

Public Protection Committee: 20 September 2023

Report of the Head of Shared Regulatory Services

Update on the Consultation in Respect of the Moratorium on Hackney Carriage (Taxi) Licences.

1. Background

- 1.1 The Town Police Clauses Act 1847 and the Transport Act 1985 give local authorities the power to grant and restrict hackney carriage licences. A Licensing Authority may impose a moratorium on issuing new hackney carriage vehicle licences (the moratorium). If they choose to do so they must show that there is no significant unmet demand for the services of hackney carriages. These powers apply only to hackney carriages and there is no equivalent legal power for councils to apply quantity restrictions on private hire vehicles.
- 1.2 A moratorium on new hackney carriage licences in Cardiff has been in place since 2010. As a result, the only way for those wishing to enter the hackney carriage trade in Cardiff is to either rent a licensed hackney carriage from somebody with a licence that was originally issued prior to 2010, or to purchase a licence on the secondary market.
- 1.3 This position was last reviewed in December 2019 whereby the Public Protection Committee resolved to continue the current moratorium.
- 1.4 The Licensing Department have received a significant number of complaints from passengers unable to get hackney carriages in Cardiff. The Council also regularly receive complaints about the standard and condition of Cardiff hackney carriages. The number of hackney carriage vehicle licences not being actively used has also increased in recent years.
- 1.5 At their meeting on 7 December 2022, the Public Protection Committee authorised the Licensing Department to carry out a consultation exercise, seeking the views of the trade and the public on the removal of the moratorium on hackney carriage licences. The purpose of this report is to update members on the outcome of that consultation and request a decision on whether the moratorium should be retained, relaxed, or removed.
- 1.6 Between 10 February and 4 April 2023, the Licensing Department conducted an online survey to gain the views of the public and the licensed taxi trade in relation to the moratorium. A copy of the survey questions asked to the public are contained in **Appendix A**, and the questions asked to the trade are contained in **Appendix B**.
- 1.7 There were 952 responses to the survey, of which 700 responses were received from members of the travelling public and 252 were received from those associated with the taxi trade.

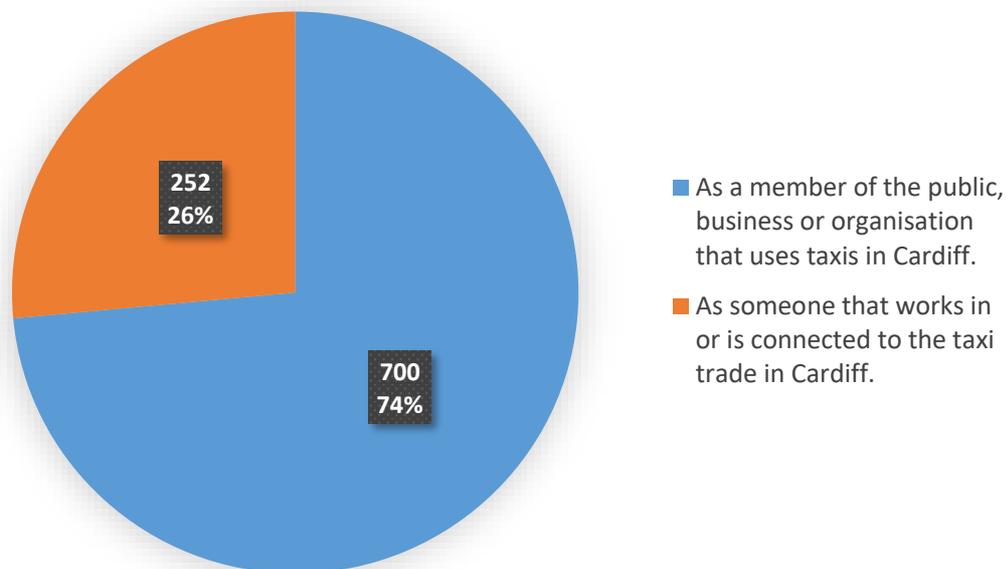
1.8 Throughout this report, any reference to a taxi specifically relates to a hackney carriage. These are vehicles that can be hailed from the roadside or operate from designated taxi ranks.

2. Survey Responses

This section details the result of the online survey. There were some questions asked solely to the public, others asked solely to the trade, and others asked to both groups.

The chart results represented in blue relate to the public response, and those in orange represent the trade response.

2.1 Question - How are you responding to this survey?



74% of respondents were members of the public, businesses or organisations that uses taxis in Cardiff. 26% of respondents work in, or were connected to, to the taxi trade in Cardiff.

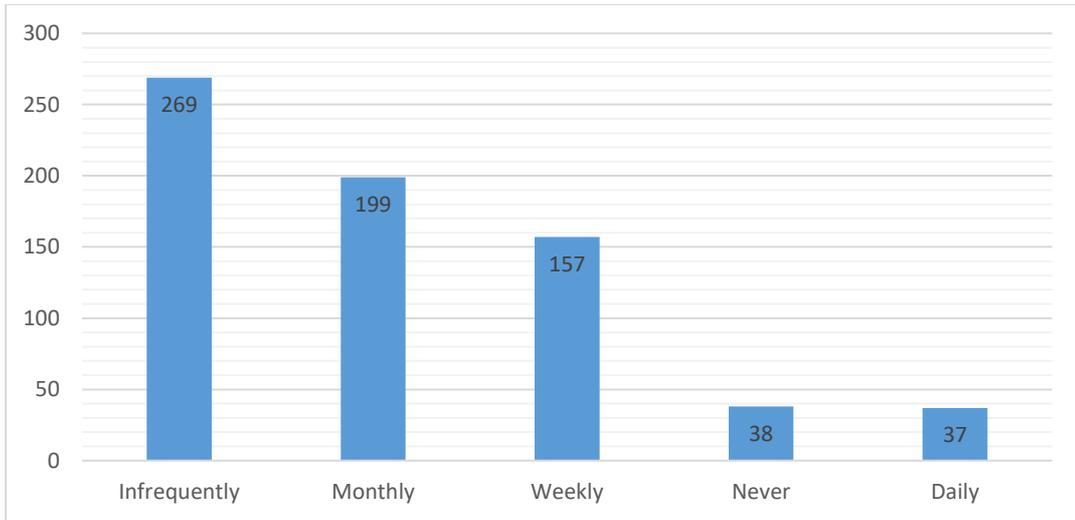
90% of the public respondents were Cardiff residents, 8% were non-Cardiff residents, and the remaining responses were primarily from respondents stating that they avoid using taxis or help others obtain a taxi.

28 respondents (4%) identified as having a disability that requires the use of a wheelchair accessible taxi.

Of the 252 trade respondents, 166 (66%) indicated they drive a taxi that they own, 38 (15%) drive a private hire vehicle that they own, 29 (12%) drive a taxi that they rent, 7 (3%) were licensed private hire operators, and 4 (2%) drive a private hire vehicle that they rent.

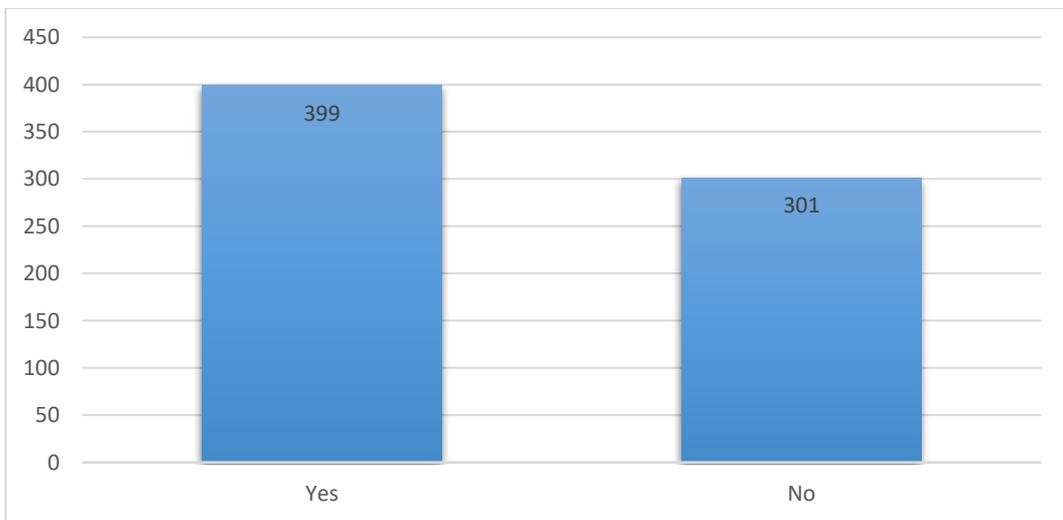
Other single responses were received from a respondent who funds Night Marshals in the city centre, the partner of a private hire driver, the owner of a taxi training company, a prospective taxi driver, a trade representative, a part time taxi driver, and a person that owns a business renting out taxis in Cardiff.

2.2 Question - How often do you hire a taxi from a taxi rank or by flagging one down in the street?
(Question for the public only)



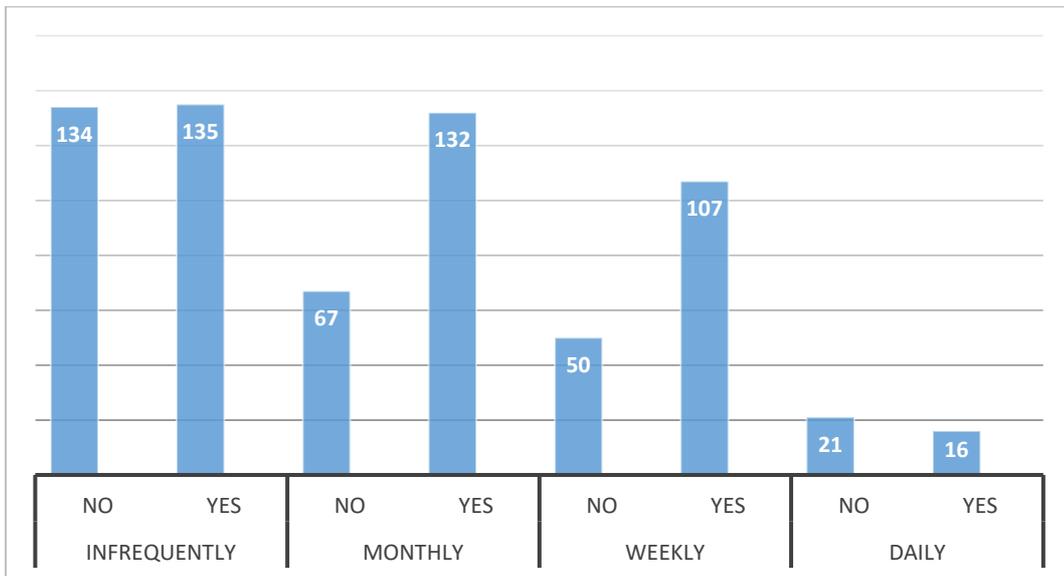
50% of public respondents use Cardiff taxis either weekly or monthly, 38% use Cardiff taxis infrequently, 5% use Cardiff taxis daily and 5% never use Cardiff taxis.

2.3 Question - Have you experienced difficulty getting a taxi either from a taxi rank or by flagging one down in the street in Cardiff in the last 12 months?
(Question for the public only)



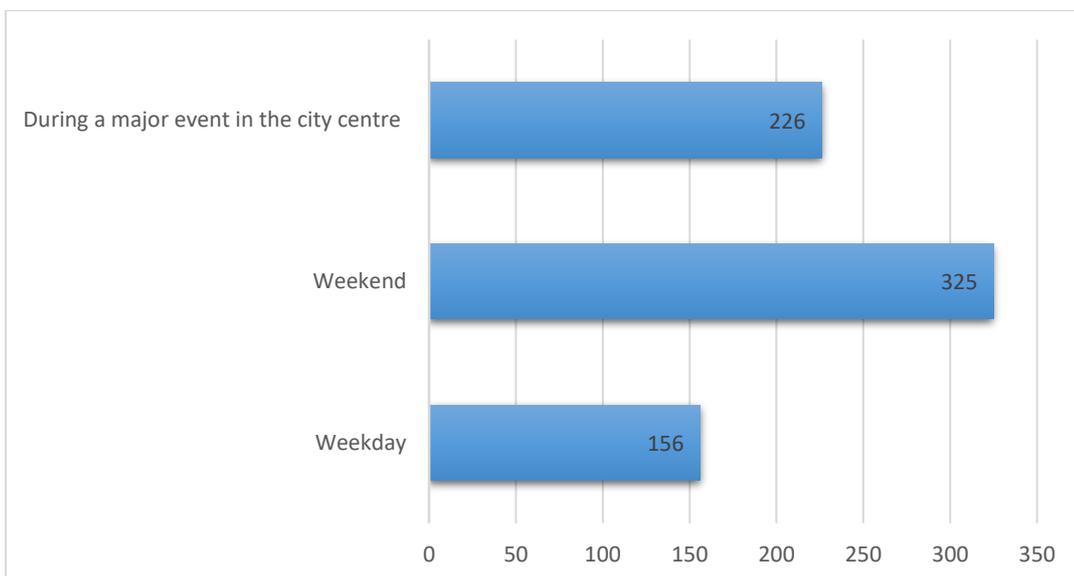
The majority of public respondents (57%) had experienced difficulty getting a taxi in Cardiff in the previous 12 months.

The chart below shows the respondent's difficulty getting a Cardiff taxi during the previous 12 months, broken down by the frequency they use Cardiff taxis.



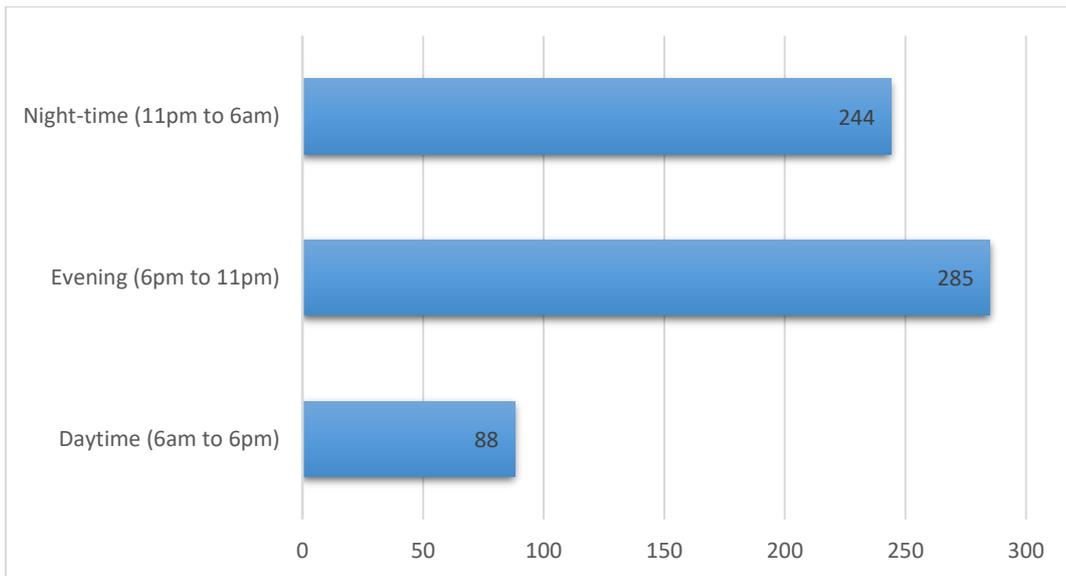
Public respondents who use taxis in Cardiff on either a weekly or monthly basis were most likely to report difficulty getting a taxi in the previous 12 months.

2.4 Question - If you have experienced difficulty getting a taxi in Cardiff, when did this occur?
(Question for the public only)



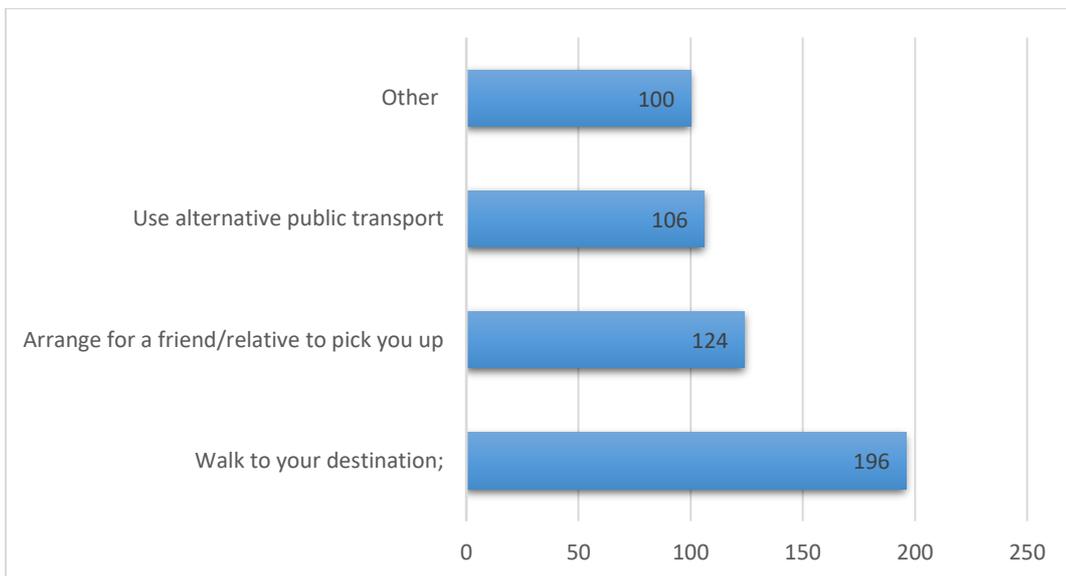
In the previous 12 months, the majority of public respondents experienced difficulty getting a taxi in Cardiff on the weekend (46%), followed by during a major event day in the city centre (a major event day includes events such as a 6 Nations rugby match, or a major concert in the Principality Stadium).

2.5 Question - What time of day did you experience difficulty in getting a taxi?
(Question for the public only)



The most common time to experience difficulty getting a taxi in Cardiff was between 6pm – 11pm. Note, this is also likely to be the most common time people use taxis, especially amongst respondents who use taxis either weekly or monthly.

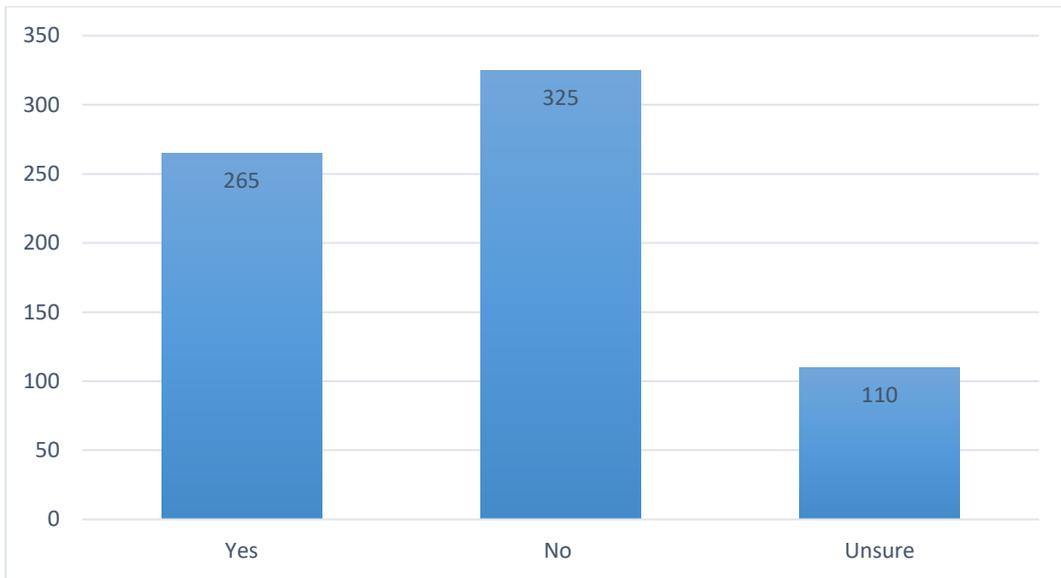
2.6 Question - If you experienced difficulty getting a taxi in Cardiff, did this require you to:
(Question for the public only)



The most common response from those unable to get a taxi was that it required them to walk to their destination (37%), followed by 24% who arranged for a friend or relative to pick them up, 20% were required to use public transport and 19% of provided their own response. A list of other responses is contained in **Appendix C**.

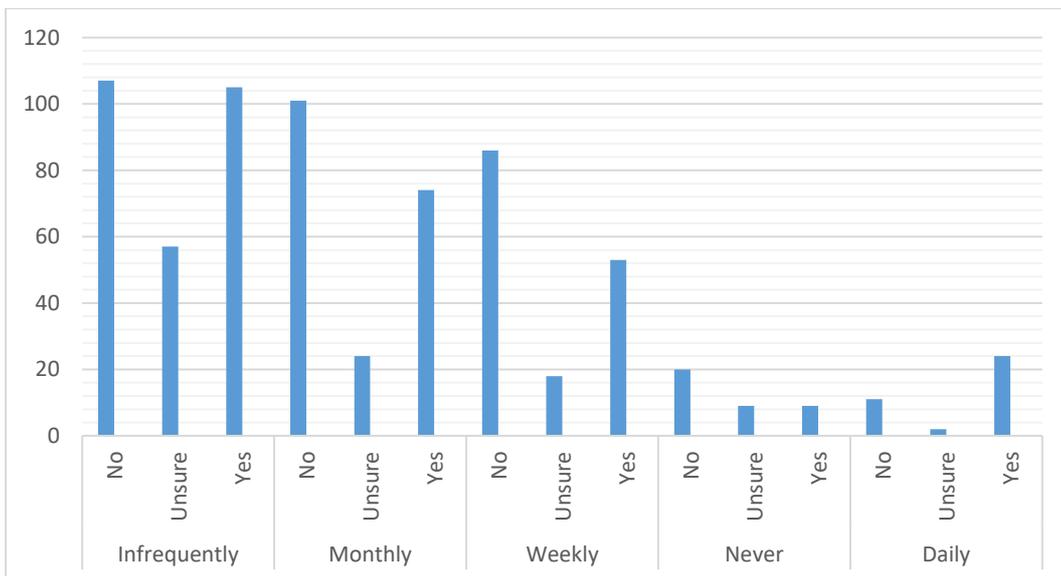
2.7 The public were asked if they would like to provide further comments about the difficulties they have experienced getting a taxi in Cardiff. These comments are contained in **Appendix D**.

2.8 Question - Are you satisfied with the condition of taxis in Cardiff?
(Question for the public only)



46% of public respondents were not satisfied with the condition of Cardiff taxis, 38% were satisfied and 16% were unsure.

The chart below shows the public's satisfaction with taxis in Cardiff, with the responses broken down by the respondent's frequency that they use Cardiff taxis.

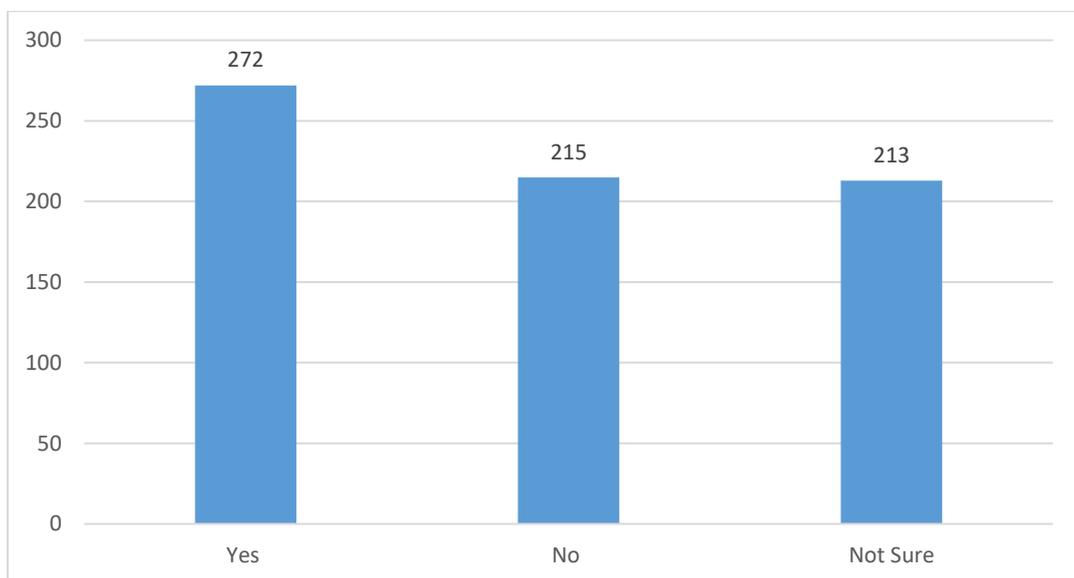


2.9 The public were asked if they would like to provide further comments about the condition of Cardiff taxis. These comments are contained in **Appendix E**.

2.10 Question - What is the year of registration of the vehicle that you drive?
(Trade only question)

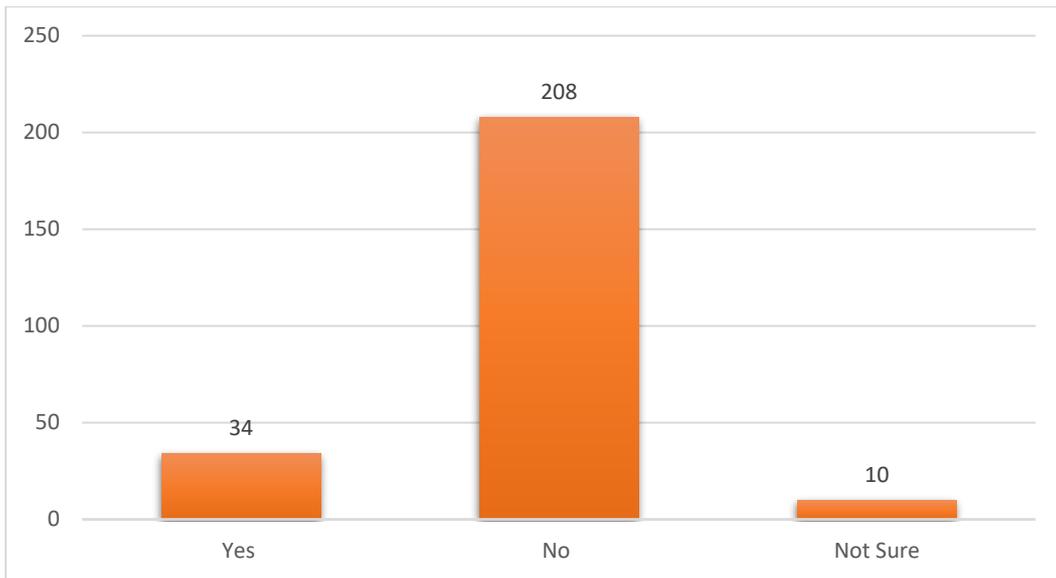
Year of Registration	No. of Responses	Percentage of Responses
2002 - 2004	1	1%
2005 - 2007	9	5%
2008 - 2010	21	11%
2011 - 2013	67	34%
2014 -2016	76	39%
2017-2019	17	9%
2020 -2022	3	2%
2023	1	1%
Total Responses	195	

2.11 Question - Do you think Cardiff Council should lift restrictions and issue more new taxi licences? (Public response)



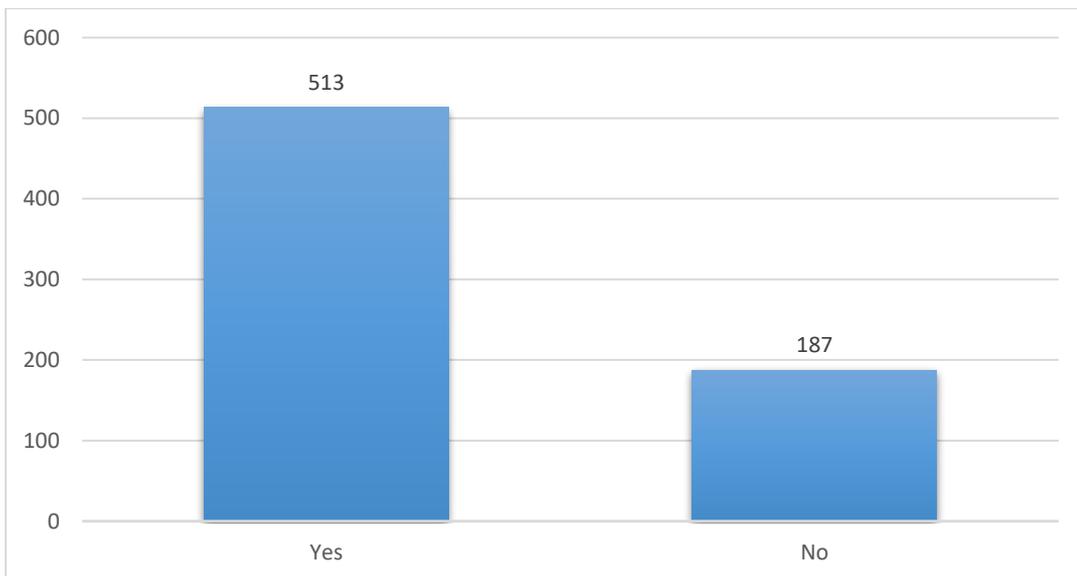
39% of public respondents wanted to lift restrictions and issue more taxi licences, 31% did not want to lift restrictions, and 30% were unsure.

2.12 Question - Do you think Cardiff Council should lift restrictions and issue more new taxi licences? (Trade response)



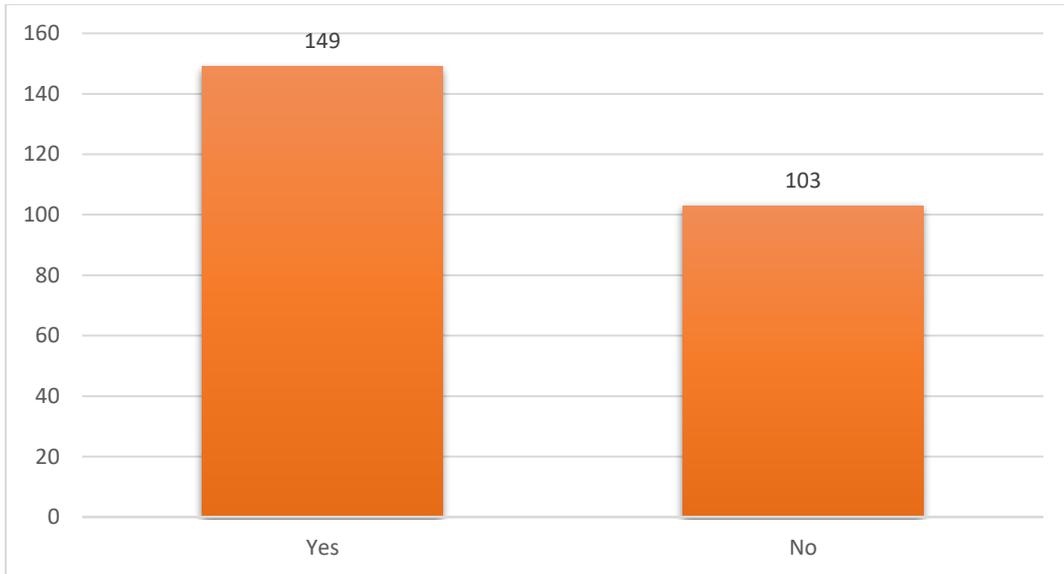
83% of trade respondents did not want to lift restrictions and issue more taxi licences, 13% did want to lift restrictions, and 4% were unsure.

2.13 Question - If Cardiff Council were to start issuing new taxi licences, do you think any new licences should be restricted to certain types of vehicles? (Public response)



73% of public respondents believe that if Cardiff Council were to start issuing new taxi licences, they should be restricted to certain types of vehicle. 23% did not.

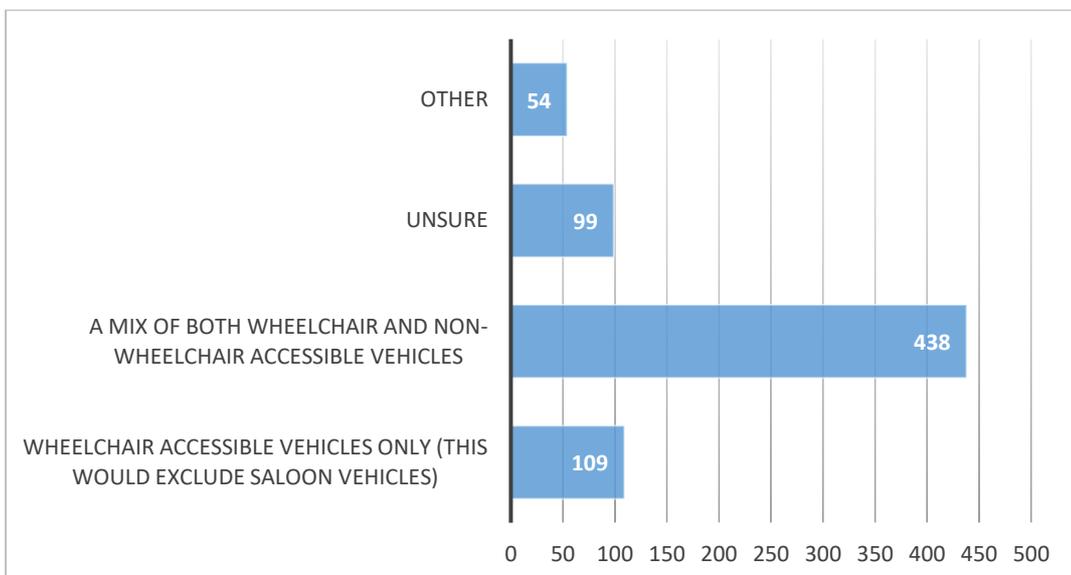
2.14 Question - If Cardiff Council were to start issuing new taxi licences, do you think any new licences should be restricted to certain types of vehicle? (Trade response)



59% of respondents felt that if Cardiff Council were to start issuing new taxi licences, they should be restricted to a certain type of vehicle. 41% did not.

Of the public and trade respondents who answered no to the above question and chose to leave a comment, these are contained in **Appendix F**.

2.15 Question - Please indicate which vehicles you think new licences should be issued to in terms of wheelchair accessibility should the Council decide to issue more licences? (Public response)



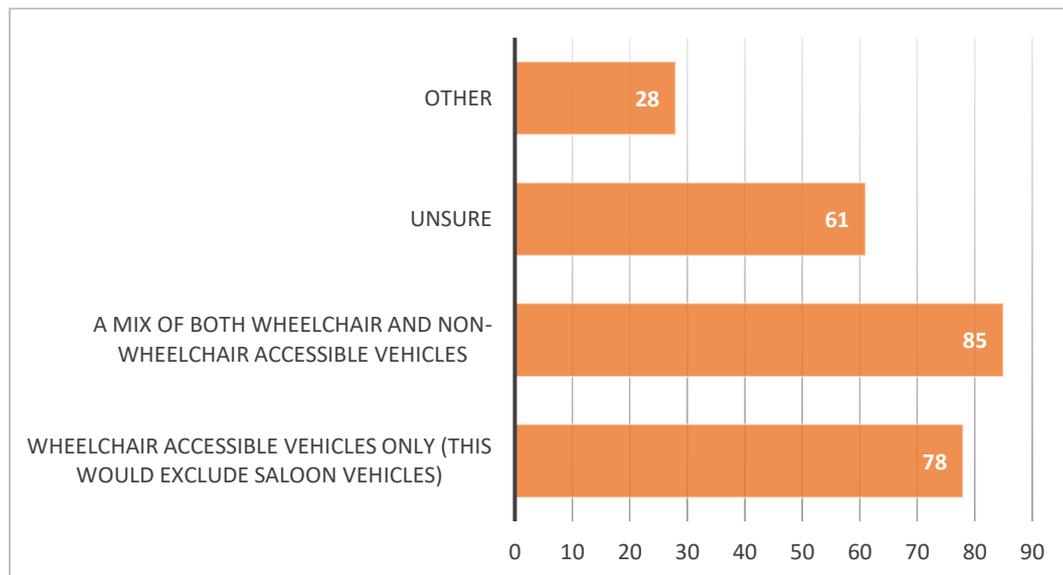
63% of public respondents chose a preference for a mix of both wheelchair and non-wheelchair accessible vehicles if the Council decide to issue more licences. 16% preferred only licensing wheelchair accessible vehicles, 14% were unsure, and 8% provided their own option.

Of the survey respondents that also indicated that they have a disability that requires the use of a wheelchair accessible taxi, 71% chose a preference for wheelchair accessible vehicles only and 21% preferred a mix of wheelchair and non-wheelchair accessible vehicles.

Two respondents that require the use of a wheelchair accessible taxi made the following comments:

- “Cars with a boot to fit a folded wheelchair and an unfolded large medical wheelchair are needed.”
- “All taxis need portable ramps and steps if the access is high. Vehicles with a flat boot for a vehicle with a large enough boot where wheelchair frames and wheelchairs can be folded up flat if needed. Low steps or folding down steps. and wheelchairs can be folded up flat if needed.”

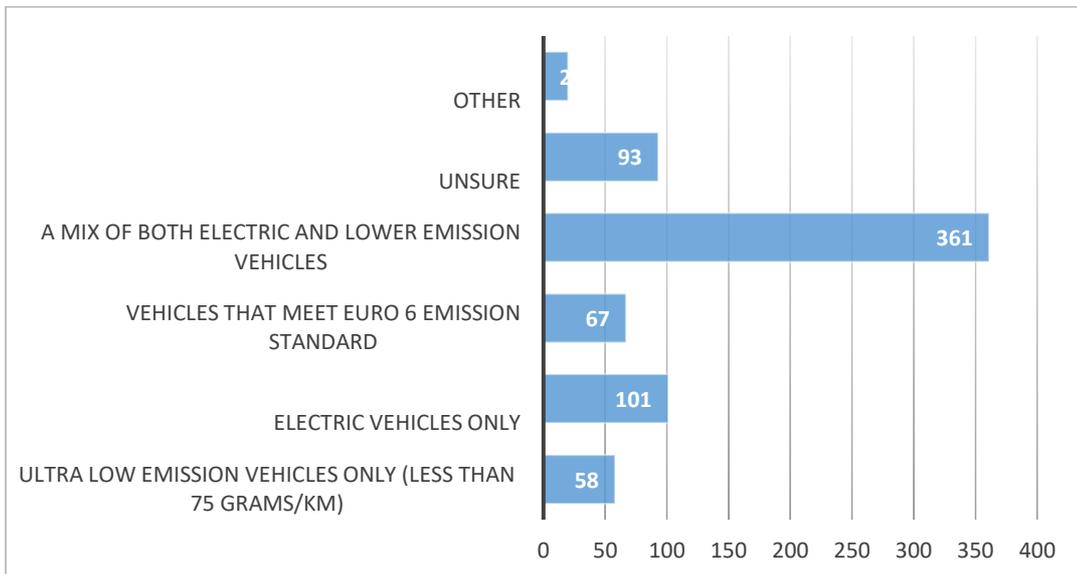
2.16 Question - Please indicate which vehicles you think new licences should be issued to in terms of wheelchair accessibility should the Council decide to issue more licences? (Trade response)



34% of trade respondents chose a preference for a mix of both wheelchair and non-wheelchair accessible vehicles if the Council decide to issue more licences. 31% preferred only licensing wheelchair accessible vehicles, 24% were unsure, and 11% provided their own option. These are detailed below.

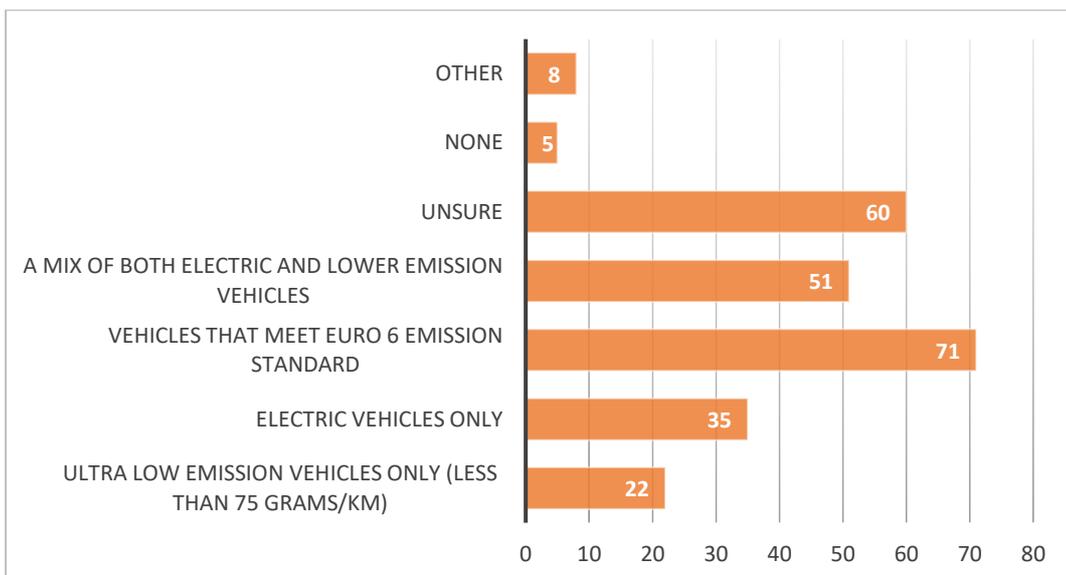
The public and trade respondents who provided their own response are contained in **Appendix G**.

2.17 Question - Please indicate the type of vehicles you think any new licences should be issued to in terms of emission standards should the Council decide to issue new licences:
(Public response)



The public respondents showed a significant preference (53%) for a mix of electric, and lower emission vehicles if the Council were to issue new licences. 15% of the public preferred electric vehicles only.

2.18 Question - Please indicate the type of vehicles you think any new licences should be issued to in terms of emission standards should the Council decide to issue new licences: -
(Trade response)



28% of trade respondents chose a preference for vehicles that meet the Euro 6 emission standard, 23% were unsure, 20% a mix of both electric and lower emission vehicles, 14% electric vehicles only, and 9% preferred ultra low emission vehicles. All other respondents that left a comment related to not wanting any additional vehicles.

The public and trade respondents who provided their own response are contained in **Appendix H**.

- 2.19 Respondents were asked to provide any further comments they wish to make about Cardiff taxis. These are contained in **Appendix I**.
- 2.20 Respondents were asked to provide comments on what further support they think should be offered to assist the taxi trade operating in Cardiff. These comments are contained in **Appendix J**.

3. Analysis of the Survey Data

Public Experience of Getting a Taxi in Cardiff

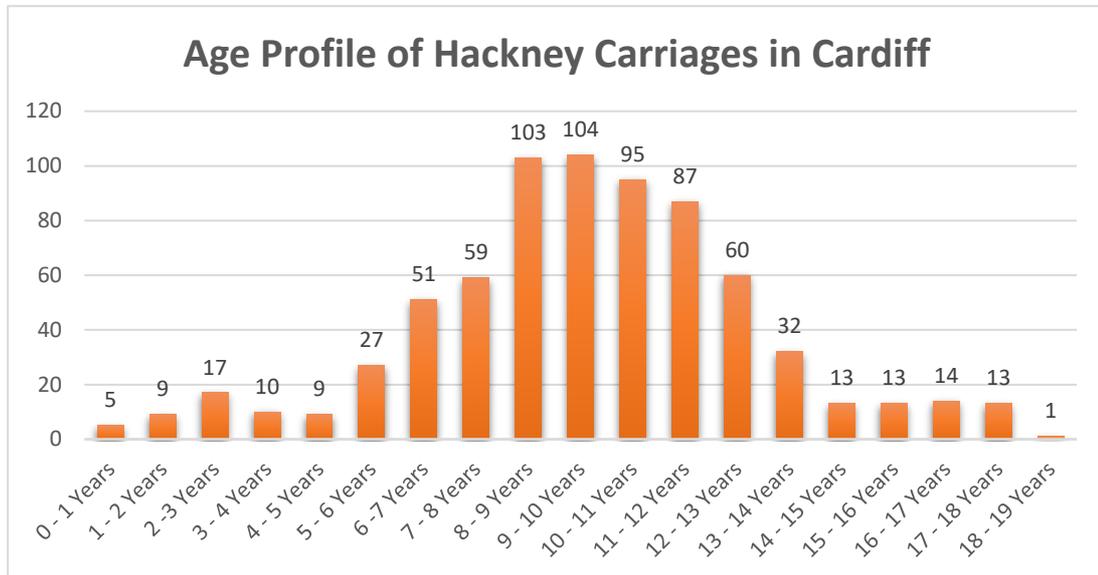
- 3.1 The majority of public respondents (57%) had experienced difficulty getting a taxi in Cardiff in the previous 12 months. For those that use Cardiff taxis either weekly or monthly, the proportion increased to 67%.
- 3.2 Of the respondents that had a disability that required the use of a wheelchair accessible taxi, 89% had experienced difficulty getting a taxi in the last 12 months in Cardiff.
- 3.3 The public respondents primarily found difficulty getting a taxi during the weekend or during a major event day in the city centre, and the most difficulty was experienced during the evening or nighttime (86%).
- 3.4 The only group of respondents who were more likely to report that they had not experienced difficulty in the previous 12 months were those that use Cardiff taxis on a daily basis. This may be due to daily taxi users having a long-term contract for taxi services and the time of day they use taxis.
- 3.5 Of the public respondents who had experienced difficulty getting a Cardiff taxi, in most situations this had required them to walk to their destination. Considering that the most common times to be unable to get a Cardiff taxi are between 6pm and 6am, this could have safeguarding implications for vulnerable individuals.
- 3.6 Of the respondents who identified as requiring a wheelchair accessible taxi, 28% had experienced difficulty getting a taxi that led them to being unable to get to their destination as there was no alternative. Comments from wheelchair users include “I was stranded at the hospital for 5 hours waiting” and “The difficulties in getting a disabled/accessibility taxi have meant that I have had several accidents trying to get home via foot or with a friend/relative whose cars is not adapted for those purposes.”

The condition of Cardiff taxis

- 3.7 46% of public respondents were not satisfied with the condition of Cardiff taxis, this increased to 55% and 51% for weekly and monthly users. Only those who use Cardiff taxis daily were more likely than not to be satisfied (65%) with the condition of Cardiff taxis.
- 3.8 The majority of public comments received in relation to the condition of taxis in Cardiff related to them being of a poor standard. There were a number of public comments

that indicated that it is for this reason that they choose not to use taxis, and use private hire vehicles instead.

- 3.9 At the time of writing this report, the average age of a Cardiff taxi is 9.7 years old. The average age of a purpose-built wheelchair accessible taxi in Cardiff is 10.3 years old. The chart below shows the average profile of the taxi fleet in Cardiff.



The moratorium on issuing new taxi licences.

- 3.10 The public were more likely than not to be in favour of removing the moratorium and issuing new licences, with 39% of public respondents preferring to remove the moratorium, 31% did not, and 30% were unsure.
- 3.11 The trade were significantly in favour of retaining the moratorium. 83% wanted to retain it, compared to 13% who wanted to remove it.
- 3.12 If the moratorium were removed, both the public and the trade were in favour of new licences being restricted to certain types of vehicles. Both the public and the trade were mostly in favour of new licences being issues to a mix of wheelchair and non-wheelchair accessible vehicles.
- 3.13 In terms of vehicle emissions for new licences, the public showed a significant preference (53%) for a mix of electric, and lower emission vehicles. The second preferred option by the public was for new licences to only be issued to electric vehicles only (15%).
- 3.14 There are currently no fully electric wheelchair accessible taxis on the new car market, therefore, if the moratorium were relaxed for electric taxis only, this would be a barrier to those wishing to enter the market with a wheelchair accessible vehicle.
- 3.15 There are a small number of ULEV wheelchair accessible vehicles on the market, the most well-known being the LEVC TX (commonly referred to as a London taxi). However, these vehicles cost in excess of £65,000 to purchase.

Further comments about Cardiff Taxis and Additional Support for the Trade

- 3.16 The public comments about Cardiff taxis in general, and additional support that should be provided to the trade, primarily related to the location of taxi ranks, having additional rank space, better training for drivers, and ensuring drivers are vetted correctly.
- 3.17 Whilst the Licensing Department work closely with the Highways Department in relation to rank space, this is not within the remit of this committee. All new hackney carriage/private hire drivers are required to complete the SQA Level 2 Certificate in 'Introduction to the Role of the Professional Taxi and Private Hire Driver', they must also pass a written examination relating to the local standards in Cardiff, and an oral knowledge test relating to the topography of Cardiff.
- 3.18 The trade responses primarily relate to a lack of rank space, and vehicles from other local authorities working in Cardiff, known as 'cross-border hire'. Taxis and private hire vehicles that are licensed by other local authorities are permitted to carry out private hire work in Cardiff and the Council has no powers to restrict this. Cross-border hire is an issue that affects many areas of the UK, particularly urban areas.

4. Unite's Response to the Survey

- 4.1 In response to the survey, Unite the Union, representing the hackney carriage trade in Cardiff, submitted a formal letter for members to consider, including a number of a photographs of taxis queuing. Their letter is contained in **Appendix K** and the photographs in **Appendix L**.
- 4.2 The points raised by Unite are summarised below:
- The introductory text of the online survey misled the public into believing that all taxis in Cardiff are at least 13 years of age, as it suggested that no new licences had been issued in Cardiff since 2010.
 - As the survey was capable of being responded to multiple times, this compromised the integrity of the process.
 - It would be good practice to undertake an independent survey to assess unmet demand before any decision is made to remove the moratorium.
 - The trade has a real-world view of what occurs in the hackney carriage industry and do not believe that there is an unmet demand issue in Cardiff.
 - The original committee report seeking authorisation to carry out an online survey referenced complaints received by the Licensing Department in relation to passengers unable to get hackney carriages. However, it failed to state how many complaints had been received, and that the complaints received should be filtered to hackney carriage complaints only.
 - Any reference to the secondary market for hackney carriage licences is irrelevant to the discussion.
 - There is not enough road space or taxi rank space for hackney carriages that are already licensed in Cardiff, which has been made worse by an ever-increasing number of private hire vehicles operating in the city. Removing the moratorium would exacerbate this issue.

4.3 In response to the above points, officers provide the following comments:

- Officers have reviewed the public responses and comments to the online survey and do not feel that there is pattern that would raise concerns as to the integrity of the process.
- It is correct to state that no new hackney carriage licence has been issued since 2010. There is no suggestion in the responses received that there was confusion that it is not possible to replace a vehicle on an existing licence for a newer vehicle, or that all licensed taxis are over 13 years old.
- There are reasons other than unmet demand as to why a moratorium may be relaxed, including the condition of vehicles, equality of access to taxi licences and grant support schemes, and to remove the barriers that prevent greater uptake of electric taxi leasing schemes that help improve air quality.
- The Licensing Department have received complaints from the public about the difficulties they experience getting a hackney carriage in Cardiff. This led to officers to seek approval to carry out a public consultation exercise to gain the views from the public on this issue. A significant number of public responses to the survey highlight this issue.
- The value of taxi plates on the secondary market is relevant when considering the level of demand a plate attracts and their availability for those wishing to enter the taxi trade.
- The recommendation is for new licences only to be issued to fully electric vehicles, or wheelchair accessible vehicles that meet the Euro 6 emission standard. This would require prospective licence holders to make a significant investment to obtain a new licence. Therefore, it is not envisaged that the relaxation of the moratorium would significantly increase the overall number of taxis licensed in Cardiff.
- Whilst there has been an increase in private hire services in recent years, there is no equivalent legal provision to impose a moratorium on private hire vehicle licences.

5. Current Issues

5.1 Those wishing to enter the taxi trade in Cardiff are required to rent or purchase a taxi with a licence that was originally granted prior to 2010 when the moratorium was introduced. As a result, licensed vehicles attract a premium on the secondary market.

5.2 A potential benefit of an open market for hackney carriage licences is that this would allow prospective licence holders to put a deposit down on a modern vehicle that they can license themselves. This would give opportunities to hackney carriage drivers to own their vehicle, which they would have greater control over its upkeep.

5.3 The moratorium could impact future bids for grant funding to help improve the emissions of the taxi fleet in Cardiff, if public money could only be used to help current licence holders and could not be distributed equitably to those who rent a taxi from a licence holder.

6. Exhaust Emissions Standards for Vehicles

- 6.1 Since the early 1990s, new car models have had to meet increasingly stringent exhaust pollution limits, known as Euro emissions standards, before they can be put on sale.
- 6.2 Since the introduction of 'Euro 1' in 1992 which made catalytic converters mandatory on petrol cars, there have been a number of updates requiring manufacturers to reduce vehicle exhaust emissions to help improve air quality. The latest standard, 'Euro 6', applies to new type approvals from September 2014 and new cars from September 2015.
- 6.3 The table below details the different Euro emission standards and the date of their implementation, showing a trend towards a cleaner standard. Whilst manufacturers were required to meet the relevant Euro emission standard by the implementation date, many vehicle models were compliant prior to the required date.

Emissions Standard	Applied to most* new registrations from:
Euro 1	31 December 1992
Euro 2	1 January 1997
Euro 3	1 January 2001
Euro 4	1 January 2006
Euro 5	1 January 2011
Euro 6	1 September 2015

*Individual Euro 5 vehicles already on sale that were built and dispatched from the manufacturer before 1st June 2015 could continue to be sold until 1st September 2016.

- 6.4 Alongside the above Euro emission standards, in recent years there has been increase in the number ultra-low emission vehicles (ULEVs). A ULEV is defined as any car or van that emits 75g/km CO₂ or less. Pure electric vehicles (EVs), plugin hybrid vehicles (PHEVs), range-extended electric vehicles (E-REVs), and hydrogen fuel cell electric vehicles (FCEVs) are all types of ULEVs.

7. Quantity Restrictions on Taxis

- 7.1 In their [best practice guidance](#), the Department for Transport (DfT) recommend that if a council wishes to impose or retain a moratorium on the granting of hackney carriage vehicle licences, an independent survey should be undertaken at no more than three yearly intervals to assess the current levels of demand.
- 7.2 There are very few authorities in the UK that have a moratorium on the issuing of hackney carriage licences. Cardiff is the only authority in Wales that has a moratorium in place.
- 7.3 In 2019 AECOM were commissioned by Cardiff Council to undertake an independent survey of Cardiff's taxi demand. The survey recommended that there was no significant unmet demand and as a result the Public Protection Committee subsequently resolved to maintain the moratorium.
- 7.4 The Competition and Markets Authority (CMA) states that "quantity restrictions may cause harm to passengers through reduced availability, increased waiting times,

reduced scope for downward competitive pressure on fares and reduced choice. They also may increase the risk to passenger safety if they encourage the use of illegal, unlicensed drivers and vehicles.”

“Quantity restrictions are not necessary to ensure the safety of passengers, or to ensure that fares are reasonable. However, they can harm passengers by reducing availability, increasing waiting times, and reducing the scope for downward competitive pressure on fares.”

“The CMA takes the view that concerns around congestion, air pollution and enforcement costs can generally be addressed through measures less harmful to passengers’ interests than quantity restrictions.”

8. On-Hold Process

- 8.1 At the time of writing there are 946 hackney carriage licences in Cardiff. This quantity is in accordance with the number of taxis licensed at the time the moratorium was first introduced in 2010. However, only 707 of those licences are being actively used on plated taxis, as 239 licences are held on retention (referred to as ‘on-hold’). This is 25% of the total.
- 8.2 Hackney carriage licences must be renewed prior to their expiry in order for the licence to be retained. In the case of *Exeter City Council v Sandle* [2011] it was established a licence can be renewed up to 3 days after the expiry of the licence with a good reason; however, beyond that, exceptional circumstances would be required.
- 8.3 In order to renew a vehicle licence, licence holders are required to submit a new MOT certificate and a signed declaration of fitness form by the same garage that carried out the MOT. Therefore, in situations where a vehicle has been damaged near to the expiry date of the licence, it is not possible for the licence to be renewed until the vehicle is repaired.
- 8.4 In areas where no moratorium exists, or in the case of private hire licences that are not subject to a moratorium, this is not generally an issue, as licence holders can simply apply for a new licence. However, due to the moratorium on hackney carriage licences, this is not possible.
- 8.4 It was for this reason that that the on-hold process was introduced in Cardiff to allow licence holders to place their licence on-hold. Under this process, a vehicle proprietor hands their plate back to the Licensing Authority. A letter is then sent to the proprietor stating that the plate will be ‘on-hold’. Licences are initially placed on-hold for up to 6 months, but licence holders can obtain a further 6 months on-hold.
- 8.5 Although the ‘on-hold’ process was intended to assist proprietors with damaged vehicles, it has evolved so that it is frequently used for any nature of request. No other Licensing Authority offers to place licences on-hold and it is debatable whether taxi proprietors should be allowed to circumvent the limitation policy in this way. In legal terms handing in the plate means that the licence has been surrendered, and there is no legal requirement for the Council to offer an on-hold service in respect of the plate.
- 8.6 Officers feel that this process is no longer used for original intended purpose, as many licence holders use it to maintain their asset (as plates have a value on the secondary market), whilst not having to actively use the licence. To illustrate this issue, in July 2013 there were 53 taxi plates on-hold, but in July 2023 there were 239 plates on-hold.

- 8.7 The Licensing Department find that many hackney carriage licence holders further circumvent the maximum on-hold period by exhausting the 12 month on-hold period on one licence, then transfer it to another vehicle that was previously licensed, whilst putting that vehicle's licence on-hold. Therefore, giving a further 12 months on-hold.
- 8.8 Officers feel that the current policy of allowing licences to be placed on on-hold, whilst maintaining a moratorium prohibiting others from obtaining a hackney carriage licence is unfair. Therefore, the on-hold process should be removed, and licence holders should be required to keep their licence active for it to be retained. In circumstances where a vehicle is damaged and there are exceptional circumstances why the licence could not be renewed in time, these should be considered in accordance with Exeter City Council v Sandle [2011].

9. Climate Emergency & Air Quality

- 9.1 The Council's [One Planet Climate Change Strategy](#) and the National Transport Delivery Plan have both committed to working with the taxi trade to achieve zero emission at tailpipe by 2027 and 2028 respectively. Currently, there is 1 fully electric taxi in Cardiff that was purchased by a current licence holder, this makes up 0.14% of the fleet. Therefore, there needs to be a steady and progressive transition away from the traditional internal combustion engine over the next 4 years. The moratorium is considered to be one of the barriers to the transition to an electric or ultralow emissions vehicle taxi service as it restricts new entrants wanting to offer an EV service get a licence.
- 9.2 In partnership with Welsh Government and the City Region the Council has supported electric Taxi lease schemes whereby taxi drivers can lease an EV taxi for short or long periods at financially support rates. Due to the moratorium in Cardiff, only those who already hold a hackney carriage licence, or rent a vehicle from a taxi proprietor, are able to use an Electric Taxi lease Scheme. This position is unique to Cardiff in Wales and has led to very low take up of the Electric Taxi Schemes compared to other areas. If the moratorium were removed, this would enable any licensed hackney carriage driver to take advantage of this or similar schemes.
- 9.3 The Council's Clean Air Strategy identifies that taxis are a source of air pollution emissions, particularly in the city centre. There are currently no minimum emissions standards required by licensing and approximately 75% of taxis do not meet the Euro 6 emission standards.
- 9.4 Working with partners and drivers, the Council is continuing to explore a range of options to support the transition to EV Taxis such as charging points, rank locations, lease and vehicle replacement scheme.

10. Taxi Vehicle Condition and Testing Requirements

- 10.1 The responses to the survey show a dissatisfaction amongst the public with the condition of taxis in Cardiff. This may be due to Cardiff Council's testing policy which permits any Cardiff MOT testing station to test and sign off Cardiff Council's [declaration of fitness form](#) in order declare the vehicle suitable for licensing. MOT tests are regulated by the DVSA, who have powers to investigate complaints regarding the standard of an MOT tests. However, the council do not have powers to restrict a testing

station if they have concerns about the standard of taxi fitness test being carried out by an MOT testing station.

- 10.2 Most UK licensing authorities either require licensed vehicles to be tested by their own council testing facilities, or they maintain a list of approved garages in the area that licensed vehicles may be tested.
- 10.3 Officers feel that if the testing of taxis and private hire vehicles were subject to tighter control, such as through the adoption of an approved testing station list, this would help improve the condition of licensed vehicles in Cardiff.

11. Legislation and DfT Best Practice.

- 11.1 Under section 16 of the Transport Act 1985 a local authority has a discretion, but no obligation, to refuse the grant of a hackney carriage licence if, it is satisfied there is no significant unmet demand for the service of taxis, within the area to which the licence would apply. This discretion only applies to hackney carriage vehicle licences and cannot be used to restrict the number of hackney carriage driver's licences or private hire vehicle / driver's licences issued.
- 11.2 If the authority chooses to impose a moratorium on the issuing of hackney carriage licences, the Department for Transport (DfT) recommends an independent survey is conducted to assess the level of unmet demand.
- 11.3 A survey is only necessary to establish demand in an area if the Local Authority wish to limit the number of hackney carriage vehicle licences issued in their area. If an authority does not wish to limit the number of vehicle licences issued a demand survey is not necessary.
- 11.4 Any survey undertaken should also be kept up to date and be repeated every 3 years. Recent research indicates that a survey would cost in the region of £65,000.

12. Consultation

- 12.1 This report is to present the results of a public consultation. The draft reports intended for consideration were made available at the licensing offices for any interested party to provide written submissions and submitted to the recognised trade group for comment prior to this meeting.

13. Achievability

- 13.1 A full Equality Impact Assessment was carried out. The assessment document is contained in **Appendix M**.

14. Legal Implications

- 14.1 Section 16 of the Transport Act 1985 amended the Town Police Clauses Act 1847 and allowed Councils to restrict the number of Hackney Carriage vehicle licences granted if they wished to do so. It must be noted that this is discretionary.

- 14.2 In order to satisfy the prescriptive provisions of the Transport Act, before exercising this discretion, the Council must be satisfied that there is no significant unmet demand for the services of taxis.
- 14.3 This does not mean that the Council must limit the number of hackney carriage vehicle licences issued, even if it is satisfied that demand is met. The effect of the 1985 Act is simply to prevent the Council from restricting the numbers for any other reason.
- 14.4 Any decision the Council makes about whether to place a limit on the number of Hackney Carriage vehicles or not could potentially be open to challenge by way of Judicial Review. Therefore, the Council will need to ensure that it takes all factors into consideration. The decision that it is being asked to make is a discretionary one. The Court will be unlikely to intervene in the exercise of a discretion unless the decision making process is flawed. Any decision would have to avoid being “Wednesbury” unreasonable. This means that the Council will have to take account of relevant considerations, not take into account irrelevant considerations, and come to a decision that a reasonable Council would reach based on the circumstances before it.
- 14.5 The Department for Transport Guidance referred to in this report does not have statutory effect. This means that it is not something prescriptive that binds the Council. However, it would be highly unusual for a public body to depart from guidance from national government unless there were good reasons for doing so. In this case Government guidance suggests that a licensing authority’s decision of whether or not to limit hackney carriage vehicles should be approached in terms of the interests of the travelling public. Clearly this factor must be taken into account. If Council were to depart from this non statutory guidance, it would have to carefully set out and record its reasons for doing so. If this were not done then, if the Council did limit, any interested party could apply for a Judicial Review of the decision alleging that the Council had failed to take into account a relevant consideration.
- 14.6 Further, if the Council should set a limit, there is a possibility of challenge by future applicants for a Hackney Carriage licences on the basis that the Council had unreasonably fettered its discretion. Any policy introduced must be kept under review and also be seen to be responsive to changes in the local economy impacting upon the hackney trade.

15. Financial Implications

- 15.1 As limitation has been in place since 2010 (reviewed in 2013, 2016 and 2019), to retain the current moratorium on hackney carriage proprietor licences would not result in a change in income. If the moratorium were relaxed or removed, this would allow new licences to be issued that would result in an increase in the income received for hackney carriages licences. However, it is not clear how many new hackney carriage licences would be applied for, as there are a considerable number of hackney carriage licences that are not actively being used at present.
- 15.2 Taxi licensing fees and charges must remain broadly cost neutral. Any additional income that is received as a result of the removal of a moratorium would be considered when the licensing fees are next reviewed. When setting fees there is a statutory requirement to consider the income received for a licensing scheme compared to the overall cost of delivering the scheme. The fee level must be set to not generate income in excess of the cost associated with delivery.

16. Well-being of Future Generations (Wales) Act 2015 implications

- 16.1 The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.

In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in [Cardiff's Corporate Plan 2023-26](#): When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.

The well being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look to the long term
- Focus on prevention by understanding the root causes of problems
- Deliver an integrated approach to achieving the 7 national well-being goals
- Work in collaboration with others to find shared sustainable solutions
- Involve people from all sections of the community in the decisions which affect them

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the [Statutory Guidance](#) issued by the Welsh Ministers.

- 16.2 An assessment has been carried out in consideration of the Cardiff Well-being Objectives. A summary of the implications from the assessment:

- Cardiff Grows in a Resilient Way
 - Taxis form part of the public transport network with environmental and economic benefits for the wellbeing goal of A Prosperous Wales.
 - The proposed policy supports the development and delivery of the Cardiff Clean Air Strategy.
- Safe, Confident and Empowered Communities
 - Stakeholders within the taxi trade, the general public and other relevant groups will have the opportunity to consider the proposals and respond to the consultation.

17. Recommendation

- 17.1 It is recommended that members consider this report and the responses to the online survey and consider whether to retain or relax the moratorium on issuing new hackney carriage licences.

- 17.2 It is recommended that members note the policies for the transition to an ultra-low emissions taxi service by 2028.
- 17.3 It is recommended that new hackney carriage licences should only be issued to fully electric vehicles, or wheelchair accessible vehicles that are under 5 years old and meet the Euro 6 emission standard. This is to support the transition to a zero-emissions taxi service whilst recognising the non-availability of fully electric wheelchair accessible taxis on the market.
- 17.4 In light of the concerns around the condition of Cardiff hackney carriages and more broadly emissions standards, it is recommended that officers carry out further research around the testing policy and minimum emissions standards for hackney carriages and private hire vehicles licensed in Cardiff, and a subsequent report is presented at a future meeting of this committee.
- 17.5 It is recommended that the process of putting vehicle licences on-hold is removed. In order for the trade to be given adequate notice of this change, it is recommended that this change will take effect 6 months after the resolution.

Helen Picton

7 July 2023

This report has been prepared in accordance with procedures approved by Corporate Managers.

Background Papers:

- [Cardiff Council Public Protection Committee Report - 7 December 2022](#)
- [Department for Transport - Taxi and private hire vehicle: best practice guidance to assist licensing authorities \(2022\)](#)
- [Competition and Markets Authority - Regulation of taxis and private hire vehicles: understanding the impact on competition \(2017\)](#)
- [Cardiff Council Public Protection Committee report - Hackney Carriage/Private Hire Vehicle Testing Arrangements \(6 July 2010\)](#)
- [One Planet Cardiff Action Plan \(pdf\)](#)
- [Cabinet 21 March 2019 Clean Air App 1 App C.pdf](#) (modern.gov.co.uk)
- [National Transport Delivery Plan 2022 to 2027 \(gov.wales\)](#)