

BIRMINGHAM CITY COUNCIL

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

23 October 2017
ALL WARDS

**PROPOSAL TO INTRODUCE QUALITY RATING SCHEME
FOR PRIVATE HIRE OPERATORS**

1. Summary

- 1.1 Following a report to this Committee in July 2017 to consider the implementation of a Quality Rating Scheme (QRS) for Private Hire Operators it was agreed that further consultation would be held with the trade.
- 1.2 That consultation was opened on the City Council's consultation hub BeHeard on the 11th August 2017 and closed on the 15th September 2017.
- 1.3 This report details the responses to that consultation.
- 1.4 It is proposed that following the outcome of the consultation and subsequent amendments to the scheme the committee has one of two options detailed in recommendations 2.1 and 2.2.

2. Recommendations

- 2.1 To implement a Quality Rating Scheme to coincide with the introduction of the new conditions of Licence based on the scheme at Appendix A, subject to any changes made by the Committee.
- 2.1(a) That the rating of each operator be reviewed annually in line with a programmed Operator Inspection.

OR

- 2.2 Not to implement any such scheme.

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3. Background

- 3.1 The background to this scheme has been well documented in reports to this committee in October 2014, July 2016, and July 2017.
- 3.2 It is anticipated that publicising compliance with Private Hire Operator Conditions and the terms of this scheme will increase levels of competition between operators, which will in turn, improve standards of service and safety for members of the public.

4. Proposal

- 4.1 The proposed scheme will cover all licensed Private Hire Operators, within Birmingham, and the scoring of the business will be based on compliance with the indicators listed on the assessment form, attached as Appendix A.
- 4.2 There are 53 items on which each operator will be assessed. One point will be allocated for compliance with all aspects of each item.
- 4.3 There will be 2 types of indicator on which the assessments will be based.
Essential criteria: based on the new proposed conditions attached to each operator licence; and
Bonus criteria: evidence of written policies and procedures to demonstrate best practice, support for their own staff through training and implementing measures to enhance the consumer experience and safety.
- 4.4 There are 27 Essential criteria and 26 Bonus items.
- 4.5 The final score will be a percentage score based on the number of points available for each operator. For example some operators will have exemptions from certain conditions and not all bonus points will be relevant to particular operators; these points will not be included in the total available for that particular operator.
- 4.5 Each operator will then be allocated a percentage quality rating based on their score:
- <50% – Un-Rated.
 - 50 – 70% – Bronze.
 - 70 – 80% – Silver.
 - 80 – 93% – Gold.
 - >93% – Platinum.
- 4.6 It is anticipated that assessments will be on an annual basis, conducted during routine inspections. If an operator wishes to make improvements and apply for a secondary inspection, they may do so on payment of a fee.
- 4.7 Any operator that fails their annual inspection will automatically be classified as Un-Rated until they have achieved the minimum requirements to pass their annual inspection.

4.9 In effect bonus points will not be awarded if the essential criteria are not met allowing for any exemptions each individual operator might have.

4.10 The results of the quality rating will be published on the City Council website and individual operators will be able to advertise their own score to promote their company; although advertising on vehicles will not be allowed.

5. Consultation

5.1 The proposal to introduce a rating scheme was put on to the City Councils consultation page at <https://www.birminghambeheard.org.uk/place/pho-qrs-consult/> on the 11th August 2017. The questionnaire and background information is attached at Appendix 2.

5.2 All current licensed private hire operators were written to on the 14th August advising them that the consultation had begun and inviting them to respond either via the website, email or in writing.

5.3 Emails were sent to those that regularly attend trade meeting also informing them that the consultation had begun.

5.4 The closing date for the consultation was the 15th September 2017 giving approximately five weeks for responses to be made.

5.5 22 responses were received although one of these appears to be a duplicate and four were anonymous and these are attached at Appendix 3.

5.6 Of the 22 responses seven declared themselves as Licensed Operators and 14 as members of the public; one didn't answer the question.

5.7 Responses from the consultation were generally in favour of a scheme, with 15 respondents indicating that they either support the introduction or that they thought it would help drive up standards; however some more detailed responses indicated that the scoring system needed amending if the aim of the scheme to drive up standards were to be achieved.

5.8 Concerns were also raised regarding the deduction of points for drivers plying for hire. It is suggested that as drivers can work for more than one operator it would be necessary to establish who they were working for when caught plying for hire. As they are operating illegally then they cannot be working for any operator at the specific time.

5.9 It was suggested that the proposal to deduct points would act as a disincentive to operators informing Licensing about any of their drivers who they suspected had plied for hire.

5.10 As a result this deduction in points has been removed and instead a bonus added for those operators assisting fully in investigations against drivers and regularly reminding their drivers that they should not ply for hire.

5.11 Concern was also raised regarding the points needed to achieve a particular

rating.

- 5.12 For example, an operator achieving compliance with an inspection and so meeting the Essential criteria would have previously been rated Silver; and with minimal effort, (3 bonus points) could be rated as Gold. It was suggested that this therefore did not provide a stimulus for the trade to go above and beyond their basic conditions of licence.
- 5.12 The rating levels have therefore been amended to reflect this, such that only a Bronze rating can be achieved by meeting all the essential criteria.

6. Implications for Resources

- 6.1 At this stage there are no implications for resources; assessments would be conducted alongside routine operator inspections requiring minimal extra time. Current licensing fees cover the costs of these inspections.

7. Implications for Policy Priorities

- 7.1 The activity described in this report contributes to the key aim of your Committee to improve standards of licensed people, premises and vehicles in the City.
- 7.2 In addition to helping to drive up private hire operator standards in Birmingham, the quality rating scheme allows members of the public to make informed choices about which businesses they wish to give their custom to.
- 7.3 The scheme is consistent with the Regulation and Enforcement Mission Statement - locally accountable and responsive fair regulation for all – achieving a safe healthy, clean, green and fair trading city for residents, business and visitors.

8. Public Sector Equality Duty

- 8.1 Under the Duty we must have regard to the need to:
- Eliminate unlawful discrimination, harassment, and victimisation and other conduct prohibited by the Act
 - Advance equality of opportunity between people who share a protected characteristic and those who do not
 - Foster good relations between people who share a protected characteristic and those who do not.
- 8.2 The Quality Rating Scheme will relate to managerial processes at each private hire operator business, not to individual people and every operator will be subject to it. To that extent an Equality Assessment is not necessary for the recommendations in this report.

- 8.3 The scheme recommended in this report helps to eliminate unlawful discrimination and advance equality of opportunity for disabled people by encouraging private hire operators to train drivers and their employees on taking passengers with assistance dogs, taking passengers in wheelchairs and awarding an additional point for operators that have at least one wheelchair accessible vehicle in their fleet.

DIRECTOR OF REGULATION AND ENFORCEMENT

Background Papers: nil