



Name of meeting: **Licensing and Safety Committee**

Date: **13th December 2016**

Title of report: **Unmet Demand Survey**

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	Key Decision – No Private Report/ Private Appendix - No
The Decision - Is it eligible for call in by Scrutiny?	Not applicable
Date signed off by <u>Director</u> & name	Jacqui Gedman – 02/12/16
Is it signed off by the Assistant Director - Financial Management, Risk, IT & Performance?	Debbie Hogg – 24/11/16
Is it signed off by the Assistant Director – Legal, Governance & Monitoring?	Julie Muscroft – 10/11/16
Cabinet member portfolio	Cllr Mather – Portfolio Holder for Housing & Enforcement Management

Electoral wards affected: **ALL**
 Ward councillors consulted: **NONE**
 Public or private: **PUBLIC**

1. Purpose of report

To advise Members of the Council's policy to review quantity control every three years where the Council potentially intend to continue to limit the number of available hackney carriage vehicle licences it issues.

2. Summary

To inform of the need to review the current limit on Hackney Carriage numbers. A procurement exercise is currently being undertaken for a new Unmet Demand Survey which will provide the Committee with the necessary background information to make a decision on whether to retain a limit or not and if retained at what level. The last survey was carried out in 2013 and these should be undertaken every three years to establish if there is any level of latent (hidden) or patent demand (that which can be seen) if the number of Hackney Carriages is limited.

3. Background Information

Section 16 of the Transport Act 1985 gives local authorities the power to limit the number of Hackney Carriage licences provided that the local authority is satisfied that there is no significant demand for Hackney Carriages which is unmet.

Currently the number of Hackney Carriage licences is limited to 247.

The last survey and review held in 2013 identified that there were enough Hackney Carriage licences in Kirklees to meet demand at that time and that there was no need for any additional Hackney Carriage licensed vehicles. This view satisfied the Committee and no additional Hackney Carriage licences were granted, with numbers remaining at 247.

The Department for Transport (DfT) has issued Best Practice Guidance for Taxi and Private Hire Vehicle Licensing the current version of which is dated March 2010. With reference to quantity restrictions of taxi licences outside London it states:

*“Quantity restrictions of taxi licences outside London
The present legal provision on quantity restrictions for taxis outside London is set out in section 16 of the Transport Act 1985. This provides that the grant of a taxi licence may be refused, for the purpose of limiting the number of licensed taxis ‘if, but only if, the [local licensing authority] is satisfied that there is no significant demand for the services of hackney carriages (within the area to which the licence would apply) which is unmet’.*

Local licensing authorities will be aware that, in the event of a challenge to a decision to refuse a licence, the local authority concerned would have to establish that it had, reasonably, been satisfied that there was no significant unmet demand.

As to the conduct of the survey, the DfT set out a range of considerations. But key points are:

- the length of time that would-be customers have to wait at ranks.
- waiting times for street hailing’s and for telephone bookings. But waiting times at ranks or elsewhere do not in themselves satisfactorily resolve the question of unmet demand. It is also desirable to address...
- latent demand, for example people who have responded to long waiting times by not even trying to travel by taxi. This can be assessed by surveys of people who do not use taxis, perhaps using stated preference survey techniques.
- peaked demand. It is sometimes argued that delays associated only with peaks in demand (such as morning and evening rush hours, or pub closing times) are not ‘significant’ for the purpose of the Transport Act 1985. The Department does not share that view. Since the peaks in demand are by definition the most popular times for consumers to use taxis, it can be strongly argued that unmet demand at these times should not be ignored. Local authorities might wish to consider when the peaks occur and who is being disadvantaged through restrictions on provision of taxi services.

- consultation. As well as statistical surveys, assessment of quantity restrictions should include consultation with all those concerned, including user groups (which should include groups representing people with disabilities, and people such as students or women), the police, hoteliers, operators of pubs and clubs and visitor attractions, and providers of other transport modes (such as train operators, who want taxis available to take passengers to and from stations);
- publication. All the evidence gathered in a survey should be published, together with an explanation of what conclusions have been drawn from it and why. If quantity restrictions are to be continued, their benefits to consumers and the reason for the particular level at which the number is set should be set out.

4. Implications for the Council

4.1. Legal

Whilst not a statutory requirement the commissioning of an Unmet Demand Survey for Taxis is essential to ensure that operational logistics in respect to Hackney Carriage Vehicles is professionally assessed and recommendations considered to ensure we have an effective Hackney Carriage fleet size should a decision be made to retain a limit.

4.2. Financial

The cost of the survey will be met from the income received from licence fees thus providing a nil cost to the council. The company carrying out the survey will be chosen following the Councils procurement procedures.

5. Consultees and their opinions

None, although the trade, user groups, members of the public will be consulted as part of the survey – see above.

6. Officer recommendations and reasons

To note the Licensing Managers intention to undertake a scoping exercise in accordance with the Council's Contract Procedure Rules to identify and appoint an appropriate consultant to undertake an unmet demand survey.

To bring the results of the survey to a future meeting of the Licensing and Safety Committee for it to consider the survey results.

7. Cabinet portfolio holder's recommendations

Cllr Naheed Mather noted the intention to carry out a survey and would be pleased to review the final report.

8. Contact officer & relevant papers

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9. Assistant Director responsible

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