



DERBY CITY COUNCIL

TAXI LICENSING & APPEALS COMMITTEE
7 December 2011

ITEM 8

Report of the Strategic Director of Neighbourhoods

RENEWAL OF CONTRACTS FOR APPROVED TESTING STATIONS

SUMMARY

- 1.1 The Council approves garages to carry out testing of hackney carriage and private hire vehicles. The existing contracts for the currently approved testing stations are due to expire on 31 March 2012.
- 1.2 New contracts are required which involves a contract tender process in accordance with the Council's Financial Procedure Rules.

RECOMMENDATION

- 2.1 To note the contents of the report.
- 2.2 To authorise the Service Director of Environment and Regulatory Services to initiate the tendering and selection process for testing stations on the basis of the terms and conditions set out in the report and attached appendices.

REASONS FOR RECOMMENDATION

- 3.1 The existing contracts for the currently approved testing stations are due to expire on 31 March 2012 and need to be renewed through a contract tender process in accordance with the Council's Financial Procedural Rules.

SUPPORTING INFORMATION

- 4.1 The Council approves garages to carry out testing of hackney carriage and private hire vehicles. The existing contracts for the currently approved testing stations are due to expire on 31 March 2012.

- 4.2 Although six garages were originally approved under this current contract arrangement, two subsequently relinquished their approvals because they were not receiving any vehicles to test and could not commit to the additional resources required by the approval process without receiving the additional work. Officers have spoken with members of the trade as well as representatives from the garages to try and establish why this may have occurred. It would appear that there are two main factors which have an impact on which garage is used; price and popularity. At the moment, each garage, in their tender application, sets out the maximum price it will charge for the various tests it is required to undertake. If subsequently approved, the garage is then allowed to charge anything up to this amount. Invariably, this means that each testing station could be charging different amounts for the same type of test at any particular time during the contract period, making certain testing stations more popular than others, and an increased potential for standards in the quality of testing to fall. In order to address this issue, Members may wish to consider the option of setting fees as part of the tender process and also consider the possibility of introducing a system whereby inspection and testing was allocated to each approved testing station on an equal basis.
- 4.3 For the latter part of the contract period, there have been four approved testing stations routinely carrying out testing of vehicles. On the whole, the performance of each of these testing stations has been generally satisfactory. Where issues have been raised, they have been investigated by officers and where the evidence has been present, action has been taken to resolve any problems. Members themselves have recently raised some concerns at Sub Committee hearings about the effectiveness of the testing of certain vehicles that have been suspended on more than one occasion in a rolling twelve month period. Subsequently, more proactive auditing of testing stations will be undertaken in the future and a formal auditing programme will be implemented to achieve this, which will also complement the proposals set out above in paragraph 4.2.
- 4.4 As the contracts are due for renewal, there is also the opportunity to examine the existing provision, including the terms and conditions placed on our approved testing stations. The current terms and conditions have been included at Appendix 2 for information.
- 4.5 Subject to approval, it is expected that the tender process will commence in the New Year with a suitable lead-in time that will enable the new contracts to commence by the beginning of April 2012 for a period of three years. A further report will be presented to committee in February that sets out details of the tenders that have been received. Members will be asked to decide which garages they wish to be approved at this time.

OTHER OPTIONS CONSIDERED

5.1 Not applicable.

This report has been approved by the following officers:

Legal officer	Olu Idowu
Financial officer	-
Human Resources officer	-
Service Director(s)	-
Other(s)	-

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Background papers:	None
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial

- 1.1 As set out in the report.

Legal

- 2.1 As set out in the report and appendices.

Personnel

- 3.1 None directly arising.

Equalities Impact

- 4.1 As set out in the report and appendices.

Health and Safety

- 5.1 As set out in the report.

Carbon commitment

- 6.1 None directly arising.

Value for money

- 7.1 None directly arising.

Corporate objectives and priorities for change

- 8.1 The proposal supports the corporate priorities to ensure the people in Derby will enjoy **good quality services that meet local needs** and **being safe and feeling safe**.

TERMS AND CONDITIONS

**FOR THE TESTING OF HACKNEY CARRIAGE AND PRIVATE
HIRE VEHICLES BY SPECIFIED TESTING STATIONS**

BREACHES OF TERMS AND CONDITIONS

In relation to the breach of any of the terms and conditions in Sections 1-6 which follow, the following sanctions may be applied:

- (a) In the event of a serious breach (or repeated minor breaches) of terms and conditions in the opinion of licensing officers, the matter shall be referred to the Licensing and Appeals Committee, with a view towards termination of the contract between the Council and the testing station.
- (b) Minor breaches of terms and conditions may be resolved by consultation with officers from the licensing team. However, where it is deemed appropriate, a written warning letter will be issued to the testing station. Should any testing station receive more than two such written warnings in a twelve month period, the matter shall be referred to the Licensing and Appeals Committee, as in (a) above.
- (c) Where breaches relate to an examiner's repeated failure to achieve the standard of testing required by the Council, the examiner may be removed from the approved list for that testing station. The testing station would then be required to provide a replacement examiner; failure to do so could result in the contract being terminated by the Council.

SECTION 1

DUTIES, RESPONSIBILITIES & OBLIGATIONS OF A “SPECIFIED TESTING STATION”

1. It shall be the duty of each specified testing station to fully implement the provisions set out in Sections 2-6.
2. It shall be the duty of each specified testing station, by the consistent application of the licensing authority’s “Supplementary Testing Manual”, to ensure the highest standards of passenger comfort and safety in hackney carriage and private hire vehicles tested by it.
3. It shall be the duty of each specified testing station, to enable the licensing authority to fulfil its own obligations, to permit the monitoring and surveillance and auditing of testing standards by its own officers or through its appointed agents.
4. It shall be the duty of each specified testing station to comply with the requirements of the Health and Safety at Work etc. Act 1974 and Statutory Instruments made thereunder. This is in order to protect employees, members of the public and other people who may come into contact with the business.
5. Every specified testing station must be insured for any accident and/or loss arising to property persons or vehicles whilst undergoing test at either the premises of the testing station or elsewhere. The testing station will provide a full indemnity to the Council in relation to any expense, liability, loss, claim or proceedings in respect to any injury or damage whatsoever to any property real or personal or for personal injury or death. The insurance cover referred to shall not be less than £5m.
6. The successful organisation shall not, without the approval of the licensing authority, engage in the business of a hackney carriage or private hire vehicle operator and/or vehicle proprietor, or hold a motor vehicle dealership franchise.
7. Any specified testing station which, with the consent of the licensing authority, is, or proposes, to operate hackney carriage or private hire vehicles shall be required to submit its own vehicles to an alternative specified testing station.
8. The proprietor/s of a specified testing station shall attend periodic service review meetings, if required by the Council.
9. No specified testing station shall undertake any form of repair work or pre-tests on vehicles subject to the testing regime.
10. The successful organisation shall be located within the administrative boundary of the City of Derby.

SECTION 2

TESTING STANDARDS

- The testing station shall be required to:-
- (a) undertake the testing of hackney carriage and private hire vehicles at the request, and on behalf, of the licensing authority. The test shall be to the standard prescribed by the Secretary of State for Transport and shall also include the licensing authority’s requirements contained in the current version of Derby City Council’s “Supplementary Testing Manual”.

- (b) undertake, as part of the vehicle test, a road test including a meter check over marked distances specified by the licensing authority.
- (c) retain its status as a Department of Transport authorised ('MOT') testing station, to enable it to be specified and operate as a testing station on behalf of the licensing authority.
- (d) adopt, subject to consultation, changes to the Council's "Supplementary Testing Manual".

SECTION 3

TESTING TIMES

The testing station shall be required to:-

- (a) undertake testing as required from Monday to Friday (inclusive) between the hours of 8.30 am and 5.00 pm (with the last full test starting not later than 4.00 pm and the last re-test starting not later than 4.30 pm).
- (b) undertake testing as required on Saturday mornings between the hours of 9.00 am and 12 noon (with the last full test starting not later than 11 am and the last re-test starting not later than 11.30am)
- (c) provide facilities for undertaking an emergency re-test which has not been programmed, but which can be reasonably accommodated within the available testing period.
- (d) make available, subject to prior notification by the licensing authority of the need to do so, nominated testers up to 10.00 pm on any weekday, to undertake testing of hackney carriage or private hire vehicles that are subject to a "spot check".
- (e) immediately notify the licensing authority of any inability to test due to holidays, industrial action, or other unforeseen circumstances.

SECTION 4

PERSONNEL

The testing station shall be required:-

- (a) to ensure that all tests are undertaken by individually nominated DOT approved testers; and any proposed changes in nominated testers shall be immediately notified to the licensing authority. All new testers will require training and approval by the Council prior to them commencing testing on hackney carriages and private hire vehicles. New testers should have at least 6 months experience of MOT testing or an appropriate motor engineering qualification (for example City & Guilds 381, parts 1 and 2)
- (b) to provide a minimum number of 2 nominated testers during hours of operation.
- (c) subject to notification by the licensing authority, to provide nominated testers as required for checking and sealing of meters on the revision of fares.
- (d) to release relevant nominated testers to attend Court as a witness on behalf of the licensing authority in the event of any legal proceedings

involving and/or arising out of the conduct of a test, from test results or procedures. All reasonable costs of so doing will be met by the licensing authority.

SECTION 5

FACILITIES

The testing station shall be required to:-

- (a) provide and maintain the required standards of equipment as laid down by the Department of Transport.
- (b) provide and maintain at least 1 MOT bay for hackney and private hire vehicle inspection during hours of operation.
- (c) provide suitable and sufficient waiting and viewing accommodation for drivers of vehicles being tested and at least 3 parking spaces for vehicles awaiting test.
- (d) provide suitable and sufficient office space for undertaking the licensing authority's administration procedures.
- (e) permit authorised officers of the licensing authority access to the premises at all reasonable times, including whilst hackney carriage and private hire vehicles are undergoing a test.
- (f) maintain a satisfactory level of cleanliness and housekeeping, as well as facilities for waiting drivers and authorised officers.

SECTION 6

ADMINISTRATION

The testing station shall be required:-

- (a) to complete all documentation relative to the vehicle test including the vehicle test or re-test report. The test reports and certificate will be in triplicate, with the originals issued to the vehicle proprietor, the second copy to the licensing authority and the third copy retained by the testing station.
- (b) to refer immediately to the licensing authority any disagreement or dispute over the vehicle test result, or other dispute.
- (c) not to accept for retest any vehicle for which the particular testing station has not undertaken the initial full test.