



Name of Group:	LICENSING
Meeting Date:	8th May 2012
Directorate:	Public Protection
Head of Service:	Steve Elsey
Corporate Director	Julie Seddon

Report Title	Hackney and Private Hire Age Limit and Engine Capacity and Associated Amendments
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1. Recommendations

That the report be considered and determined. Various recommendations and the rationale behind these derived from the options expressed below are contained in 7.1

2. Summary

Currently the Council will not licence a Hackney Carriage if its age is greater than three years from the date of first DVLA registration.

There are no similar conditions on licensing Private Hire Vehicles.

Consultation and Research was carried out to:

- Determine whether the introduction of age limits for both Hackney Carriages and Private Hire vehicles are reasonable in the interests of public safety.
- Determine whether an increase in the engine capacity of Private Hire Vehicles from a minimum of 1400cc to 1600cc is reasonable.
- Determine whether faults found on Hackney and Private Hire vehicles are age related and whether they could be avoided by introducing such an age limit or an alternative solution.

3. Report Background

At the Licensing Committee meeting of the 27th September 2011 a decision was made for consultation and that research be carried out into the merit of introducing

- 1) An age related policy in respect of Hackney Carriage and Private Hire vehicles

and

- 2) To consider increasing the current engine capacity of Private Hire Vehicles from 1400cc to 1600cc with associated exemptions.

The Council's current policy with regard to Hackney carriages, introduced in October 1997, is that they must be less than 3 years old when licensed for the first time.

There is no upper age limit placed on these vehicles thereafter.

Private Hire Vehicles are usually "normal" vehicles which are representative of the private car fleet e.g. medium/large saloon cars, people carriers with up to 8 passengers capacity and some limousine type vehicles for specialist hire.

There is currently no lower or upper age limit attached to these vehicles.

The current minimum engine capacity for a Private Hire vehicle is 1400cc as long as the vehicle complies with the other technical specifications.

When considering adopting an age limit policy, the determining factors that influence local authorities are:

- The interests of public safety
- Reducing pollution/emissions
- Establishing commonality across the trade/improving the overall standard of the fleet
- Ensuring comfort and reliability to fare paying passengers.
- The promotion of quality of life and accessibility

Proposal upon which the Consultation was based

1. A Private Hire Vehicle licensed for the first time will be no more than three years old from the date of first registration. This would bring Private Hire Vehicles in Line with the current lower age limit for Hackney Carriages.

Providing the standard is maintained in line with the Technical Specifications for Private Hire Vehicles, Hackney Carriages or Private Hire Vehicle would be licensed for a further five years.

Hackney Carriages or Private Hire Vehicle would then not be able to renew that licence once it is more than eight years old from the date of first registration.

2. The engine capacity of Private Hire Vehicles would be increased from a minimum

1400cc to 1600cc.

Exemptions

1 Prestige vehicles

No definitive list of models that constitute a prestige vehicle can be provided, however examples would be Bentley, Rolls Royce and vehicles currently licensed as chauffeur driven vehicles. Each vehicle would be considered on its own merits. A prestige vehicle would not be used for everyday private hire usage and only available for hire to undertake specific events or contracts where the use of the vehicle is necessary for the running of the vehicle owner's business. A prestige vehicle would also have to meet the existing "Exceptional Condition" criteria below.

2 Exceptional Condition

Vehicles of exceptional condition would still be considered for a licence but, should a vehicle fail its first test when over eight years old, it cannot then be considered as being in 'exceptional' condition.

To determine exceptional condition the following guidelines would be applied:

- a) The vehicle must pass the Council vehicle inspection
- b) The bodywork should be in near perfect condition with no signs of panel age deterioration, dents, scratches, stone chips or rust or any other abrasions that may detract from the overall appearance of the vehicle
- c) The general paint condition should not show signs of fading, discolouration or mismatching that may detract from the overall appearance of the vehicle.
- d) The interior trim, panels, seating and carpets etc should be in excellent condition clean, free of damage and discoloration
- e) The vehicle service record can be used as supporting evidence of exceptional condition in that a vehicle of exceptional condition would normally be expected to demonstrate regular servicing and maintenance in accordance with the manufacturer's service specification
- f) The vehicle to be in excellent mechanical condition and in all respects safe and roadworthy with no signs of corrosion to the mechanical parts, chassis, underside or body work
- g) The boot or luggage compartment to be in good condition, clean and undamaged
- h) Low mileage – Hackneys and Private Hire vehicles generate higher mileages than domestic vehicles. In considering low mileage in this context we would view a private hire vehicle or hackney carriage to not have exceed 15,000 miles for a petrol engine and 20,000 miles for a diesel engine per year since the date of its first registration

If an age limit is introduced it is recognised that this may affect vehicle owners who currently license vehicles that would not qualify under the proposal. In order to

minimise any impact, the introduction of an age limit would only relate to new license applications, with all existing licensed vehicle owners being allowed to license their vehicles for a further two years. So for example a vehicle which is currently 12 years old could be licensed for a further two years as long as it passes the MOT test.

3 Hybrid vehicles and those with clean alternative fuels

4 Vehicles adapted to facilitate wheelchairs and disabled persons in general

5 Disabled drivers who have had substantial adaptations made to their vehicle

4. Consultation

The consultation commenced on the 5th December 2011 and closed on the 29th February 2012.

More than 1000 letters were sent out to the trade.

The consultation was also publicised and made available to the general public.

A total of 165 separate responses were received.

114 respondents were owners, drivers and / or operators.

Of the trade responses, 35 were from Hackney Carriage owners, 27 Hackney Drivers, 44 Private Hire owners, 57 Private Hire drivers and 9 Private Hire operators. (Please note that some of these responses were a combination of the above which is why this total adds up to more than 114).

One report was also received from a Hackney Driver which is included as Appendix 3b.

51 respondents were members of the public.

All respondents provided in excess of 981 free comments; including details about specific proposals and concerns about potential impacts that were considered to affect various sectors of the community (Full details of the consultation results and key findings can be found at Appendix 1).

Copies of the background information, the questionnaire used and full consultation responses including any reports are found at Appendix 3.

5. Research

Alongside the consultation, which is predominantly opinion based, evidence-based research was also undertaken to determine any correlation as to whether older vehicles are more prone to mechanical failure and therefore more likely to impact upon public safety.

MOT test reports were analysed for all Hackneys and Private Hire Vehicles which were tested between November 25th 2011 and February 29th 2012 at the two Northampton Borough Council contracted MOT testing centres (Jacksons MOT Centre and NCS MOT Centre).

A total of 389 reports of all the tests undertaken between 25th November 2011 and 29th February 2012 were received. The reports were made up of 86 Hackney Carriages and 303 Private Hire vehicles.

On compiling this report there are currently a total of 720 plated vehicles in Northampton, consisting of 133 Hackney carriages and 587 Private Hire vehicles.

The test reports are representative of 54% of all licensed vehicles (64.5% of all licensed Hackneys and 52% of all Private Hire Vehicles).

For full details and Key findings of the research please see Appendix 2 (Hackney Carriage and Private Hire Vehicle Age Limit – MOT Inspection Findings Report)

6. Any Relevant Policies

Technical specifications for Private Hire Vehicles

Technical Specifications for Hackney Carriages

7. Options and Evaluation of Options: Introduction of Age Limit, Engine Capacity and Associated Amendments

Theme	Option 1	Option 2	Option 3	Option 4
Introduction of an Age Limit	<p>No change</p> <p>Remain with the lower limit for Hackneys only</p>	<p>Accept the proposal</p> <p>The majority of respondents were against introducing the proposal. There is little evidence to suggest that this proposal would make any significant positive impact. The financial consequences placed on the trade and the potential equality impact would have to be seriously considered by the committee before taking this option.</p>	<p>Remove the 3 year lower limit on Hackneys</p> <p>The current lower limit on Hackney carriages creates disparity between Hackney and Private Hire vehicles which is difficult to justify. There is no evidence to support its continued use. There has also been an inflation of prices for Northampton plated Hackneys due to this limit.</p>	<p>Introduce a policy which aims to ensure that the overall condition is kept high irrespective of age.</p> <p>The most common factor through the consultation exercise has been that it is the overall condition on a day to day basis of the vehicle rather than its age. The Licensing Department could utilise this policy to ensure standards are kept high by using penalties for those that do not meet the standard</p>
Increasing Engine Capacity/Exemptions for Hybrids	<p>No change</p> <p>If this option was taken, Hybrids and other alternative fuel vehicles would already be included. There are approximately 12 sub 1600cc vehicles, all of which comply with the current technical specifications for Private Hire vehicles</p>	<p>Increase to 1600cc with Exemptions for Hybrids</p> <p>The majority that commented were against this and argued brake horse power is more important, and that the efficiency of engines should be considered. The majority were in favour of exemptions for vehicles such as hybrids. There is no clear evidence to support an increase in the engine capacity.</p>	N/A	N/A
Introducing 3 MOT tests per year (should no Age Limit be introduced)	<p>No change</p> <p>Remain at two per year.</p>	<p>Increase to three per year</p> <p>This would again have a financial impact on the trade. Also, introducing three tests per year would limit the Licensing Departments' power to undertake spot checks on vehicles. A key theme from respondents throughout the consultation was an increase in spot checks. There would also be a significant impact on the Licensing Department in order to administer the increase in testing.</p>	<p>Reduce to one per year</p> <p>Evidence from MOT test reports would suggest that the number of faults identified on the majority of vehicles irrespective of age requires at least two MOT tests per year be carried out.</p>	N/A

Theme	Option 1	Option2	Option 3	Option4
Removing the 6 month requirement for a Council Test on a new vehicle in its first year	<p>No Change</p> <p>Maintain the current requirement for a 6 monthly Council test.</p>	<p>Remove the current requirement</p> <p>While the majority of respondents ticked yes to this answer, many comments were against removing this requirement. The key argument being that a vehicle can cover considerable mileages within 6 months, and without proper maintenance, parts such as tyres, brakes, lights etc can become defective. The six monthly tests at least ensure a standard is maintained.</p>	<p>N/A</p>	<p>N/A</p>
Exemptions from an age limit or engine capacity restriction for vehicles adapted for wheelchairs	<p>No Change if no age limit or engine capacity changes are introduced.</p>	<p>No exemptions for adapted vehicles</p> <p>This would reduce the number of wheelchair adapted vehicles or those vehicles capable of carrying wheelchairs. Many disabled persons use adapted or capable vehicles as a primary source of transport.</p>	<p>Allow exemptions for adapted or capable vehicles.</p> <p>This would maintain the current level of accessible vehicles. Some respondents felt that allowing exemptions could be seen as discriminatory against disabled people if an age limit is introduced on factors including public safety and roadworthiness</p>	<p>N/A</p>
Exemptions from an age limit for vehicles in exceptional condition	<p>No change</p> <p>Some vehicles are currently licensed to undertake specific types of work e.g. chauffeur driven vehicles, Wedding cars. This practise could continue for these types of vehicles only. They do not undertake day to day Private Hire/Hackney duties.</p>	<p>No exemptions.</p> <p>This would prevent the types of vehicles often used for specific events from being used and will impact on those businesses.</p>	<p>N/A</p>	<p>N/A</p>

7.1 Recommendations and Rational

After careful analysis of the evidence collected the following recommendations are made;

Recommendation 1

That the Licensing Committee direct the Licensing service to review and develop its existing policy in relation to Hackney Carriage and Private Hire vehicles to ensure that the condition of vehicles, internally and externally are maintained to a high standard and that the policy includes a system of penalties for those that do not meet the required standard.

The most common factor that has been identified from the consultation and the research undertaken is that it is not the age of the vehicle that determines its safety or roadworthiness. Rather it is the condition the vehicle is kept and maintained on a day to day basis. It is also the overall condition of the vehicle that contributes to a perception of unroadworthiness and a poor standard of vehicle. It is clear that many in the trade feel that to implement an age policy discriminates against those who maintain their vehicles to a higher standard even though they may not be new vehicles, while some who have a newer vehicle do not keep their vehicle to a similar standard. By determining a process which penalises only those that do not comply with requirements is fairer and in line with other approaches to enforcement across the Public Protection Division.

Recommendation 2

That an age limit for either Private Hire or Hackney Carriages is not introduced and the current three year lower limit associated with Hackney Carriages is removed.

We have no clear evidence that indicates there is justification that an age limit in itself would make any positive impact in relation to public safety. If this recommendation is not accepted it would place a severe financial burden of many individuals and businesses across the trade. It could also impact on customers in the form of fare increases. There is also likely to be a negative equalities impact upon certain groups which would require mitigation in order to try and reduce that impact. Bearing in mind recommendation 1, The Department of Transport has issued a Best Practice Guide to give Local Authorities and Taxi Licensing bodies' guidance as to the regulations that they should operate by. In this guidance they said with regards to Age Limits "it is perfectly possible for an older vehicle to be in good condition. So the setting of an age limit beyond which an authority will not license vehicles may be arbitrary and inappropriate".

While there are still a significant number of local authorities who have adopted a form of age limit, some are deciding to lift the age limit completely or amend them. These authorities include Poole, Halton, Newport (age limit successfully appealed) and Wellingborough

Recommendation 3

That the current policy in relation to Engine Capacity remains at 1400cc and is not increased to 1600cc.

There is no evidence to suggest that 1400cc vehicles that comply with the technical specifications for private hire vehicles and pass the required tests should not be allowed to trade. By not accepting this recommendation at least 12 vehicles will be unable to continue to operate.

By accepting the above recommendations the requirement to decide upon whether to have exemptions for vehicles in exceptional condition; exemptions for Hybrids and other alternatively powered vehicles under 1600cc; or vehicles adapted for wheelchairs become unnecessary.

Recommendation 4

At present it is recommended that the current requirement for 2 MOT tests per year be maintained and not to increase to 3 per year. However, if recommendation 1 is accepted by the Licensing Committee, increasing to 3 MOT tests per year could be a possible penalty for those vehicles that breach any new Condition policy that is introduced that aims to ensure vehicles are constantly maintained to a high standard.

At this time, if this recommendation is not accepted an increased financial burden would be placed on drivers/owner/operators across the board even if they maintain their vehicles to a high standard. It is felt that any possible increase should only be targeted at those who cannot ensure their vehicle is maintained to a high standard at all times. An increase to 3 MOT's per year for all could restrict the ability for spot checks to be undertaken and it is believed that continuing or increasing the number of spot checks undertaken by the Licensing Department within existing resources would be a more effective tool.

Recommendation 5

That the 6 monthly council test for new vehicles remains due to the high mileage that can be covered by licensed vehicles and the possibility of faults occurring at any time.

If this recommendation is not accepted the Committee would be deciding to allow new licensed vehicles to operate for a full 12 months without a requirement to be routinely tested following its initial plating.

8. Resource Implications (including Financial Implications)

The only option with a financial implication to the Council is the option to introduce 3 MOT tests per year. This would result in an increase in administration to levels that would require additional resource for the licensing department and therefore additional budget. It is estimated that a 50% increase in MOT compliance processing would result in an additional budget requirement of approximately £1290 per year. However, this would be offset by the cost to the applicant for the renewal process nullifying any negative financial impact.

9. Consultees (Internal and External)

Internal	Legal Services, Business Change (Corporate Policy and Consultation). Members.
External	Jacksons, NCS, All Hackney and Private Hire vehicle owner/driver/operators licensed by Northampton Borough Council: The General Public, Community Forums

10. Compliance Issues

Legal Comments
<p>By Section 47(1) Local Government (Miscellaneous Provisions) Act 1976 and Section 48(2) Local Government (Miscellaneous Provisions) Act 1976 a District Council may attach to the grant of a Hackney Carriage licence or Private Hire licence such conditions as the District Council may consider reasonably necessary.</p> <p>The considerations and requirements of the Equality Act 2010 which are included within the Equality Impact Assessment below.</p> <p>Members should take great care in making a decision in which there is an absence of logical connection between evidence and the ostensible reasons for the decision.</p> <p>The reasons for any change must display adequate justification.</p>
Crime and Disorder Issues
<p>Under Sec.17 Crime and Disorder Act 1998, we will ensure an increase in safety for the residents of Northampton.</p>
Equality Impact Assessments
<p>An Equality Impact Assessment was undertaken to identify potential impact on protected groups and others prior to the consultation commencing and was reviewed on its completion. The most significant impact affects the trade in general in terms of the financial burden brought on by the requirement to purchase newer vehicles. This could result in unemployment and serious hardship. We have identified that 62% (99) of the owners of Private Hire and Hackney vehicles that fall outside of the original age limit proposal are of an Asian background. This shows that the proposal currently may have a disproportionate negative effect on that group. If an age limit is adopted, mitigation will need to be considered and due regard given to the need to eliminate discrimination and promote equality..</p>
Human Rights Act Implication
<p>Local Authorities must take into account any rights the existing owners may have under Article 1, Protocol 1 of the European Convention of Human Rights,(which entitles every person to the peaceful enjoyment of their possessions)</p>

11. Other compliance issues

None

12. Background Papers

Title	Description	Source
Local Government (Miscellaneous Provisions) Act 1976.	Legislation relating to the regulation and licensing of private Hire Vehicles.	NBC Licensing service
Conditions of fitness and licensing of Private Hire Vehicles.	Department for Transport (Taxi/Private Hire best practice March 2010).	
European Union emission control standards.	Legislation and guidelines relating to emission controls.	
Ford Motor Company research.	Reducing vehicle exhaust emissions.	
NBC Licensing records	Driver and vehicle licensing register.	

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List of Appendices

- Appendix 1 – Report of Consultation Findings
- Appendix 2 – MOT Inspection Report
- Appendix 3a – Full consultation Comments
- Appendix 3b – Hackney Owners Report
- Appendix 3c – Background Information for Consultation
- Appendix 3d - -Consultation Questionnaire
- Appendix 3e – Equality Impact Assessment
- Appendix 3f – Licensing Committee Minutes 27th September 2011