

<b>REPORT TO:</b>	Licensing Committee
<b>DATE:</b>	7 December 2022
<b>LEAD OFFICER:</b>	Head of Planning, Public Protection and Countryside Services
<b>CONTACT OFFICER:</b>	Public Protection Business Manager <a href="mailto:licensing@denbighshire.gov.uk">licensing@denbighshire.gov.uk</a> 01824 706066
<b>SUBJECT:</b>	Consideration for an Interim Process for New to Fleet Vehicles

## **1. PURPOSE OF THE REPORT**

- 1.1 For Members to consider reviewing the existing requirements for vehicles first licensed by the Council.

## **2. EXECUTIVE SUMMARY**

- 2.1 Members requested officers review the current policy requirement of vehicles first licensed by the Council to be no more than 5 years of age from first registration with a view to relaxing that condition to a maximum of 8 years as an interim measure until a further review is undertaken at a later date.

## **3. POWER TO MAKE THE DECISION**

- 3.1 Local Government (Miscellaneous Provisions) Act 1976 and Town Police Clauses Act 1847.

## **4. BACKGROUND INFORMATION**

- 4.1 The existing Hackney Carriage and Private Hire Vehicle Policy, together with vehicle specification and conditions, was approved at the December 2016 committee meeting, following extensive consultation, and came into effect on the 1<sup>st</sup> of July 2017. There have been a number of small amendments since this date.
- 4.2 The conditions, at paragraphs 2.4.3 and 5.4.3, place an age restriction on vehicles whether new or for renewal, namely that all new to fleet vehicles must be a maximum of 5 years old and any vehicle reaching the age of 12 years old must be removed.

- 4.3 At the previous meeting of the Licensing Committee, Members resolved to authorise officers to look into a process of delegation for determining new to fleet vehicle applications for vehicles over 5 years old and report back to the December meeting. Though not covered in this report Members also resolved to consult further on amending the vehicle age policy by relaxing both the new to fleet age and the upper age limit.
- 4.4 Members will recall that the reasons for considering a request to relax the new to fleet age requirement revolved around the availability and costs of vehicles under 5 years of age and the difficulty some proprietors were having in sourcing suitable vehicles of the appropriate age.
- 4.5 Additionally, officers from within the Council's Passenger Transport section have indicated that there is some difficulty in sourcing suitable 8 seater vehicles to carry learners, especially from local businesses. Anecdotally, we are led to believe this is in part due to other authorities having differing vehicle condition policies.
- 4.6 Of the 281 vehicles licensed by the Council 22 are over 12 years of age and could be expected to be close to being replaced. Of this number, it is noted that twelve are of 8 seater capacity. All these vehicles are able to stay licensed under the grandfather rights condition, which was amended to July 2024 by Members at the last meeting.
- 4.7 In total, there are 69 vehicles licensed (25%) which can carry 8 passengers, 19 of which are listed as wheelchair accessible (there are a further 7 vehicles listed as wheelchair accessible but with a lesser seating capacity).
- 4.8 Over 50% of the current fleet is 5 years old or less and almost a further 40% being between 5 and 10 years of age.

## **5. CONSIDERATION**

- 5.1 The breakdown of vehicle ages across the fleet indicates some considerable investment by proprietors to date. Whilst there has been some disruption to the motor retail industry it is noted that 91 vehicles (32%) have been first licensed since the pandemic in March 2020 and therefore will have had to be a maximum of 5 years of age. It is further noted that 46 vehicles of those vehicles have been introduced in 2022
- 5.2 Officers from our Fleet Services have provided some costs in respect of retail sale of vehicle calculated with assistance from local reputable dealer. The information that follows relates to vehicles commonly used for

licensed vehicles and is based on the “Cap Clean” value, this being the industry standard for dealers and insurers. Figures were correct at 4<sup>th</sup> November.

#### 5.2.1 Premium Brand Estate Car

- Skoda Octavia 2.0TDi SE-L manual estate.
- 2019 with 80,000 miles. Cap Clean £10,100.
- 2016 with 80,000 miles. Cap Clean £6,950.
- 3 year age adjusted - same mileage / condition difference is £3,150

#### 5.2.2 Mid-Market 4 Dr Saloon / Hatchback Car

- Vauxhall Insignia 1.6TD SRi Nav manual hatchback.
- 2019 with 60,000 miles. Cap Clean £9,425.
- 2017 with 60,000 miles. Cap Clean £7,725.
- 2 year age adjusted - same mileage / condition difference is £1,700.

5.3 Euro New Car Assessment Programme (Euro NCAP) was established to provide an independent safety rating for new cars. Euro NCAP ratings take into account three factors of protection — for adults, children and pedestrians — plus the level of safety technology on-board a car. Although not a legal requirement it is considered an independent testbed for new cars. A car’s Euro NCAP rating expires after six years. Whilst this is primarily due to Euro NCAP constantly raising its standards in scoring as technology advances and not necessarily due to the decline in the safety aspects of a vehicle it indicates the increased safety standards likely to be found in newer vehicles.

5.4 It should be noted that any vehicle warranty is restricted when the vehicle is used as a licensed vehicle, as is the case for the vehicles being offered for licensed driver use in the electric vehicle trials in Denbighshire. It is possible therefore that vehicles will not have the benefit of warranty cover when introduced to the fleet.

5.5 The Welsh Government have confirmed they are intending on publishing a white paper for consultation early in 2023 in respect of taxi legislation. Vehicle standards are within scope and therefore possibly include some element of age requirement.

5.6 Members may wish to note that older vehicles tend to have higher emissions because they use less sophisticated emissions control technology than newer vehicles and may be built to less stringent emission standards. Whilst it is recognised that emissions should remain the same for the life of the vehicle, age will be a major factor in any deterioration of those standards due to wear and tear on parts and, more importantly, the prevalence of a robust and regular maintenance schedule.

Whilst many used vehicles are sold with a service history there are some that are sold with no recognisable service record.

- 5.7 All vehicles first registered after 1992 have had to be manufactured to a particular standard for emissions which will dictate the standard for the life of the vehicle, unless there is a manufacturers plate stating otherwise. The standards are tested at MoT and are as follows for vehicles first registered:

- Euro 1 - 31 December 1992
- Euro 2 - 1 January 1997
- Euro 3 - 1 January 2001
- Euro 4 - 1 January 2006
- Euro 5 - 1 January 2011
- Euro 6 - 1 September 2015

Members will note that vehicles up to 7 years of age will need to comply with the highest emission standard.

- 5.8 Whilst all the information above is relevant, Officers are mindful of the following important aspects:
- a. Relatively few vehicles remain on fleet that are over the 12 year threshold and of those that are the proprietors are able to take advantage of the grandfather rights rule until 2024
  - b. A significant number of vehicles have been introduced to the fleet to date as a result of investment by proprietors
  - c. The increase in safety standards as vehicles technologically progress
  - d. The Welsh Government review of taxi standards in Wales, and the impending white paper, which is likely to include vehicle age.

## **6. RECOMMENDATION**

- 6.1 Given the considerations outlined above, Members note the content of the report and resolve to retain the current age policy of new to fleet vehicles being under 5 years of age and any vehicle on fleet must be removed at 12 years of age, unless grandfather rights rule applies up until July 2024.
- 6.2 Members instruct officers to update the Licensing Committee of the details of the Welsh Government review of taxi standards at an appropriate time during 2023.