

LICENSING REGULATORY COMMITTEE

Hackney Carriage Demand Survey 27 March 2014

Report of Licensing Manager

PURPOSE OF REPORT

To enable Members to consider the findings of the survey conducted by CTS Traffic Ltd.

This report is public

RECOMMENDATIONS

Members are asked to consider CTS Traffic's report, and to consider what action to take in the light of the findings of the survey.

1.0 Report

- 1.1 As Members will be aware, the Council currently has a policy of restricting the number of Hackney Carriage licences issued. However, in maintaining such a policy the Council has to provide evidence that there is no significant unmet demand for Hackney Carriage services within the area in order to be in a position to refuse any new applications for additional licences. For this purpose, it is considered necessary to commission an independent survey to assess the level of demand for hackney carriage services, and that such survey should be conducted by an organisation specialising in this area of work.
- 1.2 Members may recall that in 2010 a hackney carriage demand survey was carried out by Mouchell Ltd on the Council's behalf. At that time, Mouchell concluded that there was no significant unmet demand for hackney carriages and at a meeting of the Licensing Regulatory Committee held on 17 February 2011 members resolved to maintain the existing policy restricting the number of hackney carriages licensed to 109. Currently there are 108 hackney carriage plates issued as one licence was revoked. There is a general acceptance that the findings of hackney carriage demand surveys are valid for no longer than three years. Therefore, a further survey was due in 2013. .
- 1.3 In late 2013, another survey of the demand for the services of hackney carriages in the district was carried out by CTS Traffic Ltd. A copy of the full CTS Traffic Ltd report is attached to this report, and Mr Millership of CTS Traffic will be attending the meeting to present the findings and to answer any questions that Members may have. The survey was carried out on the basis that there are currently 108 hackney carriage vehicles in Lancaster.

- 1.4 Members will note from the attached report that on the basis of the analyses conducted, CTS Traffic has concluded that there is no significant unmet demand for hackney carriages at this time. Members are therefore requested to consider the above findings, and to determine whether to maintain the existing policy restricting the number of hackney carriage licences to 108, or perhaps review the policy on limiting the number of licences issued. In any consideration of whether to review the Council's existing policy, Members are reminded that following a UK study of the Taxi and Private Hire market in 2002/03, the Office of Fair Trading recommended that local authorities' power to restrict the number of hackney carriage licences they issue should be repealed. In its response to the OFT report in March 2004, the Government did not accept the above recommendation, taking the view that local authorities should continue to be responsible for making decisions about whether or not to control hackney carriage numbers in their respective areas. However, the Government conveyed its belief that, in general terms, quantity restrictions were unlikely to be in the best interests of consumers.
- 1.5 Members may recall that the Law Commission have recently carried out a consultation in relation to updating hackney carriage and private hire legislation. Initially the recommendation from them was that local authorities should no longer have the power to maintain quantity restrictions. However, in an interim report issued following the close of the consultation period, they indicated that they would be recommending that quantity restrictions could be maintained. A Draft Bill containing the recommendations is expected to go before Parliament in April this year.
- 1.6 Should Members be minded to consider a proposal to review the existing policy on the issue of hackney carriage licences, it would be necessary to consult all current stakeholders in that process.

2.0 Options

The options open to the Committee are:

- a) To maintain the existing policy restricting the number of hackney carriage licences and to restrict the number to 108, or
- b) To consider reviewing the existing policy on the issue of hackney carriage licences.

2.0 Conclusion

- 2.1 Members are requested to determine what action to take following CTS Traffic Ltd's findings that there is currently no significant unmet demand for hackney carriage services. Should Members be minded to review the Council's existing policy to restrict the number of licences issued, it is recommended that consultation be held with hackney carriage and private hire proprietors.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

There are no such implications arising from this report.

FINANCIAL IMPLICATIONS

There are no financial implications arising from the report at this stage. The 2014/15 budget is based on 108 hackney carriage licences at £326.70 and in the event that the number of licences is maintained at 108, the licence fee income will remain unchanged. Should Members be minded to review the policy on limiting the number of licences issued, the budget implications would be explored further at that stage.

LEGAL IMPLICATIONS

There are no direct legal implications at this stage. If Members are minded to continue to limit the number of licences to 108, the detailed analysis conducted by CTS Traffic Ltd would be used to support refusal of any subsequent application for an additional hackney carriage licence.

BACKGROUND PAPERS

CTS Traffic Ltd survey report

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