

Environmental Scrutiny Committee Rickshaw / Taxi Licensing Review Group

A Response

From the City of Oxford Licensed Taxicab Association (COLTA)

Introduction

The taxi association have presented this report setting out its responses to debates on rickshaw regulation & delimitation of hackney carriage licenses in Oxford.

We believe initially that the Environmental Scrutiny Committee Review intended to look at ways in which 'Pedicabs' or Rickshaws could be licensed to operate a taxi style service within the city, along the way, numerical control of hackney carriages became embroiled in the debate.

Under present day legislation there are two types of hire and reward services.

Hackney Carriages

Hackney Carriages (Public Hire) legally referred to as taxis, have been licensed in this country since the 15th Century, the vast majority of this type of vehicle are *not* affiliated to radio circuits, their revenue is generated almost entirely from rank & street hirings, late in the 1600s the Government restricted the number of such carriages due to concerns over congestion within the capital.

The fare charged by a hackney carriage is heavily regulated, any adjustment to the fare structure has to be by way of licensing authority authorisation following an application being lodged by the trade, Hackney Carriages are the only form of passenger carrying transport service who's fares are controlled in this manner.

Prior to obtaining a badge to drive a hackney carriage a complex 'Oxford Knowledge' exam has to be passed together with a driving assessment, the 'knowledge' test ensures that members of the public have confidence that they can hail a cab knowing that its driver has a sound knowledge of the city and can normally take them directly to their destination.

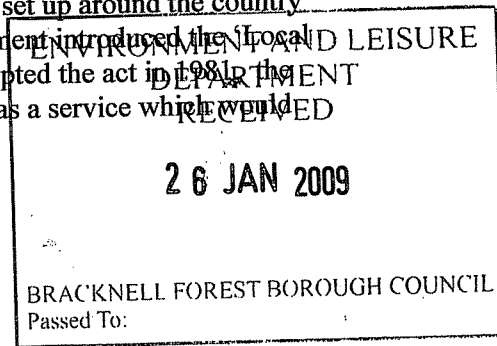
A recent Government study in response to an office of fair trading report into of taxi services, found that hackney carriage services primarily concentrated on serving central area ranks and streets of its licensing district, street & rank hirings in the suburbs are few and far between.

Since 1999, following an agreement set up ten years earlier between the City of Oxford Licensed Taxicab Association & Oxford City Council, only wheelchair accessible vehicles can be licensed in Oxford to operate this 'public hire' service, experience has shown that the most popular purpose built 'compliant' vehicle will cost around £35,000, in order to finance such a vehicle, the proprietor would normally be required to secure the repayments of around £560 per month against the family home.

Private Hire Vehicles

(Non Public Hire) when compared with the taxi, private hire vehicles provide a very different type of service, they have been around in Oxford since the 1950's and initially operated without any form of regulation, in the early 1970's the Government Oxford City Council Environmental Scrutiny Committee report A Response P2

became concerned at the number of private hire operations being set up around the country without any element of legislated control, in 1976, HM Government introduced the Local Government (Miscellaneous Provisions) Act, Oxford city adopted the act in 1981, the primary role of the Phv was clearly defined within the 1976 act as a service which would



compliment that of the non-radio hackney carriage by use of two way radios, there is a legal requirement for every journey to be pre-booked & a complete log of all journeys to be kept by both driver and operator.

A recent report by HM Government, in response to an Office of Fair Trading paper, found that the Phv service generally did serve the suburban areas of a city, where telephone/radio bookings were found to be the normal method of hiring taxi type services, such as from housing estates, business parks & shopping centres, .

The entrance exam for a private hire badge applicant, has very little comparison with that of the hackney carriage driver qualification, this is due continued requests from Phv operators to lower the requirements due to a severe shortage of drivers, their argument points out that when taking a booked job over their radio, a private hire driver has prior knowledge of his/her pick up drop & off points prior to attending the job and is able to use an AtoZ map and has no need therefore to pass such a rigorous exam, this point seems to have been accepted by Oxford city council where those standards have been reduced substantially over the years.

There are no requirements for Phv's to provide wheelchair or disabled facilities for their passengers, a new vehicle to operate this type of service can be purchased from around £10,000, however, a substantial number of Phv's operated in Oxford appear to be second hand vehicles traded between individuals within that trade for as little as two to three thousand pounds, there is no legal requirement for Phv's to be fitted with taximeters, their fares can be adjusted at will by the proprietor or operator and as often as they see fit.

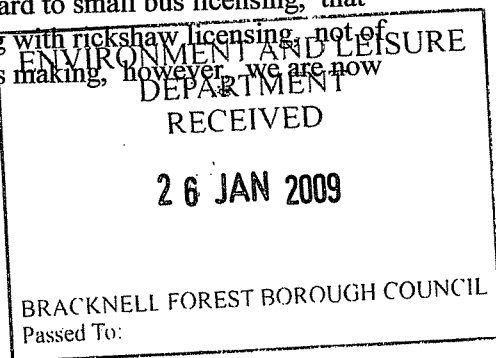
The Pedicab (Rickshaw)

Have until recently been considered by many as nothing more than a gimmick or backdoor, cheap entrance into the taxi market, a certain section of the community have even commented that "this type of service was operated 'back home' decades ago & is degrading to the those making an income from it", (this is not reflective of the taxi associations opinion).

The type of outlay required to operate rickshaw would support that opinion, at the present time there is no legislation supporting such operations. There is certainly no requirement for disabled access, for metering of a fare in order to achieve consistency in charges & no requirement to display any form of recognition for reference in the event of a public complaint.

In the past, there have been attempts at operating rickshaw type services in Oxford, at that time, small bus license legislation was available and used to give an element of control to that service, unfortunately, in the late 1990's, due to substantial abuse of these type of licenses by the private hire trade around the country. In Oxford, no less than 75 saloon type vehicles were operated by both of the largest existing private hire companies, those operators took us back to pre 1976 era and operated the vast majority of their fleets outside of any control by Oxford city council with no drivers badges or individual vehicle license, small bus license options were withdrawn by HM Government following investigations into such abuse.

The government subsequently changed legislation in regard to small bus licensing, that change now leads us into today's difficulties when dealing with rickshaw licensing, not of local authority making, not of the hackney carriage trades making, however, we are now left to deal with it.



Local authorities only have two options if they wish to regulate the operation of rickshaws under the banner of them becoming hackney carriages, one, to reduce, substantially, conditions of fitness for all hackney carriages and then issue rickshaws with hackney carriage licenses, or 2, enter into a 'local agreement' with rickshaw operators as to conditions of operation.

It has to be said, that with today's heavily polluted environment, particularly as found in Oxford city, any form of transport which has a zero 'footprint' such as the cycle driven rickshaw, has to be given serious consideration, the City of Oxford Licensed Taxicab Association fully accept the reality of this situation, unfortunately, any observer reading 'Hansard' reports from the house of commons soon realise that the only body not really paying attention to the problem is the Government.

Licensing Issues

It has to be said, that H.M Governments continued failure to adopt an alternative licensing regime which would easily accommodate the operation of rickshaws from within existing legislation, plays a large part of the problem facing local authorities, today, we appear no further forward than when the debate started, unfortunately, as in this case, it appears that the hackney carriage trade is the one most at risk over the rickshaw issue.

Colta do *not* see the rickshaw as presenting serious competition to hackney carriage services, in fact, despite detrimental comments having been received by the taxi association, we see little room for objection to a formal 'operating agreement' being put in place and feel that such a service may well only operate during the tourist season & may actually have a part to play in complimenting the hackney carriage & private hire services, however.

The taxi association do consider that any proposal to delimit the number of hackney carriage licenses in order to accommodate such a service, to be extremely detrimental to its members in so far as issues such as bus lane congestion and, in particular, taxi rank access to rickshaws, members of the hackney carriage trade feel that delimitation would be a penalty imposed against a trade that has invested vast sums of money in the provision of wheelchair accessibility under guidelines agreed between the trade & Oxford City Council back in 1989.

Operation Costs

I have already touched upon some of the costs implications of operating a wheelchair accessible hackney carriage in this report, such as regular upgrading of the purpose built wheelchair accessible fleet. If, Oxford city council are realistic in its known intentions for the hackney carriage fleet to be regularly upgraded with newer technologically advanced vehicles, then a delimited fleet would be detrimental to that policy, proprietors would simply not be able or prepared to regularly enter into vehicle replacement programs where they could not guarantee meeting their commitment & were to be faced with the possibility of having to claim housing & other benefits & the possible loss of the family home where revenues were severely reduced.

The most up to date figures calculated by Colta show that a monthly budget of around £2400 is needed to operate a hackney carriage in Oxford, this is purely cost attributed to operating the cab and does *not* include earnings for the proprietor & other badge holders operating his cab, these calculations are derived from a vehicle that is under five years old and where a loan repayment scheme is in progress.

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Delimitation of numbers would have an immediate detrimental effect upon non-proprietors, members of the taxi community who have driven a licensed cab for 20 years or more, who have never perceived any barrier of entry into the trade & have never been interested in running their own cab, these people would be the very first to feel the effects of delimitation & would quickly find themselves searching for work outside of the cab trade where they have made their living for decades, these people, including the author of this report who happens to be an non-proprietor, far outnumber those who claim to see such a barrier of entry.

Pollution

Oxford city already exceeds prescribed levels of CO2. A recent City Council report into pollution levels in the city attributed just 6% of CO2 to the taxi fleet, another report highlighted at least three areas in Oxford where the pollution levels had to be notified to those purchasing property, surely any policy which we know would result in any increase in CO2 levels, hardly supports the impression of a local authority's commitment to reduce toxic fumes within their city.

The most up to date purpose built hackney carriage vehicle (TX4) built since the latter end of 2007, has a CO2 'footprint' of around 203g/km, the previous model (TX2) has a CO2 level of 243g/km, the overall footprint of the hackney carriage fleet licensed by Oxford city council is estimated at around 1710 tons of CO2 per year, it is a fact, that delimitation & the introduction of any significant increase in the numbers of cabs in the city would also significantly increase harmful pollutants by similar proportions.

Oxford city council's Scrutiny Committee review itself has shown substantial increases in overall vehicles licensed in areas where delimitation has taken place, of the 13 authorities listed within the report one shows an increase of 181% another of 108%, Oxford could not sustain such an increase, particularly where we only have rank space to accommodate around 40 cabs, the overflows would be forced to drive around the city centre in circles looking for work, increasing, even further, the pollution levels.

Lottery Style Draw

Since 1989, legislation has required that where a local authority has a policy of numerical control of hackney carriages, they must be satisfied that no unmet demand exists, since 1989, following an agreement over wheelchair accessibility between the Oxford City council & Colta, regular (3 yearly) professional 'unmet demand' surveys have taken place, these studies are funded by the taxi association, the associations membership is made up of both proprietors & non-proprietors, its management committee is made up from both sections of the hackney carriage trade, from time to time various case law and/or government requirements are added to the criteria of such studies, Colta have always supported the additional criteria in order that these surveys meet government guidelines, the two recent surveys have resulted in eight additional license plates being issued.

Colta are of the opinion that the transfer of any first time issued hackney carriage license issued as a result of these studies, be restricted so as to be placed back into the hands of the city council when the proprietor decided to exit the trade.

Justification for Numerical Control

We have to be mindful of the fact that in a delimited environment, revenues will decrease, cutbacks will be made, one of those elements would probably be cutbacks in maintenance schedules & ultimately, the safety of the consumer.

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Survey Driven Regulation, as practiced in Oxford since 1989, matches the level of service to demand & retains sufficient levels of revenue to ensure properly maintained fleets.

There are a number of issues questioned by the Department of Transport when a local authority operate numerical control of hackney carriages by survey driven regulation.

Colta's response to some of those issues are..

- ❑ HM GOV "Unmet Demand Surveys **may** be manipulated if the chosen consultant carries out the study in full view of the trade", *COLTA, the most recent study in Oxford was successfully carried out whereby the vast majority of its work was undertaken without members of the trade being aware, in fact members were asking "when is the survey", in fact it had been completed.*
- ❑ HM GOV "De-restriction **would** allow those who wish to drive their own cab rather than rent one from an existing licensed holder", *COLTA, what of the very many more who, having made the choice over 20 or more years NOT to become a proprietor, but instead drive someone else's because they did not want the responsibility required of a proprietor? It is those badge holders who would be most effected and who's income would drop to a level where they could no longer remain in the trade, after decades in the profession they would find it extremely difficult to find a new job, professionalism comes with experience, the loss of experience would be extremely detrimental to the end user.*
- ❑ COLTA .. *The city **WOULD** become flooded with empty cabs, there are around 40 full time spaces on cab ranks around the city, a restriction in revenues **WOULD** result in those working in the trade working longer hours & spilling over off the end of cab ranks, others would simply drive round in circles around the city centre looking for work, such a situation would without doubt increase CO2 & congestion levels and present additional hidden dangers of longer driving hours.*

The taxi & hire car services in Oxford is not broken, why fix it, the consequences of delimitation upon members of the public where suburban private hire services would see a reduction, where many more hackney carriages remained stationary on central area cab ranks trade & the effects of substantial increases in CO2 levels would be irreversible, once plates are issued, they cannot be taken away once the mistake has been realised.

Compiled by Alan Woodward on behalf of the City of Oxford Licensers' Association

