 8 seaters for less than £10000 with mileages between 9000 and 17000. It is ridiculous that I am unable to purchase these vehicles, because of an arbitrary age limit.

If there has to be some sort of limit, then would suggest that it is based on mileage and condition of vehicles, rather than age. Ideally we should revert to the previous system where the operator used common sense to buy the most suitable vehicle for the purpose required. After all, the mandatory tests and inspections are going to prevent the purchase of vehicles in poor condition. My suggestion would be that the bodywork and interior of the vehicle should be in pristine condition and that an upper mileage limit of 60000 should apply. There should also be service history with the vehicle.

Please give these proposals serious thought, because unless common sense starts to prevail, vehicle fleets will continue to age with obvious implications for safety and the environment. I certainly have no intention of purchasing any further vehicles under the present system.

I would also like to suggest that if the licensing officers wish to inspect vehicles prior to their annual tests, then they make an appointment with the operator to come and see the particular car. It is very time consuming and expensive and wasteful to come into Winchester to have the inspection, then go somewhere else for the test and then go back in to Winchester to collect the plate. This has become more onerous since vehicle testing was spread around the County. It needs rationalising, to save the operator and WCC time and money.

I hope councillors will consider my thoughts and give them due attention. I trust that they will be discussed and that feedback will be made available to me.

08/06/2012

I am sorry I am not able to attend the meeting in person.

John Fairey.
Managing Director, Meon Valley Services Ltd.

British Seed Houses Limited
Registered in Northern Ireland No. NI 007063, Registered Address: Commercial Road, Banbridge, Co Down, BT32 3ES
Vat No: GB 287 1105 61

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