

# Licensing Committee

29 March 2018

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

## Emission standards for Maidstone Hackney Carriage and Private Hire Vehicles

<b>Final Decision-Maker</b>	Licensing Committee
<b>Lead Head of Service</b>	John Littlemore, Head of Housing and Community Services
<b>Lead Officer/Report Author</b>	Lorraine Neale
<b>Classification</b>	Non-exempt
<b>Wards affected</b>	All

### This report makes the following recommendation:

1. That the Licensing Committee give delegated authority to the Head of Housing & Community Services to draft a consultation document for the Hackney and Private Hire Trade, in accordance with paragraph 3.2 of this report; and to report back to the Licensing Committee in the new municipal year with the result of the consultation together with recommendations for the next steps.

### This report relates to the following Five Year Plan Key Objectives:

- Keeping Maidstone Borough an attractive place for all

### Timetable

<b>Meeting</b>	<b>Date</b>
Licensing Committee	29 March 2018

# Emission standards for Maidstone Hackney Carriage and Private Hire Vehicles

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Maidstone Borough Council is committed to ensuring the taxi and private hire sector remains integrated in our sustainable transport network and for them to continue to move passengers to destinations safely, whilst contributing to the economy with minimal environmental impact.

The aim is to provide an achievable action plan for taxi and private hire vehicle emissions in Maidstone for the next 6 years and beyond. By considering an emissions standard for vehicles encouraging a shift towards low and ultra low emissions vehicles. The present taxi policy sets a vehicle age standard and a proposed standard based on vehicle emissions and encouragement of use of hybrid, electric and hydrogen vehicles would appear to represent a significant improvement.

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## 2. INTRODUCTION AND BACKGROUND

- 2.1 At the Licensing Committee on 4 December 2017 Officers were asked to produce a report reviewing the Taxi Policy which would cover the age and mileage restrictions and types of vehicles and alternative fuels used that would also link into the Low Emissions Strategy.

- 2.2 The Department for Transport's best practice guidance on Taxi and Private Hire Licensing (2010), states that all modes of transport including taxi and private hire services have a valuable part to play in overall transport provision, and so local licensing authorities have input into delivering the local transport plan (LTPs). The key policy themes for such services include availability and accessibility. LTPs can cover:

- Quantity controls (via number of licences issued) and plans for the review of licensing conditions, with a view to safety but also to good supply of taxi and private hire services.
- Fares (Hackneys only)
- On-street availability, especially through provision of taxi ranks.
- Vehicle accessibility for people with disabilities.
- Encouragement of flexible services, which MBC don't have in place currently.

The main legal provisions under which flexible services can be operated are:

- Shared taxis and PHVs – advance bookings (section 11, Transport Act 1985): licensed taxis and PHVs can provide a service at separate fares for up to eight passengers sharing the vehicle. The operator takes the initiative to match up passengers who book in advance and agree to share the vehicle at separate fares (lower than for a single hiring). An example could be passengers being picked up at home to go to a shopping centre, or returning from the shops to their homes. The operator benefits through increased passenger loadings and total revenues.
- Shared taxis – immediate hirings (section 10, Transport Act 1985): such a scheme is at the initiative of the local licensing authority, which can set up

schemes whereby licensed taxis (not PHVs) can be hired at separate fares by up to eight people from ranks or other places that have been designated by the authority. (The authority is required to set up such a scheme if holders of 10% or more of the taxi licences in the area ask for one.) The passengers pay only part of the metered fare, for example in going home after a trip to the local town, and without pre-booking, but the driver receives more than the metered fare.

- Taxibuses (section 12, Transport Act 1985): owners of licensed taxis can apply to the Traffic Commissioner for a 'restricted public service vehicle (PSV) operator licence'. The taxi owner can then use the vehicle to run a bus service for up to eight passengers. The route must be registered with the Traffic Commissioner and must have at least one stopping place in the area of the local authority that licensed the taxi, though it can go beyond it. The bus service will be eligible for Bus Service Operators Grant (subject to certain conditions) and taxibuses can be used for local authority subsidised bus services. The travelling public have another transport opportunity opened for them, and taxi owners have another business opportunity. The Local Transport Act 2008 contains a provision which allows the owners of PHVs to acquire a special PSV operator licence and register a route with the traffic commissioner. A dedicated leaflet has been sent to licensing authorities to distribute to PHV owners in their area alerting them to this new provision.

2.3 There are currently 48 hackney carriage vehicles licensed in Maidstone which consist of 39 TX's, 2 Mercedes Vito taxi's and 7 Peugeot E7's all of which are diesel vehicles. There are approximately 220 private hire vehicle licensed.

2.4 There are 9 fairly large private hire companies (operators) licensed within Maidstone and they currently control 72% of all the private hire licensed vehicles. The largest operator controls 44% of those vehicles.

2.5 The current age and mileage requirements for licensed vehicles in Maidstone are:

When licensing a vehicle for the first time whether it is hackney carriage or private hire, the vehicle should not have more than 30,000 miles on the clock or be older than 3 years.

When renewing a vehicle licence, hackney carriage vehicles can be licensed until they are fifteen years old as long as they remain roadworthy and have 6 monthly compliance tests after 10 years of age. Private hire vehicles are licensed up to six years old.

2.6 The average age, from date of first vehicle registration, of a Private Hire Vehicle in Maidstone is 4 years compared to 7 years for Hackneys (demonstrating an age differential of +3 years). On average, Hackney Carriage vehicles are almost twice as old as Private Hire Vehicles. The two oldest Hackney Carriages still licensed are both 14 years old and are a London Taxi International TX2 and a TX4 and will have to be replaced in 2019 with newer vehicles which comply with the hackney carriage and private hire licensing policy.

2.7 At the Strategic Planning, Sustainability and Transportation Committee on 5 December 2017 the Maidstone Low Emission Strategy (LES) was approved and includes a strategy to improve the emissions for the private hire and taxi vehicles. The LES is attached as Appendix A, the actions for Licensing are found within Appendix 1 of that document at Transport 5, 6 and 8.

2.8 Where the Council has declared an Air Quality Management Area in any part of the Borough and air quality standards are being breached as a result of vehicle emissions, then local vehicle emission controls may be brought in as part of a plan to improve air

quality standards. Air pollution is recognised as a significant health issue with Air Quality Management Areas (AQMAs) being declared in Maidstone in 2008 on the grounds that annual mean nitrogen dioxide levels exceeded permissible limits in heavily trafficked parts of the town. A new AQMA was approved by members at the same time as they approved the Low Emission Strategy. The existing AQMA will be revoked in the next few days, but to all intents and purposes the new AQMA at Appendix B is already in effect. One of the areas of concern in both the old and new AQMAs is the High Street, which is only open to buses and taxis, and which gives us special reason for focusing on taxis.

- 2.9 The standards set for Clean Air Zones (CAZ) expressed according to DEFRA's European vehicle emission standards. Buses, coaches and heavy goods vehicles must all be compliant with Euro 6. Diesel powered vans, hackney carriages and private hire vehicles will also have to meet the Euro 6 standard. Vans, hackney carriages and private hire vehicles powered by petrol will have to meet the lower Euro 4 standard because petrol is less polluting than diesel.
- 2.10 Taxis and private hire can be part of the solution, by show-casing the potential for low-emission vehicles and "normalising" their use to the thousands of passengers they carry each year. The LES sets out a need to encourage and support taxi and private hire operators to switch to low emission alternatives and consider what policy incentives will support taxi and private hire operators to make the change in order to improve air quality.
- 2.11 It is important that, any policy that is adopted now should have a long term aim, in order to avoid frequent changes that may impact upon the proprietor's financial investment into particular vehicles. However whilst it is proposed that there is a gradual implementation towards an improved fleet to allow the time for financial adjustments, the policy also aims to reflect an almost immediate improvement by preventing the new registration of higher polluting vehicles coming into Maidstone.
- 2.12 It is recognised that many proprietors buy vehicles as a long term investment, particularly hackney vehicles, the investment might be over 15 years and therefore this policy aims to strike a balance between improving the emission standards, whilst still allowing time for drivers to make financial adjustments and decisions about vehicles that they may be purchasing in the near future.
- 2.13 In order to achieve a balance the proposed policy is aimed at different timescales for those vehicles being licensed for the first time in Maidstone and those vehicles already licensed by this authority. It is also important to set standards that are common to all within the taxi and private hire fleet, to ensure consistency and a level playing field for all licence holders.
- 2.14 In the first phase of the policy it is proposed that from the 1st January 2019 only vehicles licensed for the first time with this authority must meet one of the emission standards as shown in the proposed policy at Appendix C.
- 2.16 In the second phase, it is proposed that from 1st January 2021, renewal and transfer applications will be subject to the same standard.
- 2.17 In the third phase it is proposed that from the 1 January 2025 all newly licenced vehicles upon first application must be electric or electric hybrid, hydrogen or have emissions of an equivalent or better standard.
- 2.18 The third phase will also apply to existing vehicle licence holders upon the

renewal application, in order that from the 1 January 2025 all vehicles on the fleet will be an electric/hybrid and hydrogen vehicles.

2.19 The approach taken in the proposed policy is aimed at working with the trade to encourage the take up of low emission vehicles, rather than at this present time applying the 1st Phase criteria immediately to all currently licensed vehicles. Details of how the authority intend to promote the uptake of low emission vehicles is detailed later in this report.

2.20 Proprietors of new vehicles from 1 January 2019 will still be able to consider purchasing poor emission vehicles, providing that the vehicle is adapted to meet the new proposed standards. Adaptions to these vehicles may include:

- Having the vehicle adapted / modified to meet the standard

2.21 It is also recommended that officers are given discretion to licence vehicles outside of any agreed vehicle emissions policy, in order to allow for exceptional circumstances that may arise.

2.22 Many other local authorities and Transport for London have and will adopt maximum age limits and emissions standard policies for their taxi and private hire trade, this could result in vehicles being removed from fleets in surrounding areas and introduced into Maidstone if we do not adopt a similar or better emission standard policy sooner rather than later.

2.23 If Maidstone adopts a Clean Air Emission Standard for Taxis and Private Hire Vehicles that is comparable to other authorities, it will deal with the risk that their redundant poor emission vehicles are moved to be licensed by this local authority.

2.24 The table below shows a snapshot of other local authorities that have already adopted emission policies and shows that other authorities are also aiming to licence only electric or hybrid electric etc. for all vehicles from 2025. Currently it appears there are no Local Taxi Emissions policies in place to include in the table.

2.25

Local Authority	Emission Policy Private Hire	Emission Policy Hackney Carriage	Electric/Hybrid/ Hydrogen Vehicles Only	Comments
York	Euro 5 Diesel	Euro 6 Diesel, or ultra low emission		From 1/11/2016
Transport for London	Euro 4 Petrol or Euro 6 diesel by 1 <sup>st</sup> Jan 2018 for new registrations  1 <sup>st</sup> jan 2020 New registrations must be zero emission capable  1st Jan 2023 all vehicles licensed for first time must be zero emission capable	1 <sup>st</sup> Jan 2018 no diesel taxis will be licensed  1 <sup>st</sup> Jan 2018 all first registrations must be zero emission capable  mid 2017 – 2020 diesel taxi decommissioning scheme		

Leicester			All new registrations from 2025 to be ULEV 8 year age limit to be introduced 2017	
Rotherham	Euro 5	Euro 5		Euro 6 from April 2020 – Vehicles allowed with adaptations
Birmingham	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner		Mandated Clean Air Zone
Leeds	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner		Mandated Clean Air Zone
Southampton	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner		Fixed penalty notices for idling (HC's)  Mandated Clean Air Zone
Nottingham	All taxis to be HC's 100% be Euro 6 diesel or Euro 4 petrol by 2020 or sooner	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner		100%electric from 2020, 25% of PHV's by 2020  Mandated Clean Air Zone
Derby	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner	All taxis to be Euro 6 diesel or Euro 4 petrol by 2020 or sooner		Mandated Clean Air Zone

2.26 As with other commercial operations we have a limited influence over the types of car which taxi and private hire operators buy. However, the local authority can implement an emission policy and there may be opportunities to apply for funding from the Government's Office for Low Emission Vehicles and investigate offer financial incentives. Areas which could include the following;

- Work with HC and private hire companies to apply for Government funding (for example the £20m ULEV Taxi Grant Scheme announced in 2015) to support ULEV taxis and private hire vehicles.

- Using our taxi licensing function to promote incentives to encourage the uptake of ultra-low emission taxis and private hire vehicles, for example by designating ULEV taxi ranks in high demand areas and by providing dedicated charging points with the cost of electricity for charging being subsidised.

- Demonstrating the potential fuel savings and financial benefits from operating ULEV taxis and private hire vehicles.

- Working with taxi and private hire operators to develop rapid or fast electric charge point network in suitable locations.

2.27 At the moment the majority of any incentives that are introduced will be more beneficial to the private hire trade as they will bring on electric vehicles a lot sooner than the Hackney trade due to the age limits applied to vehicles, it is anticipated that more cost efficient Hackney Carriage vehicles will be available to the Hackney trade in the near future.

2.28 Consideration has been given to applying different licence fee levels for different types of vehicles, to offer incentives to purchase newer and more eco-friendly vehicles, similar to how the road tax duties are calculated on emissions. However, it is not clear at this present time if it will be practical to set the licence fee level based on the emissions of the vehicle as any fee set needs to cover the cost of the service. The process of issuing a licence for a low emissions vehicle would be no different to issuing a licence for any other vehicle and so it follows that a deficit would occur if we were to reduce the licence fee.

2.29 It has also been suggested that the taxi policy be amended to include conditions/ penalty points that could be applied to the drivers of vehicle's who allow the idling of engines. This is more usually done by hackney drivers. Unfortunately, the Hackney Byelaws do not include this and conditions are not applicable to Hackneys at this time. Any approach to tackle the issue would need to focus on the education of the trade and/or the issue of penalty notices.

### **3. AVAILABLE OPTIONS**

3.1 Decide not to progress with a consultation about reducing emissions at this time. However, to do so would not be in keeping with the Council's adopted Low Emission Strategy and miss the opportunity to contribute to reducing poor air quality.

3.2 Agree that a consultation document is produced to include the proposed low emission standards set out at Appendix C together with the proposed implementation dates, and alternative proposals for low emission standards as set in paragraphs 2.26 to 2.29 (inclusively) above.

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#### 4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 The option set out at paragraph 3.2. is preferred in order for the Council to address the issue of air quality and to deliver the relevant actions in the Low Emission Strategy.

#### 5. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off (name of officer and date)
<b>Impact on Corporate Priorities</b>	Should the emissions standards be agreed for hackney carriage and private hire vehicles then this would promote improvements to a clean and safe environment	[Head of Service or Manager]
<b>Risk Management</b>	No implications have been identified	[Head of Service or Manager]
<b>Finance</b> and other resources	It is necessary for the Council to deliver a balanced budget and cover the costs of providing this service. Proposals within the consultation documents around fee incentives for zero-emission vehicles and the budget implications will be considered in the follow up report.	[Section 151 Officer & Finance Team]
<b>Staffing</b>	No implications have been identified	[Head of Service]
<b>Legal</b>	<p>The Local Government (Miscellaneous Provisions) Act 1976, allows the Local Authority to set conditions for the granting of taxi and private hire vehicle licences.</p> <p>There is a legal requirement to 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.</p>	Jayne Bolas, Solicitor Team Leader(Contentious)
<b>Equality Impact Needs Assessment</b>	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.	[Policy & Information Manager]
<b>Environmental/Sustainable Development</b>	Reference is made to the Low Emission Strategy adopted by MBC in 2017.	Head of Housing & Community Services
<b>Community Safety</b>	No implications have been identified	[Head of Service or



		Manager]
<b>Human Rights Act</b>	No implications have been identified	[Head of Service or Manager]
<b>Procurement</b>	No implications have been identified	[Head of Service & Section 151 Officer]

## 6. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

Appendix A – Low Emissions Strategy

Appendix B – AQMA 2017

Appendix C - Taxi Low Emissions Policy

## 7. BACKGROUND PAPERS

None