

REFERS TO AGENDA ITEM 5 (a)

FALKIRK COUNCIL

Subject: REVIEW OF THE TAXI/ PRIVATE HIRE VEHICLE LICENSING ARRANGEMENTS
Meeting: ENVIRONMENT & COMMUNITY SAFETY COMMITTEE
Date: 19 MARCH 2013
Author: CHIEF GOVERNANCE OFFICER

1. INTRODUCTION

- 1.1 A report providing an update in terms of the taxi review was considered at the last meeting of this Committee. This report focussed on outstanding elements of the review, including the revision of existing licensing conditions, vehicle types, driver standards and advertising. In addition, Members noted the creation of a standards schedule relative to the taxi tests undertaken by the testing station. An update was also given in terms of the issue of taxi numbers with the Citizens Panel results regarding a possible cap on taxi numbers then imminent.
- 1.2 Members instructed officers to consult with the Falkirk Taxi and Private Hire Car Forum on the remaining elements of the review with the feedback to be brought back to this meeting for consideration. A meeting of the Forum took place on 22 February 2013 chaired by Councillor Dr Martin. The Forum offered some views and these are set out later in the report.

2. TAXI NUMBERS

- 2.1 The feedback from the Citizens Panel was received in late January 2013 and responses analysed thereafter. As Members will be aware, the Panel consists of a representative group of people from a cross section of society within the Falkirk Council area. The findings are presented below.

- 1: Do you agree that the Council should limit the number of taxi licences to about the current level?

Yes	No	Don't Know
53.5% (357)	12.4% (83)	30.4% (203)

- 2.2 The results show that a clear majority of the respondents were in favour of the Council setting a numerical limit on taxis at the current level.
- 2.3 At the Forum meeting the views of the Forum were sought on whether the introduction of a numerical limit would result in the creation of a black market economy in the trade of taxi plates with existing plates attracting a premium once a limit was introduced. The trade Members of the Forum did not offer much comment and cited non-specific examples of such incidences occurring currently.

- 2.4 The Forum's views were also sought on whether a cap on numbers would lead to serious organised groups entering the taxi business in Falkirk. The trade members of the Forum were sceptical of such a scenario developing and suggested such moves could take place without a numerical limit being on place.
- 2.5 In considering whether to introduce a numerical limit on taxis it may be helpful to remind Members of the benefits and disbenefits that can flow from placing a limit on numbers. The undernoted table and paragraphs 2.6 to 2.7 were originally contained in the report that Members considered on 23 October 2012 in conjunction with the Halcrow report.

	Potential benefit	Potential disbenefit
Maintain policy of no entry control "no cap"	Promote innovation within the trade through competition; Reduce administrative costs by eliminating an area of potential litigation; Maintain low levels of passenger delay;	Potential demand for scarce road space for ranks
Reintroduce the numerical limit "a cap"	Reduce the need for additional rank space; Reduce vehicle emissions associated with circulating taxis; Enable operators to increase investment in vehicle	Reintroduces the need for surveys (at least every 3 years); Reduce the availability of vehicles; Potential to increase passenger waiting times; Against the general trend of Government guidance Fixes the proportion of wheelchair accessible vehicles at the current level. Creates an irregular market in plates (operator licenses) Leads to an surge in applications for Private Hire Care Licences (which cannot be capped)

- 2.6 The benefit of a cap most closely associated with the interests of passengers is that restricting the supply of licensed taxis would assist in generating a more certain income leading to the scope for increased investment in the quality of taxi provision. In order to make any such gain for passengers more certain, it would be open to the Council to consider coupling the cap with a change in policy on the quality and age of vehicles. Any such change in policy would require to be fact based, proportionate and follow on from consultation. Issues of controls in relation to quality are part of a wider review of taxi and private hire licensing being undertaken and a further report on this issue will be presented to Committee.

2.7 One of the most significant potential disbenefits which require to be considered relates to the issue of wheelchair accessible vehicles. The introduction of the policy in 2002 which required new taxi operator licence holders to provide a wheelchair accessible vehicle has gradually increased the proportion of wheelchair accessible vehicles within the licensed taxi fleet. The number of wheelchair accessible vehicles is currently 98 representing 22% of the fleet. In recognition of the public sector equality duty under the Equality Act 2010, an equality impact assessment has been undertaken with a particular focus on the issue of disability. In broad terms, the assessment concludes that the current level of wheelchair accessible vehicles appears to meet existing demand there are significant pressures on availability when vehicles are being used for school transport particularly at the end of the school day. If a numerical cap were to proceed, the availability of wheelchair accessible vehicles would need to be kept under careful review and other mechanisms to increase the proportion of wheelchair accessible vehicles considered.

2.8 Members will recall that the Halcrow report offered the following comments by way of a conclusion to their report: “The Authority has discretion in its taxi licensing policy and may either:-

- Maintain the current policy of derestriction; or
- Introduce a numerical limit

Should the Authority introduce a limit we have identified that by reintroducing the limit at 444 there is no evidence of significant unmet demand”.

2.9 If Members are so minded it is envisaged that the cap would be introduced with immediate effect. Any future approaches for new taxi operator licences would be placed on a register with such expressions of interest notified when a licence becomes available by virtue of the number of taxis following below the threshold agreed by Members.

2.10 It must be borne in mind however that the survey undertaken by Halcrow has a short shelf life and the Council will require to regularly refresh those findings with an analysis of taxi demand. There is current case law (Coyle v Glasgow City Council) which demonstrates the requirement for taxi demand information to be current or face the prospect of successful court challenges to a numerical limit.

2.11 In light of the above Members may wish to consider either retaining the current system of deregulation against a backdrop of reducing taxi numbers or introducing a limit at the number suggested by Halcrow of 444.

3. LICENCE CONDITIONS

3.1 The Forum had no significant issues with the majority of the conditions schedule and was in broad agreement.

3.2 There were some areas of discussion and these focused on the following matters:-

- Taxi roof signage
- Minimum engine size
- Ability to be available for hire outwith a taxi rank

- 3.3 There was dissenting views expressed from within some sections of the trade members who were very resistant to the revised condition that proposes that all roof signage display the word “TAXI” at the front only with the rear of the sign being available to display the company name or phone number. The original condition required that all roof signs display “TAXI” ONLY. This condition has not been enforced and over the years a proliferation of taxi roof signs displaying various company names have appeared without sanction. The trade members of the Forum argued that the current informal practice of displaying the name of the business on the roof sign afforded their customers added security as it further emphasized the car booked by them had arrived. The alternative view is that “TAXI” is a universally recognised sign and instantly understood term. To endorse roof signage that displays the name of a company could cause confusion to visitors from outwith the areas who are seeking a taxi. In addition by having a condition that specifies a roof sign as “TAXI” only will ensure that the licensed taxi fleet is uniform thus giving a smarter look and a clear message to customers. It can be argued that roof signage displaying a company name is a form of advertising and this issue is covered later in the report.
- 3.4 The Forum expanded on the suggested revision to the condition of minimum engine size from the suggested reduction from 1600cc to 1400cc to the following: “and that this condition shall not apply to any hybrid or fully electric vehicle that is proposed as a taxi”. This expansion is seen as worthwhile and effectively “future proofs” the conditions to ensure hybrid or electric vehicles can be considered when they are presented as a taxi, subject to conditions relating to luggage capacity. This suggestion is considered in more detail in section on Vehicle type later in the report.
- 3.5 The Forum also considered the creation of a condition requiring all drivers, be it taxi or private hire car to undertake some form of training. The trade members of the Forum Again, some elements of the trade members were opposed to such a condition applying to existing drivers. This idea is covered in greater detail in the section on Driver Standards later in the report.
- 3.6 Members are invited to consider the suggested revisions to the licence conditions in light of the above comments and arrive at a decision as to whether they should be agreed. The revised conditions are appended. If Members are minded to approve the conditions it is envisaged that the new conditions will be applied to all licenceholders on the first grant or on renewal of each licence.

4. VEHICLE TYPES

- 4.1 The Forum was in agreement that the Council should not prescribe a list of vehicle types that can be licensed. They were content that consideration should be given to vehicle specifications in terms of size and design. In particular the Forum thought that the proposed reduction in engine size from 1600cc was sensible from an environmental viewpoint. The Forum however went further and suggested that this condition should not apply to “green” vehicles such hybrid and electric models. It was felt that the suggested revised condition specifying minimum luggage space would adequately allay any fears of small cars being presented as taxis and that engine size should not be a factor applied to green vehicles. At present there are no hybrid or electric vehicles as taxis or private hire cars.

- 4.2 If there is a particular desire to incentivise hybrid and zero carbon emission vehicles into the fleet one potential change to current policy would be to relax the requirement that all new taxis be wheelchair accessible vehicles to allow hybrid/ electric cars thereto. Such a change in the policy could result in reduction in the rate of increase of the proportion of wheelchair accessible vehicle in the fleet and the impact would need to be closely monitored.
- 4.3 In addition to vehicle specifications, the Forum also discussed the related issue of vehicle age. At present there is a Council policy requiring all new vehicles either being presented as a licensed vehicle for the first time or being presented as a substitute vehicle to be under six years of age from the date of first registration.
- 4.4 There was an acceptance that the position should be revisited and discussions centred on whether this age limit should still apply or be reduced.
- 4.5 There are environmental benefits to be gained from new/newer cars on the fleet with generally less pollutants emitted than older cars. If Members are not persuaded to consider changing the current policy to that of new cars only then perhaps a reduction from the current 6 years to 3 years may be considered a more proportionate response with this reduction phased in over a period of time to enable operators to prepare for the change in policy. This could be introduced with all new/ replacement vehicles being 5 years old or under from 1 April 2014 and then 4 years old or under from 1 April 2015 until the 3 years or under is reached on 1 April 2016.
- 4.6 The Forum was divided in terms of the current policy being changed with the trade of the opinion that a new cars only position could be financially disastrous for the trade.
- 4.7 In addition, the Forum considered the issue of a retirement age for vehicles. This was met with unanimous opposition. The Forum considered that if a vehicle continued to pass its bi-annual MOT and taxi test then it was road worthy mechanically and also cosmetically and any retirement policy would be grossly unfair.

5. DRIVER STANDARDS

- 5.1 The Forum considered the issue of driver standards and there was widespread support for the introduction of a training requirement for new drivers. The Forum recognised that as it stands new drivers in particular were not adequately equipped to undertake driving whether it is as a taxi driver or private hire car driver.
- 5.2 Officers outlined different training options including a modular approach encompassing the usual type of topics associated with taxi style training including: disability awareness, and basic first aid. In addition the topic of local tourism was touched upon by officers to illustrate that having a raised awareness of local attractions and activities could lead to additional business opportunities. At the same time, such a topic studied by drivers would provide the Council with “qualified” Ambassadors, ensuring visitors and tourists get value for money in the fare.
- 5.3 Any such training would ideally be delivered locally; however there is a further education provider in Edinburgh who currently provides taxi related courses.

- 5.4 The trade members of the forum were not supportive of training being required of existing drivers. It is the view of officers that there is a need for training for new drivers and that this should be a condition of the grant of a new licence. It is suggested that all new drivers are required to undertake some form of training prescribed by officers within 12 months of their licence being granted.
- 5.5 If Members are in favour of such an approach, it suggested officers are instructed to engage with local training providers to establish training provision suitable for new drivers. An important consideration would be ensuring that the training was capable of being provided at a reasonable cost. It would be anticipated that any new training requirement would be enshrined as a condition of a driver licence and rolled out to all within a year, dependent on availability and suitability of training providers.

6. ADVERTISING

- 6.1 At the Forum meeting the issue of advertising was discussed. The forum was asked for their views in relation to a potential selective relaxation of current policy to allow advertising on wheelchair accessible and greener vehicles such as hybrids and electric cars only. It was explained that such an approach may incentivise existing saloon style operators to replace their vehicles with more environmentally friendly or disabled friendly vehicles.
- 6.2 The trade members of the Forum were opposed to advertising on selected vehicle types. It was felt that such potential revenue streams should be available to all operators with the resultant financial gains able to be re-invested in the provision of better quality vehicles.
- 6.3 The private hire car operator representative did not favour advertising being introduced into the private hire car fleet and suggested this was not an issue.
- 6.4 If Members are minded to allow advertising for either all vehicles/ taxi only or a select vehicle type it is suggested that officers devise a system for processing applications for advertising. In general it is suggested that each application for approval of advertising material will be considered on its own merits but advertisements will not be permitted which advertise or promote the sale of alcohol or tobacco products; nor if they contain political, sectarian, sexual or offensive text or images.
- 6.5 If Members are minded to support the general ambits of the advertising system suggested the Chief Governance Officer can thereafter be empowered to establish procedures to consider requests to approve the content of advertising and to grant them. It is suggested that an application fee for processing the advertising request be set at the same level as that of a variation to a licence which is currently £35.

7. RECOMMENDATION

- 7.1 It is recommended that Committee considers the options available in light of the information provided in the Report.

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Chief Governance Officer

7 March 2013

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LIST OF BACKGROUND PAPERS