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#### SOUTH EAST REGION



21 March 2014

**Phil Bates** Licensing Manager Southampton City Council Civic Centre Southampton SO14 7LY

Dear Mr Bates

# **Licensed Vehicles Age Limits**



In September 2013 the licensing committee took a unanimous decision to increase the age limit of its licensed vehicles from 7 to 9 years and from 10 to 12 years for wheelchair accessible vehicles (WAVs).

The committee took into account the effect of the recession on the taxi trade [which results in taxi's doing less mileage] the improvement in taxi standards arising from the decision to impose a 6 monthly MOT on licensed vehicles (vehicles) older than 2 years, the fact that older vehicles are often solely owner driven resulting in greater care taken of the vehicle; amongst other things.

Your Officer's letter mentions emissions from older vehicles and whilst it is true that newer vehicles may be cleaner, emissions are now checked twice a year and, in 2009 you decided that vehicles had to be 80bhp regardless of engine size. In addition you permitted 1.4cc engines, which are also generally cleaner. So the Committee has taken steps in this area and it is interesting to note that your Officers did not mention this in September.

The Committee should also be mindful; that the increase in vehicle age to 9 and 12 years respectively, does not necessarily mean that those vehicles will licensed for the full window allowed.

Regarding the concerns of the business community we believe that the effect of your decision has not been clearly seen yet and that more time should be given to analyse this. We believe that together with the measures you have already taken to ensure quality control, there should not be a problem for the business community.

As a result of your decision in September many taxi proprietors have made business decisions based on the new circumstances and to withdraw this in haste could lead to unnecessary financial problems for them.

### Removal of Subsidies for Cameras

You will be aware that the trade made a strong case at the meeting in September for a voluntary situation with regard to in cab CCTV. This would have been cost free for the council and would also allow every driver who wished to have a camera system to have one that was compliant with the

council standard. After consideration the Committee voted Mandatory Cameras 4, Voluntary Cameras 4. Mandatory being carried on the casting vote of the Chair. We believe that some of those voting for a mandatory camera system may have done so believing that subsidy would remain.

That being the case we believe that the mandatory condition for taxi cameras [the Pageantry system costs £859.56], which a driver would have to pay up front, should be re-visited and further consideration given to a voluntary system. This would be cost free to the council, cost free to drivers struggling to make ends meet, and all drivers wishing to have a compliant camera system would be free to have one.

Yours sincerely		

Sent:

28 February 2014 13:15

To:

Licensing

**Subject:** Consultation on life of licensed vehicles and ending the subsidy for taxi cameras Following receipt of your letter I would like to put the following points to the committee

1. I am at a loss to understand why a committee agreed to increase the allowable age of vehicles only 5 months ago, and now feel that it is the wrong decision. There surely must have been compelling reasons for the change, as well as consultations prior to implementation. Nothing has changed in 5 months so there can be no reason to revert back to the old scheme, unless the incorrect decision was made in September. If this is the case, it is something that needs to be reported to the full council.

On the subject of cameras. You say that you have spoken to HMRC who confirm the full costs can be recovered in the 1st year as legitimate costs.

### You are wrong!

Perhaps you could inform every driver, who you spoke to at HMRC, and why you believe this to be the case. It has never been the case that HMRC reimburse business expenses. What in fact happens is that self employed drivers are able to offset the full cost of purchase and fitting against any tax liability they may have. This means that currently if they make a profit in excess of £10,000 they can reclaim 20% of the cost. If there profit is less then they can reclaim nothing, and have to stand the full cost themselves.

In your discussions with HMRC perhaps you could ask for some general figures on how many self employed taxi drivers currently earn less than the personal allowance and how many are currently claiming tax credits.

It is completely unacceptable that the committee increases the cost of running a vehicle, at a time when all drivers are struggling to earn a living wage.

I am personally in favour of cameras, however when cameras were introduced it was on the basis that they would be subsidised, if the subsidy is no longer there, then the requirement to fit a camera should be removed.

I hope that you find these comments helpful

Many Thanks

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St. sie, Lynda				
From Longs (no 12green den 14				
Sent: 02 March 2014 14:01				
To: Licensing				
Subject: taxi camera subsidy/your letter dated 24th feb				
Attn Mr Bates				
Dear Sir,				
Its disappointing to hear the council plan to end the subsidy.				
Although cameras are a licensing requirement most if not all drivers would prefer not to have them, cost of equipment being the main reason, so ending the subsidy would increase driver costs even further.				
I would like to suggest a compromise. With private hire bookings the operator has the customer name, telephone number, pick up address and drop off address. The customer has the operators telephone number and gets a textback giving make, model, registration number and colour of vehicle. With this leve of information on both sides incidents are unlikely as both driver and customer are traceable.				
With hackney the above does not apply, neither driver or customer can be easily traced following an incident.				
For the above reasons I would like to suggest private hire vehicle should no longer require cameras, but still necessary for hackneys to keep them.				
Yours faithfully,				

Sent:

04 March 2014 12:17

To:

Licensing

Subject: Taxi consultation

In response to your letter of the 24th February I do not agree with the proposals set out.

Firstly it is difficult to make a living as it is as an owner of a private hire vehicle. To reintroduce 9 years would make it harder to survive. As you know we have also had increases in diesel and cameras and renewal of MOTs and licenses. I live in Kennedy Road and the roads around me are in a dreadful state yet you say you are concerned about the 'image' of the city. If you cutback on the hierarchy in the Council then there would be more money available without looking at slicing more off us taxi drivers. A 9 year old is acceptable in many other Cities in England and often longer lifespans. Could you inform us of what businesses are concerned about this?

Secondly regarding the cameras I would like to know how the full costs of camera installation can be recovered in the first year?

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From: passous wrygra	.05 65 (8).

Sent: 12 March 2014 10:49
To: Licensing; Bates, Phil

Subject: Consultation on life of licensed vehicles and ending the subsidy for taxi cameras

#### Dear Phil

I am writing with regards to your consultation letter regarding life of licensed vehicles and ending the subsidy of taxi cameras. I would like to respond to both points.

 Life of licensed vehicles. On the 19<sup>th</sup> September 2013 you wrote to inform us that the renewal age for the vehicle had been extended by two years. This was a move that we welcomed. As you are aware neighbouring councils of Eastleigh, Fareham and New Forest do not have restrictions on the age of their vehicles meaning that an unfair market locally has been created as Southampton registered and licensed operators have had to have a younger vehicles in their fleet compared to operators registered in the neighbouring borough and yet private hire vehicles from these boroughs carry out a large percentage of their work in the City of Southampton. Essentially they are therefore able to keep their costs lower in tender situations due to the vehicles being on the road for a longer lifetime. Unfortunately the business community who you refer to as concerned about the negative impact the older vehicles have on the city are the same business community who ultimately go with the cheapest provider. Southampton City Council being one of these members. On the Southampton City Council Transport framework under which SCC car and minibus routes are tendered everything comes down to price. The quality and age of the vehicle counts for nothing and therefore operators who are registered in neighbouring boroughs who are on the framework are able to submit cheaper prices because they do not have to replace their vehicles as frequently. I would also suggest to you that the business community who have commented will include a number of car dealerships who no doubt look forward to the taxi and private hire companies having to renew their vehicles But these dealerships are generally part of regional, national and global companies. Ford have already ditched Southampton as a place of manufacture. If SCC is serious about reducing emissions then they should ban or place a tax on vehicles registered with neighbouring boroughs that are over a certain age from entering the city a bit like the low emissions zone in London. I therefore request that you kindly keep

the vehicle age increase you implemented on the 19<sup>th</sup> September 2013.
Taxi Camera subsidy we understand the councils need to make budget cuts but again I refer you to my argument about private hire vehicles registered in neighbouring boroughs again they do not have to meet this criteria to have them fitted which in tender situations gives them an advantage. I happen to think the cameras are a very good idea can SCCs licensing team influence the neighbouring borough councils in introducing cameras into their vehicles?

**Yours Sincerely** 

Strele, Lynds

France Bob Stant (1900) Contain comp

Sent: 18 March 2014 21:40

To: Licensing

Subject: Re: Consultation on life of licensed vehicles and ending camera subsidy for taxi cameras

Date: Tue, Mar 18, 2014 at 9:19 PM

Subject: Consultation on life of licensed vehicles and ending camera subsidy for taxi cameras

To: Licensing@southampton.gov.uk

My comments are as follows:-

#### LIFE OF LICENSED VEHICLES

The two year extention to vehicles was given to ease the burden on proprieters at a time of recession. This decision was taken 19/9/2014 which is exactly 5 months since you wrote to us regarding wanting to revert to the old age limits. To my knowlege the recession within the Taxi trade is still very much with us to which I will come to in a minute. You cite the reasons to revert to the old limit are 1) the business communities concerns on the image of the city and business in general and 2) in addition EU improved standards on newer vehicles and the councils desire to reduce emmissions within the city. My response to these points are as follows- Firstly all licensed taxis and private hire vehicles in the city are subject to a strict hackney or private hire mechanical test which also covers the bodywork and interior once a year. In addition they are subject to a normal MOT test six months later. Should we lobby for a ban on all private vehicles over seven years old within the city, I wonder what the business community and public would make of that?!!! Secondly 99% of the present fleet of taxis and private hire vehicles allready meet EU standards and in fact are taxed at a reduced rate because of low emissions. Reducing the the life of the fleet by two years will do nothing when Buses Hgvs and the general public vehicles are taken into account. The Licensing Committee very rightly made their decision 5months ago to ease the burden on hard pressed taxi drivers by extending the lifetime to a quite reasonable 2 years in line withh many other Authorities in the UK.For Gods sake there has been no time to test that decision FIVE MONTHS!!!

Going back to point on the recession in your letter regarding the taxi camera subsidy you state that there is an average of 100 new private hire vehicles being licensed every year this equates to £2000000 coming out of the earnings of the present fleet of drivers every year. Our income has fallen in real terms by 40% WE ARE ON OUR KNEES. If things carry on the way they are going there will be no trade. Drivers working longer and longer hours servicing being neglected and illegal minicabs all over the place. Please work with us not against us a good trade is in all our intersts.

TAXI CAMERA SUBSIDY

I have no problem with the removal of the above

subsidy. Proprioters have had enough time to have cameras fitted (owner/driver)

Ste

Fro

Sent:

19 March 2014 20:11

To:

Bates, Phil

Subject: Age of Vehicles, Taxi Camera Subsidy

Good Evening Phil,

This is the Southampton Hackney Association's (SHA's) response to the lowering of age of vehicles and subsidy of camera's.

We would of course like to see the correspondence from the business community who express their concern of having older vehicles working as taxis in Southampton because of a negative impact they will have on the image of the City.

Category A Vehicles M1 Classification

These vehicles can range in price from approx. £16,00 to £40,000, depending on the size of disabled ramps and how many seats the vehicle has. There does not appear at the present time for an electric vehicle to have been produced that has been approved by the necessary bodies and has passed beyond doubt the M1 Specification, although we believe that there are some in the early stages of manufacture.

Category B Vehicles

If there is a case for a saloon car having an extended life because of it's electric capabilities, we would say that there should be no discrimination between the electric one/normal engine type.

Taking all this into consideration with regards to Category A and B Vehicles, we would like to make two suggestions:-

- 1. We feel it would be appropriate for members of the Licensing team to spend a bit more time observing taxis, parked on ranks. The exterior and interior of these vehicles should be checked on a more regular basis. For example, when we used to have the annual fare increase, it was conducted within the Docks. Vehicles were at least checked by the licensing team for faults. This does not happen now in any shape or form, at any time. We would suggest that if vehicles have torn seats, are generally dirty, have dents, etc., they should be taken off the road, repaired accordingly and presented to the Licensing Office before they are allowed to resume their job description as a taxi.
- 2. Taxis that have one driver on the vehicle, whether they be rented or driven by an owner driver are generally looked after far better than a vehicle that has multi-drivers. We would suggest that when a particular vehicle has reached it's so-called age of removal as a licensed taxi, an appointment should be made at VOSA situated at the Industrial Estate at Bitterne Manor for the vehicle to be thoroughly checked over to ascertain if an extension of one year can be approved? We must take into consideration that when a vehicle is over a certain age, it has to have, apart from the yearly compliance test, another MOT carried out throughout the year.

### Subsidy of Camera's

It would appear that unfortunately due to the Council's budget, the subsidy for the camera's is to be taken away. The SHA committee has investigated as best as we can this contentious subject of incar cameras and the three camera makes we have at the moment that are approved by this council are - Brigade, Pageantry and Verifeye. Because of the so-called fixed storage unit that these camera's

have, they are ideally suited for their purpose, especially if the film is required to do with a Court Hearing. But if the £250 subsidy is taken away, these become an expensive item, so we would suggest that the camera becomes voluntary?

We now have the situation that although there are cheaper models on the market, they have a SD Card, instead of a fixed storage unit. Our suggestion, if the camera's cannot be voluntary, we need these cheaper models that could be fitted with a seal so that the camera is not tampered with. Can this possibility be looked into?

Looking forward to hearing from you.

Regards,

21/03/2014

Response to consultation letter of 24/02/2014

### Life of licensed vehicles:

We are surprised that the business community have expressed concern about the negative impact of the change.

Are we to assume that the business community only use Southampton licensed vehicles as many other licensed vehicles from adjoining councils who have far different regulations to Southampton service these business's.

We believe that with a compliance test once a year and an M.O.T. six months later Southampton's licensed vehicles are well regulated and we believe the age is not an issue.

We also believe that we are discriminated against in respect of vehicles from other local council's not having age limits as stringent as Southampton's.

Why does this council operate anti competitive rules against their own vehicles?

We have driver's who have made business decisions based on the 19<sup>th</sup> September's resolution and any change now will have a detrimental effect on their continuing finances.

On the point of emissions, whilst we accept that it is desirable to try and reduce them, is it only taxi's that are being targeted as this council subsidises other public transport i.e. buses, SCA mini buses and the like without imposing age limits.

Our considered view is that the resolution passed by councillors on the 19<sup>th</sup> September should not be reviewed or changed back to the previous ruling.

#### Taxi Camera subsidy:

We accept that the subsidy cannot be maintained in the current economic climate.

However, our view has always been that we are totally opposed to all vehicles having to have a camera and surely there must be cheaper alternatives available.

### Observations:

It is our considered opinion that this consultation letter has been produced by the licensing department and falls outside the democratic process of the licensing sub committee.

Steele,	กรัส		
From:		@vahoano H]	
Sent:	23 March 2014 22:48	and the state of t	
To:	Bates, Phil		
Subject:	Re consultation on age and	cameras	
Mr Bate	s,		

## Re Age of vehicles:

On 19th September 2013 the vehicle age increase by 2 years was one of the welcomed of all the items put to the licensing committee but the same could not be said of certain parties.

To try to revert this before any ample time has been given to trial and monitor fleet quality is a grossly hostile move, 5 months have passed but the number of vehicles replaced in this period have been minimal hence to jump to the unsubstantiated conclusion that image of fleet has and will hinder that of the city is farcical.

The arguments used against the age increase are weak:

Polluting vehicles: this is weak, many vehicles have Euro 4,5 & 6 diesel engines which are fully compliant with current E.U standards and of those welcomed in London.

It is once again weak as in August 2009 the then licensing manager found that smaller engines were capable of higher b.h.p hence he changed the engine requirement from 1600cc to 80 b.h.p with engine cc irrelevant, the change was based on the fact that smaller cc engines could be introduced into the trade.

So how can such vehicles can suddenly become more polluting? Most Euro 5 & 6 use low ash engine oil which creates less carbon than mineral oils and ordinary semi & fully synthetic oils.

#### Fleet quality:

9 or 12 year limit is a window in which anyone can put vehicles on that though they maybe 5 years old but could have lower miles than one which is 3 years old they mostly only stay on for 4 years average. But, if any vehicle can last longer and still look good while being more than 7 years old then credit should be given to owner for looking after it. The theory of Darwinism springs to mind, the weak will die and the strong will go the distance, the vehicle itself will prompt the owner to change it. Age is a number.

Other parties being "concerned" about the city's image: to these people/businesses I would say that they should get and keep their own houses in order.

If it's hotels allegedly complaining then they should firstly shake off their Blackpool guest house image fit only for cheap stag weekends, if it's retail segment allegedly complaining then they should try to discover some individuality, if it's eateries allegedly complaining then they should try their hand at culinary hand aimed at man and not beast, if it's an entrepreneur allegedly complaining then let us have a say in his business and finally if it's a public servant

then let us choose his suits so he looks like a member of the bar.

The most compelling reason for an age increase was the fact that the financial downturn was biting hard & is still very much alive and present with no end in sight which then leads to the point that vehicles are subject to much less wear and tear than 4 years ago.

So far in countering the weak case for reversing the age limit has been academic as I feel I am not contending with a case but a personality or maybe two but not very challenging ones to say the least.

Whatever force is behind this "coup" are deeply insensitive to how some of my colleagues are going to be affected it is to this effect that determined me to speak up in the hope that some of their thoughts will be aired in my response to this very much unnecessary consultation prompted by a vendetta to hurt individuals whose budget plans and decision forecasts are being hampered creating an period of severe uncertainty.

One should be also mindful that the second hand car market is currently very strong in prices, I can give you a personal example: April 2009 I bought my Mercedes Vito for £16500, it was 4.5 months old with 5553 miles it is a 58 plate. 4 weeks ago I enquired about the same vehicle the dealer had a 58 plate with 70k circa miles the price was £13999+ vat @ 20% =£16798 - older but dearer than 5 years ago!!

Re cameras, as the powers that be are so in favour of this they will keep it all costs. This was brought in as compulsory with the premise of subsidy: if no subsidy as promised then this should be voluntary.

To end may I say that those who have stirred up this furore are insensitive tyrants hurting and hindering my colleagues especially those who are migrants hence afraid to express their worry and hurt as they feel they have no right of voice in foreign lands.

#### Kind Regards

