

**Name of meeting and date: Licensing & Safety Committee 11 February 2015**

**Title of report: Deregulation Bill – 3 year badges**

<b>Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	<b>Not Applicable</b>
<b>Is it in the Council's Forward Plan?</b>	<b>Yes</b>
<b>Is it eligible for "call in" by Scrutiny?</b>	<b>Not Applicable</b>
<b>Cabinet member portfolio</b>	<b>Regeneration, Environment &amp; Transportation</b>

**Electoral wards affected and ward councillors consulted: ALL**

**Public or private: Public**

## **1. Introduction**

1.1 This report informs the Committee of current matters that are of relevance to the taxi licensing functions.

1.2 Trade representatives had asked for the matter of consideration of introduction of 3 year badges is brought back to the Committee. The Licensing Manager has though informed the trade representatives of impending legislative changes as outline below and this report is therefore for information only.

## **2. Deregulation Bill 2013-14 (HC Bill 191)**

2.1 The Deregulation Bill 2013-14 (HC Bill 191) has completed both the Committee stage in the House of Commons and the House of Lords. The amendments to the Bill are currently being considered by both Houses.

2.2 The purpose of the 'Deregulation Bill is:

- i. to make provision for the reduction of burdens resulting from legislation for businesses or other organisations or for individuals
- ii. make provision for the repeal of legislation which no longer has practical use
- iii. make provision about the exercise of regulatory functions and for connected purposes

2.3 The Bill is some 232 pages and covers a multitude of issues. The relevant parts of the Bill are set out verbatim in Appendix 1.

2.3.1 In summary the amendments to the Deregulation Bill will change the legislation affecting taxis and private hire vehicles in two ways:

- i. allowing private hire operators to sub-contract bookings to operators licensed in a different district. The basis of this is the belief that this would improve an operator's ability to meet passengers' needs and make the passengers experience more convenient
- ii. making the standard duration for all taxi and PHV driver licences three years and five years for PHV operator licences.

Further, it is proposed, that licenses of shorter durations will only be granted on a case-by-case basis where this can be justified. It is considered, will reduce the financial and administrative burden of having to make more frequent licence renewals.

2.4 There has been no formal consultation on the above proposals, which have been issued by the Dept for Transport (DfT) and are described by the Government as being part of its drive to reduce the overall burden of regulation on business and individuals and to cut red tape. The above measures are described by DfT as straightforward, which will generate significant benefits for the taxi and private hire trades

### **3. Legal Considerations**

There are no legal considerations other than those already highlighted within the report

### **4. Resource implications**

A full review of taxi licensing fees will need to be undertaken to ensure that the fee regime continues to be self-funding.

### **5. Conclusion**

5.1 The report informs the Committee of the Deregulation Bill 2013-14 (HC Bill 191) and highlights the sections, 8,9 and 10 that are relevant to taxi licensing.

5.2.1 The reform of the law relating to Taxi and Private Hire Licensing is far reaching and has implications for the future way in which Kirklees Council along with all other Local Authorities, deliver their taxi and private hire licensing service.

## **6 RECOMMENDATIONS**

6.1 Committee is asked to note the contents of the report.

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- (11) In paragraph (3), for “Paragraphs (7) and (8)” substitute “Paragraphs (6A) to (8)”.

*Measures affecting business: particular areas*

**8 Driving instructors**

- (1) Schedule 2 makes provision to simplify the regulation of driving instructors by removing the separate system for the registration of disabled instructors. 5
- (2) Part 1 of the Schedule contains amendments of Part 5 of the Road Traffic Act 1988 as amended by Schedule 6 to the Road Safety Act 2006.
- (3) Part 2 of the Schedule contains transitory amendments of Part 5 of the Road Traffic Act 1988 which have effect before the commencement of Schedule 6 to the Road Safety Act 2006. 10
- (4) Part 3 of the Schedule contains consequential and related amendments.

**9 Motor insurers**

- (1) In Part 6 of the Road Traffic Act 1988 (compulsory insurance or security against third-party risks), section 147 (issue and surrender of certificates of insurance and of security) is amended as follows. 15
- (2) In subsection (1), for “A policy of insurance shall be of no effect for the purposes of this Part of this Act unless and until there is delivered by the insurer” substitute “An insurer issuing a policy of insurance for the purposes of this Part of this Act must deliver”. 20
- (3) In subsection (2), for “A security shall be of no effect for the purposes of this Part of this Act unless and until there is delivered by the person giving the security” substitute “A person giving a security for the purposes of this Part of this Act must deliver”.
- (4) Omit subsections (4) to (5) (obligation to surrender certificate following cancellation of policy of insurance or security). 25
- (5) Schedule 3 makes amendments in consequence of this section.

**10 Taxis and private hire vehicles: duration of licences**

- (1) The Local Government (Miscellaneous Provisions) Act 1976 is amended as follows. 30
- (2) In section 53 (drivers’ licences for hackney carriages and private hire vehicles)—
- (a) in subsection (1)(a), for “for such lesser period as the district council may specify in such licence” substitute “for such lesser period, specified in the licence, as the district council think appropriate in the circumstances of the case”; 35
- (b) in subsection (1)(b), for “for such lesser period as they may specify in such licence” substitute “for such lesser period, specified in the licence, as the district council think appropriate in the circumstances of the case”. 40
- (3) In section 55 (licensing of operators of private hire vehicles), for subsection (2)

substitute—

- “(2) 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.”

## 11 Private hire vehicles: sub-contracting

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In the Local Government (Miscellaneous Provisions) Act 1976, after section 55 insert—

### “55A Sub-contracting by operators

- (1) A person licensed under section 55 who has in a controlled district accepted a booking for a private hire vehicle may arrange for another person to provide a vehicle to carry out the booking if—
- (a) the other person is licensed under section 55 in respect of the same controlled district and the sub-contracted booking is accepted in that district; 10
- (b) the other person is licensed under section 55 in respect of another controlled district and the sub-contracted booking is accepted in that district; 15
- (c) the other person is a London PHV operator and the sub-contracted booking is accepted at an operating centre in London; or 20
- (d) the other person accepts the sub-contracted booking in Scotland.
- (2) It is immaterial for the purposes of subsection (1) whether or not sub-contracting is permitted by the contract between the person licensed under section 55 who accepted the booking and the person who made the booking. 25
- (3) Where a person licensed under section 55 in respect of a controlled district is also licensed under that section in respect of another controlled district, subsection (1) (so far as relating to paragraph (b) of that subsection) and section 55B(1) and (2) apply as if each licence were held by a separate person. 30
- (4) Where a person licensed under section 55 in respect of a controlled district is also a London PHV operator, subsection (1) (so far as relating to paragraph (c) of that subsection) and section 55B(1) and (2) apply as if the person holding the licence under section 55 and the London PHV operator were separate persons. 35
- (5) Where a person licensed under section 55 in respect of a controlled district also makes provision in the course of a business for the invitation or acceptance of bookings for a private hire car or taxi in Scotland, subsection (1) (so far as relating to paragraph (d) of that subsection) and section 55B(1) and (2) apply as if the person holding the licence under section 55 and the person making the provision in Scotland were separate persons. 40
- In this subsection, “private hire car” and “taxi” have the same meaning as in sections 10 to 22 of the Civic Government (Scotland) Act 1982. 45
- (6) In this section, “London PHV operator” and “operating centre” have the same meaning as in the Private Hire Vehicles (London) Act 1998.

**55B Sub-contracting by operators: criminal liability**

- (1) In this section –
- “the first operator” means a person licensed under section 55 who has in a controlled district accepted a booking for a private hire vehicle and then made arrangements for another person to provide a vehicle to carry out the booking in accordance with section 55A(1); 5
  - “the second operator” means the person with whom the first operator made the arrangements (and, accordingly, the person who accepted the sub-contracted booking). 10
- (2) The first operator is not to be treated for the purposes of section 46(1)(e) as operating a private hire vehicle by virtue of having invited or accepted the booking.
- (3) The first operator is guilty of an offence if –
- (a) the second operator is a person mentioned in section 55A(1)(a) or (b), 15
  - (b) the second operator contravenes section 46(1)(e) in respect of the sub-contracted booking, and
  - (c) the first operator knew that the second operator would contravene section 46(1)(e) in respect of the booking.” 20

**12 Space activity: limit on indemnity required**

- (1) The Outer Space Act 1986 is amended as follows.
- (2) In section 3 (prohibition of unlicensed activities), after subsection (3) insert –
- “(3A) An order under subsection (3) may –
- (a) provide that section 10(1) does not apply to a person to the extent that the person is carrying on activities that do not require a licence by virtue of the order; 25
  - (b) specify the maximum amount of a person’s liability under section 10(1) so far as the liability relates to the carrying on of activities that do not require a licence by virtue of the order.” 30
- (3) In section 5 (terms of licence), after subsection (2) insert –
- “(3) A licence must specify the maximum amount of the licensee’s liability to indemnify Her Majesty’s government in the United Kingdom under section 10 in respect of activities authorised by the licence.”
- (4) In section 10 (obligation to indemnify government against claims), after subsection (1) insert – 35
- “(1A) Subsection (1) is subject to –
- (a) any limit on the amount of a person’s liability that is specified in a licence, and
  - (b) any order made under section 3(3).” 40
- (5) The Secretary of State may vary any licence under section 4 of the 1986 Act that is held at the time when this section comes into force so as to specify the maximum amount of the licensee’s liability under section 10 of that Act.