

COMMITTEE:	GENERAL LICENSING COMMITTEE
DATE:	22 JUNE 2015
TITLE:	AMENDMENT TO THE LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976: THE DEREGULATION ACT 2015
PURPOSE:	FOR INFORMATION/DISCUSSION
AUTHOR:	HEAD OF REGULATORY DEPARTMENT

1.0 BACKGROUND INFORMATION

- 1.1 The Deregulation Act 2015 received Royal Assent on 26 March 2015. The Deregulation Act provides for the removal or reduction of burdens on businesses, individuals, public sector bodies and individuals.
- 1.2 The Deregulation Act 2015 covers a very wide range of measures and includes 'measures affecting business: particular areas' which contains sections regarding Taxis and Private Hire, thereby affecting the Local Government (Miscellaneous Provisions) Act 1976.

2.0 THE DEREGULATION ACT 2015

- 2.1 The deregulatory measures affecting the Taxi and Private Hire provisions of the Local Government (Miscellaneous Provisions) Act 1976 are:
S10 – Taxis and private hire vehicles: duration of licences
S11 – Private hire vehicles: sub-contracting

3.0 THE DEREGULATION ACT 2015 (COMMENCEMENT No.1 and Transitional and Savings Provisions) Order 2015

- 3.1 The Deregulation Act 2015 (Commencement No.1 and Transitional and Savings Provisions) Order 2015 was made on 27 March 2015. It specified which provisions of the Deregulation Act 2015 would come into force on the dates specified. The dates relevant to the measures affecting the Local Government (Miscellaneous Provisions) Act 1976 were as follows:-

3.2 From 1 October 2015

S10 – Taxis and private hire vehicles: duration of licences
Section 10 amends the Local Government (Miscellaneous Provisions) Act 1976 by standardising the duration of taxi and private hire driver licences at 3 years and the licence for a private hire operator at 5 years. Licences may be granted for a lesser period but only in the circumstances of an individual case and not because of a blanket policy.

S11 – Private hire vehicles: sub-contracting
Section 11 inserts two new sections (55A and 55B) into the Local Government (Miscellaneous Provisions) Act 1976 in relation to the sub-contracting of bookings from one private hire vehicle operator to another.

In the new section 55A, subsection (1) allows an operator who accepts a booking for a private hire vehicle to sub-contract it to four types of operator –

- (a) an operator licensed and located in the same district as the initial operator;
- (b) an operator licensed and located in a different district from the initial operator (a different district but one which is still governed by the same legislation);
- (c) an operator licensed and located in London; or
- (d) a person located in Scotland.

The new section 55B deals with operator liability in connection with sub-contracting.

4.0 **IMPACT OF THE DEREGULATION ACT 2015**

- 4.1 The forthcoming changes to the Local Government (Miscellaneous Provisions) Act 1976 will require that current Gwynedd Council 'Combined Hackney Carriage/Private Hire Vehicle Driver Licensing Policy' and the 'Private Hire Operator's Policy' be updated and amended. This will include amendments to the licensing conditions.
- 4.2 At present Gwynedd Council issue 1 year hackney carriage and private hire driver licences and 1 year private hire operator licences. The current cost of a 1 year hackney carriage and private hire driver licence is £122.77 and the cost of a 1 year private hire operator licence is £163.20.
- 4.3 The change in duration of the licence will impact the fee that will be set for these licences. The fees charged must be reasonable and with a view to recover the running and enforcement costs of the each licensing scheme.
- 4.4 The number of new hackney carriage and private hire driver licence applications received during the last four financial years are as follows:

New	AR	DW	ME	Total
2011-12	49	13	18	80
2012-13	33	13	10	56
2013-14	45	17	12	74
2014-15	30	16	25	71
Grand Total	157	59	65	281

- 4.5 The number of applications to renew a hackney carriage and private hire driver licence received during the last four financial years are as follows:

Renewals	AR	DW	ME	Total
2011-12	246	86	98	430
2012-13	245	90	90	425
2013-14	231	83	81	395
2014-15	230	85	80	395
Grand Total	952	344	349	1645

- 4.6 The current (10 June 2015) number of hackney carriage and private hire driver licences in Gwynedd is 448 of which 330 will expire after 1 October 2015 and will, if renewed, be granted a 3 year licence. The remaining 118 licences will expire before October 2015 and will, if renewed, be granted a 1 year licence - they will then expire before October 2016 and will, upon renewal be granted a 3 year licence.
- 4.7 All hackney carriage and private hire driver licences issued from 1 October 2015 onwards will ordinarily be for a period of 3 years or for a lesser period but only in the circumstances of an individual case. Therefore during the transitional period October 2017 to September 2018 the service is unlikely to receive many applications to renew hackney carriage and private hire driver licences. It will however continue

to receive an estimated 70 new applications per year, during this period. These changes will affect the costs for running this licensing scheme during the 2016-17 and 2017-18 financial years and in turn, the fees charged.

- 4.8 The number of new private hire operator licence applications received during the last four financial years is 13.

New	AR	DW	ME	Total
2011-12	3	0	1	4
2012-13	4	1	0	5
2013-14	3	0	1	4
2014-15	0	0	0	0
Grand Total	10	1	2	13

- 4.9 The number of applications to renew a private hire operator licence received during the last four financial years is 131.

Renewals	AR	DW	ME	Total
2011-12	13	7	15	35
2012-13	19	6	9	34
2013-14	17	4	11	32
2014-15	19	3	8	30
Grand Total	68	20	43	131

- 4.10 The current (10 June 2015) number of private hire operator licences in Gwynedd is 32 of which 26 will expire after 1 October 2015. The other 6 licences will expire before October 2015 and will, if renewed, be granted a 1 year licence - they will then expire before October 2016 and will, upon renewal be granted a 5 year licence.
- 4.11 All private hire operator licences issued from 1 October 2015 onwards will ordinarily be for a period of 5 years or for a lesser period but only in the circumstances of an individual case. Therefore, during the transitional period October 2016 to September 2020 the service is unlikely to receive many applications to renew private hire operator licences although new administrative processes will have to be introduced ensure that the data held for the 5 years remains accurate. It will also continue to receive an estimated 3 new applications per year, during this period. These changes will affect the costs for running this licensing scheme during the financial years from 2017-18 onwards.
- 4.12 The Council is now required to recalculate the fees for the a 3 year driver licence and a 5 year private hire operator licence. The council may amend the fee for a driver licence without public consultation however the fee setting of the private hire operator licence is subject to public notice procedure.
- 4.13 The process for recalculating the fee structure is ongoing. It is intended that the new fee structure proposal will be submitted before a special meeting of this Committee during the coming weeks. If approved, the new fee structure regarding private hire operator licences will then be subject to a public notice procedure. On conclusion of the public consultation the fee structure may then be formally approved by the Committee during its September 2015 meeting, for implementation on 1 October 2015.

5.0 RECOMMENDATION

- 5.1 That the Committee note the recent changes to the Local Government (Miscellaneous Provisions) Act 1976 following the commencement of the provisions of the Deregulation Act 2015 and note its impact on the costs for running each licensing scheme.
- 5.2 That a special meeting of this Committee will be held during the coming weeks to consider the proposed fee structure that must be implemented by 1 October 2015.