

## PERTH AND KINROSS COUNCIL

## LICENSING COMMITTEE.

27 March 2014

## Review of Taxi and Private Hire Car Age Limits

## Report by Head of Legal Services

**PURPOSE OF REPORT**

The purpose of the Report is to consider amending the Council's Taxi and Private Hire Conditions in relation to vehicle age limits and vehicle inspection.

**1. BACKGROUND / MAIN ISSUES**

- 1.1 The Council regulates the licensing of taxi and private hire cars under the Civic Government (Scotland) Act 1982. As part of that, the Council can impose conditions on taxi and private hire car licences.
- 1.2 The Council's Handbook of Conditions of Taxi and Private Hire Car Operators and Taxi and Private Hire Car Drivers' Licences ("the Blue Book") sets out the conditions of taxi and private hire car drivers' licences.
- 1.3 Condition 2.2 of the Blue Book specifies that a "*taxi or private hire car shall be no more than seven years old from the date of first registration before being replaced with a vehicle no more than five years old*" and that "*a purpose built taxi-cab meeting M1 specification shall be no more than 10 years old from the date of first registration before being replaced with a vehicle no more than five years old.*"
- 1.4 The current condition relating to age limits was first introduced in 1988, when concern was expressed about the poor appearance of many vehicles which was considered detrimental not only to the trade itself but also to the general image of Perth. In view of the high mileage incurred by many taxis resulting in excessive wear and tear on the vehicles, it was decided that an age limit be adopted. The age limit has remained in place since then.
- 1.5 The Committee has exercised discretion in recent years to vary that condition to prolong the life of a licensed taxi or private hire car. From January to December 2012, seven applications for an extension of the age of the vehicle were considered of which five were granted and two were refused. From January 2013 to December 2013, 17 applications were considered and all of these applications were granted. It is usually the case that extensions are granted for an additional year and most are sought for economic reasons.

- 1.6 The current age of the vehicles in the existing taxi and hire car fleet is as follows:

Age of Vehicles	Current Number of Vehicles	Percentage of current fleet
Under 1 year old	20	7.78%
1 year old	35	13.62%
2 years old	17	6.61%
3 years old	38	14.79%
4 years old	51	19.84%
5 years old	44	17.12%
6 years old	36	14.01%
7 years old	13	5.06%
8 years old	2	0.78%
9 years old	1	0.39%

- 1.7 It has been reported by the taxi trade that due to the struggling economy there has been a significant downturn in public use and that the effect of this is being felt by all operators. The taxi trade have also expressed the view that the requirement that vehicles be substituted with a vehicle no older than five years has also resulted in many operators being burdened with additional costs.
- 1.8 A survey was carried out of the views of the licensees in relation to whether the age limit for taxis and private hire vehicles should be increased or removed altogether. Forty percent of licensees responded to a questionnaire seeking their views on the matter and from these responses 75% of licensees were found to be in favour of an increase in the age limit of taxis and 23% were in favour of abolishing the age limit altogether.
- 1.9 Furthermore, at a meeting of the Taxi/Private Hire Liaison Forum on 18 February 2014 the officers in attendance were advised by members of the taxi trade that there is a significant drop in the price of purpose built Wheelchair Accessible Vehicles (WAVs) that are over 5 years old. It was suggested that if the stipulation in condition 2.2 of the Blue Book was varied so that the permitted age of a replacement vehicle for a taxi or private hire car was increased beyond 5 years, it would be less financially onerous for licensees of purpose built WAVs to purchase replacement vehicles. There was a consensus of opinion amongst those that attended the meeting that the age of replacement vehicles should be increased and that this was likely to encourage licensees to invest more in purpose built WAVs.
- 1.10 It is generally accepted that there has been an improvement in vehicle reliability during recent years and therefore there is an argument that cars that are properly maintained can be kept on the road longer.
- 1.11 It is stated in the Scottish Government Best Practice Guidance for Taxi and Private Hire Car Licensing (2012) that “ *the setting of an age limit beyond which a local authority will not license vehicles is somewhat arbitrary and disproportionate particularly as it is perfectly possible for a well-maintained*

*older vehicle to be in good condition. A greater frequency of testing may, however, be appropriate for older vehicles – for example, twice-yearly tests for vehicles more than five years old.”* It is also the case that the Department of Transport does not recommend specifying upper age limits for taxis.

- 1.12 The Council wishes to make progress on improving the level of provision of WAVs. The Transport Research Institute, Napier University carried out a survey for the Council in 2012 into taxi and private hire car demand and whilst their survey did not indicate that the demand for WAVs was unmet, it recommended that the Council considers pro-active measures to encourage the supply of WAVs as it was apparent that wheelchair users tailor journeys around pre-booking and known companies rather than “having a wider and more equitable use of taxis.” It is hoped that if the condition relating to the age of replacement vehicles was varied this would result in an increase in the number of taxis and private hire cars that are purpose built WAVs. This would assist the Council in meeting the general duty imposed on it by the Equality Act 2010 to;
- (i) Eliminate unlawful discrimination, harassment and victimisation
  - (ii) Advance equality of opportunity; and
  - (iii) Foster good relations
- 1.13 It is anticipated that if the age limit of taxi and hire cars was to be increased or removed it would be in the public interest to increase the number of inspections for vehicles over the age of 7 years (the current age limit) in order to ensure that vehicles are reliable and that the appearance of vehicles is kept to a reasonable standard. This should also limit any risk of the appearance of the fleet deteriorating.
- 1.14 With regard to testing, it is a legal requirement for taxis that they should be subject to an MOT test one year after first registration and annually thereafter. For private hire cars annual MOT testing commences after the vehicle is three years old. In addition, the Council undertakes annual inspections of taxis and private hire cars at first licensing and annually thereafter. Condition 3 of the Blue Book relates to vehicle inspections and stipulates that “*A taxi or private hire car operator shall require the vehicle to undergo and pass an annual inspection carried out by or on behalf of the Council*” In part B of the Blue Book there is a checklist that lists the items to be inspected as part of the inspection process and shows that a detailed inspection is required for both the exterior and interior of the vehicle (see appendix 1 attached). In the past year, out of 281 vehicles that were tested at the Friarton Depot, 77 failed the test for a variety of reasons, and required to be retested.
- 1.15 It is hoped that by increasing or removing the age limits specified in condition 2.2 of the Blue Book for taxis, private hire cars and by increasing the frequency of inspections specified in condition 3.1 after the age of 7 years, the process of replacing vehicles would become self-regulating in that it would be less cost effective for licensees to maintain older vehicles and consequently they would be more likely to replace them on a voluntary basis. It is also hoped that the appearance of vehicles would not deteriorate significantly given that both the interior and exterior of the vehicles undergo a detailed inspection.

- 1.16 It is recommended that if the age limit for taxis and private hire cars and for the replacement of these vehicles is either removed or increased, that the impact of these measures should be monitored and reviewed at appropriate intervals, to determine the effect on the appearance of the taxi fleet and the supply of WAVs.

## **2. PROPOSALS**

It is proposed that the Committee considers the options which include:

### **Option 1**

- Revise Condition 2.2 of the Blue Book so that all taxis or private hire cars shall be no more than 10 years old from the date of first registration.
- Remove the age limit for replacement vehicles.
- Revise condition 3 of the Blue Book so that all taxi or private hire cars over the age of seven years shall, be required to undergo two Council inspections per year.

### **Option 2**

- Remove the age limit for all vehicles.
- Remove the age limit for replacement vehicles.
- Amend condition 3.1 of the Blue Book so that taxi and private hire cars shall be required to undergo 2 annual inspections and to undergo 3 Council inspections per year after the vehicle has reached 10 years.

### **Option 3**

- Leave the conditions unchanged in relation to the age limit of vehicles
- Raise the age limit permitted for the replacement of vehicles from 5 years to 6 years

### **Option 4**

- Leave the conditions unchanged in relation to the age limit of vehicles
- Remove the age limit permitted for the replacement of vehicles

### Option 5

Any permutation of the above options.

### Option 6

No change to the existing conditions.

## 3. CONCLUSION AND RECOMMENDATION(S)

- 3.1 The age limit for taxis and private hire cars has been the subject of much debate over recent years and it is recommended that the Committee considers the options and decides upon a way forward.
- 3.2 Having considered the responses to consultation and other evidence, it is recommended that option 2 be considered. This option would ensure that the quality of the fleet was retained whilst taking into account the increased economic challenges faced by licensees. It is also hoped that this option would make it more economically viable for licensees to purchase WAVs and lead to greater self-regulation in relation to the replacement of taxis and private hire cars.

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#### Approved

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**ANNEX**

## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

The undernoted table should be completed for all reports. Where the answer is 'yes', the relevant section(s) should also be completed. Where the answer is 'no', the relevant section(s) should be marked 'not available (n/a)'.

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>None</b>
Workforce	<b>None</b>
Asset Management (land, property, IST)	<b>None</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>Yes</b>
Strategic Environmental Assessment	<b>None</b>
Sustainability (community, economic, environmental)	<b>None</b>
Legal and Governance	<b>Yes</b>
Risk	<b>None</b>
<b>Consultation</b>	
Internal	<b>None</b>
External	<b>Yes</b>
<b>Communication</b>	
Communications Plan	<b>None</b>

### 1. Strategic Implications

#### Community Plan / Single Outcome Agreement

1.1 The proposals relate to the delivery of the Perth and Kinross Community Plan/Single Outcome Agreement in terms of the priority:-

- Supporting people to lead independent, healthy and active lives
- Promoting a prosperous, inclusive and sustainable economy

#### Corporate Plan

1.2 The proposals relate to the achievement of the Council's Corporate Plan Priorities in terms of the priority:-

- Supporting people to lead independent, healthy and active lives
- Promoting a prosperous, inclusive and sustainable economy

## **2. Resource Implications**

### Financial

2.1 Not applicable

### Workforce

2.2 Not applicable

### Asset Management (land, property, IT)

2.3 Not applicable

## **3. Assessments**

### Equality Impact Assessment

3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) and following implementation it is hoped that there will be an increase in wheelchair accessible taxis and private hire cars.

### Strategic Environmental Assessment

Not applicable

3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals and it is considered that no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

### Sustainability

Not applicable

### Legal and Governance

3.3 The Licensing Committee has delegated powers under the Council's Scheme of Administration to exercise discretion in terms of any condition attached to licences where approval of the Council as licensing authority is required under the Civic Government (Scotland) Act 1982.

Risk

Not applicable

**4. Consultation**

External

4.1 Taxi and Private Hire Car Drivers and Operators have been consulted.

**5. Communication**

5.1 Not applicable

**2. BACKGROUND PAPERS**

The following documents have been relied upon in preparing the Report:-

- Taxi and Private Hire Car Licensing Best Practice Guidance for Licensing Authorities 2012
- The Handbook of Conditions of Taxi and Hire Car Operators and Taxi and Private Hire Car Drivers Licensing.

**3. APPENDICES**

Not applicable