

BIRMINGHAM CITY COUNCIL

**REPORT OF THE ASSISTANT DIRECTOR OF REGULATION AND
ENFORCEMENT
TO THE LICENSING AND PUBLIC PROTECTION COMMITTEE**

**JUNE 2019
ALL WARDS**

**REQUEST FOR A LIMITED EXEMPTION FOR HACKNEY CARRIAGE
PROPRIETORS FROM THE MORATORIUM RESTRICTION ON NEW ISSUE
PLATE LICENCES**

1. Summary

- 1.1 The Licensing and Public Protection Committee imposed and regularly renews a moratorium on the issue of new hackney carriage vehicle licences. The moratorium has been in place since 2008 and has been renewed ever since, following regular demand surveys. The last survey was conducted in 2017 and another will be due again 2020.
- 1.2 Although the concessions agreed by your Committee in April 2019 will reduce the urgency to replace vehicles for some proprietors, it is anticipated some licensees will be left with vehicles more than fifteen years old, which will not have their licences renewed after 1 January 2020.
- 1.3 The proposal, if adopted, would allow a vehicle proprietor to take out a new licence within two years of giving up an existing licence, subject to compliance with the requirements laid out in the report.

2. Recommendation

- 2.1 The Committee should consider the proposal put forward by Mr Rashid to allow a limited exemption from the requirements of the moratorium for those drivers meeting the criteria detailed at 5.3
- 2.2 If the Committee is minded to agree the request, consideration should be given to adopting the recommendations made at 5.2 to 5.4 in this report.

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Background

3. Background

- 3.1 Trade representatives have made numerous requests for hackney carriage vehicle proprietors who are unable to renew their plate licences, or who cannot afford to replace their vehicles, to be able to return their plates and reclaim them within two years. This has been referred to within the trade as 'putting the plate on the shelf'.
- 3.2 Unfortunately there is no legal basis on which this could be done, as case law makes it clear the vehicle itself cannot be disposed of separately from the licence, unless the licence is first surrendered. In any case a licence is never issued for more than 12 months, so licences would simply expire and the moratorium would prevent the issue of a new licence, unless an exemption was granted.
- 3.3 Mr Rashid contacted the licensing office and discussed this issue with officers at some length, in an effort to find a way to allow affected proprietors the opportunity to retain a plate until they are better able to afford a suitable replacement vehicle. The cost of a new Euro 6 diesel taxi is £35,000 plus and demand is such that there are insufficient vehicles available on the second hand market at the moment,
- 3.4 During those discussions an alternative suggestion was made, which would achieve a similar result through lawful means. Mr Rashid subsequently submitted the request attached as an appendix to this report.

4. The Request

- 4.1 Mr Rashid's request sets out a proposal whereby a proprietor holding a valid and current hackney carriage vehicle at any time between 1 January 2019 and 1 January 2021, would be able to take out a new licence for a replacement vehicle at any time up to two years after his licence was surrendered or naturally expired, subject to compliance with a set of qualifying criteria.
- 4.2 The request is effectively for a qualified exemption from the moratorium on the issue of new hackney carriage vehicle licences and if members are sympathetic to the request, officers believe it could be made to work.
- 4.3 The current moratorium prevents the issue of any new hackney carriage vehicle licences. The moratorium has been renewed regularly since 2008, as each three yearly demand survey has shown no significant unmet demand for hackney carriage vehicles. The latest survey was conducted in 2017 and another will be due in 2020.
- 4.4 A consequence of the moratorium, is that any proprietor who gives up a hackney carriage vehicle licence now, will not be able to obtain another and

could only seek to buy an already licensed vehicle and transfer the licence into his or her name.

- 4.5 This proposal seeks to give existing licensees the opportunity to return to the hackney carriage trade and obtain a new hackney carriage vehicle licence at a later date, but only within a specific set of criteria and without increasing the number of existing licences beyond those which were in circulation on 1 January 2019.
- 4.6 The purpose of the exemption is to allow more time for existing plate licence holders to find a replacement vehicle, it does not provide a loop hole to avoid or delay the effects of the policies agreed by your Committee on 10 April 2019.

5 Suggested New Policy

- 5.1 If after due consideration, members agree the proposal has merit and should be pursued, officers make the following recommendations:
- 5.2 A limited exemption can be allowed for proprietors of hackney carriage vehicles who surrender or allow their vehicle licence to expire between 1 January 2019 and 1 January 2021, to the effect they may apply for the grant of a new hackney carriage vehicle licence irrespective of any moratorium requirement, so long as the applicant meets all of the qualifying criteria at 5.3 i to iii. The vehicle must be of a suitable type and all licensing prerequisites applicable at the time of licensing must be complied with as detailed at 5.3 iv to vi.
- 5.3 Qualifying Criteria:
- i. The applicant must be a hackney carriage proprietor who held a current, valid hackney carriage vehicle licence between 1 January 2019 and 1 January 2021. Entitlement to request a new issue hackney carriage plate cannot be transferred to any other party.
 - ii. The licence in question must have expired or been surrendered between those dates. There will be no entitlement to request issue of a new licence if the original vehicle was sold and/or the licence was transferred to another proprietor.
 - iii. The transaction must be completed within 24 calendar months to the day of the surrender or expiry of the original licence. Any attempt to obtain a licence after that period, will be treated as a normal grant request and dealt with according to the normal requirements of a grant application, including any restrictions on the issue of new plates applicable at the time of the new application.

5.4 Issue Requirements

- iv. A new issue hackney carriage vehicle licence can be issued for a suitable vehicle qualifying as a replacement for the last vehicle associated with the expired or surrendered licence, subject to compliance with the replacement vehicle policies and any requirements of the CAZ applicable at the time of application.
- v. The transaction will be a new licence application and the fees charged will be those appropriate to a new licence application at the time of the transaction.
- vi. All normal requirements for the issue of a licence will apply, including but not limited to MOT, insurance, log book, age and emission standards applicable at the time of the transaction.

6. Consultation

- 6.1 The proposal has not been subject to a public consultation exercise, but is a response to the demands widely made at Trade Meetings for plates to be “put on the shelf” for a period of two years. This is an issue which only affects the hackney carriage trade, as only they are subject to the requirements of the moratorium. Whilst this specific request has been submitted by Mr Rashid, it is fair to say the overall demand that something be done to make provision for drivers/proprietors to retain the rights to their plate for an extended period after expiry, has been made by representatives of BASTA, RMT, TOA and various individual drivers. However, it was Mr Rashid who contacted the Licensing Office to seek an alternative solution once he understood that putting a plate on the shelf was not a viable option, hence it is his proposal under consideration today.

7. Implications for Resources

- 7.1 Eligibility criteria will have to be checked, which will have time implications. In most cases though, it is anticipated eligibility will have been established as part of a non-chargeable enquiry before the transaction takes place and as such will be absorbed into general operating costs.

8. Implications for Policy Priorities

- 8.1 The contents of this report contribute to the protection, safety and welfare of residents and visitors to the City by ensuring that licensed hackney carriage vehicles are compliant with required vehicle standards.

9. Public Sector Equality Duty

- 9.1 The majority of Birmingham drivers, hackney carriage or private hire are of Black, Asian or other Minority Ethnic (BAME) origin, consequently these groups will be most affected by the impact of the CAZ on the hackney carriage trade, and it is hoped the measures contained in this report may contribute to the City Council's efforts to mitigate those effects.

ACTING DIRECTOR OF REGULATION AND ENFORCEMENT

Background Papers: Nil

Appendix

From: Birmingham And Solihull Taxi Alliance . [<mailto:basta.x@hotmail.co.uk>]

Sent: Friday, March 29, 2019 10:14 AM

To: Chris Neville

Cc: Chris Arundel

Subject: Hackney Carriage Vehicle Licences

Dear Chris

Following on from our meeting on Thursday 28 March. Can you put the following proposal to the Licensing Public Protection Committee Members. It would be very helpful if you could put it on the agenda for the April meeting.

In recognition of the need to adopt policies in mitigation for the detrimental impact of the Clean Air Zone on the hackney carriage trade, the Committee is requested to agree an exemption to the moratorium on the issue of new hackney carriage vehicle licences as follows:

Any hackney carriage proprietor who held a current, valid hackney carriage vehicle licence between 1 January 2019 and 1 January 2021, who gave up that licence because he or she was unable to obtain or afford a suitable replacement vehicle, in compliance with the requirements of the Clean Air Zone (CAZ), shall be entitled to request the issue of a single, new issue, hackney carriage vehicle licence within 24 calendar months of the expiry or surrender of the original licence.

The new licence can be issued for a vehicle qualifying as a replacement for the original vehicle, subject to compliance with the replacement vehicle policies and the requirements of the CAZ applicable at the time of application.

The entitlement to claim a new issue plate licence will apply to the licensee at the time the vehicle licence expired or was surrendered and cannot be transferred to any other party.

The entitlement will lapse at the end of 24 months and any subsequent application will be treated as a new application and subject to all normal requirements, including any restrictions applicable under the present moratorium, CAZ, or any other restriction applying to the issue of new licences at the time of application.

The fees associated with the processing of a new plate licence at the time of issue, will be charged in all cases.

Kind Regards

Rashid

Mohammed Rashid

Trade Representatives Working Group - Chairman

Birmingham and Solihull Taxi Alliance