

# Medium to Long Term Taxi and Private Hire Vehicle Emission Standards and Age Policy

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Regulation and Enforcement



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City Council

# Current Policy

- Emissions
  - October 2017 LPPC approved minimum standards of Euro 4 for petrol and Euro 6 for diesel, to take effect on 1<sup>st</sup> January 2020. Ultra Low Emission and Zero Emission Capable vehicles are permitted.
- Vehicle Age
  - Private Hire 8 years
  - Hackney Carriage 14 years
    - Both subject to the Supplementary Test Plus

# November 2018 Consultation

- Retain Euro 4 and Euro 6 emission standards
- Apply age policies of 14 years for taxis and 8 years for private hire vehicles
- Discontinue the Supplementary Test Plus
- To be eligible for an LPG conversion a taxi must be under 14 years old on 1<sup>st</sup> January 2020 but would remain licensed until 31<sup>st</sup> December 2025.

# November 2018 Consultation

- From 1 January 2026 all licensed vehicles (hackney carriage and private hire) must be Ultra Low Emission or Zero Emission Capable (ZEC) Vehicles. [An Ultra-Low Emission Vehicle is defined by the Office for Low Emission Vehicles as emitting less than 50g CO<sub>2</sub>/km and able to travel at least 70 miles without any emissions at all].

# November 2018 Consultation

- From 2030 we will only grant **new** licences to fully electric vehicles

# Impact of November Proposals

Vehicles that meet the Euro 4 / Euro 6 Standard and age proposals:

- Hackney Carriages
  - Only 31 out of 1,118 taxis will meet the Euro 6 standard (excluding 65 that have been converted to LPG) and the 14 year age limit.
- Private Hire
  - Only 524 out of 4,145 vehicles meet a 10 year age limit and emission standards.

# Consultation Feedback

- 1,379 responses to the consultation
- 75 people (5.4% were general public)
- 322 (23.4%) were Birmingham hackney carriage drivers)
- 843 (61.1%) were Birmingham private hire drivers
- 79 (5.7%) were private hire drivers licensed by other authorities.

# Consultation Feedback

- 30% of our hackney carriage drivers and 20% of our private hire drivers responded to the survey.



1. Do you agree with the proposal to limit the age of hackney carriage vehicles so that they cannot be licensed after the age of 14?

- 418 respondents agreed and 826 disagreed.
- HC drivers did not feel like 14 years was a sufficient time period to see return on investment from the upfront vehicle purchase. There were many who stated that being a HC driver within Birmingham would no longer be financially viable under these conditions
- The current fleet is not fit for purpose, enforcing an age limit ensures that standards of quality will be maintained as vehicles are likely to be of poor quality once they have reached 14 years.

## 2. Do you agree with the implementation date for this proposal of 1 January 2020?

- 292 Agreed and 957 disagreed
- The majority of those disagreeing felt there was insufficient time to comply with the new age limit.
- The minority of respondents which did agree with the policy highlighted the critical nature of these changes and the fact that they can not be delayed any further. These respondents generally expressed an opinion that the time frame provided was sufficient for driver to adapt and upgrade their vehicle.

3. Do you agree with the proposal to limit the age of private hire vehicles so that they cannot be licensed after the age of 8 years?

- 224 Agreed and 1,061 disagreed
- If a vehicle meets the CAZ emission limits then it is not causing public health concerns and therefore should be allowed to stay on the road as a Private Hire Vehicle
- It was felt that the cost of upgrading a vehicle will make continuing as a PHV driver unfeasible or unaffordable
- There was consistent comparison to the Hackney carriage licencing condition allowing vehicles to operate until they are 14 years of age. This was felt to be unfair.
- Those that agreed referred to the fact that PH vehicles are not specialist vehicles and are not constructed for such high mileages as a hackney carriage.

## 4. Do you agree with the implementation date for this proposal of 1 January 2020?

- 251 agreed and 1,026 disagreed
- There was an overriding feeling that this does not provide sufficient time to adapt to the new age limit:
- The costs involved in vehicle upgrade mean many drivers will not be able to adapt in time and so will be forced out of the trade
- Again, numerous reference to out of town drivers putting financial pressure on drivers.
- Those that did agree with the policy mentioned;
  - The need to cut emissions meaning older vehicles need to be removed from the fleet at the earliest opportunity
  - This policy needs to be enacted as soon as possible as the current fleet is not fit for purpose.

5. Do you agree that we should extend the life of Hackney carriages with approved CVRAS retrofit technology until 31 December 2025?

- 794 agreed and 342 disagreed
- The response was generally positive, especially from HC drivers. Most commented that a retrofit solution is seen as the only affordable option open to taxi drivers. The 5 year extension allows more time for drivers to save capital for a new vehicle and also consider the future of the taxi trade.
- Of those that disagreed with the policy completely, many mentioned the unreliability of the technology as well as stating that taxis over the 14 year age limit should not be permitted to be on the road.

6. 2026 ULEV stock condition: Do you agree that Birmingham should adopt this policy in order to improve air quality in the city?

- 554 agreed and 737 disagreed
- There was a general consensus that emissions needed to be reduced, but those against this proposal felt that it did not allow long enough to prepare and that taxis were being hit disproportionately compared to other polluters
- It was observed that some drivers would have to replace their vehicle in 2020 and again in 2026
- There was also frequent reference to drivers from other Councils making operating a taxi in Birmingham financially very difficult.

7. 2026 ULEV stock condition: Do you agree with the date that we have suggested for the implementation of this policy?

- 383 agreed and 902 disagreed
- The date is too early and does not provide the driver community with enough time to adapt financially.
- This date would mean that any Euro 6 purchased in 2020 would not be operated for its full life of 14 years. There can be no return on investment in such a short timeframe.

The minority of respondents who did support the policy cited:

- The length of time being sufficient for drivers to adapt.
- The resulting emission reductions.
- The need to switch to ULEVs in as short a timeframe as possible.

8. 2030 ZEV condition: Do you agree that Birmingham should adopt this policy in order to improve air quality in the city?

- 588 agreed and 667 disagreed
- Concerns over the technology being suitable for the duty cycle of a taxi (range, lack of charging infrastructure etc.)
- The high cost and limited vehicle choice involved with upgrading to an electric vehicle with no financial support.
- The time period not being sufficient
- There will be a wider range of electric vehicles on the market.
- The technology will have improved and be more suitable to day to day usage.
- Large emission reductions will be achieved.
- Drivers will have had sufficient notice to prepare for a vehicle upgrade.



9. 2030 ZEV condition: Do you agree with the date that we have suggested for the implementation of this policy?

- 464 agreed and 768 disagreed
- The 2030 date meaning that drivers had a 10 year period after the CAZ charges being introduced. This was seen as ample time to prepare.
- The advancements in electric vehicle technology which are expected by 2030.
- The 2030 date is too early to enforce a switch to electric vehicles.
- A feeling that this was not an effective solution to air quality issues. Particularly that hybrid or Euro 6 vehicles presented an environmentally friendly option.
- A need for further consultation on this measure.

# New Policy Proposals

- In recognition of the feedback and the effect of the draft policy we are now proposing:
- To remove the emissions standard and replace it with a vehicle age policy.
- We recommend that the age limit for HCVs should move from 14 to 15 years old and for PHVs it should move from 8 years to 12 years (recognising the age limit in Wolverhampton).
- ULEV HCVs should be licensed until they are 18 years old.

# Effect of HC Age Limit Proposal

- Under our original proposal of 14 years combined with an emissions standard only 31 taxis would be licensed after 1<sup>st</sup> January 2020 (Plus 65 already converted to LPG).
- Under our new proposal 493 taxis will be licensed on 1<sup>st</sup> January 2020 based on a 15 year age policy and no emissions standard.
- 625 will be forced to upgrade, or seek a retrofit, of which 350 would be eligible for a LPG conversion.
- Up to 840 HCVs may be eligible to be licensed after 1<sup>st</sup> January 2020.

# Effect of PH Age Limit Proposal

- Under our original proposal of a 10 year age policy and an emissions standard only 524 PHVs would be licensed on 1<sup>st</sup> January 2020.
- Under the recommended policy 2,703 vehicle will meet the new 12 year age limit on 1<sup>st</sup> January 2020.

# Exceptional Condition Test

- We recommend that this test is only retained for vehicles that go beyond their age limit, which will only be vehicles eligible for a CVRAS retrofit, in which case they will also be required to undertake 2 MOT tests per year after the age of 15 or 12.

# LPG Retrofit Conversions

- We are recommending that the age restriction on vehicles eligible for conversion be removed and is replaced with a requirement for the vehicle to be in such a structural and mechanical condition that it can remain licensed until 31<sup>st</sup> December 2025 or until it is 15 if after that date.
- Any vehicle older than 15 will have 2 MOTs and the Exceptional Condition Test.
- 468 TX hackney carriage vehicles could be eligible for conversion, of which 350 will be over 15.

# ULEV Requirement

- We are recommending that from 1<sup>st</sup> January 2021 **all newly licensed vehicles** (vehicles licensed by Birmingham for the first time) must be Ultra Low Emission or Zero Emission Capable Vehicles. [An Ultra-Low Emission Vehicle is defined by the Office for Low Emission Vehicles as emitting less than 50g CO<sub>2</sub>/km and able to travel at least 70 miles without any emissions at all].
- This is very different from our original proposal which would have applied to **ALL** vehicles from 1<sup>st</sup> January 2026.

# ULEV Requirement

- A 2026 ULEV condition for new vehicles would mean that there would be very low uptake of ULEVs up to 2025, at which point the majority of the fleet will have been replaced meaning there will probably not be significant deployment of ULEV HCs until almost 2040. The reduced age limit of PHVs means deployment of ULEV could be delayed until almost 2035.



# Electric Vehicle Requirement

- We consulted on a proposal to only grant **new** licences to fully electric or zero emission vehicles (including hydrogen fuel cell) vehicles from 2030.
- We recommend from 2030, if technology options are on the market, to only grant new licences to fully electric or zero emission vehicles, but to review this decision before 2025 in order to take account of changes in technology in the future.

# Further Recommendations Arising from Discussions with Trade Reps

- Licences for any vehicle that expire in 2020 because of the introduction of the new age limits will remain licensed until the expiry of the vehicle licence before 1<sup>st</sup> January 2021.
- Any vehicle eligible for a CVRAS approved retrofit, whereby the driver has entered a binding contract with an approved garage, will be exempt from the CAZ daily charge until the date that the vehicle is converted up until 31.12.20.

## Further Recommendations Arising from Discussions with Trade Reps

- A diesel or petrol vehicle may be replaced with a like for like vehicle that is not ULEV after 1<sup>st</sup> January 2021 if it is an insurance write off or total loss and the replacement vehicle is not older than the original vehicle.
- We recommend that a separate consideration is given to PH People Carriers for which there are currently no ULEV options on the market.

## Further Recommendations Arising from Discussions with Trade Reps

- We recommend that officers bring a separate report to Committee to consider ways by which a HC driver is able to surrender and retrieve a vehicle plate within 3 years of the date of its surrender.

# Mitigations Already Agreed by LPPC

- National pilot scheme under which 65 taxis have been converted to LPG - paid for by £0.5m grant
- Approval of licence extensions for LPG converted vehicles until December 2025
- Removal of engine size requirements for PHVs
- HC drivers given joint PH driver badges to enable them to transfer more easily

# Government Funding and Support

- Birmingham applied to DEFRA's Clean Air Fund for £50m to support businesses and individuals affected by the CAZ. Within that we asked for £14.75m for HC and PH drivers.
- The City was awarded £38m, of which £14.75m (39%) is for HC and PH drivers.

# Government Funding and Support Hackney Carriages

- We have been allocated £2.75m to enable BCC to buy 50 new ULEV hackney carriages. We will explore ways to increase the number of vehicles by leasing rather than buying.
- We have been awarded £5m for a package measures worth £5000 each for up to 1000 owners to offset the costs of running a ULEV hackney carriage vehicle and which would be paid over a 4-year period. Alternatively, drivers could use the £5000 to pay towards the cost of installing CVRAS approved retrofit technology.

# Government Funding and Support

## Private Hire

- We have been awarded £7m for private hire drivers: either £2,500 towards the running costs of a ULEV that is eligible for the Government's plug in car grant, or
- £2,000 towards the purchase price or lease of a hybrid electric vehicle (HEV) or ULEV that is not eligible for the plug in car grant, or
- £1,000 towards the purchase or lease of a petrol or diesel CAZ compliant vehicle.



# Trade Objections

- Trade is asking for:
  - An extension of the deadline for the requirement for new vehicles to be ULEV from 2021 to 2026
  - Officers do not agree with this proposal because the government support package is based on the 2021 deadline. To move away from that date will result in some or all of the funding being withdrawn.
  - It will not meet the legal obligation to achieve NO2 compliance in the shortest possible time

# Trade Objections

- Trade is asking for:
  - Exemption from paying the CAZ daily charge (this is not a decision that LPPC can take).
  - Officers do not agree with this request because it will remove all incentive for drivers to upgrade.
  - The terms of a CAZ are defined by legislation and by that definition they must include taxis and PHVs.
  - Drivers are asking to be allowed the same exemptions that are to be offered to people on low incomes working or living inside the CAZ, but they are already being supported through the Clean Air Fund £14.75m.

# Trade Objections

- Trade is asking for:
- BCC to allow drivers £7,500 each from the £5m awarded for LPG retrofits or ULEV purchase to put towards CAZ compliant diesel HC vehicles.
  - DEFRA is clear that the money is there to encourage the take up of ULEVs, not diesels

# Trade Objections

- The trade is asking for:
  - The £5,000 for drivers to convert to LPG to be increased to £7,500.
  - The money has been allocated based on up to 1000 drivers being eligible. If we increase the amount it would mean that some drivers would not receive anything

# Trade Objections

- There is only one approved CVRAS retrofit company in the UK, which is VRS at Alcester. Drivers have complained that it is 19 miles from Birmingham.
  - The company is seeking to sub contract to garages in Birmingham and also looking at a drop-off service for drivers.



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