

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

LICENSING COMMITTEE – 21 MARCH 2012

Title of report	REVIEW OF HACKNEY CARRIAGE AND PRIVATE HIRE VEHICLE AGE POLICY
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Purpose of report	To consider the approval of a revised policy and condition relating to the age of Private Hire and Hackney Carriage Vehicles
Council Priorities	Pride in the Community
<p>Implications:</p> <p>Financial/Staff</p> <p>Link to relevant CAT</p> <p>Risk Management</p> <p>Equalities Impact Assessment</p> <p>Human Rights</p> <p>Transformational Government</p>	<p>No staffing implications</p> <p>Business CAT</p> <p>Should the trade view changes as being unduly stringent and unreasonably putting up the cost of operation, some licence holders may choose not to renew their licence resulting in a loss of income to the Council.</p> <p>Not on current 3 year Test of Relevance list, however, Screening for Impact Decision Check-list completed</p> <p>Not applicable</p> <p>This relates to the new ways in which council's are being asked to deliver their services.</p>
Comments of Head of Paid Service	Report is Satisfactory
Comments of Section 151 Officer	Report is Satisfactory

Comments of Monitoring Officer	Report is Satisfactory
Consultees	Other Licensing Authorities, Corporate Leadership Team (CLT), Licensing Committee, NWLDC licensed drivers and Operators, Leicestershire Chamber of Commerce, Ashby Town Council, VOSA, National Private Hire Association, Department of Transport, NWLDC Staff Disability Group, local bus companies, members of the public
Background papers	Taxi and Private Hire Vehicle Licensing Best Practice Guide available from www.dft.gov.uk
Recommendations	<p>THAT LICENSING COMMITTEE APPROVE THE DRAFT VEHICLE AGE POLICY AND COMMENCEMENT DATES DETAILED AT PARAGRAPH 7.1</p> <p>THAT LICENSING COMMITTEE APPROVE THE DEFINITION OF 'EXCEPTIONAL CONDITION' DETAILED AT PARAGRAPH 2.2</p>

1.0 BACKGROUND AND CONTEXT

- 1.1 It is a duty of the Council to ensure that the vehicles it licenses, either hackney carriages (HC) or private hire vehicles (PHV), are safe to be used on the road. The travelling public assume that the vehicles in which they are travelling are safe with the aim of licensing policy being to ensure that this assumption is correct.
- 1.2 Regular enforcement activities are undertaken to monitor vehicle standards and to provide an incentive for vehicle licence holders to ensure that their vehicle meets the Councils vehicle examination pass standard. Various measures have been put in place to encourage vehicle owners to present their vehicle to the Council depot in a condition that passes the examination on the first occasion. We are currently on track to achieve the target of a 77% first time pass rate for all programmed depot examinations. Prior to being granted a licence Licensing Enforcement Officers undertake a visual examination of a vehicle. Any vehicle that is of a scruffy appearance is refused a licence at that stage.
- 1.3 Enforcement activity has shown that between scheduled depot examinations vehicles are not receiving adequate maintenance. During 2010/11 only 40% of vehicles stopped by Licensing Enforcement Officers during on the spot enforcement initiatives were found to be of an acceptable standard. Analysis of the data relating to vehicles failing scheduled depot examinations and enforcement initiatives has identified that it is the older vehicles that are failing most.
- 1.4 The introduction of a retest fee in August 2010 for all vehicles failing their depot examination or found to be defective as a result of an enforcement initiative has gone some way to improving the standard of licensed vehicles and has increased the first time pass rate.

- Between April 2011 and February 2012, 76% of vehicles passed their scheduled depot inspection on the first occasion.
- Between April 2011 and February 2012, 67% of vehicles were found to be of 'pass standard' following an 'on the spot' inspection.

1.5 However it is felt that more work is required to address the higher defect and failure rate of older vehicles. It is therefore proposed to amend the current policy relating to vehicle age.

2.0 CURRENT POLICY AND CONDITION

2.1 The current conditions relating to vehicle age read:

2.1.1 Hackney carriage vehicles must not be over 8 years old on the date of the first application, with the following exceptions:

Purpose-built London-style cabs (eg Austin FX4, TX1).

Other vehicles which are in an exceptionally well maintained condition, subject to their being inspected with regard to mechanical fitness and appearance at 6 monthly intervals.

2.1.2 Private hire vehicles must not be over 8 years old on the date of the first application, with the exception of vehicles in an exceptionally well maintained condition, subject to their being inspected with regard to mechanical fitness and appearance at 6 monthly intervals.

2.2 An exceptionally well maintained vehicle is one that:-

- 1) Is expected to pass its Council depot examination on the first occasion. However, if the vehicle fails it will be allowed one retest. Failure of the retest will preclude the vehicle from being licensed.
- 2) The bodywork should have no signs of panel deterioration due to age. It should not have unrepaired damage, dents, and scratches or chipped paintwork. Any paint resprays should be of good quality and match the remainder of the paintwork.
- 3) The exterior trim should be as per the manufacturer's original specification. No trim will be missing and all 4 hub caps (if part of original specification) will be present, matching and scuff free.
- 4) The interior trim, panels, seating and carpets should be clean, free from damage and discolouration. Fabric must not be frayed, torn or threadbare. Seat covers will be permitted but the underlying seat will not have any of the previously mentioned faults.
- 5) The boot or luggage compartment must have no loose padding or plastic trim. It must be clean and undamaged and fit for the purpose of carrying luggage.
- 6) Passenger areas should be free from damp and odours that may cause passenger discomfort.

A vehicle of 'Exceptional Condition' must give the impression that it is being cared for by its owner. If an 8 year old vehicle looks like an 8 year old vehicle it will not be of an 'Exceptional Condition'.

3.0 BEST PRACTICE

- 3.1 The Department for Transport first issued Best Practice Guidance in October 2006 to assist those local authorities in England and Wales that have responsibility for the regulation of the taxi and private hire vehicle (PHV) trades. This Guidance is intended to assist licensing authorities but it is only guidance and decisions on any matters remain a matter for the authority concerned.
- 3.2 The Best Practice Guide states that it is perfectly possible for an older vehicle to be in good condition. So the setting of an age limit beyond which a local authority will not license vehicles may be arbitrary and inappropriate. But a greater frequency of testing may be appropriate for older vehicles - for example, twice-yearly tests for vehicles more than five years old.
- 3.3 Any Council which imposes an age limit on its vehicles must be prepared to consider applications from vehicles that are in “exceptional condition” as case law dictates that it is illegal to have a blanket policy for all vehicles that is inflexible (see Sharpe v Nottingham City Council, February 1981)

4.0 BENCHMARKING

The following table summarises other local authority vehicle age policies. All age policies apply to both new and renewal applications:

Local Authority	Age Policy – Age limit unless in exceptional condition	
	Hackney Carriages	Private Hire Vehicles
Hinckley & Bosworth BC	5 years	5 years
Erewash	5 years	5 years
Harborough DC	5 years	5 years
Leicester City	8 years	5 years
Oadby & Wigston BC	8 years	5 years
Blaby DC	8 years	5 years
Charnwood BC	6 years	6 years
East Staffordshire DC	10 years	7 years
North West Leicestershire DC	8 years	8 years
South Derbyshire DC	8 years	8 years

5.0 PUBLIC SAFETY CONSIDERATIONS

- 5.1 The aim of local authority licensing of the taxi and PHV trades is to protect the public. Local licensing authorities must also be aware that the public should have reasonable access to taxi and PHV services, because of the part they play in local transport provision. Licensing requirements which are unduly stringent will tend unreasonably to restrict the supply of taxi and PHV services, by putting up the cost of operation or otherwise restricting entry to the trade. Local licensing authorities should recognise that too restrictive an approach can work against the public interest – and can, indeed, have safety implications.

6.0 CONSULTATION PROCESS

6.1 Corporate Leadership Team were consulted at a meeting on 4 October and gave their support to a review of the vehicle age policy and an 8 week consultation process.

6.2 Licensing Committee were consulted at a meeting on 23 November and agreed to an 8 week external consultation process.

6.3 An 8 week consultation process was undertaken with the following organisations and groups being consulted:

- NWLDC licensed drivers and operators.
- Local Tourist Board
- Leicestershire Chamber of Commerce
- Coalville Town Centre Manager
- Ashby Town Council
- VOSA
- National Private Hire Association
- Department of Transport
- Local Disabled Groups
- Local Bus Companies
- Public

6.4 Comments were sought on the following proposals:

Proposal 1 - To amend the vehicle age policy to apply to all applications (new and renewal)

Proposal 2 - To amend the current age limit from 8 years to 6 years, phased over 2 years.

6.5 The table below details all consultee comments and subsequent responses made:

Consultee Name	Consultee Comment	Response
Abid Hussain	I am emailing to give my opinion of the proposed changes and would like to say that I am not very happy about them. In my opinion it is not practical for us drivers to have to update our cars to new models as the area we work in is quite rural and does not have much business from customers so I don't really see the point in upgrading our cars. Thank you.	There is no requirement to operate vehicles aged less than the stated age limit. If a vehicle is of exceptional condition as laid down in the vehicle conditions it could be significantly older than the age limit.
Babar Ali	Most drivers look after their vehicle and maintain them on a regular basis in order to get the most from their investment. By doing this they are able to get 8 years or more from their vehicle before requiring any replacement. However there are a few who don't and council need to consider this in any policy changes. Further more reducing vehicle age down to 6 years, before it's actually necessary, would put most drivers under pressure financially, since there has been quite a reduction in public demand for taxis over the years due to the recession.	The Council requires that their operators do maintain their vehicles in a diligent way. This is paramount for passenger and driver safety. There is no requirement to operate vehicles aged less than the stated age limit. If a vehicle is of exceptional condition as laid down in the vehicle conditions it could be significantly older than the age limit.

Consultee Name	Consultee Comment	Response
	Increases in costs make it more difficult to recover the costs of the vehicle in such a short time. In my opinion what would favour the trade would be to allow current 8 year limit for new and existing provided the vehicle meets council requirements, and for those driver who continue to not maintain the vehicles to be made to scrap the vehicle for a replacement. Should the council only consider proposal 1 or 2 then I would vote for Proposal 1 allowing up to 8 years.	
Madad Chaudhary	I am emailing to give my opinion of the proposed changes and would like to say that I am not very happy about them. In my opinion it is not practical for us drivers to have to update our cars to new models as the area we work in is quite rural and does not have much business from customers so I don't really see the point in upgrading our cars. I have seen more busy areas such as Birmingham and Leicester city centre with many drivers using J Reg cars so I don't think it is convenient for me. Thank you.	<p>There is no requirement to operate vehicles aged less than the stated age limit. If a vehicle is of exceptional condition as laid down in the vehicle conditions it could be significantly older than the age limit.</p> <p>The policy of each Local Authority cannot be taken into account when devising an age policy for NWLDC vehicles. The Council is keen to increase standards.</p>
Nosha Sultan	I am emailing to give my opinion of the proposed changes and would like to say that I am not very happy about them. In my opinion it is not practical for us drivers to have to update our cars to new models as the area we work in is quite rural and does not have much business from customers so I don't really see the point in upgrading our cars. Thank you.	<p>There is no requirement to operate vehicles aged less than the stated age limit. If a vehicle is of exceptional condition as laid down in the vehicle conditions it could be significantly older than the age limit.</p>
Kenny Bird	<p>Airport Cars has been in business since 1969 providing a high class chauffeur service to locally based international companies, taking their executives to both Heathrow and Birmingham Airports. We pride ourselves in being professional and business like in meeting our customers' requirements. We feel that the proposed changes to vehicle age would be a serious burden on our cost base. Currently our members, when replacing their cars, would typically seek out a one-owner, low mileage executive car of 5 years of age. This could then be used and depreciated over a further 3 years. Under your proposals we would have to purchase the equivalent car of 3 years old. This would represent an additional cost of £10,000 - or a weekly write-down of £66. This is not a highly paid occupation and this proposed weekly cost increase is too much for us to carry, and our whole livelihood would be seriously jeopardised.</p> <p>We do note that Leicester City taxi licensing is currently considering increasing their age limit from 8 to 10 years.</p>	<p>There is no requirement to operate vehicles aged less than the stated age limit. If a vehicle is of exceptional condition as laid down in the vehicle conditions it could be significantly older than the age limit.</p> <p>The policy of each Local Authority cannot be taken into account when devising an age policy for NWLDC vehicles. The Council is keen to increase standards.</p>
Simon Moss	This is the worst possible time to bring in reducing the age of vehicles we are all suffering rising costs especially insurance. The eight year age limit has been in force for the fifteen years I have	<p>There is no requirement to operate vehicles aged less than the stated age limit. If a vehicle is of exceptional condition as laid down in the vehicle conditions it could be significantly older</p>

Consultee Name	Consultee Comment	Response
	<p>been a private hire driver. If a vehicle passes its council test and is in good condition I fail to see where the age comes into it. I always keep my car in perfect condition and at the last test which was done by the foreman at the testing centre he commented how immaculate it was for its age. I realise there are drivers who don't look after their vehicles at the last spot check had the driver before had a bald, illegal tyre they deserve to fail. But to punish the drivers who keep their cars regularly serviced and road worthy at a time of recession this couldn't come at a worst possible time.</p>	<p>than the age limit.</p> <p>The policy recommendations will not affect those operators/drivers like Mr Moss who take pride in the way their vehicle looks and maintained.</p>
Karl Gregson	<p>I would like to make my comments on the proposal to reduce the age from eight years to six years. I personally think it is a good idea because it ensures a good standard of vehicle for the county's image and ensures the public have a modern vehicle with all its safety features to travel in, I have had many comments on how nice it was to travel in a newish taxi that was so clean and not some old car with the odd wheel trim missing etc. My view is that the exceptional condition element should be removed as a criteria for extending the age limit as surely all vehicles should be of exceptional condition whilst plated, and then everybody knows that when a vehicle reaches a certain age its plate expires and this will help them know the date to plan for its replacement and not thinking (I might get it through again) I would like to just make a few comments re wheelchair accessible vehicles, as they play an important role in assisting people that have a wheelchair requirement in their travel arrangements they really need to be in a good condition so I think they should move in line with the age reduction proposal, I however feel that they should be exempt from plating fees to help maintain their current levels, as I do not think we are talking a lot of vehicles the cost could be offset with a small rise in general plate fees once we are at the six year limit.</p>	<p>Supports a policy that requires the replacement of vehicles that reach a certain age limit.</p> <p>However, there is no requirement to operate vehicles aged less than the stated age limit. If a vehicle is of exceptional condition as laid down in the vehicle conditions it could be licensed for significantly longer than the stated age limit.</p> <p>Supports the notion that wheelchair accessible vehicles (WAV) should be part of the same policy governing other vehicles. He is in favour of reducing plating fees for WAVs which has been noted. However this is outside of the scope of this consultation.</p>
Stephen Watkinson	<p>I am writing in response to the proposed amendment to the council's vehicle age policy for Hackney carriages and Private Hire vehicles.</p> <p>Firstly I believe that the proposed amendment to reduce the age limit from 8 years to 6 years is unaffordable at present even if phased in over a period of two years. Airport Cars specialize in corporate work offering executive quality vehicles. The proposed change is likely to cost an extra £3,000 per year. There have already been significant increases in the cost of insurance and fuel as well as servicing and other running costs. The whole of Europe is on the</p>	<p>There is no requirement to operate vehicles aged less than the stated age limit. If a vehicle is of exceptional condition as laid down in the vehicle conditions it could be significantly older than the age limit.</p> <p>The policy of each Local Authority cannot be taken into account when devising an age policy for NWLDC vehicles. The Council is keen to increase standards.</p>

Consultee Name	Consultee Comment	Response
	<p>verge of a recession. British Midland has been acquired by British Airways and other corporate users are reducing taxi usage. The outlook looks quite difficult over the next few years and as such now is completely the wrong time to reduce maximum age of vehicles. Indeed Leicester City Council is looking at proposals not to reduce the age limit but to increase it to ten years. Their statutory obligations are no less than those of North west Leicestershire yet given their consideration to allow older vehicles they assess that allowing older vehicles will not affect vehicle safety given the rigorous vehicle testing procedures in place. What's required is consistency between local authorities and should Leicester City Council adopt the 10 year proposal and you adopt your proposal for 6 years then this would be a gulf too far. I therefore object to a reduction in the vehicle age policy at this time.</p>	

6.6 Consideration has been given to introducing a more relaxed age limit restriction to vehicles capable of carrying passengers in wheelchairs. Consultee views have been sought on this matter. Licensing Committee commented that the age policy for wheelchair accessible vehicles should be the same as non wheelchair accessible vehicles. Karl Gregson, a current licensed driver agrees with the view of Licensing Committee. No other comments were received regarding the issue of wheelchair accessible vehicles.

7.0 PROPOSED AMENDMENTS TO CURRENT VEHICLE AGE POLICY AND IMPLEMENTATION PLAN

All consultee comments have been fully considered.

7.1 Recommendations

- To extend the vehicle age limit to apply to vehicles already licensed by the Authority (extend the policy to renewal applications).

Commencement date 1st October 2012

- To introduce a vehicle age limit of 7 years for both Private Hire and Hackney Carriage Vehicles with the following exceptions:

Purpose-built London-style cabs (eg Austin FX4, TX1).

Other vehicles which are in an exceptionally well maintained condition, subject to their being inspected with regard to mechanical fitness and appearance at 6 monthly intervals.

Commencement date 1st April 2013

- To introduce a vehicle age limit of 6 years for both Private Hire and Hackney Carriage Vehicles with the following exceptions:

Purpose-built London-style cabs (e.g. Austin FX4, TX1).

Other vehicles which are in an exceptionally well maintained condition, subject to their being inspected with regard to mechanical fitness and appearance at 6 monthly intervals.

Commencement date 1st April 2014

8.0 IMPLICATIONS FOR CURRENT LICENCE HOLDERS

- 8.1 The recommendations would result in additional expenditure (maintenance or purchase of newer vehicle) for those vehicle owners with a vehicle that is older than the vehicle age limit of 8 years (From 1st October 2012) 7 years (April 2013) 6 years (April 2014) and is not in exceptional condition.
- 8.2 The current licensed vehicle fleet consists of 245 vehicles. Of the 245 vehicles, 95 are hackney carriage vehicles and 150 are private hire vehicles.
- 8.3 The following table provides an analysis of vehicle type and age. The data was extracted from the database on 15th February 2012:

Age	Hackney Carriage	Private Hire
0-5 years	19 (20%)	85 (57%)
6 years	13 (14%)	13 (9%)
7 years	15 (16%)	11 (7%)
8 years plus	48 (50%)	41 (27%)