

# Licensing Applications Committee

11 July 2024



**Reading**  
Borough Council  
*Working better with you*

<b>Title</b>	Hackney Carriage Vehicle Emissions and Age Policy Review
<b>Purpose of the report</b>	To make a decision
<b>Report status</b>	Public report
<b>Report author</b>	Clyde Masson, Principal Licensing Enforcement Officer
<b>Lead Councillor</b>	Councillor John Ennis
<b>Corporate priority</b>	Healthy Environment
<b>Recommendations</b>	<ol style="list-style-type: none"><li>1. That the proposed changes to the “Hackney Carriage Vehicle Emissions and Age Policy” be taken to consultation.</li><li>2. That a further report be submitted to a future meeting to adopt the final “Hackney Carriage Vehicle Emissions and Age Policy” having taken the results of the public consultation into account.</li></ol>

## 1. Executive Summary

- 1.1. The current Hackney Carriage Vehicle Emissions and Age Policy was adopted by Licensing Committee in 2019 to remove the older and more polluting vehicles whilst also improving local air quality within Reading.
- 1.2. In 2020 the Hackney Carriage Vehicle Emissions and Age Policy was paused for two years until 1st October 2022 due to the impact of the pandemic. This was further, later, extended to 1 of October 2023 which has now passed.
- 1.3. This report is to take a timely review of the policy and propose some adjustments.
- 1.4. There is a current policy in place which runs until 1 October 2028, if the new policy is agreed (after consultation) it will run until 2028 unless reviewed sooner.

## 2. Policy Context

- 2.1. Licensing Committee resolved to adopt the current Hackney Carriage Vehicle 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.
- 2.2. This was in line with the Governments move to end the sale of conventional petrol and diesel vehicles by 2030 and a commitment to meet short and longer-term reductions in air quality emissions. The Government have since delayed stopping the sale of petrol/diesel vehicles to 2035, as announced by Rishi Sunak in September 2023. Our policy is in line with the Reading Climate Emergency Strategy 2020-25, Local Transport Plan and Air Quality Action Plan.
- 2.3. At Committee on 9th December 2020 the Hackney Carriage Vehicle Emissions and Age Policy was paused for two years until 1st October 2022 due to the impact of the pandemic. At the time of the report, Reading Taxi Association (RTA) had requested a 3-year delay to the implementation of the policy due to the current challenging economic conditions. The RTA stated that they were currently running at a loss of 70-75% of their work in the daytime and up to 95% after 10pm, with only 50% of the fleet currently working.

- 2.4. A further report was brought to Licensing Committee in February 2022 with the purpose of reviewing this decision in view of the ongoing effects of the Covid-19 pandemic at that time and the request of the RTA to extend the pause in the policy by a further year, extending it to 1 October 2023. It was decided to extend the pause in policy but to remove the oldest and most polluting vehicles from the fleet by October 2022. The incentive of a free licence for 100% was continued.
- 2.5. These temporary arrangements have now come to an end, the effects on the trade of Covid-19 are over as we are seeing an increase in drivers and vehicles, a number (around 50) of our licensed vehicles are now hybrids, and Government policy changed, so now is a good time to review and adjust our policy to keep it fit for purpose.

### 3. The Proposal

- 3.1. The current policy 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.
- 3.2. The Council received representations from the Reading Taxi Association (RTA) in relation to the timetabled approach to the emissions policy on 19th August 2020 and 15th October 2020 due to the economic impact of the pandemic. They sought financial reprieve until the pandemic was under control as they stated they could not afford to upgrade their vehicles during a period of downturn in custom.
- 3.3. The RTA then requested a further delay to implementation of the policy requesting that all vehicles' Euro 5a and below were given an additional year under the Hackney Carriage Emissions Policy agreed by the Licensing Committee on 23 October 2019. This meant no changes to the existing fleet until 1st October 2023.
- 3.4. The council have been offering the following incentives for those upgrading their vehicles:

Date	Incentives
<b>From 1 April 2020</b>	All ULEV (CO2 <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.
<b>Offer extended until (ending on) 1 October 2023</b>	Any ULEV/100% electric vehicle that has never been on the fleet before receives a free licence for its first year on the fleet.

- 3.5. Although the offer officially ended on 1 October 2023, we have been continuing with it and propose to further continue with the offer until this policy is next reviewed.
- 3.6. The current policy runs until 1st October 2028 and sets out the following dates for vehicles to be replaced:
- 23rd October 2024 - The remaining 15 Euro 5a vehicles will be removed from the fleet.
  - 1st October 2025 - All Replacement vehicles are a minimum ULEV and less than 8 years old. This rule will apply regardless of whether the vehicle is new or an existing vehicle.
  - 1st October 2028 - All vehicles to be a minimum of ULEV.

- 3.7. In addition to the current policy above, officers propose the following:
- a) 1st October 2028 - All replacement vehicles shall be a minimum of ULEV and less than 5 years old. This rule shall apply regardless of whether the vehicle is new to fleet or an existing vehicle.
  - b) 1st October 2028 - Age limits for ULEV vehicles shall be set at a maximum of 15yrs and then removed from the fleet. \*Each vehicle shall be assessed on its own merit and an extension of up to a maximum of 2 additional years may be granted on renewal of the licence after a successful RBC compliance test.
  - c) When approved the policy shall run to 2035 when it will be reviewed again unless changes prompt a review sooner (e.g. changes to Government policy, changes to our Climate Emergency Strategy or Air Quality Plan, different vehicles becoming available onto the market).

#### **4. Contribution to Strategic Aims**

- 4.1. The Council's new Corporate Plan has established three themes for the years 2022/25. These themes are:
- Healthy Environment
  - Thriving Communities
  - Inclusive Economy
- 4.2. This policy contributes to the aspiration to work towards a clean, safe town which is easy to travel around, where people feel the benefits of clean air, as this policy will reduce carbon dioxide and nitrogen oxide (NOx) and particulate matter.
- 4.3. 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 Zero Emissions Capable (ZEC) model which uses electric with a backup EURO6 petrol engine for use when the battery has run out during long journeys. The petrol engine will emit some CO<sub>2</sub>, NOx or particulates.
- 4.4. This policy contributes to the Air Quality Management Strategy and Air Quality Action Plan objectives.
- 4.5. This policy contributes to the roadmap to a carbon neutral Reading by 2030, protecting our residents now and in the future.
- 4.6. Hackney Carriage drivers are part of our thriving community. This policy will provide certainty for them to confidently invest in new greener vehicles utilising our offer to waive the initial licence fee.
- 4.7. Encouraging the move to more socially responsible cleaner vehicles, highlighting the benefits to the trade, and providing greater choice to taxi users all supports the inclusive economy objectives. Residents, visitors, and businesses demand a greener alternative transport offer which we are supporting.
- 4.8. "Our Foundations" are also being supported:
- People first – We are providing greater choice for more environmentally sound options, as well as contributing to a cleaner and healthier environment.
  - Digital transformation – We are making it quicker, easier, and more efficient for licence applicants by harnessing technology.
  - Building self-reliance – Encouraging drivers to invest in less-polluting vehicles that they can confidently use for many years to recoup their investment.
  - Getting the best value – The best deal here is to protect people, jobs, the environment, and our income.

- Collaborating with others – Apart from the close working relationship we have fostered with the trade associations, we consult on all large policies that has potential to affect them or their livelihood, including this one.

## **5. Environmental and Climate Implications**

- 5.1. The decisions proposed in this policy will move Reading closer to the objective of a net zero carbon Reading by 2030 and contribute to the Reading Climate Emergency Strategy 2020-25 which covers electric vehicle infrastructure and scrappage of older vehicles.
- 5.2. This policy will contribute to the pathway to net zero priority seeking de-carbonising transport systems and by encouraging a switch to low/zero carbon modes of transport as well as supporting the phased replacement of petrol/diesel vehicles with electric vehicles.
- 5.3. This will reduce reliance on generation of carbon energy, and supports the key part of the pathway to net zero for Reading to 'go electric' and moving our population to a lower carbon lifestyle.
- 5.4. This policy contributes to the Transport Theme Action Plan element T19 "Reduce emissions from the Taxi Fleet", the described aim of which is "Require all taxis and private hire vehicles to be electric or hybrid by 2030".

## **6. Community Engagement**

- 6.1. The Hackney Carriage drivers will be consulted by way of public consultation and through their trade association, the RTA.

## **7. Equality Implications**

- 7.1. It has been considered and the decisions within this policy are not believed to have any likelihood to have a differential impact on people with protected characteristics, being: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex (gender) or sexual orientation.
- 7.2. The vehicle age and emissions criteria will apply equally to all vehicles used by Hackney Carriage drivers and has no foreseeable intentional or unintentional consequences of causing disadvantage to any individuals or group based on their protected characteristics. The trade is being consulted on these proposals.

## **8. Other Relevant Considerations**

- Public Health implications – Improvement in air quality will cause an improvement to the health of residents.
- Economic impact on Hackney Carriage drivers – they will be consulted on these proposals.
- Air Quality – The Council's Air Quality Project Officer is being kept informed.

## **9. Legal Implications**

- 9.1. The Local Government (Miscellaneous Provisions) Act 1976, section 47(1) states that a Council may attach to the grant of a licence of an HCV under the Town Clauses Act 1847 such conditions as the 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 an HCV.

Section 47 (3) states that any person aggrieved by any conditions attached to such a licence may appeal to a Magistrates' Court.

## **10. Financial Implications**

- 10.1. The financial estimates from the original policy have been slightly altered as we can now, more accurately predict/estimate, that it is likely to be around 30 vehicles per year.
- 10.2. 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 (see table below) from owners who purchase a ULEV or 100% electric vehicle. It has been seen over the last two years that it is a very gradual increase, which we anticipate will continue at a gradual rate until 2029.
- 10.3. The financial implications arising from the proposals will depend on take up of the incentives. Our current best estimate is that there would be a net loss of income of around £10 per annum as vehicles make the switch.
- 10.4. Our estimate assumes we will get 30 per year at £336 each so  $30 \times £336 =$  a £10,080 loss of income each year while this policy stays in place.
- 10.5. The shortfall income is expected to be absorbed within the current budget allocation. In future as we conduct annual reviews of fees charged we can ensure income to the budget remains adequate to cover all administrative and enforcement costs.

## **11. Timetable for Implementation**

- 11.1. The next milestone will be to come back to Committee (in November 2024) with the benefit of the input from the consultation.

## **12. Background Papers**

- 12.1. There are none.

## **13. Appendices**

- 13.1. Appendix HCEAP/1 – Past, current, and future proposed dates to apply.
- 13.2. Appendix HCEAP/2 – Climate Impact Assessment tool outcome.