

TRANSPORT FOR LONDON  
SURFACE ADVISORY PANEL

**SUBJECT: TRANSFER OF TAXI LICENSING INSPECTIONS**

**MEETING DATE: 13 FEBRUARY 2008**

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**1 INTRODUCTION**

1.1 The purpose of this report is to update the Surface Advisory Panel on progress since taxi licensing was transferred from the PCO's premises at Penton Street to SGS (United Kingdom) Ltd. This was an action in minute 06/01/07 from the Panel meeting on 31 January 2007.

**2 BACKGROUND**

**2.1 Transfer of Taxi Licensing Inspections on 2 April 2007**

2.1.1 Following the completion of a Best Value Review in 2005 and the necessary approvals, PCO's in-house taxi licensing and inspection services were transferred to SGS (United Kingdom) Ltd in accordance with the relevant provisions of an existing contract between the PCO and SGS.

2.1.2 The transfer was implemented on 2 April 2007, from which point SGS carried out annual licensing inspections at inspection centres in Hanworth and Tottenham. A third inspection centre, in Deptford, became operational from 7 May 2007.

2.1.3 The operational position in respect of annual taxi licensing inspections is as follows (2 April 2007 to 5 January 2008):

- Full licensing inspections 17,765;
- Re-test inspections 8,983;
- First time pass rate 49%;
- Re-test pass rate 94%.

2.1.1 The main reasons for failing the annual licensing inspection are:

- Brake components (9%)
- Electronically measured items (brakes, emissions, lights, steering, suspension) (13%)
- Lamps/reflectors (7%)
- Steering components (6%)
- Bodywork (8%)
- Documents (4%)

*(NB: Vehicles may fail the inspection for more than one reason).*

2.1.4 The introduction of modern, electronic vehicle inspection equipment has significantly improved the objectivity and transparency of the inspection process. In addition, the availability of detailed management information about pass and fail rates, and reasons for failure, is allowing the PCO to work more closely with vehicle owners and overhaulers with the aim of improving the overall standard of the fleet.

2.1.5 There was initial resistance from some stakeholders within the taxi trade. Since then, regular meetings with all the major trade representative bodies have confirmed a generally positive response to the transfer, with most aspects of the new service being welcomed.

## 2.2 Introduction of a Mid-year Safety Inspection for Taxis on 2 October 2007

2.2.1 Following a formal public consultation exercise in 2006, the TfL Board agreed at its meeting in February 2007, to the introduction of a mid-year safety inspection for taxis. The main reasons for introducing a mid-year safety inspection were to:

- raise standards by introducing a consistent approach to in-year compliance inspections;
- improve the standard of vehicles presented for annual licensing inspections;
- complement the emissions strategy by improving the overall mechanical condition of the fleet and reduce pollution;
- reduce reliance on planned and ad-hoc on-street inspections.

2.2.2 Mid-year safety inspections for taxis were introduced from 2 October 2007. The operational position up to 5 January 2008 is as follows:

- |                                |       |
|--------------------------------|-------|
| • Mid-year inspections         | 5,320 |
| • Mid-year re-test inspections | 1,918 |
| • First time pass rate         | 63%   |
| • Re-test pass rate            | 95%   |

2.2.3 Around 44% of taxis are failing their mid-year inspection because of the smoke test. The main reasons for failure are as follows:

- |                               |     |
|-------------------------------|-----|
| • Diesel emissions            | 44% |
| • Suspension imbalance        | 14% |
| • Taximeter/printer documents | 14% |
| • Insurance documents         | 4%  |

*(NB: Vehicles may fail the inspection for more than one reason).*

### **3 RECOMMENDATIONS**

3.1 The Panel is requested to NOTE:

- (a) the successful transfer of the taxi licensing and inspection service from the PCO to SGS (United Kingdom) Ltd; and
- (b) the successful introduction of mid-year safety inspections for taxis.