

<b>Our Ref:</b>	<b>Please ask for:</b>	<b>Direct Dial:</b>	<b>E:Mail</b>
4/7(GEN)JE/GS	Mrs J Elliott	01384 815377	licensing.LDS@dudley.gov.uk

9<sup>th</sup> December 2009

Dear Mr Cole,

Local Government (Miscellaneous) Provisions Act 1976 and Town Police Clauses Act 1847 – Licensing of Private hire and Hackney Carriage

I refer to your letter dated the 19<sup>th</sup> of November 2009 to the Ombudsman which was passed to the council on the 23<sup>rd</sup> of November 2009.

On the 15<sup>th</sup> of September 1989, the then, Administration, Property and Legal Committee of the council considered a revision in policy in relation to the licensing of hackney carriage and private hire. From that review, guidance books and a leaflet were issued to the trade, detailing the requirements for licensees when submitting insurance cover for licensed vehicles. Both of these documents have been updated on a regular basis and I have enclosed a copy of the most recent edition of the insurance leaflet with this letter, for your information. I have also enclosed a copy of a letter dated 28th November 2007 sent to all private hire operator's and where details where known to Insurance Brokers.

Section 47(1) of the Town Police Clauses Act 1847 states that the council may attach to the grant of a hackney carriage licence under the 1847 Act such conditions as the council may consider reasonably necessary.

Section 48 (1) b of the Local Government (Miscellaneous) Provisions Act states that the council can only grant a private hire vehicle licence if there is in force in relation to the use of the vehicle a policy of insurance or such security as complies with the requirements of (Part V1 of the Road Traffic Act 1988)

Condition 2 of a Hackney Carriage Licence states:- This licence shall lapse immediately there shall cease to be in force in respect of the hackney carriage to which it applies such a policy of insurance or such a security in respect of third party risks as complies with Part V1 of the Road Traffic Act 1988

Section 57(1) of the Local Government (Miscellaneous) Provisions Act 1976 states the council may require any applicant for a licence under the Act of 1847 or under this part of the Act to submit to them such information as they might reasonably consider necessary to enable them to determine whether the licence should be granted and whether conditions should be attached to any such licence.

Cont.....

Mr Dale Cole  
Director  
Coversure Insurance Services  
54 High Street  
Dudley  
West Midlands  
DY1 1PS

The Council's paramount concern when licensing hackney carriage and private hire is the safety of the travelling public. This responsibility includes the council having to ensure that the public are travelling in a vehicle, which together with the driver is correctly insured. The majority of private hire and hackney carriages are owner driver vehicles and the insurance relates to individual vehicles and drivers. To ensure public safety the council requires a fleet insurance policy to have the wording 'any driver or vehicle as per detailed schedule' and for the insurance company to attach to the policy, schedules of both the vehicles and the drivers insured under the policy.

Of the eleven fleet insurance policies currently submitted by licensees to the Council, four are issued by either Tradex, Aviva or Q&B insurance companies.

Dudley Council are not the only council in the country to have specific requirements in relation to the submission of fleet insurance policies as stated in your letter to the council dated 19<sup>th</sup> of November 2009. For example: -

Solihull Borough Council do not accept fleet insurances for hackney carriage and private hire vehicles licensed by them. They only accept named driver policies. They do accept 'any driver' fleet insurance policies in relation to accident damage companies but this insurance must be supported by documentation that clearly restrict the insurance to a named licensed driver.

Birmingham City Council only allow named driver policies. If the policy holder of the vehicle differs from the driver of the vehicle a letter of authority from the insurance company must be submitted with the insurance confirming that the named driver is insured to drive the vehicle.

Sandwell Borough Council has recently introduced a new policy that If any person produces an 'any driver' policy it must be accompanied by a schedule issued by the insurance company naming vehicles and drivers or alternatively a twelve months 'any driver' policy may be submitted but licensed plates will only be released to drivers on the production of cover notes naming individual drivers and vehicles.

Given the above details the Council would clearly not accept your comment that all other council's policies simply state 'any driver' or that there are no other companies who will insure hackney carriage/private hire on the basis required by this council.

I appreciate the comments you have made regarding the work involved in this process but I am sure you will understand that the council's introduction and subsequent amendments to the policy described above, has only been made in the interests of public safety.

In the light of your comments I propose to take a report to the Taxis Committee of the 7<sup>th</sup> January 2010 informing them of your concerns in relation to the council's insurance policy.

Cont.....

No doubt should you have any further questions on this matter you will contact me again with your specific comments.

Yours sincerely

Licensing and Service Improvement Officer

Our Ref:  
JE/AWR

Your Ref:  
4/07

Please Ask For:  
Mrs J Elliott

Direct Dial:  
01384 815377

28<sup>th</sup> November 2007

Dear Mr

Local Government ( Miscellaneous Provisions Act )1976  
Part 11 and Town Police Clauses Act 1847- Licensing of Private Hire vehicles  
and Hackney Carriages

Submission of Insurance Certificates and Cover Notes

Recently there has been some confusion in relation to the specific wording on cover notes / certificates of insurance which the council will accept in respect of licensing hackney carriage and private hire vehicles in the interests of public safety.

We have taken legal advice on this matter and accordingly I will set out below the definitions and wording which is acceptable to the council together with the reasons.

Insurance for a Private Hire Vehicle - Definition – Limitations as to use

**For hire and reward providing a pre-booked service.**

**Excluding public hire**

This wording is in accordance with the legislation: -

S56 (1) of the Local Government (Miscellaneous Provisions) Act 1976

For the purposes of this Part of the Act every contract for the hire of a private hire vehicle licensed under this part of this Act shall be deemed to be made with the operator who accepted the booking for that vehicle whether or not he himself provided the vehicle.

Continued.....

Name  
Address  
Address  
Address  
Address

Persons or classes of persons entitled to drive

No insurance cover note or certificate can be accepted with the wording ANY DRIVER/ ANY PERSON WITH THE POLICYHOLDERS PERMISSION

The following wording on a cover note / certificate of insurance is acceptable to the council: -

**Any Driver or vehicle as per the detailed schedule.**

**This schedule must form part of the cover note/certificate and be issued by the Insurance Company.**

Where the cover note/ certificate of insurance covers both hackney carriages and private hire vehicles: -

**The schedule must clearly define the use for which each vehicle is covered i.e.: -**

**Hackney carriage - both public hire and for hire and reward providing a pre-booked service.**

**Private Hire – For hire and reward providing a pre-booked service.**

**And**

**Clearly define the cover provided for each individual driver.**

I would also like to take this opportunity to remind you of my recent letters that Insurance Certificates and Cover Notes will only be accepted if: -

- 1. The certificate/ cover note has been printed on paper bearing an Insurance Companies security device (e.g. water marked paper)**

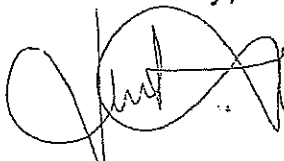
**or**

- 1. The certificate cover note has been authorised by an original signature together with the official company stamp.**

I will be sending a copy of this letter directly to Insurance Brokers whose details I have on my files. However, to avoid further confusion I would advise that when taking out insurance in respect of your hackney carriage/ private hire you take a copy of this letter to your insurance broker.

If I can be of any further assistance in this matter please do not hesitate to call the above extension.

Yours sincerely,



Licensing Officer