

To: Councillor Edwards (Chair)  
Councillors Rynn, Woodward, Maskell,  
Page, Rowland, DP Singh, Skeats, Carnell  
and Barnett-Ward

Direct: ☎ 0118 937 2332  
e-mail: richard.woodford@reading.gov.uk      Email:  
richard.woodford@reading.gov.uk

1 December 2020

Your contact is: **Richard Woodford - Committee Services**

## NOTICE OF MEETING - LICENSING APPLICATIONS COMMITTEE 9 DECEMBER 2020

A meeting of the Licensing Applications Committee will be held on Wednesday, 9 December 2020 at 6.30 pm. This will be an Online Meeting via Microsoft Teams. The Agenda for the meeting is set out below.

<u>ACTION</u>	<u>WARDS AFFECTED</u>	<u>Page No</u>
<b>1. DECLARATIONS OF INTEREST</b>		
Councillors to declare any disclosable pecuniary interests they may have in relation to the items for consideration.		
<b>2. MINUTES OF THE MEETING HELD ON 23 OCTOBER 2019</b>		<b>3 - 6</b>
To confirm the Minutes of the Licensing Applications Committee meeting held on 23 October 2019.		
<b>3. PETITIONS</b>		
Petitions submitted pursuant to Standing Order 36 in relation to matters falling within the Committee's Powers & Duties which have been received by Head of Legal & Democratic Services no later than four clear working days before the meeting.		
<b>4. QUESTIONS</b>		
To receive any questions from Councillors and members of the public.		

*CIVIC OFFICES EMERGENCY EVACUATION: If an alarm sounds, leave by the nearest fire exit quickly and calmly and assemble on the corner of Bridge Street and Fobney Street. You will be advised when it is safe to re-enter the building.*

**5. HACKNEY CARRIAGE VEHICLE EMISSIONS AND AGE POLICY REVIEW** **BOROUGH WIDE** **7 - 24**

A report providing the Committee with an outline of amendments and new initiatives to the Hackney Carriage Emissions and Age Policy as agreed by the Committee at its meeting on 23 October 2019, taking into consideration the request from the taxi trade to delay implementation of the Policy until 2023.

**Present:** Councillor Edwards (Chair), Maskell, Page, Rowland, D Singh and Skeats.

**Apologies:** Councillors Grashoff and Woodward.

### 4. MINUTES

The Minutes of the meeting held on 11 June 2019 were confirmed as a correct record and signed by the Chair.

### 5. HACKNEY CARRIAGE VEHICLE EMISSIONS AND AGE POLICY

The Director of Economic Growth and Neighbourhood Services submitted a report asking the Committee to adopt a Hackney Carriage Vehicle (HCV) emissions and age policy which would contribute to the Council’s objective to be carbon neutral by 2030. The report advised that the policy would complement the existing Local Transport Plan (LTP) and feed into the new LTP when adopted.

The report stated that the Council had declared a ‘Climate Emergency’ at its Strategic Environment Planning and Transport Committee meeting on 18 March 2019 (Minute 37 refers) and set an objective to be carbon neutral by 2030. The report highlighted the impact of road travel on carbon emissions and air quality and advised on the incentives becoming available to encourage the use of electric vehicles. The report also advised that a significant reduction in carbon emissions could be achieved by converting to an ultra-low emission vehicle (ULEV).

The report stated that the proposed policy would entail a staged approach and had been formulated in consultation with the Reading Taxi Association (RTA) and the Reading Cab Drivers Association (RCDA) following the declaration of the ‘Climate Emergency’.

The report explained that the approach would remove vehicles of European Exhaust Emissions Standard Euro 3, 4 and 5a, leaving Euro 5b or cleaner vehicles by 2024 and from 2025 would favour ULEVs over Euro 5b and 6b vehicles. Incentives would also be offered to encourage the take up of ULEVs and 100% electric vehicles and version 4 of the Local Transport Plan would make reference to a charging network.

Paragraph 2.1 of the report set out the proposed emissions and age policy for HCV’s, as follows:

Date	Proposed Standard
23 October 2019	Vehicle Age policy 15 years for all vehicles, 100% electric 20 year Vehicle Age Policy

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23 October 2019	All replacement vehicles will be a minimum of Euro 5b and less than 8 years old. This rule will apply regardless of whether the vehicle is new to the fleet or an existing vehicle.
1 October 2021	Vehicle Age Policy 14 years for vehicles up to and including Euro 5a (vehicles aged over 1/10/07 only)
1 October 2022	Vehicle Age Policy 13 years for vehicles up to and including Euro 5a (vehicles aged over 1/10/09 only)
1 October 2023	Vehicle Age Policy 12 years for vehicles up to and including Euro 5a (vehicles aged over 1/10/11 only)
1 October 2025	All replacement vehicles are minimum ULEV and less than 8 years old. This rule will apply regardless of whether the vehicle is new to the fleet or an existing vehicle.
1 October 2028	All vehicles to be minimum ULEV

Date	Incentives
Currently	All 100% electric vehicles pay 41% of the standard vehicle fee
From 1 April 2020	All ULEV (CO2 <50kg/km emissions) pay a 25% reduction in the annual standard vehicle fee  100% electric vehicles will receive a 50% reduction in the annual standard vehicle fee
1 October 2021 to 1 October 2022	Any ULEV/100% electric vehicle that has never been on the fleet before receives a free licence for its first year on the fleet

The report recommended that the Committee adopt the proposed policy set out at paragraph 2.1.

Paragraphs 2.2 to 2.5 of the report recommended that the Committee agree the following:

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- The definition of an Ultra-Low Emission Vehicle (ULEV) as a vehicle emitting a maximum of 50g/km of CO<sub>2</sub> from the tailpipe as detailed in the DVLA vehicle specification, which would bring forward the national standard definition which was due to come into force from 2021;
- That the HCV emissions and age policy would complement version 4 of the Local Transport Plan, which would acknowledge the greater electric charging infrastructure required to achieve the air quality standards and carbon neutral strategy by 2030;
- That a further report be submitted to the Committee in Autumn 2020 to review the vehicle fees and charges for Hackney carriages to ensure that any incentives given were maintained within the current advances of technology and within the overall budget;
- That, where Government grant money or incentives became available in the future, the Council might bring about a revision of the policy to accelerate the move to zero emissions.

Appendix 1 to the report set out the emission standard compared to the age of the vehicle.

The representation sent by the Reading Taxi Association (RTA) in response to the proposed policy was shown at Appendix 2 to the report and the representations sent in response to the proposed policy by the Reading Cab Drivers Association (RCDA) were shown at Appendix 3 to the report. The report advised that meetings had been held with the RTA and the RCDA to hear their views and the proposals that would be acceptable to them.

Asif Rashid, Chairman of Reading Taxi Association, and Ali Sheilk and Mirza Beg from the Reading Cab Drivers Association (RCDA), were present at the meeting and addressed the Committee. Hackney carriage vehicle owner Imran Ali and hackney carriage vehicle driver Sohail Abbas were also present at the meeting and addressed the Committee.

### **Resolved -**

- (1) That the Emissions and Age Policy for Hackney Carriage Vehicles, as set out at paragraph 2.1 of the report, be adopted;
- (2) That the recommendations set out at paragraphs 2.2 to 2.5 of the report be agreed.

(The meeting started at 5.00pm and closed at 5.41pm)

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## READING BOROUGH COUNCIL

### REPORT BY DIRECTOR FOR ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

<b>TO:</b>	LICENSING APPLICATIONS COMMITTEE		
<b>DATE:</b>	9 DECEMBER 2020	<b>AGENDA ITEM:</b>	5
<b>TITLE:</b>	HACKNEY CARRIAGE VEHICLE EMISSIONS AND AGE POLICY REVIEW		
<b>LEAD COUNCILLOR:</b>	CLLR TONY PAGE	<b>PORTFOLIO:</b>	STRATEGIC ENVIRONMENT, PLANNING & TRANSPORT
<b>SERVICE:</b>	PLANNING, TRANSPORT & REGULATORY SERVICES	<b>WARDS:</b>	BOROUGHWIDE
<b>LEAD OFFICER:</b>	CLYDE MASSON	<b>TEL:</b>	0118 937 2453
<b>JOB TITLE:</b>	PRINCIPAL LICENSING & ENFORCEMENT OFFICER	<b>E-MAIL:</b>	<a href="mailto:clyde.masson@reading.gov.uk">clyde.masson@reading.gov.uk</a>

#### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to outline amendments and new initiatives to the Hackney Carriage Emissions & Age Policy as agreed at Committee on the 23rd October 2019 taking into consideration the taxi trade's request to delay the Policy until 2023.
- 1.2 Licensing Committee resolved to adopt the current Emissions and Age Policy on 23 October 2019 with the purpose of improving the hackney carriage vehicle fleet by removing the older and more polluting vehicles whilst also improving local air quality within Reading.
- 1.3 Reading Taxi Association (RTA) have requested a delay to the implementation of the Emissions and Age Policy due to the current challenging economic conditions resulting from Covid-19. The RTA state that they are currently running at a loss of 70 -75% of their work in the day time and up to 95% after 10pm, with only 50% of the fleet currently working.

#### 2. RECOMMENDED ACTION

- 2.1 That Committee consider the proposed amendments to the Hackney Carriage Vehicle Emissions and Age Policy 2019 to pause the policy by 2 years and then allow the policy to continue unchanged as set out as Option 3, with the end date of the original policy remaining the same and to accept further officer recommendations and to keep the revisions made under review as a result of the pandemic.
- 2.2 That Committee approve the installation of Rapid Charge Points at the locations proposed in paragraph 5.1.2, 5.1.3 and 5.1.4 to support the implementation of the policy.

- 2.3 That Committee agree for the Rapid Charge Points installation proposal and implementation of relevant Traffic Orders to be heard at Traffic Management subcommittee on 14 January 2020.
- 2.4 That Committee note the officer recommendation with reference the Electric Taxi Lease scheme and that this measure will be kept under review as we continue to research funding streams.

### 3. POLICY CONTEXT

- 3.1 The Council's Hackney Carriage Vehicle Emissions and Age Policy was adopted on 23 October 2019 at full licensing committee following consultation with the trade. It follows the Government's move to end the sale of conventional petrol and diesel vehicles by 2040 and commitment to meet short- (you will note current press coverage on bringing this forward to 2030) and longer-term reductions in air quality emissions. This policy is in line with the Reading Climate Emergency Strategy 2020-25, Local Transport Plan and Air Quality Action Plan.
- 3.2 Since the policy was implemented in October 2019, 14 vehicles have upgraded to Euro 5b standard and are under 8 years old. A further 5 have upgraded outside of the policy timescales. There has been no significant move to ULEV, with only 1 ULEV hackney carriage vehicle currently on the fleet.
- 3.3 The Council currently offers incentives which includes the offer of a 50% reduction in fees to licence a 100% electric vehicle and a 25% reduction for ULEV.
- 3.4 The Office for Low Emission Vehicles (OLEV) has made grants available to dealerships specifically for taxis via a 'plug in taxi grant'. The dealerships can claim between £3000 and £7500 depending on the vehicle type. This amount is deducted from the price of a new vehicle at the dealership so there is no paperwork to complete by the customer. For instance the Dynamo Moto Company taxi which is 100% electric has a range of 174 miles and a price of £52,995 Inc VAT less £7,500 Government grants leaving £45,495 to pay. The London Electric Vehicle Company can run on pure electric or range extender petrol engine and is also eligible for a £7,500 grant at the dealership. The cheapest model with the grant applied is £54,690.
- 3.5 The Air Quality (Taxis and Private Hire Vehicles Database) (England and Wales) Regulations 2019 makes provision of information relating to taxis and private hire vehicles a requirement in order to secure air quality compliance. Licensing Authorities in England and Wales are required to upload weekly details from October 2019 of the vehicles licensed by the Council to a central database held by Department of Environment Farming and Rural Affairs (DEFRA). The DEFRA database will contribute to local air quality action plans and charges associated with other Local Authorities Clean Air zones.
- 3.6 To help reduce congestion in Reading and to support the work to improve air quality the council are working to reduce the need for private cars and build the alternative transport portfolio. We are working to improve the availability and image of alternative transport. Our buses offer the message of a clean/ green fleet, the taxi trade need to work with us to do the same so to offer a more sustainable choice to the customer. This policy is intended to improve the hackney carriage vehicle fleet by removing the older vehicles, creating a safer more reliable fleet and removing more polluting vehicles which will improve local air quality within Reading. The policy aims to encourage the move over to cleaner vehicles and to highlight the benefits to their business as local residents and businesses demand a greener alternative

transport offer. The Policy also aligns with the spirit of the transport theme of the Reading Climate Emergency Strategy which seeks to accelerate the shift to low carbon transport in general and reduce emissions from the taxi fleet specifically.

- 3.7 The current policy (as adopted in 2019) uses a staged approach to remove the older and more polluting vehicles whose exhaust fumes are harmful to health and detrimental to the environment. The policy was formulated in consultation with the Reading Taxi Association (RTA) and the Reading Cab Drivers Association (RCDA) following the declaration of the Climate Change Emergency.
- 3.8 Reading are not alone in implementing such policies as council's up and down the country have introduced similar frameworks for improvement to include Manchester, Southampton, Birmingham, Nottingham and Wokingham. Some Local Authorities have adjusted these policies given the current Pandemic. See Appendix 3
- 3.9 The Council received representations from the Reading Taxi Association (RTA) in relation to the timetabled approach to the emissions policy on 19<sup>th</sup> August 2020 and 15<sup>th</sup> October 2020 due to the economic impact of the pandemic. They are seeking financial reprieve until the pandemic is under control as they state they cannot afford to upgrade their vehicles.

#### 4.0 THE PROPOSAL

##### 4.1 Current Position:

- 4.1.1 The Hackney Carriage Vehicle Emissions and Age Policy was agreed by the Licensing Applications committee on 23<sup>rd</sup> October 2019. The Policy sets out the staged approach which vehicle licence holders must adhere to otherwise they would not be issued a licence.

Table 1

Date	Proposed Standard
23 Oct 2019	Vehicle Age policy 15 years for all vehicles, 100% electric 20-year Vehicle Age Policy
23 Oct 2019	All Replacement vehicles will be a min of Euro 5b and less than 8 years old. This rule will apply regardless of whether the vehicle is new to fleet or an existing vehicle.
1 Oct 2021	1 Oct 2021 Vehicle Age Policy 14 years for vehicles up to and including Euro 5a (vehicles aged over 1/10/07 only)
1 Oct 2022	Vehicle Age Policy 13 years for vehicles up to and including Euro 5a (vehicles aged over 1/10/09 only)
1 Oct 2023	Vehicle Age Policy 12 years for vehicles up to and including Euro 5a (vehicles aged over 1/10/11 only)

1 Oct 2025	All Replacement vehicles are minimum ULEV and less than 8 years old. This rule will apply regardless of whether the vehicle is new to fleet or an existing vehicle.
1 Oct 2028	All vehicles to be minimum ULEV

4.1.2 The Council implemented the incentives in Table 2 below to encourage the take up of ULEV's and Electric vehicles. To date there is only 1 ULEV vehicle on the fleet.

Table 2

Date	Incentives
From 1 April 2020	All ULEV (CO <sub>2</sub> <50g/km emissions) pay a 25% reduction in the annual standard vehicle fee. 100% electric vehicles will receive a 50% reduction in the annual standard vehicle fee.
1 Oct 2021 -1 Oct 2022	Any ULEV/100% electric vehicle that has never been on the fleet before receives a free licence for its first year on the fleet.

4.1.3 The Environmental Protection & Nuisance team which deals with air quality and emissions in the town have commented on the Policy and report air quality improvements since its introduction in October 2019. Officers in the team are not in favour of any reduction or delay in the policy, as this would impact on air quality, health and be contrary to local (Corporate Plan, Air Quality Action Plan, Local Transport Plan, Climate Change Strategy) and national policy (Clean Air Strategy 2019) which require reductions in emissions to air as quickly as possible to help improve health and save lives. However, it is also understood that the economic impacts of Covid-19 have had since the policy came into effect on 23 October 2019 and as such, have recommended a relaxation of the policy for a short period with a view to reviewing the policy again in the same format as this report seeks to do.

4.1.4 The taxi trade has requested that all taxis up to and including EURO 5a are given an extension of 3 years. They have also requested the removal of the minimum 8 years new to fleet requirement to be replaced with a minimum of 10 years new to fleet requirement for a period of one year.

## 4.2 Options Proposed

4.2.1 Environmental Protection & Nuisance officers have put alternative options for councillors to consider taking into account the RTA request whilst still having a realistic target to improve air quality and adhere to existing strategies.

4.2.2 Option 1 - There will be no change to the existing Hackney Carriage Vehicle Emissions and Age Policy October 2019.

4.2.3 Option 2 - Pause the emissions policy until 1<sup>st</sup> October 2021. The Policy will then continue unchanged. Between 1 Oct 2020 and 1 Oct 2021, fifteen vehicles are due to come off the fleet. Please refer to Table 3, 'Effect of proposed options on taxi fleet' in paragraph 4.3.4.

4.2.4 This proposal ensures that drivers are not put under any undue financial pressure in the current climate and will allow them time to recover, whilst not impacting the overall aim of the policy to (to improve the emissions from the taxi fleet) a great extent. This proposal is in line with other Local Authorities approach.

4.2.5 Option 3 - Pause the emissions policy until 1<sup>st</sup> October 2022 then allow the policy to continue unchanged. This would give 130 taxis up to an extra 2 years on the fleet. This option would be kept under review as we look to understand the lasting impacts of the pandemic.

4.2.6 This option would mean that there is no emission improvement from the fleet for this extended period of time, but after this point the older vehicles would be removed, so the overall aim of the policy would remain intact after this initial delay. The proposal does not result in the end date of the original policy proposal changing.

### 4.3 Other Options considered

4.3.1 Option 4 -The RTA has proposed for all vehicles up to and including EURO5a are given an extra 3 years on the fleet and that the minimum age for new vehicles is raised to 10 years for 1 year. This would mean that the oldest vehicle on the fleet would remain until 31/12/2023. 197 vehicles would then be required to leave the fleet between this date and 01/10/2028. See Appendix 2 to the report.

4.3.2 Council officers believe that delaying the removal of the oldest vehicles from the fleet by 3 years is too long. Although it is acknowledged that Covid-19 has significantly impacted drivers, there is no evidence to suggest that it will continue for this length of time. This option is not considered proportionate as it does not take the benefits to Air Quality and residents health, into consideration.

4.3.3. Officers also do not agree with the proposal to allow vehicles up to 10 years old onto the fleet for 1 year, as it would have the effect of allowing a window for drivers to bring older vehicles onto the fleet, in conflict with the aim of the emissions policy. This policy is intended to improve the hackney carriage vehicle fleet by removing the older vehicles, creating a safer more reliable fleet and removing more polluting vehicles which will improve local air quality within Reading. If any of the options above are approved, no drivers would be required to change their vehicle in the next year so rendering this part of the proposal obsolete.

4.3.4 Since the introduction of the policy, the fleet has made some improvements with 14 vehicles due to their age coming off the fleet and upgrading to Euro b standard. Vehicles are not being upgraded to the ULEV or electric vehicles and this has been cited as due to the costs involved. The current emission and age policy set out below includes a column detailing the numbers of vehicles due to come off the fleet between 1 Oct 2021 to 1 Oct 2028 when all vehicles will be required to be a minimum of ULEV.

Table 3. Effect of proposed options on existing policy.

Date	No. of vehicle coming off fleet			
	Current policy	Proposed policy 1	Proposed policy 2	RTA Proposal
Between now and 01/10/2021	14	0	0	0
On 01/10/2021	50	64	0	0

Between 01/10/2021 and 01/10/2022	52	52	0	0
On 01/10/2022	24	24	139	0
Between 01/10/2022 and 01/10/2023	18	18	18	0
On 01/10/2023	15	15	15	0
Between 01/10/2023 and 01/10/2028	28	28	28	197
On 01/10/2028	25	25	25	25

## 5.0 Incentives to Support Officer's Proposal

5.1 The Council would still encourage Hackney Carriages to upgrade and are working on improving the offer and incentives in place to support this.

5.1.1 Funding has been secured via the Council's Capital budget fund to install Rapid (50kW) EV charge points across the borough. These charge points offer a 20 - 30 minute charge time per vehicle. We are therefore seeking approval in principle for the use of some of this funding to install dedicated EV charge points for taxi fleet use only at the following locations Gun Street and Bridge Street and in the Cattle Market Car Park and to agree to be taken forward to policy for spend approval. The location of the charge points has been put together with the support of Environmental Protection, Transport and Licensing. The proposal once agreed in principle will need to go to Transport Management Sub Committee for the approval of the Traffic Order implementation.

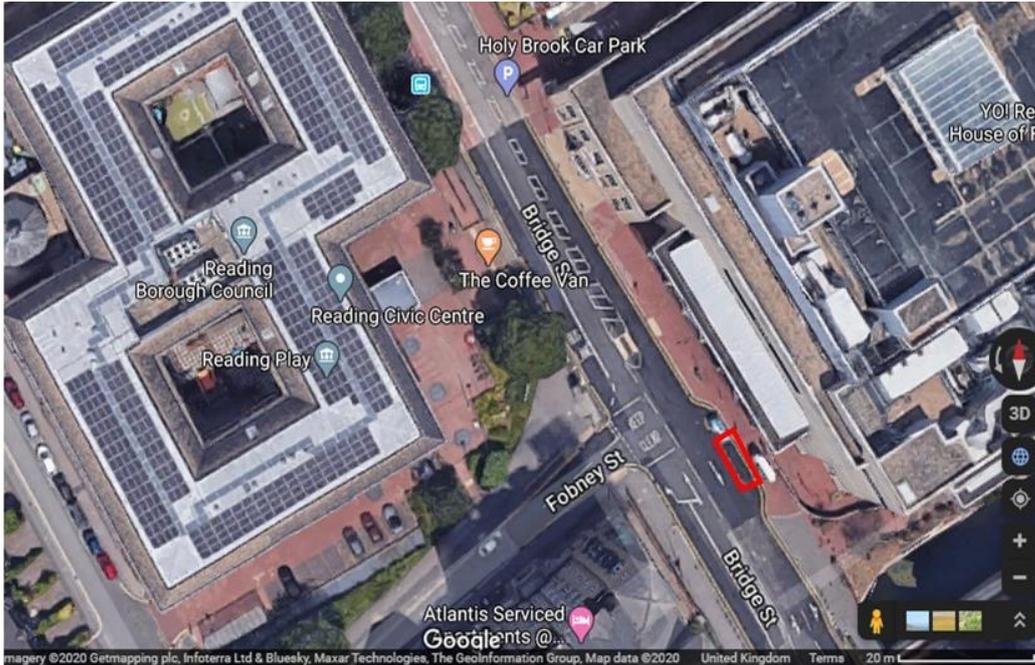
### 5.1.2 Cattle Market Car Park

The Cattle Market car park (RG1 7HN) is West of Reading's main train station, in the town centre and has 90 parking bays. Two rapid EV charging unit are proposed for installation. Until more electric taxis are on the fleet, in order to make the site suitable for the co-investment model initially one EVCP will be for the public and the other EVCP for the EV



### 5.1.3 Bridge Street Rest Rank

Bridge Street taxi rank (RG1 2AS) is opposite Reading Borough Council's offices, in the town centre and for resting taxis, in between fares. One rapid EV charging unit is proposed for installation. The cost of civil works, signage and crash-protection are included in the quoted capital and installation costs. Under the supplier funded option, as the supplier can fund.



### 5.1.4 Gun Street Rest Rank

Gun Street taxi rank (RG1 2JR) is near the Oracle Shopping Centre, in the town centre and is for resting taxis, in between fares. This site has been confirmed as being suitable for full supplier funding or the co-investment model.



- 5.1.5 The business case for the feasibility has been made on the assumption that the electricity tariff will be set at 30p/kWh for drivers to use.
- 5.1.6 The financial analysis of the options are detailed within the finance section 11.3
- 5.1.7 It is recommended that the Council opt for the co-investment model, with the supplier (Joju) and council both contributing 50% to the capital and installation costs with a 50:50 profit share. This option offers maintenance and management support.
- 5.1.8 Joju has a background building some of the earliest and many of the largest community-funded solar projects. They are the sole supplier of EVCPs on the Central Southern Regional Procurement Framework. They are experienced at working with public sector organisations via this framework.
- 5.1.9 Once approval to go ahead is given, each location requires a site survey to finalise designs and installation costs. The rapid charge points can then be delivered within 6 months.

## **5.2 Purchase of Electric Taxi's**

- 5.2.1 The Council has investigated the feasibility of the purchase of several electric taxis to rent out to drivers on short term lease to enable drivers to experience the benefits of driving electric.
- 5.2.2 The Council is also exploring with London Electric Vehicle Company (LEVC) whether it would be viable to provide a number of ULEV vehicles for short term rent so that drivers can become familiar with the ULEV before purchase.
- 5.2.3 A comparison of costs for the leasing or purchasing a vehicle can be found within the finance section 11.5
- 5.2.4 The proposal is cost prohibitive as in order to break even after 5 years we would need to lease the taxis to drivers for £1,103.17 to £1,203.25 per month.
- 5.2.5 This option is more expensive than the driver leasing it direct unless the Council are prepared to make a loss on the vehicles and lease them out for less. Therefore, officer recommendation would be not to pursue the project further.
- 5.2.6 This option would then be left open to review in case any external funding streams become available to make this option financially viable.

## **5.3 Amendments to existing fee discounts**

- 5.3.1 Due to the proposed pause in the policy, to try and encourage the uptake of ULEV or electric vehicles it is suggested that the existing fee discounts are amended to open up the free licence for the first year on the fleet to start from now. Subsequent years will then revert to licence fee reduction as per the original policy agreement.

This table will replace Table 2 above

Table 3

Date	Incentives
From 1 April 2020	All ULEV (CO <sub>2</sub> <50g/km emissions) pay a 25% reduction in the annual standard vehicle fee. 100% electric vehicles will receive a 50% reduction in the annual standard vehicle fee.
Offer Ends 1 Oct 2022	Any ULEV/100% electric vehicle that has never been on the fleet before receives a free licence for its first year on the fleet.

#### 5.4 Driver Engagement

5.4.1 Once the obstacle of the initial cost of purchasing an electric taxi has been cleared there are clear benefits to drivers of electric taxis.

5.4.2 Electric Vehicles will offer significant fuel savings to drivers. For example, based on an average of 120 miles per day (5 days per week) a diesel taxi would use approximately £162 of fuel. An electric taxi would use £52 of fuel (based on 533 miles electric and 67 petrol). This is a weekly fuel saving of £110 and would give a driver a 5-year saving of £27,389.

5.4.3 There are further benefits including service and maintenance costs which are cheaper as is vehicle tax.

5.4.4 During recent officer engagement with business indicated that they want to use clean, green taxis. Drivers of ULEV/electric taxis would be able to benefit from this trade.

5.4.5 In order to get this over to drivers, Council Officers will carry out further engagement with drivers to try to understand more about what they need in place in order to commit to the switch to an EV sooner than the last possible moment specified in the policy (1 October 2028).

5.4.6 Officers will provide drivers with information on financing options to show what options are out on the market.

5.4.7 Where possible officers will introduce drivers to advocates of EV taxis. Those who are in the trade themselves, have made the transition to EV already and are able to communicate with drivers and answer their questions.

5.4.8 Officers are currently in discussions with the Energy Saving Trust with regard to what other driver engagement projects could help to accelerate EV uptake.

#### 6. CONTRIBUTION TO STRATEGIC AIMS

6.1. The proposals in the report meet the overall direction of the Council by meeting the Corporate Plan priorities as follows:

1. Securing the economic success of Reading and provision of job opportunities - the Council understands that HCVs are an important part of the overall transport strategy for the town

2. Keeping Reading's environment clean, green and safe - ensuring the reduction in emissions from HCVs and improving the overall air quality within the town.
3. Ensuring the Council is fit for the future - implementing the Government and Council objectives of a less polluting and lower carbon environment.

6.2 The decision contributes to the Council's strategic aims by:

- Developing Reading as a Green City with a sustainable environment and economy at the heart of the Thames Valley - reducing the emissions from the HCV fleet will contribute to a lower carbon footprint for the town.
- Promoting equality, social inclusion and a safe and healthy environment for all - reducing the emissions from the HCV fleet will reduce the NOx and particulate matter in the air which is associated with poor health outcomes.

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

7.1 The HCV trade were consulted as the group of individuals who are most affected. The Reading Taxi Association have provided their views and proposal detailed in Appendix 2.

7.2 The RCDA were consulted as the group of individuals who are most affected. The RCDA have not provided any views or proposal to date

## **8.0 ENVIRONMENTAL IMPLICATIONS**

8.1 The emissions strategy involves the reduction of carbon dioxide and the reduction of nitrogen oxide (NOx) and particulate matter namely particulate matter of size 0.01 mm (PM<sub>10</sub>) and particulate matter of size of 0.0025 mmm (PM<sub>2.5</sub>). Both NOx and particulate matter are found in diesel fuel. Particulate matter is also associated with tyre, brake and road wear.

8.2 Reduction in carbon emissions can be achieved by converting to Ultra Low Emission Vehicles (ULEV). These vehicles will be either 100% electric which will emit no tail pipe CO<sub>2</sub>, NOx or particulate matter or a hybrid model which uses electric in conjunction with either a diesel or petrol engine. The diesel or petrol engine will emit some CO<sub>2</sub>, NOx or particulates

8.3 Reading has an Air Quality Management Strategy which covers NOx but also considers PM<sub>10</sub> and PM<sub>2.5</sub>. There is a current 2015/16 action plan which identifies as one of its commitments to 'explore and implement ways to improve emissions from Reading's taxi fleet'. The 2015/16 action plan is in the process of being updated.

8.4 Furthermore Reading has been identified by the Department for Transport as failing to meet the National objective level for NOx of 40µg/m<sup>3</sup>. The site adjacent to the Hackney Carriage Vehicle rank at the South West Interchange was one of those sites.

8.5 Health - an improvement in air quality will improve health outcomes for people who work, live or socialise in Reading. The Reading's Joint Strategic Needs Assessment estimated that there were 63 deaths in 2017 of all-cause mortality attributable to anthropogenic particulate air pollution. Whilst levels in Reading do not breach the national level of particulate PM<sub>10</sub> of 40µg/m<sup>3</sup>, average levels over the monitoring sites show 21µg/m<sup>3</sup> with 2 of the 3 monitoring sites that have rising annual levels.

## **9. EQUALITY IMPACT ASSESSMENT**

9.1 The decision will impact hackney carriage owners more than any other group of people.

## 10. LEGAL IMPLICATIONS

10.1 The Local Government (Miscellaneous Provisions) Act 1976, section 47(1) states that a District Council may attach to the grant of a licence of a HCV under the Town Clauses Act 1847 such conditions as the district Council may consider reasonably necessary. Section 47(2) states that without prejudice to the generality of the foregoing subsection, a district council may require any HCV licensed by them under the 1847 Act to be of such a design or appearance or bear such distinguishing marks as shall clearly identify it as a HCV. Section 47 (3) states that any person aggrieved by any conditions attached to such a licence may appeal to a Magistrates' Court.

## 11. FINANCIAL IMPLICATIONS

11.1 All HCVs must be licensed annually and will require a similar amount of staffing in order to process the licence and carry out the enforcement action. The amount of enforcement action will be the same for ULEV and electric as for 100% fuel vehicles. The Council will receive a lower income from owners who purchase a ULEV or 100% electric vehicle. It is anticipated this will happen gradually between 2021 and 2029 but could peak in the years where a free licence is offered and be significantly reduced from 2025 and 2028 when all new to fleet vehicles must be ULEV and subsequently all vehicles must be ULEV.

11.2 The financial implications arising from the proposals will depend on take up of the incentives. An estimate indicates that there would be a net loss of income of between £10-15k per annum when all vehicles have made the switch and a varied loss dependent on the numbers due for an upgrade prior to this as detailed within the table below.

Table 4

Estimated Loss of income due to incentives offered	Option 1	Option 2	Option 3	Option 4
Date Range				
1/10/20 to 1/10/2021	£15,744	£15,744	0	0
2/10/21 to 1/10/22	£22,632.00	£22,632.00	£34,194	0
2/10/22 to 1/10/23	£10,639.50	£10,639.50	£10,578.00	0
2/10/23 to 1/10/28	£13,899.00	£13,899.00	£13,837.50	£13,653.00

11.3 As set out in para 5.0 the capital costs associated with the installation of EV Charging Points is dependent on the model adopted. It is however recommended that the co-investment model is adopted, meaning that total capital costs would be in the region of £77k for the three sites identified as detailed within the table below.

Table 5

Location	No. Charge points	Installation costs	DNO cost	Annual Operation & Maintenance Cost	Total Cost Council funded option	Total Cost (to RBC) co-investment model
Cattle Market Car park	2	£63,775	£4,029.67	£1,500	£69,304.67	£33,902.34
Gun Street	1	£33,150	£3,147.16	£750	£37,047.16	£18,148.58

Bridge Street	1	£33,150	£10,244.04	£750	£44,144.04	£24,894.04
<b>Total</b>	<b>4</b>	<b>£130,075</b>	<b>£17,420.87</b>	<b>£3,000</b>	<b>£150,495.84</b>	<b>£76,944.96</b>

11.4 The following tables detail the costs associated with the lease of Electric vehicles as detailed within section 5.2.

11.5 Hire Purchase Option (RBC or individual driver)

**Table 6**

Lease LEVC TX based on 30k per annum	Basic - £54,690	Top of range - £60,695
deposit	3,700	3,700
60x monthly payments	764.8	842.77
Insurance (Awaiting figures from Derek Crisp)		
final payment	16,492	19,250
total cost	£66,080	£73,516.20

11.6 RBC Purchase Outright

**Table 7**

LEVC cost	54,690	60,695
maintenance estimate per month	100	100
Insurance (Awaiting figures from Derek Crisp)		
Interest of capital borrowed per month	83	92
Total cost	£66,190	£72,195

NB: The £7,500 Plug-in Taxi Grant has already been applied to these figures.

**12. BACKGROUND PAPERS**

**Licensing Committee Report - Hackney Carriage Vehicle Emissions and Age Policy 23 October 2019**

**Hackney Carriage Vehicle Emission and Age Policy**

## Appendices

**Appendix 1** - The emission standard compared to the age of the vehicle is given below.

Euro Emission Std	Registration Date	Emission levels
3	Jan 01 - Dec 05	CO- 0.64 g/km NOx - 0.5 g/km PM -0.05 g/km
4	Jan 06- Dec 10	CO- 0.5 g/km NOx - 0.25 g/km PM -0.025 g/km
5a	Jan 11-Dec 12	CO- 0.5 g/km NOx - 0.18 g/km PM -0.025 g/km
5b	Jan 13-Aug 15	CO- 0.5 g/km NOx - 0.18 g/km PM -0.005 g/km
6	Sep 15- 2017	CO- 0.5 g/km CO <sub>2</sub> - 130 g/km NOx - 0.08 g/km PM -0.005 g/km
ULEV	2017	CO <sub>2</sub> - 50 g/km



9<sup>th</sup> September 2020

Dear Cllr Page

Further to our meeting on 20 July 2020 and my subsequent meeting with Clyde Masson on 19 August 2020, we hereby formally request an extension to the Emissions Policy agreed and approved by the full Licensing Committee on 23 October 2019.

As you are aware Covid-19 has had a huge and profound impact on the Hackney Carriage trade and on our ability to earn a living. Currently customer levels are down by 70-75% and approximately 50% of drivers are back at work. As more drivers return to work, our earnings will decrease further.

Until offices reopen and people return, we will continue to see the negative impact on our work. Many companies have decided to allow their employees to continue working from home, and are actively downsizing their office spaces. This does not bode well for us. We rely on the night time economy in Reading, but with many businesses closed (night clubs, restaurants, bars and cafes) less people are coming out, which not only impacts the taxi trade, but bus and train companies too.

The economic outlook looks very bleak, particularly in the next few years with a major recession predicted in the coming year, as well as the UK leaving the EU. In such testing times, we are gravely concerned at how we will be able to manage the changes to the new emissions policy as well as trying to earn a living. There is a real danger that some drivers may not survive the current conditions. There are many vehicles available for rent but owners cannot find drivers, and vehicles which are on rent are at vastly reduced rates.

In such hard times, there is an absence of financial help from both central government and RBC. We have previously requested that RBC actively looks at the financial options it could provide to the trade in managing the changeover to Ultra Low Emission Vehicles (ULEV) and Electric Vehicles and this was agreed by the Licensing Committee on 23 October 2019, however almost a year on and we have had no news on this!

In London, TfL have once again started the decommissioning of older vehicles and are offering drivers up to £10,000 per vehicle, for drivers to take their vehicle off and replace with either ULEV or an electric vehicle. In addition to this, TfL have set a 15 year age limit for Euro 6 vehicles. We would also request that Euro 6 vehicles on the fleet in Reading be allowed to have a 15 year age limit. If this is not possible then these vehicles need to stay on the fleet until 1 October 2029.

The current policy can be summarised as follows:

New to fleet and existing vehicles - minimum 8 year old and Euro 5B.

ULEV - 15 year age limit.

Electric Vehicles - 20 year age limit.

01/10/2021	Age limit 14 years on 1 October 2021.  67 vehicles need to be replaced. 15 vehicles between 31 December 2020 and 11 September 2020 due to 15 year age limit.  52 vehicles due to 14 year age limit.
01/10/2021 To 30/09/2022	Age limit 13 years on 1 October 2022.  76 vehicles to be replaced.
01/10/22 To 30/09/2023	Age limit 12 years on 1 October 2023.  34 vehicles to be replaced.
01/10/2023 To 27/12/2024	12 vehicles to be replaced due to 12 year age limit.

In light of the current situation, we propose the following:

15 year age limit up to 30 September 2023.

New to fleet and existing vehicles - minimum 8 year old and Euro 5B for diesel vehicles only.

Remove the existing minimum 8 year age limit for ULEV and Electric vehicles.

ULEV – 20 Year age limit.

Electric Vehicles – 20 year age limit.

31/12/2020 To 11/09/2021	15 vehicles to be replaced due to 15 year age limit.
26/10/2021 To 10/12/2021	13 vehicles to be replaced due to 15 year age limit.
01/01/2022 To 30/09/2022	39 vehicles to be replaced due to 15 year age limit.

01/10/2022 To 30/09/2023	76 vehicles to be replaced due to 15 year age limit.
01/10/2023 To 30/09/2024	14 year age limit on 1 October 2023. 34 vehicles to be replaced.
01/10/2024 To 27/12/2025	13 year age limit on 1 October 2024. 12 vehicles to be replaced.
01/10/2026	All new vehicles are ULEV/Electric.
01/10/2029	All vehicles to be ULEV/Electric.

Under our proposal, we will continue with the 15 year age limit up to 30 September 2023. 14 Year age limit from 1 October 2023 and 13 year age limit from 1 October 2024.

In essence under our proposal drivers will get up to one year extra on the current emissions policy.

We consider our proposal to be both reasonable and workable and in line with the Council's commitment to be carbon neutral by 2030. The alternative would be to give every vehicle on the fleet an extra year based on the current emissions policy.

However, we would like to add that this proposal is subject to the current situation remaining as it is or improving. If the current situation deteriorates and/or there are any further lockdown(s) by the Government then further review(s) would need to take place. In any case, we believe that it would be good practice to review this policy on annual basis for the next few years.

Best wishes

Asif



15<sup>th</sup> October 2020

Dear Cllr Page

Further to our letter of 9<sup>th</sup> September 2020, we hereby formally request to amend our previous proposal in light of the changes made by the Government which came into effect on 24<sup>th</sup> September 2020 due to the rising cases of Covid-19. The situation looks very bleak and it is almost certain that there will be further lockdowns possibly lasting until summer next year.

Since these new rules came into effect it has become almost impossible to earn a living. For instance, we have lost more than 95% of our work between 22.00 – 07.00 hours. We are struggling like never before and truly fear for the future of the trade. It is highly likely that some of us will not survive. We are working up to 15 hours a day, 7 days a week but still struggling to pay the bills and support our families. Under such pressures, how are we meant to buy new vehicles?

As previously stated there is an absence of financial help from both central government and RBC. We have been entitled to the Self-Employment Income Support Scheme and in the first tranche received 80% of our average trading profit over the past three tax years and 70% in the second tranche. However under the new scheme we will only be entitled to 20% for the period November 2020-January 2021, with there being no guarantee that it will be extended. I am sure you will agree, this will not be of much help to us.

Taking the above into consideration we request that all vehicles up to and including Euro Emissions 5a are given a minimum extension of 3 years. Secondly, we would like the removal of the minimum 8 years new to fleet requirement and replaced with a minimum of 10 years new to fleet requirement for a period of one year. This will give us the breathing space that we desperately need and seek. We are not in a financial position to change our vehicles in the next few years.

As you may be aware, Wokingham Borough Council has given an extension to all Hackney Carriage and Private Hire Vehicles as well as greatly reducing Licensing fees for this year. Birmingham City Council has delayed the implementation of ULEV's by five years from 1 January 2021 to 1 January 2026.

We really hope that in such dire times, RBC will do all it can to help us to survive.

Best wishes

Asif

Appendix 3 Comparison with other LA policies are detailed here.

- In July 2019 Transport for London released a staged approach age policy for their HCV fleet whereby ultimately no vehicle will be older than 12 years by 2022.
- Manchester and Southampton councils currently have a maximum age policy of 12 years. Whereas Birmingham Council has a maximum age policy of 15 years and Milton Keynes has a maximum age policy of 10 years. Oxford City Council require all Hackney Carriage Vehicles to be a minimum of Euro 4 from 1 January 2020, all new vehicles must be ULEV from 1 January 2022 and all vehicles must be ULEV by 1 January 2025.
- Southampton Council has now taken the decision to extend their cash back on their older taxis when purchasing new ULEV's from September 2020 until 31 December 2020. <https://www.southampton.gov.uk/environmental-issues/pollution/air-quality/concessions/>
- Birmingham Council has delayed the requirement for all new to fleet vehicles to be ULEV's from 2021 to 2026. <https://www.birmingham.gov.uk/blog/tph-bulletin/post/585/ulev-requirements-for-newly-licensed-vehicles>. However taxis that are not at least EUROVI will be charged to enter Birmingham's Clean Air Zone from June 2021.
- Nottingham City Council have made changes to their policy extending the lead in time for drivers to purchase a new ULEV taxi by six months. <https://www.nottinghampost.com/news/nottingham-news/taxi-drivers-refusing-buy-low-4153380>
- Wokingham Borough Council has delayed their 15yr hackney carriage age policy by 1 year and provided a reduction of £40 to their vehicle licence fees for a year (£248 to £208). <https://www.bracknellnews.co.uk/news/18776842.wokingham-taxi-drivers-giving-up-demand-plummets/?ref=rss>