

**BIRMINGHAM CITY COUNCIL**

**REPORT OF THE INTERIM ASSISTANT DIRECTOR  
OF REGULATION AND ENFORCEMENT TO  
THE LICENSING AND PUBLIC PROTECTION COMMITTEE**

**30 SEPTEMBER 2020**  
**ALL WARDS**

**IMPACT OF THE CLEAN AIR ZONE (CAZ) ON THE PRIVATE HIRE AND  
HACKNEY CARRIAGE TRADE**

1 Summary

- 1.1 In October 2017 your Committee approved a vehicle emissions policy for private hire vehicles and hackney carriages which will be effective from 1<sup>st</sup> January 2021. That policy sought to ensure Birmingham's licensed vehicles would be compliant with the emission standards required for vehicles entering a Clean Air Zone.
- 1.2 The emissions policy is only one part of a range of tools that the Council will use to improve poor air quality in the City. On 12<sup>th</sup> September 2017 Birmingham's Health and Social Care Overview and Scrutiny Report entitled 'The Impact of Poor Air Quality on Health' identified that, in Birmingham up to 900 deaths per year are linked to man-made air pollution.
- 1.3 The policy was revised in April 2019 such that only **newly** licensed vehicles would be required to be ULEV (Ultra-low Emission Vehicles) from 2021 rather than **all** vehicles being required to be ULEV by 2026.
- 1.4 As January 2021 approaches concerns have been raised and as a consequence officers have carried out a review of the suitable vehicles available and the roll out of charging points.

2. Recommendations

- 2.1 That the Committee considers the appropriateness of the existing policy requiring ULEV for both hackney carriage and private hire vehicles and adopts one of the following options:
- 2.2 Option 1 – Leave the policy unchanged -requiring newly licensed vehicles to be ULEV from 1<sup>st</sup> January 2021.
- 2.3 Option 2 – Remove the ULEV requirement completely.

- 2.4 Option 3 – Amend the requirement to require newly licensed vehicles be required to be ULEV from 1<sup>st</sup> January 2026. This option is recommended by officers
- 2.5 That minute 1153 point 2.3 *That the Committee requested that officers bring a report to a future meeting to consider the consequences of the policy for private hire drivers and owners as it relates to people carriers, and specifically the availability of ULEV people carriers and that exploration of the possibility of additional funding for tax drivers to assist them in the future from the charges received as a result of CAZ, can be discharged.*
- 2.5 A further review the availability of ULEV's in the summer of 2024 to ensure that option 3 is a viable option for the trade and to consider the availability of suitable vehicles and charging infrastructure, but only if that option is the recommendation of the committee.

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### 3. Background

- 3.1 On 23 October 2017 your Committee approved a new vehicle emissions policy for licensed vehicles, namely: that Birmingham City Council would not license or permit the use of any vehicle as a hackney carriage or private hire vehicle after 31 December 2019 which does not meet the minimum emission standards of Euro 4 for petrol engines, Euro 6 for diesel engines or is Ultra Low Emission Vehicle (ULEV) or a Zero Emission Capable Vehicle.(ZEC)
- 3.2 That policy was further reviewed on 10<sup>th</sup> April 2019 to the current position requiring any **newly licensed** vehicle to be a ULEV from 1<sup>st</sup> January 2021.
- 3.3 Since then then the introduction of the Clean Air Zone has suffered delays. The matter is further exacerbated by the Covid pandemic. A current date for introduction of the Clean Air Zone has not been set.

### 4. The Issues

#### 4.1 Availability of Suitable Vehicles:

Officers have looked at the range of ULEV vehicles currently available as options for both hackney carriage and private hire vehicles and have established most vehicles suitable in size and configuration, are not configured for rapid charging. This will mean drivers will be required to charge their vehicles for around six to eight hours after, in some cases, as little as 124 miles. It should be noted the maximum range quoted by the manufacturer is likely to have been achieved in conditions conducive to producing best results and without the employment of air conditioning, heating, headlamps and windscreen wipers. On a cold drizzly day in Birmingham, the usable range of an electric vehicle is likely to be somewhat less than the published maximum.

#### 4.2 Lack of Charging Infrastructure

The roll out of the charging infrastructure has also been delayed and it is now proposed that 394 electric charging points will be installed across the City. It is proposed that the completion of the charging infrastructure will be completed within two years. It could be considered unreasonable to expect drivers to replace their vehicle without the necessary infrastructure in place to charge it as required.

#### 4.3 Government Grant Scheme

As part of the Clean Air Zone mitigations package, the CAZ team bid for, and were awarded a significant amount of money to fund a grant scheme for those affected by the changes. Various grants are proposed, including a grant for the retrofitting of a 'cleaner' engine into a Hackney carriage (where appropriate) and a grant towards the purchase of a new ULEV or fully electric vehicle. Any alteration to the existing vehicle emissions policy may impact on the take-up of these grants as the need to upgrade to a ULEV will be less immediate. This may result in the full amount of funds awarded not being allocated. This would mean returning (or not receiving) the money.

#### 4.4 Coronavirus

The COVID-19 pandemic has had a devastating effect on the hackney carriage and private hire trades which cannot be ignored. The closure of pubs and entertainment businesses led to a huge decrease in demand for journeys. Drivers themselves have been affected by their own illness or that of family members or friends. Many have been unable to work or have seen a huge drop in their income. Officers have been contacted by many who had fully intended to replace their vehicle on renewal but have found themselves unable to afford the additional expense.

#### 5. The Current 'Fleet'

5.1 The stricter maximum age policy (not older than 15 years for hackney carriages and not older 12 years for private hire vehicles) is already producing a change in the age profile of the fleet, as drivers replace very old vehicles with newer, cleaner vehicles. Even though many of the newer vehicles are still diesel, they are much cleaner and less polluting than the vehicles they are replacing, and retention of the maximum age limit will continue to ensure regular turnover across the fleet.

5.2 The tables below show how the age profile of the fleet has changed in the last 18 months with a much younger age profile than previously i.e. since the introduction of the maximum age policy for vehicles.

<b>Hackney carriage</b>			
date	total	>15	<10
Jul-19	1102	363	296
Sep-20	938	156	372

<b>Private Hire</b>			
date	total	>12	<8
Jul-19	4431	447	2448
Sep-20	4455	235	2995

<b>Total vehicles</b>			
date	total	older	newer
Jul-19	5533	810	2744
Sep-20	5393	391	3367

#### 6. The Options

6.1 There are three potential options for the Committee to consider, which will be explored in more detail below:

- Option 1 – Leave the policy unchanged -requiring newly licensed vehicles to be ULEV from 1<sup>st</sup> January 2021.
- Option 2 – Remove the ULEV requirement completely.

- Option 3 – Amend the requirement to require newly licensed vehicles be required to be ULEV from 1<sup>st</sup> January 2026.

## 6.2 Option1- Leave the Policy unchanged

Having regard to the points made earlier within the report, officers consider that to do nothing (Option 1) would have seriously detrimental impact on the hackney carriage and private hire trade.

To leave the policy unchanged, despite the interruptions in the implementation of the Clean Air Zone would be unreasonable.

## 6.3 Option 2 - Remove the ULEV requirement completely

As can be seen in paragraph 5 above, the stricter stance on the age policy has already seen a marked improvement in the ‘fleet’ of vehicles currently licensed. As the years progress, the older, more polluting vehicles will be unlicensable owing to their age, and as such the fleet will replenish with cleaner vehicles. The age policy is clear, and easily explained and implemented. As it stands, there is no single definition of ULEV which causes concern for all involved.

A positive consequence of removing the strict ULEV requirement would be the ability to continue licensing hybrid vehicles. Under the current policy hybrids, will not meet the ULEV standard, and so will not be licensable. Unlike electric vehicles, hybrids are established, trusted technology and have been represented in the fleet for many years. Hybrids are cleaner and more environmentally friendly than equivalent petrol and diesel vehicles and more widely available on the secondhand market than pure electric vehicles, which remain a rarity.

Officers believe this would be the preferred option of the trade.

It should be noted, however, that such a decision would not have any impact on the CAZ itself - meaning any vehicle entering the CAZ area which did not meet the requirements would be liable to pay the charge. This is beyond the remit of your Committee.

## 6.4 Option 3 –Require newly licensed vehicles be required to be ULEV from 1<sup>st</sup> January 2026.

This option could be reasonably considered as the compromise between Options 1 and 2. It allows the fleet to improve incrementally with the requirement in the policy for newer vehicles but also identifies a long-term goal which is clear to drivers. If members were to decide on option 3 officers would be able to provide some assurances to the trade, albeit relatively short term. Further reports could be produced for Members on the availability, or lack thereof, of suitable vehicles in the interim period.

#### 4. Consultation

- 4.1 Officers are aware that requests have been made to the Leader, the Chief Executive and the Cabinet Member for Transport and the Environment to reconsider the ULEV requirement from the 1<sup>st</sup> January 2021 particularly given the current climate.
- 4.2 Officers have received numerous communications from individual drivers, as well as representatives from the RMT and from those businesses who supply and maintain vehicles for the trade. These are asking for the ULEV requirement to be reconsidered.
- 4.3 It has not been possible to carry out consultation on these proposals, but they are intended to ease a problem and are made in response to trade requests. They do not place any additional burden onto the trade.

#### 5. Implications for Resources

- 5.1 The cost of licensing a vehicle does not depend on the powertrain of a vehicle; however a removal or relaxation of the requirement for ULEV from January 2021 is likely to see more drivers remain in the trade due the availability of suitable vehicles.
- 5.2 It is not therefore expected to have any effect on income or expenditure.

#### 6. Implications for Policy Priorities

- 6.1 The Council's Vision and Priorities 2017-2020 document identifies four priorities for Birmingham namely: Children, Housing, Jobs and Skills, and Health. The recommendations in this report support the Council's main priorities at the highest level, in particular those for Health, Children, and Jobs and Skills. These include 'Creating a healthier environment for Birmingham', creating 'an environment where our children have the best start in life', and developing 'a modern sustainable transport system that promotes and prioritises sustainable journeys'.

#### 7. Public Sector Equality Duty

- 7.1 Under the Duty we must have regard to the need to:
- Eliminate unlawful discrimination, harassment, and victimisation and other conduct prohibited by the Act.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.

- 7.2 The recommendations contained in this report will not have any effect on any of our duties under the Equality Act 2010. It is more likely to provide greater opportunity to licence holders rather than to restrict them in their choice of vehicles and it will not affect owners of vehicles that are already licensed.
- 7.3 For the reasons set out in paragraphs 7.1 and 7.2, we have concluded that an initial Equality Analysis is not deemed appropriate or necessary.

## **INTERIM ASSISTANT DIRECTOR OF REGULATION AND ENFORCEMENT**

Background Papers:

Hackney Carriage and Private Hire Licensing Policy 2019