Classification Open / Closed	Item No.

Meeting:	Licensing and Safety Committee Full Council
Meeting date:	08 October 2026 – Licensing and Safety Committee 11 November 2026 – Full Council
Title of report:	Amendment to Written-Off Vehicle Policy
Report by:	Executive Director (Corporate Core)
Decision Type:	Council
Ward(s) to which report relates	All

Executive Summary

1. This report proposes that the Council's policy in relation to written-off vehicles be amended to permit the licensing of Category N and S vehicles (non-structural damage and structural damage), subject to appropriate independent inspection and certification requirements.

Available Options

2. Amend the Council policy to permit Category N vehicles to be licensed in Bury where the proprietor provides a report by a Member or Associate Member of the Institute of Automotive Engineer Assessors. Where the engineer identifies concerns relating to wheel alignment, chassis geometry, suspension integrity or structural repair quality, officers may require an Autolign inspection before the application is determined.

3. Amend the Council policy to permit Category N and Category S vehicles to be licensed in Bury where the proprietor provides a report by a Member or Associate Member of the Institute of Automotive Engineer Assessors. Where the engineer identifies concerns relating to wheel alignment, chassis geometry, suspension integrity or structural repair quality, officers may require an Autolign inspection before the application is determined.

4. Amend the Council policy to permit Category S vehicles to be licensed in Bury where the proprietor provides a report by a Member or Associate Member of the Institute of Automotive Engineer Assessors. Where the

engineer identifies concerns relating to wheel alignment, chassis geometry, suspension integrity or structural repair quality, officers may require an Autolign inspection before the application is determined.

5. Retain the current policy which prevents the licensing of any vehicle that has been recorded as a write-off category.

Recommendations

6. Members are recommended to:

   i. Note the outcomes of the review and benchmarking exercise.

   ii. Note the trade consultation responses received.

   iii. Approve Option 3 to permit the licensing of Category N and Category S insurance write-off vehicles subject to the safeguards outlined in this report.

   iv. Recommend adoption of the revised policy by Full Council.

Key considerations

7. This is a Council Function that is delegated to the Licensing and Safety Committee by the Council's Constitution. This paper is in the public domain.

Community impact / Contribution to the Bury 2030 Strategy

8. The proposal supports the continued availability of licensed taxi and private hire services within the borough whilst maintaining public safety through robust assurance mechanisms. Licensed vehicles provide an important transport option for residents, including vulnerable persons, older people and those who rely upon door-to-door transport services. The proposed amendment seeks to balance public protection with the sustainability of local transport provision.

Equality Impact and considerations:

9. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

10. A public authority must, in the exercise of its functions, have due regard to the need to -

(a) *eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*

(b) *advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*

(c) *foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

11. *The public sector equality duty requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services*.

12. *The Licensing Service have considered the Equality Act 2010 and due to each application being dealt with on its own merits there is no positive or negative on any of the protected characteristics.*

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	**Mitigation**
Public concern regarding licensing of repaired vehicles	Independent engineer reports, compliance testing and officer discretion
Retaining current policy may encourage licensing with neighbouring authorities	Alignment with GM approaches whilst retaining robust local safeguards
Inconsistent decision making	Adopt clear written policy and defined evidence requirements
Reputational challenge following any future vehicle incident	Enhanced inspection regime and documented decision making

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Consultation:

13. The Licensing Service have requested that the members of the Trade Liaison Group consult with their members about the proposed review of the Council's current policy.

Legal Implications:

14. Any amendment to the policy must continue to ensure that only safe and roadworthy vehicles are licensed. The requirement for an independent report from a Member or Associate Member of the Institute of Automotive

Engineer Assessors, together with any additional Autolign inspection where required, provides assurance regarding vehicle condition and public safety. The proposal is not expected to have any significant direct financial implications for the Council.

15. Under the legislation the Council is required to determine representations. The report is in accordance with the appropriate legislation.

16. The costs of the licensing function are funded through the fees and charges levied by the Council. There may be additional costs if appeals are lodged with the Magistrates and Crown Courts.

17. Members are advised that Licences are regarded as possessions within the terms of the Human Rights Act 1998. Under the Act everyone is entitled to the peaceful enjoyment of one's possessions and so actions interfering with those possessions must be lawful, reasonable and proportionate. It is lawful to impose reasonable conditions as a way of protecting the safety of the travelling public, so long as it is not out of proportion. It is a balancing act between the public interest and the individual's rights.

Financial Implications:

18. There are no specific issues from the report other than potential costs/risks associated with legal appeals.

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Background papers:

Licensing and Safety Committee report 16 March 2023

Licensing and Safety Committee minutes 16 March 2023

Full Council Minutes 22 March 2023

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning

Category A	Vehicle so severely damaged that it must be crushed and can never return to the road.
Category B	Vehicle that cannot return to the road but some parts may be salvaged for reuse.
Category N	Vehicle with non-structural damage that may be repaired and returned to service.
Category S	Vehicle with structural damage that may be repaired and returned to service subject to satisfactory repairs and inspection.
Autolign Inspection	A specialist vehicle alignment and structural geometry inspection used to assess whether a damaged vehicle has been repaired correctly and remains safe for road use.
IAEA	Institute of Automotive Engineer Assessors, the professional body whose qualified members assess vehicle condition, repairs and safety.
Member (IAEA)	A professionally qualified engineer recognised by the Institute of Automotive Engineer Assessors with the competency to undertake vehicle assessments.
Associate Member (IAEA)	An accredited member of the Institute of Automotive Engineer Assessors able to provide professional vehicle condition assessments.
Engineer's Report	An independent technical assessment prepared by a suitably qualified automotive engineer confirming the condition, repair quality and roadworthiness of a vehicle.
Compliance Test	An inspection undertaken by or on behalf of the Council to ensure a licensed vehicle meets licensing standards and conditions.
GM	Greater Manchester.
Greater Manchester Minimum Licensing Standards (GMMLS)	The minimum standards adopted across Greater Manchester authorities to promote consistency in taxi and private hire licensing.

Hackney Carriage	A licensed taxi that can be hailed in the street or hired from an authorised taxi rank.
Private Hire Vehicle (PHV)	A licensed vehicle that must be pre-booked through a licensed private hire operator and cannot be hailed in the street.
Proprietor	The individual or organisation that owns, leases or is responsible for a licensed vehicle.
Roadworthy	A vehicle that is mechanically safe and legally fit for use on a public road.
Write-Off	A vehicle deemed by an insurer to be beyond economical repair and assigned an insurance salvage category.
Trade Liaison Group	A forum through which the Licensing Service engages with representatives of the taxi and private hire trade.
Licensing Officer	An authorised officer of the Council responsible for determining applications, undertaking inspections and enforcing licensing requirements.
Category A	Vehicle so severely damaged that it must be crushed and can never return to the road.
Category B	Vehicle that cannot return to the road but some parts may be salvaged for reuse.

Background

19. Members will recall that the Greater Manchester Minimum Licensing Standards introduced a policy relating to written-off vehicles. On 16 March 2023, the Licensing and Safety Committee considered a report regarding the implementation date of that policy and approved a change to defer implementation until 1 April 2026. Full Council ratified that decision on 22 March 2023.

Development of the Existing Policy

20. In 2023 the Council adopted the Greater Manchester Minimum Licensing Standards relating to written-off vehicles. At that time Members resolved to prohibit the licensing of all insurance write-off categories in Bury. The decision reflected a precautionary approach intended to provide assurance

regarding vehicle safety and consistency of standards across the licensing regime

21. Whilst the Greater Manchester Minimum Licensing Standards introduced a prohibition on written-off vehicles, individual licensing authorities retain discretion to adopt local policies where evidence supports an alternative approach and public safety can be maintained.

22. Since implementation, the Licensing Service has received representations from the licensed trade requesting that the policy be reviewed, particularly in relation to Category N vehicles. Officers have subsequently undertaken benchmarking with Greater Manchester authorities and reviewed the safeguards employed elsewhere.

23. The review has identified that the majority of neighbouring authorities permit certain categories of previously written-off vehicles to be licensed where independent specialist inspection and certification requirements are met.

24. Crucially submission of an engineer's report does not create an automatic entitlement to a vehicle licence. It is critical that licensing authorities retain absolute discretion to determine each application on its individual merits. Licensing Officers must be satisfied not only that a vehicle is roadworthy, but that it remains suitable for use as a licensed vehicle carrying members of the public for hire and reward.

25. The review therefore provides Members with an opportunity to reconsider whether the current blanket prohibition remains necessary and proportionate, or whether public safety objectives can be achieved through alternative assurance mechanisms.

Issues

26. The Licensing Service has received a request from the Bury Private Hire Drivers' Association seeking a review of the current policy which prevents the licensing of vehicles written off in any category. Attached at Appendix 1.

27. To assess the position across Greater Manchester, officers contacted all Greater Manchester licensing authorities to establish their current approach to written-off vehicles.

28. Greater Manchester Position Summary

Position	Number of Authorities
Permit Category N	7
Permit Category S	5
Prohibit all written-off vehicles	2

Reviewing policy	1

29. Benchmarking demonstrates Bury is currently among the most restrictive licensing authorities within Greater Manchester in relation to written-off vehicles. The majority of authorities now permit Category N vehicles and several permit Category S vehicles subject to enhanced inspection arrangements.

Local Authority	Policy	Categories Permitted	Conditions / Restrictions
Bury	Not permitted	None	Any write-off category excluded
Bolton	Permitted	Category N	Engineer report and wheel alignment inspection required
Rochdale	Permitted	Category N	Vehicle must pass compliance test
Oldham	Permitted	Category S / N	Autolign inspection and/or engineer assessor report required
Salford	Permitted	Category S / N	Engineer report and compliance test required
Manchester	Permitted	Category S / N	Engineer report and compliance test required
Stockport	Permitted	Category N	Engineer report required
Trafford	Not permitted	None	Currently under review
Wigan	Permitted	Category S / N	Autolign or Institute assessor report required
Tameside	Unknown	Category N	The applicant can provide clear evidence, including photographs of the damage sustained by the vehicle before any repairs are carried out and a full and comprehensive report from a suitably qualified engineer

			(Member of the Institute of Automotive Engineer Assessors) stating that the vehicle provides protection to the occupants equal to the protection it provided prior to receiving the accident or other damage. It will be the responsibility of the proprietor to obtain a signed and dated certificate stating the vehicle has passed an independent examination of the repairs to confirm its roadworthiness

Assessment

30. The review demonstrates that the majority of Greater Manchester authorities permit the licensing of certain written-off vehicles, most commonly Category N vehicles, subject to enhanced safeguards. Bury is currently one of only a small number of authorities that does not permit any written-off vehicle to be licensed. Category N vehicles are defined as having sustained non-structural damage. Category S are defined as having sustained structural damage.

31. The proposed amendment would align Bury more closely with the approach adopted by neighbouring authorities while retaining robust public safety controls through independent inspections and certification.

Potential Benefits

32. The Council's current policy prohibits the licensing of any vehicle that has previously been recorded as an insurance write-off. Whilst this approach was adopted to provide assurance regarding vehicle safety, the Licensing Service's review has identified a number of potential benefits associated with permitting the licensing of Category N and/or Category S vehicles, subject to appropriate independent inspection and certification requirements.

33. Supporting Affordability for Licensed Drivers - The licensed taxi and private hire trade continues to experience significant financial pressures arising from increasing vehicle purchase costs, insurance premiums, maintenance expenses and wider economic challenges. Permitting suitably repaired and independently certified Category N and/or Category S vehicles would provide drivers with access to a wider range of lower-cost vehicles, enabling replacement vehicles to be obtained at a more affordable price whilst maintaining appropriate safety standards. This may be particularly beneficial

for drivers who experience an insurance write-off but cannot afford the cost of purchasing a new or equivalent replacement vehicle.

34. Supporting the Viability of Local Taxi and Private Hire Businesses - A more flexible licensing approach may assist licensed drivers, operators and vehicle proprietors in managing business costs and maintaining the economic viability of their operations. By reducing barriers to vehicle replacement, the Council can support the sustainability of the local licensed trade whilst continuing to ensure that all licensed vehicles meet the required standards of safety, condition and roadworthiness.

35. Alignment with Neighbouring Authorities - Benchmarking undertaken by officers demonstrates that the majority of Greater Manchester licensing authorities already permit certain categories of written-off vehicles, subject to enhanced inspection arrangements and independent engineering certification. Aligning Bury's approach more closely with neighbouring authorities would help ensure that licensing requirements remain proportionate, evidence-based and reflective of current industry practices whilst retaining robust public safety safeguards.

36. Supporting Retention of Locally Licensed Drivers - There is a risk that drivers may seek licences from neighbouring authorities where regulatory requirements are perceived to be more flexible whilst still maintaining appropriate safety standards. Adopting a proportionate approach that balances public safety with the practical realities facing the licensed trade may help retain drivers within the Bury licensing regime, supporting local accountability and maintaining strong relationships between the Council and the trade.

37. Maintaining Vehicle Availability for Residents - The availability of licensed taxi and private hire vehicles remains important for residents, visitors and vulnerable passengers who rely on licensed transport services. Supporting the sustainability of the licensed trade may help maintain vehicle numbers, service availability and consumer choice across the borough. Whilst the proposed change is not expected to have a significant impact in isolation, it may contribute positively towards maintaining capacity within the licensed vehicle fleet.

38. Maintaining Public Safety Through Enhanced Assurance Measures - The proposal does not remove or reduce existing vehicle safety requirements. Rather, it introduces a framework through which vehicles that have previously been written off can only be considered for licensing where appropriate independent assessment confirms that repairs have been completed to an acceptable standard. Vehicles would remain subject to the Council's compliance and inspection requirements, and Licensing Officers would retain the ability to request further evidence where necessary. This enables decisions to be based on expert technical evidence whilst ensuring that public safety remains the Council's primary consideration.

39. Supporting Retention of Locally Licensed Drivers and Vehicle Proprietors - The proposed amendment provides an opportunity to modernise the Council's approach whilst maintaining robust regulatory standards. By adopting a policy consistent with the majority of neighbouring authorities, Bury can continue to be viewed as a licensing authority that places public safety at the forefront of its decision-making whilst applying proportionate and evidence-based regulation. This may enhance the attractiveness of Bury as a licensing authority for responsible vehicle proprietors and drivers who are committed to operating safe and compliant vehicles within the borough.

Public Safety Considerations

40. The safety of the travelling public remains the Council's primary consideration when determining vehicle licensing policy. The proposed amendment does not remove any existing vehicle safety requirements. All vehicles would continue to be subject to the Council's vehicle compliance testing regime and routine inspections. In addition, any vehicle previously recorded as a Category N or Category S insurance write-off would be required to undergo independent assessment by a suitably qualified automotive engineer before being considered for licensing. The engineer's report would provide assurance regarding the quality of repairs undertaken, structural integrity, roadworthiness and suitability of the vehicle for licensed use. Licensing Officers would retain the ability to require additional evidence or testing where concerns remain and retain discretion to refuse any application where they are not satisfied that the vehicle is safe and suitable.

Supporting the Licensed Trade

42. The licensed taxi and private hire trade continues to face significant financial pressures arising from vehicle costs, insurance premiums, fuel prices and wider economic conditions. The proposed amendment seeks to balance support for the licensed trade with the Council's overriding duty to protect public safety.

43. Officers consider that independent engineering assessments provide an appropriate mechanism through which vehicle condition can be verified, whilst avoiding the unintended consequences of a blanket prohibition.

44. The proposal therefore supports a proportionate and risk-based approach to regulation.

45. Benchmarking data

Date	**No. PHV written off**	**Total PHV Fleet**	**% Written off (any category**
August 2024	unknown	712	Data not held

Original Baseline			
Sept 2026	0	710	0%

Trade Engagement

46. The Licensing Service have requested that the members of the Trade Liaison Group consult with their members about the proposed review of the Council's current policy. The responses contained the following:-

    - **GMB Union** - Our view is that a blanket ban on CAT N vehicles is unnecessary when a professional engineer has certified the vehicle as roadworthy. Allowing these vehicles, subject to strict inspection and documentation, would give drivers fair access to affordable, safe vehicles while maintaining the high safety standards expected by the council. We would welcome continued dialogue on this matter and are happy to provide any further information or support required.

National Private Hire and Taxi Association

47. Category N means light vehicle body damage, where the insurance have got quotes for original panels and approved repair centres only which renders the vehicle beyond economical repair.

48. In most cases they will offer to sell the vehicle back to the driver because they know that it can actually be repaired a lot cheaper using aftermarket parts.

49. It seems ludicrous that a driver can buy the car back, repair it, MOT it and it be perfectly safe and suitable to be used on the road but not for licensing.

50. To put this into perspective the minor damage could just be a front wing, bumper and headlight, insurance value repairs exceed the value of the vehicle but after market repairs would be between £500 and £1000.

51. In addition, it is not only about the price of the parts sometimes it could be that those replacement parts are simply not available yet or not at all from dealerships, but they are available from breakers, for example a vehicle could have been scrapped because it has rear end damage, which leaves all the front end panels fully available and undamaged at a much cheaper price.

52. The additional issue here applies to both private hire and hackney carriage but of course more to hackney carriage based on the price of purchasing the vehicle.

53. As we all know the value of a vehicle reduces substantially from purchase price to second hand price the moment the vehicle comes out of the workshop, add to this the cost of finance, this leaves the drivers in a position where the insurance company will pay out far less than the cost of replacing

that vehicle effectively rendering that driver out of business simply because it has been ruled that he cannot repair that vehicle and relicense it.

Maintaining the Existing Policy

54. Retaining the existing policy would maintain the highest level of caution regarding written-off vehicles. However, it may also continue to place Bury out of step with the majority of Greater Manchester authorities and may increase pressure on drivers seeking affordable replacement vehicles following insurance write-off claims.

55. There is also potential for drivers to seek licensing with neighbouring authorities operating more flexible policies.

Conclusion

56. Members are asked to consider whether the existing policy should be amended to permit the licensing of Category N and/category S vehicles subject to appropriate independent inspection requirements, or whether the current prohibition on all written-off vehicles should remain in place.

57. Any vehicle approved under this policy would continue to be subject to all existing licensing requirements including age policy requirements, compliance testing, routine inspections and any additional checks deemed necessary by Licensing Officers.

Officer Recommendation

58. Officers have reviewed the policy, benchmarked it, considered the operational impact, assessed the risks and concluded that public safety can still be fully protected through enhanced safeguards.

59. Whilst the original representation focused on Category N vehicles, the benchmarking exercise identified that several Greater Manchester authorities successfully licence both Category N and Category S vehicles subject to enhanced inspection requirements. Officers therefore considered whether a distinction remained necessary where independent professional assessment can provide assurance regarding repair standards and vehicle safety.

60. Consequently officers are satisfied that the proposed safeguards provide an appropriate level of assurance regarding vehicle safety and that Option 3 represents a proportionate and evidence-based approach that balances public safety, consistency with neighbouring authorities and the needs of the licensed trade.

61. Officers consider that the level of assurance provided through independent engineering certification, supplemented by additional inspections where appropriate, enables applications involving both Category N and Category S vehicles to be assessed on their individual merits. Officers therefore do not consider a blanket distinction between Category N and Category S vehicles necessary where satisfactory evidence can be provided regarding repair quality, safety and roadworthiness.

Recommendation for Amended Policy Wording

62. *A vehicle recorded as a Category N or Category S insurance write-off may be considered for licensing where:*

    An independent report from a Member or Associate Member of the Institute of Automotive Engineer Assessors is submitted.

    Any additional inspection requirements specified by the Council are met.

    Licensing Officers are satisfied that the vehicle remains safe, suitable and fit for purpose as a licensed vehicle.

Appendix 1

Good afternoon

Thank you for your email and for confirming that you will be contacting the other Greater Manchester authorities regarding their policies on written-off vehicles.

I note that this matter was previously considered by the Licensing and Safety Committee, which resolved that vehicles subject to an insurance write-off in any category should not be licensed by Bury Council. However, at the time this decision was made, no clear explanation was given as to the specific reasoning behind it - whether the concern was vehicle safety, passenger safety, or simply a matter of preference. I would be grateful if this could be clarified, as understanding the rationale is important for the trade to fully engage with the policy.

I would also like to clarify that my enquiry relates specifically to Category N vehicles. I understand that some other councils permit Category S vehicles to be licensed, but my focus is on Category N only, and I would ask that this distinction be kept in mind when reviewing other authorities' policies.

More broadly, I believe the taxi trade is changing significantly, and if the Council does not adapt its policy to reflect current business needs, drivers risk leaving the trade altogether or getting licensed from other councils This would not be in the interest of service providers or the travelling public. I firmly believe that maintaining a strong base of locally licensed drivers is the best way to ensure good service standards and accountability.

I would therefore ask that the Council's licensing policy be based on current market needs, with a commitment to review and adapt it as those needs change in the future.

I look forward to hearing the outcome of your discussions with the other Greater Manchester authorities, and to further consideration of this matter.