

Licensing Committee 21st March 2017

Appendix 6

Representations made by Stuart Bolwerk on behalf of Harlow Taxi Hire Ltd.

Stuart Bolwerk

21.2.17

Dear Sir/Madam

Please allow me to introduce myself. I am the proprietor of Harlow Taxi Hire Ltd. I supply London style Licenced Hackney carriage Vehicles to drivers who wish to rent them to operate within the district of Harlow.

I've enjoyed thus far a good working relationship with The Licensing officer, Mr David Taylor & his Team. However some of their current proposed changes to modify and replace conditions to the licencing of Hackney Carriage vehicles and private hire vehicles, are potentially a cause for concern in their current form, not only for myself personally & my business, but also to the drivers who rent their vehicles from myself.

With regard to the up and coming proposals, some of the suggested changes are certainly reasonable and are in need of updating or improving. However, others seem unfair to proprietors and have the power to put drivers out of work and also to close my business.

Below are list of my concerns and views on how the proposed changes will affect my business and drivers who rent Taxis from me.

Introduction of Euro 4 Standard For taxi & Private Hire vehicles.

During Meetings with the Licensing team, I have already acknowledged that in principle, that this proposal is something myself & indeed the rest of the Taxi trade, understand the reasoning for & accept the concept. The issue that gives concern to all of us is the time frame they are proposing is unrealistic for the Hackney Carriage trade to comply.

There are currently very few Euro 4 compliant Hackney Carriage Vehicles for sale at an affordable cost. You may be aware London has a 15 year old age limit, that in turn means that there are very few compliant to the proposed Euro 4 requirement, that leave London until they are 16 years old and the ones that do change owners command a very high price.

On average, the cost to replace a vehicle in this time frame will be in the region of £10,000 each.

Michael Pitt, the Environment & Licensing manager confirmed this, to councillors present at the last committee meeting.

Currently I own and licence 16 Hackney Carriage vehicles in Harlow. For me to change my entire fleet of vehicles to euro 4 with the costs outlined earlier. It is apparent that I will be looking at a cost of in excess of £150,000. This is an unrealistic amount that I simply cannot afford, in the timescale suggested.

I have included a letter from my accountant (MG White & Co Chartered Accountants.) to show my business turnover and how much of an impact the proposed changes will have my business and drivers who rent Taxis from me.

Currently I charge £145.00 per week to rent a Hackney Carriage vehicle. In London to hire a similar standard vehicle, drivers would be expected to pay in excess of £280.00 per week. Proprietors can ask this in an affluent city, because the level of work there with tourism etc. is far greater than in Harlow. I feel I've always charged a fair & reasonable rent on my vehicles. & obviously would wish this to continue. Which makes any of the three scenarios outlined below horrific, to myself & potentially drivers that rely on me for their livelihood.

To meet the proposed Euro 4 changes, these are my 3 options;

1st To do nothing and let my business close, therefore possibly putting 15 drivers and myself out of work.

2nd increase my drivers rents by 50% (which of course, some of them will not pay, or be unable to, and as a result they would leave) in the hope that I will be able to cover the remaining cost and try and buy the suggested vehicles in the timescale.

3rd to increase my drivers rents by an even more unfair 79%. This will completely cover the cost of the replacement euro 4 compliant taxi. but I fear, with the economic crisis that is currently happening within the trade. I cannot envisage any of the drivers will pay this amount and I think that it would grossly unfair for me to have to ask this amount.

If the committee would consider allowing the transition to Euro 4 in 6/7 years' time, therefore by 2023/2024, all vehicles will be Euro 4 compliant. Replacing the vehicles in this suggested time frame is something we can afford without imposing excessive costs to my business and drivers who rent Taxis from me. (whom I'm sure would seriously consider as a consequence, were this proposal to go ahead unchanged, asking the council for a fare increase to recover these costs which therefore will in turn increase the cost to their customers which would also be regrettable.

A New Condition Which May Not Allow Insurance Written Off Category "C" vehicles to be licensed.

The RAC describe a "Cat C" write off as;

"Vehicles written off after an accident, a flood, or fire damage are often classified as Cat C. In its simplest form, it means that although the car is repairable, the cost of the parts, labour and potentially an expensive hire car would significantly exceed the value of the vehicle. From a business point of view, if your car insurance company deems the damage to be beyond economic repair, it may be classified as a Cat C write-off."

<http://www.rac.co.uk/drive/advice/know-how/what-does-cat-c-car-insurance-mean/>

Although I do not currently own or hire any "Cat C" write offs. This does not change my view. From the RACS definition above it would appear that the vehicles can be repaired and when this is completed, it will be as safe as any other vehicle. The problem arises because it's simply not cost effective for insurance companies to pay for the labour/parts etc involved in the repair.

For someone like myself, or any other individual in my line of work that has the knowledge to repair a vehicle back to its original condition, but only has to pay for parts and not labour charges, the subsequent repair costs would be significantly lower.

e.g. if a repair garage produced an estimate with parts and labour that were to be excessively high this would very likely create a "Cat C" write off. However, with myself only having the costs of parts, I am therefore in a position to repair the vehicle at a much reduced cost.

Furthermore I have had in the past, many issues with insurance companies over the cost of damaged/off road licenced vehicles. They do not take the additional costs e.g. licence fee or test into consideration, or the changes we make to vehicles to make them safer or more efficient Taxis. This can have a big impact on how much they consider the vehicle is worth, or in the cost of a replacement.

Therefore, what is considered by the insurance company to be a "Cat C" write off value, is generally much lower than would be considered reasonable. Insurance companies, mine included are aware of this. Moreover I have argued this point with them and won. The insurance company had wanted to write my licenced vehicle off & after explaining everything I have mentioned above to them, they have then agreed to repair the vehicle, & thus reverse their initial decision.

Some of these vehicles are currently in service today and have passed every MOT and Compliance with no issues. Therefore, in light of this, I feel it is unjust & unnecessary to assume that if a vehicle was once a "Cat C" Write off, then it is no longer fit to be a taxi.

To close, In consideration of my letter I'm hopeful this committee will understand how much impact the proposed changes will have on all drivers' livelihoods, and I hope the trade and licencing team can continue to work together on a solution that is an acceptable compromise to everyone.

Yours truly

Stuart Bolwerk

Harlow Taxi Hire Ltd