

EXECUTIVE NOTE

THE CIVIC GOVERNMENT (SCOTLAND) ACT 1982 (LICENSING OF BOOKING OFFICES) ORDER 2009

SSI 2009/145

The above instrument will if approved be made in exercise of the powers conferred by sections 44(1)(b) and (2) of the Civic Government (Scotland) Act 1982 (“the 1982 Act”) (and all other powers enabling them to do so). The instrument is subject to draft affirmative resolution procedure.

Policy Objectives

The purpose of this instrument is to require every licensing authority to license the use of premises by businesses engaged in the taking of bookings for taxi and private hire cars (booking offices) in its area. This is subject to the exemption mentioned below.

The 1982 Act provides for the regulation through licensing of the operators of taxis and private hire cars and their drivers. There are, however, no similar powers to control the activities of operators of booking offices for taxis and private hire cars. Pressure for the introduction of regulation to control the operation of booking offices has come from a number of licensing authorities and the police who have expressed concern over the activities of some of these operations with allegations that these are being used for illegal activities such as money laundering and drug related activity.

The instrument introduces a new activity for which a licence shall be required and which shall be regulated in accordance with provisions specified in the Order. In considering the scope of powers to be introduced a key issue was whether the licensing of booking offices should be made a mandatory activity or should be discretionary as in the case of taxis, private hire cars and their drivers. We noted that while taxi/private hire car licensing was discretionary all licensing authorities had resolved to licence these vehicles and their drivers. Having considered the issue carefully we determined that mandatory licensing of booking offices was justified in that it would ensure a consistency in approach and would deter unscrupulous operators from relocating premises to any unlicensed area to avoid regulation. Mandatory licensing had significant support during consultation among those authorities pressing for the introduction of a licensing regime.

Provisions

The provisions in the Order will designate the activity of the use of premises by businesses engaged in the taking of bookings for taxi and private hire cars in its area as an activity for which a licence under the 1982 Act will be required. This is subject to an exemption discussed below.

These provisions apply the licensing provisions in Part 1 of the 1982 Act (including Schedule 1) subject to modifications and that application will:-

- require each licensing authority to license that activity ;
- place a duty on the licensing authority to refuse an application for a licence if in its opinion the applicant is not a fit and proper person. This is the same level of scrutiny as is required in the case of taxi and private hire car operators and drivers;
- give police and licensing enforcement personnel the power of access to premises used for that activity in relation to which a licence is in force or has been applied for under the 1982 Act together with a power to inspect any records required under the 1982 Act. The powers are provided for the purposes set out in section 5(2) of the 1982 Act;
- give police and licensing enforcement personnel powers of entry and search of premises where that activity is being carried on without a licence required under the 1982 Act. These powers may only be exercised by police or enforcement personnel in possession of a warrant granted by a justice of the peace or a sheriff;
- apply the offence provisions contained in sections 5 (Rights of entry and inspection) section 6 (Powers of entry to and search of unlicensed premises) and section 7 (Offences, etc) of the 1982 Act;
- provide licensing authorities with powers to address breaches of licensing control through suspension or revocation of licence.

The Order will also provide for mandatory conditions to be applied to licences requiring that a record be maintained of all bookings for taxis and private hire cars to record the registration number of the vehicle to fulfil the booking and the name of the driver who undertook the hire. In addition, the Order will also require that the licence holder take all reasonable steps to ensure that vehicles and drivers used to fulfil bookings are appropriately licensed under the 1982 Act. It was acknowledged that some authorities might choose to attach additional conditions to the grant of a booking office licence in their areas. Authorities have existing powers set out in schedule 1 to the 1982 Act which allows an authority in the grant or renewal of any licence to attach such reasonable conditions to a licence as they consider appropriate.

Exemptions

In considering the scope of powers to be included in the Order we took the view that blanket coverage for all booking office businesses regardless of size could place an onerous administrative and financial burden on small businesses and could act as a disincentive to persons considering entering the trade. Consideration was given to exempting businesses operating from domestic premises and/or providing exemption in the case of smaller businesses controlling a small number of vehicles. During the consultation process in 2005 the majority of respondents favoured some exemption from licensing with most favouring a numerical threshold of between 2 and 5 vehicles before licensing was required. After consideration we determined that the exemption should relate to businesses where the number of taxis or private hire cars in respect of which bookings are taken does not exceed 3. Such exemption is compatible with Executive policy on better regulation in seeking to minimise the effect of regulation on small/micro business. No specific exemption was considered necessary for domestic premises as the 3 vehicle threshold was considered sufficient.

Consultation

Within government

We have consulted with colleagues in the Scottish Executive Justice Department: Organised Crime Unit; Scottish Executive Finance and Central Services; Public Service Reform and Efficiency Group, and the Business Interest and Improving Regulation Division of the Enterprise Transport and Lifelong Learning Department.

Public consultation

A widespread consultation exercise inviting the views of stakeholders on the merits of introducing regulations providing for the licensing of taxi and private hire car booking offices and the nature and scope of provisions that might be included in any regulations was carried out between June and September 2005. The consultation invited views from licensing authorities, representatives of the taxi and private hire trades, disability and equality groups, the National Association of Licensing Enforcement Officers, the Association of Chief Police Officers in Scotland, the Scottish Consumer Council and a number of other stakeholders.

The consultation assisted in informing our policy with regard to the scope of powers which are set out in the Order. The consultation document and summary of the responses received can be accessed at <http://www.scotland.gov.uk/Publications/2005/12/SummaryResponses>

A further informal consultation on the terms of the draft Order was carried out in May/June 2008. Views were invited from 12 licensing authorities as to any difficulties/gaps in legislation/interpretation issues arising from the draft Order and accompanying Regulatory Impact Assessment. Consultees were also asked to give their views on any equality issues arising from the proposed legislation. Following this consultation there were some relatively minor adjustments made to the consultation draft of the Order and the Initial Regulatory Impact Assessment. There were no equality issues raised by respondents to the 2005 consultation nor to the more recent informal consultation carried out in summer 2008.

Regulatory Impact Assessment

The Regulatory Impact Assessment (RIA) supports the introduction of legislation providing for the mandatory licensing by local authorities of prescribed booking offices. The benefits of licensing in terms of preserving public safety and preventing crime are considered to outweigh any disbenefits among which was the effect of further regulation on small businesses in increased costs of licensing and administrative burden.

The legislative provision of exemption from licensing for those businesses where the number of relevant vehicles in respect of which bookings are taken does not at any time exceed 3 will largely address concerns as to the negative effect of additional regulation on small business. Further the RIA suggests that costs of regulation to businesses requiring to be licensed are unlikely to be significant and are likely to be offset by increases in radio rental charges to vehicle operators. The Regulatory Impact Assessment is published on the Scottish Executive website at www.Scotland.gov.uk

With regard to equality issues, we have little available data as to the nature of businesses likely to be affected by the proposed SSI and thus it is difficult to assess the potential impact negative or positive on equality of opportunity among different sectors of the community. We do not consider however that the proposed legislation will have a significant differential impact on members of any of the equality groups. An Equality Impact Assessment has been prepared and has been published on the Scottish Executive web site at www.scotland.gov.uk

Financial Effects

The instrument has no financial impact on the Scottish Executive. The cost to licensing authorities which will relate primarily to administration and enforcement are unlikely to be significant. The related costs will require to be covered through the licence fees set by local authorities under schedule 1 to the 1982 Act. The annual cost of licensing to the trade is estimated to be around £53,000 based on an estimated licence fee of £175 per annum. It is likely that booking office businesses will look to pass the cost of the booking office licence on to vehicle operators through increased rental charges of radio equipment. These costs may ultimately be passed on to passengers through fares charged. However, in view of the relatively modest overall costs involved any increase in fares attributable to licensing this activity would be negligible. This is covered in more detail in the Regulatory Impact Assessment referred to above.

Transport, Infrastructure and Climate Change
February 2009

REGULATORY IMPACT ASSESSMENT (RIA)

Title of proposal

1. The Civic Government (Scotland) Act 1982 (Licensing of Booking Offices) Order 2009.

Purpose and intended effect

Objectives

2. The purpose of introducing this legislation is to require local authorities to license the operation of taxi and private hire car booking offices in the interests of preserving public safety and preventing crime.

Background

3. Local authorities have discretionary powers under the 1982 Act to license taxis and private hire cars and their drivers operating in council areas and all Scottish licensing authorities currently do so. The 1982 Act provides that authorities must in the consideration of applications for licences for taxis and private hire cars be satisfied as to the suitability of the vehicle for its purpose and that it is safe for that use and further that the licence applicant is a fit and proper person to hold the relevant licence. In the consideration of applications for taxi/private hire car drivers licences applicants are also subject to the “fit and proper” person test.

4. While licensing authorities have various powers under the 1982 Act to regulate the operation of taxis and private hire cars they have no powers allowing them to regulate the operation of taxi and private hire car booking offices. The absence of any licensing requirement for booking offices renders licensing authorities powerless to exert any control over the running of such businesses.

5. The Scottish Government recognises the concerns that have been expressed over the lack of regulation for taxi and private hire car booking offices. It acknowledges that there is some evidence which suggests that some booking offices may be using unlicensed vehicles and drivers to fulfil hires and that other illegal activities may also be taking place. This is clearly to the detriment of the travelling public. Furthermore, it is acknowledged that if it is in the public interest to licence the vehicles and drivers affiliated to such businesses, it could also be argued that the business accepting such bookings should also be licensed.

6. At present anyone who wishes to establish a taxi and/or private hire car booking business has simply to obtain the necessary radio licence from the Office of Communications (Ofcom). The procedure involves no formal check as to the suitability of radio licence applicants. Unless an applicant has previously transgressed the conditions of a previous licence, it is likely that the application will be successful.

7. Bringing booking offices within licensing regulation would provide council enforcement officers and police with specific powers to inspect premises and records to ensure that such establishments were operating within their licence. Importantly, licensing would subject those responsible for the operation of such businesses to scrutiny through criminal record checks to ensure that the applicant was a “fit and proper person” to operate such a business. Introduction of licensing would provide licensing authorities with discretionary power to attach to any grant of licence such conditions as they consider reasonable. Consultation responses have suggested that concerns over such matters as the issue of employers’ liability insurance and compliance with health and safety and other environmental regulations arising from operation of booking offices open to the public might be addressed by way of licence conditions.

Rationale for government intervention

8. The impact of the current position is that in the absence of any licensing requirement there are no checks carried out as to the suitability of those persons involved in the running of booking offices. In addition businesses may in fulfilling bookings use unlicensed vehicles and drivers which have similarly not been subjected through licensing to appropriate scrutiny. Failure to introduce legislation providing for the licensing of booking offices will mean that the benefits in terms of checks as to the character of those responsible for the operation of booking offices, access for inspection of premises and records and regulatory controls provided by licensing will not be realised all to the detriment of public safety and confidence.

Consultation

Within government

9. We have consulted with the Scottish Executive Justice Department: Police Division; Scottish Executive Finance and Central Services: Public Service Reform and Efficiency Group, and the Business Interest and Improving Regulation Division of the Enterprise Transport and Lifelong Learning Department.

Public consultation

10. A widespread consultation exercise inviting the views of stakeholders on the merits of introducing regulations providing for the licensing of taxi and private hire car booking offices and the nature and scope of provisions that might be included in any regulations was carried out between June and September 2005. The consultation invited views from licensing authorities, representatives of the taxi and private hire trades, disability and equality groups, the National Association of Licensing Enforcement Officers, the Association of Chief Police Officers in Scotland, the Scottish Consumer Council and a number of other stakeholders concluded in Autumn 2005.

11. Responses to the consultation confirmed widespread support for the principle of introducing licensing with 17 out of 19 local authority responses in favour of licensing.

12. Consultation responses have assisted in informing the Scottish Government’s consideration of the scope of regulations set out in the draft Order.

13. A summary of responses to the consultation and the consultation documents can be accessed at <http://www.scotland.gov.uk/Publications/2005/12/SummaryResponses>

14. A further informal consultation exercise involving a number of licensing authorities supportive of the introduction of licensing was undertaken to invite feedback as to the scope of powers proposed in the draft SSI and the content of the draft Regulatory Impact Assessment.

Options

Option 1: Do nothing.

15. There have been repeated calls from a number of licensing authorities and the police for introduction of a licensing regime for licensing of booking offices and these were endorsed by a significant majority of respondents to the Scottish Government's consultation concluded last year. Licensing would allow police and enforcement personnel access to premises and records and would provide for appropriate checks to be carried out as to the suitability of licence applicants thus making it more difficult for those with a criminal history to obtain a licence. In the circumstances, doing nothing would not address the need to have licensing in place for public safety and crime prevention.

Option 2: Seek to introduce a voluntary code of practice.

16. Introduction of a voluntary code of practice for the operation of booking offices is not considered a practical option in addressing the interests of public safety and preventing crime. . Introduction of a voluntary code of practice would mean that those responsible for the operation of such business would continue to be free from scrutiny through criminal record checks as to their suitability to hold a licence. Further a voluntary scheme would not provide powers of access to and inspection of premises and records afforded police and enforcement personnel under licensing legislation.

Option 3: Introduce optional powers of licensing for taxi and private hire car booking offices.

17. Introduction of discretionary licensing would accord with the position with regard to the licensing of taxis, private hire cars and their drivers which is an optional activity albeit that all licensing authorities do so. Were licensing to be made discretionary, however, there are concerns that businesses seeking to avoid regulation could relocate their premises to an area which chose not to license booking offices. This situation could significantly undermine the effectiveness of any legislation. Further, given the need for regulation to be seen to be addressing the concerns as to public safety, discretionary licensing could send out the wrong message in not fully supporting the rationale behind introduction of licensing powers.

Option 4: Introduce mandatory licensing for taxi and private hire car booking offices.

18. Mandatory licensing would encourage a uniform approach to the licensing of booking offices and would preclude unscrupulous operators from relocating to unlicensed areas to avoid regulation. Licensing would subject those responsible for the operation of such activity to be subject to criminal checks as part of the procedure to determine their suitability to hold a licence. Introduction of mandatory licensing of booking offices was supported by the majority of licensing authorities who responded to the consultation.

Costs and benefits

- **Sectors and groups affected**

19. The sectors most affected by the introduction of legislation providing for the licensing of taxi booking offices are licensing authorities, the taxi and private hire car trades and the police.

- **Benefits**

Option 1: Do nothing.

20. There would be no benefits achieved over the present position whereby the operation of booking offices remains largely out with any regulatory control either by licensing authority personnel or the police.

Option 2: Seek to introduce a voluntary code of practice.

21. A voluntary code of practice would avoid the need for introduction of a new regulatory licensing regime which would place a new administrative burden on licensing authorities, the trade and the police. However, a voluntary code of practice might not serve to deter unscrupulous operators from engaging in unlawful activities and would not afford police/enforcement personnel the access to inspect premises and records provided under licensing powers. In addition, while licensing regulations would provide for criminal record checks to be undertaken as to the suitability of those running booking offices, as in the case of operators and drivers of taxis and private hire cars, no “fit and proper” assessment would be required under a voluntary scheme.

Option 3: Introduce discretionary licensing for taxi and private hire car booking offices.

22. Providing licensing authorities with discretion as to whether to require the licensing of booking offices would be in keeping with the situation with regard to licensing for taxis and private hire cars and their drivers. Authorities would be free to determine whether there was a need for the licensing of booking offices in their areas having regard to local circumstances. However, optional licensing could result in the situation whereby booking office operators, in seeking to avoid regulatory control, could relocate to an authority area where licensing was not in place thus rendering regulations ineffective.

Option 4: Introduce mandatory licensing for taxi and private hire car booking offices.

23. This option would ensure a uniform approach to the licensing of booking offices and would avoid the situation whereby an operator could choose to relocate to a local authority area which was not subject to a licensing requirement to avoid the scrutiny provided for under licensing regulation. Mandatory licensing would provide for fit and proper person assessment of those involved in the running of such businesses providing powers of access for inspection of premises and records to the benefit of public safety and crime prevention.

- **Costs**

Option 1: Do nothing.

24. There would be no cost implications if option 1 were adopted.

Option 2: Seek to introduce a voluntary code of practice.

25. Costs which would be largely administrative would depend on who was responsible for drawing up a voluntary code.

Option 3: Introduce discretionary licensing for taxi and private hire car booking offices.

26. Cost of this option to the trade would depend largely on the number of licensing authorities resolving to licence booking offices and hence those on whom licensing regulation will impact. Information provided by Ofcom indicates that there are up to 400 operators (taxi and private hire car) of radio base stations who hold a licence (wide area speech and data licence) in Scotland. However, a number of these base stations will control the operation of three or less vehicles (taxis or private hire cars) and will therefore be below the proposed threshold (three vehicles taxis or private hire cars) for licensing under booking office regulations. Information as to the precise number of vehicles controlled under specific Ofcom radio licences is not available and the best estimate of the number of radio licenceholders exempted from licensing under the proposed threshold is 100 (25%).

27. In addition to those exempted via the threshold, discretionary licensing would allow authorities to determine that there was no need to license booking offices in their area hence allowing immunity from licensing for some businesses which under mandatory provisions would require to be licensed. It is difficult to estimate the number of businesses which will be affected in the absence of information on which authorities might elect not to licence booking offices or on the number of businesses over the proposed 3 vehicle threshold which might be excused licensing in these areas. Our best estimate is that around 50 businesses could be affected.

28. The average cost of a taxi/private hire car licence in Scotland is £175 (based on an estimated annual fee) and on this basis the approximate annual cost to the trade were licensing made optional would be £44,000 based on an estimated 250 businesses which would require to be licensed under this option. It should be noted that the figure of £175 is an estimate for the purposes of this Regulatory Impact Assessment and should not be regarded as the recommended or anticipated level of licence fee. It is entirely a matter for individual licensing authorities to determine the licence fee appropriate to their authority area having regard to individual circumstances.

29. In addition to licensing costs it is expected that operators of booking offices would incur some administrative costs in regard to the maintenance of records of bookings etc provided for in legislation or in licensing conditions imposed by licensing authorities. However, many businesses already maintain records of vehicle bookings etc and it is not expected that any additional costs would be significant. It is likely that costs incurred by radio booking offices in relation to licensing for booking offices would be passed on to the vehicle licence holders and drivers who hire the radios. Ultimately operators may look to offset the costs of the new licensing activity through an increase in fares. Such an approach

would require to be considered by licensing authorities who are required to periodically review and set (maximum) taxi fares for their areas. We consider that given the relatively modest costs involved any impact on fares per passenger journey as a consequence of licensing would be minimal (see para. 33).

30. The implications for local authority expenditure of the licensing of booking offices will relate primarily to administrative costs and enforcement. These costs will however be incorporated in the licence fees charged by licensing authorities in accordance with schedule 1 of the Civic Government (Scotland) Act 1982.

Option 4: Introduce mandatory licensing for taxi and private hire car booking offices

31. The introduction of mandatory licensing will require licensing authorities in all council areas to license booking offices. On the basis that an estimated 300 radio base operators may require to be licensed under a mandatory licensing regime at an average cost per licence of £175 the total annual cost to the trade would be of the order of £53,000. 32. As with option 3 additional administrative costs incurred by booking offices are likely to be offset by fees charged by these businesses for hire of radio equipment. This is covered in more detail in paragraph 29 above.

33. Costs of option 4 for local authority expenditure will relate primarily to administrative costs and enforcement. The additional costs involved in licensing for booking offices are unlikely to be substantial as licensing authorities already have licensing regimes in place for the licensing of taxis, private hire cars and their drivers. Additional costs will however be incorporated in the licence fees charged by licensing authorities in accordance with the terms of the Civic Government (Scotland) Act 1982. While operators may look to offset the relatively modest costs of licensing through an increase in fares (see paragraph 29 above) any impact for the travelling public is expected to be minimal. If the cost of licensing were to be passed on to the consumer through increase in fares the impact on fares is unlikely to exceed £0.01 per metered journey. This calculation is based on an estimated 15,000 vehicles (taxis and metered private hire cars) undertaking 10 hires per day over 365 days. This would raise income of the order of £1/2 million based on a tariff increase of £0.01 per journey.

Small/micro firms impact test

34. During our consultation process the Executive consulted with organisations representative of the taxi and private hire car trades and a number of relatively small taxi/private hire businesses. The consultation exercise carried out in Summer 2005 provided the opportunity for respondents to give their views on the impact of regulations on small businesses. Analysis of consultee responses suggested that the overall number of businesses which were likely to be covered by regulations would be relatively small with additional costs of compliance likely to be offset by increase in passenger fares.

35. It is recognised, however, that regulation providing for blanket coverage of all businesses taking bookings for taxis or private hire cars would nonetheless place an additional burden on small/micro businesses with single vehicle businesses requiring to have three separate licences. In order to spare many small/micro businesses from the additional licensing burden the draft Order proposes that businesses operating up to a total of 3 vehicles

(taxi/private hire cars) will not be regarded as a booking office in terms of the regulations and will therefore be exempt from any licensing requirement.

36. The above conclusions are based on comments from a relatively small although representative sample of small businesses and additional views on the impact of regulations on small/micro businesses are invited through this consultation and draft Regulatory Impact Assessment. We are aware that a number of authorities liaise, through periodic meetings, with taxi/phc representative bodies on licensing issues. Any feedback from discussion at these fora on the likely impact of regulation on small business, either from those authorities, or from individual representative groups would also be welcomed.

Competition assessment

37. Regulation would provide for the licensing of booking offices controlling the operation of taxis and private hire cars in local authority licensing areas. The effect of the introduction of an exemption threshold (three vehicles) will result in a number of businesses which arrange bookings for taxis and/or private hire cars being exempt from licensing. If licensing is made an optional activity additional businesses may be exempt from licensing. For the purposes of our comparison of costs for various options we estimate that up to 150 booking offices will be exempt from regulation under optional licensing provisions and up to 100 under mandatory licensing provisions.

38. The Scottish Government does not consider that the proposals for licensing whether under optional or mandatory licensing will have any significant impact on competition and considers that the cost of these regulations can be justified and are proportionate to address the aims of regulations, preserving public safety and preventing crime.

39. A competition filter is attached at Appendix A.

40. Additional costs incurred by booking offices as a result of the introduction of licensing regulation, license fees and administrative costs relating primarily to keeping of records are likely to be passed on to those hiring taxis from the booking offices. There should not therefore be any adverse impact on the competitiveness of those businesses falling to be licensed under the legislation nor any deterrent to those wishing to enter the trade. Costs of compliance for those caught by regulations are likely to be the same for new entrants to the trade as for existing operators.

Enforcement, sanctions and monitoring

41. Enforcement of regulations relating to the licensing of booking offices as with other activities licensed under the Civic Government (Scotland) Act 1982 would be a matter primarily for licensing authorities and the police.

42. In the event of a breach of a licence condition a local authority has the power to suspend or withdraw a licence. Where a breach of licensing control involves a criminal offence e.g. operating without a licence required under the 1982 Act, the police have powers to initiate criminal proceedings.

43. Monitoring the effectiveness of the legislative powers contained in the Order will be a matter for individual licensing authorities. It is anticipated that authorities will bring any difficulties or issues with licensing powers to the attention of the Scottish Government.

Implementation and delivery plan

44. The Order is subject to affirmative resolution procedure and will require to be approved by Parliament. The Order will provide that the use of premises for the carrying on of a business for the taking of bookings from members of the public for the hire of taxis and private hire cars will not become a licensable activity until 20 November 2009. This is intended to afford licensing authorities a reasonable period of time in which to determine appropriate licensing arrangements within their areas.

Post-implementation review

45. The Scottish Government will wish in due course to evaluate the effect of the powers set out in the order in achieving its objective, that of preserving public safety and preventing crime. It is proposed therefore to review the success of this legislation 3 years after it takes effect.

Summary and recommendation

46. Based on the foregoing analysis and analysis of the submissions of consultees the Scottish Government recommends introduction of mandatory powers of licensing for taxi and private hire car booking offices (option 4).

Declaration and publication

I have considered the Regulatory Impact Assessment and am satisfied that the balance between cost and benefit is the right one in the circumstances.

Signed Stewart Stevenson

Date 4th February 2009

Stewart Stevenson
Minister for Transport, Infrastructure and Climate Change

Appendix A

Regulatory Impact Assessment – Competition filter

The Civic Government (Scotland) Act 1982 (Licensing of Booking Offices) Order 2007

Competition filter test questions

Question	Answer Yes/No
Q1: In the market(s) affected by the new regulation, does any firm have more than 10% market share?	No
Q2: In the market(s) affected by the new regulation, does any firm have more than 20% market share?	No
Q3: In the market(s) affected by the new regulation, do the largest three firms together have at least 50% market share?	No
Q4: Would the costs of the regulation affect some firms substantially more than others?	No
Q5: Is the regulation likely to affect the market structure, changing the number or size of firms?	No
Q6: Would the regulation lead to higher set-up costs for new or potential firms that existing firms do not have to meet?	No
Q7: Would the regulation lead to higher ongoing costs for new or potential firms that existing firms do not have to meet?	No
Q8: Is the sector characterised by rapid technological change?	No
Q9: Would the regulation restrict the ability of firms to choose the price, quality, range or location of their products?	No

Questions 1-3

The taxi and private hire car trades are made up predominantly of self employed owner/drivers. Information is not available as to the proportion of the total number of licensed taxis and private hire cars which operate through a booking office/radio base. The nature of the industry is such that it is unlikely that individual firms would dominate the market to any significant extent.

Question 4

At an estimated average cost of £175, the cost of the licence should not impact to any significant extent on some firms more than others, albeit that the cost which is expected to be a flat rate will be proportionally higher the smaller the business. Administrative costs for businesses controlling operation of greater number of vehicles may be marginally higher.

Question 5

There is no evidence to suggest that Regulation is likely to alter the structure of the taxi/phc market. Business costs attributable to licensing of booking offices will relate to licence fees and administration costs associated with necessary record keeping and are not expected to be such level as to adversely impact upon viability or competitiveness of these businesses.

Questions 6 and 7

Introduction of regulation, for businesses requiring to be licensed, is not expected to lead to higher start up or ongoing costs for new or potential businesses when compared with like existing businesses. Costs of compliance for those businesses falling to be licensed are likely to be the same for new businesses as for existing businesses.

Question 8

The taxi/private hire car trade is not characterised by rapid technological change.

Question 9

The costs of regulation are not expected to impact to any significant extent on the level of service provided by taxi/private hire car booking offices.