

LICENSING COMMITTEE REPORT

Report Title

Taxi and Private Hire Vehicle Emissions Policy

AGENDA STATUS:

PUBLIC

Committee Meeting Date:

28th March 2018

Policy Document:

Taxi and Private Hire Vehicle Emissions Policy

Directorate:

Customers & Communities

1. Purpose

- 1.1 To consider adoption of a Private Hire & Taxi Vehicle Emissions Policy to improve the air quality of and reduce the health impact for the residents and visitors to Northampton Town.

2. Recommendations

- 2.1 That taking account of consultation responses received, the Committee adopt the proposed Hackney and Private Hire Vehicle Emission Policy. **Appendix A**

3. Issues and Choices

3.1 Report Background

- 3.1.1 On the 13 September 2016 the Licensing Committee agreed for a consultation to be undertaken in respect of the proposed Hackney and Private Hire Vehicle Emissions & Age Policy.
- 3.1.2 A report was presented back to the Licensing Committee on the 5 December 2017 to consider the consultation responses.
- 3.1.3 At the meeting on the 5 December 2017 a number of concerns were raised and a decision was made to adjourn. Members requested that Licensing Officers look at possible ways of addressing some of the concerns raised regarding the financial impact, in particular upon the hackney carriage trade.
- 3.1.4 To fully understand the details of the revised proposals and the impact of implementing a licensed vehicle emission standard policy, the Licensing

Committee will need to consider both the contents of the report presented on the 5 December 2017 and the amendments proposed in this report. **Appendix B**

- 3.1.5 Further discussions have taken place with individuals and associations representing the hackney and private hire trade. The key areas of these discussions are summarised in the following paragraphs.
- 3.1.6 A point of discussion at the meeting on 5 December was concerned with existing proprietors/drivers being given some flexibility in complying with the proposed standards should they have to replace a vehicle at short notice, for example following an accident or breakdown. Therefore an amendment has been proposed that would allow the policy to apply equally to all existing licensed proprietors and would not adversely affect those whose vehicle was taken off the road due to unforeseen circumstances. At the meeting on the 5th December 2017, the trade, officers and members were in agreement on this point and therefore this has now been included in the amended proposed policy and it is proposed that this will apply until the end of **December 2020**.
- 3.1.7 The amendment at 3.1.6, means that the first phase of the proposed policy, effective from the 1st April 2018, would only apply to those proprietors presenting vehicles to be licensed for first time with this council.
- 3.1.8 There have been concerns raised by the trade that there may be some instances where proprietors of licensed vehicles were being asked to change their vehicle twice over a relatively short period of time, for example, a Euro 6 diesel vehicle purchased towards the end of 2020, would no longer be acceptable at the end of 2025. The hackney carriage trade are particularly concerned that this would have a significant financial impact, especially owing to hackney carriage vehicle purchase costs being generally higher due to the mandatory requirement for wheelchair accessibility. Whilst it is accepted that proprietors can purchase an Ultra-Low Emission Vehicle (ULEV) at any point in the future, which can be licensed for an indefinite period, it has now been proposed in the amended policy to allow a Euro 6 diesel vehicle to remain licensed until the end of 2028. The proposed change applies equally to both the private hire and hackney carriage trade.
- 3.1.9 The proposed amendment at 3.1.8 means that the gradual increase towards a full ULEV licensed fleet may take longer, therefore as a balance towards these changes it has been proposed that the date for a mandatory fleet of ULEV licensed vehicles is reduced from 2030 to 2028.
- 3.1.10 There are also initiatives that the council are currently investigating which may demonstrate the viability of hackney carriage ULEV options and it is hoped that this will promote the voluntary uptake of different types of ULEV vehicles before 2028. The government have also recently announced that they will be granting a vehicle excise duty exemption on taxis, it is anticipated that these incentives will also encourage the trade to voluntarily move towards a ULEV.
- 3.1.11 The hackney carriage trade is currently a diesel fleet predominately comprising of a Euro 5 standard, or lower. The hackney trade were particularly concerned with the impact of the proposal to remove these types of vehicles by the end of 2020. The trade have given an example of an existing proprietor who purchased a brand new Euro 5 diesel vehicle in 2015 for a substantial sum, and under the proposal presented in December 2017, would have been removed as a licensed vehicle at the end of 2020. There are concerns of the financial impact upon those individuals

who may have invested a substantial sum of money into a vehicle at that time and which they planned to keep for a number of years past 2020. In contrast it should be noted that there is also a high percentage of older hackney carriages that may have been purchased at minimal cost and have no Euro standard. There are likely to be many different scenarios, but the financial impact may apply equally.

3.1.12 At the request of the Licensing Committee, officers were asked to consider how the council can look to remove the high polluting diesel Euro 5 licensed vehicles, those with lower Euro ratings and those that have no Euro standards and moving towards a mandatory ULEV licensed fleet, whilst taking into consideration the concerns raised by the trade.

3.1.13 In considering a balance that can be reached between improving air quality for the residents and visitors of Northampton and taking into consideration the financial impact upon the proprietors, the options at 3.1.14 – 3.1.17 have been suggested.

3.1.14 Allow licensed proprietors to keep their existing vehicles for an indefinite period, or until the eventual sale/scrappage of the vehicle. This will be best outcome for the proprietors as it will keep the “status quo”, however this option will not promote any changes to the current fleet.

3.1.15 Amending the proposed policy timeline, for example by extending the date that changes will apply to the existing licensed vehicle fleet from the end of 2020 to the end of 2023. This has not been proposed as this will significantly delay any changes, It should also be noted that at the end of 2023 there is potential that there may be exactly the same number of licensed vehicles with a Euro 5 diesel standard or lower and the financial impact upon the trade will be the same, with the exception of a few who may voluntarily make the change.

3.1.16 Allow each vehicle proprietor to submit a renewal application which can be considered upon its own individual merits based upon a number of different factors, for example any financial loan agreements on the vehicle, expected retirement age of the proprietor and/or driver etc.

3.1.17 It is considered that the option at 3.1.16 will present the best compromise for the hackney trade. It is proposed that this decision is not delegated to an individual officer and responsibility should be the decision of the Licensing Sub-Committee. It is proposed that a proprietor should usually only need to attend a committee once for a decision on the number of years that their vehicle can continue to be licensed.

3.1.18 The trade have asked if a retrofit could be applied to vehicles to improve the emission standard and it has been agreed that this will be acceptable, providing it is proved that the retrofit has been carried out to a recognised standard.

3.1.19 The consideration of a maximum age policy has been postponed, due to confusion that was highlighted in the consultation about the proposals and it has been identified that there are ULEV vehicles that may be purchased second hand and a cap on the age limit at this present time would potentially create a barrier to improving vehicle emissions. This can be revisited in the future if an emissions policy is adopted and a further consultation is undertaken to determine if ULEV licensed vehicles should have a maximum age limit.

3.1.20 A representative from the private hire trade has requested reconsideration to allow a longer period for a Euro 4 petrol, and a Euro 5 diesel/petrol vehicle to remain as

a licensed private hire vehicle beyond the end of 2020, or apply the same consideration for departure from proposed policy applicable to the hackney carriage trade at 3.1.16 & 3.1.17.

- 3.1.21 This request has not been proposed in the amended policy; whilst the policy has been written wherever possible to apply equally to both the private hire and hackney trade, it has now been acknowledged that the hackney carriage vehicle is a more restricted market due to the mandatory requirement for a wheelchair accessible vehicle. The private hire trade will be able to licence a Euro 6 standard vehicle, which includes the majority of saloon type vehicles manufactured since 2015.
- 3.1.22 The consultation resulted in responses from two companies who currently operate executive vehicles, identifying that there is currently no alternative for their type of operation and consideration should be given to high financial investment made by companies operating these type of vehicles, and the availability of hybrid/electric equivalent vehicles. A copy of these two responses is shown in the report dated **5 December 2017 Appendix G**. It should be noted that research shows that there are several ULEV models available (plug-in hybrids) as executive vehicles. There is one executive taxi operator in Northampton that is already using the electric Tesla and charging for free at the Tesla rapid charging points at Junction 15 M1.
- 3.1.23 These companies also operate executive 8 seater vehicles and consideration may need to be given as to whether delegated powers should be granted to depart from the policy, if it is agreed by a senior manager that no other suitable vehicles are available on the market. Following research it has been noted that whereas there has been investment into the purpose built taxi and the typical saloon type vehicle operated by the private hire trade, there is limited availability at this present time for executive and 8 seater vehicles. This will only apply to those who currently hold exemption certificates, or a vehicle that is currently licensed as an 8 seater vehicle. It is estimated that this represents about 5% of the licensed vehicle trade.
- 3.1.24 It has been noted that a number of manufactures are developing ULEV light commercial vehicles and it is possible that 8 seater vehicles will follow, meaning that any need to depart from the policy will be for a very limited period, or not required at all. Licensing officers have visited trade shows to research the types of electric vehicles that will be coming onto the market. It was noted that all car manufacturers already have, or are rapidly developing, new electric models that will be suitable as private hire & taxi vehicles. However it was noted that the development of 8 seater hybrid/electric vehicles might take longer.
- 3.1.25 Therefore consideration may need to be given to delegate powers to officers to depart from the policy, if it is agreed by a senior manager that no other suitable vehicles are available on the market. This will only apply to those who are licensed as at today's date for 8 seater vehicles and/or chauffeur exemptions. It is estimated that this represents about 5% of the licensed vehicle trade.
- 3.1.26 The vehicle manufacturers have developed the electric taxi, with the same company also moving into the light goods vehicles sector and traditionally many transit vans have been adapted to eight seater vehicles, e.g. Mercedes Viano and therefore these vehicles may develop soon after the transit vans.

3.2 Issues

- 3.2.1 If the Licensing Committee decides to take no action now, Northampton is likely to attract highly polluting taxi and private hire vehicles from other towns and cities that are no longer permitting these to be licensed. Whilst some highly pollutant vehicles have a financial benefits to the trade, allowing them to be licensed will not improve the air quality for the residents and visitors of Northampton.
- 3.2.2 A recent High Court ruling ordered ministers to require local authorities to investigate and identify measures to tackle illegal levels of pollution in 33 towns and cities as soon as possible. A number of the nominated towns/cities are within neighbouring counties to Northamptonshire and whilst it is noted that some of these authorities have a maximum age limit for a licensed vehicle, it is still feasible within their current policies to have a large number of high polluting licensed vehicles and they may be required to address this issue. This may cause displacement of vehicles and increase the availability of high polluting vehicles as identified in 3.2.1.
- 3.2.3 If the Licensing Committee take no action now, it may contribute to the Council not meeting the legal requirements relating to air quality by the end of 2020.
- 3.2.4 It has been difficult to ascertain how many vehicles would have access to home charging due to the low response on this particular question in two recent surveys. This may impact upon the availability of overnight charging and this will need to be monitored and this council will be required to support initiatives for dedicated taxi/private hire charging points within the town.
- 3.2.5 The Council are looking to progress the installation of charging facilities in the Council owned car parks.

3.3 Choices (Options)

- 3.3.1 A delay in introducing the first phase of the proposed policies, would potentially have the same impact if it is delayed for a further year or two i.e. the number of high polluting vehicles will be sustained and may continue to grow, and proprietors of licensed vehicles would still be faced with the same issues upon the introduction of any new policy adopted in the future.
- 3.3.2 Further to the consultation on the proposed policy presented to the Licensing Committee on the 13 September 2016 & the 5 December 2017, it has been decided to propose a relaxed policy that has taken into consideration most of the comments.

3.3.3 Agree to Option 1 - Appendix A

The first phase from April 2018 will have an immediate effect by preventing an increase in the number of high polluting vehicles being brought onto the licensed fleet. This phase will only apply to vehicles being licensed for the first time with this authority.

The second phase will apply to the proprietors of existing vehicles from the end of December 2020 and is aimed at starting to remove the highly polluting vehicles from the existing fleet of licensed vehicles. Proprietors of these existing licensed vehicles will be required to invest in newer and cleaner vehicles within 3 years'

time. This will be subject to a discretion by a Licensing Sub-committee to consider departing from this policy in exceptional circumstances for hackney carriage vehicles. Those hackney carriage proprietors requesting to depart from the policy will be expected to provide documentary evidence as appropriate for consideration of their circumstances by the Licensing Committee.

The third phase will apply from the end of December 2025 to the proprietors of existing vehicles and is aimed at further removing the high polluting vehicles, from the existing fleet of licensed vehicles.

The fourth phase **will** make it mandatory for all those wishing to licence new hackney carriage / private hire vehicles and renew existing licences to purchase a ULEV vehicle from the end of December 2028.

Each phase of the proposal allows proprietors the option to purchase a ULEV or equivalent vehicle that can be licensed past 2028.

Any policy adopted will be monitored and reviewed if necessary.

3.3.4 Agree to Option 2 - no changes and keep the existing vehicle policy

This option will risk the influx of highly polluting vehicles into Northampton with the resultant impact upon air quality.

4. Implications (including financial implications)

4.1 Policy

4.1.1 Northampton Hackney and Private Hire Vehicle Standards Policy 2012.

4.1.2 In adopting any policy, the committee should take a wider view and consider that for any policy to be successful in the future it may require support by amendment of other policy developments, including but not limited to;

Policy
Direction;
Incentives
Infrastructure
and
Driver engagement.

4.2 Resources and Risk

4.2.1 There is likely to be an impact upon the administration of the new policy, as currently no emission policy exists. Initially any new policy will involve more time for staff to verify if new vehicles presented for licensing fulfil the required criteria. However this impact can be minimised with good communication with the trade, ensuring good practices and staff training is undertaken. There may also be an impact upon staff resources to ensure compliance with the policy and reviewing necessary data, to ensure that the policy remains fit for purpose. As it is anticipated that the impact will be minimal it can be included within the current resources.

4.2.2 The proposed policies will require the support of internal and external partners in order to move forward with the development of suitable infrastructure for charging, in particular the licensed trade may have minimal home charging options and suitable charging points will be required.

4.2.3 The proposal for hackney vehicle proprietors to be given the option to apply for departure from the proposed policy in exceptional circumstances will impact upon staff resources and may increase the attendance required by members of the Licensing Committee. Therefore, it has been proposed that this part of the policy will only apply for a transitional phase and the option to apply for departure will only usually be given once for each hackney proprietor that has a highly polluting vehicle.

4.3 Legal

4.3.1 The Local Government (Miscellaneous Provisions) Act 1976, allows the Local Authority to set conditions for the granting of taxi and private hire vehicle licences. Any such conditions must be reasonable and based on sound reasoning

4.3.2 The council has a legal duty to monitor, improve and maintain air quality standards. Air Quality Directive 2008/50/EC13 sets out the obligations for Member States in terms of assessing ambient air quality and ensuring Limit Values (LV) for certain pollutants are not exceeded. The requirements of this Directive have been transposed into domestic law through the Environment Act 1995. The council has a duty under the 1995 Act to prepare a written action plan setting out measures to combat air pollution and to implement that plan. The proposed policy will assist in implementing the action plan.

As agreed with Clive Tobin, Licensing and Litigation Solicitor on 19 March 2018.

4.4 Equality

5 There are no equality issues identified as this policy would apply equally to any proprietor of a Hackney or Private Hire vehicle in similar circumstances.

5.1 Other Implications

5.1.1 An option to depart from policy has been included on all proposed policies to accommodate any unforeseen scenarios, for example if the manufacture of a particular model ceased and there was no alternative vehicle available. This option will only be used in exceptional circumstances and will not be used based upon an individual's financial circumstances.

5. Background Papers

5.1 Northampton Town Low Emission Strategy Consultation

5.2 Northampton Borough Council Vehicle Conditions Policy

5.3 1. Local Government (Miscellaneous Provisions) Act 1976.

5.4 3. European Union emission control standards.

5.4.1 Department for Transport Taxi & Private Hire Guidance 2010

5.4.2 Office for Low Emission Vehicles

5.4.3 Northampton Low Emission Strategy 2018 - 2025

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Licensing Team Leader

Appendix A - OPTION 1

From the dates stated in column A in the Table below the Council will only grant a licence for a hackney carriage or private hire vehicle if it meets the emissions standards set out in column B of the table.

	A. Taxi licensing type and compliance dates	B. Emission standard
1.	<p>All new registrations (i.e. vehicles which have not previously been licensed by the Council)</p> <p>From: 1st April 2018</p>	<p>ULEV Petrol Euro 5 + (Sept 2009) Diesel Euro 6 + (Sept 2014/15)</p> <p>(will not apply to existing proprietors whose vehicle is taken off the road due to unforeseen circumstances. Existing licensed vehicles that need to be replaced must be either an equivalent, or an improved euro standard)</p>
2.	<p>All licence renewals (i.e. renewal of a licence for a vehicle which was previously granted by the Council)</p> <p>From: 31st December 2020</p>	<p>ULEV Petrol Euro 5 + Diesel Euro 6 +</p> <p>(including vehicles adapted with a retrofit to an agreed approved standard)</p>
3.	<p>All licence renewals (i.e. renewal of a licence for a vehicle which was previously granted by the Council)</p> <p>From: 31st December 2025</p>	<p>ULEV Petrol Euro 6 + Diesel Euro 6 +</p>
4.	<p>All licence renewals (i.e. renewal of a licence for a vehicle which was previously granted by the Council)</p> <p>From: 31st December 2028</p>	<p>ULEV</p>
<p>+ Includes all vehicles that will meet a higher standard than the euro emission standard specified ULEV = Ultra Low Emission Vehicle (<75g/km and 10km zero emission capability)</p> <p>1.NBC will consider & implement incentives to promote the cleanest technologies - less than 75 g/km and at least 10 km zero emissions</p> <p>2.NBC carried out an Ultra Low Emission Taxi Feasibility Study with potential for infrastructure funding and ULEV taxi (WAV) total plug in taxi grant of £7.5k, including Plug-in Car Grant (office for Low Emission Vehicles)</p>		

Table: Delegation of Functions

	Matters to be dealt with	Sub Committee	Licensing Manager	Licensing Officer
1.	Hackney Carriage Vehicle Renewal – Application to Depart from Policy 1 April 2018 – 31 Dec 2025	✓		
2.	Existing Licensed Replacement Vehicle (i.e. those vehicles taken off the road due to unforeseen circumstances) 1 April 2018 – 31 Dec 2020			✓
3.	Private Hire Exemption Certificates 1 April 2018 – 31 Dec 2025		✓	
4.	ULEV Vehicle Manufacture Problems 1 April 2018 – 31 Dec 2028		✓	