



Leicester  
City Council

**WARDS AFFECTED**  
City Wide

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**  
Cabinet

**21 April 2008**

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**Application of Conditions of Fitness to Existing Hackney Carriages**

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**Report of the Corporate Director, Regeneration & Culture**

**1 Purpose of Report**

- 1.1 To obtain Cabinet's approval to apply the Council's conditions of fitness for hackney carriages to vehicles that are already licensed.

**2 Summary**

- 2.1 Cabinet approved a revised set of conditions of fitness for hackney carriages in October 2006. The conditions applied to vehicles which first became licensed from 1 December 2006. Cabinet asked for consultation to take place about the date on which the new conditions of fitness should be applied to vehicles that were already licensed prior to this date. Following this consultation, this report proposes an implementation timetable to bring the existing vehicles up to the standards required by the conditions of fitness.

**3 Recommendations**

- 3.1 Cabinet is asked to approve the implementation proposals set out in Paragraph 6.1 for the application of the conditions of fitness for hackney carriages to vehicles already licensed.
- 3.2 Cabinet is asked to approve a policy of discounting the licence fees for hackney carriages manufactured to Euro IV standard, or better. For financial year 2008/09 the discount will be 50%.

**4 Background**

- 4.1 The revised conditions of fitness contained relaxations in a number of areas, such as the turning circle and the floor height of the passenger compartment, which enabled a wider range of vehicles to be licensed. This had been a development for which the hackney trade had long campaigned. In addition, the conditions also contained a number of new requirements to bring the vehicles licensed as hackney carriages up to date. Most notable of these were the requirements for ABS braking systems and for Euro III emission standards. In consultation with the hackney carriage licence holders about the proposed new requirements, 83 out of 93 respondents (89%) were satisfied with the proposal to introduce a requirement for ABS braking and 87 out of 89 (98%) of respondents were satisfied with the proposal to introduce Euro III emission standards.

## **5 Consultation**

- 5.1 Consultation with the RMT, who represent the majority of hackney carriage proprietors in Leicester, began in January 2007. The original proposal put forward by the RMT was for two year's notice to be given to proprietors of non-complaint vehicles, after which they would not be re-licensed. This proposal was subsequently withdrawn and a suggestion made that consultation take place with hackney carriage proprietors individually. In July 2007, the leadership of the RMT changed and a new proposal was put forward that a twelve-year age limit should be introduced, with no exceptions, and this would ensure the eventual application of the conditions of fitness to existing vehicles. However, they proposed that consultation with all drivers should also take place.
- 5.2 A written consultation exercise with each hackney carriage licence holder has now been carried out. A copy of the consultation questionnaire, annotated to show the responses received, is shown in Appendix 1. We received 136 almost identical, photocopied responses returned on block from the RMT, as well as 18 other individual responses. Of the 154, only 8 favoured the proposal put forward by the RMT of a 12-year age policy. The main conclusion that can be drawn is that the trade as a whole is opposed to the application of the conditions of fitness to existing vehicles. However, the points made in the comments section do not really address why the trade believe the Council should not try to improve the fleet, particularly in relation to emissions.
- 5.3 Although the trade now opposes the application of the conditions of fitness to existing vehicles, the majority of hackney carriage proprietors supported the introduction of the new requirements when they were consulted on the original proposals. The trade has not provided any coherent justification for why the existing conditions of fitness should not be applied. It would not be rational for the City Council to decide on what is an appropriate standard for hackney carriages, but to allow vehicles that do not meet it to continue to be licensed indefinitely. In fact, to do so may provide a perverse incentive for older, less suitable vehicles to be kept in service after they would otherwise have been decommissioned.

## **6 Implementation Proposals**

- 6.1 The most immediate benefit that the conditions of fitness bring, by updating the type of compliant vehicles, is to licence vehicles that have been manufactured to a higher emission standard. As Leicester's air needs to be improved to meet statutory objectives in relation to air quality, and as the principal cause of it failing to meet those objectives is emissions from motor vehicles, this provides further justification for applying the conditions of fitness to existing vehicles in the short-term. It is therefore proposed that vehicles that were manufactured to Euro I standard and below, will not have their licence renewed after 1 April 2009 and vehicles manufactured to Euro II standard will not have their licences renewed after 1 April 2011. There are currently 75 vehicles licensed that were manufactured to Euro I and below and 126 vehicles licensed that were manufactured to Euro II. This approach will also ensure that by 1 April 2011, only vehicles that fully comply with the conditions of fitness in all other respects have their licences renewed.

- 6.2 It should be remembered that the City Council already implements an age policy that requires vehicles to be no more than eight years old at the time of licensing. One of the stated aims of the policy is to secure the quality of hackney carriage services in terms of the level of emissions from the vehicle. In deciding whether to grant an exception to the policy one of the factors considered is evidence of the level of emissions from the vehicle. If the proposals set out above are adopted, then no vehicle less than 10 years old would be ineligible for re-licensing. LTI Vehicles, whose vehicles make up 56 % of Leicester's hackney carriages, advise that the design life of their vehicles is 10 years. In addition, spot checks carried out on operating taxis find a far higher proportion of vehicles of eight years and over to be unroadworthy. It is therefore not inappropriate to consider taking vehicles over 10 years old out of service.
- 6.3 The Euro IV emission standard was introduced on 1 January 2005 and became mandatory for all vehicles by 1 January 2007. Approximately 30 of the hackney carriages licensed meet this standard. In order to encourage and support licence holders to provide vehicles that meet this standard, it is proposed to introduce a discount on the licence fee. This proposal was supported by 146 out of 151 respondents (97%) to the recent survey. Initially, it is intended to offer a 50% discount on the £185 annual fee. This would be revenue neutral and would be kept under review as the proportion of Euro IV increased.

## **7 Air Quality**

- 7.1 There are two key problems from the exhaust emissions of conventional petrol or diesel motor vehicles. As with all combustion of fossil fuels, carbon dioxide is emitted in the exhaust. This is a 'greenhouse gas' which is largely responsible for climate change. Older vehicles will be substantially less fuel-efficient and will therefore have a larger 'carbon footprint.' Reducing Leicester's overall carbon footprint, through the Climate Change Strategy, is a crucial policy goal for the City. Substances which are harmful to health are also emitted by petrol and diesel engines. Of particular concern are nitrogen dioxide and particulates. Again, vehicles of older, less efficient design will emit considerably more of these substances.
- 7.2 With respect to nitrogen oxide emissions Euro I and II standards do not impose limits. Therefore, it is difficult to assess the exact reduction in emissions by imposing Euro III on taxis. However, prescribing Euro III sets a basic minimum standard which taxis must meet and future improvements can be judged against.
- 7.3 For particulate matter, imposing Euro III would halve emissions from taxis, with annual emission falling from 840 kg. to 428 kg. per taxi. The possible overall reduction of particulate emissions from taxis works out to be about 4,000 kg. per year based on an average mileage per taxi of 25,000 miles.
- 7.4 EC legislation is pushing through a continual long-term upgrading of vehicle emission characteristics in new vehicles and this will gradually work through the vehicle population. Leicester taxi fleet includes a large proportion of vehicles which do not comply with modern emission standards, but by applying the current conditions of fitness to existing vehicles, the City Council will ensure that the improvements aimed at by EC legislation are not delayed indefinitely.

- 7.5 Leicester has an extensive Air Quality Management Area, within which there is a statutory duty to improve air quality. The key area for improvement is in relation to nitrogen oxide the main source of which is road traffic. The Council is bound by statutory duty to improve air quality and to report emission levels of both carbon and harmful pollutants. The latter is now embodied in the new Local Performance Framework, which comes into effect in April 2008. The management of the Council's environmental performance via the EMAS framework also obliges the Council to identify and implement actions to improve performance by any means under its control. The regulation of taxis clearly falls into this category.
- 7.6 Improving air quality in the City as whole will be incremental and cumulative, over a long time scale. Improvements must be seen in the context of a whole range of interventions. By improving emissions from taxis, the Council will also set an example to stakeholders and influence attitudes and behaviour in the wider community.

## **8 Financial Implications**

- 8.1 There are no significant financial implications for the City Council associated with this report.

*Martin Judson, Head of Finance Regeneration and Culture x 297390*

## **9 Legal Implications**

- 9.1 Section 60(1) of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to refuse to renew a Hackney Carriage vehicle licence on a number of grounds including:
- i) that the vehicle is unfit for the use of Hackney Carriage
  - ii) any other reasonable cause
- 9.2 The report gives the reasons as to why the Council considers the conditions of fitness requirements being proposed are appropriate and the effect they will have on the licensing of existing vehicles. The proposals being that once the conditions of fitness are applied to existing vehicles then in time the Council will consider some vehicles unfit to be licensed and used as Hackney Carriages within the City of Leicester.
- 9.3 Any proprietor aggrieved by a decision of the Council to refuse to renew their vehicle licence can appeal to the magistrates Court.
- 9.4 A licensing decision is a determination of civil rights to which Article 6 Right to a fair trial principles apply. Article 1 of the First Protocol gives the right of peaceful enjoyment of possessions, which would include a licence. An application for a renewal of a hackney carriage licence could be refused provided it was deemed necessary to control property in accordance with the general interest. It could be argued that it was in the general interest to refuse to grant a licence for a hackney carriage, which would undermine the Council's conditions of fitness, which were made in the interest of public safety and to secure compliance with the law.

9.5 Any terms and conditions imposed on the grant of a licence need to be proportionate to the aim pursued.

9.6 As with any Council decision, a decision to apply the conditions of fitness to existing vehicles could be the subject of judicial review.

*Jamie Guazzaroni – Legal Services, ext.296350*

## 10 Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References
Equal Opportunities	No	
Policy	Yes	Section 4
Sustainable and Environmental	Yes	Section 5
Crime and Disorder	No	
Human Rights Act	Yes	See legal implications
Elderly/People on Low Income	No	

## 11 Background Papers – Local Government Act 1972

Report to Cabinet – Revised Conditions of Fitness for Hackney Carriages –  
30 October 2006

## 12 Consultations

Finance  
Legal Services

## 13 Report Author

Mike Broster – Head of Licensing and Pollution Control  
Ext 29 6408

## Decision Status

<b>Key Decision</b>	No
<b>Reason</b>	N/A
<b>Appeared in Forward Plan</b>	N/A
<b>Executive or Council Decision</b>	Executive (Cabinet)



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Our ref: RC/MB  
Date:

All Hackney Carriage Proprietors

Dear Sir,

### **Applying Conditions of Fitness to Existing Hackney Carriages**

The City Council introduced new conditions of fitness in 2006, which enabled a far wider range of vehicles to be licensed as hackney carriages. The conditions also made new requirements, including the Euro 3 emission standard and a requirement for ABS braking systems.

The RMT, which represents the majority of hackney carriage owners in Leicester, has been in discussion with the City Council about how the new requirements should be applied to existing vehicles. The main suggestions under discussion are either to have a fixed age limit, beyond which licences would not be granted, or a phased introduction of the Euro emission standards. The phasing in of the Euro emission standard could for instance mean that only vehicles manufactured to Euro 2 standard would be licensed from 1 January 2009 and Euro 3 standard from 1 January 2011. Information about which vehicles were manufactured to which Euro standard is shown on the enclosed sheet.

At least 12 months notice will be given before any new requirements are introduced.

The City Council has already adopted a policy that it will only licence vehicles over 8 years old in exceptional circumstances and this would continue to apply whichever approach was taken to introduce the new requirements.

I interested to hear your views on this issue. Please complete the attached questionnaire and return it in the envelope provided.

Yours faithfully

Mike Broster - Head of Licensing and Pollution Control

## Euro Emission Standards of Hackney Carriages Licensed in Leicester

<p><b>Pre-Euro Standard</b>  <b>LTI</b> - any vehicle first registered prior to 12.3.92 (up to chassis number 76993); and,  <b>Metrocab</b> - any vehicle first registered prior to 13.12.91 (up to chassis number 103951).</p>
<p><b>Euro 1</b>  <b>LTI</b> - any vehicle first registered between 12.3.92 and 16.9.98 (between chassis numbers 76993 and 102767)**; and,  <b>Metrocab</b> - any vehicle first registered between 13.12.91 and 4.12.97 (between chassis numbers 103951 and 107175)**  The following vehicles are manufactured to Euro 2 standard:</p>
<p><b>Euro 2</b>  <b>LTI</b> - any vehicle first registered between 16.9.98 and 1.2.2002 (between chassis numbers 102767 and 15000)**  <b>Metrocab</b> - any vehicle first registered between 4.12.97 and 29.3.2000 (between chassis numbers 107175 and 108731)**</p>
<p><b>Euro 3</b>  <b>LTI</b> – TXII  <b>Metrocab</b> – vehicles registered after 29.3.2000 onwards.</p>
<p><b>Euro 4</b>  LTI - TX4  Peugeot E7  Fiat TW200  Mercedes M8 and M10</p>



## Hackney Carriage Plate XXX

I support the proposals to apply the conditions of fitness to existing vehicles	<i>Please tick one:</i>	RMT	Other
	<i>Agree</i> <input type="checkbox"/>	2	11
	<i>Disagree</i> <input type="checkbox"/>	133	5

**The conditions of fitness should be introduced by:**

Phasing in the Euro standards over a number of years	<i>Please tick one:</i>		
	<i>Agree</i> <input type="checkbox"/>	0	5
	<i>Disagree</i> <input type="checkbox"/>	135	10
Having a fixed 10 year limit on vehicles	<i>Please tick one:</i>		
	<i>Agree</i> <input type="checkbox"/>	0	2
	<i>Disagree</i> <input type="checkbox"/>	1	13
Having a fixed 11 year limit on vehicles	<i>Please tick one:</i>		
	<i>Agree</i> <input type="checkbox"/>	0	0
	<i>Disagree</i> <input type="checkbox"/>	0	13
Having a fixed 12 year limit on vehicles	<i>Please tick one:</i>		
	<i>Agree</i> <input type="checkbox"/>	8	14
	<i>Disagree</i> <input type="checkbox"/>	4	4

**Reduced Licence Fees**

The Council should set a reduced licence fee for vehicles meeting Euro 4 Emissions	<i>Please tick one:</i>		
	<i>Agree</i> <input type="checkbox"/>	135	11
	<i>Disagree</i> <input type="checkbox"/>	0	5

I would like to make the following additional comments:

RMT Comments:

- No age limit
- Trade in decline since contract for disability, school and social contract not given to taxis – 40% less work for drivers
- Speak to RMT committee about a fixed 15 year age limit
- Policy on vehicles that fail mechanical tests should be removed as this is perceived as a tool to remove repairable vehicles from service
- Council should work to the RMT taxi charter

Others

- No fixed age limit
- Emission standards for buses and private hire vehicles
- 15 year age limit
- Unhappy with spot checks
- No age limit if in exceptional condition
- Need a fare increase
- Action required against flimping
- New vehicles should not be tested and not have to pay a fee for the first three years

Signed:

**To ensure impartiality this questionnaire must be returned separately in the envelope provided.**