Licensing and Environmental Committee

Agenda

10.30am Monday, 7 August 2023 Council Chamber Wyre Forest House Finepoint Way Kidderminster

Licensing and Environmental Committee

Members of Committee:

Chairman: Councillor P Harrison Vice-Chairman: Councillor K Henderson

Councillor J Aston Councillor J F Byng
Councillor P Dyke Councillor K Gale

Councillor I Hardiman Councillor M McDonnell
Councillor S Miah Councillor M Rayner
Councillor C Rogers Councillor A Sutton

Information for Members of the Public:

<u>Part I</u> of the Agenda includes items for discussion in public. You have the right to request to inspect copies of Minutes and reports on this Agenda as well as the background documents used in the preparation of these reports.

<u>Part II</u> of the Agenda (if applicable) deals with items of "Exempt Information" for which it is anticipated that the public may be excluded from the meeting and neither reports nor background papers are open to public inspection.

Disclosure of Interests

Members and co-opted Members of the Council are reminded that, in accordance with the Council's Code of Conduct and the statutory provisions of the Localism Act, they are required to consider in ADVANCE of each meeting whether they have a disclosable pecuniary interest (DPI), an other registrable interest (ORI) or a non-registrable interest (NRI) in relation to any matter on the agenda. If advice is needed, Members should contact the Monitoring Officer or other legal officer in good time before the meeting.

If any Member or co-opted Member of the Council identifies a DPI or ORI which they have not already registered on the Council's register of interests or which requires updating, they should complete the disclosure form which can be obtained from Democratic Services at any time, copies of which will be available at the meeting for return to the Monitoring Officer.

Members and co-opted Members are required to disclose any DPIs and ORIs at the meeting.

Where the matter relates to a DPI they may not participate in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation.

Where the matter relates to an ORI they may not vote on the matter unless granted an advance dispensation.

Where a Member or co-opted Member has an NRI which directly relates to their financial interest or wellbeing, or that of a relative or close associate, they must disclose the interest at the meeting, may not take part in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation.

Where a matter affects the NRI of a Member or co-opted Member, the Code of Conduct sets out the test which must be applied by the MEMBER to decide whether disclosure is required. Again please ensure you have spoken in ADVANCE to the relevant legal officer and determined whether it is appropriate to declare the NRI and leave.

For further information:

If you have any queries about this Agenda or require any details of background papers, further documents or information you should contact Karen Morton, Assistant Committee Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732726 or email committee.services@wyreforestdc.gov.uk

Wyre Forest District Council

Licensing and Environmental Committee

Monday, 7 August 2023

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

Agenda item	Subject	Page Number				
1.	Apologies for Absence					
2.	Appointment of Substitute Members					
	To receive the name of any Councillor who is to act as a substitute, together with the name of the Councillor for whom he/she is acting.					
3.	Declarations of Interests by Members					
	In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any disclosable pecuniary interest (DPI), an other registrable interest (ORI) or a non-registrable interest (NRI) in relation to any matter on the agenda.					
	Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.					
4.	Minutes					
	To confirm as a correct record the Minutes of the meeting held on the 5 June 2023.	6				
5.	Potential reform of policy on Taxi and Private Hire Vehicle Licensing					
	To receive a report from the Head of Worcestershire Regulatory Services on behalf of Wyre Forest District Council that seeks the Committee's support for formal consultation on changes to taxi and private hire vehicle licensing as part of the programme of reform agreed by the Committee in December 2022.	8				
6.	To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.					

7.	Exclusion of the Press and Public	
	To consider passing the following resolution:	
	"That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of "exempt information" as defined in the paragraph 1 of Part 1 of Schedule 12A to the Act".	

Part 2

Not open to the Press and Public

8.	Review of a Hackney Carriage / Private Hire Driver's Licence	
	To receive a report from the Head of Worcestershire Regulatory Services on behalf of Wyre Forest District Council that presents information to the Committee for it to consider and determine whether a licence holder remains a fit and proper person to continue to hold a licence to drive Hackney Carriage and Private Hire Vehicles.	
9.	Review of a Hackney Carriage / Private Hire Driver's Licence	
	To receive a report from the Head of Worcestershire Regulatory Services on behalf of Wyre Forest District Council that presents information to the Committee for it to consider and determine whether a licence holder remains a fit and proper person to continue to hold a licence to drive Hackney Carriage and Private Hire Vehicles.	
10.	To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.	

WYRE FOREST DISTRICT COUNCIL

LICENSING AND ENVIRONMENTAL COMMITTEE

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER 5 JUNE 2023 (10.30AM)

Present:

Councillors: P Harrison (Chairman), K Henderson (Vice-Chairman), J Aston, J F Byng, P Dyke, I Hardiman, M McDonnell, S Miah, M Rayner and C Rogers.

Observers:

There were no members present as observers.

LIC.01 Apologies for Absence

Apologies for absence were received from Councillors: K Gale and A Sutton.

LIC.02 Appointment of Substitutes

No substitutes were appointed.

LIC.03 Declaration of Interests

No declarations of interest were made.

LIC.04 Minutes

Decision: The minutes of the meeting held on 6 February 2023 be confirmed as a correct record and signed by the Chairman.

LIC.05 Exclusion of the Press and Public

Decision: Under Section 100A(4) of the Local Government Act, 1972 the press and public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of "Exempt Information" as defined in paragraphs 7 of Part I of Schedule 12A of the Act.

LIC.06 Review of a Hackney Carriage/ Private Hire Driver's Licence

The Chairman explained that as the legal representative for both this licence holder, and the licence holder being considered under Item 8 of the agenda, was not able to attend the meeting due to being engaged in court, both cases would need to be deferred for consideration at the next available meeting.

Members of the committee asked questions and considered if there were any

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other options available to them except for deferment in the present circumstances, but, following advice from the Solicitor regarding the necessity to abide by the laws of natural justice, the matter was deferred to the next cycle.

LIC.07 Review of a Hackney Carriage/ Private Hire Driver's Licence

Based on the discussion under Item 7 of the agenda regarding the unavailability of the legal representative, this matter was also deferred until the next cycle.

There being no further business, the meeting ended at 10.43am.

WYRE FOREST DISTRICT COUNCIL

<u>LICENSING AND ENVIRONMENTAL COMMITTEE</u> 7TH August 2023

Potential reform of policy on Taxi and Private Hire Vehicle Licensing

	OPEN
DIRECTOR:	Head of Worcestershire Regulatory Services on behalf of Wyre Forest District Council
CONTACT OFFICER:	Niall McMenamin – 01905 822799 niall.mcmenamin@worcsregservices.gov. uk
APPENDICES:	None

1. PURPOSE OF REPORT

1.1 To seek the Committee's support for formal consultation on changes to taxi and private hire vehicle licensing as part of the programme of reform agreed by the Committee in December 2022.

2. **RECOMMENDATION**

The Committee is asked to note the report and support a 12-week consultation on the following policy changes:

- 2.1 No fossil-fuel driven vehicles to enter the fleet after 31 December 2026;
- 2.2 Maximum age on vehicles entering the fleet to be increased from two years to five years, and maximum age on renewal from 7 years for private hire vehicle and 10 years for hackney carriage vehicles to twelve years for both, with effect from 1 January 2024;
- 2.3 The principle of applying a percentage reduction in licensing fees for vehicles that do not use fossil fuels compared to the fees for vehicles that use fossil fuels.

3. BACKGROUND

- 3.1 Under the legal agreement established with the formation of Worcestershire Regulatory Services, licensing remains a reserved matter. As a reserved matter all policy decisions, as well as income and fee setting, remain the responsibility of the Council.
- 3.2 As part of the review of fees and charges undertaken by the Committee in December 2022, it was agreed that alongside radical realignment of vehicle and driver licensing fees to prevent loss of income to other councils in Worcestershire and beyond, there should be discussion with the licensed trade about a package of

reform. This would address other concerns about aspects of licensing policy in Wyre Forest and the need to see positive progress in moving towards a fleet that is not dependent on fossil fuels.

- 3.3 The latter would be consistent with the Council's declaration of a climate change emergency in 2019. In addition, the Council has duties to monitor and take action in respect of air quality issues therefore a transition over time to a fleet that does not use fossil fuels would contribute to reductions in carbon emissions and be expected to lead to improvements in air quality.
- 3.4 The December 2022 report accordingly set out that changes to the structure of licence fees should be accompanied by a programme of reform. This would include:
 - Work with the licensed trade to be concluded by September 2023 in order to
 identify a date after which no more fossil fuel vehicles will <u>enter</u> the fleet,
 such date to be no later than 2027 and preferably sooner. This will not affect
 the ability of vehicles licensed before the cut-off date to continue within the
 fleet, so long as other requirements of the licensing policy (such as condition
 of the vehicle etc) continue to be met.
 - Review of policy on vehicle livery. (either wider range of colours or dropping requirements altogether) and maximum age of vehicle on first licensing (currently 2 years). This report deals with the way forward on the issues outlined above.
- 3.5 The December report said that the structure of taxi and private hire vehicle fees would be subject to review after 12 months in terms of the impact on the total number of licences in issue, the ability to make progress on the programme of reform and the Council's financial position in light of Government funding decisions.
- 3.6 A report covering those aspects will come forward to the meeting of the Committee in December 2023. Following the consultation proposed in this report, it will include a recommendation on whether to proceed with adopting differential fees for vehicles depending on whether or not they use fossil fuels, and what those fees should be.
- 3.7 The table below provides data on the structure of the current fleet in relation to vehicle engine fuel type as of July 2023:

	Private hire vehicles	Hackney carriages
Petrol	39	0
Diesel	32	51
Electric	1	0
Wheelchair accessible	0	51

3.8 The table below provides data on the structure of the current fleet in relation to vehicle age, as of July 2023:

Age in years at the next licence renewal date

Age	1	2	3	4	5	6	7	8	9	10	11	12	13	14	16
HC		1		1	3	6	6	8	7	6	4	2	3	3	1
PHV	1	5	5	7	5	12	18	12	4	4	2				

3.9 To assist the trade in understanding the opportunities offered by electric vehicles, Worcestershire Regulatory Service is planning a roadshow in the coming months for the trade across Worcestershire to meet suppliers of electric vehicles and to learn more about them.

4. <u>KEY ISSUES</u>

- 4.1 Officers met representatives of the Hackney carriage and private hire vehicle trade at the end of May. The discussion identified the following factors affecting the economics of operation in Wyre Forest and the trade's willingness to switch to electric vehicles:
 - prices of new and second hand vehicles have risen sharply in recent years as a result of impact of COVID on production and then release of pent up demand;
 - the second hand electric hackney carriage vehicle market is currently limited.
 This is due to high purchase costs for new vehicles. As a result the majority of
 new vehicles are usually obtained via a typical 4/5 year lease agreement.
 These vehicles will not therefore come on to the second hand market for a
 number of years.
 - operating costs have gone up significantly with increases in fuel prices, including the sharp upward adjustment as a result of the illegal Russian invasion of Ukraine, and high general inflation over the last 18 months;
 - drop in trade, particularly in the night-time economy. One operator reported fewer than 1000 journeys on a Saturday night compared to historical usage of about 1400 journeys a night (again this remains a repercussion of COVID, which caused the closure of a number of evening hospitality premises and the licensed trade continues to recover from this period);
 - typical mileage on a local shift is 100-150 miles but, with dwell time, this could give rise to "range anxiety" for users of electric vehicles – and time may be needed to recharge vehicles between shifts if they are rented to more than one driver.
- 4.2 The central observation from the trade representatives is that lowering the cost base is important to sustain entry into the fleet including encouraging deployment of

electric vehicles. Recognition should also be given to the fact that more modern vehicles have longer life spans and, if properly maintained, can be in much better condition after 7, 10, 15 years than vehicles in the past. Lower priced vehicles have lower financing costs and therefore lower rental prices charged to drivers by companies. Similar arguments apply for sole traders.

- 4.3 The trade's perspective is that an increase in the maximum age at which vehicles may join the fleet is essential it means a wider range of vehicles at lower cost can be considered, including in the colours currently specified, and will support entry of electric vehicles into the fleet. The representatives of the trade felt that the current colour requirements (red for private hire, silver for taxis) can be maintained if the age limit for vehicles joining the fleet is increased, ideally to 10 years.
- 4.4 The table sets out current policies in districts in Worcestershire relating to age of vehicles.

Table: maximum age criteria in districts in Worcestershire

Key
PHVs Private hire vehicles
HCs Hackney carriages
WA Wheelchair accessible
ULEV Ultra low emission vehicles

	Maximum age on being first licensed	Maximum age for renewal of licence	Additional Information
Wyre Forest	2 years (PHVs and HCs)	7 years (PHVs) 10 years (HCs)	Age limits can be extended on a vehicle by vehicle basis, dependent on the condition. Para 3.11.0 of the policy.
Worcester	No limit – electric vehicles (PHVs and HCs) 5 years – all other vehicles (PHVs and HCs)	No limit – electric vehicles (PHVs and HCs) Other vehicles: 8 years (HC) but 10-15 years depending on manner of vehicle being WA 10 years (PHVs) or 12 years if WA	Review of electric vehicles after 12 months of policy introduction
Malvern Hills	5 years (PHVs and HCs)	PHVs and HCs 8 years 10 years (vehicles that carry 4 to 9 passengers) 12 years (WA)	
Redditch	PHVs and HCs 6, 7 or 8 years, depending on fuel used, emissions and whether vehicle is WA	PHVs and HCs 10 -17 years, depending on fuel used, emissions and whether vehicle is WA	
Bromsgrove	PHVs & HCs No limit - Electric or hydrogen (WA)	PHVs & HCs No limit - Electric or hydrogen (WA)	

	15 years ULEV (WA), electric or hydrogen 12 years ULEV 9 years All other vehicles	18 years ULEV (WA), electric or hydrogen 15 years ULEV 12 years All other vehicles	
Wychavon	PHVs and HCs 10 years 12 years (WA)	PHVs and HCs No limit	

- 4.5 It will be seen that policies vary widely and that Wyre Forest is generally out of kilter with policies elsewhere. It is important to remember that operators of private hire vehicles can obtain a licence elsewhere and still operate in Wyre Forest, and that it is not solely the price of the licence that will affect their decision-making. Unduly restrictive age policies could see operators of private hire vehicles choose to license them elsewhere, even if the licence fee set by Wyre Forest remains competitive.
- 4.6 Taking into consideration feedback from trade representatives, it is apparent that the maximum age of vehicles on first licensing and renewal is exposing the Council to commercial risks and affecting the commercial viability of operators, including their willingness to consider electric vehicles. This report therefore recommends consulting on proposals to increase the maximum age on first licensing to five years, and the maximum age on renewal to 12 years, these criteria to apply to both hackney carriages and private hire vehicles. It is proposed to retain a simple approach and not have complicated criteria seen in other councils' policies in respect of fuel used, emissions or whether vehicles are wheelchair accessible. There is a simpler and more direct lever that the Committee is recommended to apply in respect of moving away from vehicles that depend on fossil fuels.
- 4.7 The policy would retain the existing provision in section 3.11.0 (extract shown below) which allows vehicles that fall outside the age criteria but are of exceptional standard to be in the fleet.
 - 3.11.0 Consideration of applications to licence vehicles that do not meet the required criteria
 - 3.11.1 This section applies where an application is received for the grant or renewal of a licence to use a vehicle as a hackney carriage or a private hire vehicle and the vehicle concerned does not meet the required criteria detailed in this policy.
 - 3.11.2 Where a vehicle does not met councils criteria on age, the application will be determined by authorised officers under powers delegated to them by the Council.
 - 3.11.3 For all other criteria the application will be determined at a hearing of the Council's Licensing & Environmental Committee .
 - 3.11.4 In determining the application, the starting point will be that the application should be refused unless the vehicle is of such an exceptional standard as to justify a departure from this policy.
 - 3.11.5 In considering whether the vehicle is of an exceptional standard, regard will be had to:
 - · The age of the vehicle
 - · The mileage of the vehicle
 - The make, model and specifications of the vehicle
 - The emissions standards met by the vehicle
 - The MOT and service history of the vehicle
 - The interior and exterior condition of the vehicle
 - Whether the vehicle has any exceptional features or performs or is designed for any specific function or use that the majority of other vehicles cannot perform.
 - 3.11.6 The financial and other personal circumstances of the applicant for the grant or renewal of a licence will not be taken into account when reaching a decision.
 - 3.11.7 The primary and overriding consideration will be whether the vehicle is safe and fit for use.

- 4.8 Changing the age criteria would not prevent new vehicles or vehicles less than five years old being licensed for the first time; nor would there be any change to other requirements for six monthly inspections, MOT (if applicable) etc. These measures will continue to secure that the vehicles used are safe, roadworthy and in good condition.
- 4.9 While representatives of the trade indicated a preference for an even higher maximum age on first licensing, it is considered that the significant change proposed in this report would meet the objectives of providing operators with a wider range of vehicles from which to select. Accordingly it is not necessary to consider changing the policy to provide flexibility on vehicle colours at this time.
- 4.10 Turning to the question of moving away from vehicles that depend on fossil fuels, this cannot be left solely to Government legislation or operation of the market. The Government is proposing a ban on sale of new vehicles that use only petrol or diesel in 2030 and sale of new hybrid vehicles in 2035. Under the revised age policy proposed in this report, petrol or diesel vehicles could continue to enter the fleet until 2035 and remain in the fleet until at least 2042; and hybrid vehicles could enter the fleet until 2040 and remain in the fleet until at least 2047.
- 4.11 There are good reasons, in pursuit of the Council's climate emergency declaration and air quality duties, for the Committee to take steps to secure change sooner. It is appropriate to give generous and fair warning to the trade as this allows forward planning. It will also give time for more used electric or hydrogen vehicles to come onto the market; stronger price competition for new and used vehicles; better ranges to be achieved as fuel cell technology improves; and potentially faster charging options as technology develops. Moreover, implementing a ban on petrol or diesel vehicles from joining the fleet some time in the future allows time for charging infrastructure to continue to expand within the district, including in WFDC-operated car parks in each of the three towns.
- 4.12 Taking account of these factors, this report proposes consultation on changing the licensing policy so that no fossil-fuel driven vehicles enter the fleet after 31 December 2026, which would provide over three years' notice of change assuming that the Council adopts a revised policy in December 2023. Such a change of policy would not remove petrol and diesel-driven vehicles from the fleet overnight. Instead, there would be a gradual transition. Even with the changes to age criteria proposed in this report, vehicles that depend on fossil fuels could continue to enter the fleet for another three years and could remain in the fleet until at least 2033 and probably for some years beyond that.

Illustrative impact of the changes (assuming maximum age of 5 years for vehicles on first licensing, 12 years on renewal)

A five year old diesel vehicle is licensed for the first time in November 2026. Its licence could be renewed until at least November 2033 – and longer than that if was of exceptional standard under section 3.11.0 of the policy.

A new petrol vehicle is licensed for the first time in June 2026. Its licence could be renewed until at least June 2038 – and longer than that if was of exceptional standard

under section 3.11.0 of the policy.

From 1 January 2027, no vehicle that uses petrol or diesel (including hybrid models) could join the fleet by being licensed for the first time, regardless of its age.

- 4.13 Finally consideration should be given to the question of whether take up of electric or hydrogen vehicles should be incentivised through the fee structure. At the moment, fees are the same for all hackney carriages or private hire vehicles, regardless of which fuel they use. In making a radical adjustment to fee levels for 2023-24, the total income from fees was expected to be less than the cost of the licensing activity. In reviewing fee levels for 2024-25, officers will examine setting fees at full cost recovery level but then offering a discount for vehicles that do not use fossil fuels. At this stage, it is proposed to consult only on the principle of adopting such an approach. The detailed calculations of fees and the level of discount that might be provided will be considered in the report for the December 2023 meeting of the Committee, at which it will be invited to make recommendations to full Council.
- 4.14 The report recommends consultation with the public and the trade, to assist the Committee in taking final decisions on amendments to policy. This will include a meeting with the trade during the consultation period.

5. FINANCIAL IMPLICATIONS

5.1 There are no direct financial implications for the Council arising from this report. The proposed consultation will be dealt with by officers within existing budgets.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 The Hackney Carriage and Private Hire Licensing Policy sets out how the Council will use its powers under the Town Police Clauses Act 1847 and Part II of the Local Government (Miscellaneous Provisions) Act 1976. Other relevant legislation and policy matters are mentioned throughout the report. When the Committee takes decisions on these matters at its December meeting, other relevant legal provisions will come into play such as the requirement in section 70 of the 1976 Act, to advertise any proposed variation to fees for hackney carriage and private hire vehicle and operator licences by publishing a notice in a local newspaper.
- 6.2 Changes to policy on which types of vehicle might be licensed respond to the Council's declaration of a climate emergency, its duties in respect of air quality and any relevant duties and targets set under the Environment Act 2021.

7. RISK MANAGEMENT

7.1 No significant risks are identified with holding a consultation as this allows views of the public and trade to be tested. A full analysis of risks associated with changing current policy will be provided when the Committee is asked to take decisions. At this stage, the consultation proposals are considered to represent low or minimal risk as there would still be adequate checks on vehicle condition, and adopting a

less stringent approach about age of vehicles would help reduce costs for this important part of Wyre Forest's transport infrastructure.

8. <u>EQUALITY IMPACT ASSESSMENT</u>

8.1 There are no equality impact assessment issues arising from this report. There is no change proposed to requirements for hackney carriages to be accessible to wheelchairs.

9. **CONCLUSION**

9.1 The report recommends consultation on a range of proposed changes to the taxi and private hire licensing policy, prior to decisions being taken later in 2023.

10. CONSULTEES

10.1 Solicitor to the Council, Head of Resources, Legal Services.

11. BACKGROUND PAPERS

- 11.1 Review of Fees and Charges for the Council's Licensing and Regulatory Services Function 2023/24, 5th December 2022
- 11.2 Current licensing policy <u>wfdc-taxi-and-private-hire-licensing-policy-with-effect-01-09-2022.pdf (worcsregservices.gov.uk)</u>

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