



Northumberland County Council

Licensing & Regulatory Committee

Date: 20th June 2018

Case Report: Milton Keynes Council v Skyline Taxis and others

Report of the Interim Director of Place: Mr Paul Johnston

Cabinet Member: Councillor John Riddle

Purpose of Report

1. To bring to the attention of the Licensing & Regulatory Committee a recent High Court Decision.

Recommendation

1. That Members note the contents of the report.

Link to Corporate Plan

This report is relevant to the 'Living' priority included in the NCC Corporate Plan 2018-2021

Key Issues

1. This case is concerned with sub-contracting arrangements between private hire operators in two different authorities. Its focus is on the physical arrangements that have to be in place to permit the sub-contracting and recognises technological developments that may aid the process. Importantly, it looks at whether arrangements that involve no human intervention can comply with the legislation.
2. This is one of the first cases to examine the sub-contracting arrangements brought in as Sections 55A and 55B to the Local Government (Miscellaneous Provisions) Act 1976 by the Deregulation Act 2015.

Background

1. The case concerned a booking made with Skyline MK, which was fulfilled by Skyline SNDC. The initials refer to Milton Keynes and South Northampton District Councils, two local authorities that had licensed Skyline Taxis and Private Hire Ltd as a Private Hire Vehicle Operator.



2. Skyline used an automated system called iCabbi which would receive a call from a consumer, check to see if a vehicle was available in the council area where the call was received and, if not, would automatically transfer the call to the neighbouring authority branch of Skyline where it would be sent to a driver who would fulfill the contract.
3. This is a highly technical version of the relationship suggested by Section 55A which talks of a person in one district who accepts a booking arranging for another person licensed in the same or another district to provide a vehicle to fulfill the booking where the sub-contracted booking is accepted in that district.
4. The Council argued that this required some human intervention by an operator who had to make a positive decision to accept the booking. It was unlikely the servers running the software were based in the relevant districts so there was no evidence that the booking was accepted 'in the district'.
5. Lord Justice Hickinbottom, however, did not agree; MKDC had not proved that there was no pre-existing agreement between Skyline MK and Skyline SNDC; the shared computer system accepted the booking, transferred it and offered it to a driver who accepted it.
6. He stated "that Parliament could not have intended to enact legislation, ... that requires "manual" systems and ignores the commercial use of computerised systems".
7. As an aside Mr Justice Gilbart also commented "It is very hard to see how the public interest has been disadvantaged by the arrangement made, or by its operation. The car sent was a lawfully licensed driver in a vehicle licensed for private hire, and full records were kept. The fact that the transfer was made and received by a computerised system rather than by a clerk or operator, did not alter the scope of the protection afforded by the SNDC "trinity" (of licensed operator, driver and vehicle) in the slightest respect."

Implications

Policy	Has implications for enforcement activity
Finance and value for money	None
Legal	None
Procurement	None
Human Resources	None
Property	None
Equalities	N/A

(Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	
Risk Assessment	N/A
Crime & Disorder	Minor, provides interpretation of legislation
Customer Consideration	None
Carbon reduction	None
Wards	All

Background papers:

Milton Keynes Council v Skyline Taxis and Private Hire Ltd, Gavin Sokhi

Report sign off.

	initials
Monitoring Officer/Legal	
Executive Director of Finance & S151 Officer	
Relevant Executive Director	
Chief Executive	
Portfolio Holder(s)	

Author and Contact Details

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