



Title of meeting:	Licensing Committee
Date of meeting:	Friday 4th December 2020
Subject:	Hackney Carriage and Private Hire Matters - Amendments to the Statement of Licensing Policy
Report by:	Director of Regeneration (in consultation with the Licensing Manager on behalf of the Director of Culture, Leisure and Regulatory Services)
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1 The purpose of the report is to seek approval from the Licensing Committee on three issues relating to improvements to air quality in the city, namely:
- 1.2 Amendments to its current statement of licensing policy for the hackney carriage and private hire trade in Portsmouth so far as they relate to age specification of vehicles;
- 1.3 Amendments to the current statement of licensing policy for the hackney carriage and private hire trade in Portsmouth so far as they relate to Zero Emission Capability, in order to secure £0.5 million for rapid EV charging points specifically for the taxi and private hire trade; and
- 1.4 The distribution of grant funding to owners and lease holders of non-compliant hackney carriage and private hire vehicles licensed in the city.

2. Recommendations

- 2.1 **That the Licensing Committee approve the proposed amendments to the Statement of Licensing Policy (reference - minute 9/2016) as follows:**
 - i) **That, as a matter of local policy and condition for both hackney carriage and private hire vehicle licenses; all private hire and hackney carriage vehicles presented for initial licensing shall be under 4 years of age on first licensing; and**



ii) Any vehicle may be relicensed until 8 years of age, provided the vehicle meets with the requirements of the PATN guidance as approved by the Council and is supported by an evidenced service history in line with the manufacturers guidelines;

iii) That the upper age limit for licensed vehicles to come into effect on 1st January 2022.

2.2 That the following statement be attached to the Statement of Licensing Policy (reference - minute 9/2016) in order to secure £0.5 million for rapid EV charging points specifically for use by the hackney carriage and private hire fleet:

"That all newly licensed vehicles be Zero Emissions Capable¹ from the 1st January 2025".

2.3 That the licensing committee endorses the proposal that officers will seek to negotiate a restructuring of funding from central Governments Joint Air Quality Unit, in that a greater amount be allocated to Wheelchair Accessible Vehicles.

3. Background

3.1 Air pollution is known to have a significant effect on public health, and poor air quality is the largest environmental risk to public health in the UK. Epidemiological studies have shown that long-term exposure to air pollution reduces life expectancy and exasperates pre-existing conditions such as respiratory and cardiovascular diseases.

3.2 The annual mortality burden of human-made air pollution in the UK is roughly equivalent to between 28,000 and 36,000 deaths. Short-term exposure to elevated levels of air pollution can also cause a range of effects including exacerbation of asthma, effects on lung function, increases in respiratory and cardiovascular hospital admissions and mortality.

¹ Transport for London defines a Zero Emission Capable private hire vehicle as one that emits:

- No more than 50g/km CO₂, with zero exhaust emissions for a minimum range of 10 miles (16.09 km)
- No more than 75g/km CO₂ exhaust emissions, and be capable of operating with no emissions for a minimum range of 20 miles (32.19km)

As a minimum, the vehicle must also meet the Euro 6 emissions standard. A non-exhaustive list of vehicles that TfL considers to be Zero Emissions Capable can be found on their [website](#).

Another phrase commonly used, and referred to within this report (particularly within the context of what other local authorities are doing), is Ultra Low Emission Vehicle (ULEV). For the intents and purposes of this report, these phrases should be considered interchangeable.



- 3.3 The main pollutant of concern in Portsmouth is Nitrogen Dioxide (NO₂). Public Health England advise that it is well established that NO₂, particularly at high concentrations, is a respiratory irritant that can cause inflammation of the airways. There is currently no clear evidence of a threshold concentration of NO₂ in ambient air below which there are no harmful effects for human health.
- 3.4 In 2010 Air Quality Standards Regulations were introduced into English Law and set legal binding limits for concentrations of major air pollutants that affect human health, including nitrogen dioxide and particulates. Regulation 26 of this legislation requires the Secretary of State to develop and implement a national Air Quality Plan demonstrating how the limit values for air pollution will be achieved in the shortest possible time. Since 2010, the UK has been in breach of legal limits for nitrogen dioxide in many major urban areas.
- 3.5 Environmental campaign organisation ClientEarth have challenged the government's Air Quality plans in the High and Supreme Courts for failing to include actions necessary to achieve legal limit value for nitrogen dioxide in the shortest possible time. Each of the successful legal challenges brought by ClientEarth has results in an increased number of local authorities across the country being directed to take legal action to improve air quality in their area:
- 2015, Wave 1: Birmingham, Leeds, Nottingham, Derby and Southampton
 - 2017, Wave 2: 23 additional local authorities: North Tyneside; Newcastle-upon-Tyne; Gateshead; Middlesbrough; Bury; Bolton; Salford; Trafford; Manchester; Stockport; Tameside; Sheffield; Rotherham; Coventry; Basildon, Rochford; Surrey Heath; Guildford; Rushmoor; Bristol; Bath & North East Somerset; Fareham and the New Forest.
 - 2018, Wave 3: 33 additional local authorities including Portsmouth. South Tyneside; Sunderland; Bradford; Calderdale; Burnley; Wakefield; Kirklees; Oldham; Sefton; Liverpool; Stoke-on-Trent; Newcastle-under-Lyne; Bolsover; Ashfield; Peterborough; Leicester; Blaby; Walsall; Wolverhampton; Sandwell; Dudley; Solihull; Cheltenham; Oxford; South Gloucestershire; Broxbourne; Southend-on-sea; Reading; Basingstoke & Deane; Bournemouth; Poole; Plymouth and Portsmouth.

Ministerial Directions Issued to Portsmouth City Council

- 3.6 Portsmouth City Council has been issued with four Ministerial Directions. These place a legally binding duty on the Council to undertake a number of steps to improve air quality in the city:
- Ministerial Direction 1 (March 2018): Required to Council to develop a Targeted Feasibility Study (TFS) by 31 July 2018 for two specified road links in the city: A3 Mile End Road and A3 Alfred Road. These two roads were selected as they were projected to have nitrogen dioxide (NO₂) exceedances in Defra's national PCM model.



- Ministerial Direction 2 (October 2018): Following the results of the TFS, PCC were issued with a further Ministerial Direction in October 2018, this time to undertake a bus retrofit programme. The Ministerial Direction stipulated that the programme should be undertaken as quickly as possible with the purpose of bringing forward compliance with legal levels of NO₂ on A3 Mile End Road and A3 Alfred Road.
- Ministerial Direction 3 (October 2018): The third Ministerial Direction required PCC to produce an Air Quality Local Plan to set out the case for delivering compliance with legal limits for NO₂ in the shortest possible time.
- Ministerial Direction (March 2020): The fourth Ministerial Direction required PCC to implement a Class B charging Clean Air Zone, and supporting measures, in Portsmouth as soon as possible and in time to bring forward compliance with legal limits for nitrogen dioxide to 2022.

Charging Clean Air Zone

- 3.7 Government suggest that Charging Clean Air Zones (CAZ) are an effective way to deliver compliance with legal limits for nitrogen dioxide in the shortest possible time. Charging CAZs define areas that vehicle owners are required a pay a charge if they drive through or within. The charge only applies to older, more polluting vehicles, specifically diesel vehicles that are older than Euro 6 and petrol vehicles that are older than Euro 4.
- 3.8 The Clean Air Zone Framework sets out four different classes of charging CAZ, detailing the types of vehicles subject to a charge under each class:
- Class A: Buses, coaches, taxis and private hire vehicles
 - Class B: Buses, coaches, taxis, private hire vehicles and heavy goods vehicles
 - Class C: Buses, coaches, taxis, private hire vehicles, heavy goods vehicles and light goods vehicles
 - Class D: Buses, coaches, taxis , private hire vehicles, heavy goods vehicles, light goods vehicles and cars
- 3.9 At the Portsmouth City Council Cabinet meeting held on 9th September 2019, Cabinet approved the recommendation to take forward a Class B CAZ. The recommendation put to Cabinet was based on the latest transport and air quality modelling data available at the time. This modelling indicated that even with a Class B CAZ in place there would still be a minor exceedance on A3 Alfred Road, however compliance would be reached in all other locations in the city.
- 3.10 The report to Cabinet on 9th September 2019 therefore recommended that a Class B CAZ was accompanied by a package of non-charging measures to ensure compliance was reached in all locations in the city. These accompanying measures included a review of taxi licensing policy and financial support to assist the trade to upgrade their vehicles to complaint types.



4.0 **Recent Changes to Taxi and Private Hire Licensing Age Restrictions**

- 4.1 In the policy review of hackney carriage and private hire vehicles completed in 2016, it was decided that a vehicle should be no more than 3 years old when first registered for licensing. The vehicle may then remain licensed until it is 8 years old, providing the vehicle is mechanically fit, and is supported by an evidenced service history in line with the manufacturer's guidelines. One of the key reasons for introducing the maximum age limit was to curtail the number of vehicle inspection failures. Analysis conducted at the time of the policy review showed a test failure rate of 85% for vehicles aged nine years and over.
- 4.2 These policies were amended in April 2019, with the key change being that newly licensed private hire and hackney carriage vehicles should be within four, rather than three, years of age. This change was made to reflect the limitations of purchasing ex-fleet/lease hire vehicles which are normally made available for retail sale after three years, and so would be automatically not meet the required standard under the old guidelines.
- 4.3 Moreover, the maximum age cap was rescinded, so that any vehicle may remain licensed provided the vehicle meets with the requirements of the PATN guidance as approved by the Council, and is supported by an evidenced service history in line with the manufacturers guidelines.
- 4.4 Therefore, notwithstanding the implications of the Ministerial Directive in terms of air quality, the Licensing Committee made the following amendments to its hackney carriage/private hire statement of licensing policy on 22nd March 2019 (against officer recommendations):

All private hire and hackney carriage vehicles presented for initial licensing shall be under 4 years of age on first licensing;

Any vehicle may remain licensed provided the vehicle meets with the requirements of the PATN guidance as approved by the Council and is supported by an evidenced service history in line with the manufacturers' guidelines.

- 4.5 Changes to emissions standards over time have reduced the levels of pollution produced by vehicles, therefore older vehicles still on the road are likely to be the heaviest polluters. Therefore, the age of the taxi and private hire fleet could be seen to have a significant impact upon local air quality, and resultant detrimental impacts on residents' health as well as PCC's mandatory Air Quality objectives.



- 4.6 In October 2019 a report was presented to the Licensing Committee updating it on the progress of the Air Quality Local Plan. This outlined the plans for a Class B Clean Air Zone and the associated charging regimes for non-compliant taxis. A resolution was made requiring the submission of a further report reviewing the hackney carriage and private hire vehicle statement of licensing policy in light of the Air Quality Local Plan, containing proposals to bring the taxi fleet within the required Euro standards and any proposed progressive tightening of vehicle specifications. It was stated that funding sources should also be investigated to help fund the transition to compliant vehicles.
- 4.7 The introduction of the CAZ will mean that any licensed vehicle which does not meet the Euro 6 Emission Standard (Diesel) or Euro 4 Emission Standard (Petrol) will be subject to a daily charge when driving within the zone. The CAZ will be focussed on an area in the southwest of Portsea Island, covering the city centre and surrounding area. The CAZ is due to launch in autumn 2021 and be in place for a period of at least 2 years- until it can be demonstrated that concentrations of nitrogen dioxide are within, and will remain within, legal limits.
- 4.8 Analysis of current PCC licensed vehicles shows that out of a total of 1089 taxis and private hire vehicles, 321 vehicles (29%) are currently non-compliant with the CAZ entry requirements.
- 4.9 As part of the Local Air Quality Plan Outline Business Case, PCC requested funding from government to install rapid EV charging points at taxi ranks and other key locations in the city. Government have earmarked £499,000 for PCC to deliver this. However, this funding is dependent upon the Local Air Quality Plan Full Business Case (to be submitted to central government by 21/12/20) demonstrating that PCC have amended local taxi licensing policy to include an "electric requirement". Government's Joint Air Quality Unit (JAQU) has confirmed that as a minimum PCC would need to embed a requirement for Zero Emission Capable (ZEC) vehicles within PCC's licensing requirements.
- 4.10 £604,500 of funding will additionally be available to support non-compliant taxi and private hire proprietors to transition to compliant vehicles, which will be distributed in a fair and equitable manner. Assuming that PCC are successful in dispensing this money, an addition £76,500 of stretch funding is available, although only if we have a strong response to the initial grant and are able to demonstrate sufficient demand to warranty its release.
- 4.11 Additionally, individuals can apply for to up to £7,500 from the governments plugin grant funding for the purchase of certain new low emission taxi's, or up to £3,000 off of the purchase of a new car which could be licensed as a private hire vehicle (provided it meets PCC's licensing criteria).
- 4.12 The proposals set out in this report should be viewed within the wider context of central government's ambitions to phase out new sales of diesel and petrol vehicles by 2030, and hybrid cars by 2035 at the latest, in order to help reduce the UK's contribution to greenhouse gas emissions. These proposals were



consulted on by central government in the spring of 2020. Whilst existing diesel, petrol and hybrid vehicles will still be able to be traded on the second hand market, these proposals would mean that all new vehicles will need to be some form of hybrid or fully electric by 2030, and fully electric by 2035. Therefore it is prudent to ensure that PCC's licensing policy supports the local trade in keeping up to date with changing government legislation.

5.0 Summary of measures other Local Authorities have adopted

- 5.1 Since 2015, a series of Ministerial Directives have been issued by government to 27 separate local authorities, instructing them to take action with regards to air quality in their local area. As such, many of these local authorities have made changes to their licensing requirements which differ according to the scale of the taxi and private hire fleet size and their own, individual Air Quality Objectives. Additionally, some authorities have also pursued such measures independent of instruction from government.
- 5.2 Measures adopted tend to relate to restrictions placed on newly licensed vehicles, restrictions placed on vehicles coming up for relicensing, and longer term goals for cleaner, greener fleets. A summary of measures that some of these authorities have introduced is included in **Appendix A**.

Newly Licensed Vehicles

- 5.3 For the licensing of new vehicles, where applicable, the maximum age for registration varies amongst the authorities studied, largely ranging between 3.5 - 7 years. As such, Portsmouth's policy of restricting newly licensed vehicles to be a maximum of 4 years of age is not, on the face of things, dissimilar.
- 5.4 However, many authorities do go further by incorporating a recognition of the different levels of pollution associated with the different fuel types, which Portsmouth does not at present. For example, to incentivise the uptake of ultra-low emission vehicles, Leeds have implemented changes that mean new-to-licence vehicles should be no older than 7 years from first registration, provided that they have driven less than 120,000 miles and are powered by electric, petrol hybrid, or LPG. Other fuel types such as petrol or diesel can only be newly licensed up to 5 years of age. A similar approach can be seen in Oxford, where a maximum age of 5 years for first registration is in place, increasing to 7 years for alternative fuel vehicles, or petrol/ diesel vehicles that emit less than 110g/km CO₂.
- 5.5 Some local authorities have also adopted licensing restrictions based upon the Euro standard of the vehicle. Northampton, and York require vehicles seeking a new licence to be at least Euro 5 petrol, and Euro 6 diesel.
- 5.6 Finally, some city regions have provided information on future restrictions that are to be adopted. From 2022, all vehicles seeking a new licence in Oxford must be



ultra-low emission vehicles; whilst by 2025 all vehicles applying for a new license in Nottingham will need to be ZEC or ultra-low emission vehicles.

Renewal of Licences

- 5.7 The renewal of vehicle licence policy also differs between LAs, with a similar separation between age and euro standard as seen with the initial licensing of a vehicle. A requirement in Leeds, Greater Manchester and Nottingham for most vehicle types is that vehicles should be less than 10 years old to be relicensed. However, authorities including Leeds and Nottingham have additional policies in place incentivising the uptake of Ultra-Low Emission vehicles, where they can be relicensed for a longer period of time. In Bristol an electric London Electric Vehicle Company hackney carriage taxi can be relicensed up to 15 years of age.
- 5.8 Other authorities base their relicensing policy on the Euro compliance levels, such as that which are used as the benchmark for the Portsmouth CAZ. This includes Southampton, Coventry, Northampton and Oxford, who all operate such policies or are introducing them in the near future.

Future Requirements

- 5.9 Many local authorities have also set goals with regards to the emissions of the taxi and private hire fleet within their cities. Many of these are aiming to have ultra-low emission or ZEC fleets at some point between 2024 and 2030.
- 5.10 In order to achieve this, authorities such as Coventry and Northampton have adopted a tapered approach, where licensing restrictions are gradually tightened. For example, Coventry have restricted current relicensing restrictions to Euro 4 or higher in 2020, Euro 5 or higher in 2022; rising to zero emission capable by 2024.
- 5.11 A final point to note is with regards to Wheelchair Accessible Vehicles (WAV's). Due to the higher costs involved in replacing a WAV and valuable role that they play in supporting the most vulnerable in the community, some local authorities have granted them exemptions to the CAZ charge or sunset periods. In Leeds WAV's can operate charge free until the end of 2027, however are not eligible for funding to purchase or lease compliant vehicles and in Greater Manchester until the end of 2022.

Financial Incentives

- 5.12 PCC have approached some of these authorities for additional information on the levels of funding being provided to the trade in their respective areas. This is discussed in more depth in Section 9 below.

6.0 Summary of Portsmouth Fleet

- 6.1 In the current taxi and private hire fleet, there are 1,089 licensed vehicles (as of October 2020). 321 of these - 29% - are likely to be non-compliant (diesel vehicles registered before September 2015), and so would be targeted through



the CAF funding. The proportion of CAZ compliant vehicles against non-compliant vehicles over time can be seen in **Appendix B**.

- 6.2 The number of non-compliant vehicles drops to 27% of standard taxis (263 vehicles, out of 988 standard taxis) and rises to 57% of Wheelchair Accessible Vehicles (58 vehicles, out of 101 total WAVs in the fleet). This reflects a slower replacement cycle and older overall fleet for WAVs than standard taxis.
- 6.3 Between October 2019 and November 2020 overall compliancy rates within the taxi fleet have increased from 62% to 71%. The number of diesel taxis decreased by 11%, however, the number of compliant diesel vehicles has risen from 58% to 66%. The number of petrol taxis has increased by 23%, although it is worth noting that as of November 2020 all petrol taxis licensed with PCC are CAZ compliant. In the same time period the number of hybrid taxis has increased by 26%. These changes are potentially in part in anticipation of the upcoming CAZ.

7.0 CAZ Consultation Response

Background to the consultation

- 7.1 On 16th July 2020 PCC launched a public consultation to seek views on the operation of the CAZ in Portsmouth. As noted in the consultation materials the purpose of the consultation was not to seek views on whether the public want to have a CAZ (this is not a choice; central Government are legally requiring that PCC deliver one) but (1) on the specifics regarding how the CAZ should operate, and (2) the support that PCC can provide to help businesses and individuals, such as taxi owners and operators, prepare ahead of the CAZ coming into operation.
- 7.2 PCC has been issued with a Ministerial Direction to implement a Class B CAZ and associated measures to bring forward compliance with legal limits for NO₂ to 2022. Therefore, any changes to the CAZ proposed through the consultation cannot be taken forward if they are demonstrated to affect the year of compliance. The impact of any changes to the CAZ design and their impact on compliance will be assessed through transport and air quality modelling.
- 7.3 The consultation was open for responses for a little over six weeks, having been extended beyond the initial six week period to allow more time for responses over the August Bank Holiday weekend. The primary method for taking part in the consultation was via an online questionnaire, with responses also welcomed over the phone and in writing.

Consultation Response

- 7.4 Over 70 hackney carriage/private hire drivers completed the consultation survey. 97% indicated that they drive within the CAZ at least four days a week, with 54% saying that they do so daily. 42% of respondents were CAZ non-compliant, which is slightly higher than the 30% of vehicles within the wider fleet which are non-compliant.



- 7.5 Almost half of those who drive non-compliant vehicles who responded to the survey indicated that they were planning to replace their vehicles within the next 3 years. Just under half (42%) of the non-compliant respondents indicated that they would replace their vehicle with a hybrid or electric vehicle in the next two years (i.e., by 2022). This suggests that there is some demand for the uptake of cleaner vehicles within the fleet, although much of the interest was for hybrid cars rather than electric. For those planning to purchase a replacement diesel or petrol car, almost all respondents indicated that they would purchase a compliant vehicle.
- 7.6 The survey asked non-compliant drivers how they would alter their travel behaviour in response to the introduction of the CAZ. Whilst over half of respondents did not respond to this question, out of those that did there was no clear consensus; the most common response was 'Retire early/ leave the taxi trade', which was selected by 29% of the respondents to this question.

Licensing Changes

- 7.7 A series of proposals were presented to those who responded to the survey, to appraise the appetite amongst respondents for changes to licensing proposals, a summary of which can be found in **Appendix C**. There was strong opposition to changing the maximum age of a vehicle being licensed for the first time from 4 years back to 3, as per the original 2016 restrictions. However, when financial incentives for the upgrade of older vehicles were mooted, the number of drivers opposed to this measure dropped to less than half the total number of respondents and the number in favour more than doubled from 14% to 32%.
- 7.8 Likewise, proposals to reintroduce a limit for the maximum age of a taxi licensed with the city council were strongly opposed (61%), but this was lessened in a situation where financial support would be available for the upgrade of vehicles (down to 45% against, with 32% in support).
- 7.9 In the longer term, there was a greater aspiration for all taxi/private hire vehicles to be low or zero emission when licensed with PCC (whether first or renewed licence), if there is access to EV rapid charging points. This was the most balanced option, where roughly 1/3 of respondents indicated that they either agreed, disagreed, or neither agreed nor disagreed, in each case.
- 7.10 Respondents to the consultation were also asked if they had any specific suggestions as to how the licensing policy could be changed to encourage Hackney Carriages and Private Hire Vehicles to switch to lower emission vehicles. These can largely be grouped into four main categories; financial help, industry, affordability and emissions.
- 7.11 In terms of the financial help theme, some drivers called for financial help, including grants, to help non-compliant drivers to upgrade their vehicle. As already stated, funding will be available to support the transition in the form of grants and loans. This ties into the theme of affordability, where drivers



expressed concerns about being able to afford to upgrade their vehicle, and the theme of industry, where concerns were expressed about the struggling nature of the industry in the current economic situation.

- 7.12 A very small proportion of respondents picked up on the use of emissions testing to determine whether a car was road worthy. However, emissions are already understood through the use of Euro standards which enables PCC to use as a basis for charging within the Clean Air Zone.

EV Charging Points

- 7.13 Finally, when asked where they would like to see EV rapid charging points located, the most popular answers were on - street locations within the city (60%), taxi ranks within the CAZ (58%) and taxi ranks outside of the CAZ (57%). PCC are continuing to engage with the taxi trade to determine preferences for the locating of EV rapid charging points.

Limitations of the data

- 7.14 It's worth noting when analysing these results both the small sample size and the possibility that those taxi/private hire drivers most likely to be impacted by the CAZ will be more incentivised to respond and make their opinions known. For example, for those respondents who drove diesel taxis (the most common fuel type within the taxi fleet), where the vehicle age is known there was an even split between those who were compliant and those who weren't in terms of responses. However, in the fleet itself only 34% of diesel cars are non-compliant, meaning that 66% will not be affected by the CAZ itself, notwithstanding any changes to the licensing restrictions. This isn't intended to invalidate the responses received, but it is important to bear these two things in mind when interpreting the results, as they may create a slightly more negative view of licensing changes than are present within the wider taxi driving community.
- 7.15 PCC's initial engagement plans to consult in a face to face manner, by going to taxi ranks and offices and engaging in person, were halted due to the pandemic. However, PCC made extensive efforts to reach through to the trade during the consultation period, through emailing trade representatives, calling operators (such as Aqua) and asking them to send notifications round to all staff, and sharing information with faith groups who may be well placed to reach hackney carriage and private hire drivers. Leaflets inviting residents to respond to the Clean Air Zone consultation were also dropped to every household in the city.

Continued Engagement

- 7.16 Further engagement has been undertaken since the consultation ended with the taxi and private hire trade to gather their views on amendments to taxi licensing criteria and the transition to an electric fleet. Drivers have been targeted with short surveys, as distributed through the trade representatives and through faith groups; moreover, PCC have engaged with the operators of Aqua and Uber,



representing a significant proportion of the taxi trade within Portsmouth, and Autolease UK, as they own and lease out 42 non-compliant vehicles which operate within Portsmouth.

Some of the key points identified are:

- Concerns over the cost of upgrading vehicles, particularly at a time when the trade is struggling due to economic disruption associated with Coronavirus. In particular, the cost of purchasing an EV is prohibitive.
- They welcome the provision of grant funding, but are concerned that the proposed amounts (£1,500 for standard taxis/private hire vehicles and £4,000 for WAVs) will not be sufficient.
- There is no clear agreement when it comes to what, if any, eligibility criteria should be applied. However, some recurrent themes are that they should only be available to licence holders based within Portsmouth, that they should be retrospective (as some drivers have upgraded their vehicles in anticipation of the CAZ), and that they should be sensitive to the age / type of vehicles being replaced or purchased.
- Particular concern exists about the cost of upgrading wheelchair accessible vehicles to compliant types and they would like to see a bigger loan or grant available for replacement of this type of vehicle. A reduction in the availability of such services may have a significant impact on disabled people.
- There are concerns that there are not enough EV charging points within the city to support a fleet of electric vehicles.

8.0 Proposed changes to Portsmouth's statement of licensing policy

- 8.1 This paper proposes two changes to licensing policy. These are to ensure that Portsmouth meets the requirement to deliver compliance with legal limits for NO₂ in the shortest possible time.
- 8.2 Between October 2019 and October 2020 the number of non-compliant vehicles in the fleet dropped by 8%. Assuming that the decrease in the number of non-compliant vehicles remains similar over the coming years, the fleet could be expected to be naturally compliant by the end of 2024.
- 8.3 However, the rate of decrease in the number of non-compliant vehicles has likely been affected by the economic uncertainty associated with the Covid-19 epidemic, which saw a significant decrease in the numbers of both non-compliant and compliant vehicles in the spring of 2020. Whilst the number of compliant vehicles has begun to recover the number of non-complaints has not. It is



unrealistic to expect the same level of decrease year on year, meaning that natural compliance with the fleet could be even later than 2024.

- 8.4 **Compliance with legal limits of NO₂ is required by 2022.** Therefore, natural rates of compliance in the hackney carriage and private hire fleet are too slow to meet the Portsmouth's legal requirements (even if natural compliance is met in 2024). To not implement changes to the age requirements of licensed vehicles risks undermining Portsmouth's ability to reduce emissions in the shortest possible time, as mandated in the Ministerial Direction by central Government.

8 Year Maximum Age for Relicensing

- 8.5 The first proposed licensing change is to introduce an 8 years age limit for the relicensing of hackney carriage and private hire vehicles. A 4 year age limit for newly licensed vehicles is already in place. This change reflects the fact that older vehicles are more polluting and have a bigger impact on air quality than newer ones. Many local authorities already have a maximum age limit in place for relicensing of vehicles to encourage fleet renewal, regardless of whether or not they are required to introduce a CAZ.
- 8.6 Table 1 below shows that 149 vehicles currently operating in the fleet would need to be upgraded to be compliant with the new 8 year maximum age for relicensing. Analysis shows that all but two would be CAZ non-compliant, and so would be charged £10 for every day that they entered the Clean Air Zone.
- 8.7 Over half of the vehicles who would be affected by the introduction of an 8 year maximum age for relicensing - 84 - belong to individual self-employed owner drivers. Of the remaining 65, almost half are owned by sizable leasing companies (21 are owned by Auto Lease & Finance (UK) Ltd, and a further 8 by Outlook UK). The remainder are being run by proprietors who operate between 1-4 vehicles older than 8 years (but may also run more vehicles, which are younger than 8 years).
- 8.8 34 of the vehicles that will be older than 8 years in 2022 are Wheelchair Accessible. This makes up 59% of the non-compliant WAV's.



Table 1. Those affected by changes to licensing policy.

Option	Those Affected
4 years maximum age for newly licensed vehicles	No change from present licensing policy.
8 years maximum age for relicensed vehicles	Vehicles registered before the start of 2014. 149 vehicles would need to be upgraded. Over half (84) belong to individual self employed owner drivers. Of the remaining 65, almost half are run by sizeable leasing companies. The remaining vehicles are run by proprietors or leasing companies who operate between 1-4 vehicles older than 8 years. 34 of all vehicles older than 8 years are Wheelchair Accessible.
Clean Air Zone Requirements	There are 321 CAZ non-compliant vehicles. These will all be liable to pay a charge of £10 for every day they enter the CAZ if they do not upgrade their vehicles before November next year (not allowing for any exemptions). All but 2 of the vehicles over 8 years old are included within this figure.

- 8.9 The case for reintroducing the vehicle relicensing age limit at 8 years is strengthened by the rate of vehicle inspection failures, which is currently at around 50% for vehicles over 9 years old (but which in the past has been as high as 85%).
- 8.10 Introducing an 8 year limit for relicensing would, in and of itself, lead to the number of non-compliant vehicles dropping by around 46% - from 321 to 174 (based on November 2020 figures).

Zero Emissions Capable Vehicles

- 8.11 The second proposed change is to introduce a date by which all newly licensed vehicles should be Zero Emissions Capable. This is in order to secure £0.5 million from JAQU for rapid EV charge points for exclusive use by the hackney carriage and private hire trade, the absence of which has, through the engagement PCC have done, been raised as an obstacle to EV adoption amongst the fleet.
- 8.12 Engagement with the trade over EV vehicles has shown there to be particular concerns over upgrade costs, especially considering that those who currently operating older, CAZ non-compliant vehicles which have a lower market value,



and those who operate wheelchair accessible vehicles, for whom the options for securing a electric vehicle are more limited.

- 8.13 Therefore it is proposed that the restriction for newly licensed vehicles to be Zero Emissions Capable be implemented no later than 1 January 2025, allowing the fleet sufficient time to recover from the economic impact of the coronavirus pandemic and prepare for this new requirement.
- 8.14 JAQU have also suggested that PCC should include a date from which all vehicles, include those being relicensed, must be Zero Emissions Capable. However, given the current difficulties facing the trade, it is felt that this would be an unreasonable expectation at this time. Instead we are proposing that the 8 year age limit work side by side with 2025 date for newly licensed vehicles to be ZEC; so that the last year a non-ZEC vehicle could be licensed with PCC would be 2032, assuming that vehicle was both new and newly licensed in 2024.
- 8.15 As alluded to above, there are also concerns that there are not enough EV rapid charging points within the city to support the wide spread adoption of electric vehicles within Portsmouth. The provision of the £0.5 million would go a way towards meeting this concern and removing one of the obstacles to EV adoption in Portsmouth. It would be unrealistic to expect the Portsmouth taxi/private hire fleet to transition to electric without this infrastructure first being in place.
- 8.16 Those operating electric vehicles face significantly lower running costs. The advantages of electric vehicle running costs over conventionally fuelled vehicles are demonstrated in **Appendix D**
- 8.17 The Government has announced a ban on new petrol or diesel vehicles from 2030. Changes to licensing policy will bring PCC in line with other Government ambition and changes that other authorities are implementing (see **Appendix A**).
- 8.18 In order to support the trade to upgrade to cleaner vehicles and meet the proposed changes in licensing policy, financial support has been secured from central governments Clean Air Fund. Further details can be found in section 9 below.
- 9.0 Proposed Financial Incentives to Support the Transition to a Cleaner Fleet**
- 9.1 As noted previously, the tightening of licensing restrictions is necessary to demonstrate to government that PCC are dedicated to moving towards a ZEC taxi/private hire fleet, and as such could lead to unlocking half a million pounds of funding towards rapid charging points at taxi ranks and at other locations for both hackney carriages and private hire vehicles. It is recognised, however, the



potential impact that purchasing newer, cleaner vehicles might have on a trade which is already struggling with the economic fallout of the repeated lockdowns.

- 9.2 A set of financial incentives is being offered through the Clean Air Fund in response to the introduction of the CAZ. PCC have been guaranteed £604,500 of funding. This will be distributed through a series of grants to assist with vehicle upgrade costs. Replacement vehicles do not need to be new or electric; they just need to be CAZ compliant (euro 6 diesel or euro 4 petrol), and in keeping with PCC licensing restrictions.
- 9.3 These grants have been awarded by JAQU to be distributed on the basis of £1,500 for a standard taxi and £4,000 for a Wheelchair Accessible Vehicle. Whilst the original grant was not enough to cover all non-compliant vehicles at the time of agreement, due to the contraction in the number of non-compliant vehicles as a result of the spring lockdown, there is now enough to support 95% of non-compliant standard hackney carriages / private hire vehicles, and 95% of Wheelchair Accessible Vehicles. With the additional stretch funding this would be enough to support every non-compliant vehicle to upgrade.
- 9.4 These figures are in line with the amounts being offered by other Local Authorities, in line with JAQU's recommendations - as can be seen in **Appendix E**. JAQU have commented that these grant levels were sufficient to drive the uptake in compliance in Leeds, as an example. The rapid uptake of compliant vehicles amongst the trade in Leeds is amongst the reasons why they were able to take the decision not to proceed with a Clean Air Zone.
- 9.5 PCC engaged with the trade on these sums (£1,500 / £4,000), however, concerns were raised that it would be insufficient to cover upgrade costs, particularly at a time when the hackney carriage and private hire trade are struggling. Worked examples of vehicle upgrade costs can be found in **Appendix F**.
- 9.6 Feedback from JAQU suggests that they are reluctant to vary much from the agreed funding distribution model above, stating that it has been effective in driving compliance in other CAZ's. However, this is arguably not an even comparison, as cities such as Leeds introduced their measures before the coronavirus pandemic, when the trade were in a better position, financially, to upgrade their vehicles. Whilst it is acknowledged that the Clean Air Fund is intended to support businesses in adapting to the introduction of the Clean Air Zone, and not the effects of Covid-19, the introduction of the CAZ is not happening in isolation and levels of funding which may have been sufficient pre-pandemic, are arguably not sufficient now, following 8 months of reduced business and income.



Wheelchair Accessible Vehicles

- 9.7 Analysis of taxi and private hire licensing data suggests that amongst those who may be hardest hit by the introduction of a charging CAZ are Hackney Carriage Drivers, of which there are 108 non-compliant vehicles, 52 of which are Wheelchair Accessible. A large proportion of hackney carriage drivers (40 of the 52 non-compliant WAVs, for example) are self-employed and own their own vehicle and so will need to replace their non-compliant vehicles themselves. There are a further 85 non-compliant private hire vehicles that are privately owned, 6 of which are WAV's.
- 9.8 Owners of Wheelchair Accessible Vehicles also face higher upgrade costs compared to those for standard taxi's. The worked examples in **Appendix F** show that whilst a standard taxi may be able to upgrade to a used compliant for in the region of £3,000, a Wheelchair Accessible Vehicle could face upgrade costs in the region of £15,000. Whilst these are examples only, they demonstrate the difference in upgrade costs faced by owners of Wheelchair Accessible Vehicles.
- 9.9 These figures show the particular importance of providing sufficient support to the Wheelchair Accessible Vehicle owners to upgrade their vehicles. This is important as they provide a key service to vulnerable groups within the city. Portsmouth Integrated Learning Disability team have stated that "Wheelchair accessible taxis are an essential part of the support network to enable people to access the community generally, visit families, attend day services and work venues and attend appointments, medical and otherwise... Without the services of wheelchair accessible taxis, people would be isolated and unable to be part of the community in a meaningful and inclusive way. This would result in disability discrimination."
- 9.10 PCC's Access and Equality advisor has added to this, stating that there are "not enough wheelchair taxis available in the city when disabled people require them, for example, it is near enough impossible to hire a taxi when schools runs are in progress as all the wheelchair taxis are taken up by taking children/young people to school which poses a real issue if the disabled person needs to attend college, employment or training."
- 9.11 Therefore it is key that any actions decisions taken as a result of changes to policy do not adversely affect this group.
- 9.12 In a report on CAZ Exemptions being presented to Cabinet on 1st December, PCC are proposing that WAV's be granted a 6 month exemption from the CAZ charge, on the provision that they register to access the CAF fund and upgrade their vehicles in that time period. Owners of Wheelchair Accessible Vehicles older than 8 years will still be required to upgrade their vehicles prior to 1st January 2022 in line with the proposals in this report. Clean Air Funding will be available from Spring 2021.



- 9.13 An endorsement by Councillors that PCC approach JAQU to seek a restructuring of the Clean Air Fund distribution is requested. This would involve increasing the £4,000 fund per vehicle earmarked for WAV's, whilst keeping the £1,500 for standard taxi's. This is dependent upon agreement by Councillors that they are happy to move away from a position when support can be offered to almost all non-compliant taxi's seeking to upgrade, to a position where support is still available for the majority of vehicles, but a greater amount is designated for Wheelchair Accessible Vehicles.
- 9.14 In the event that these negotiation are unsuccessful, JAQU will provide the CAF fund as per the funding model above; £1,500 for standards taxi's, and £4,000 for Wheelchair Accessible Vehicles.

Eligibility Criteria

- 9.15 Grant applications would be managed through an in-house online system, which may begin with an expression of interest being invited via an online form. This would enable early indications of likely take up, an opportunity to manage expectations and adjust predictions accordingly to ensure distribution of the available grants are well coordinated, from first registration through to payment.
- 9.16 In order to access the Clean Air Fund, PCC are considering eligibility criteria for Applicants to best target the funding and limit the opportunity for fraud.
- 9.17 It is proposed that a separate paper be brought to the Committee next year to fully explore this topic. However, initial ideas to protect the Council's investment could be:
- All Applicants must be licensed with PCC.
 - All Applicants must commit to be licensed with PCC for 3 years.
 - PCC reserve the right to seek repayment if within 3 years of receiving the grant the Applicant ceases to be licensed with PCC and / or the Applicant sells their new car.
- 9.18 Other Local Authorities have agreements in place which PCC will seek to understand. Moreover we will seek to meaningfully engage with the trade to understand what they feel the eligibility criteria should be.

Financial Incentives other Local Authorities are offering

- 9.19 The table in Appendix E demonstrates that other authorities are offering financial support largely in line with that being offered by PCC.
- 9.20 Leeds, who have been the most successful of all authorities in reducing their emissions, offered the same baseline grant as PCC have been advised to offer (£1,500). They were able to support the upgrade of over 500 vehicles through



grant payments, with only 102 vehicles applying for a loan by October 2020. These loans were financed out of Council funds rather than the CAF grant.

- 9.21 Southampton and Sheffield are also offering similar amounts as a baseline grant. In Sheffield it is being packaged as a scrappage scheme, where hackney carriage and private hire vehicles can scrap their current vehicle and put a £1,500 grant to towards either a loan for a new ULEV/electric cab, or they can choose to take that £1500 and leave the taxi trade.
- 9.22 Whilst at first glance Bath appear to offer a higher grant (£4,500), it must be noted that they are only providing this support up to 35% of the upgrade cost. For example, if a standard taxi faced an upgrade cost of £3,000, they would receive £1,050. A WAV facing an upgrade cost of £15,000 (to keep with the example above) would receive the maximum capped at £4,500.
- 9.23 Bath are also running a scheme whereby they offer an interest free loan for taxi's and private hire vehicles, where the interest is covered by a grant from JAQU and the capital is provided by vehicle asset providers via an established framework.
- 9.24 PCC made the decision not to proceed with loans as engagement with the trade revealed a low appetite for the uptake of loans (Only 14% of non-compliant respondents to the CAZ consultation over the summer expressed a preference for a loan).

10. Reasons for recommendations

- 10.1 Whilst recognising that the taxi and private hire trade is a source of livelihood for many, and the challenging economic uncertainty associated with the Coronavirus pandemic, PCC are still obliged to meet the Air Quality objectives handed down by central government, and meet its wider responsibility of ensuring cleaner air for all its residents, both in the short and longer term. These would not be met if PCC relied on the natural upgrade of fleet vehicles to reach compliance.
- 10.3 Introducing the 8 year maximum age limit for relicensing in 2021 is a measured and meaningful move towards having a cleaner, greener fleet. The introduction of a stipulation that all newly licensed vehicles be Zero Emissions Capable by 1st January 2025 will allow PCC to access government funding for rapid charging points at taxi ranks and other locations for the use of the trade. These proposals are sensitive of the level of challenge facing the trade currently whilst still showing a level of longer term ambition for a Zero Emissions fleet.



Table 2. Proposed Approach to Taxi Licensing

Year	Proposed Licensing Restriction	Existing Licensing Restriction
1 st January 2022	All vehicles to be a maximum of 4 years old when first licensed, and a maximum of 8 years old when relicensed.	Newly licensed vehicles to be less than four years old, with no maximum age limit for relicensing.
1 st January 2025	All newly licensed vehicles to be Zero Emissions Capable, and a maximum of 4 years old. All relicensed vehicles to be a maximum of 8 years old.	Newly licensed vehicles to be less than four years old, with no maximum age limit for relicensing.

A breakdown of the three recommendations of this report are summarised below.

Changes to Taxi and Private Hire Vehicle Licensing Conditions According to Age

- 10.4 Introducing an 8 year maximum age limit for licensed vehicles would lead to a 46% drop in the number of Clean Air Zone non-compliant vehicles within the fleet. These vehicles would be able to access JAQU's Clean Air Fund to help them upgrade their vehicles (as would those who are still licensable with PCC but are CAZ non-compliant). Almost all of the vehicles over 8 years old would be subject to a charge for entering the CAZ once launched, subject to exemptions.
- 10.5 The case for introducing the vehicle relicensing age limit at 8 years is strengthened by the rate of vehicle inspection failures, which is currently at around 50% for vehicles over 9 years old.
- 10.6 **Therefore it is recommended that the Licensing Committee approve the proposed amendments to the Statement of Licensing Policy (reference - minute 9/2016) as follows:**
- i) **That, as a matter of local policy and condition for both hackney carriage and private hire vehicle licenses; all private hire and hackney carriage vehicles presented for initial licensing shall be under 4 years of age on first licensing; and**
 - ii) **Any vehicle may be relicensed until 8 years of age, provided the vehicle meets with the requirements of the PATN guidance as**



approved by the Council and is supported by an evidenced service history in line with the manufacturers guidelines;

- iii) That the upper age limit for licensed vehicles to come into effect on 1st January 2022.**

Changes to Taxi and Private Hire Vehicle Licensing Conditions According to Zero Emissions Capability

- 10.7 Through the engagement that PCC have done, a theme that has emerged is that there are not enough EV rapid charging points within the city to support the wide spread adoption of electric vehicles within Portsmouth. If PCC were to secure the £0.5 million for rapid EV charging points specifically for use by the trade, this would go some way to removing one of the obstacles to EV adoption amongst the trade. Concerns have also been raised over vehicle upgrade costs.
- 10.8 It is proposed therefore that a restriction for newly licensed vehicles only to be Zero Emissions Capable be implemented no later than 1 January 2025, allowing the fleet time to recover from the economic impact of the coronavirus pandemic whilst still demonstrating a commitment to a Zero Emissions Capable fleet in the longer term.
- 10.9 A vehicle licensed with PCC before that date would be licensable up until it is 8 years old, in accordance with the recommendations in this report. The last year a non-ZEC vehicle could be licensed with PCC would be 2032.
- 10.10 The recommendation therefore is:

That the following statement be attached to the Statement of Licensing Policy (reference - minute 9/2016) in order to secure £0.5 million for rapid EV charging points specifically for use by the hackney carriage and private hire fleet:

"That all newly licensed vehicles be Zero Emissions Capable from the 1st January 2025".

Proposed distribution of Clean Air Fund finances

- 10.11 The current funding agreement with JAQU allows for the allocation of a £1,500 grant for standard taxi's and a £4,000 grant for Wheelchair Accessible Vehicles. Taking into consideration the current economic stresses and higher upgrade costs for WAV's in particular, the funding would be best allocated to those who face the highest vehicle upgrade costs. Therefore it is recommended that:



10.12 **The licensing committee endorses the proposal that officers will seek to negotiate a restructuring of funding from central government's Joint Air Quality Unit, in that a greater amount be allocated to Wheelchair Accessible Vehicles.**

11. Integrated impact assessment

11.1 This document is attached to the report.

12. Legal implications

12.1 The legal implications are embodied in this report and associated appendices.

13. Director of Finance's comments

13.1 The City Council have received £604,500 of funding from JAQU to support the upgrade of non-compliant Taxis and Private Hire Vehicles with the potential for a further £76,500 if evidence of need can be provided. The cost of upgrading a Wheelchair Accessible Vehicle is likely to be higher than one without adaptations, the Councils is going to seek to negotiate a restructuring of funding to allow a greater amount to be allocated to these types of vehicles if required.

13.2 Funding of £499,000 will be made available to us by JAQU to provide Rapid EV charging points for taxis and Private Hire Vehicles if we update our licencing requirements prior to submission of the Air Quality Full Business Case, should these recommendations be rejected then the project will not be able to proceed unless the Council is able to identify an alternative source of funding.

.....
Signed by:

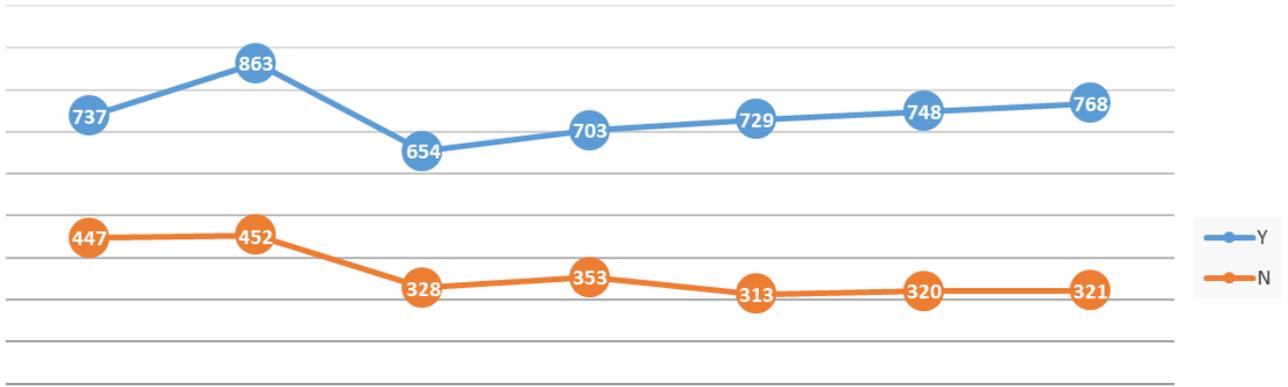
Appendices:

Appendix A. Taxi licensing restrictions adopted by other Local Authorities.

LA	Leeds	Bristol	Greater Manchester	Bath	Birmingham	Southampton	Nottingham	Coventry	Northampton	Oxford	York
Zone Type	B	B	C	C	D	Non-Charging	Non-Charging	Non-Charging	Non-Charging	Non-Charging	Non-Charging
New License	<p>Max 5yrs: Petrol, Diesel, Diesel Hybrid</p> <p>Max 7yrs and less than 120,000 miles: Electric, Petrol Hybrid, LPG</p> <p>Max 8 years HC WAV</p>	<p>PHV: Max 3.5yrs, Shall be Petrol, Petrol Hybrid, or ULEV.</p> <p>HC: Max 3.5yrs, ULEV (unless replacing non-ULEV)</p>	<p>Max 5yrs. Diesel Euro 6 and above, Petrol Euro 4 and above</p> <p>Ambition for a zero emission capable fleet</p>	<p>Max 4yrs, older vehicles may be referred to sub-committee</p>	<p>After 31 December 2020 any new vehicles must be Ultra Low Emission (ULEV), which is defined by the Office for Low Emission Vehicles as emitting less than 50g CO2/km and able to travel at least 70 miles without any emissions at all.</p>	<p>01/01/20: must be Euro 5 or newer</p>	<p>01/01/20: PHV max 4yrs, HC minimum of Euro 6</p> <p>01/01/25: all new to be ZEC ULEV</p>	<p>Max 15 yrs</p> <p>01/01/20: Zero Emission or Zero Emission Capable</p>	<p>03/05/18: ULEV, Petrol Euro 5, or Diesel Euro 6</p>	<p>PHV: max 5yrs (7 for alt fuel, or petrol/diesel that produce less than 110g/km CO2)</p> <p>01/01/20: minimum Euro 4 petrol, 6 diesel, or ULEV</p> <p>01/01/22: ULEV only</p>	<p>Petrol euro 5, Diesel euro 6, ULEV</p>
Re-License	<p>Vehicles over 7yrs to undergo inspection, maximum of 10yrs (ULEV and some WAVs 12yrs)</p>	<p>2015 or older, max of 12yr. Increased to 15 for HC LEVC</p>	<p>Max 10 yrs.</p>	<p>Max 10 yrs, older may be reviewed</p> <p>All licensed must be compliant with CAZ emissions standards</p>	<p>HC Max 15 years old, PHV 12 years old.</p>	<p>01/01/22: must be Euro 5 or newer for relicense</p>	<p>01/01/20: PHV max 10yrs, HC max 10yrs (ULEV 14yrs)</p> <p>01/01/30: all to be ZEC ULEV</p>	<p>Max 15 yrs</p> <p>01/01/20: Euro 4 or higher</p> <p>01/01/22: Euro 5 or higher</p> <p>01/01/24: ZEC</p>	<p>31/12/21: Renewals ULEV, Petrol 5, Diesel 6.</p> <p>31/12/2025, ULEV, Petrol Euro 6, Diesel Euro 6</p> <p>31/12/28: ULEV or Petrol hybrid</p>	<p>HC</p> <p>01/01/20: Euro 4 or better</p> <p>01/01/25: all licensed be ULEV</p>	<p>Petrol euro 5, Diesel euro 6, ULEV</p>
Exemptions	<p>CAZ Charge exemption until 31/12/21, WAV until 31/12/2027</p>		<p>WAV eligible for exemption until 31/12/22</p>	<p>Euro 4 & 5 diesel WAV concession until 31/12/22</p>							
Implemented Date	<p>Updated December 2018</p>	<p>Consulted 2017, updated 2020</p>	<p>Subject to 8 week consultation, October 2020</p>			<p>April 2019</p>	<p>Two year lead in time</p>		<p>January 2018</p>	<p>April 2020</p>	<p>February 2020</p>

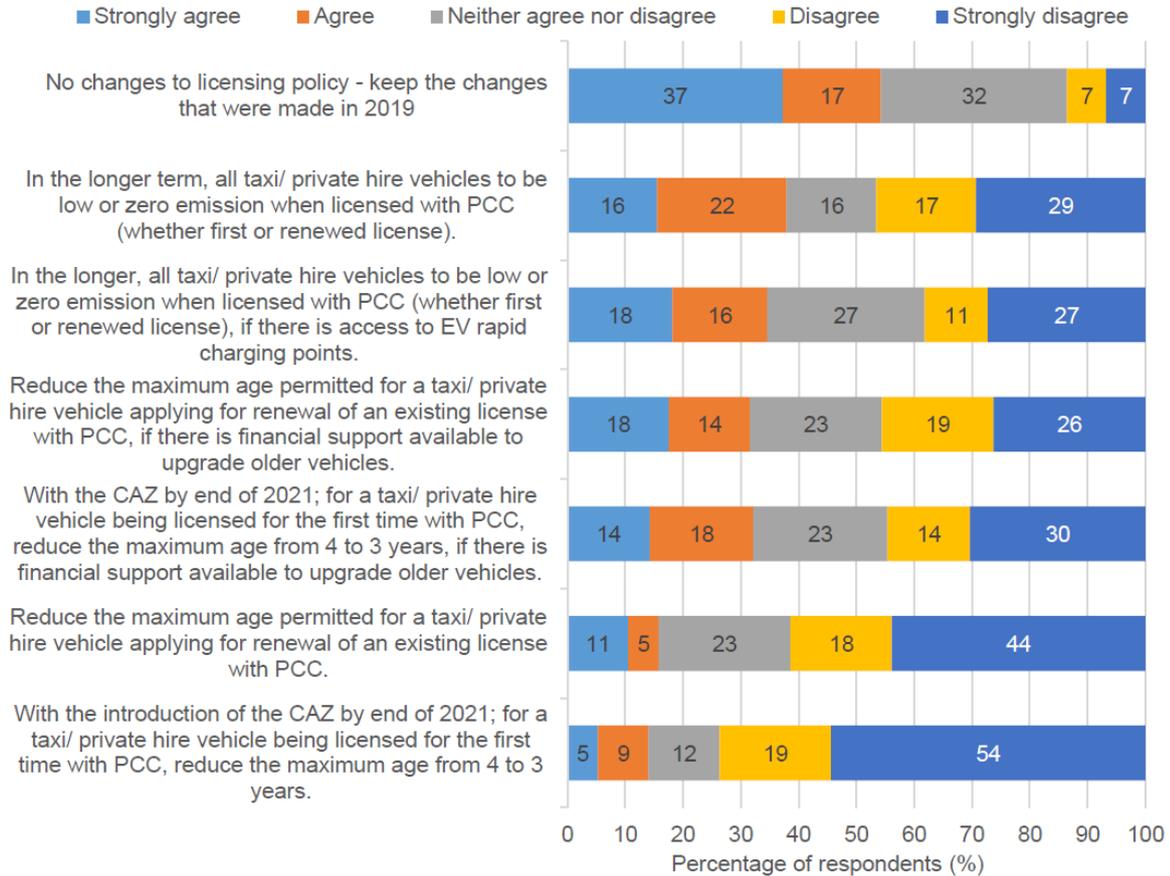
Appendix B. Taxi fleet data trends

How many vehicles are CAZ compliant?



OCT 2019	JAN	MAY	JUL	SEP	OCT	NOV
				2020		

Appendix C. Responses to licensing proposals from the Clean Air Zone consultation.



Appendix D. Example Operating Costs of an Electric Vehicle in comparison to a conventionally fuelled vehicle.

	SKODA OCTAVIA 1.6 Diesel	NISSAN LEAF Acenta 40kWh	NISSAN LEAF Acenta e+62kWh	Toyota Prius 1.8 VVT-I Active Auto	LEVC TX5
Cost from new	£20,665	£31,495	£39,395	£24,245	£57,099
Fuel type	Diesel	Plug-in Electric	Plug-in Electric	Petrol Hybrid	Plug-in Petrol Hybrid
Euro Standard	E6	EV	EV	E6	EV
NOX / Particulates	0.052 / 0.000 g/km	0 / 0.000 g/km	0 / 0.000 g/km	0.027 / 0.000 g/km	0/ 0.000 g/km
Official MPG	69mpg	173mpg	173mpg	90mpg	217mpg (37mpg fuel only)
Real world MPG	48.6mpg	138.5mpg	138.5mpg	63mpg	175.2mpg
Indicative Fuel Cost Based on Real MPG, Diesel 131.6p/litre, Petrol 127.9p/litre, *Electricity 16.5p/kWh	8.7p/mile	3.9p/mile	3.9p/mile	6.4p/mile	8.2p/mile
Engine Size	1598cc (1.6 Litre)	40kWh + 0cc (0 Litre)	62kWh + 0cc (0 Litre)	1798cc (1.8 litre)	31kWh + 1477cc (1.5 Litre)
Engine Power	113 HP / 115 PS	148 HP / 150 PS	214 HP / 217 PS	98 HP / 99 PS	108 HP / 110 PS
Acceleration 0-60 mph	10.1 Seconds	7.9 Seconds	7.1 seconds	10.6 Seconds	13.2 Seconds
Top Speed	126.0 mph / 203kph	90.0 mph / 145kph	98.0 mph / 158 kph	112.0 mph / 180kph	80.0 mph / 129kph
Full 'Refuel' Cost	£65.80	£6.60	£10.23	£55.00	£51.11 (£5.11 + £46)
Full 'Refuel' Mileage (based on real world mpg)	535 miles	168 miles	239 miles	596 miles	377 miles
*Full Recharge Time	N/A	Rapid 50kW 1 hour 20-80% Fast 22kW 7.5 hours 0-100% Nissan Wallbox 7kW 13 hours 0-100%	Rapid 50kW 1.5 hours 20-80% Fast 22kW hours 0-100% Nissan Wallbox 7kW 11.5 hours 0-100%	N/A	N/A
Official CO2 Emissions	108 g/km	0 g/km	0 g/km	75 g/km	24 g/km
Road TAX First Year / Standard	£170 / £145	£0 / £0	£0 / £0	£15 / £135	£0 / £455
Minor Servicing Costs (10,000 miles)	£179	£159	£159	£190	*£955
**Major Servicing Costs (20,000 miles)	£289	£209	£209	£340	
Approximate Insurance Cost	£1550 - insurance costs will vary significantly by vehicle and driver				
Approximate Breakdown Cover	£50				
Approximate Tyre Replacement Costs	£740				
Approximate Parts Costs	£730				
***5 Year Purchase and Costs Monthly Breakdown	£7,637	£9,213	£10,793	£6,739	£14,579.80

Appendix E. Financial Assistance available to the HC / PHV trade from other Authorities.

	Sheffield	Bath	Leeds	Southampton
Proposals for newly licensed vehicles	PHV must be younger than 5 years	Max 4 years	Max 5yrs: Petrol, Diesel, Diesel Hybrid Max 7yrs and less than 120,000 miles: Electric, Petrol Hybrid, LPG Max 8 years HC WAV	Euro 5 or newer
Proposals for relicensed vehicles	PHV Euro 6 Up to 9 years, ULEV 11 years	Max 10 yrs, CAZ compliant	Vehicles over 7yrs to undergo inspection, maximum of 10yrs (ULEV and some WAVs 12yrs)	01/01/22: Euro 5 or newer
Funding	CAF received: £3.3m HC £2.48m PHV	£899,000 (CAF requested)	£7.3 million CAF (circa £700,00 CAF and £1 million Council spending in loans at time CAZ was cancelled)	SCC scheme, extended with CAF funding
Grant Amount	Various - including £1,500 for scrappage scheme	Up to £4,500 (requested) or up to 35% of the net upgrade cost, whichever is lower. Interest free loans are also available, the value of which are calculated on a case by case basis.	Non-repayable grant worth up to £1,500 Interest-free loan worth up to £10,000	£1,500 to Full Petrol/ Diesel Hybrids / Euro 6 WAV £2,000 Plug in Hybrid £3,000 EV
Fleet compliance	678 non-compliant HC 621 non-compliant PHV (down from 1655 - grant awarded on that basis)	176 expected to Upgrade - fleet expected to be CAZ compliant by Go Live	46% petrol hybrid/EV, 26% Euro 6, 28% Euro 5	Euro 6 minimum compliance increased from 42% in Q1 2019 to 67% in Q3 2020 (associated with new licensing conditions) Around 80% of applicants to the scheme have upgraded to a hybrid, with only 3 electrics. The SCC fleet has recently exceeded 40% hybrids
Size of Fleet (March 2019)	Approx. 2,500 Hackney Carriages and Private Hire Vehicles	Approx. 500 Hackney Carriages and Private Hire Vehicles	Approx. 5,000 Hackney Carriages and Private Hire Vehicles	Approx. 1,200 Hackney Carriages and Private Hire Vehicles

Appendix F. Vehicle Upgrade Costs - Case Study

As a worked example, the most common vehicle make and model in Portsmouth's HC and PHV fleet is the Skoda Octavia, with 350 vehicles. Of these 350 vehicles, 87 are non-compliant, pre-Sep 2015 diesel vehicles.

Upgrading from a 2014 (Euro 5) 1.6 litre diesel hatchback vehicle to an equivalent second-hand compliant diesel vehicle would involve an upgrade cost of between £3,000 (for a 2017 vehicle) and over £6000 (for a 2019 vehicle, second hand). A new Skoda Octavia Hatchback costs upwards of £20,000 and so would constitute a significant increase from the £6000 the driver could expect to receive for their 2014 model.

Anecdotally, engagement with local garages have suggested that some hybrid vehicles, such as the Hyundai Ioniq, could be available second hand for under £19,000, although this would still require upgrade costs of around £13,000, if upgrading from an Octavia Hatchback.

For non-compliant Wheelchair Accessible Vehicles, the majority (90%) are hackney carriages, with only 6 being registered as PHVs. The most common non-complaint hackney carriage is the Peugeot Expert. For a 2014 model (the most numerous of those licensed at PCC), a seller could realistically expect to receive in the region of £9,000 (as per a search of Gumtree.co.uk) for a low mileage (sub >50,000 miles) vehicle, however, this drops significantly for a higher mileage vehicle, with one vehicle being sold for only £2,500, with a mileage of 218,000. The average mileage for a used hackney carriage non-compliant WAV licensed with Portsmouth is 220,000 miles.

The most common compliant hackney carriage WAV's in the fleet are the Peugeot Premier and the Peugeot Eurotaxi. Vehicles registered from 2018 onwards would be CAZ compliant but also compliant with proposed licensing restrictions of being 4 years or younger at first licensing in the year these requirements would come into force (2022).

For a compliant 2018/19 Peugeot Expert or Peugeot Partner (another suitable alternative), used vehicles can be found on their website averaging £17,500. For those most affected by the introduction of the CAZ, who can only sell their current vehicle for £2,500, this represents significant potential upgrade costs of up to £15,000.

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Portsmouth Statement of Licensing Policy	www.portsmouth.gov.uk
Proposed changes to Licensing Policy 12 April 2019	https://democracy.portsmouth.gov.uk
Licensing Committee 25th October 2019 - Air Quality Local Plan and Implications for Hackney Carriages and Private Hire Vehicles	https://democracy.portsmouth.gov.uk
Air Quality Local Plan - Outline Business Case Cabinet Meeting 29th October 2019	https://democracy.portsmouth.gov.uk
Air Quality Outline Business Case	www.portsmouth.gov.uk

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: