

# **LICENSING REGULATORY COMMITTEE**

## **Deregulation Act 2015 – Duration of Private Hire Operator’s Licences and Hackney Carriage and Private Hire Driver’s Licences and Proposed Fees for Private Hire Operators Licences October 2015 – April 2016 16<sup>th</sup> July 2015**

### **Report of Licensing Manager**

#### **PURPOSE OF REPORT**

To inform members of the amendments to the Local Government (Miscellaneous Provisions) Act 1976 implemented by the Deregulation Act 2015 in relation to the duration of Private Hire Operator’s Licences and Hackney Carriage and Private Hire Driver’s Licences. To ask members to approve the proposed procedure for dealing with the change in legislation in relation to the 5 year operator’s licence.

**This report is public.**

#### **RECOMMENDATIONS**

- 1. That the Committee approve a consultation with current operators in relation to the introduction of a five year Private Hire Operator’s licence as required by the Deregulation Act 2015.**
- 2. That the Committee approve the issuing of a 6 month operator’s licence for renewals and new applications between the 1<sup>st</sup> October 2015 and 31<sup>st</sup> March 2016 so that a full consultation can take place and to allow time to set an appropriate fee for a five year licence.**
- 3. That the committee approve the introduction of a three year driver’s licence for all new applicants in line with the requirements of the Deregulation Act 2015 and the current procedures for existing hackney carriage and private hire drivers.**
- 4. That the committee allow applicants over the age of 65 to continue to renew their driver’s licence on an annual basis in line with the medical check requirement.**

#### **1.0 Report**

- 1.1 The provisions of the Deregulation Act 2015 that relate to Taxi and Private Hire Licensing come into force on the 1<sup>st</sup> October 2015.**
- 1.2 The Deregulation Act amends the Local Government (Miscellaneous Provisions) Act 1976 LG(MP)A1976 as follows:-**

## **Hackney Carriage and Private Hire Driver's Licences**

- 1.3 In relation to hackney carriage and private hire driver's licences the provision in s53 of the Act at the moment requires the Council to grant a licence for a period of 3 years or for 'such lesser period as the district council may specify in such licence.' This provision has been amended to require the Council to grant a licence for 3 years or 'for such lesser period, specified in the licence, as the district council think appropriate in the circumstances of the case'
- 1.4 Members may be aware that in March 2012 this committee approved the introduction of a 3 year driver's licence for all renewal applications except for drivers over the age of 65. The provision for new applicants remained the same and the licence is currently only granted for a year.
- 1.5 Officers are now requesting that in light of the amendment to the legislation members approve with effect from the 1<sup>st</sup> October 2015 the issue of a 3 year driver's licence for all new applicants in line with the current procedure for renewals. However officers would recommend that the procedure in relation to the issuing of an annual licence to drivers over the age of 65 remains as it is now. This will keep it in line with the requirement to undergo annual medical checks and will not force a driver who may be considering retirement in the near future to pay out for a 3 year licence which will not be used. Officers think that this would be appropriate in the circumstances of the case and would ensure compliance with the amended legislation.
- 1.6 The fee for the 3 year driver's licence for the financial year 2015/16 has already been approved by this committee in February of this year and there will be no requirement for an amendment to that fee as a result of the changes to the legislation.

## **Private Hire Operator's Licence**

- 1.7 The Deregulation Act 2015 amends section 55 of the LG(MP)A1976 which relates to the duration of private hire operator's licences by substituting subsection 2 which currently provides:-  
  
'Every licence granted under this section shall remain in force for such period, not being longer than five years, as a district council may specify in the licence'  
  
With:-  
  
'Every licence granted under this section shall remain in force for five years or for such lesser period, specified in the licence, as the district council think appropriate in the circumstances of the case'
- 1.8 Officers recommend that in light of the above amendment a consultation should now take place with private hire operators to inform them of this change in legislation and to seek their views.
- 1.9 Currently private hire operator's licences are issued annually and the fee is set accordingly. If a five year licence were to be introduced the fee would have to be adjusted to reflect the Council's recoverable costs over the five year period.
- 1.10 Section 70 of the LG(MP)A1976 allows the council to set fees for the grant of vehicle and operator's licences which should be sufficient in aggregate to cover in whole or

in part reasonable costs of inspections of vehicles and any reasonable administrative or other costs associated with the control and supervision of hackney carriage and private hire vehicles.

- 1.11 Any fee charged would have to be sufficient to cover all of the above costs for the full five years of the licence. Officers are concerned that this could cause some smaller operators financial hardship and they may prefer to continue being licensed for one year only. Some operators may not be intending to keep a licence for five years, and again may prefer to be licensed for a shorter period.
- 1.12 Officers will shortly be carrying out a full review of fees for all licences issued utilising information collated through a time recording system currently being used in the licensing department. It is felt that it would be appropriate to consider any proposed fees for a five year operator's licence at the same time. A report will be submitted to this committee in February outlining all proposed fee changes.
- 1.13 In the meantime officers feel it would be appropriate to issue any operator's licences between the 1<sup>st</sup> October 2015 and 31<sup>st</sup> March 2016 for a 6 month period. This will mean that all operators' licences will be due for renewal in the same financial year 2016 and will ensure that, if a five year licence is introduced, all operators will benefit from being charged in accordance with the latest fees table. This will also allow officers adequate time to ensure that a full and accurate review of the fees can be carried out and will ensure that the fee charged reflects, as accurately as possible, all allowable charges.

## **2.0 Conclusion**

- 2.1 Members are requested to approve the introduction of a three year hackney carriage, private hire and dual driver's licence for all new applicants.
- 2.2 Members are requested to approve the start of a consultation with private hire operators in relation to the issuing of a five year licence.
- 2.3 Members are asked to approve the introduction of a 6 month operator's licence for all operator licences issued between 1<sup>st</sup> October 2015 and 31<sup>st</sup> March 2016.

### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

The proposed change does not have the potential to cause negative impact or discriminate against different groups in the community based on age, disability, gender, race/ethnicity, religion or religious belief (faith), sexual orientation, or rural isolation.

### **FINANCIAL IMPLICATIONS**

As a full review of all licence fees is to be conducted as part of the budget process it is felt that it would be unreasonable to set a figure for a new 5 year licence now until the review is completed. The issuing of a 6 month licence from October to March will result in a shortfall of around £1,400 and that will need to be built into the 2015/16 Revised Budget.

Likewise, introducing a 3 year driver's licence for all but the over 65's will have an impact on year on year budgets and will need to be assessed along with the fee review and again built

into the Revised and future year's budgets as part of the 2016/17 budget process.

**LEGAL IMPLICATIONS**

The legal implications are included in the report.

**BACKGROUND PAPERS**

None.

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