LICENSING COMMITTEE
11 September 2025

Derby City Council

Report sponsor: Simon Aitken, Director of Communities (Neighbourhoods & Community Safety)
Report author: Pop Gill, Head of Community Safety

ITEM 5

Taxi & Private Hire Strategy 2020 – Review of the 5 Year Rule for Private Hire Vehicles

Purpose

1.1 To review the Council's policy requiring vehicles to be no more than 5 years old (from DVLA first registration) when first licensed as Private Hire Vehicles (PHVs).

Recommendation(s)

2.1 That Committee approve public consultation on the following options:

1. Retain the current 5-year age limit.
2. Remove the age limit entirely.
3. Introduce an alternative age limit (e.g., 7, 8 or 9 years).

2.2 That Committee delegates the power to undertake the consultation to the Director of Communities

2.3 That Committee delegates the power to the Director of Communities to

a) make arrangements for the review of the product of the consultation
b) report on the consultation outcomes and
c) make appropriate recommendations for consideration by this Committee at a future date

Reason(s)

3.1 To ensure that the policy is reviewed in response to the decision of the Committee as minuted at its meeting in June 2025 to support the public safety responsibility of the Council.

Supporting information

4.1 The Council is the Licensing Authority for the regulation of licensed Hackney Carriage & Private Hire Vehicles operating within the city and licensed by it, with a duty to promote public safety by the effective regulation of license holders, by virtue of sections 47 and 48 of the Local Governments (Miscellaneous Provisions) Act 1976.

4.2 The Hackney and Private Hire trades play an important part of our transportation system. The Council is required to ensure that all vehicles licensed by them adhere to a minimum set of standards which are applied across the two trades which are consistent and transparent. The power to implement such standards are set out by legislation and licence conditions with a view to focussing the expectations of the trade and the fare paying public and help to ensure a consistent approach is taken to reach those expectations.

4.3 An Age and Emission Policy for all vehicles licensed by Derby City Council for the purpose of maintaining a healthy fleet was approved in 2019 as part of the Taxi & Private Hire Strategy 2020 (Appendix 1) which was approved by committee on 22 August 2019. Prior to adopting the strategy, an extensive period of public consultation had taken place which resulted in changes being made to the draft paper that was consulted upon, taking into account the responses to the consultation. The 5-year rule element of the strategy came into effect on 1 April 2025.

4.4 The Private Hire trade requested a review of the 5-year rule element of the strategy on the grounds of its continuing need or relevance with the advance in vehicle technologies.

4.5 On 26 June 2025, this Committee considered the petition and, while rejecting it, tasked officers to return with proposals for consultation as a precursor to any changes being made.

4.6 The Department for Transport's statutory guidance on taxi and private hire licensing encourages local authorities to consider vehicle age policies carefully, balancing safety, environmental impact, accessibility, and affordability. Authorities should ensure that age restrictions are evidence-based, non-arbitrary, and do not unfairly exclude protected groups.

4.7 Part of the Licensing Authority's responsibility is to ensure that the vehicles being used by licensed drivers are in such a condition that would not compromise public safety.

4.8 To inform the options, vehicle inspection data was considered. Between April 2024 and March 2025, 68 inspections of Private Hire Vehicles (PHVs) out of a total licensed fleet of 720 were carried out. This equates to just under 10% of the licensed private hire fleet. The outcomes were:

- Satisfactory – 9 vehicles (13%)
- Advisory Defects – 28 vehicles (41%)
- Vehicle Referred for Further Inspection – 8 vehicles (12%)
- Serious Defects (predominantly suspension-related) – 23 vehicles (34%)

Age patterns in inspection outcomes

- Vehicles over 9 years old (2008–2015 manufacture) accounted for the vast majority of serious defects (17 out of 23). Suspension failures and other structural issues were most prevalent in this group, demonstrating declining reliability and rising safety risk beyond 9 years.

- Vehicles 8–9 years old (2016–2017 manufacture) showed a mix of advisory defects and a small number of serious issues, suggesting this is the point at which reliability begins to decline more sharply.
- Vehicles 0–7 years old (2018–2024 manufacture) performed far better: most passed with no or only minor advisory defects, and only 2 serious issues were identified (on 2020 and 2021 vehicles). No serious defects were found in 2017, 2019 or 2024 manufactured vehicles.

Implications for age limits

The inspections data indicates that:

- 7 years represents the point where defects start to rise more noticeably.
- 8 years sees more frequent advisory and occasional serious failures.
- 9+ years shows a significant increase in serious safety risks, with nearly three-quarters of suspension failures found in this age group.

Retain 5 years: avoids risks shown in older vehicles but stricter than emissions require.

Remove: inspections data suggests safety risks from older vehicles would grow.

Relax to 7–9 years: aligns with inspections data where defects spike.

4.9 **Options and Key Considerations**

Option	Advantages	Risks / Challenges
1. Retain 5-Year Limit	• Promotes the highest safety and reliability; inspection data shows vehicles over 8 years old (2008–2010) were disproportionately likely to have serious defects, especially suspension failures. • Ensures the fleet consists mainly of newer vehicles already compliant with Euro 6 / ZEC / ULEV, reinforcing clean air and climate commitments. • Provides a clear and simple standard for drivers and enforcement officers. • Enhances public confidence in a modern, safe and professional fleet.	• Creates a financial barrier for drivers wishing to enter the trade and replacement pressure for existing vehicle owners. • Risk of displacement to neighbouring councils with more flexible policies (e.g. Wolverhampton 11.5 years, Nottingham 10 years, South Derbyshire 7 years). • If displacement occurs, a risk of reduced enforcement capability is likely.
2. Remove Age Limit Entirely	• Maximises affordability and accessibility. • Maintains environmental safeguards, as Euro 6 / ZEC	• Inspections show older vehicles (2008–2013) accounted for nearly half of serious safety defects, demonstrating increased risk with age.

	/ ULEV standards still apply regardless of age. • Allows safe, well-maintained vehicles to remain licensed if they pass inspections. • May improve driver recruitment and retention, stabilising supply.	• Shifts reliance entirely onto inspection and enforcement to maintain safety; adds workload and resource pressure and therefore disproportionate impact on licence fees with compliant vehicle owners having to bear the cost. • Public confidence may decline if visibly older vehicles are retained in the fleet. • Creates a negative image of the city to visitors. • Without age restrictions, high-mileage older vehicles would remain longer in service, compounding safety risks.
3. Relax Age Limit (7, 8 or 9 Years)	• Provides a rebalance, reflecting current inspections data that vehicles up to 8 years old (2017 onwards) had very low rates of serious failure. • Supports the regulatory need to phases out higher-risk older vehicles. • Aligns more closely with neighbouring authorities (e.g. South Derbyshire 7 years, Nottingham 10 years), helping retain drivers locally. • Offers a more flexible standard while continuing to support fleet modernisation.	• Some mid-age vehicles (2013–2016) would remain, which inspection data shows are more prone to advisory and serious defects. • Risk of perception that standards are weakened unless robust inspection evidence is presented. • Enforcement resource still required to monitor defect-prone vehicles as they approach 9 years.

4.10 **Comparative Overview with Neighbouring Authorities**

Authority	**Current Entry Age Limit Policy for PHVs**	**Key Characteristics**	**Potential Impact on Derby Trade**
Wolverhampton	Maximum vehicle age 11 years 6 months at licensing (recently introduced)	• Most permissive age limit among neighbours, allowing older vehicles to be licensed if emissions standards are met.	• Attractive to Derby drivers seeking lower entry barriers. • Emissions safeguards maintain environmental standards

		• Strong focus on emissions compliance, including exemptions for zero emission vehicles. Exempt if < 75 g CO_2/km (includes ULEV/ZEV vehicles)	despite older vehicle age.
Gedling	7 years	Moderate age restriction.	Offers a middle ground; may attract drivers if Derby remains more restrictive.
Nottingham	10 years	Permissive approach.	Provides affordability and fleet diversity; potential driver drain from Derby.
South Derbyshire	7 years	Moderate age restriction	Could attract drivers from Derby with stricter 5-year rule.
Erewash	7 years	Balances safety and environmental aims with driver affordability.	Competitive with Gedling and South Derbyshire; may draw drivers away from Derby.

4.11 **Integration of Age Policy and Emissions Standards**

Since 1 January 2025, all newly licensed Private Hire Vehicles in Derby must meet minimum emissions standards of Euro 6 diesel or be Zero Emission Capable (ZEC) or Ultra Low Emission Vehicles (ULEV).

Background on Standards:

- Euro 6 diesel emissions standards became compulsory for all new diesel vehicles registered from September 2015 onwards.
- Similarly, ZEC and ULEV technologies have progressively advanced, with increasing availability and uptake over recent years.

Implications for Licensing:

Given the Euro 6 standard's introduction date, the oldest diesel vehicle that can meet this requirement (assuming it was first registered as new in September 2015) would be approximately 9 years old in 2025. This means that even under a strict emissions

policy, private hire vehicles up to around 9 years old could qualify to be licensed if they meet Euro 6 or ZEC/ULEV criteria.

Therefore, the current 5-year age limit would appear to be more restrictive than emissions alone would require, effectively requiring newer vehicles than the minimum emissions standard mandates. Relaxing the age limit to 7, 8 or 9 years or removing it entirely would allow a broader range of private hire vehicles that meet environmental standards to be licensed, improving driver affordability and fleet diversity without compromising on air quality. This may require additional enforcement capacity to ensure compliance with safety standards, as indicated section 4.8, resulting in a requirement for additional enforcement officers.

This integration of age and emissions policies would ensure that Derby maintains a modern, clean, safe, and accessible private hire vehicle fleet aligned with environmental goals and public expectations.

Options to retain, remove and amend the policy relating to the first licensing of vehicles for Private Hire are provided in this report.

It is therefore proposed that a 12 week consultation takes place to inform a subsequent decision one of the following options:

- To retain the policy as written
- To remove the restriction that all new private hire vehicles must be under 5 years from first registration before they can be licensed
- To relax the requirement and implement an alternative age limit of 7, 8 or 9 years.
- Any other suggested operational option

Public/stakeholder engagement

5.1 In preparing the options presented, the views of Licensing Committee and the trade have been considered. Full public consultation with trade, end users and other stakeholders, will take place if approved.

Other options

6.1 None

Financial and value for money issues

7.1 The cost of any consultation and subsequent implementation will be met by the service and recharged as part of the annual fee setting process.

Legal implications

8.1 Local authorities have statutory powers under the Local Government (Miscellaneous Provisions) Act 1976 and the Town Police Clauses Act 1847 to implement licensing conditions, including those relating to vehicle standards.

8.2 Age limits are a legitimate and lawful licensing condition if the basis of their imposition can demonstrably be shown to be proportionate, non-discriminatory, and they are applied transparently and consistently.

Climate implications

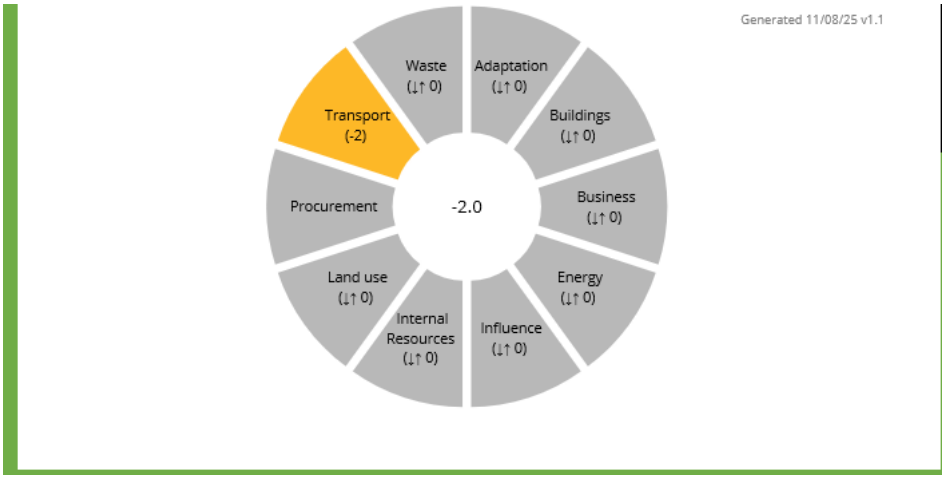
9.1 The current policy is intended to transition high emission vehicles to newer, lower emission vehicles for both trades which will have carbon footprint benefits.

The climate implications of the policy are primarily shaped by the Euro 6 / ZEC / ULEV requirement that applies to all newly licensed vehicles from January 2025. This ensures all vehicles entering the fleet will be low-emission or ultra-low emission regardless of age.

Retaining the 5-year age limit delivers the strongest alignment with the Council's net zero and clean air ambitions, ensuring the fleet is both modern and compliant.

Removing the age limit may reduce barriers to entry but risks a larger proportion of older, higher-mileage vehicles being retained, with higher embedded emissions over their lifecycle.

Relaxing the limit to 7–9 years provides a balanced approach: inspection evidence shows safety risks increase after 8 years, while vehicles of this age remain Euro 6 compliant. This option still supports fleet renewal while improving accessibility for drivers.



Equalities, Care Experience and Socio-Economic implications

10.1 While the policy aims to improve environmental and safety outcomes, it carries significant equality and socio-economic considerations:

- Reduced access to affordable taxis may harm older and disabled people who rely on them for mobility.

- Low-income drivers may struggle to afford replacing vehicles, increasing financial pressure and risk of debt from loans.
- Drivers leaving the trade could reduce local employment and income in a key sector.
- Entry to the profession may be limited for those from disadvantaged backgrounds due to rising start-up costs.
- There is a potential drop in availability of wheelchair-accessible taxis, disproportionately affecting disabled and elderly users.
- The policy may have disproportionate impacts on ethnic minority drivers, many of whom face greater financial constraints and constitute a significant part of the trade.

Each option's equality and socio-economic implications are summarised below:

Aspect	Retain 5-Year Limit	Remove Age Limit Completely	Relax Age Limit (7,8 or 9 Years)
Equalities Impact	Potential indirect exclusion of lower-income groups, ethnic minorities, women, disabled people; requires careful Equality Act 2010 compliance.	Improved access and inclusivity for protected groups by lowering upfront costs; fair enforcement essential.	Equalities: Balances safety with accessibility; still requires monitoring to ensure that extending to 7–9 years does not disproportionately affect vulnerable passengers through reduced vehicle reliability.
Socio-Economic Impact	Financial barrier to entry, limiting local job creation and economic mobility; risks displacement of trade outside Derby.	Promotes economic inclusion and trade diversity; supports local livelihoods; needs safeguards for safety.	Socio-Economic: Eases financial pressure on drivers compared with a 5-year rule; still risks allowing older, defect-prone vehicles to remain unless inspections remain robust.

Other significant implications

11.1 If options to remove the current age requirement, or set an alternative age limit, are introduced, there are operational risks to consider. Examples of Operational Risks in This Context

- Increased workload and resource strain
- Training and knowledge gaps
- System and process challenges

- Stakeholder management

Operational risks directly affect the effectiveness, fairness, and sustainability of the licensing service and the Council's reputation.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Olu Idowu	01/09/2025
Finance	N/A	
Service Director(s)	Simon Aitken	02/09/2025
Report sponsor	N/A	
Other(s)		

Background papers:	None
List of appendices:	None