



**Classification**

**Item No.**

**Open / Closed**

<b>Meeting:</b>	Licensing and Safety Committee
<b>Meeting date:</b>	20 July 2023
<b>Title of report:</b>	Hackney Carriage & Private Hire Policy Revisions
<b>Report by:</b>	Executive Director (Operations)
<b>Decision Type:</b>	Council
<b>Ward(s) to which report relates</b>	All

### **Executive Summary:**

This report sets out some of the challenges facing licensing authorities due to the negative impacts of extensive out of area working within the private hire industry, including the decline in taxi and private hire licence numbers in Bury and the approach made by trade representatives for amendments to key policy areas.

### **Recommendation(s)**

The Committee is asked to note the report and to request that officers consult on the following policy revisions:

1. To modify the requirement for Operator stickers on private hire vehicles to replace all existing operator signage with new Passenger Side Windscreen signage (w10.5cm x h8.5cm) indicating operator, which must be updated and changed to reflect operator.
2. To remove the future requirement for bonnet stickers on private hire vehicles.
3. To modify the requirement for the current rear passenger door sticker "Private hire vehicle (not a taxi) The driver can only take passengers who have pre-booked with this company" to be replaced with a new Council issued sticker which is to be displayed on the rear door of a private hire vehicle stating, "Private hire vehicle not insured unless pre booked with operator" (magnetic signage is not permitted)

4. To modify the current knowledge test for the hackney carriage and private hire drivers.
5. To modify the requirement from mandatory to advisory for the provision of a fire extinguisher and first aid kit and modify the Council's vehicle compliance testing manual.
6. To remove the requirement for front plates on Hackney Carriage and Private Hire Vehicles and replace with Council issued windscreen signage which must be displayed at all times.
7. To remove the pre-requisite requirement of driving standards assessment before making an application to the Licensing Authority.
8. To introduce a re-application policy in relation to breaks in licence for the pre-requisites and Knowledge tests only.

## **1.0 BACKGROUND**

- 1.1 Members will be aware of the ongoing pressures on taxi and private hire licensing authorities with regards to the effects of out of area working. This continues to impact the ability to control local licensing standards and principles and to recover service costs by retaining income levels on vehicle and driver licences.
- 1.2 It has also been almost 2 years since this Committee approved Stage 1 of the Minimum Licensing Standards (MLS) for Taxi and Private Hire (Drivers and Operators) and over 18 months since the approval of Stage 2 (Vehicles) as part of the harmonisation of standards project across Greater Manchester (GM). These standards are still not fully adopted or implemented across GM in large part due to the continued delay of the Clean Air Plan which has in turn delayed access to Clean Taxi Funds upon which many policy decisions are dependent.
- 1.3 Shortly after the MLS policy positions were initially agreed across GM, the Department for Transport (DfT) issued proposed Best Practice Guidance for Taxi and Private Hire licensing and ran a consultation from March – June 2022. Elements of this draft guidance departed significantly from the MLS that had been initially agreed across GM, namely the vehicle age and private hire sticker policies. The DfT is yet to respond to that consultation and has not committed to a timetable for issuing the final guidance.
- 1.4 With the ever-changing industry, continued licence shopping impacting many licensing authorities, and without final completion of Stage 1 & 2 of the MLS project being achieved (with three districts still yet to approve MLS vehicle standards for their current fleets) some GM districts have already felt compelled to review their position and depart from MLS policies they had previously approved. Consequently, the MLS project is currently under full review.
- 1.5 Changes in the industry are impacting on the business of the Licensing Service. Bury continues to work with other GM districts to achieve alignment in taxi and private hire policy as far as possible, however, it is no longer feasible to maintain all of the current MLS positions or await the DfT's Best Practice guidance.
- 1.6 This report outlines the current key policy areas that members of the trade have repeatedly approached officers and Members about and which policy revisions the Committee may want to consider.

- 1.7 As always, a prime consideration must be implications around safety and the report seeks to provide members with all relevant information about potential impacts if our policy position changes.

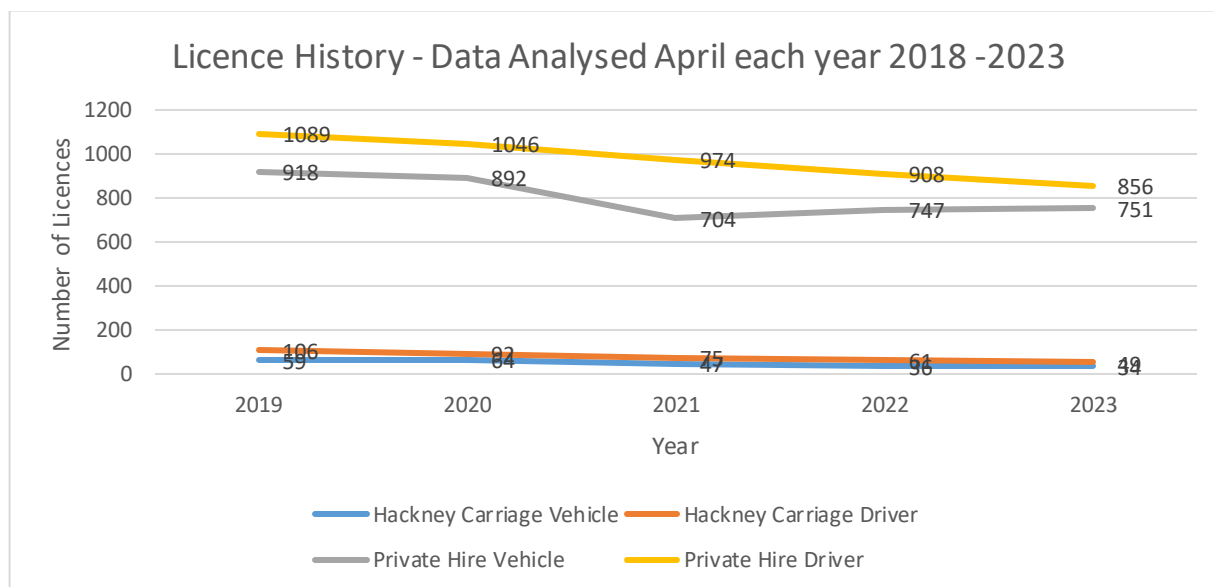
## 2.0 BUSINESS RETENTION

2.1 Private Hire licensees can effectively choose to obtain their licences in one district with the intention of working in a completely different licensing area. Members will be aware that Bury along with other GM Authorities have seen a proliferation of vehicles and drivers working in the area but licensed elsewhere.

2.2 There are a range of related factors that encourage this behaviour all related to policy, customer service, cost and levels of enforcement. Officers from the Licensing Service have engaged with trade representatives through the trade liaison meetings and the most common reasons cited for licensees leaving Bury or not choosing to be licensed here are:

- Vehicle Livery including front vehicle licence plates, and vehicle sticker policy.
- Costs
- Fire Extinguisher/First Aid Kit

2.3 The graph below shows how the number of licences issued by Bury has declined over the past 5 years:



2.4 The graph illustrates that Bury is continuing to lose licensees and without intervention from the government, with no current plans to prevent licence shopping through legislative change, this trend is only likely to continue. It is important to also note that the pandemic had a detrimental impact on the trade.

### **3.0 Policies to be reviewed**

3.1 Officers consider that in the absence of government addressing the impact of out of area working, it is no longer feasible to maintain certain policy positions.

3.2 Officers recommend that the following policy areas are consulted on as a matter of urgency:

1. To modify the requirement for Operator stickers on private hire vehicles to replace all existing operator signage with new Passenger Side Windscreen signage (w10.5cm x h8.5cm) indicating operator which must be updated and changed to reflect operator.
2. To remove the future requirement for bonnet stickers on private hire vehicles.
3. To modify the requirement for the current rear passenger door sticker "Private hire vehicle (not a taxi) The driver can only take passengers who have pre-booked with this company" to be replaced with a new Council issued sticker which is to be displayed on the rear door of a private hire vehicle stating, "Private hire vehicle not insured unless pre booked with operator" (magnetic signage is not permitted).
4. To modify the current knowledge test for the hackney carriage and private hire drivers.
5. To modify the requirement from mandatory to advisory for the provision of a fire extinguisher and first aid kit and modify the Council's vehicle compliance testing manual.
6. To remove the requirement for front plates on Hackney Carriage and Private Hire Vehicles and replace with a Council issued windscreen signage which must be displayed at all times.
7. To remove the pre-requisite requirement of driving standards assessment before making an application to the Licensing Authority.
8. To introduce a re-application policy in relation to breaks in licence for the pre-requisites and Knowledge tests only.

### **3.3 Private Hire Vehicle Livery**

Our current policy requires that council issued non-magnetic stickers are placed as follows:

Existing vehicle livery includes:

- Front and rear vehicle licence plate
- Operator name in both the front and rear windscreens
- Operator Name and Telephone number/app on the front passenger door – approved by the Licensing Service
- "Private hire vehicle (not a taxi) The driver can only take passengers who have pre-booked with this company" on the rear passenger doors.

- All passenger (front and rear) windows contain a window sticker detailing the vehicle registration, maximum number of passengers, expiry and on the inside of the window sticker it contains information on how to make a complaint to the Licensing Service.

- 3.4 This above policy was introduced many years before the introduction of MLS, in order to make legitimately licensed vehicles more distinguishable and safeguard against the risk of individuals getting into unlicensed vehicles with unlicensed drivers of malintent. Vehicle livery also made it easier for compliance and other authorised officers to quickly identify licensed vehicles and note which operator they are working for. However, during the adoption of stage 2 Common Minimum Licensing Standards, proposed additional signage requirements were considered and deferred for a two year period. It is now the Licensing Service request to remove the (currently deferred) requirement for a bonnet sticker that was initially proposed.
- 3.5 It is important to remember that the way vehicles were ordered and dispatched in the past was considerably different to the most common and modern operating models today where Private Hire Operators use mobile applications, text messaging and live location services to provide customers with details of the driver and vehicle they have dispatched.
- 3.6 Bury's current operator signage policy, by default, means that our licensed vehicles can only work for one operator at a time. Private hire drivers regularly approach officers explaining that changes to modern operator business models means it is almost impossible to make a reasonable standard of living whilst working for only one operator at a time. This proposed amendment, subject to the consultation, would enable drivers to work for more than one operator whilst complying with operator signage conditions.
- 3.7 Private hire drivers also regularly advise officers that they feel vehicles are targeted with criminal damage and other anti-social behaviour. They have requested reduced signage requirement in order to reduce the risk of being targeted.
- 3.8 The current DfT Best Practice guidance issued in 2010 referred to the benefits of having clear identification on private hire vehicles to ensure the public can distinguish between a private hire vehicle and a taxi (hackney) and avoid confusion between the two modes of travel:

*... requiring some additional clearer form of identification can be seen as best practice. This is for two reasons: firstly, to ensure a more positive statement that the vehicle cannot be hired immediately through the driver; and secondly because it is quite reasonable, and in the interests of the travelling public, for a PHV operator to be able to state on the vehicle the contact details for hiring;*

- 3.9 In the DfT's draft revised Best Practice Guidance consulted upon in 2022, the government changed their proposed approach;

*... licensing authorities should seek to minimise the profile of private hire vehicles as these can only be legally engaged through a booking with a licensed operator.*

*Licensing authorities should not impose a livery requirement on private hire vehicles. The more distinctive a private hire vehicle is made to appear, the greater the chance this might be confused with a taxi.*

*Licensing authorities' private hire vehicle signage requirements should be limited to the authority licence plate or disc and a "pre-booked only" door sign. This approach enables passengers to be given a clear and consistent message that you should only get in a vehicle that 'looks like a taxi' unless [sic] you have pre-booked a private hire vehicle and have received information from the operator to identify it. A private hire vehicle driver and proprietor are free to work with more than one operator and licensing conditions or requirements that effectively tie a vehicle or driver into an exclusive relationship with an operator should not be implemented or should be discontinued where these are currently imposed.*

- 3.10 Whilst this draft revised guidance is not yet finalised and published, it gives a good indication of the DfT's current thinking with regards to private hire livery. The guidance does not address any risk associated with unlicensed drivers and vehicles.
- 3.11 Officers consider that signage on private hire vehicles is still necessary to help passengers identify their pre-booked vehicle, remind passengers that private hire vehicles must be pre-booked, mitigate the risk of bogus drivers and vehicles posing as legitimately licensed, and help distinguish private hire vehicles from taxis.
- 3.12 Whilst having the Operator name visible for compliance and other authorised officers would be preferable, and makes investigating incidents and potential offences much easier, it is accepted that this restricts drivers and is a barrier for drivers being licensed with Bury. In order to mitigate the additional workload any removal of this requirement may produce, private hire operators could be requested to provide weekly data with regards to the vehicles working on their platform. This is a mechanism currently used by TfL.
- 3.13 As such it is considered that the current policy could be revised but still adheres to the following principles:
- Advise passengers that the vehicle must be pre-booked with the Operator
  - Remain non-magnetic so they cannot be easily transferred to non-licensed vehicles
  - Reduce the required number of stickers to mitigate the risk of vehicles being targeted for crime and anti-social behaviour
  - Not restrict drivers to only working for one operator
- 3.14 Officers consider that the rear window Operator sticker requirements could be removed, which should be replaced by a rear door sticker issued by the Council displaying the Council logo and the wording *Private Hire Vehicle – Not insured unless pre-booked with the Operator* could be required instead.

## **4.0 Conclusion and Officer Recommendation**

- 4.1 Bury needs to strike the right balance between fulfilling its duty to ensure greater public safety whilst responding to the changing nature of the hackney carriage and private hire industry. The reality is that where any local authorities take a more stringent line on any of these policy areas, it is likely to result in continued reductions in drivers and vehicles licensed by that authority, and in Bury that means leaving even less control and influence over the safety standards of the fleet working within our Authority area.
- 4.2 The report sets out full consideration of the potential impacts of the policy revisions proposed. These policy areas were consulted upon extensively as part of the Greater Manchester MLS project and have been the subject of extensive and continual engagement with the trade over the past couple of years.
- 4.3 The Committee is asked to note the report and to request that officers commence a public consultation following policy revisions. Once completed a further report will be brought before the Committee in October 2023 for their consideration:
  1. To modify the requirement for Operator stickers on private hire vehicles to replace all existing operator signage with new Passenger Side Windscreen signage (w10.5cm x h8.5cm) indicating operator which must be updated and changed to reflect operator.
  2. To remove the future requirement for bonnet stickers on private hire vehicles.
  3. To modify the requirement for the current rear passenger door sticker "Private hire vehicle (not a taxi) The driver can only take passengers who have pre-booked with this company" to be replaced with a new Council issued sticker which is to be displayed on the rear door of a private hire vehicle stating, "Private hire vehicle not insured unless pre booked with operator" (magnetic signage is not permitted).
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## **Key considerations**

This is a Council Function that is delegated to the Licensing and Safety Committee by the Council's Constitution.

This paper is in the public domain.

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## **Community impact / Contribution to the Bury 2030 Strategy**

The decisions in this report continue to support the objectives in Burys Lets do it Strategy by encouraging and enabling a licensed fleet of drivers, vehicles and operators, that are safe, greener, skilled and provide a professional level of service to residents and visitors.

The proposals in the report seek to encourage new applications as well as encourage existing licence holders to remain licensed with Bury. This in turn will enable Bury to retain levels of control and influence over local licence holders and support growth and place making in Bury as a place destination to live, visit and work.

The report seeks to balance these objectives against the desire to support the licensed trade to remain viable and assist in their continued recovery from the impacts of the pandemic and make Bury licensed drivers and vehicles the preferred travel option for passengers.

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## **Equality Impact and considerations:**

*Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:*

*A public authority must, in the exercise of its functions, have due regard to the need to -*

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

*The public sector equality duty requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.*

The Licensing Service will undertake an EIA as part of this policy review process. The assessment will look at the proposed Hackney Carriage / Private Hire Vehicles and Private Hire Operators changes to determine whether any amendments to address



equality impacts are required to ensure the Licensing Authority fulfil its duties under Equalities Act 2010.

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### **Assessment of Risk:**

The following risks apply to the decision:

<b>Risk / opportunity</b>	<b>Mitigation</b>
There is a risk of reduced income through reduced new licences and loss of renewals of existing licences.	Approval to consult will enable all interested parties to contribute to the proposed changes.

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### **Consultation:**

This report is requesting permission to commence a public consultation on the proposed changes.

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### **Legal Implications:**

Under sections 47(1) and 48(2) of the Local Government (Miscellaneous Provisions) Act 1976, the Council may attach any such conditions to the grant of a hackney carriage or private hire vehicle licence as it considers to be reasonably necessary. Any person aggrieved by any conditions attached to their licence may appeal to the magistrates' court.

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### **Financial Implications:**

The cost of the licensing function is funded through the fees and charges levied by the Council. Reduction in licensed drivers, vehicles and operators has a corresponding financial implication due to reduced revenue and loss of economies of scale of this statutory function. This proposal will consult on changes that should increase retention and new applications and therefore prevent a loss of income.

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**Background papers:**

None

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

Term	Meaning
DfT	Department of Transport
EIA	Equality Impact Assessment
GM	Greater Manchester
HCV	Hackney Carriage Vehicle
MLS	Minimum Licensing Standards
PHV	Private Hire Vehicle
TfL	Transport for London