

**REPORT FROM:** Planning, Economic Development & Regulatory Services  
Manager

**TO:** Taxi Licensing Sub-Committee

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## The Possibility of Fee Exemptions for Hybrid/Electric Vehicles

### PURPOSE OF REPORT

To inform Committee of the options for fee exemptions for hybrid/electric vehicles

### RECOMMENDATION

That no fee exemptions are recommended.

### REASONS FOR RECOMMENDATION

In order to ensure the taxi service is properly funded.

### ISSUE

1. A question was raised whether there could be fee incentives to promote the use of hybrid and electric vehicles as part of the climate change agenda.
2. We were asked to look at other schemes that were reported to being operated. We were not able to find any scheme that is operation that reduced fees. Bristol offered incentives for switching to electric vehicles. This was however funded by a direct Government grant and not through the direct finances of the Council.
3. In 2019 electric taxis were exempted from having to pay the premium rate of excise duty. There are incentives to ditch diesel vehicles.
4. The setting of fees for taxi licensing is a complex process involving looking at the actual time taken to process different types of license for drivers, operators and vehicles. The law does not have within it an exemption to reduce fees for different types of vehicles. Were the Council to therefore decide to reduce or scrap fees for vehicles that would need to be across the entire

taxi fleet as there would be no legal basis for charging for non-eclectic vehicles but not for electric ones.

5. If therefore fees for electric vehicles were reduced they would need to be reduced for other vehicles. That would not be an incentive for people to change to electric vehicles.
6. Any reduction in fees would also have to be met through an increase in the revenue budget for the Council as the costs of administering the process would remain but fee income would be lost.
7. There are other incentives available to encourage the use of electric vehicles.

## **IMPLICATIONS**

**Policy:** None

**Financial:** The loss of fee income would need to be replaced by a growth bid for additional funding for the taxi licensing service

**Legal:** None arising directly from the report.

**Risk Management:** None arising directly from the report.

**Health and Safety:** None arising directly from the report.

**Sustainability:** None arising directly from the report.

**Community Safety:** None arising directly from the report.

**Equality and Diversity:** None arising directly from the report.