

**REPORT FROM: REGENERATION SERVICES
ENGINEERING AND SPECIAL PROJECTS MANAGER**

TO: TAXI LICENSING COMMITTEE

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HACKNEY CARRIAGE UNMET DEMAND SURVEY

PURPOSE OF REPORT

To consider a request from the Hackney Drivers Association for a further unmet demand survey to be carried out.

RECOMMENDATIONS

- (1) That hackney carriage proprietors be consulted to see whether they will agree to fund an unmet demand survey over a three-year period.
- (2) That a further report be submitted to the next meeting following consultation with the trade.

REASONS FOR RECOMMENDATIONS

To establish whether the costs of carrying out an unmet demand survey can be recovered through the licence fees.

BACKGROUND

1. In October 2010, in accordance with Section 16 of the Transport Act 1985, a survey to determine whether or not there was a significant unmet demand for hackney carriages in Pendle was carried out by Halcrow Group Limited.
2. The survey concluded that there was no evidence of significant unmet demand for hackney carriages in Pendle and the existing limit of 71 remained.
3. The Department for Transport's "Best Practice Guidance" does not recommend quantity restrictions. If a local authority does take the view that a quantity restriction can be justified in principle, there remains the question of the level at which it should be set, bearing in mind the need to demonstrate that there is no significant unmet demand. This issue is usually addressed by means of a survey; it will be necessary for the local licensing authority to carry out a survey sufficiently frequently to be able to respond to any challenge to the satisfaction

of a court. An interval of three years is commonly regarded as the maximum reasonable period between surveys.

4. The Law Commission is currently carrying out a law reform project on the law of taxi and private hire vehicles. One of the proposals is to deregulate whereby the Council could no longer limit the number of hackney carriage licences issued. The Law Commission states that the market will determine when demand has been met in respect of the number of licences issued.
5. Pendle has objected to this proposal and hopes that it will be removed when the Law Commission analyses all responses. The Law Commission aims to produce a report with the final proposals and a draft Bill by November 2013.

ISSUE

6. The Hackney Drivers Association has asked that a further survey be carried out as it will be three years since the last survey this October.
7. The cost of a further survey will be approximately £7,000, for which there is no allocation in the 2013/14 budget.
8. The Association has indicated that its members would be willing to cover the cost of the survey over a period of time.
9. It has been suggested that the cost of the survey could be apportioned over a three-year period and be added to the hackney carriage licence fee. Dividing the survey cost by 71 hackney carriages would bring the cost to £98.60 over a three-year period for each vehicle.

CONCLUSION

10. Pendle has set a limit of 71 hackney carriage licences, and even this number at times is too many as all the vehicles congregate where there is a thriving night-time economy. This puts a strain on the number of rank spaces available and enforcement resources.

IMPLICATIONS

Policy: The current policy is no more than 71 hackney carriage licences be issued.

Financial: The cost of the survey will have to met by the Council in the first instance and be re-couped over a three-year period from the hackney carriage licence fees.

Legal: There is a risk of a challenge of our policy if a survey is not carried out.

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.

APPENDICES: None.

LIST OF BACKGROUND PAPERS

1. The Department for Transport "Best Practice Guidance".
2. The Law Commission's consultation document on Reforming the Law of Taxi and Private Hire Services.