

Executive Decision Report

Taxi Vehicle Age Policy

Decision to be taken by: Deputy City Mayor for Housing &
Neighbourhoods

Decision to be taken on/Date of meeting: 12 July 2024

Lead director/officer: Rachel Hall, Head of Regulatory
Services

Useful information

- Ward(s) affected: All
- Report author: Rachel Hall
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- Report version number: 1

1. Summary

- 1.1. Representatives of the taxi trade requested a review of the current age policy, with a view to increasing both the entry and the exit age for licensed vehicles.
- 1.2. The City Mayor agreed to a temporary relaxation of the existing age policy whilst a formal consultation was conducted on the permanent age policy.
- 1.3. Consultation has taken place, and the Licensing & Public Safety Committee has made recommendations about changes to the current age policy.
- 1.4. The Deputy City Mayor is asked to determine the age policy for licensed vehicles.

2. Recommended actions/decision

- 2.1 It is recommended that
 - i) the entry age for licensed vehicles be increased from five years to nine years, subject to vehicles meeting Euro 6 emissions standards as a minimum,
 - ii) the renewal age for licensed vehicles be increased from 11 years to 15 years,
 - iii) the number of planned mid-term vehicle inspections for vehicles over the age of 11 be increased from two to three (ie, every four months), and
 - iv) consideration be given to reducing the number of planned inspections for vehicles under the age of three be reduced from two per year to one per year.

3 Scrutiny/Stakeholder Engagement

- 3.1 Recent engagement with taxi trade representatives highlighted the need for a review of the vehicle age policy due to the cost-of-living crisis.
- 3.2 An extensive consultation exercise has taken place to include the trade as well as other interested parties who may be affected by any change made to the vehicle age policy.
- 3.3 The Licensing & Public Safety Committee has recommended changes to the existing age policy, in light of the consultation responses, Best Practice Guidance and data from the Vehicle Testing Station.

4 Background

- 4.1 The Town Police Clauses Act 1847 covers the licensing of hackney carriages, and the Local Government (Miscellaneous Provisions) Act 1976 makes provision for councils to license private hire vehicles.
- 4.2 Each authority sets its own standards for establishing the safety and suitability of the vehicles that it licenses. In Leicester that includes a maximum age for vehicles when they are first licensed (currently five years old) and when they are renewed (currently 11 years old).
- 4.3 The number of hackney carriages has been in decline for some time. Trade representatives say that there are very few affordable hackney carriages available on the second-hand market.
- 4.4 Private hire vehicles do not have to meet the same specification as hackney carriages and so licence holders have a wider choice, but also report financial pressures.
- 4.5 Other licensing authorities have different policies on vehicle age, including Wolverhampton, where there is an upper limit of 11.5 years but no limit on the age of a vehicle being licensed for the first time.
- 4.6 The Taxi Strategy refers to a review of the vehicle age policy, but this has not yet happened. The intention was to link any changes to air quality improvements, but the anticipated incentives have not been forthcoming and recent developments nationally have delayed the proposed ban on petrol and diesel sales to 2035.

5 Detailed report

- 5.1 Representatives of the taxi trade requested a review of the current policy. During the consultation period there has been a temporary relaxation of the age policy to allow an additional year for vehicles entering and leaving the licensing system (i.e., upper limits of 6 years and 12 years). This relaxation is in place until September 2024.
- 5.2 Benchmarking against other licensing authorities shows that the council's current age policy is not significantly out of step.

6. Consultation

- 6.1 Formal public consultation took place between 15th January and 24th February 2024.
- 6.2 The outcomes of consultation were reported to the Licensing & Public Safety Committee on 30 April 2024, including details of responses, comments made, and VTS data from the temporary relaxation of the age policy.
- 6.3 There were 1,311 responses via the online consultation portal, but 595 were discounted as they were multiple responses from the same respondent(s).
- 6.4 The majority of respondents wanted the age policy to be increased to allow vehicles being licensed for the first time to be up to 9 years old, and those having licences

renewed to be up to 15 years old.

6.5 Common comments from respondents referred to:

- The cost of new and second hand vehicles (especially hackneys)
- The City of Wolverhampton Council (CWC) has a less restrictive age policy and this is having a negative impact on the taxi trade in Leicester.
- Environmental impact of allowing older vehicles to remain on the fleet, especially as other public transport is moving to greener vehicles.

7. Age of the existing vehicle fleet

7.1 Licensing records show that private hire vehicles are fairly evenly spread across the age range, peaking at five years. This means that the impact of a change in age policy would not be immediate. If the entry age for new vehicles is increased then this would benefit licence holders wishing to replace their existing vehicle, for example due to an accident or mechanical issue.

7.2 Hackney carriages tend to be older, with a higher proportion aged nine years or more. Any increase in the upper age limit for vehicles to remain licensed would have an immediate impact on the hackney carriage fleet. A change to the entry age of vehicles should enable those who do need a replacement vehicle to source a vehicle more easily.

8. Temporary Relaxation of Existing Age Policy

8.1 Any vehicles over the age of 11 that have been relicensed under the temporary policy have been required to undergo an additional inspection at the Vehicle Testing Station.

8.2 The pass/fail rates for inspections of these vehicles during the temporary relaxation of the age policy indicate that an additional vehicle inspection is needed to provide assurance that older vehicles continue to remain safe and suitable for licensing as hackney carriages / private hire vehicles.

9. Legislation on testing and inspection of licensed vehicles

9.1 Section 50 of the Local Government (Miscellaneous Provisions) Act 1976 limits the maximum number of planned inspections of licensed vehicles to three during a 12-month period.

10. Best Practice Guidance

10.1 The Taxi and Private Hire Vehicle Licensing Best Practice Guidance for Licensing Authorities in England advises against setting an age limit, and suggests a more targeted approach to achieving policy objectives on matter such as emissions, safety and wheelchair accessibility.

10.2 The guidance also refers to the frequency of testing of licensed vehicles and confirms that vehicles that are at least three years old must be subject to an MOT test or equivalent at least once a year, but notes that an annual test for licensed vehicles of any age seems appropriate, with extra tests for older vehicles.

11. Officer comments

- 11.1 The consultation showed strong demand for an increase in the age policy for licensed vehicles. The Licensing & Public Safety Committee considered the consultation responses, the Best Practice Guidance, and the VTS data, and recommended that:
- a) the maximum age for vehicles being licensed for the first time be increased from five to nine years,
 - b) the maximum age for vehicles being relicensed be increased from 11 to 15 years, subject to vehicles over the age of 12 being required to undergo three planned inspections a year instead of two.
- 11.2 Allowing a higher entry age will allow the trade a wider choice of affordable vehicles. All vehicles must still pass the pre-licensing inspection and continue to meet the same standards while licensed. These standards are monitored through planned inspections and unannounced spot checks.
- 11.3 The VTS data shows that an additional inspection for vehicles over the age of 12 years should be implemented as recommended by the Licensing & Public Safety Committee.
- 11.4 There is still a need for a limit on the age that vehicles can be licensed for the first time, to prevent a backward step in terms of vehicle emissions. All new saloon cars manufactured after September 2015 must meet the Euro 6 emissions standards, with the equivalent age for hackney carriages being September 2016. Many manufacturers ensured their vehicles complied with this standard before the deadline but it is suggested that a Euro 6 requirement be included in any relaxation of the age policy as a safeguard to exclude vehicles with poorer emissions standards than the existing policy allows.
- 11.5 If the number of inspections is increased, there will be an impact on the capacity of the Vehicle Testing Station to carry out those inspections and retests. Noting the Best Practice Guidance (paragraph 5.25 above), this could be partly mitigated by reducing the requirement for licensed vehicles under the age of three years from two tests a year to one. Ordinary cars do not require an MOT until they are three years old, so there can be a reasonable expectation that vehicles under the age of three will remain in a safe and suitable condition without a mid-term inspection.
- 11.6 A number of local authorities have reviewed their vehicle age policies in light of the Best Practice Guidance and due to the impact that cross border hiring has had on their licence holders. The aim being to retain their licensed drivers and vehicles and hence maintain control over the quality and safety of the vehicles that are working in their areas.
- 11.7 The role of the Licensing Authority is to protect the travelling public by ensuring that drivers are “fit and proper” to be licensed and the vehicles that they drive are fit for purpose and safe. By amending the upper age limit for vehicles licensed within the city this will help retain those licence holders and in turn give the council the ability to set and maintain appropriate standards for the taxi trade within the city.

12. Implementation

- 12.1 It is proposed to implement the new policy on vehicle age as soon as the decision takes effect. There is no need to provide formal notice or to allow a sunset period because the proposed changes are a relaxation of the current policy.

13. Options considered

13.1 *Amend the age policy as recommended by the Licensing & Public Safety Committee*

- Supported by the consultation responses.
- Justified in light of best practice guidance.
- Safety concerns should be addressed by the requirement for an additional inspection for vehicles over the age of 11 years, plus unannounced spot checks.
- Impact on capacity at the VTS could be addressed by reducing the number of inspections for vehicles under the age of three years.
- To ensure air quality is not worsened, there should be an accompanying requirement for vehicles entering the licensing system to meet Euro 6 emissions standards as a minimum.

13.2 *Amend the age policy to different levels than those recommended by the Committee, including no upper age limit*

- Officers did not make a recommendation on what the age policy should be, leaving it to the judgement of the committee and the Deputy City Mayor.
- Would be less compatible with Best Practice Guidance.

13.3 *Retain the existing age policy*

- There is clearly a need to support the trade during difficult financial circumstances
- An overly restrictive age policy will simply lead to drivers moving to other licensing authorities but continuing to work in Leicester
- Amending the council's age policy should help to retain vehicles and drivers, and therefore retain some control over taxi operations within the city.

13.4 *Remove the age policy completely*

- Best practice guidance refers to vehicles not being refused based solely on age. However, having no age policy at all is likely to lead to issues with wholly unsuitable vehicles being presented for inspection and failing repeatedly, as well as being a backward step in terms of vehicle emissions.
- Having an upper age policy gives the trade some certainty about the maximum replacement age of their vehicles.

14. Financial, legal, equalities, climate emergency and other implications

14.1 Financial implications

There are no financial implications arising from the recommendations in this report.

Stuart McAvoy – Head of Finance, 454 4004

14.2 Legal implications

The power for the Council to license a Hackney Carriage/s is contained within Section 37 of the Town Police Clauses Act 1847 and the power to place conditions on the licensing of Hackney Carriages is contained in Section 47 of the Local

Government (Miscellaneous Provisions) Act 1976. Section 48 of the same Act provides similar provisions for Private Hire Vehicles

It is for individual licensing authorities to reach their own decisions within their statutory powers on overall policies and individual licensing matters.

Katherine Jamieson, Solicitor, 4541452

14.3 Equalities implications

When making decisions, the Council must comply with the public sector equality duty (PSED) (Equality Act 2010) by paying due regard, when carrying out their functions, to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a 'protected characteristic' and those who do not.

Protected characteristics under the public sector equality duty are age, disability, gender re-assignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex and sexual orientation.

The report provides an update on the consultation outcomes for the council's permanent age policy for licensed vehicles and is seeking agreement on whether to amend the existing vehicle age policy. The council need to ensure that the agreed decision is communicated in a fair and accessible manner and publicity of the decision is targeted at the relevant stakeholders in a timely manner.

Sukhi Biring, Equalities Officer, 454 4175

14.4 Climate Emergency implications

Transport is responsible for around 25% of carbon emissions in Leicester. Following the city council's declaration of a Climate Emergency in 2019, and it's aim to achieve net zero carbon emissions, addressing transport-related emissions is a vital part of the council's work. This is particularly important in those areas where the council has the greatest level of influence.

In general, older vehicles are likely to have higher carbon emissions per mile travelled, and as such relaxing age standards for the city's taxis is likely to lead to some increase in emissions. As set out within the report however, the deregulation of taxi licensing means that retaining the current age policy may not prevent this impact. Consideration of opportunities to reduce carbon emissions from taxis should therefore take place alongside work on introducing cleaner vehicles more widely, as noted within the report.

Aidan Davis, Sustainability Officer, Ext 37 2284

14.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

- 15. Background information and other papers:**
Report to Licensing & Public Safety Committee 30 April 2024¹
- 16. Summary of appendices:**
None
- 17. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**
No
- 18. Is this a “key decision”? If so, why?**
No

¹ [Agenda for Licensing and Public Safety Committee on Tuesday, 30 April 2024, 5:30 pm \(leicester.gov.uk\)](#)