



## **Further Changes to Taxi Licensing Administration**

### **SUMMARY**

- 1.1 At Council on 23 November 2016, it was agreed to implement a new taxi licensing administration system for the council and a minimum application threshold criteria.
- 1.2 A number of other proposals were considered and it was agreed to refer these to the Licensing Committee for determination. These proposals are set out in the report.

### **RECOMMENDATION**

- 2.1 Approve the rescission of Condition 11(a)(xii) of the Council's Private Hire Operator Conditions.
- 2.2 Approve the introduction of an option to renew driver licences and private hire operators' licences online.
- 2.3 Approve the discontinuation of the issue of a 'Certificate of Compliance' and authorise approved garages to issue compliant vehicles with a Vehicle Inspection Report (for Council use) and an MOT Certificate, if requested by the driver.
- 2.4 Approve the requirement for Disclosure and Barring Service (DBS) checks to be carried out by third parties approved as 'umbrella organisations' each with unique registration numbers, by the Disclosure and Barring Service.
- 2.5 Approve the introduction of a requirement for private hire operator's licence applicants, and existing licence holders at renewal, to undertake an enhanced DBS check with Adult and Children Barring and provide a valid certificate to that effect as part of the application and provide evidence of registration to the online update service.
- 2.6 Approve the introduction of a dual badge option for licensed drivers.
- 2.7 Approve the introduction of a requirement for all new driver licence applicants to obtain and produce a Level 1 functional skills assessment certificate in Maths, English and ICT on application.

- 2.8 Approve the introduction of a requirement for all existing drivers to obtain and produce a Level 1 functional skills assessment certificate in Maths, English and ICT before or no later than on application for the next renewal of their drivers licence.
- 2.9 Approve the introduction of a dress code requirement for drivers (as determined by Committee).
- 2.10 Approve the introduction of a requirement to provide a mandatory notification form for the transfer of vehicle proprietorship.
- 2.11 Approve the requirement for all currently licensed modified vehicles to produce to approved testing stations and the local authority, a voluntary individual vehicle assessment (VIVA) certificate issued by the Driver and Vehicle Standards Agency (DVSA), prior to being tested.
- 2.12 Approve changes to the private hire vehicle licence conditions and specifications to either:
  - (a) amend the amount of luggage space available for customer use from 300 litres to 200 litres;
  - or
  - (b) remove the condition and specification relating to a minimum amount of luggage space for private hire vehicles in their entirety.
- 2.13 Approve that the Group 2 medical examination for all new and existing drive undertaken either:
  - (a) by the applicant's own GP practice;
  - or
  - (b) by the Council's Occupational Health Service.
- 2.14 Approve the additional full time and temporary resources set out in Paragraph 4.19 that are essential prerequisites to the successful implementation of the measures approved by Council on 23 November 2016, as well as those set out in this report.

## **REASONS FOR RECOMMENDATION**

- 3.1 To give effect to the mandate given by Council at its meeting on 23 November 2016.

## **SUPPORTING INFORMATION**

- 4.1 At Council on 23 November 2016, it was agreed to implement a new taxi licensing administration system for the Council.

- 4.2 This included the introduction of a new penalty points system, a minimum requirement application threshold, changes and modifications to certain current practices and housekeeping around the current imposition of age limits and right to work legislation, ready for introduction between now and 30 June 2017.
- 4.3 As part of the recent review of current practices, a number of other changes were considered. These were not integral to the implementation of the main proposals set out at Council and it was agreed that they would be referred to Licensing Committee for determination.
- 4.4 With the exception of the proposal in relation to age limits which is based on legal advice, members are invited, on an individual basis, to consider the merit in adopting as policy the further proposals set out below within paragraphs 4.6 – 4.20.
- 4.5 As Members will be aware, consultation on the proposed changes was recently carried out. The results of the consultation exercise were presented to Council back in November 2016 and are reproduced with this report at Appendix 2 for information.

#### Revision of Private Hire Operator Condition 11(a)

- 4.6 It has become clear that the current exemption in Condition 11(a)(xii) of the Council's Private Hire Operator Condition's creates the potential for a safeguarding loophole. In its current guise, it provides that bookings made by email or text are exempt from recording the picking up and setting down points of the journey and the name and address of the hirer. It creates the potential for abuse in the event that a dispute arises between a driver/operator and a passenger. Closing off the loophole, in addition to the obvious safeguarding concern that arises, also protects the driver/operator from allegations of impropriety. The proposal is to delete in its entirety, Condition 11(a)(xii). For existing licence holders, this will apply at the next licence renewal.

#### Online Renewals of Driver Licences and Private Hire Operator Licences

- 4.7 The proposal is to introduce an option to renew driver licences and private hire operator licences online, the benefits of which would be that licence holders would no longer be required to attend the council offices for renewal. The proposal is expected to drive efficiency by quickening the current administrative regime and potentially offer a lower online fee.

#### MOT for Vehicles

- 4.8 At present, current and prospective licensed vehicles are tested at approved garages to a standard prescribed by the supplementary testing manual approved by the Council. The standard can be described as an 'MOT plus' in so far as it prescribes checks that include, but exceed, the standard MOT test for motor vehicles in acknowledgement of the increased demand placed on licensed vehicles. Subject to a vehicle meeting the requisite standard when tested, an approved garage issues the proprietor with a Vehicle Inspection Report, which is then produced to the Licensing Team to certify that the vehicle has been passed

fit to be issued with a private hire or hackney carriage vehicle licence.

The trade have long lobbied for an MOT certificate to be issued following a successful test, which would enable licence holders to tax their vehicles. It should be noted that an MOT certificate is not required for the licensing of the vehicle as the test is to an MOT standard and the additional items within the supplementary testing manual. The issuing of a Vehicle Inspection Report by an approved garage confirms that it has met the required standard to be licensed. Currently, licensed vehicles would need to be put through aspects of the same test just passed, in order for a separate MOT certificate to be issued. It is proposed that the use of a 'Certificate of Compliance' is discontinued and approved garages are authorised to issue the compliant vehicle with a Vehicle Inspection Report and, if requested by the driver/proprietor, an MOT Certificate. The former confirms the vehicle complies with the additional standards prescribed in the supplementary testing manual and an MOT. Drivers/proprietors will of course need to pay the testing garage for the MOT certificate, in line with the rates approved by committee when each garage was approved.

#### Disclosure and Barring Service (DBS) checks

- 4.9 The DBS process for hackney carriage and private hire drivers has changed over the last few years and the Council has made further changes to the process recently, following the introduction of deregulation legislation. Currently, DBS applications are countersigned by an officer from the Licensing Team which means a new applicant or existing driver must attend the council offices for this to be done. There are a number of other organisations both local and national, certified by the DBS as 'umbrella organisations' each with unique registration numbers, that can undertake this service. It is proposed that the DBS counter-signatory process for hackney carriage and private hire driver licences in Derby is carried out by one of these organisations through direct arrangement between the applicant and the organisation.

The Council will continue to provide detailed information to applicants about the specific standard of DBS check required in order for a licence to be issued. It will be the responsibility of the applicant to ensure that this is done. The proposal offers more flexibility and control over the process to the applicant. It also creates an effective separation between the officers and the trade, avoiding any scope for conflicts to arise where the trade might, as has from time to time been implied, otherwise consider the procedure of a DBS application has been compromised by officers.

- 4.10 It has also become apparent that although like drivers, private hire operators are also required to satisfy the Council that they are 'fit and proper', DBS checks are not routinely carried out when an operator's licence is applied for. The proposal is for this to change, so that all private hire operator's licence applicants and Directors of companies, and existing licence holders from renewal, will be required to undertake an enhanced DBS check with Adult and Children Barring and provide a valid certificate to that effect as part of the application and provide evidence of registration to the online update service.

#### Dual Badges for Drivers

- 4.11 Currently the Council does not issue a dual badge but does issue separate hackney carriage drivers' licences and private hire drivers' licences to a small number of individuals. Introducing a dual badge option will increase flexibility by allowing an individual to undertake both types of licensed work. Effectively, in order to obtain a dual badge, an applicant would need to satisfy the requirements set out to obtain a hackney carriage drivers licence. This means that in principle, although hackney carriage drivers licence holders need do no more in order to obtain a dual badge, for private hire drivers, both new applicants and existing licence holders, they would need to complete some additional requirements to obtain a dual badge. The proposal is to introduce a dual badge option. Should Members agree to this proposal, an appropriate set of fees for issuing dual badges will be calculated.

#### Basic Skills Test

- 4.12 Related to and extending on from the mandatory safeguarding training, is a proposal for Members to consider the introduction, in principle, of a basic skills test for all new driver licence applicants. For existing drivers, the proposal is for this to be completed before the next renewal of their drivers licence.

As well as the safeguarding element, the test will include Level 1 functional skills assessments in Maths, English and ICT. The aim of this is to improve standards for all drivers, improve customer experience and ensure continued public safety.

Dependent of the decision of Members, the intention is to identify the various options available to deliver such a test, either through a local college/training provider or an in-house online facility.

#### Dress Code

- 4.13 In the interest of driving up standards and reinforcing a positive professional image of the hackney carriage and private hire trade, who are often the first point of contact with visitors to the city, views on the introduction of a mandatory dress code were sought as part of the recent consultation exercise. The intention was to initiate sensible debate about the appropriateness of drivers being seen to be driving in hooded tops, vests or other apparel that do not convey an appropriate professional image. Licensing Committee may want to introduce a specific dress code requirement or consider encouraging individual drivers and/or employers of drivers and/or trade associations to be pro-active in considering the merit in introducing a voluntary code. Should the decision be the latter, it may be useful to reserve the right to review the ability of the trade successfully introducing such measures.

The proposal is to introduce a specific dress code requirement to be determined by Committee.

### Vehicle Proprietorship

- 4.14 Notification of the transfer of vehicles between different proprietors can often cause administrative problems for the Licensing Team. Because there is currently no defined list of what amounts to acceptable notification of a change in ownership, the Council often receives documentation which does not contain the correct information, whose authenticity is questionable, is difficult to read or which becomes the subject of subsequent challenges/changes/withdrawals.
- 4.15 In order to confirm notification of the transfer of the legal proprietorship of vehicles which are licensed by the Council from one person to another or company, it is proposed to introduce a mandatory notification form that must be completed fully and submitted to the Licensing Team, in all circumstances.

### Vehicle Modifications

- 4.16 Following the identification of concerns with specified minimum dimensions, uncertainties about the integrity of modifications to seating layouts and the provision of additional interior lighting in both new and existing licensed vehicles, views were sought on whether or not these types of modifications should continue to be permitted, and if so on what basis. Committee have already agreed that modified vehicles applying for a new licence must have a voluntary individual vehicle assessment (VIVA) undertaken and a certificate issued by the Driver and Vehicle Standards Agency (DVSA) prior to being presented to an approved testing station. The proposal is that this requirement will apply/be extended to all currently licensed vehicles at their next renewal. Alternatively, members may determine in their sole discretion that the need for certainty is so fundamental that all previously licensed vehicles should systematically be reassessed immediately.

### Hybrid Vehicles and Luggage Space

- 4.17 Comments have been sought on the continued need to have a defined luggage space requirement for private hire vehicles. At present, they must have a minimum of 300 litres of luggage space available for customer use. This can create problems for some hybrid-type vehicles as they cannot meet this requirement because of the additional space required for their battery cells. Also, it is recognised that for the significant number of journeys undertaken in private hire vehicles, luggage space is not necessarily needed or used. Furthermore, as a private hire vehicle has to be pre-booked, the need for luggage space could be specifically discussed at the time of the booking.

Two options are offered for consideration by Members, firstly to amend the amount of luggage space available for customer use in private hire vehicles from 300 litres to 200 litres; or remove the condition and specification relating to a minimum amount of luggage space for private hire vehicles in their entirety.

## Medicals

- 4.18 During the consultation process, a number of comments were received from the trade expressing concern about inconsistencies in the fees that they currently incur for medical examinations, and that this is likely to continue. Additionally, officers have increasingly found that they have had to challenge the veracity of a number of privately sourced medical certificates, and that only following such challenges will an appropriate certificate be provided. There is already a clear established process for the completion of Group 2 Medical Examinations. Two options however need to be considered by Committee. Option one is that a new applicant or existing driver arranges a test through their own GP practice. Option two is the provision of this service through an in-house system, whereby future medical examinations are undertaken by the Council's Occupational Health Service to the Group 2 medical standard. Option two will require additional resourcing of the Council's Occupational Health Service.

## Resources

- 4.19 The implementation of these proposals will require corporate investment to make the delivery of the service robust and resilient. Neither the Licensing Team nor the Legal Service, as currently staffed, are sufficiently resourced to meet the challenges that the new administrative process and these proposals will generate. The additional full time and temporary resources required to implement these measures are below:
- 1 x FTE Licensing Officer at approx. £25,000/year
  - 1 x FTE Licensing Administrator at approx. £18,000/year
  - 1 x FTE Apprentice at approx. £8,500/year
  - 1 x FTE Lawyer at approx. £52,000/year
  - 1 x FTE Licensing Policy Officer at approx. £35,000/year until 30 June 2018
- 4.20 Subject to Committee's decision in relation to paragraph 4.18, other costs will need to be factored in beyond the scope of those detailed above.
- 4.21 The fundamental principle behind public authority licensing schemes is that they must be self-financing, and for that reason any 'profits' are ring-fenced, to be re-applied towards administering the scheme in future years. In practical terms, this means that any additional costs the Council may incur in introducing some or all of the proposals set out in this report will need to be met by the trade. There is no available budget provision to meet these costs and the Council's budget position is such that there are no plans to meet any additional costs itself.

## OTHER OPTIONS CONSIDERED

- 5.1 It is officers' understanding that maintaining the status quo is not an available option and beyond proposing that as a further alternative, no other option has therefore been considered.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Estates/Property officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Olu Idowu n/a n/a n/a John Tomlinson
<b>For more information contact:</b>  <b>Background papers:</b> <b>List of appendices:</b>	Michael Kay, Head of Environmental Health & Licensing - 01332 641940 <a href="mailto:michael.kay@derby.gov.uk">michael.kay@derby.gov.uk</a> None Appendix 1 – Implications Appendix 2 – Results of Consultation Exercise

<b>IMPLICATIONS</b>
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**Financial and Value for Money**

- 1.1 The additional funding requirements that will be required to meet the finalised proposals will need to be met by the trade. There is no available budget provision to meet these costs and the Council's budget position is such that there are no plans to meet any additional costs itself.

**Legal**

- 2.1 None other than as set out within the report.

**Personnel**

- 3.1 The additional staffing resources required to meet the finalised proposals are set out in the report.

**IT**

- 4.1 A review of any additional IT resources that may be required to meet the finalised proposals will need to be carried out at a later date.

**Equalities Impact**

- 5.1 None directly arising from the report.

**Health and Safety**

- 6.1 None.

**Environmental Sustainability**

- 7.1 None.

**Property and Asset Management**

- 8.1 None.

**Risk Management**

- 9.1 There would be significant reputational risk to Council in devising and/or approving an ineffectual scheme.

## **Corporate objectives and priorities for change**

10.1 The proposals set out in this report address the corporate objectives of:

- protecting vulnerable children, young people, adults and older people
- promoting health and well-being
- being more commercial
- delivering our services differently

10.2 The proposals also meet the Council's core vision of being 'safe, strong and ambitious', and the aim to be a 'modern, flexible and resilient Council'.