

Report of	Meeting	Date
Director of Early Intervention	Licensing and Public Safety Committee	23 November 2016

TAXI LICENSING- IMPLEMENTATION OF VEHICLE EMISSIONS AND NCAP SAFETY RATING CONDITIONS

PURPOSE OF REPORT

1. For the Licensing and Public Safety Committee to agree the second consultation and proposed amended phased introductions of vehicle emissions standards and The European New Car Assessment Programme (NCAP) safety rating standards for Hackney Carriage and Private Hire Vehicle licences.

RECOMMENDATION(S)

2. That the Licensing and Public Safety Committee determine the implementation of conditions to be imposed for vehicle emissions standards and NCAP safety ratings from the following options, and agree the relevant dates from which those options apply:

Option 1

- a) Require all vehicles subject to a grant of a Hackney Carriage or Private Hire Vehicle Licence to meet Condition 21 (Emission standards of Euro 5 or above) and condition 22 (NCAP safety rating of 4* or above) from 1st January 2017; and
- b) Require all existing vehicles to comply with the conditions 21 and 22 from 1st January 2024 (the timescale proposed by committee members at the previous meeting).

Option 2

- a) Require all vehicles subject to a grant of a Hackney Carriage or Private Hire Vehicle Licence to meet Condition 21 (Emission standards of Euro 5 or above) and condition 22 (NCAP safety rating of 4* or above) from 1st January 2017; except allow those vehicles that have previously been subject to a licence, but where this has lapsed or been suspended, to be treated as existing vehicles, rather than at the next grant application, (as would be required by Option 1 a), see paragraph 19), and
- b) Require all existing vehicles to comply with the conditions 21 and 22 from 1st January 2024 (the timescale proposed by committee members at the previous meeting).

Option 3

- a) Require all vehicles subject to a grant of a Hackney Carriage or Private Hire Vehicle Licence to meet Condition 21 (Emission standards of Euro 5 or above) and condition 22 (NCAP safety rating of 4* or above) from 1st January 2017; except allow those vehicles that have previously been subject to a licence, but where this has lapsed or been suspended, to be treated as existing vehicles, rather than at the next grant application, (as would be required by Option 1 a), see paragraph 19),
- b) That where a vehicle is written off due to a none-fault accident, the grandfather rights as described in a above are honoured and the replacement like for like vehicle of the same make, model and year will be accepted as an existing vehicle (see paragraph 20); and

- b) Require all existing vehicles to comply with the conditions 21 and 22 from 1st January 2024 (the timescale proposed by committee members at the previous meeting).

Option 4

That the implementation date for the grant of new vehicles to comply from 1 January 2017 as proposed be postponed until 1st January 2020 as per request by an operator at the Licensing Liaison Panel.

NB: Members may want to consider a time limit for what would be determined as an existing vehicle for the purposes of relicensing in options 2 and 3, such as a vehicle which has held a licence within the last 6 months (which would be the normal length of a vehicle licence) to avoid a proprietor re-licensing a vehicle under this scheme that has been un-licensed for a number of years but has come back into their possession, in an attempt to avoid compliance with the new conditions.

EXECUTIVE SUMMARY OF REPORT

- 3. This is the second report to be brought before the Licensing and Public Safety Committee for the consideration of a phased approach to the implementation of vehicle conditions in relation to emission standards and safety ratings.
- 4. In February 2016 the Licensing and Public Safety Committee agreed in principle to the introduction of a minimum of Euro 5 emissions standards for licenced vehicles to preserve and protect air quality and to a minimum standards of 4* NCAP safety rating of vehicles to protect public safety as part of the review of the vehicle conditions.
- 5. The committee agreed to a considering the best way to implement such changes and over what period those changes should be phased in, at a future Committee Meeting. At the July meeting committee suggested an implementation date of 2024 for existing vehicles to be presented to the trade and this has been included in the options above, however members may want to review that date in light of information held within this report.
- 6. The current conditions are as follows:

Condition	Reason for Condition
<p>21. Emissions Standards:</p> <ul style="list-style-type: none"> a) <i>Hackney Carriage Vehicles waiting on the rank are required to switch off engines (except in extreme weather conditions where heaters would be required for the welfare of the driver) in order to reduce air pollution emissions in the town centre.</i> b) <i>Vehicles presented for licensing as taxis should meet a minimum Euro 5 emissions standard.</i> 	<p><i>This proposed condition has been agreed in principle by the Committee. The implementation of the condition will be agreed at a future meeting. Taxis provide a public transport service and as such are subject to a large number of journeys and high mileage. These vehicles have the ability to impact on the air quality of the district in the same way that any other public transport vehicle does. In the same way that fleet vehicles and public transport vehicles are required to meet a minimum emissions standards, vehicles licenced by the Council should also meet a minimum standard to ensure that the Council is fulfilling its duty in reducing harmful air emissions that impact on public health.</i></p>
<p>22. NCAP Safety Rating:</p>	<p><i>This proposed condition has been</i></p>

<i>Vehicles presented for licensing as taxis should meet a minimum NCAP European Safety rating of 4 stars.</i>	<i>agreed in principle by the Committee. The implementation of the condition will be agreed at a future meeting. The purpose of vehicle licensing is primarily to protect public safety.</i>
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7. Officers met with representatives from the trade for a second consultation on 5 October 2016.
8. The minutes of the Licensing Liaison Panel from the second meeting are attached in **Appendix 1**.
9. NCAP safety ratings were established in 1997, and the scheme updated in February 2009 to provide an overall rating for vehicles. A summary of the ratings for the vehicles currently licenced by Chorley Council is attached in **Appendix 2**.
10. Euro 5 diesel engines were introduced in September 2009; the number of vehicles currently licensed by Chorley Council that predate this are 24 of the 36 Hackney Carriage Vehicles and approximately 100 of the 140 Private Hire Vehicles. These vehicles, and possibly some that postdate 2009 but still do not meet the emission standards, may be affected by the introduction of this condition (although it should be noted that some manufacturers introduced Euro 5 rated vehicles prior to September 2009 in anticipation of the requirements and as part of specific model launches).
11. This equates to approximately 70% of the fleet, which are likely to be affected by the conditions due to the age of the vehicle (currently registered prior to September 2009 and 7 years old or more).
12. Chorley Council no longer imposes an age restriction on vehicles licenced as Hackney Carriages or Private Hire Vehicles.

Confidential report Please bold as appropriate	Yes	No
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CORPORATE PRIORITIES

13. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities	X	An ambitious council that does more to meet the needs of residents and the local area	X

BACKGROUND

14. The vehicle conditions review and consultation took place in 2015 and the updated vehicle conditions were presented to the Licensing and Public Safety Committee on 3 February 2016 along with the consultation comments.
15. There were no comments made with regard to the proposed conditions for a minimum Euro 5 emissions standard (condition 21) or for the minimum of 4* NCAP vehicle safety rating (condition 22).
16. In February 2016 the Licensing and Public Safety Committee agreed in principle to the introduction of a minimum of Euro 5 emissions standards for licenced vehicles to preserve and protect air quality and to a minimum standards of 4* NCAP safety rating of vehicles to protect public safety as part of the review of the vehicle conditions.
17. Officers met with representatives from the trade 23 June 2016 at the Licensing Liaison Panel meeting and consulted on the phased implementation of vehicle condition 21 (Emission Standards) and condition 22 (Safety Rating). In summary, the trade

representatives attending this meeting proposed that all existing vehicles were exempt from the conditions and that the introduction for the grant of vehicles licences was 2030.

18. However, the Licensing and Public Safety Committee met in July 2016 and asked for further information on the lifespan of vehicles (Paragraphs 21-30 below) and additional consultation at the next available Licensing Liaison Panel, which took place on 5 October 2016.
19. There were a number of concerns raised by the trade with regard to existing vehicles, the first concern with regard to re-licensing. For example, Where the licence lapses because no application to renew is made in time or is surrendered (this usually happens where a Hackney Carriage Vehicle is suspended as a result of damage and the proprietor applies for a replacement vehicle to be granted a licence while preserving the plate number) and then an application is made to re-licence the vehicle, this will be subject to a grant application (as there is no existing licence to renew) and therefore all the vehicle conditions will be applicable at the time of the application. The initial report provided an option for this, which is retained in Options 2 or 3 above.
20. The second main concern related to the principle adopted by insurance companies when a vehicle is written off, in that the replacement value or vehicle will be comparable to the one to which the loss applies, like for like. Therefore, the trade felt that where there was a no fault accident the proprietor should not be penalised for losing their existing vehicle and being additionally required by the Council to then meet a higher specification on the replacement vehicle than the one lost. Therefore, option 3 has been presented for consideration by the committee in relation to this concern. Member should note that the determination of no fault losses may result in additional officer time in considering the details of the case so that the correct conditions can be applied to the grant of the replacement vehicle.
21. Members did request some further information in relation to the lifespan of vehicles used as Hackney Carriage and Private Hire vehicles and officers can provide the following anecdotal information (however, we are now looking at the feasibility of recording more of this information so that it can be made available to the committee if required in the future).
22. The lifespan of a licenced vehicle generally depends on the business model of the proprietor. Chorley Council has a number of operators that buy new or nearly new vehicles and keep them for 3-4 years before replacing them. Other operators buy vehicles that are over 10 years old with 150 -250K miles on the odometer and run the vehicle until the end of its life (scrapped after use).
23. Members are advised that the mileages that these vehicles are subject to are far in excess of those made by a domestic vehicle. The average person will drive about 10-12K miles in a year, which is 1000 miles per month. In addition, most owners of vehicles will have the vehicle serviced once per year or at least at each mileage set by the manufacturer and if over 3 years old will be required to have an MOT every 12 months.
24. The MOT is a minimum standard and will often highlight any advisory issues, such as brakes, suspension and tyres, that will require replacement within the next few thousand miles.
25. The average licenced vehicle travels 1-2000 miles per week. With an average annual mileage of between 50-100K miles. From discussions with the garages that carry out our testing, we are aware that a proportion of our proprietors use the taxi test as a way of determining what minimum maintenance is required to the vehicle.
26. Currently Chorley Council does not monitor advisories on the MOT part of our taxi test, only pass or fail, and does not set a limit on the number of failures allowed per vehicle, as some authorities do.
27. A number of other local authorities do not consider the taxi test to be passed where there are any advisories on the MOT element, as this means the owner is being advised of an imminent failure and the need for immediate maintenance. For a licenced vehicle, this may result in the vehicle failing the same MOT within a 2 week window of the test due to the mileage covered in that period. Where for a normal car, the owner may have a period of several months in which to get the issue addressed before it would make the vehicle unroadworthy.

28. The consideration of advisory notes and a limit to the number of test failures permitted for a licenced vehicle may be a policy matter for the Committee to consider in relation to the existing taxi test standards.
29. Mileage and age are important factors in judging the safety of a vehicle, but the vehicle type and make and type of mileage and maintenance of the vehicle are major considerations. City or town mileage impacts more severely on the wear and tear of a vehicle than motorway mileage. A vehicle with higher motorway mileage that has received more care and maintenance than a younger lower town mileage vehicle may be a better car. It is widely agreed that higher mileage vehicle cost more to maintain, which is why many older higher mileage vehicles are cheaper to buy, because the maintenance costs start to outstrip the purchase price.
30. Therefore, it is impossible to direct the committee in relation to what would be a suitable estimate of lifespan of a vehicle, other than to remind members that the mileage and type of mileage done by licenced vehicles is usually in the region of 10 times that of a normal vehicle and that we must have confidence in our own taxi test to ensure that the vehicles are safe for the transportation of the public.
31. The Council's Annual Air Quality report has been accepted by DEFRA and is now published on the Council's website. For additional information for members, the public health indicators used for the air quality assessment demonstrate that Chorley suffers from an adult mortality attributed to particulate matter of 4.7%; the regional average is 4.6%. Diesel vehicle emissions are a significant contributor to local levels of harmful particulate matter.

OTHER CONSIDERATIONS

32. Members of the trade introduced a proposal at the Licensing Liaison Panel Meeting to reconsider the introduction of vehicle conditions 21 and 22 in favour of the introduction of a 10 year vehicle age limit.
33. Although the Committee may want to consider this as an option, there are a number of limitations to this proposal.
34. The introduction of such an age limit has been implemented by a number of other local authorities and in fact Chorley Council did apply such a restriction previously, However, strict age limit conditions are open to challenge as they prevent the Council from exercising discretion with regard to the vehicles permitted to be licenced, and are not specific enough to protect Council's from legal challenge in regard to the Council's role in protecting the public and the Council's reputation. As such, this proposal has been rejected by the officers and is not presented as a feasible option for members in this report.

IMPLICATIONS OF REPORT

23. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	X	Customer Services	X
Human Resources		Equality and Diversity	
Legal	X	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE MONITORING OFFICER

24. The Council has power to impose such conditions on the grant of a hackney carriage vehicle licence as it considers reasonably necessary under Section 47 of the Local Government (Miscellaneous Provisions) Act 1976. The Council has power to impose such conditions on the grant of a private hire vehicle licence as it considers reasonably necessary under Section 48 of the 1976 Act.

25. The proposed conditions are clearly subject to a test of reasonableness. Any conditions should reflect the adopted policy of the Council.
26. Any person aggrieved by the conditions attached to a licence may appeal to the magistrates' court within 21 days of notice of the decision. This appeal period will not therefore be triggered by any decision made by the Licensing and Public Safety Committee but only on the grant or renewal of a vehicle licence with any of the new proposed conditions which may be approved by Licensing and Public Safety Committee.

JAMIE CARSON
DIRECTOR OF EARLY INTERVENTION

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
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