

Licensing Committee

19th September 2019

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

HACKNEY CARRIAGE LICENCE - UNMET DEMAND SURVEY

Final Decision-Maker	Licensing Committee
Lead Director or Head of Service	John Littlemore
Lead Officer and Report Author	Lorraine Neale
Classification	Non-exempt
Wards affected	All

Executive Summary

The report summarises the results of the Licensed Vehicle Surveys and Assessment (LVSA) part of Vector Transport Consultancy.

This report makes the following recommendations to the final decision-maker:

1. That Members consider the report submitted by Licensed Vehicle Surveys & Assessment (LVSA) part of Vector Transport Consultancy indicating an absence of any significant demand, that is unmet and consider the following options.
 - maintain the current limit on numbers
 - issue any number of additional licences as appropriate
 - consider removing the limit on hackney carriage numbers with a view to commencing a period of public consultation including Hackney Carriage Operators and Drivers, and other interested parties over a six-week period and that the results of the consultation be reported back to the committee for a final decision to be taken.

Timetable –

Meeting	Date
Licensing Committee	19 September 2019

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 That Members are advised of the results of the Unmet Demand Survey carried out by Licensed Vehicle Surveys & Assessment (LVSA) part of Vector Transport Consultancy and consider the options open to the Council with regard to maintaining, partially maintaining or removing a limit on the number of hackney carriage licences that are issued.
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2. INTRODUCTION AND BACKGROUND

- 2.1 Maidstone Borough Council is the licensing authority for the Borough in respect of hackney carriages, and for many years it has restricted the numbers of hackney carriage vehicles.
- 2.2 The limit currently stands at 48 and there is a discretion for that to continue at this figure provided the Council is satisfied there is no significant demand for hackney services in the Borough which is unmet, the power being contained in section 16 of the Transport Act 1985.

In order that such a position can be evidenced, an independent review of demand for the service is needed, and such a survey must reflect the current position and needs and be updated at least every 3 years. The last survey carried out in Maidstone was in 2016 which recommended that no new licences be issued.

- 2.3 The Unmet Demand Survey conducted in 2013 also recommended that no new licences be issued.
- 2.4 The last survey that recommended the issue of further plates was in 2005. It recommended 9 new licences be issued over a 3-year period which was implemented, the last of the plates being issued in 2008. There have been no new plates issued since then.
- 2.5 Previous and present survey results, as well as feedback from the trade to our own survey conducted in 2018 have shown there is no significant demand, however we as a Local Authority still have the discretion to consider our options and could decide to, increase the number of licenses or delimit numbers even though survey results indicate we should retain the current limit on numbers which is 48.

The survey did not find any major issues with the Hackney trade but did identify that out of the 12 recognised ranks (10 official) 75% of all hiring's are made from the High Street Rank.

- 2.6 The data from the survey shows little evidence of unmet demand at present and the level is below that which would be considered to be significant. Therefore, the survey has concluded that there is no significant unmet demand for Hackney Carriages in Maidstone.

2.7 The Government believes restrictions should only be retained where it is shown to be a clear benefit to the consumer. The Council should be able to justify their reasons for any retention of restrictions. The Government makes it clear that Local Authorities remain best placed to determine their local transport needs and to make decisions about them in the light of local circumstances. The Council conducted its own consultation on deregulation in 2018 the results went to Committee on the 19th July 2018, the findings were:-

In response to the question "There are currently 48 Hackney Carriage vehicles licensed by Maidstone Borough. Is this number sufficient". 59% of respondents indicated that this number was about right.

In response to the question "Do you think the Council should limit the number of Hackney Carriage vehicle licenses it will issue". 50% of respondents agreed that the Council should continue to limit the number.

There were comments made to increase the numbers of plates.

"Twenty people said that the current limit should be increased, some of suggested new limits which ranged from an additional two up to 75 plates be issued, however no one commented that the limit should be scrapped altogether."

There were also comments not to increase

"Twenty one people made comment to the effect that they are against removing the limit or that they do not want/see the need for the current limit on taxis to be increased and five made comments that there are too many taxis in Maidstone"

Licensing Committee noted the results and agreed to see if the 2019 survey conducted by LVSA would highlight any significant demand.

2.8 In November 2003 the Office of Fair-Trading (OFT) issued a report which concluded that authorities that currently limit numbers of licences should end the restrictions. They were of the opinion that maintenance of limits was anti-competitive and against the interests of the consumer. Their findings concluded that restrictions could typically create circumstances that:-

- a) Reduce the availability of taxis.
- b) Increase waiting times for consumers.
- c) Reduce safety and choice for consumers.
- d) Restrict those wanting to set up a taxi business.

Also those restrictions should only be retained if there is a strong justification that removal of the restrictions would lead to significant consumer detriment as a result of local conditions.

The Government also considered that ultimately local authorities remain best placed to determine local transport needs and to make decisions about them in the light of local circumstances. Therefore it is expected that local authorities with quantity controls continue to reassess their own needs and to

publish and justify their reasons if they continue to restrict the number of taxi licences that they issue.”

- 2.9 The Law Commission report published in 2014 indicated that they would not recommend the abolition of quantity controls but that they would want the Secretary of State to review the position of the transfer of these licenses (the practice of selling onto another person the licence) where authorities have quantity controls.
- 2.10 The Department of Transport report 'Taxi and Private Hire Vehicle Licensing Best Practice Guidance' recommends that quantity restrictions are not imposed but sets out guidance on what an Authority should do if it decides to have in place a regulated number of taxi vehicles .
- 2.11 The more recent report undertaken by the task and finish group in 2018 on Taxi and private hire licensing recommends giving local authorities the ability to cap private hire vehicles as well as hackney carriage vehicles where a need is proven through a public interest test.
- 2.14 Reports commissioned by Maidstone in previous years have indicated that there is no significant unmet demand although there are occasional requests from licensed drivers to obtain additional Hackney Vehicles and drivers often state that they are aggrieved that they are prevented from obtaining a hackney carriage vehicle licence due to the maintained limit on numbers.
- 2.15 The Hackney Carriage trade state that licensing more vehicles would affect their livelihoods, but whilst case law has said this must be considered if that takes place it is not in itself a justification for retaining a limit.
- 2.16 At the Licensing Committee on 1st December 2016 the Head of Housing and Community Services was asked to undertake a 12-week consultation with stakeholders on the following three options for Hackney Carriage vehicle licences and report the findings back to Licensing Committee at the earliest opportunity. The questions to be asked being whether to:-
 1. Maintain the current limit on Hackney Carriage numbers; or
 2. Issue any number of additional vehicle licences as appropriate; or
 3. Remove the limit on Hackney Carriage numbers.
- 2.17 The survey run from the 5th March 2018 until 27th May 2018 and was carried out online and by email All stakeholders were asked their views on rank locations, the number of hackney licenses issued and if the limit should remain and any other additional comments.
- 2.18 The result of that survey was that the Council maintains the current limit on Hackney Carriage numbers as the survey result did not justify an increase in plate numbers and that the 2019 Unmet Demand Survey would highlight demand should there be any.
- 2.19 The principal findings of the 2019 Unmet Demand survey prepared by LVS are as follows (Appendix A:

- The public and stakeholders are generally content with the level of service provided by Hackney Carriages.
- No significant concerns or issues were raised with respect to services provided for mobility impaired passengers.
- The storage capacity of the High Street rank is insufficient to accommodate all of the hackney carriages waiting for fares.
- One or more new ranks on the High Street were suggested by several consultees.

N.B. The issue of ranks (which are known as 'stands' in legislation) and their placement has been subject to reports in the past and will be revisited once the Maidstone East regeneration is complete and is not a factor when considering unmet demand in these circumstances.

2.20 A number of mystery shopper exercises were carried out over the course of the survey which tested short fares, carriage of guide dogs and journeys for wheelchair passengers, there were no significant adverse findings for the Maidstone trade except in the case of one wheelchair passenger which will be investigated by Licensing Officers. The complete results can be found at Appendix B

3 AVAILABLE OPTIONS

3.1 maintain the current limit on numbers

3.2 issue any number of additional licences as appropriate

3.3 consider removing the limit on hackney carriage numbers with a view to commencing a period of public consultation.

4 PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 To maintain the current limit on numbers, neither the Council consultation in 2016 or the recent consultation conducted by LVSA has shown any significant demand.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 N/A

6 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 N/A

7 CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Risk Management	None	[Head of Service or Manager]
Financial	The cost of undertaking the consultation will be met from within existing budgets.	Interim Head of Finance (Deputy Section 151 Officer)
Staffing	None	[Head of Service]
Legal	Included in the body of the report	[Legal Team]
Equality Impact Needs Assessment	'No impact identified'	Equalities and Corporate Policy Officer
Environmental/Sustainable Development	None	[Head of Service or Manager]
Community Safety	None	[Head of Service or Manager]
Human Rights Act	None	[Head of Service or Manager]
Procurement	None	[Head of Service & Section 151 Officer]
Asset Management	None	[Head of Service & Manager]

8 REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

Appendix A - Report by Vector Transport Consultancy

Appendix B – Mystery Shopper results

9 BACKGROUND PAPERS

None