Regulatory Committee

10.00am, Monday, 21 November 2022

Age Limitation and Emissions Standards for Taxis and Private Hire Cars – Update

	Executive/routine Wards Council Commitments	All
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1. Recommendations

1.1 Regulatory Committee is asked to note the contents of this report.

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Executive Director of Place

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Report

Age Limitation and Emissions Standards for Taxis and Private Hire Cars – Update

2. Executive Summary

2.1 This report provides Committee with an update on the implementation of the Age and Emissions policy.

3. Background

- 3.1 The licensing of taxis and Private Hire Cars (PHCs) is an optional activity in terms of the Civic Government (Scotland) Act 1982 ('the Act'). As Licensing Authority, the City of Edinburgh Council passed a resolution in terms of Section 9 of the Act stating that Sections 10 to 23 should have effect throughout the city, and licences should be required for taxis and 'PHCs from 1 July 1984 ('City of Edinburgh Taxi and Private Hire Car Driving Resolution 1983').
- 3.2 Section 10 of the Act requires the licensing authority to be satisfied as to the suitability in type, size and design of a vehicle for use as a taxi or PHC before granting or renewing a taxi or PHC licence.
- 3.3 On <u>16 March 2018</u>, Committee agreed an Age and Emissions policy for taxis and PHCs (Appendix 1), which took effect from 7 May 2018. The policy:
 - 3.3.1 Introduced an age limitation in respect of taxis and PHCs; and
 - 3.3.2 Incrementally increases the minimum emissions standards for the engines in these vehicles, which will improve emissions standards.
- 3.4 On <u>2 November 2020</u>, Committee agreed to amend the terms of the Age and Emissions policy taking account of the impact of the pandemic, by delaying the implementation date of certain milestones until 30 September 2021 as follows:
 - 3.4.1 <u>Existing vehicles</u> no application will be accepted for licensing a taxi or PHC or as a replacement vehicle for an existing taxi or PHC if it was more than 10 years old (from the date of first registration). This was originally intended to come into force on 1 April 2021; and

- 3.4.2 <u>Vehicles not currently licensed</u> no vehicle will be accepted for licensing as a taxi or PHC or as a replacement vehicle for an existing taxi or PHC unless it is a Euro 6. This was originally intended to take effect on 1 October 2018.
- 3.5 On <u>23 August 2021</u>, Committee agreed to further amend the terms of the Age and Emissions policy to allow Licence holders to purchase Euro 5 vehicles, which are not already part of the City of Edinburgh licensed fleet this was extended until 1 April 2022.
- 3.6 This was designed to:
 - 3.6.1 Assist members of the trade who want to convert vehicles and engines to Liquified Petroleum Gas (LPG); and
 - 3.6.2 Enable licence holders to retain vehicles for an additional six month period prior to having to replace their existing vehicles.
- 3.7 In addition to extending the previous implementation milestones, Committee agreed to allow LPG retrofit of both taxi and PHCs, subject to the following conditions:
 - 3.7.1 Any such systems must be approved by the Energy Saving Trust;
 - 3.7.2 Relevant certification must be provided prior to submitting the vehicle for test at the Taxi Examination Centre;
 - 3.7.3 The system is installed by a garage approved by the Energy Saving Trust Accreditation Scheme; and
 - 3.7.4 The retrofit solution does not interfere with the structural integrity of the vehicle.
- 3.8 Since the introduction of the Age and Emissions policy, the Licensing Service has received approximately 700 applications to vary the conditions of taxi or PHC licences. These have been or are in the process of being referred to Committee for determination as to whether an exemption to the policy should be made.
- 3.9 The following table provides a year-by-year breakdown of decisions made by Committee on applications for exemption since the implementation of the policy in May 2018. Time periods relate to the policy anniversary date.

	2018-2019	2019-2020	2020-2021	2021-2022	Total
Granted	137	141	91	45	414
Withdrawn	32	16	11	8	67
Refused	115	29	16	2	162
Continued	2	8	2	1	13
Total	286	194	120	56	656

4. Main report

Age and Emissions Update

- 4.1 There are currently 1,277 licensed taxis and 2,089 PHCs in Edinburgh.
- 4.2 Approximately 971 taxis and 1,821 PHCs have been upgraded to meet the new conditions 76% and 85% respectively of each fleet. Approximately 306 taxis and 268 PHCs are still required to be upgraded over the next 12 to 18 months in order to be compliant with licensing conditions and the Age and Emissions policy. The table below shows the breakdown of the vehicles currently licensed in each of the emission categories and the number of vehicles that are currently over 10 years old or will be over 10 years old in the next year.

	Taxis	PHCs
Age		
Over 10 years at 1 April 2022	135	72
Over 10 years at 1 April 2023	168	138
Emissions category		
Euro 6	761	1,227
Euro 5	259	268
Euro 1-4	47	0
Electric	110	42
LPG	94	6
Exhaust retrofit	6	0
Hybrid	0	546
Total no.	1,277	2,089

- 4.3 All licensed vehicles, irrespective of age, are required to pass an annual Certificate of Compliance Check. This includes a full MOT, including emissions testing, and a full compliance check with respect to the Council's Taxi and Private Hire licensing conditions. Vehicles over 10 years old are required to be submitted for an additional examination every six months
- 4.4 It is essential that commercial vehicles carrying passengers are maintained to the highest possible standard and in a roadworthy condition at all times. Prior to lockdown, the standard of vehicles presented for inspection fell well below the national average MOT pass rate of circa 70% for such vehicles (DVSA class III and IV) (DVSA website). At that time the pass rate for taxis was only 49% and PHCs 58%, giving an overall average of 55%. Since the introduction of the Age and Emissions policy in 2018, there has been continued improvement in the overall pass rate, which is now 74% for both taxis and PHCs.
- 4.5 There remains a concern that this level of improvement is not matched for vehicles over 10 years old, where the pass rate remains significantly below the fleet overall at 23% for taxis and 27.5% for PHCs.
- 4.6 The next and last policy milestones will take effect from 1 April 2023, when no applications will be accepted for licensing a taxi or PHC or as a replacement vehicle

for an existing taxi or PHC unless it has an emissions standard of Euro 6 or above. Members will note from the table above that 527 vehicles are currently Euro 5, which is 20% of the taxi fleet and 12% of the PHC fleet.

Age Limitations

4.7 When the policy was first considered by Committee the proposal was to restrict the permitted vehicle age for all new taxi and PHC licence applications or change of vehicle applications to 'less than five years from the date of first registration'. Following consultation with the trade, this was amended to enable all vehicles to be accepted for test if it had been less than 10 years since the vehicle was first registered. In addition to this amendment, in an effort to encourage the trade to upgrade vehicles, the 10 year limitation was increased to 14 years for electric vehicles. A further amendment to the policy enabled vehicles to be converted to LPG and benefit from the 14 year age limitation. A significant number of the converted LPG vehicles over 10 years old are now struggling with their compliance examination.

Exemption from Policy

- 4.8 The Committee is asked to note that the position remains unchanged, in that any applicant for either the grant or renewal of a taxi or PHC licence may request that a standard condition is disapplied in relation to their licence. Where an applicant seeks an exemption from the standard conditions in relation to either the age limitation or emission standards, such applications will be referred to Committee for determination on a case-by-case basis, and it will be for individual applicants to set out their position as to why the conditions should not be applied. In any such case, were an applicant's request for exemption to be refused, the applicant would be entitled to appeal the Committee's decision to the Sheriff.
- 4.9 During the pandemic, to support the trade and enable owners to continue to operate their vehicles, all vehicles were being examined and plated prior to their exemption application being heard at Committee. Now that the Committee process is fully re-established, the practice of testing vehicles prior to an age and emissions hearing has stopped, and applications are considered in line with officers' delegated authority. This ensures that vehicles are appropriately plated and licensed, in line with Committee decisions.

Low Emission Zone

4.10 Low Emission Zones (LEZs) in Scotland are mandated by the Scottish Government to reduce longstanding exceedances of legal air quality objectives (Nitrogen Dioxide) originating from urban road traffic. LEZs help to improve air quality by discouraging the most polluting vehicles from entering an area, which will help to improve public health and wellbeing. In May 2021, the Regulations to give local authorities detailed powers under the Transport (Scotland) Act 2019 to create and enforce LEZs became law. Following final Transport and Environment Committee approval of the preferred Low Emission Zone (LEZ) scheme in <u>March 2022</u>, and

subsequent statutory processes, Scottish Ministers approved the LEZ in May 2022. Consequently, the LEZ was introduced on 31 May 2022, and following a two year grace period, enforcement will commence on 1 June 2024.

4.11 Any further extension or exemption from the Age and Emission policy timeline must therefore take cognisance of the LEZ implementation - in particular the enforcement of the LEZ, which will commence on 1 June 2024. This means that the hire car fleet will be required to be Euro 6 compliant by Spring 2024, or vehicles will be effectively unable to operate within the LEZ designated areas within the city, irrespective of any extension of licensing milestones.

5. Next Steps

5.1 Council officers will monitor the implementation of the policy and will provide a further update in 12 months.

6. Financial impact

- 6.1 Overall, the report will not create any additional costs to the Council budget. The mitigation measures previously agreed (allowing any operator who applies to change their vehicle without paying the normal change of vehicle variation fee) are estimated at £60,000 over four years. This will be contained within the licensing budget.
- 6.2 Any further costs of implementing policy changes will be contained within the current ring-fenced income generated from licence application fees.

7. Stakeholder/Community Impact

- 7.1 The development of policy in respect of the licensing of taxis and PHCs is part of the wider policy-making role for the Council. It is essential that all strategic aims of the Council are considered, and that where appropriate the taxi and PHC licensing policy is consistent with these aims.
- 7.2 Air Quality Management Areas have been declared at five areas across the city where air quality assessment has identified that UK air quality objectives are not being met.
- 7.3 This policy will reduce the carbon footprint of the taxi and PHC trade within the city and will contribute to the Council's Sustainable Energy Action Plan to reduce carbon emissions across the city.
- 7.4 The contents and recommendations neither contribute to, nor detract from, the delivery of the three Public Sector Equality Duties.

- 7.5 The contents and recommendations described in this report do not deliver any outcomes relating to the ten areas of rights, nor do they enhance or infringe them.
- 7.6 As a result of COVID-19, Council officers' regular meetings with trade representatives were affected. Meetings have now resumed, and officers met with members of the trade on 1 March 2021, 14 May 2021, 20 August 2021, 7 October 2022.

8. Background reading/external references

8.1 None.

9. Appendices

- 9.1 Appendix 1 Taxi and Private Hire Cars Age Limitation and Emission Standards Policy (new policy agreed by the Regulatory Committee on 16 March 2018) (as amended).
- 9.2 Appendix 2 Licensing Conditions.

Taxi and Private Hire Cars Age Limitation and Emission Standards Policy. Updated 23rd August 2021

Taxi or PHC licensed by the City of Edinburgh Council

<u>Age Limit</u>

- Effective 1st April 2022 there will be an Age Limit applied to Taxis and Private Hire Cars (PHC) licensed by the City of Edinburgh Council, Subject to meeting normal conditions about roadworthiness, a taxi and PHC can be submitted for test prior to the 10th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period.
- 2. Effective 1st April 2022 Any Taxi or PHC which is converted to LPG will be an exception to the above age limit and allowed an additional <u>4 years of operation</u>. Subject to meeting normal conditions about roadworthiness and 6 monthly compliance tests from the vehicles 10th anniversary this will allow a vehicle to be submitted for test prior to the 14th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period
- 3. Effective 1st April 2022 to allow any Electric Taxi or PHC, which is not a hybrid vehicle, to be an exception to the 10 year age limit and allow an additional <u>4 years of operation</u>. Subject to meeting normal conditions about roadworthiness and 6 monthly compliance tests from the vehicles 10th anniversary this will allow a vehicle to be submitted for test prior to the 14th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period

In addition to vehicles requiring meeting the above age limits, the emission standards set out below will also apply with the relevant date for both age limitation and emission standards being the earliest date applicable in either category.

Emission Standards

4. Effective 1 April 2019 no Taxi or PHC will thereafter be accepted for test unless it is Euro 5 or above. Any Euro 0-4 Taxi or PHC which has passed its test and is licensed prior to 1 April 2019 may continue to be operated until its licence expires or 31 Mar 2020 whichever date is earliest.

- 5. From **1 April 2022** any new or replacement motor vehicle to be submitted for test in respect of a PHC or Taxi licence will require to be (or exceed) a Euro 6 taxi vehicle unless that vehicle is currently licenced by The City of Edinburgh Council
- 6. **Effective 1 April 2023** no Taxi or PHC will thereafter be accepted for test unless it is Euro 6 or above.

Electric Vehicles

7. Any Electric Taxi or PHC, which is not a hybrid vehicle, to be an exception to the 10 year age limit and allow an additional <u>4 years of operation</u>. Subject to meeting normal conditions about roadworthiness and 6 monthly compliance tests from the vehicles 10th anniversary this will allow a vehicle to be submitted for test prior to the 14th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period.

Hybrid Vehicles

- 8. Hybrid cars have electric elements to their powertrains but cannot be considered 'electric cars' due to the presence of a petrol engine. The term 'hybrid' is <u>technically quite vague</u>, but in the context of cars almost always refers to a petrolelectric powertrain. This means the car uses a combination of electricity stored in batteries and petrol stored in a tank to propel the car forward.
- 9. Hybrid cars at time of manufacture / registration all have a Euro rating which reflects the vehicles emissions level.

LPG Vehicles

- 10. Prior to 2018 licensing conditions prevented the use of LPG vehicles and they had never previously been considered appropriate for licensing.
- 11. Any existing vehicle licenced by CEC can be converted to LPG provided that the following can be shown by the operator and that any modification is carried out at the owner's risk:
 - a. It is assessed as safe by the Taxi Examiners.
 - b. it is accompanied by an approval certificate obtained from DVSA; and
 - c. After such conversion subject to meeting normal conditions about roadworthiness and 6 monthly compliance tests from the vehicles 10th anniversary this will allow a vehicle to be submitted for test prior to the 14th anniversary of its registration for renewal of licence and can continue to operate until the expiry of that licence period.

Retro Fit / Replacement engines

- 12. Retrofit means altering a vehicle's engine to reduce its emissions. Most retrofit systems fit to the existing 'dirty' engine and clean it up. Adding a filter and catalyst to the engine's exhaust reduces particulate matter (PM) and oxides of nitrogen (NOx), made up of nitrogen monoxide, or nitric oxide (NO) and nitrogen dioxide (NO2). Particulate matter (PM) includes soot and wind-blown dust. A diesel particulate filter (DPF) is fitted to remove 98-99% of tailpipe particulates. Nitrogen oxide (NOx) comprises nitric oxide (NO) and nitrogen dioxide (NO2). By fitting a selective catalytic reduction (SCR), NOx is reduced by 80-90%
- 13. In some cases, a vehicle can be re-engined, i.e., the old engine is replaced with a new, cleaner engine. However, this requires significant upgrades to other parts of the vehicle's fuel and exhaust systems to be effective (i.e., replacement engine or LPG conversion.
- 14. In more general term just because a vehicle has been converted does not mean that its Euro 6 will change. DVSA advise that there is no mechanism to reclassify a vehicles Euro once a vehicle is given a euro classification it will always have this, and the V5 vehicle registration document cannot be changed in that regard. The Euro rating once issued remains with the vehicle for life.
- 15. Given that there are a wide range of retrofit solutions available Any existing vehicle licenced by CEC can be adapted to Euro 6 subject to the following conditions:
 - a. Any such systems must be approved by the Energy Savings Trust;
 - b. Relevant certification must be provided prior to submitting the vehicle for test at the Taxi Examination Centre (TEC);
 - c. The system is installed by a garage approved by the Energy Saving Trust Accreditation Scheme;
 - d. The retrofit solution does not interfere with the structural integrity of the vehicle; and
 - e. That the following can be shown by the operator and that any modification is carried out at the owner's risk

After market devices

16. There are a number of aftermarket devices and fuel additives that manufacturers claim can improve fuel economy and/or reduce exhaust emissions. The majority if not all aftermarket devices require ongoing maintenance and do not provide a permanent or fixed solution to emissions accordingly, they have not been included within the policy and any application submitted would be dealt with on a case by case basis.

Any applicant for either the grant or renewal of a taxi or PHC licence may request that a standard condition be disapplied in relation to his/her licence. Where an applicant seeks an exemption from the standard conditions in relation to either the age limitation or emission standards then such applications will be referred to Committee for determination on a case by case basis and it will be for individual applicants to set out their position as to why the conditions should not be applied. In any such case, were an applicant's requests for exemption to be refused then the applicant will be entitled to appeal the Committee's decision to the Sheriff.

Retirement policy

- 17. Owners seeking an exemption to policy on the basis of retirement can be dealt with by council officer under delegated authority and given an exemption of up to a maximum period of 1 year's dependent on circumstance.
 - a. Owners would have to provide a written declaration that it was their intention to retire and the intended date of retirement.
 - b. Only one exemption can be dealt with under delegated authority
- 18. It is acknowledged that circumstance can change and any change to retirement plans would be referred to committee for further consideration. In addition, any evidence of bad faith would also be referred to committee with an immediate request to vary terms of the licence and it may also be considered in context of an owner's suitability in terms of the fit and proper test.

Exemption from Policy

19. Any applicant for either the grant or renewal of a taxi or PHC licence may request that a standard condition should be disapplied in relation to his/her licence. Where an applicant seeks an exemption from the standard conditions in relation to either the age limitation or emission standards, such applications will be referred to the Committee for determination on a case-by-case basis, and it will be for individual applicants to set out their position as to why the conditions should not be applied. In any such case, were an applicant's request for exemption to be refused then the applicant would be entitled to appeal the Committee's decision to the Sheriff

Vehicle Age and Emissions Standards (August 2021)

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Vehicle Emissions Standard O7 May 2018 Renewals only 1 Apr 2019 End of Life Period (no further renewal)	Notes: 1. These rules apply to both Taxi and PHC's 2. Information in the triangle signifies the day on which the new phase starts
New or replacement	1 April 2022 Renewals only 1 Apr 2023 End of Life Period 2024 (no further renewal)
New or Replacement	
	Licence Expired er renewal)
LPG/Elect. New or Replacement or Renewals 10 years old	ewals only and 6 monthly Compliance Tests

Licensing Conditions

Condition 256

Licensed Vehicles in Edinburgh must be a motor vehicle of a type or model which holds a valid European Whole Vehicle Type Approval as an M1 vehicle, is purpose built for use as a Licensed Vehicle and must comply in all respects with the requirements of any Acts and Regulations relating to motor vehicles.

In addition to the above: -

From **7 May 2018** any motor vehicle to be licensed in respect of a new taxi licence or replacement vehicle under an existing taxi licence will require to be a Euro 5 or 6 taxi vehicle

From **1 April 2019** any motor vehicle to be submitted for test in respect of either a new or existing taxi licence will require to be (or exceed) a Euro 5 taxi vehicle. Any Euro 0-4 taxi vehicle licensed as a taxi prior to 1 April 2019 may continue to operate until that licence expires or 31 March 2020 whichever date is earliest

From **1** April 2023 any motor vehicle to be licensed in respect of a new taxi licence or a replacement vehicle under an existing taxi licence will require to be Euro 6 taxi vehicle.

From **1 April 2022** all Licensed Vehicles must be less than 11 years old from the date of first registration (other than a Licensed Vehicle which is an Electric Vehicle or has been converted to LPG). A Licensed Vehicle submitted for test in respect of renewal of a taxi licence prior to the 10th anniversary of its registration may continue to operate as a taxi until the expiry of the licence period following upon renewal of such licence. A Licensed Vehicle which has been converted to LPG or an Electric Vehicle submitted for test in respect of renewal of a taxi licence prior to the 14th anniversary of its registration may continue to operate as a taxi until the expire of a taxi licence prior to the 14th anniversary of its registration may continue to operate as a taxi until the expiry of the licence prior to the 14th anniversary of its registration may continue to operate as a taxi until the expiry of the licence period following upon

From **1 April 2022** any new or replacement motor vehicle to be submitted for test in respect of a taxi licence will require to be (or exceed) a Euro 6 taxi vehicle unless that vehicle is currently licenced by The City of Edinburgh Council

Condition 303:

Licensed Vehicles in Edinburgh must be a motor vehicle of a type or model which holds a valid European Whole Vehicle Type Approval and must comply in all respects with the requirements of any Acts and Regulations relating to motor vehicles.

In addition to the above:-

From **7 May 2018** any motor vehicle to be licensed in respect of a new PHC licence or replacement vehicle under an existing PHC licence will require to be a Euro 5 or 6 PHC vehicle



From **1 April 2019** any motor vehicle to be submitted for test in respect of either a new or existing PHC licence will require to be (or exceed) a Euro 5 PHC vehicle. Any Euro 0-4 PHC vehicle licensed as a PHC prior to 1 April 2019 may continue to operate until that licence expires or 31 March 2020 whichever date is earliest

From **1 April 2023** any motor vehicle to be licensed in respect of a new PHC licence or a replacement vehicle under an existing PHC licence will require to be Euro 6 PHC vehicle.

From **1 April 2022** all Licensed Vehicles must be less than 11 years old from the date of first registration (other than a Licensed Vehicle which is an Electric Vehicle or has been converted to LPG). A Licensed Vehicle submitted for test in respect of renewal of a PHC licence prior to the 10th anniversary of its registration may continue to operate as a PHC until the expiry of the licence period following upon renewal of such licence. A Licensed Vehicle which has been converted to LPG or an Electric Vehicle submitted for test in respect of renewal of a PHC licence prior to the 14th anniversary of its registration may continue to operate as a PHC until the expiry of the licence period following upon renewal of such licence:

From **1 April 2022** any new or replacement motor vehicle to be submitted for test in respect of a PHC licence will require to be (or exceed) a Euro 6 taxi vehicle unless that vehicle is currently licenced by The City of Edinburgh Council