

Full LPHCA meeting rejects Changes to Operator Fees in London

Licensed Private Hire Car Association

Inc London Private Hire Car Association & The Graded Private Hire Companies

Mr Paul Reemer
Private Hire Licence Fees Consultation
Public Carriage Office
15 Penton Street,
London
N1 9PU

7th March 2008

BY FAX and EMAIL

Dear Mr Reemer,

I write on behalf of the Licensed Private Hire Car Association, the primary Licenced Operators Members Association in London representing over 100 Operator members who have in the region of 14,000 Licenced Drivers under their responsibility.

This week we held an open meeting at The National Union of Teachers in St Pancras following invites to the vast majority of London's Licenced Operators. This meeting was also attended by PCO Officials who listened to our presentation and the feedback.

After we presented at length the merits of changing or retaining the current system of Licensing Fees for Operators, a motion was carried by 118 votes for and 2 against for the retention of the existing system – Option 4 of your consultation.

This vote followed considerable feedback and discussion with members during the consultation period who in the main had voiced serious concerns about changes to the current system.

OPTION 1 – RE-APPORTIONMENT UNDER THE EXISTING FEE STRUCTURE

It was pointed out that administratively, Small Operators require a similar amount of PCO work and processing time as Larger Operators furthermore many of our members and the LPHCA have knowledge and concerns that many so-called 'Small Operators' are in fact drivers using 'Operator Status' to undertake work often illegally.

As the very heavy cost of administrating driver records already falls on PCO Licenced Operators it was considered very unreasonable to change to any system, which would effectively subsidise such Small Operators.

OPTION 2 - A TIERED FEE STRUCTURE

Our research shows that some Small Operators often subcontract to dozens, even hundreds of other Drivers and Operators so they should not get subsidised low fees.

A tiered system according to the consultation document says "Operators might be tempted to declare a smaller number of vehicles than they actually operate", however this could be managed by carefully setting the tier levels and through compliance activity".

It is our view that there is already far too much compliance activity on good Operators and this solution is full of potential problems. We know from experience that defining operator size is a nightmare as fleets increase and decrease by a host of factors. What fees would a Small Operator with just 2 cars that subcontracts to 200 other Small Operators pay?



QUESTIONNAIRE
Consultation on proposed changes to structure of private hire operator licence fees

Please number the options in order of preference, with the number one (1) indicating your most favoured option and four (4) for your least favourite.

4 Re-apportionment of fees under the existing structure (Option 1)

4 Multi-tiered fee structure (Option 2)

4 Fee structure based on the number of operating centres (Option 3)

1 No change to fee structure (Option 4)

Please tell us the reason for your first choice:
SEE ATTACHED LETTER but clearly Licensed Operators do not want very small operators subsidised at their expense

Is there anything else you would like to tell us?
Please use this space to give your views on any aspect of the fee structure as set out in Section 11 of the consultation brochure. If you have detailed comments, please feel free to insert another sheet or send us a letter or email.
SEE ATTACHED LETTER

Name: STEVE WRIGHT MBE
Organisation (name and description): LICENSED PRIVATE HIRE CAR ASSOCIATION
Address: TALBOT HOUSE 204 - 226 Imperial Drive Harrow Middlesex
Postcode: HA2 7BH
Email: LPHCA@icinternet.com

Data Protection Act / Freedom of Information Act
By completing and submitting this form, you are authorising Transport for London (TfL) its subsidiaries and service providers, to use the data you provide for the purpose of assessing views on potential changes to the structure of private hire licence fees. Your personal information will be properly safeguarded and processed in accordance with the requirements of the Data Protection Act 1998.
We may make the views of representative organisations public when reporting the results of the consultation.
The Freedom of Information Act 2000 requires public authorities to disclose information they hold if it is requested. This includes information contained in responses to public consultation. If you ask for your response to be kept confidential this will only be possible if it is consistent with TfL's obligations under the Freedom of Information Act.

OPTION 3 - FEE STRUCTURE BASED ON THE NUMBER OF OPERATING CENTRES.

The consultation says:

Some larger Operators with multiple operating centres require more visits over the course of a year, apportioning costs on this basis would appear more equitable.

Disadvantages – If Operators with more than one operating base are allowed to keep records at one centre the advantage of this option is minimal.

Given that the consultation highlights such a big disadvantage and hardly any Operators have multiple offices this option is futile.

With remote Scanned Online Licensing Management possible via Internet based CabOperator and other technology (saving the need for site visits) the number of offices will soon be completely irrelevant.

OPTION 4 - NO CHANGE TO FEE STRUCTURE

The consultation confirms that this option would retain the existing fee structure and has the advantage that the structure and fees are simple, easy to explain and implement.

Virtually all feedback from members to date favours retaining the existing structure. Whilst there may be a few minor merits in changing, our members (all Licensed Operator's) have confirmed their desire for ongoing stability and they clearly have no appetite for further compliance activity and changes in this area. They therefore wish to retain the current fees structure, especially as available, low cost technology will negate much of the need for site visits in the future anyway.

As the case for Option 4 was endorsed by such a massive majority and cross section of Operators (who clearly do not want any changes), The LPHCA endorses the preservation of the current system and it is our view that it would be foolish to tamper with or change something that already works perfectly well and is acceptable for the vast majority of Licensed Operators.

Steve Wright MBE, Chairman LPHCA



DRIVER AND CAR MISSING

David Anthony Hazell has not been seen for the past month.

LPHCA Members Wyndhams Cars are concerned for the safety of this driver and the security of the car a Silver E-Class Mercedes - LM 55 LYT.

Wyndhams Cars are offering A REWARD OF £500 for information leading to contact with this driver and the return of the car.

Please Contact: MICK SULLIVAN or MARK HYDE on 020 8752 8040