

TfL Taxi Age Limit Consultation: LTDA Alternative Proposal

1. Introduction

London's taxi trade is committed to reducing its contribution to NOx emissions and doing its bit to help clean up London's dirty air. We recognise the significant contribution of older, more polluting diesel taxis to emissions in London. Cabbies know all too well how important it is to tackle rising air pollution, with one of the worst places to breathe in this dirty air being stuck in traffic, behind the wheel of a cab.

The trade is proud to be leading the charge to a cleaner, greener London since LEVC's ZEC taxi hit the streets in early 2018. The new electric taxi is a game-changer for the trade. Over 1,400 TXe's are out on London's streets, and many more taxi drivers are keen to make the switch as soon as they can.

It was welcome that the Mayor and TfL reinstated £24 million to the taxi delicensing scheme earlier this year. These additional grants will be a great help to cabbies who want to invest in the exciting new technology and purchase a ZEC taxi.

However, the LTDA is concerned that TfL's proposals to reduce the maximum age limit for taxis will have a detrimental impact on the trade, as detailed in the LTDA's response to the proposals below.

The LTDA believes there is a workable alternative to TfL's current proposals which would deliver greater NOx emissions savings from black cabs and protect the future of London's historic taxi trade. We believe the alternative proposals set out below could be fully funded using funds available under the restructured taxi delicensing scheme, providing best value for public money.

2. Impact of TfL Proposals

The LTDA does not agree with TfL's proposals to reduce taxi NOx emissions through a phased reduction in the maximum taxi age limit for Euro III, IV and V vehicles to 12 years by 2022, and to mandate the maximum taxi operating age. We believe that it is not the most effective way to reduce the trade's contribution to NOx emissions in London, and that it will have a disproportionately negative impact on the trade and the livelihood of its drivers.

Since the proposals were announced last December, the trade has experienced a significant fall in the second-hand value of London taxis, at the expense of their owners. The pre-owned market has stagnated as potential buyers have hesitated from buying a cab that may lose its value if the proposals come into force. Under the current proposals, not only will taxi owner drivers see the equity in their existing vehicles fall dramatically, renter drivers will see their costs rise as the fleets shrink in size. The decline in value for older vehicles means that cabbies need to find even more money to buy a new ZEC or Euro VI taxi, increasing the barriers to upgrading cabs and keeping many people driving older vehicles.

Many cabbies have planned their future taxi investments based on the value of their existing taxi and its expected licensing expiration age of 15 years. In addition, many older members of the trade have planned their future working arrangements based on the licensing expiration date of their vehicle. Therefore, these proposals would throw many drivers' future financial security into question and threaten their livelihoods and plans for retirement.

The LTDA also does not agree with the proposals to remove the alternative fuel, historic and classic/niche, and hardship taxi age limit exemptions. Removing these exemptions would have a serious negative impact on the drivers of these cabs, who are often older members of the trade who do less mileage and do not serve central London, but still rely on the income received from the passenger journeys that they carry out. These drivers who work less contribute minimal amounts to the trade's emissions as a whole, and as a result removing these exemptions are unlikely to deliver a significant emissions reduction. However, it would have adverse impact on the livelihoods of these drivers; being a disproportional response to the issue at hand.

3. LTDA Alternative Proposal: Impact Assessment

The LTDA believes that by retrofitting all licensed Euro V diesel taxis in London to a certified Euro VI standard, more NOx emissions will be saved than if TfL reduces the taxi licence age limit from 15 to 12 years over a phased period between 2020 and 2022 (alongside mandating the maximum taxi operating age to the same as the relevant age limit from November 2019).

Under TfL's proposals, **8,030.04 g/km** of NOx will be saved between November 2019 and November 2022, as shown in **table 1** below.

Table 1

TFL Age Limit Proposal Impact Assessment				
Assessment Date	Number Of Cabs Impacted	EU Rating	NOx g/km	NOx Saving g/km
01.11.2019	924	III	1.26	1164.24
01.11.2020	1042	III	1.26	1312.92
01.11.2021	2805	III	1.26	3534.3
01.11.2022	1979	IV	1.02	2018.58
Total NOx g/km Saved				8030.04

The LTDA has carried out an impact assessment of the total NOx savings of retrofitting all Euro V diesel taxis licensed in London to a certified Euro VI standard, and retaining the existing taxi licence age limit at 15 years.

Table 2 below shows that **7,374.24 g/km** of NOx emissions would be saved by retrofitting 4,500 Euro V diesel taxis to a certified Euro VI standard (*nb.* including NOx savings from 924 Euro III taxis reaching the 15-year age limit in November this year). In addition, if the taxi

age limit was retained at 15 years, a further **4,847.22 g/km** of NOx emissions would also be saved as the oldest Euro III taxis reach the 15 year limit each year, shown in **table 3**.

Table 2

LTDA Euro V To Euro VI Conversion Impact Assessment				
Assessment Date	Number Of Cabs Impacted	EU Rating	NOx g/km	NOx Saving g/km
01.11.2019	924	EU III	1.26	1164.24
01.11.2020	1500	EU V	1.38	2070.00
01.11.2021	1500	EU V	1.38	2070.00
01.11.2022	1500	EU V	1.38	2070.00
Total NOx g/km Saved				7374.24

Table 3

Age Limit Staying At 15 Years (Older Cabs Natural Wastage) Impact Assessment				
Assessment Date	Number Of Cabs Impacted	EU Rating	NOx g/km	NOx Saving g/km
01.11.2020	1042	III	1.26	1312.92
01.11.2021	1393	III	1.26	1755.18
01.11.2022	1412	III	1.26	1779.12
Total NOx g/km Saved				4847.22

Therefore, under the LTDA's proposals the total NOx saved by 2022 from converting 4,500 Euro V diesel taxis to a certified Euro VI standard (7,374.24 g/km) and from the natural expiration of the oldest cabs at 15 years (4,847.22 g/km), would be **12,221.45 g/km**.

This demonstrates an additional **4,191.42 g/km** NOx saving by November 2022 compared with TfL's current proposals (8,030.04 g/km), as shown in **table 4**, a 52% increase.

Table 4

LTDA vs TfL Proposal Comparison			
	NOx g/km Saved: EU IV to V Conversion	NOx g/km Saved: 15-year Natural Wastage	Total
LTDA Total	7374.24	4847.22	12221.46
TfL Total			8030.04
Additional NOx g/km saved over TFL proposal			4191.42

While the oldest Euro III and Euro IV taxis will remain in the fleet for a short time under the LTDA's proposals, these vehicles are mostly driven by members of the trade who are using them less than newer drivers. In addition, almost all remaining Euro III taxis (bar 80) would be scrapped by 2022 even if the age limit remains at 15 years. Our full impact assessment shows that retrofitting 4,500 Euro V taxis – being the most heavily utilised vehicles in London – would deliver much more significant NOx savings, even if the older Euro III and IV taxis remain within the fleet until they reach the 15-year age limit.

4. Costs

The LTDA has sourced a SCRT retrofit system from HJS Emission Technology – Europe's largest manufacturer of retrofit systems for buses and light commercial vehicles. This system can convert both TX4 and the Mercedes-Benz Vito taxi from Euro V to meet a certified Euro VI standard.

Following the £24 million funding boost for the taxi delicensing scheme earlier this year, the total funds available stand at £42 million. Under the LTDA's proposal, the cost of converting each taxi under the LTDA's proposal is estimated at £4,000 and therefore converting 4,500 would cost a total of £18 million out of the total £42 million taxi delicensing budget.

The LTDA believes its proposals would be the best use of these funds as utilising the money in this way would help the taxi trade significantly reduce its contribution to NOx emissions much earlier than under TfL's age limit reduction proposal. The additional benefit of retaining residual values in existing vehicles would enable more owners to upgrade to ZEC vehicles in the short to medium term and result in a fully ZEC fleet much earlier than would otherwise be the case.

The LTDA would be more than happy to discuss these proposals in further detail with representatives from the Mayor's office and TfL. Please do not hesitate to get in contact with ltda@newingtoncomms.co.uk should a meeting be of interest.