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# Wirral Hackney Carriage Unmet Demand Study

Wirral Council

September 2011

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# 1 Study Objectives and Overview

## 1.1 General

This study has been conducted by Halcrow on behalf of Wirral Borough Council (Wirral BC). Wirral BC wishes to undertake an unmet demand study for hackney carriages in the borough of Wirral. Wirral BC does not numerically limit the number of hackney carriages in the borough and is seeking advice as to whether to amend this policy. The key objectives of the study are to:

- Determine whether there is any evidence of significant unmet demand for Hackney Carriage Services in Wirral; and
- Consider whether changes are required to the current policy of having no limit to the number of licences that are issued.

In line with the specification, Wirral BC wishes:

- To identify the current level of demand for Hackney Carriages;
- To assess whether the supply of Hackney Carriages matches demand;
- To report on the number of Hackney Carriages in Wirral in the light of any findings;
- To produce a report of their findings with reference to the legislative framework governing Hackney Carriages; and
- To present the key findings of the study to the Licensing, Health and Safety and General Purposes Committee.

In 2010 the Department for Transport (DfT) re issued Best Practice Guidance for Taxi and Private Hire licensing. The Guidance restates the DfT's position regarding quantity restrictions. Essentially, the DfT stated that the assessment of significant unmet demand, as set out in Section 16 of the 1985 Act, is still necessary but not sufficient in itself to justify continued entry control. The Guidance provides local authorities with assistance in local decision making when they are determining the licensing policies for their local area. Guidance is provided on a range of issues including: flexible taxi services, vehicle licensing, driver licensing and training.

The Equality Act 2010 provides a new cross-cutting legislative framework to protect the rights of individuals and advance equality of opportunity for all; to update, simplify and strengthen the previous legislation; and to deliver a simple, modern and accessible framework of discrimination law which protects individuals from unfair treatment and promotes a fair and more equal society.

The provisions in the Equality Act will come into force at different times to allow time for the people and organisations affected by the new laws to prepare for them. The Government is considering how the different provisions will be commenced so that the Act is implemented in an effective and proportionate way. Some provisions have come into force on the 1st October 2010 however most of the provisions for taxi accessibility will be come in to play later in 2011.

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Sections 165, 166 and 167 of the Equality Act 2010 are concerned with the provision of wheelchair accessible vehicles and place obligations on drivers of registered vehicles to carry out certain duties unless granted an exemption by the licensing authority on the grounds of medical or physical condition. From 1 October 2010, Section 166 allows taxi drivers to apply to their licensing authority for an exemption from Section 165 of the Equality Act 2010. Section 165 and 167 will not come in to effect until after April 2011.

Section 161 of the Equality Act 2010 qualifies the law in relation to unmet demand, to ensure licensing authorities that have 'relatively few' wheelchair accessible taxis operating in their area, do not refuse licences to such vehicles for the purposes of controlling taxi numbers. For section 161 to have effect, the Secretary of State must make regulations specifying:

- the proportion of wheelchair accessible taxis that must operate in an area before the respective licensing authority is lawfully able to refuse to license such a vehicle on the grounds of controlling taxi numbers; and
- the dimensions of a wheelchair that a wheelchair accessible vehicle must be capable of carrying in order for it to fall within this provision.

The DfT plans to consult on the content of regulations before section 161 comes in to force. The actual date is unknown.

## **2 Background**

### **2.1 General**

This section of the report provides a general background to the taxi market in the Wirral and the relevant legislation governing the market.

### **2.2 Wirral Overview**

Wirral Borough is situated in Merseyside. The district's population stood at 312,293 at the 2001 census. Wirral is the third largest Metropolitan Council in the North West. The borough is mainly urban in outlook.

### **2.3 Background to the Hackney Carriage Market in Wirral**

The authority does not maintain a policy of quantity control and at the time of the study the authority licensed 289 Hackney Carriage vehicles. This provides Wirral with a hackney carriage provision of one hackney per 1,080 residents – a slightly lower level of provision than is typical of a derestricted authority.

Between 1974 and 1997 Wirral BC maintained a limit of 86 hackney carriage vehicle licences. Between the years of 1998 and 2002 this limit increased to 148. Following lengthy legal proceedings, Wirral BC decided to remove the numerical limit in 2002 and restrict vehicles according to vehicle quality.

In 2003 Wirral BC appointed Halcrow to assist with the best value review of its licensing function in relation to private hire and hackney carriage licences.

In 2006 KNW were commissioned by the authority to undertake an unmet demand study. This study identified a small but significant level of unmet demand.

### **2.4 Provision of Hackney Carriage Stands**

There are currently 28 official ranks located in the Wirral licensing district. A full rank audit is shown in Appendix A and a list of the ranks observed is included in Chapter 5.

Plates 1-4 show four of the main ranks in the Wirral.

Plate 1 – Hamilton Street, Hamilton Square Train Station, Birkenhead



Plate 2 – Grange Road, Birkenhead



Plate 3 – Claughton Road, Birkenhead



Plate 4 – Wallasey Road, Liscard



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## 2.5 Hackney Carriage Fares and Licence Premiums

Hackney carriage fares are regulated by the Local Authority. There are four tariffs - one daytime tariff (6am – 10pm); one night time rate (10pm – 6am) and daytime public and bank holiday rate; a third public and bank holiday evening rate; and a Christmas and New Year rate. The standard charge tariff is made up of two elements; an initial fee (or “drop”) for entering the vehicle, and fixed price additions for specified distances. A standard two-mile daytime fare undertaken by one individual would therefore be £5.00. Table 2.1 outlines the fare structure in more detail.

**Table 2.1 Wirral Hackney Carriage Fare Tariff**

	Price
<b>Tariff 1 Day rate: 6.00am to 10.00pm</b> First 820 yards or part thereof Each subsequent 260 yards	£2.80 20p
<b>Tariff 2 Night rate: 10.00pm to 6.00am and Public and Bank Holiday day rate: 6.00am to 10.00pm (including Good Friday and Easter Sunday)</b> First 966 yards or part thereof Each subsequent 218 yards	£3.30 20p
<b>Tariff 3 Public and Bank Holiday night rate: midnight to 6.00am and 10.00pm to midnight (including Good Friday and Easter Sunday)</b> First 966 yards or part thereof Each subsequent 182 yards	£3.90 20p
<b>Tariff 4 Christmas and New Year rate</b> (Each journey on Christmas Eve from 18.00 hours to include Christmas Day and Boxing Day, until 06.00 hours the following day and for each journey on New Year's Eve from 18.00 hours to include New Year's Day until 06.00 hours the following day) First 966 yards or part thereof Each subsequent 137 yards	£5.20 20p
<b>Extra charges</b> For each passenger in excess of two per journey (excluding children under 5 years of age) For each animal (other than an assistance dog) Waiting time – for each minute or part thereof Bulky items Fouling charge	10p £1.00 20p £5 £35

Source: Wirral Borough Council

The Private Hire and Taxi Monthly Magazine publish monthly league tables of the fares for 380 authorities over a two mile journey. Each journey is ranked with one being the most expensive, the May 2011 table shows the Wirral rated 250th in the table – therefore the Wirral has lower than average fares. Table 2.3 provides a comparison of where neighbouring and nearby authorities rank in terms of fares. It

shows that the fares in the Wirral is the second most expensive in comparison to neighbouring authorities.

**Table 2.3 Comparison of Neighbouring Authorities in Terms of Fares (figures are ranked out of a total of 380 Authorities with 1 being the most expensive)**

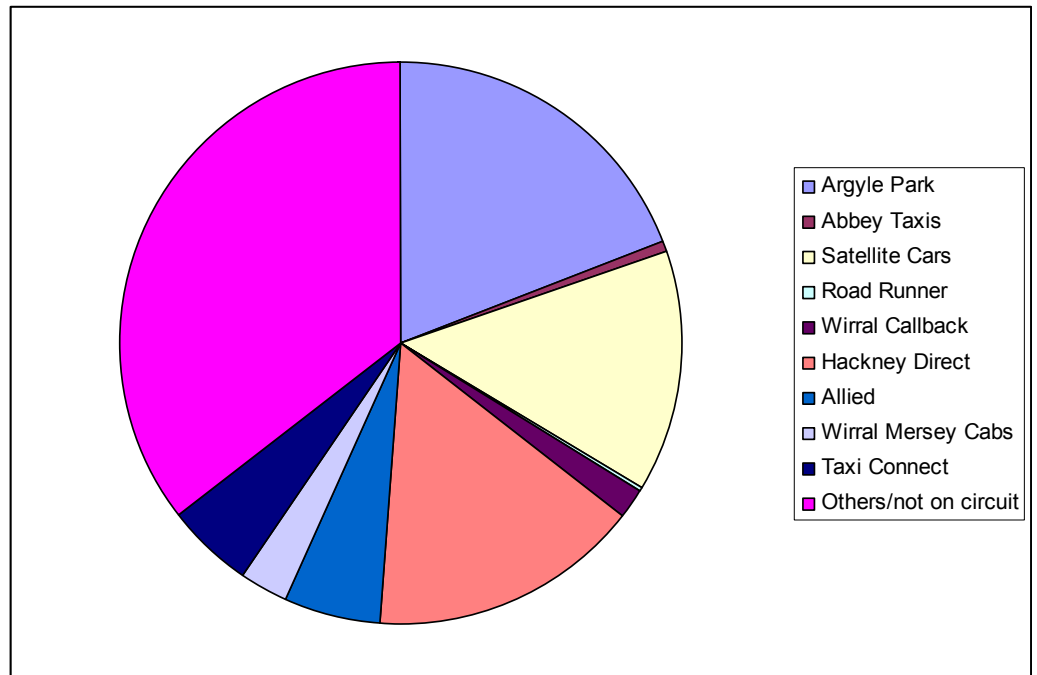
Local Authority	Rank
Chester	165
<b>Wirral</b>	<b>250</b>
Halton	260
Liverpool	281
Ellesmere Port	325
Sefton	347
St Helens	349
Vale Royal	359
Knowsley	363

Source: Private Hire and Taxi Monthly, May 2011

## 2.6 Hackney Carriages and Radio Circuits

In order to determine the proportion of hackney carriages on radio circuits the main operators were contacted by telephone. Figure 2.1 provides further detail. Out of the nine operators contacted some 186 hackneys were identified as being assigned to a radio circuit.

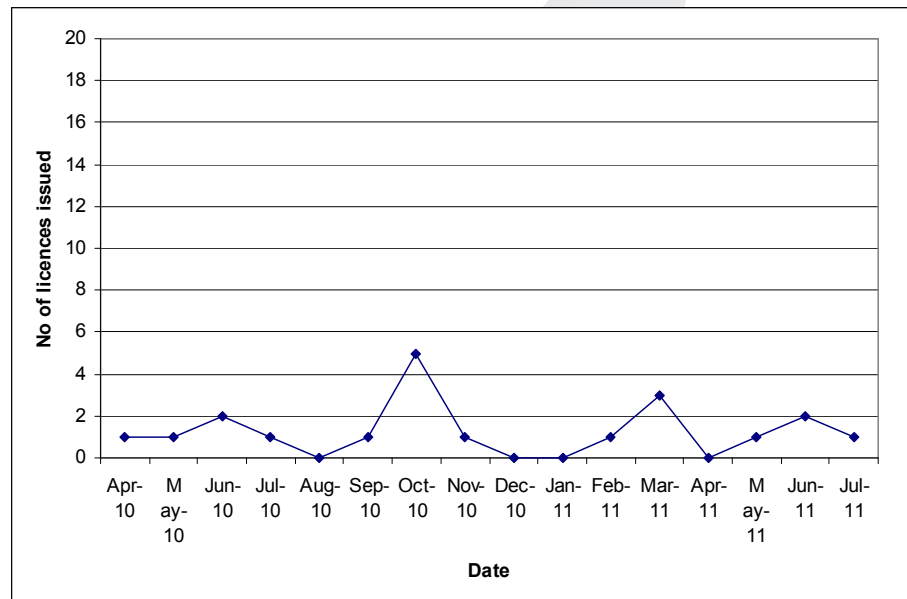
**Figure 2.1 Hackney Carriages on Radio Circuits**



## 2.7 Demand for Hackney Carriage Licences

Figure 2.2 shows the number of hackney licences that have been issued between April 2010 and July 2011. It demonstrates how demand has fluctuated with a peak of five licences being issued in October 2010.

Figure 2.2 Demand for Hackney Carriage Licences



## 2.8 Merseyside Local Transport Plan

This section considers the taxi (hackney and private hire) market within a wider context of transport policy. The Local Transport Plan process requires local authorities to consider, in a holistic manner, how transport provision for their area contributes to wider objectives such as economic growth, accessibility, the environment and safety.

The Merseyside LTP (Local Transport Planning Partnership) consists of Merseytravel and the five district councils of Merseyside - Knowsley, Liverpool, Sefton, St Helens, and Wirral. In 2008, the Merseyside LTP Partnership and Halton Council won Beacon status from the Government for their groundbreaking access work.

The First Local Transport Plan for Merseyside was given to the Government in July 2000. It set out a 10 year strategy and a 5 year plan to help solve some of the social, economic and environmental problems in Merseyside by making the transport system better for the people in Merseyside.

Merseyside Partners finished the **Second Local Transport Plan** in July 2006. It sets out the transport vision for 2006-2011, which was for a 'a fully integrated safe transport network for Merseyside which supports economic and social regeneration and ensures good access for all, and which is operated to the highest standards to protect the environment and ensure quality of life. The aims of LTP2 were to:

- Provide appropriate infrastructure to improve the capacity and efficiency of the transport network and support areas where the economy is growing;

- Provide access for everyone to services such as employment, education and health;
- Manage demand for travel to ensure that our roads do not become congested and affect the efficient movement of public transport and freight;
- Protect/enhance the environment by taking positive measures to reduce the impacts of travel demand;
- Support a healthier community by addressing air and noise problems caused by traffic and promoting cycling and walking; and
- Make best use of our existing resources by ensuring an efficient maintenance regime.

Taxis play an important role in the transport of people in Merseyside and the government Action Plan for Taxis and Private Hire Vehicles makes it clear that they are an integral part of the LTP process. The LTP2 aim was to build on the approach adopted in the first LTP.

LTP2 recognises that the Wirral has seen a rapid increase in hackney vehicles since the hackney limit was removed in 2002. It also states that there is evidence of severe over-ranking.

Merseytravel ensure that all new schemes include explicit thought towards taxi provision; taxis are well linked to the rail service in the area.

LTP2 had a 5 Year Programme which aimed to:

Investigate use of taxis to link with other demand responsive modes as part of the development of the Demand Responsive Transport (DRT);

- Within three years provide a more robust monitoring regime to shape future policy;
- Provide assistance to other modes such as night buses when there is a clear objective to clear the city and town centre as safely as possible, and in order to progress this effectively the proposals are integrated within TravelSafe.
- The Merseyside Taxi Training Scheme (MTTS) is being developed and will focus on Customer care and DDA issues. Funding will be sought from a wide range of agencies including operators the licensing authorities and a range of government packages and skill development organisations.
- The importance of a high quality taxi provision will be recognised by the provision of improved taxi ranks, new information provision and better integration with the public transport network. This will be particularly important at key locations such as the Airport, Lime Street Station, City Centre, John Lennon Airport and other key destinations.
- Ensure that measures are put in place by 2008 to support Capital of Culture through programmes such as the City Centre Movement Strategy

The LTP2 recognised that the role of taxis, integrated within the single integrated public transport network is important:

- They can reduce congestion by offering realistic alternatives to the car;

- Better vehicle standards will reduce emissions and improve air quality;
- They will be an important element in opening up new journey opportunities identified through the accessibility planning process; and
- A high quality fleet can help to reduce road accidents particularly for leisure time activities in the evening and at night.

The LTP2 covered the years 2006-2011 and the third Local Transport Plan is now in place. The preferred strategy goals are as follows;

- To ensure the transport system supports the priorities of the Liverpool City Region and its Local Strategic Partnerships.
- To provide and promote a clean and low carbon transport system.
- To ensure the transport system promotes and enables improved health and wellbeing
- To ensure the transport system allows people to connect easily with employment, services and social activities
- To ensure the transport network supports the economic success of the Liverpool City Region by the efficient movement of people and goods; and
- To maintain assets to a high standard.

The LTP3 consultation documents refer to taxis and the role they play in Merseyside in a number of areas. The role of taxis in contributing to emissions is an area which has had comparatively little attention over recent years. The impact of taxis on the environment is mixed; where there is opportunity to use them flexibly in place of larger services they could bring considerable environmental benefits, however taxi fleets cover large mileages – often in urban settings where air quality is likely to be a concern – and any improvements to the environmental performance of the fleet could bring considerable benefits.

There are some improvements which could be made very quickly, such as increased education around eco-driving techniques and vehicle choice. In the short-term the focus will be on increasing liaison with operators, establishing best practice guidelines and encouraging improvements where they can be made in a cost-effective way. The LTP3 will work with public sector partners to develop procurement policies which incentivise investment in low emission vehicles.

The long-term strategy for taxis is less clear, the applicability of new fuel and vehicle technologies for taxi use is untested. LTP3 aims to lead understanding in this field by supporting a demonstration project, trialling the feasibility of alternative fuels and low emission technologies for use in the taxi fleet. If new low emission technologies are pursued, financing arrangements such as facilitating leasing agreements with private investment organisations will be explored.

Taxis can be important to people who have difficulty using mainstream public transport services. The next LTP will review the most appropriate means of transport to fulfil specific requirements, which could include a combination of taxis, community transport services or services operated by the health or social services sector,

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As part of this process, Merseytravel are thinking about more innovative solutions, to facilitate measures such as independent travel training, neighbourhood travel teams or personalised travel planning. This will also include the role of taxis and community transport operators

The introduction of new technologies and potential changes to the role of supported bus services may result in there being greater overlap between the roles of public transport and taxis in the future.

Guidance from DfT on taxi licensing suggests that in developing proposals for taxis in LTP's the following should be considered:

- Quantity controls, if any and plans for their review;
- Licensing conditions, with a view to safety but also to good supply of taxi and PHV services;
- Fares;
- On street availability, especially through the provision of taxi ranks;
- Vehicle accessibility for people with disabilities;
- Encouragement of flexible services.

The LTP3 will ensure greater inter-working with the district licensing authorities and taxi trade to develop proposals including creating a Merseyside Taxi Quality Partnership (TQP) to take forward an incremental, integrated approach to the role of taxis in the LTP. In the short term, particular attention will be paid to those policy areas which are within the remit of the five district licensing authorities and Merseytravel. This may include:

- Merseytravel will examine integration of taxi services with the supported bus service network, in line with policies on supported bus services such as using taxis in place of buses on 'niche' services like Merseylink, where this would prove better value for money and beneficial in emissions terms.
- Taxi voucher scheme as part of an expanded WorkWise project – the offer of a one month bus pass or the equivalent in taxi vouchers.
- Flat fare of £1 or alongside supported bus fares for any taxi/PHV under contract to Merseytravel – fixed routed/flexibly routed services.
- Taxibus resource to cover flexibly routed transport options.
- Feeder services into main public transport hubs.
- Add on to car sharing scheme web sites to include information on taxis.
- Use of taxis for replacement services due to roadwork and major events.
- Taxi operator's ability to bid for specific supported bus services.

## 2.9 Regeneration in Wirral

A number of regeneration projects are underway across the Wirral which are likely to increase residents and visitors to the area.

### New Brighton

The Wallasey Waterfront is a new retail and leisure development that will be completed in 2011. The £45 million development comprises a conference centre, cinema, supermarket, hotel as well as a number of restaurants and bars. Given the range of use it is likely that this may increase the demand for taxis, especially with the night time economy.

### Wirral Waters

Wirral Waters is an 18 million sq ft mixed use waterfront development and the largest such regeneration project in the UK. The development is concentrated on the Birkenhead docks and it is estimated that some 20,000 jobs will be created in Wirral. The construction of the site will take place over the next 30 years.

## 3 Benchmarking

### 3.1 Introduction

In order to assess the current level of taxi provision in Wirral and to determine whether the current vehicles permitted by Wirral Borough Council are fit for purpose, it is necessary to benchmark Wirral against other authorities which are classified by the Audit Commission as its 'statistically nearest neighbours'.

The statistically nearest neighbours are authorities which are of similar socio-economic standing to Wirral and can be used for comparison purposes. They include; Sefton, North Tyneside, Redcar and Cleveland, Plymouth, Darlington, North East Lincolnshire, Dudley, Southend-On-Sea, St Helens, Northumberland, Blackpool, Bury, Doncaster, Derby, and Stockton-on-Tees. Unfortunately there was no data available for Northumberland.

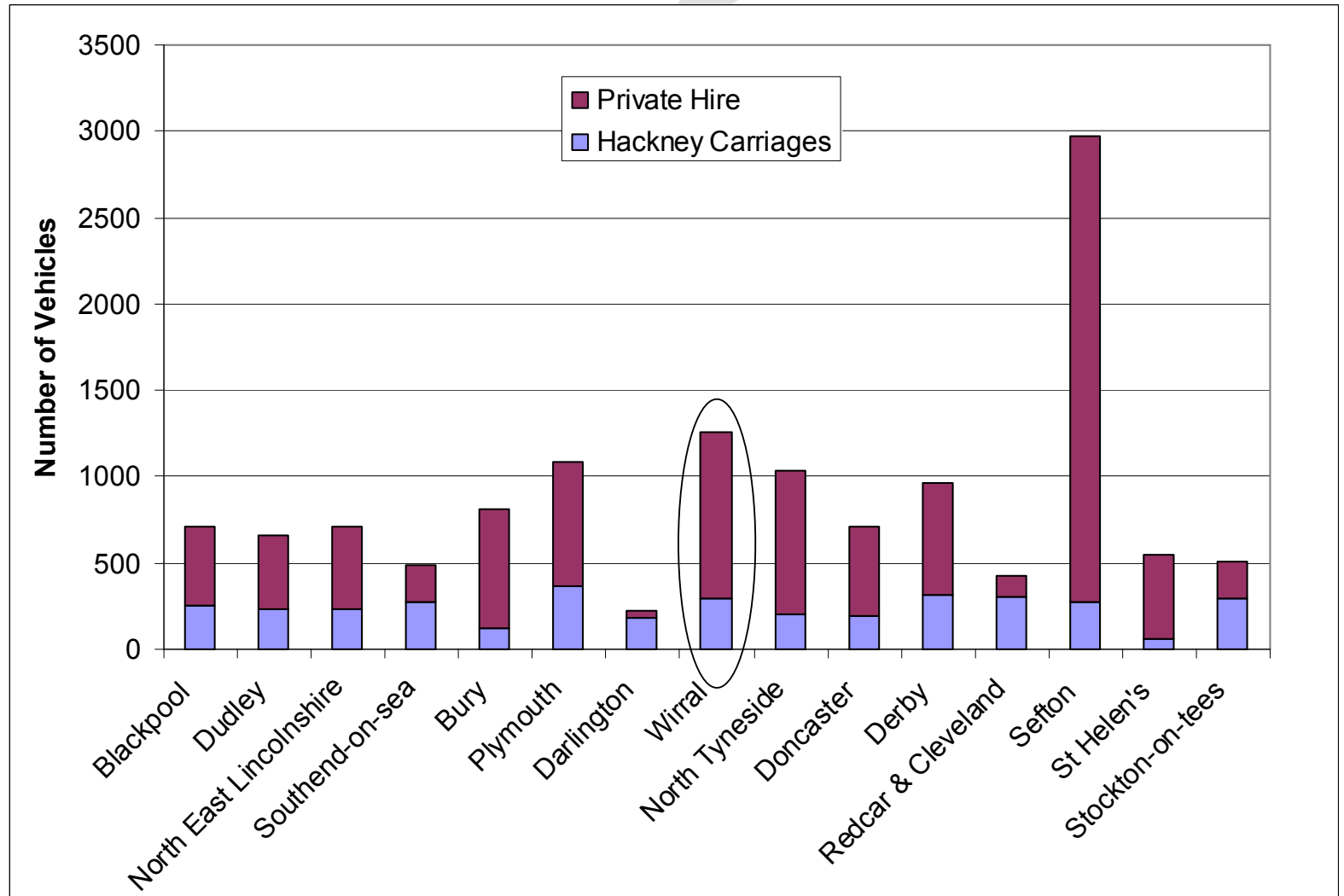
Wirral has been benchmarked against these authorities on the following characteristics:

- Fleet composition;
- Fares
- Population per hackney; and
- Entry Control Policy.

### 3.2 Fleet Composition

Figure 3.1 documents the fleet size for statistically similar licensing authorities in the UK. Plymouth has the largest hackney fleet (360 hackney vehicles) however Sefton has the largest overall fleet with 2,970 hackney and private hire vehicles combined. Wirral has joint fourth (along with Stockton-On-Tees) largest hackney carriage fleet. Even though the Wirral has a large hackney fleet in comparison to the other authorities, the private hire fleet is the dominant industry in the Wirral.

Figure 3.1 Fleet composition



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In terms of the population per hackney, Figure 3.2 documents the results for the licensing authorities. Redcar and Cleveland has the lowest population per hackney carriage, identifying that Redcar and Cleveland has the best provision compared to similar authorities. St Helens has the worst provision of hackney carriages. Wirral has the 4th highest population per hackney carriage, showing that Wirral does not have a high provision of hackneys in comparison to similar authorities.

Figure 3.3 shows population per vehicle; therefore it includes both hackney and private hire vehicles. This shows different results, with Stockton-on-Tees having the highest population per hackney. Sefton has the lowest population per hackney and therefore has the best provision. Wirral has the 7th lowest population per hackney, making Wirral have an average provision of taxis across the borough.

Figure 3.2 Population per hackney across the different licensing authorities

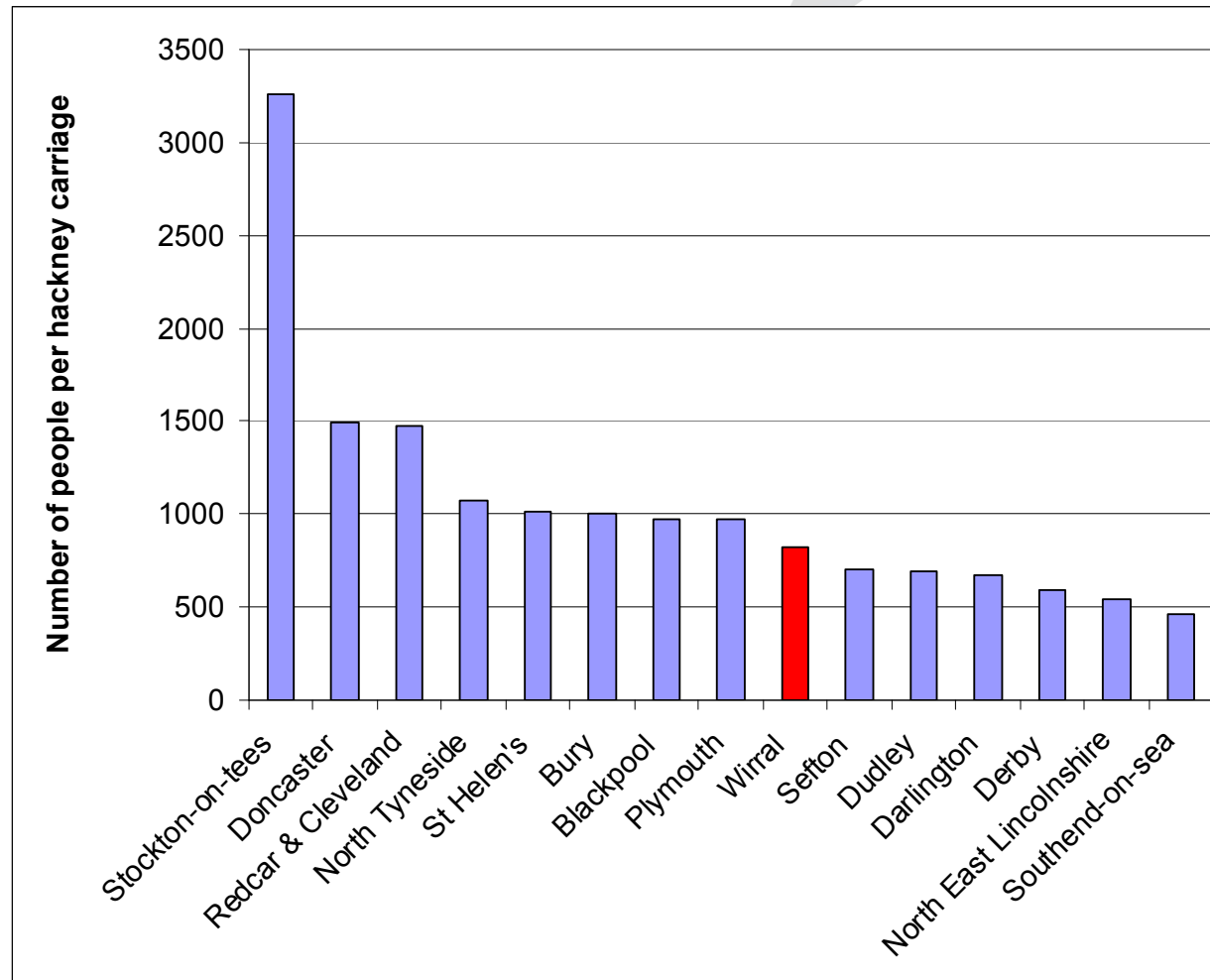
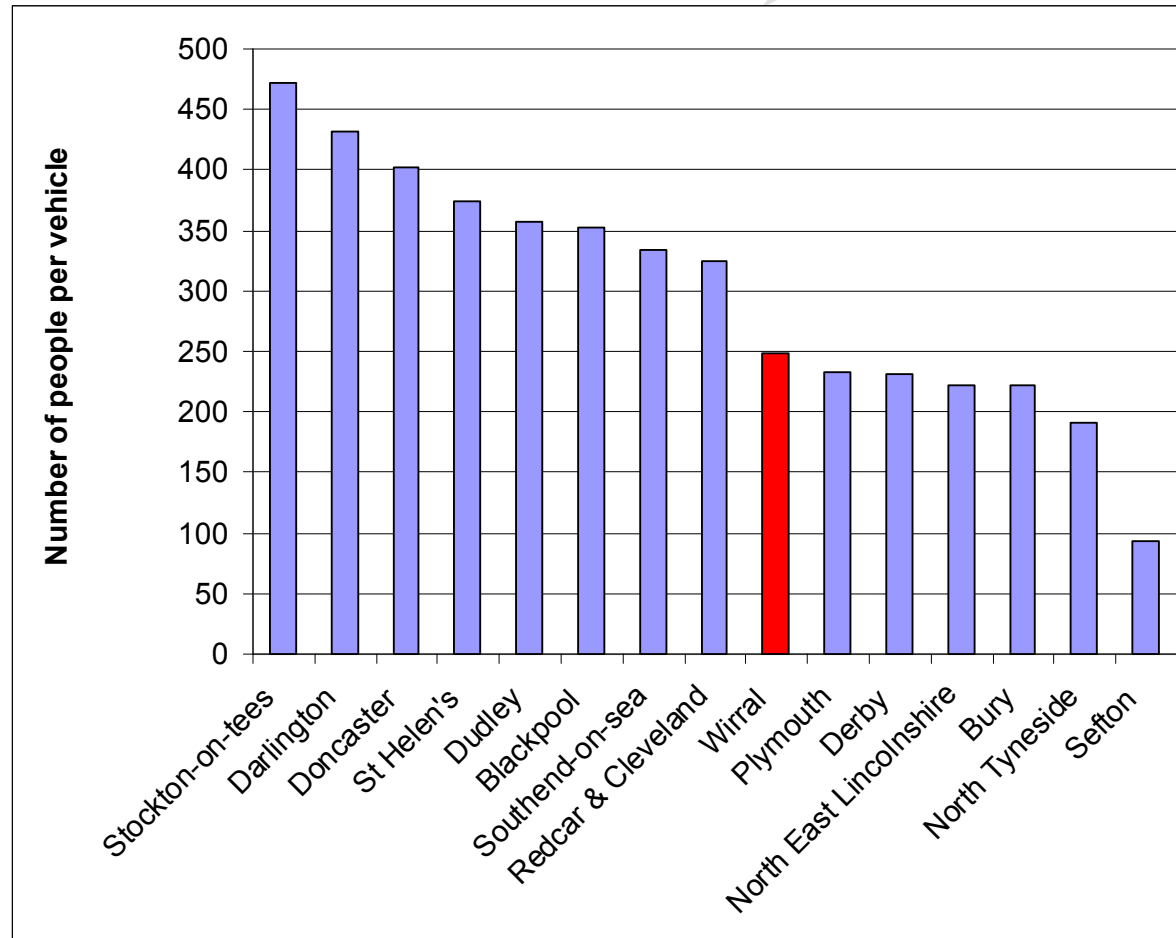


Figure 3.3 Population per vehicle (hackney and phv) across the different licensing authorities



### 3.3 Entry Control Policy

Table 3.1 documents the entry control policies for the 14 authorities. Wirral Borough Council does not enforce a numerical limit, as do 7 other similar authorities. The remaining 7 authorities are restricted authorities.

**Table 3.1 Entry Control Policy for the Authorities**

Authority	Control Policy
Blackpool	Restricted
Dudley	De-restricted
North East Lincolnshire	Restricted*
Southend-on-sea	Restricted
Bury	De-restricted
Plymouth	Restricted
Darlington	De-restricted
Wirral	De-restricted
North Tyneside	Restricted
Doncaster	De-restricted
Derby	De-restricted
Redcar & Cleveland	De-restricted
Sefton	Restricted
St Helen's	Restricted

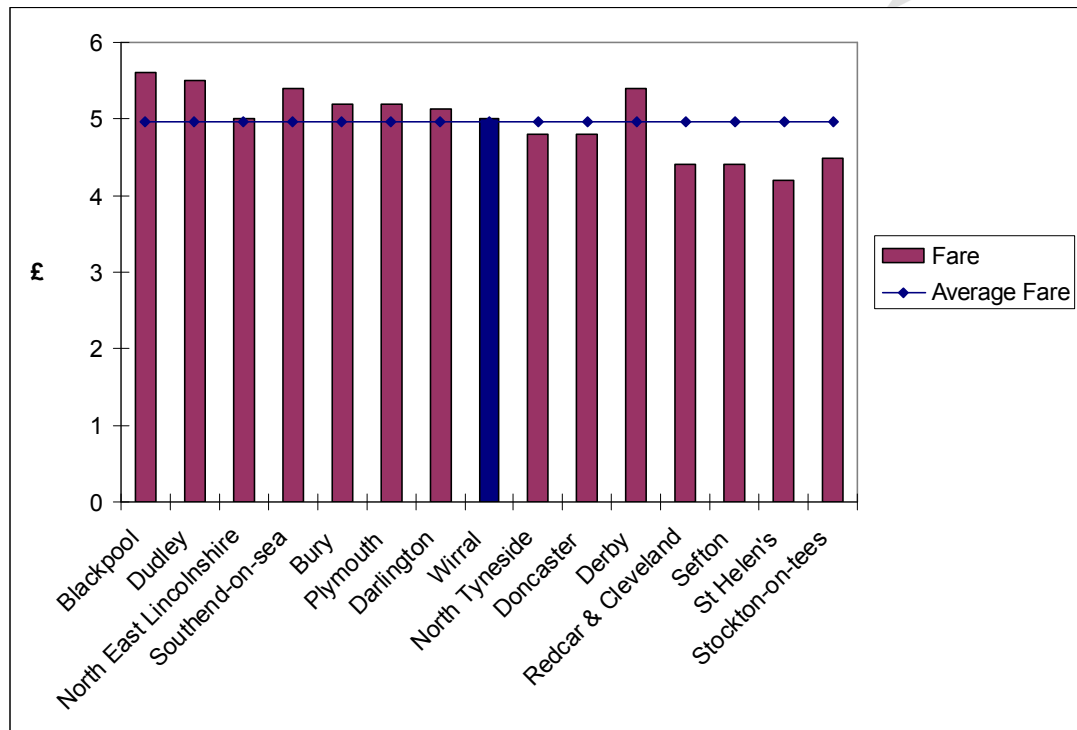
\* recently re restricted

### 3.4 Fares

Figure 3.4 details the average fare for a two mile journey across the benchmarked authorities. The average cost of a two mile journey is £4.97, thereby highlighting that fares in the Wirral are typically average at £5.00. The most expensive authority is Blackpool at £5.60 for a two mile journey and, the least expensive authority is St Helen's at £4.20.

Figure 3.4

Average Fare for a two mile journey



## 4 Definition, Measurement and Removal of Significant Unmet Demand

### 4.1 Introduction

Section 4 provides a definition of significant unmet demand derived from experience of over 100 unmet demand studies since 1987. This leads to an objective measure of significant unmet demand that allows clear conclusions regarding the presence or absence of this phenomenon to be drawn. Following this, a description is provided of the Significant Unmet Demand Simulation (SUDSIM) model which is a tool developed to determine the number of additional hackney licences required to eliminate significant unmet demand, where such unmet demand is found to exist. This method has been applied to numerous local authorities and have been tested in the courts as a way of determining if there is unmet demand for Hackney Carriages.

### 4.2 Overview

Significant Unmet Demand (SUD) has two components:

- patent demand – that which is directly observable; and
- “suppressed” demand – that which is released by additional supply.

Patent demand is measured using rank observation data. Suppressed (or latent) demand is assessed using data from the rank observations and public attitude interview survey. Both are brought together in a single measure of unmet demand, ISUD (Index of Significant Unmet Demand).

### 4.3 Defining Significant Unmet Demand

The provision of evidence to aid licensing authorities in making decisions about hackney carriage provision requires that surveys of demand be carried out. Results based on observations of activity at hackney ranks have become the generally accepted minimum requirement.

The definition of significant unmet demand is informed by two Court of Appeal judgements:

- R v Great Yarmouth Borough Council ex p Sawyer (1987); and
- R v Castle Point Borough Council ex p Maude (2002).

The Sawyer case provides an indication of the way in which an Authority may interpret the findings of survey work. In the case of Sawyer v. Yarmouth City Council, 16 June 1987, Lord Justice Woolf ruled that an Authority is entitled to consider the situation from a temporal point of view as a whole. It does not have to condescend into a detailed consideration as to what may be the position in every limited area of the Authority in relation to the particular time of day. The area is required to give effect to the language used by the Section (Section 16) and can ask itself with regard to the area as a whole whether or not it is satisfied that there is no significant unmet demand.

The term “suppressed” or “latent” demand has caused some confusion over the years. It should be pointed out that following Maude v Castle Point Borough Council,

heard in the Court of Appeal in October 2002, the term is now interpreted to relate purely to that demand that is measurable. Following Maude, there are two components to what Lord Justice Keene prefers to refer to as “suppressed demand”:

- what can be termed inappropriately met demand. This is current observable demand that is being met by, for example, private hire cars illegally ranking up; and
- that which arises if people are forced to use some less satisfactory method of travel due to the unavailability of a hackney carriage.

If demand remained at a constant level throughout the day and week, the identification and treatment of significant unmet demand would be more straightforward. If there were more cabs than required to meet the existing demand there would be queues of cabs on ranks throughout the day and night and passenger waiting times would be zero. Conversely, if too few cabs were available there would tend to be queues of passengers throughout the day. In such a case it would, in principle, be a simple matter to estimate the increase in supply of cabs necessary to just eliminate passenger queues.

Demand for hackney carriages varies throughout the day and on different days. The problem, introduced by variable demand, becomes clear when driver earnings are considered. If demand is much higher late at night than it is during the day, an increase in cab supply large enough to eliminate peak delays will have a disproportionate effect on the occupation rate of cabs at all other times. Earnings will fall and fares might have to be increased sharply to sustain the supply of cabs at or near its new level.

The main implication of the present discussion is that it is necessary, when considering whether significant unmet demand exists, to take account of the practicability of improving the standard of service through increasing supply.

#### **4.4 Measuring Patent Significant Unmet Demand**

Taking into account the economic, administrative and legal considerations, the identification of this important aspect of significant unmet demand should be treated as a three stage process as follows:

- identify the demand profile;
- estimate passenger and cab delays; and
- compare estimated delays to the demand profile.

The broad interpretation to be given to the results of this comparison are summarised in Table 4.1.

**Table 4.1 Existence of Significant Unmet Demand (SUD) Determined by Comparing Demand and Delay Profiles**

	Delays during peak only	Delays during peak and other times
Demand is:		
<b>Highly Peaked</b>	No SUD	Possibly a SUD
<b>Not Highly Peaked</b>	Possibly a SUD	Possibly a SUD

It is clear from the content of the table that the simple descriptive approach fails to provide the necessary degree of clarity to support the decision making process in cases where the unambiguous conclusion is not achievable. However, it does provide the basis of a robust assessment of the principal component of significant unmet demand. The analysis is therefore extended to provide a more formal numerical measure of significant unmet demand. This is based on the principles contained in the descriptive approach but provides greater clarity. A description follows.

The measure feeds directly off the results of observations of activity at the ranks. In particular it takes account of:

- case law that suggests an authority should take a broad view of the market;
- the effect of different levels of supply during different periods at the rank on service quality;
- the need for consistent treatment of different authorities, and the same authority over time.

The Index of Significant Unmet Demand (ISUD) was developed in the early 1990's and is based on the following formula. The SF element was introduced in 2003 and the LDF element was introduced in 2006 to reflect the increased emphasis on latent demand in DfT Guidance

$$\text{ISUD} = \text{APD} \times \text{PF} \times \text{GID} \times \text{SSP} \times \text{SF} \times \text{LDF}$$

Where:

APD = Average Passenger Delay calculated across the entire week in minutes.

PF = Peaking Factor. If passenger demand is highly peaked at night the factor takes the value of 0.5. If it is not peaked the value is 1. Following case law this provides dispensation for the effects of peaked demand on the ability of the Trade to meet that demand. To identify high peaking we are generally looking for demand at night (at weekends) to be substantially higher than demand at other times.

GID = General Incidence of Delay. This is measured as the proportion of passengers who travel in hours where the delay exceeds one minute.

SSP = Steady State Performance. The corollary of providing dispensation during the peaks in demand is that it is necessary to focus on performance during "normal" hours. This is measured by the proportion of hours during weekday daytimes when the market exhibits excess demand conditions (i.e. passenger queues form at ranks).

SF = Seasonality factor. Due to the nature of these surveys it is not possible to collect information throughout an entire year to assess the effects of seasonality. Experience has suggested that hackney demand does exhibit a degree of seasonality and this is allowed for by the inclusion of a seasonality factor. The factor is set at a level to ensure that a marginal decision either way obtained in an “untypical” month will be reversed. This factor takes a value of 1 for surveys conducted in September to November and March to June, i.e. “typical” months. It takes a value of 1.2 for surveys conducted in January and February and the longer school holidays, where low demand the absence of contract work will bias the results in favour of the hackney trade, and a value of 0.8 for surveys conducted in December during the pre Christmas rush of activity. Generally, surveys in these atypical months, and in school holidays, should be avoided.

LDF = Latent Demand Factor. This is derived from the public attitude survey results and provides a measure of the proportion of the public who have given up trying to obtain a hackney carriage at either a rank or by flagdown during the previous three months. It is measured as 1+ proportion giving up waiting. The inclusion of this factor is a tactical response to the latest DfT guidance.

The product of these six measures provides an index value. The index is exponential and values above the 80 mark have been found to indicate significant unmet demand. This benchmark was defined by applying the factor to the 25 or so studies that had been conducted at the point it was developed. These earlier studies had used the same principles but in a less structured manner. The highest ISUD value for a study where a conclusion of no significant unmet demand had been found was 72. The threshold was therefore set at 80. The ISUD factor has been applied to over 80 studies by Halcrow and has been adopted by others working in the field. It has proved to be a robust, intuitively appealing and reliable measure.

Suppressed/latent demand is explicitly included in the above analysis by the inclusion of the LDF factor and because any known illegal plying for hire by the private hire trade is included in the rank observation data. This covers both elements of suppressed/latent demand resulting from the Maude case referred to above and is intended to provide a ‘belt and braces’ approach. A consideration of latent demand is also included where there is a need to increase the number of hackney carriage licences following a finding of significant unmet demand. This is discussed in the next section.

#### **4.5 Determining the Number of New Licences Required to Eliminate Significant Unmet Demand**

To provide advice on the increase in licences required to eliminate significant unmet demand, Halcrow has developed a predictive model. SUDSIM is a product of 20 years experience of analysing hackney carriage demand. It is a mathematical model, which predicts the number of additional licences required to eliminate significant unmet demand as a function of key market characteristics.

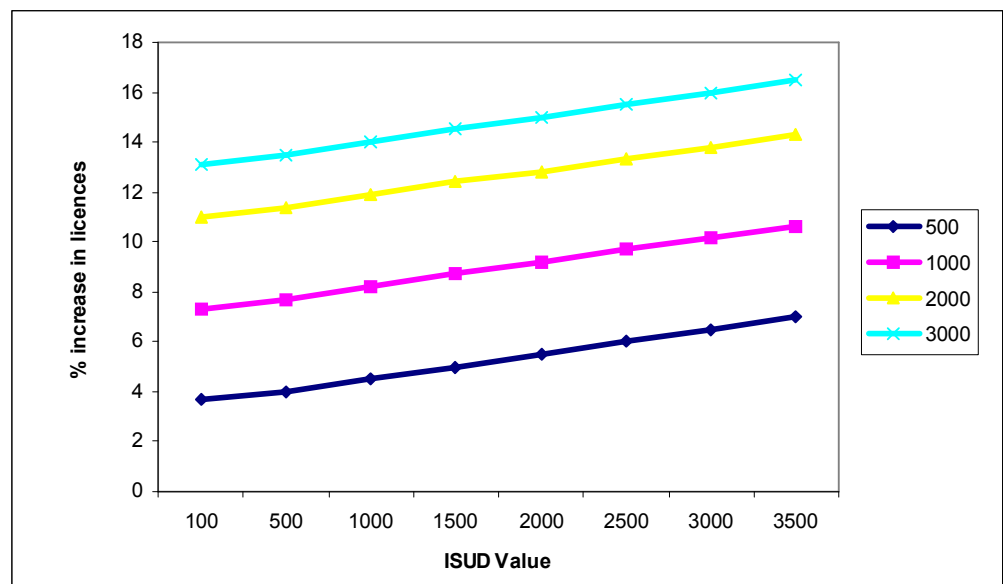
SUDSIM represents a synthesis of a queue simulation work that was previously used (1989 to 2002) to predict the alleviation of significant unmet demand and the ISUD factor described above (hence the term SUDSIM). The benefit of this approach is that it provides a direct relationship between the scale of the ISUD factor and the number of new hackney licences required.

SUDSIM was developed taking the recommendations from 14 previous studies that resulted in an increase in licences, and using these data to calibrate an econometric model. The model provides a relationship between the recommended increase in licences and three key market indicators:

- the population of the licensing Authority;
- the number of hackneys already licensed by the licensing Authority; and
- the size of the SUD factor.

The main implications of the model are illustrated in Figure 4.1 below. The figure shows that the percentage increase in a hackney fleet required to eliminate significant unmet demand is positively related to the population per hackney (PPH) and the value of the ISUD factor over the expected range of these two variables.

**Figure 4.1 Forecast Increase in Hackney Fleet Size as a Function of Population Per Hackney (PPH) and the ISUD Value**



Where significant unmet demand is identified, the recommended increase in licences is therefore determined by the following formula:

$$\text{New Licences} = \text{SUDSIM} \times \text{Latent Demand Factor}$$

Where:

- Latent Demand Factor = (1 + proportion giving up waiting for a hackney at either a rank or via flagdown)

#### **4.6 Note on Scope of Assessing Significant Unmet Demand**

It is useful to note the extent to which a licensing authority is required to consider peripheral matters when establishing the existence or otherwise of significant unmet demand. This issue is informed by *R v Brighton Borough Council, ex p Bunch* 1989<sup>1</sup>. This case set the precedent that it is only those services that are exclusive to hackney carriages that need concern a licensing authority when considering significant unmet demand. Telephone booked trips, trips booked in advance or indeed the provision of bus type services are not exclusive to hackney carriages and have therefore been excluded from consideration.

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<sup>1</sup> See Button JH 'Taxis – Licensing Law and Practice' 2<sup>nd</sup> edition Tottel 2006 P226-7

## **5 Evidence of Patent Unmet Demand – Rank Observation Results**

### **5.1 Introduction**

This section of the report highlights the results of the rank observation survey. The rank observation programme covered a period of 210 hours during February and March 2011. Some 8,021 passengers and 6,699 cab departures were recorded. A summary of the rank observation programme is provided in Appendix B.

The results presented in this Section summarise the information and draw out its implications. This is achieved by using five indicators:

- The Balance of Supply and Demand – this indicates the proportion of the time that the market exhibits excess demand, equilibrium and excess supply;
- Average Delays and Total Demand – this indicates the overall level of passengers and cab delays and provides estimates of total demand;
- The Demand/Delay Profile – this provides the key information required to determine the existence or otherwise of significant unmet demand;
- The Proportions of Passengers Experiencing Given Levels of Delay – this provides a guide to the generality of passenger delay; and
- The Effective Supply of Vehicles – this indicates the proportion of the fleet that was off the road during the survey.

A rank reconnaissance was undertaken of all ranks in Wirral at the start of the study. Following this reconnaissance it was decided to observe activity at ten of the ranks where activity was likely to be seen. This was felt to be a representative sample of where demand was likely to be identified across Wirral.

### **5.2 The Balance of Supply and Demand**

The results of the analysis are presented in Table 5.1 below. The predominant market state is one of equilibrium. Excess supply (queues of cabs) was experienced during 26% of the hours observed while excess demand (queues of passengers) was experienced 2% of the hours observed. Conditions are favourable to customers at all times of day with the most favourable time being the weekday periods.

**Table 5.1 The Balance of Supply and Demand in the Wirral Rank-Based Hackney Carriage Market (Percentage of hours observed)**

Period		Excess Demand (Maximum Passenger Queue $\geq 3$ )	Equilibrium	Excess Supply (Minimum Cab Queue $\geq 3$ )
Weekday	Day	0	54	46
	Night	0	88	13
Weekend	Day	3	59	38
	Night	4	81	15
Sunday	Day	0	79	21
<b>Total</b>		<b>2</b>	<b>73</b>	<b>26</b>

NB – Excess Demand = Maximum Passenger Queue  $\geq 3$ . Excess Supply = Minimum Cab Queue  $\geq 3$  – values derived over 12 time periods within an hour.

### 5.3 Average Delays and Total Demand

The following estimates of average delays and throughput were produced for each of the main ranks in Wirral (Table 5.2).

The survey suggests some 8,021 passenger departures occur per week from ranks in Wirral involving some 6,699 cab departures.

The taxi trade is somewhat concentrated at the rank on Claughton Road, Birkenhead accounting for 39% of the total. On average, cabs wait 20.19 minutes for a passenger and the longest average waiting time was at Grange Road where taxis waited on average 39.65 minutes for a customer.

On average, passengers wait 0.12 minutes for a cab. The longest passenger delay was seen on Hoylake Road at 1.93 minutes.

It is worth noting that no passenger or cab activity was observed at Marine Promenade, New Brighton and Station Road, Hoylake.

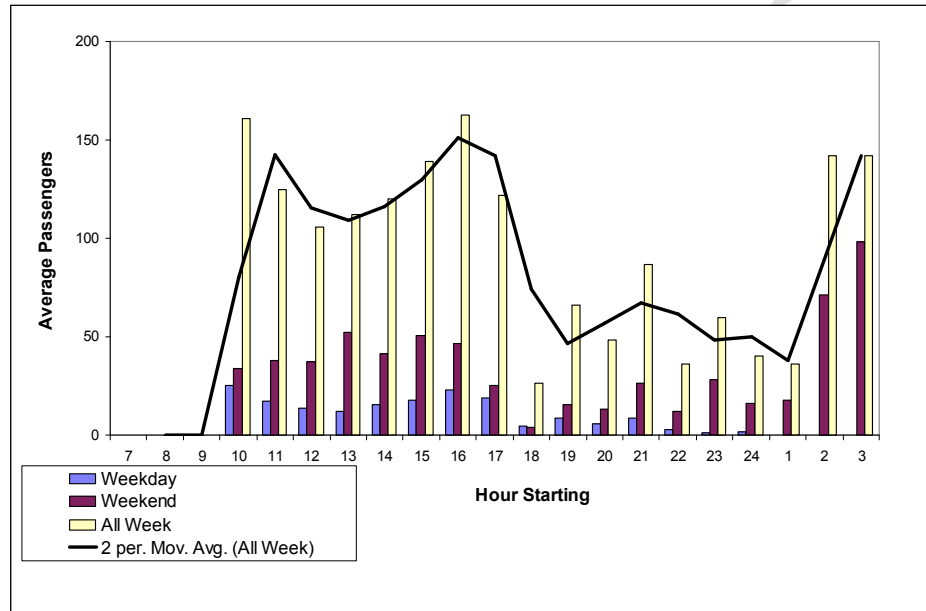
**Table 5.2 Average Delays and Total Demand (Delays in Minutes) (0.22 minutes is 13.2 seconds)**

Rank	Passenger Departures	Cab Departures	Average Passenger Delay in minutes (seconds)	Average Cab Delay in minutes
Cloughton Road, Birkenhead	3,128	2,354	0.01 (0.6)	12.42
Grange Road, Birkenhead	654	720	0.42 (25.2)	39.65
Hamilton Street, Birkenhead	950	1,213	0.09	28.85
Conway Street, Birkenhead	1,035	513	0.17	5.13
Wallasey Road, Liscard	2,141	1,744	0.08	22.58
Liscard Village, Liscard	9	5	0.00	5.00
Marine Promenade, New Brighton	0	0	0.00	0.00
Hoylake Road, Moreton	105	126	1.93	3.04
Allport Lane, Bromborough	0	25	0.00	1.82
Station Road, Hoylake	0	0	0.00	0.00
<b>Total</b>	<b>8,021</b>	<b>6,699</b>	<b>0.12</b>	<b>20.19</b>

#### 5.4 The Delay/ Demand Profile

Figure 5.1 provides a graphical illustration of passenger demand for the Monday to Saturday period between the hours of 09:00 and 03:00. The first column in each time period shows average passengers per weekday, the second shows average passengers per weekend day and the third shows the average passengers for a typical week.

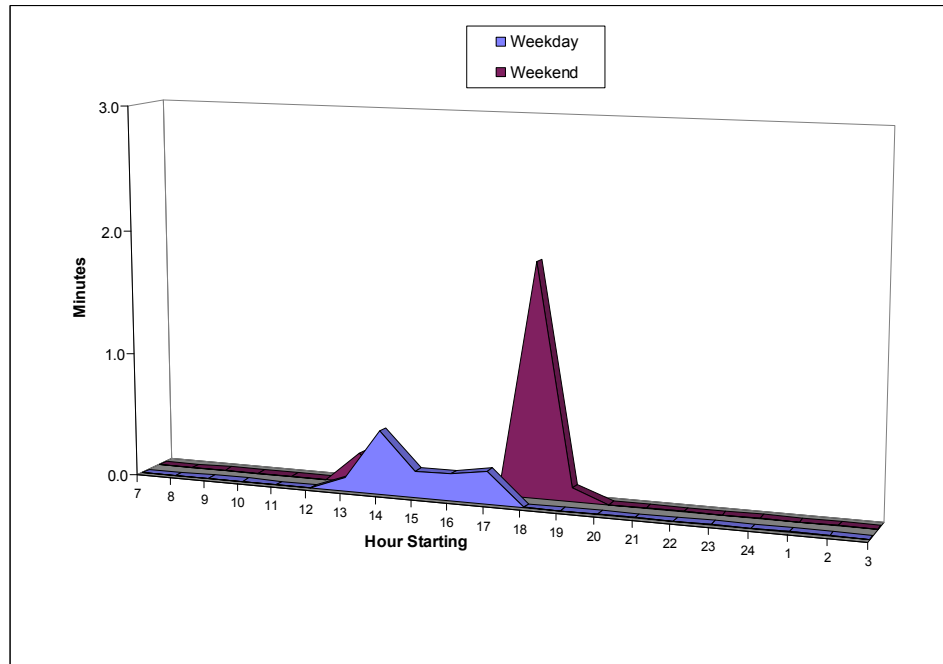
**Figure 5.1 Passenger Demand by Time of Day in 2011 (Monday to Saturday)**



The profile of demand shows a number of peaks in demand during the day and late at night between 2am and 3am. We therefore conclude that this is not a 'highly peaked' demand profile. This has implications for the interpretation of the results (see Chapter 6 below).

Figure 5.2 provides an illustration of passenger delay by the time of day for the weekday and weekend periods. It shows that there is passenger delay on a weekend evening at 6pm where delay peaks to 1.88 minutes.

**Figure 5.2 Passenger Delay by Time of Day in 2011 (Monday to Saturday)**



## 5.5 The General Incidence of Passenger Delay

The rank observation data can be used to provide a simple assessment of the likelihood of passengers encountering delay at ranks. The results are presented in Table 5.3 below.

**Table 5.3 General Incidence of Passenger Delay (Percentage of passengers travelling in hours where delay exceeds one minute)**

Year	Delay > 0	Delay > 1 minute	Delay > 5 minutes
2011	4.23	0.41	0.16

In 2011 the proportion likely to experience more than a minute of delay is 0.41% showing little incidences of passenger delay. It is this proportion that is used within the ISUD as the 'Generality of Passenger Delay'.

## 5.6 The Effective Supply of Vehicles

Observers were required to record the hackney carriage licence plate number of vehicles departing from ranks. In this way we are able to ascertain the proportion of the fleet that was operating during the survey.

During the daytime period (0700 to 1800) some 201 (70.3%) of the hackney fleet were observed at least once during the period of the study. During the evening/night-time period (1800 to 0700) some 109 (38.1%) of the hackney fleet were also observed at least once during the rank observations. In total 76.2% of the trade was observed at least once.

## 5.7 Comparing the results for Wirral with those of other unmet demand studies

Comparable statistics are available from 53 local authorities that Halcrow have recently conducted studies in and these are listed in Table 5.4. The table highlights a number of key results including:

- population per hackney carriage at the time of the study (column one);
- the proportion of rank users travelling in hours in which delays of greater than zero, greater than one minute and greater than five minutes occurred (columns two to four);
- average passenger and cab delay calculated from the rank observations (columns five to six);
- the proportion of Monday to Thursday daytime hours in which excess demand was observed (column seven);
- the judgement on whether rank demand is highly peaked (column eleven); and
- a numerical indicator of significant unmet demand.

The following points (obtained from the rank observations) may be made about the results in Wirral compared to other areas studied:

- 
- population per hackney carriage is lower than the average overall value i.e. provision is higher;
  - the proportion of passengers, who travel in hours where some delay occurs, is just 4.23%, which is much lower than the average (24%) for the districts analysed;
  - overall average passenger delay at 0.12 minutes is lower than the average value;
  - overall average cab delay at 20.13 minutes is higher than the average for the districts shown; and
  - the proportion of weekday daytime hours with excess demand conditions is below the average of 7%.

District and Year of Survey	Population per Hackney	Proportion Waiting at Ranks	Proportion Waiting >= 1 Min	Proportion Waiting >= 5 Mins	Average Passenger Delay	Average Cab Delay	% Excess Demand	Demand Peaked, Yes=0.5 No=1	ISUD Indicator Value
Wirral 11 *	1,080	4.23	0.41	0.16	0.12	20.19	0	0.5	0
West Berkshire 10 *	741	5.44	3.84	0.92	0.37	22.78	3	0.5	6.26
Pendle 10	1,257	0.54	0.03	0.03	0.03	33.1	0	0.5	0
Oxford 09	1,266	9.91	3.08	0.07	0.24	10.43	5	1	4
Brighton & Hove 09	474	10.84	5.67	1.19	0.72	8.91	7	0.5	16.2
Leicester 09	880	10.1	9.53	2.58	1.52	19.02	0	1	0
Blackpool 09	556	4	1	0	0.05	18.96	2	0.5	1
Hull 09	1,465	12.15	8.54	0.99	1.72	9.34	2	0.5	18
Rochdale 09	1,937	3.1	1.18	0	0.14	12.92	5	1	1
North Tyneside 08	971	15.68	1.18	0.03	0.38	10.72	8	0.5	2
Rotherham 08	5,192	0.09	0.09	0	0.01	27.29	0	1	0
Preston 08	677	11.85	5.28	0	0.61	11.13	7	1.0	21
Scarborough 08	1,111	11.75	5	1.06	0.49	7.74	7	0.5	0
York 08	1,146	31	11.5	6.74	3.21	5.42	31	0.5	645
Barrow 08	474	13.97	12.52	0	0.5	6.85	0	0.5	0
Stirling 08	1,265	25	18	0.3	0.7	10.94	2	0.5	38
Torridge 08	1,202	7	0.94	0	0.12	14.99	0	1	0
Richmondshire 08	723	5	1	0.07	0.22	34.32	1	0.5	0.4
Exeter 07/08	1,883	7	4	0.6	0.33	15.27	6	1	9
Manchester 07	394	21	6	2.28	1.59	10.24	14	1	174
Bradford 07	1,630	18	2	0.03	0.23	17.64	5	1	2
Barnsley 07	3,254	5	8	0.22	1.32	11.93	5	1	58
Blackpool 06	556	31	10	0.34	0.42	10.34	5	0.5	11
Broadstairs 06	1,000	13	13	10	3.25	23.97	4	1	177
Margate 06	1,622	4	1	0	0.05	33.14	0	1	0
Ramsgate 06	1,026	2	2	2	0.49	19.57	13	1	13
Plymouth 06	669	7	3	1	0.52	11.58	1	1	2
Brighton 06	508	52	23	6	0.73	7.64	6	0.5	50
Thurrock 06	1,590	32	13	1	0.22	15.27	0	1	0
Trafford 06	2,039	55	38	6	1.09	13.15	5	1	249
Leicester05	880	21	11	1	0.35	19.36	3	1	12
Bournemouth 05	656	20	11	2	0.37	12.25	1	0.5	2
Bradford 03	2,171	19	6	0.77	0.25	14.89	6	1.0	9
Oldham 03	2,558	30	12	0.79	0.48	14.8	7	1.0	40
Thurrock 03	1,607	43	14	1.01	0.50	12.5	2	1.0	14
Blackpool 03	556	21	4	0.3	0.13	12.4	6	1.0	3
Wolverhampton 03	3,113	50	31	7.39	1.49	11.18	14	1.0	647
Bournemouth 02	702	25	15	2	0.67	9.97	1	0.5	5
Brighton 02	540	60	35	12	1.11	8.31	5	0.5	97
Exeter 02	2,353	47	18	3	0.71	10.12	20	1.0	256
Wigan 02	2,279	28	10	0	1.17	11.98	6	1.0	70
Cardiff 01	656	51	29	6	0.83	8.77	14	0.5	168
Edinburgh 01	373	47	29	9	1.27	8.77	13	1.0	479
Torridge 01	1,298	25	21	0	0.51	9.32	8	0.5	43
Worcester 01*	941	40	4	1	0.46	12.3	8	0.5	7
Ellesmere Port 01	2,527	80	48	17	2.49	4.23	49	0.5	2,928
Southend 00	895	46	29	8	1.92	8.08	4	1.0	223
South Ribble 00 *	485	12	0.25	0.25	0.07	11.27	0	1.0	0
Leeds 00	1,693	83	61	33	5.03	7.92	36	1.0	11,046
Sefton 00	1,069	18	8	0.6	0.28	12.95	6	1.0	13
Leicester 00 *	956	10	7	3	1.17	20.19	1	1.0	8
Castle Point 00	2,286	28	12	3	0.74	8.6	2	0.5	9
Bedford 00	2,931	25	15	10	0.86	6.86	4	1.0	52
Thurrock 00	1,406	28	14	2	0.63	10.66	6	1.0	53
Manchester 00	569	59	40	13	1.78	6.79	23	1.0	1,638
<b>AVERAGE</b>	<b>1,347</b>	<b>24</b>	<b>13</b>	<b>3</b>	<b>1</b>	<b>14</b>	<b>7</b>		

KEY

\* Derestricted Authorities

## **6 Evidence of Suppressed Demand - Public Attitude Pedestrian Survey Results**

### **6.1 Introduction**

A public attitude interview survey was designed with the aim of collecting information regarding opinions on the taxi market in Wirral. In particular, the survey allowed an assessment of flagdown, telephone and rank delays, the satisfaction with delays, and general use information.

Some 572 on-street public attitude surveys were carried out across March, April and May 2011. The surveys were conducted across a range of locations within the Wirral licensing area, including Birkenhead, Wallasey, Liscard and West Kirby. A quota was followed so that the survey reflected the age and gender characteristics of the local community. This in turn, ensured that broadly representative results were obtained. It should be noted that in the tables and figures that follow the totals do not always add up to the same amount. This is due to one of two reasons. First, not all respondents were required to answer all questions; and second, some respondents failed to answer some questions that were asked.

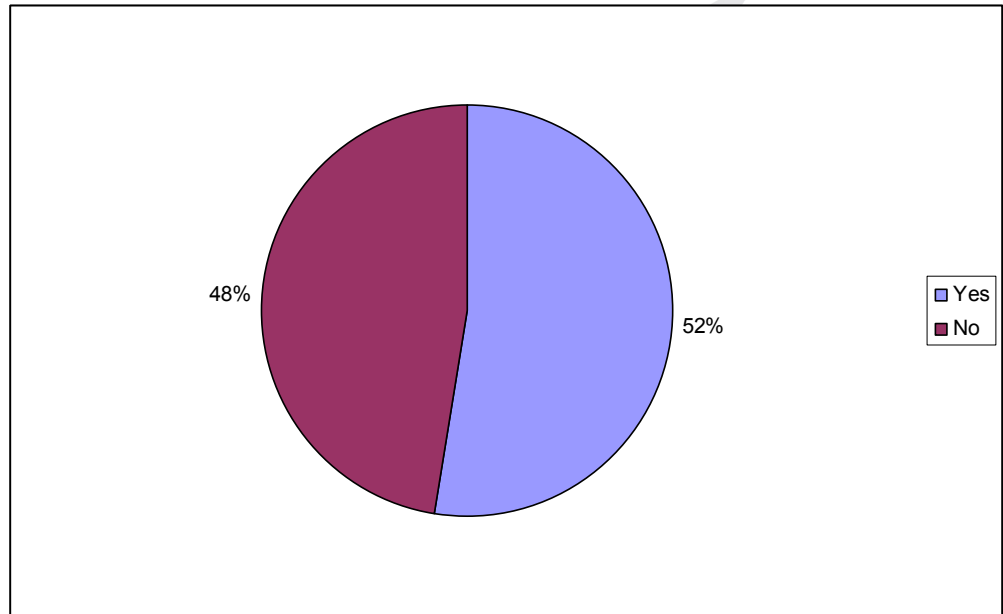
A full breakdown and analysis of the results and the survey form are provided in Appendix C.

### **6.2 General Information**

To establish whether respondents were aware of the differences between hackney carriages and private hire vehicles, they were asked whether they thought the statement *"All taxis are allowed to pick up in the street or at a rank"* was true or false. The survey identified that two thirds of respondents did know the difference between hackney carriages and private hire vehicles.

Respondents were each asked if they had made a journey by taxi in Wirral within the last three months. The survey found that 52.5% had used a taxi within this period. The results are displayed in Figure 6.1.

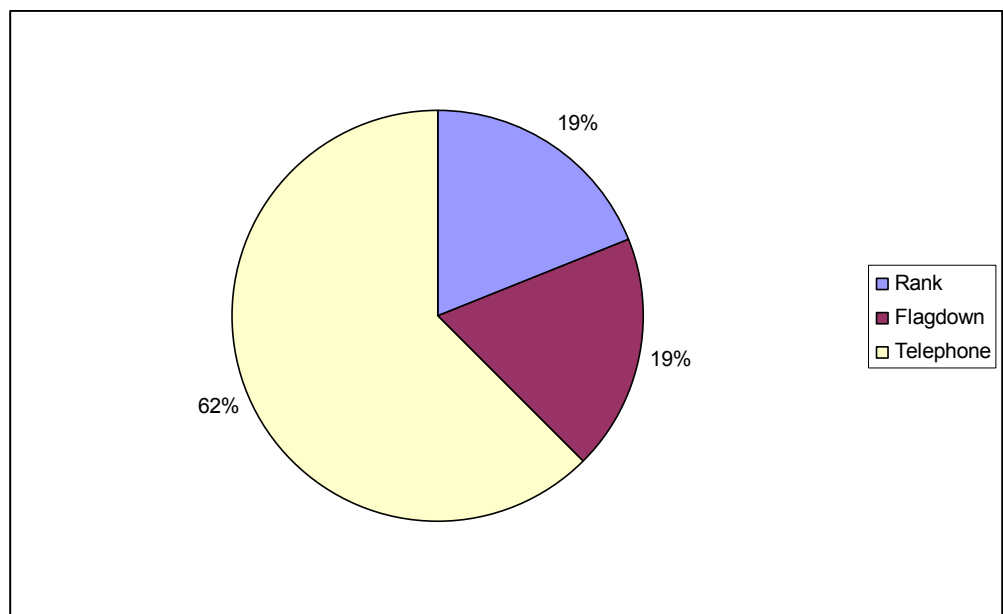
**Figure 6.1** Have you made a trip by hackney carriage or private hire vehicle in the last 3 months?



### 6.3 Characteristics of Last Trip by Hackney or Private Hire vehicle

Trip makers were asked how they obtained their hackney carriage or private hire vehicle. Some 19% of trip makers stated that they hired their taxi at a rank. Some 62.4% of hiring's, were achieved by telephone with 18.6% of trip makers obtaining a taxi by on-street flagdown. Figure 6.2 reveals the pattern of taxi hire.

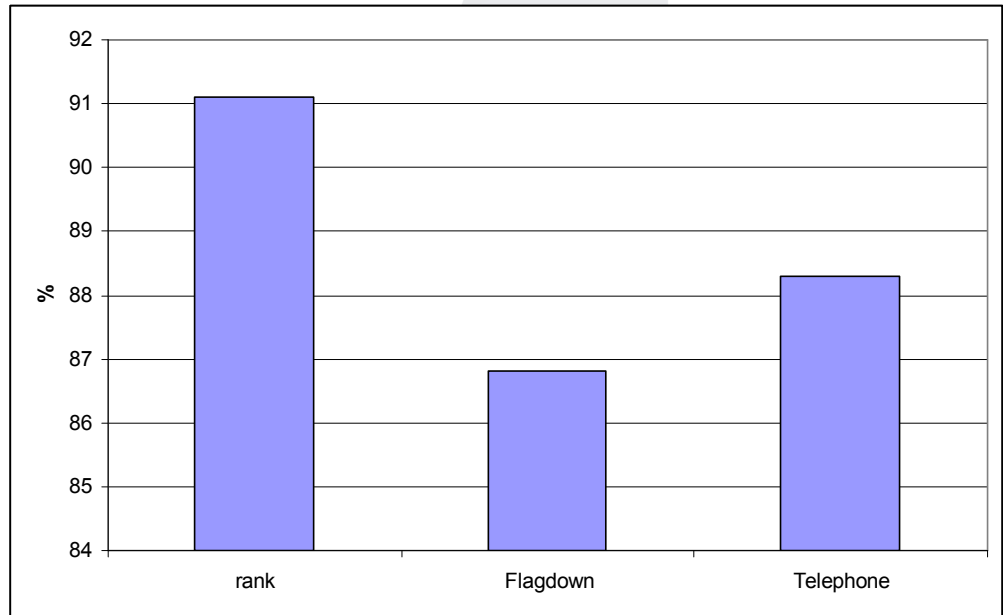
**Figure 6.2** Method of Hire for Last Trip



The most common type of vehicle used was a saloon car (49.0%) with 46.9% of respondents hiring a purpose built cab and 2.8% of respondents hiring a minibus.

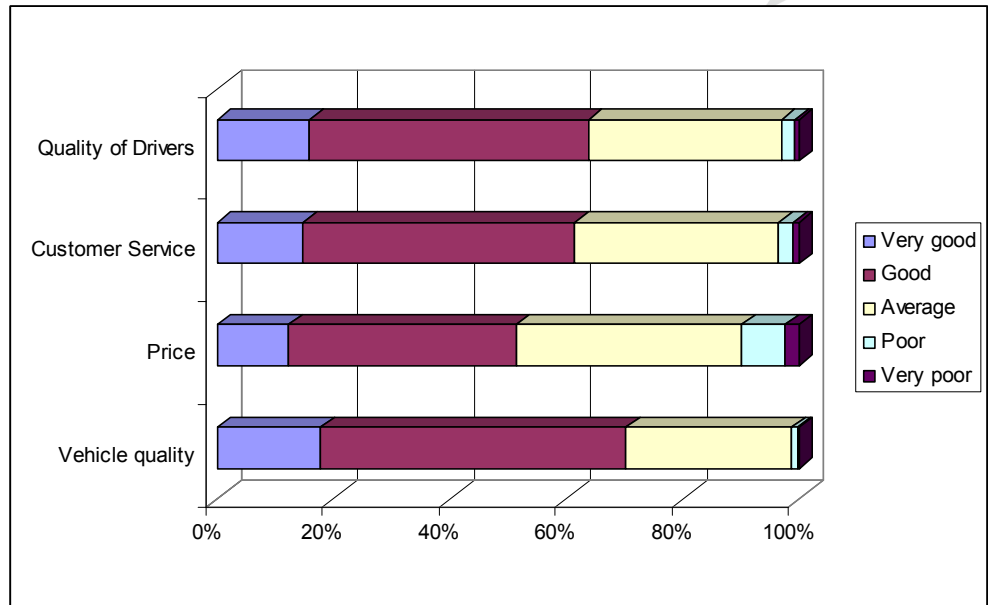
Respondents were asked if they were satisfied with the time taken and the promptness of the vehicle's arrival. The majority of people were satisfied with their last taxi journey (88.5%). Figure 6.3 shows that for each method of obtaining a vehicle, the majority were satisfied with the length of time they had to wait for a vehicle. Those obtaining their vehicle at a rank had the highest level of satisfaction (91.1%).

**Figure 6.3 Satisfaction with Delay on Last Trip by Method of Hire**



Trip-makers were asked to rate their last journey against a number of factors. Generally trip-makers rated the individual's elements as good or very good. Some 70.2% of trip-makers rated 'Vehicle Quality' as very good or good. Some 51.3% of respondents said price was good or very good, whilst another 38.7% of respondents rated it as average. The majority of respondents (61.4%) said customer service was good or very good. Figure 6.4 shows this. If any of the aspects were rated as poor, the respondents were asked to state why. The most common response was that taxis are too expensive.

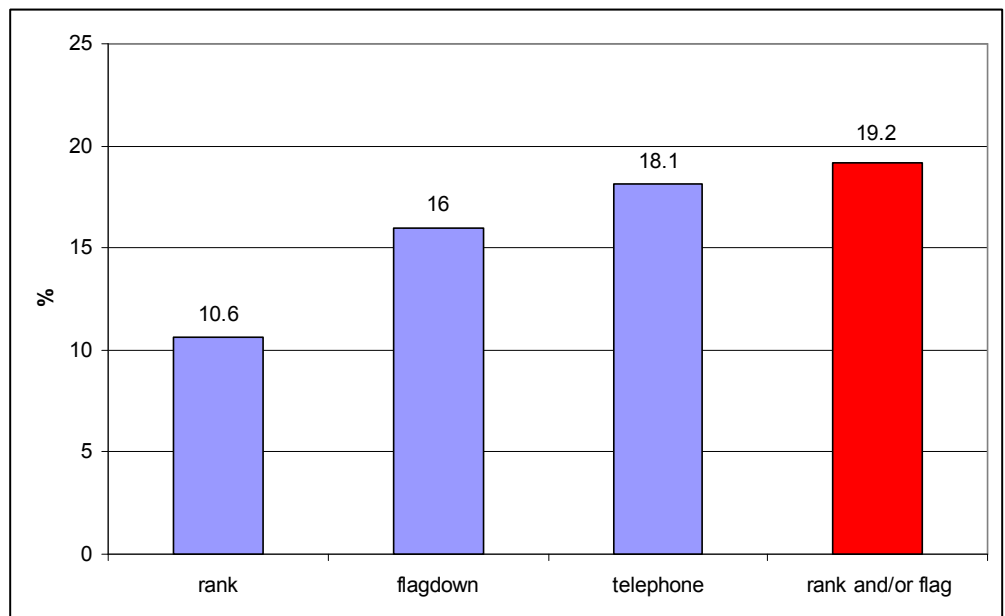
**Figure 6.4 Rating factors for last journey**



#### 6.4 Attempted Method of Hire

In order to measure demand suppression, respondents were asked to identify whether or not they had given up waiting for a hackney or private hire vehicle at a rank, on the street, or by telephone in Wirral in the last three months. The results are documented in figure 6.5.

**Figure 6.5 Latent demand by method of hire – Given up trying to make a hiring?**



As indicated in Figure 6.5 some 19.2% of respondents had given up waiting for a hackney at a rank and/or flagdown in the last three months. This has implications for the interpretation of the results (see Chapter 7 below).

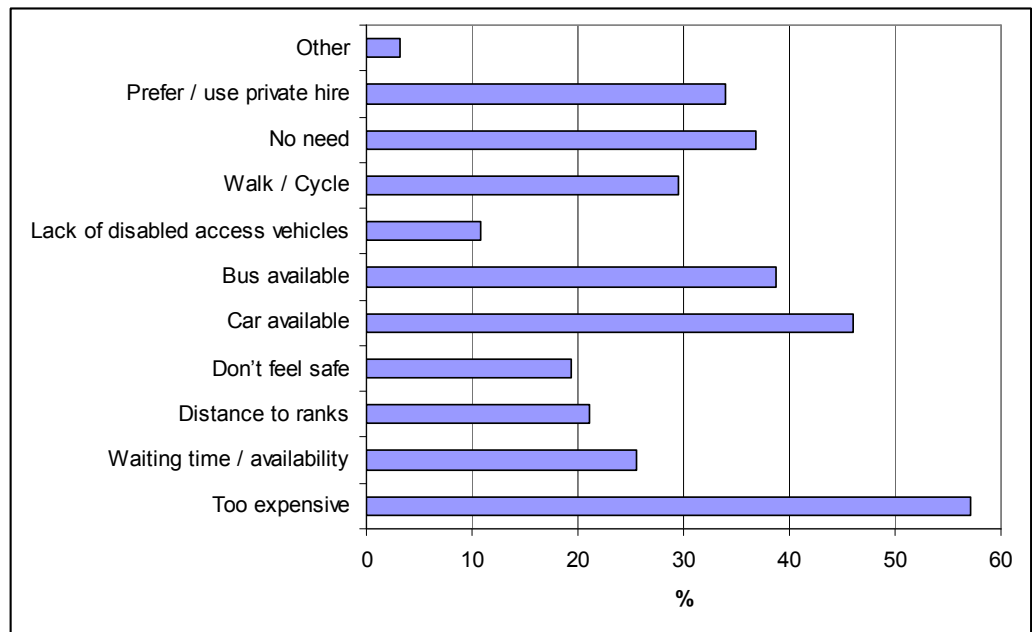
Respondents who had given up trying to obtain a taxi in the last three months were asked the location where they had given up waiting for a taxi. The most common areas were Birkenhead, Wallasey and West Kirby; however specific locations were not identified.

Respondents were also asked the time of day they gave up waiting for their taxi. Of those responding to the question some 46.8% of respondents had given up between 22:00 and 04:00.

## 6.5 Service Use

The survey went on to ask all respondents for reasons that prevent them from using hackney carriages in Wirral more often. Some 57.1% stated that they are too expensive whilst 38.8% of respondents commented there was a bus available for their journey and 46.1% had access to a car. The results are shown in Figure 6.6

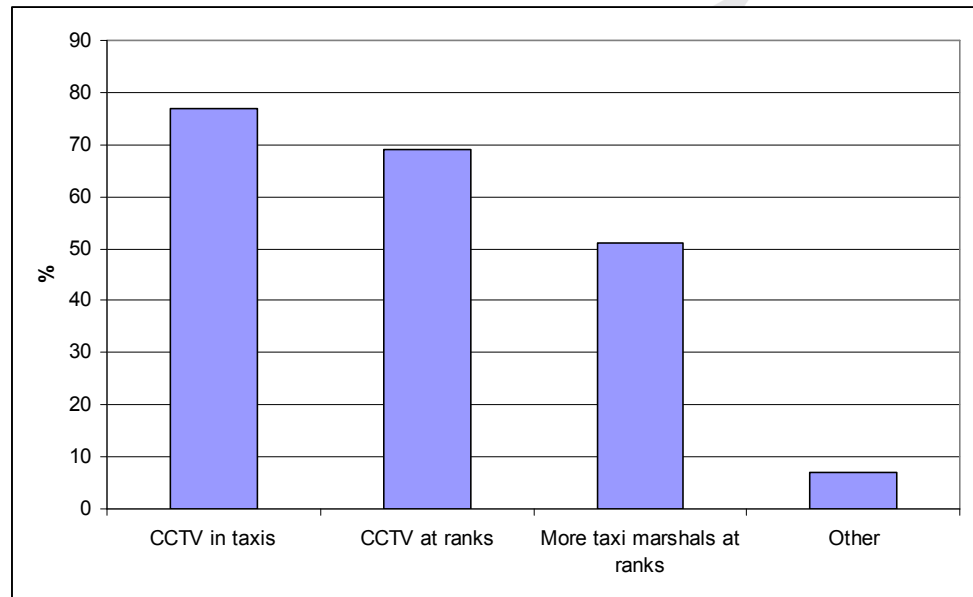
**Figure 6.6 Why do you not use hackney carriages more often? (multiple responses)**



## 6.6 Safety & Security

Respondents were asked whether they felt safe when using hackney and private hire vehicles in Wirral. The majority of respondents felt safe using them during the day (87.2%) and at night (74.5%) in Wirral. Those respondents who stated that they do not feel safe using taxis, either during the day or at night, were asked what could be done to improve safety and security of using taxis in Wirral. The results in figure 6.7 show that 77% of respondents felt that CCTV in taxis and 69% felt that CCTV at ranks would improve safety and security. In addition, over half of respondents would like to see taxi marshals at ranks.

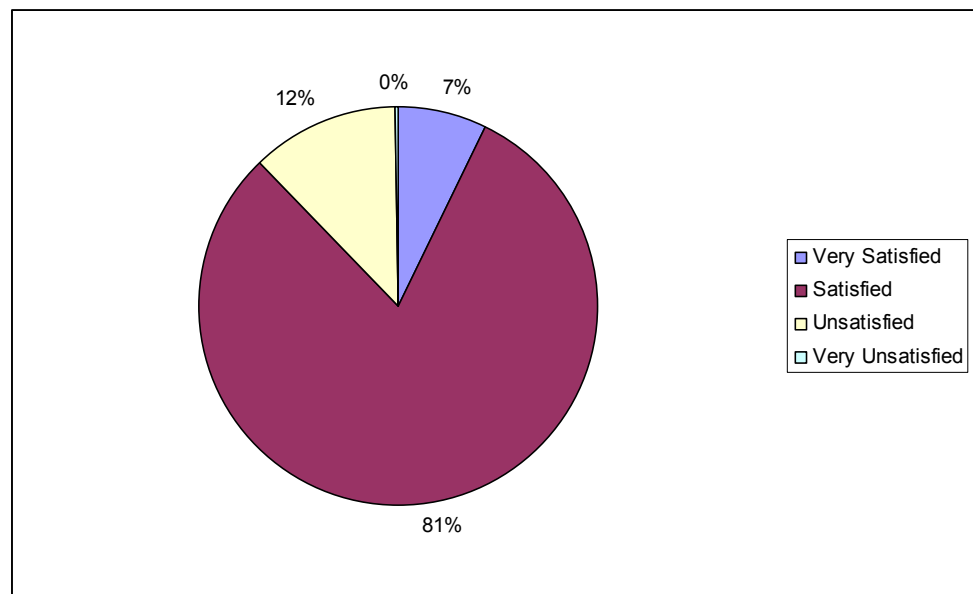
**Figure 6.7 Improvements to safety and security when using hackney and private hire services in Wirral (multiple responses)**



## 6.7 Ranks

Some 80.7% of respondents commented that they are satisfied with the provision of ranks in Wirral. The results are shown in figure 6.8.

**Figure 6.8 Satisfaction with rank provision**



Those who felt the provision of ranks was unsatisfactory were asked what could be done to improve them. Some 67.7% of respondents felt that improved signage of

existing ranks and 66.2% felt that information on the location of ranks would be beneficial.

Respondents were then asked if there were any locations in Wirral where new ranks were needed. Just over half respondents (58.7%) said that no new ranks were needed in Wirral. However those individuals who stated they would like to see a new rank were subsequently asked to provide a location:

- Greasby;
- West Kirby;
- Hoylake; and
- Heswall

### **Summary**

Key results from the Public Attitude Survey can be summarised as:

- 52.5% of respondents in Wirral had used a hackney or private hire vehicle in the last 3 months;
- Some 19% of trip makers stated that they hired their taxi at a rank, whilst 62.4% of hiring's were achieved by telephone and 18.6% of trip makers obtaining a taxi by on-street flagdown
- High levels of satisfaction with delay on last trip were recorded for those making hackney trips;
- Majority of respondents had not given up waiting for a hackney or private hire vehicle in the last three months with just 19.2% stating they had given up trying to obtain a vehicle by rank and/or flagdown in Wirral; and
- The majority of respondents felt safe using them during the day (87.2%) and at night (74.5%) in Wirral.

## **7 Consultation**

### **7.1 Introduction**

Guidelines issued by the Department for Transport state that consultation should be undertaken with the following organisations and stakeholders:

- all those working in the market;
- consumer and passenger (including disabled) groups;
- groups which represent those passengers with special needs;
- the Police;
- local interest groups such as hospitals or visitor attractions; and
- a wide range of transport stakeholders such as rail/bus/coach providers and transport managers.

### **7.2 Consultation**

A number of organisations and key stakeholders were contacted by letter, email or telephone and given the opportunity to provide written consultation on issues regarding the taxi market in Wirral. Consultation included:

- Wirral Borough Council;
- User/disability groups representing those passengers with special needs;
- Local interest groups including hospitals, visitor attractions, entertainment outlets and education establishments; and
- Rail, bus and coach operators.

### **7.3 Direct Consultation**

A number of organisations were given the opportunity to attend a meeting in April 2011 to discuss a series of issues regarding the taxi market in Wirral. Separate meetings were organised with the following:

- Hackney Carriage Trade Representatives;
- Private Hire Trade Representatives;
- MerseyLearn;
- Disability Representatives;
- The Police; and
- Wirral Highways Department

The comments from those attending the organised meetings are summarised below and appended in full in Appendix D.

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### **Hackney Trade Representatives**

Two representatives from the Independent Wirral Hackney Drivers Association and one representative from Unite Union attended the focus group. The representatives commented that they would like a limit to be introduced on the number of hackney carriage vehicle licences. It was felt that an ideal number of hackney carriages would be 240 vehicles.

The trade also wanted to see a greater presence of enforcement, especially at night.

With regard to vehicle conditions it was felt that the E7, Mercedes Veto and VW should not be allowed as they don't meet the conditions. They also are unhappy about the use of 'discretion' for vehicles outside of the criteria.

When asked for their opinion on rank provision, the representatives commented that due to the large numbers of hackney carriages, there is a lot of over ranking. The busiest ranks are those located in Birkenhead and Liscard however the trade have been told that there is no room to extend a lot of the ranks due to their locations. There was a request to see new ranks at Oxton bar and Terrace. They would also like to see the introduction of 'floating ranks'.

With regard to the image of the trade, it was stated that vehicle conditions are too stringent. Drivers are generally smart, but it was commented that it is important to be comfortable when driving all day. It was not felt that there is a need for any additional training.

The representatives were concerned about the fare tariff; they would like to see an increase but are worried that this could further discourage customers. In addition, it was commented that the private hire trade charge lower fares than hackneys.

### **Private Hire Representatives**

It was felt that a 'managed growth' policy should be introduced. This would also mean that there is a sufficient amount of work for drivers to make a living. It was commented that there is a lack of demand generators on the Wirral, there is no mainline rail station or large hotels.

It was noted that the vehicle age policy has improved the vehicle fleet. With regard to driver training it was felt that operators should have to complete the training before being licensed.

With regard to ranks it was recognised that new ranks need to be developed but this will only happen if the trade sit on the ranks. It was suggested that bus stops could be utilised as ranks after midnight. It was noted that the rank at Conway Street was often over ranked.

It was felt that taxis and private hire vehicles are not treated as part of the public transport network and that Wirral BC should promote them more locally.

### **Operators**

A representative from Satellite Cars attended the focus group. He was in favour of seeing the numerical limit introduced. He felt that since the policy of derestriction not all drivers work Saturday night which makes it more difficult for customers to obtain a vehicle.

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### **MerseyLearn**

The representative from Merseylearn was of the opinion that since de-restriction, the vehicle fleet on the Wirral has improved. With regard to ranks, the representative commented that it may be beneficial for Wirral Borough Council to subsidise ranks in rural areas whilst the trade generate demand. It was also stated that taxi marshals may be useful at some of the town centre ranks late at night.

When asked about fare tariffs, the representative commented that the private hire operators do not consult with drivers when they set the fares in order to grow their customer base and be competitive. The fares are lower than those for hackney carriages and private hire drivers are finding it difficult to make a living. It was felt that a structure should be in place to allow private hire drivers to have an input into the setting of fares.

Finally, the representative commented that integrating public transport is an important part of LTP 3 and suggested that shared taxis may be beneficial.

### **Disability Representatives**

With regard to the type of vehicles, the representative felt that the range of vehicles currently licensed were inadequate to cope with transporting wheelchair users. It was commented that the older vehicles do not have sufficient head room and even the new vehicles do not have the dimensions to allow the wheelchair passenger to turn and face the correct way. The representative commented that a small number of vehicles meet the specifications, however no vehicles in Wirral are able to accommodate electric wheelchairs. In addition, the vehicles do not have provision to secure the wheelchair at the front which means that the wheelchair is likely to move around in transit. The representative would like to see vehicles with wheelchair access at the rear to allow the user to face forward.

With regard to drivers, the representative did not feel that they were adequately trained and often have rusty access ramps that are not maintained. It was also stated that they are often rude and do not secure the wheelchair user correctly in the vehicle.

### **Police**

A representative from Merseyside Police (Alan Holmes) attended the focus group. It was felt that there are too many hackney carriages on the Wirral with over ranking evident on Argyle Street and at Central Station and a limit should be introduced on the number of licences. A limited number of licences would also make monitoring the behaviour of drivers easier. At present private hire vehicles often illegally ply for hire on Conway Street and Argyle Street.

On the other hand, the representative was of the opinion that restricting the number of hackney carriages may reduce safety during the night time economy.

The representative commented that a dress code should be introduced to make drivers look more professional.

Driving ability of both the hackney carriage and private hire trades was considered 'good', however it was felt that a driving test should be a condition of the licence. In addition, drivers should know how to maintain their vehicle to a high standard.

Finally, it was felt that there is a lack of public awareness of the differences between hackney carriage and private hire vehicles and maybe advertising to this effect would be beneficial.

### **Highways**

A representative from the Highways department at Wirral Borough Council ( Paul Barton) attended the focus group. It was commented that over ranking is starting to cause issues, particularly in Birkenhead town centre where drivers are performing U-turns in the middle of the road.

The representative stated that it is never a problem getting a taxi during the day on the Wirral, however there can be a lack of taxis at night around Birkenhead.

With regard to the image of the trade, the representative would like to see smarter drivers however it was not felt that there are any issues with the quality of the vehicles. Driver training may be beneficial for new drivers.<sup>2</sup>

Finally, it was considered that advertising of taxi services on the Wirral could be better, however the best promotion is taxis actually waiting on the ranks.

## **7.4 Indirect Consultation**

In addition to the face to face consultation undertaken a number of stakeholders were contacted by letter. This in turn assured the DfT guidelines were fulfilled and all relevant organisations and bodies were provided with an opportunity to comment. Copies of all the replies are included in Appendix D.

In accordance with advice issued by the DfT the following organisations were contacted:

- Wirral Borough Council ;
- user/disability groups representing those passengers with special needs;
- local interest groups including hospitals, visitor attractions, entertainment outlets and education establishments; and
- rail, bus and coach operators.

## **7.5 Comments Received**

The comments received are summarised below and appended in full to this report.

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<sup>2</sup> Training is provided for all new drivers

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### **Liscard and Egremont Partnership, Wallasey**

The Chair of the Liscard and Egremont Partnership commented that there are too many hackney carriage drivers trying to make a living and as a result they are working very long hours. This means that they spend a large proportion of their time waiting on the ranks with their engines running. It was felt that no new licences should be given out until the numbers have reached a reasonable level. It was considered that this level should be considerably lower than it is now.

With regard to the provision of ranks, the representative stated that the rank on Wallasey Road is well placed and it was a good decision to move the head of the rank further up the road, however it is important that the rank should not extend too far down the road to protect Mosley Avenue. It was felt that a sign should be placed on Mosley Road stating 'No Taxis'. It was commented that the rank on Liscard Crescent adjacent to McDonalds is not used and therefore should be removed.

In order to make hackney carriages more widely used, it was felt that telephone access to the ranks would be beneficial. In addition, telephone access to private hire services at stations and supermarkets would be helpful.

It was stated that the availability of hackney carriages and private hire vehicles is an important addition to the public transport system and reduces the use of private cars. However, hackney carriages waiting for fares with their engines running is bad for the environment and it is important to reduce this as much as possible in areas where poor breathing is a common symptom of ill health.

### **The Grange & Pyramids & Cavern Walks Shopping Centres**

The Commercial Director from the Grange Pyramids and Cavern Walks Shopping Centre responded to the consultation. It was felt that there could be an improvement in the provision of both hackney carriage and private hire vehicles across all times of the day. However, it was also felt that a limit should be placed on the number of hackney carriage licences.

With regard to the image of the trade, the representative commented that the type and quality of the vehicles is generally poor and a livery would be beneficial so that taxis are easily recognisable. On the other hand, the driver quality was perceived adequate and it was not felt that there is a requirement for additional training.

The representative commented that additional rank provision is needed on Conway Street and Salisbury Street and further advertising of taxi services is required. In addition, it was commented that although the representative feels safe using taxis during the day, this is not the case at night and taxi marshals would be a beneficial idea.

Finally, it was suggested that taxis have a negative impact on the environment.

### **Private Hire Trade Representative**

A representative from the private hire trade responded to the consultation. It was felt that there is an oversupply of both hackney carriage and private hire drivers and a limit should be placed on the number of hackney carriage vehicle licences.

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With regard to the image of the trade, it was commented that the type and quality of the vehicles is average to good, although the attitudes and quality of the drivers is average to poor and additional training is needed in some cases.

The representative commented that there are many ranks located in Birkenhead that are not used such as Conway Street and Borough Road. No additional ranks are required but existing ranks need to be in the correct locations such as at supermarkets and hospitals. In addition, the Hamilton Square rank would benefit from being on the opposite side of the road to improve accessibility.

With regard to fares, the representative commented that they are too low and there is too much advertising of taxi services on the Wirral.

Finally it was commented that taxis complement other types of public transport very well on the Wirral.

#### **Allports Chauffeur Services**

A representative of Allports Chauffeur Services commented that due to changes in recent years, chauffeur vehicles are now licensed under the private hire system. The representative felt that although it is important to be governed by medicals and police checks, a different plate to the private hire trade would increase business. In addition, it was stated that chauffeur services should not be required to display door signs, they do not serve a purpose as it is a personal service and drivers phone before arrival.

With regard to the NVQ Level 2, it was felt that many of the questions did not relate to chauffeurs and was more geared towards hackney carriage drivers.

#### **Eastham Ward Representative**

The ward councillor commented that they would like to see hackney carriages in the Croft Retail Park in Bromborough as there is no rank there at the moment. In addition, Wirral would benefit from a better supply of vehicles for disabled access across all areas.

With regard to the image of drivers, it was felt that a dress code is required as most drivers are not very smart.

#### **Wirral Councillors**

Councillor Davies responded to the consultation and commented that there is a good provision of taxis during the day, however there are insufficient hackney carriages operating at night, particularly at Thornton Hall or Thornton Hough.

#### **Wirral Resident**

A resident responded to the letter of consultation and stated that there is an oversupply of taxis on the Wirral. This leads to a frequent nuisance, obstruction and potential safety hazard in Liscard around the Wallasey Road ranks. Several attempts have been made to move the position of the feeder rank to reduce the amount of over ranking, however a small minority of drivers continue to park in the residential street on double yellow lines whilst waiting for a fare.

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### **Central Liscard Area Residents Association**

The Vice Chair from the Central Liscard Area Residents Association commented that there is an oversupply of taxis who are plying for too few fares. In addition, there is a lack of rank provision and it was felt that consultation should take place with the drivers on where they would like new ranks to be placed.

The representative commented that users do not like being taken on 'short cuts' if they simply mean they avoid the traffic lights but have to endure residential streets with traffic calming measures.

With regard to the supply of hackney carriages it was stated that the limit should be reintroduced as fares have increased significantly as drivers try to make a living out of fewer fares.

With regard to the environment, the residents association would like to see air quality tests at two points in Liscard;

- St Albans Road / Wallasey Road junction; and
- Liscard Crescent / Liscard Road / Liscard Village / Manor Road junction

There are concerns that the level of pollution is higher than that in other areas of Wirral and there are more cases of lung cancer in adults and asthma in children.

## **8 Trade Survey**

### **8.1 Introduction**

A trade survey was designed with the aim of collecting information and views from both trades. In particular the survey allowed an assessment of operational issues and views of the hackney carriage market to supplement the rank observations, as well as covering enforcement and disability issues. The following Section summarises the results of the trade survey and full results are presented in Appendix E.

### **8.2 Survey Administration**

The survey was conducted through a self completion questionnaire. These were sent to 1,500 licensed hackney and private hire drivers and operators in Wirral. A total of 201 questionnaire forms were completed and returned, giving a response rate of around 13%, a typical value for this type of survey. Of those respondents 43.3% were hackney carriage respondents and 56.7% were from the private hire trade.

It should be noted that not all totals sum to the total number of respondents per trade group as some respondents failed to answer all of the questions.

### **8.3 General Operational Issues**

The responses provided have been disaggregated on a hackney carriage and private hire trade basis.

The trade were asked if they subscribed to a radio circuit. Over half of hackney carriage respondents (61.4%) subscribe to a radio circuit as do 87.7% of private hire respondents.

Respondents were asked to estimate the origin of their passenger fares for a week. The average proportion of rank work for hackney carriages accounts for 60.2% per week. The average percentage of flagdown work for hackney carriages accounts for just 6.9% of the typical week, with radio circuit work accounting for 26.5% and contract work being 3.3%.

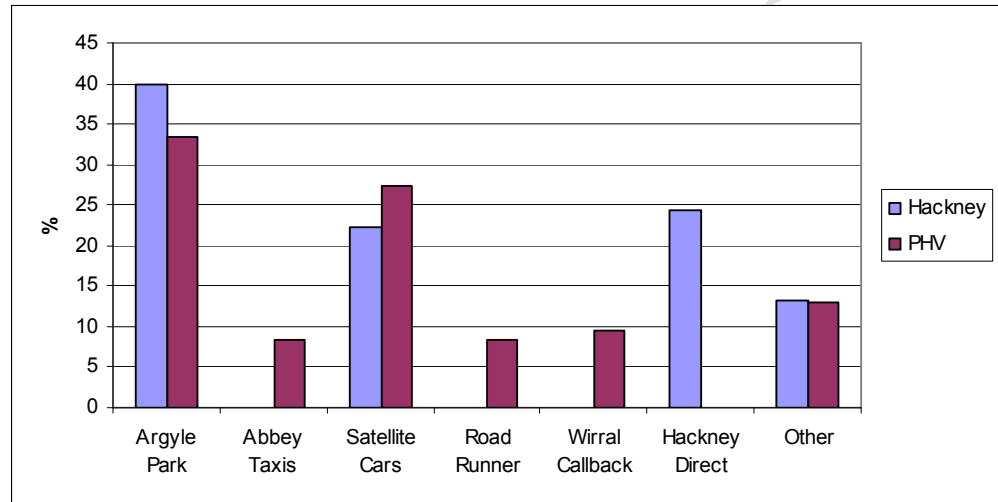
Radio Circuit work accounts for 73.1% of private hire driver's working week with an average of 19% being from telephone bookings<sup>3</sup>. Contract work accounts for 5.3% of a typical private hire drivers' working week.

Those who subscribe to a radio circuit were asked which operator they used. Figure 8.1 documents the results.

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<sup>3</sup> Some private hire drivers may hold an operators licence themselves which enables them to take telephone bookings

Figure 8.1 Which radio circuit do you subscribe to?



#### 8.4 Driving

Respondents were asked what type of vehicle they drove most frequently. Some 95.4% of hackney carriage respondents drive a purpose built cab and the majority of private hire drivers (89.3%) drive a saloon car. In addition, some 3.4% of the hackney carriage trade and 3.6% of the private hire trade drive a wheelchair accessible minibus or people carrier.

Respondents were asked the average number of hours they worked in a typical week. The hackney carriage trade worked on average for 58.5 hours per week and the private hire trade worked on average 49.1 hours per week. Respondents were then asked to state how many hours they worked at different times of the day during a typical week. Figure 8.2 documents the average hours worked during the daytime period (06:00-18:00) for each day of the week. On average, it shows that the hackney carriage trade work more hours than the private hire trade during the day.

**Figure 8.2 Average daytime hours worked**

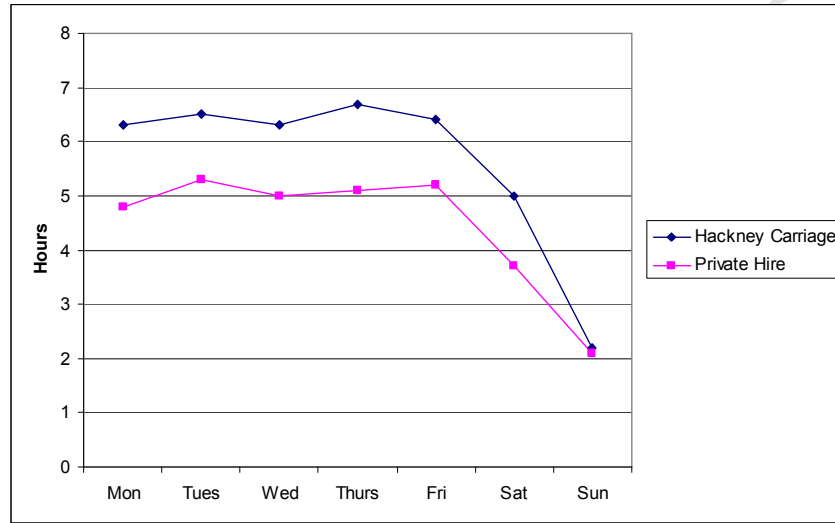
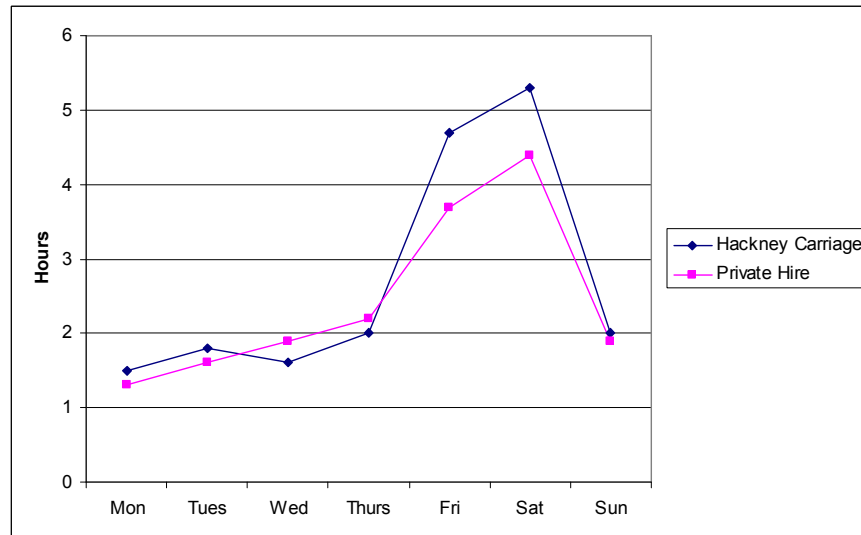


Figure 8.3 shows the average number of hours worked during the evening/night period (18:00-06:00). During the night time period both trades work longer hours on a Friday and Saturday night compared with other nights during the week.

**Figure 8.3 Average night time hours worked**



The trade were asked whether the Licensing Act 2003 had had an effect on their typical working week. Some 64.7% of hackney carriage respondents stated that it had had an effect on them, as did 34.8% of private hire respondents. Those who replied that it had had an effect on their typical working week were then asked in what way it had affected them. The results are shown below in Table 8.1.

**Table 8.1 Effects of the 2003 Licensing Act (Multiple responses)**

	Hackney Carriage Trade		Private Hire Trade	
	Frequency	Percent	Frequency	Percent
Work later in the evening	31	56.4	22	55.0
Work for longer hours	38	69.1	25	62.5
Other	8	14.5	6	15.0

Some 69.1% (38 respondents) of hackney carriage responses and 62.5% of the private hire trade who said that the 2003 Licensing Act had had an effect on them, stated that it would mean that they had to work longer hours.

Respondents were asked to state the number of times they carry disabled passengers on a weekly basis. Table 8.2 shows the results. Some 49.6% of private hire respondents stated that they never carry wheelchair bound passengers. Hackney carriage respondents typically carried more wheelchair bound passengers than the private hire trade, with 51.7% of the hackney carriage trade stating they carried them 1 to 5 times a week.

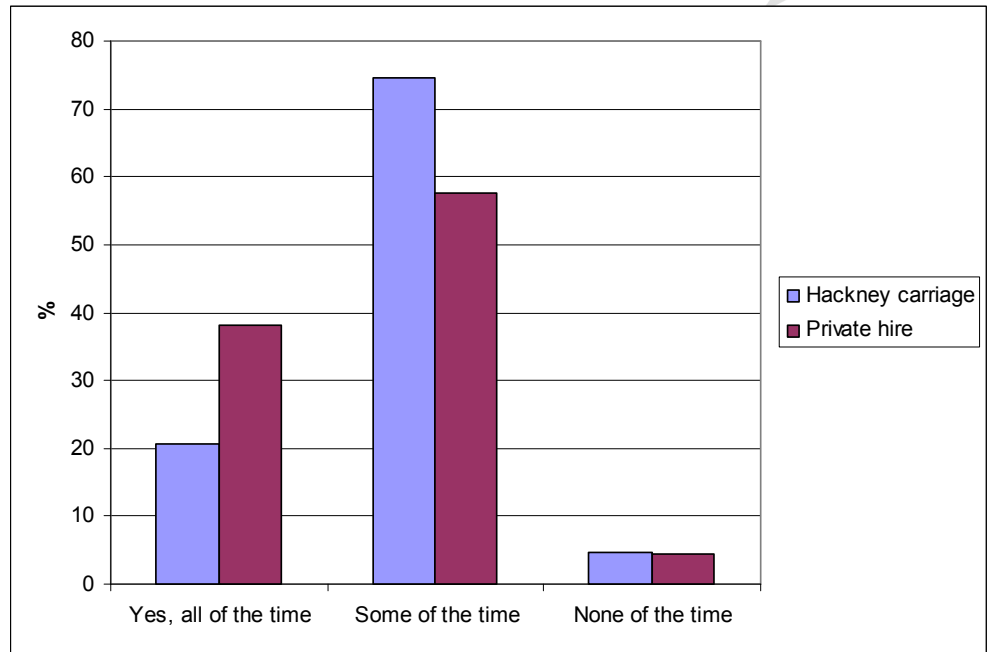
**Table 8.2 Frequency of Transport of Disabled Persons**

	Hackney Carriage Trade		Private Hire Trade	
	Frequency	Percent	Frequency	Percent
Never	7	8.1	56	49.6
1 to 5	45	51.7	50	44.2
5 to 10	17	19.6	7	6.2
10 to 20	15	17.2	0	0.0
More than 20	3	3.4	0	0.0
<b>Total</b>	<b>87</b>	<b>100.0</b>	<b>113</b>	<b>100.0</b>

## 8.5 Safety & Security

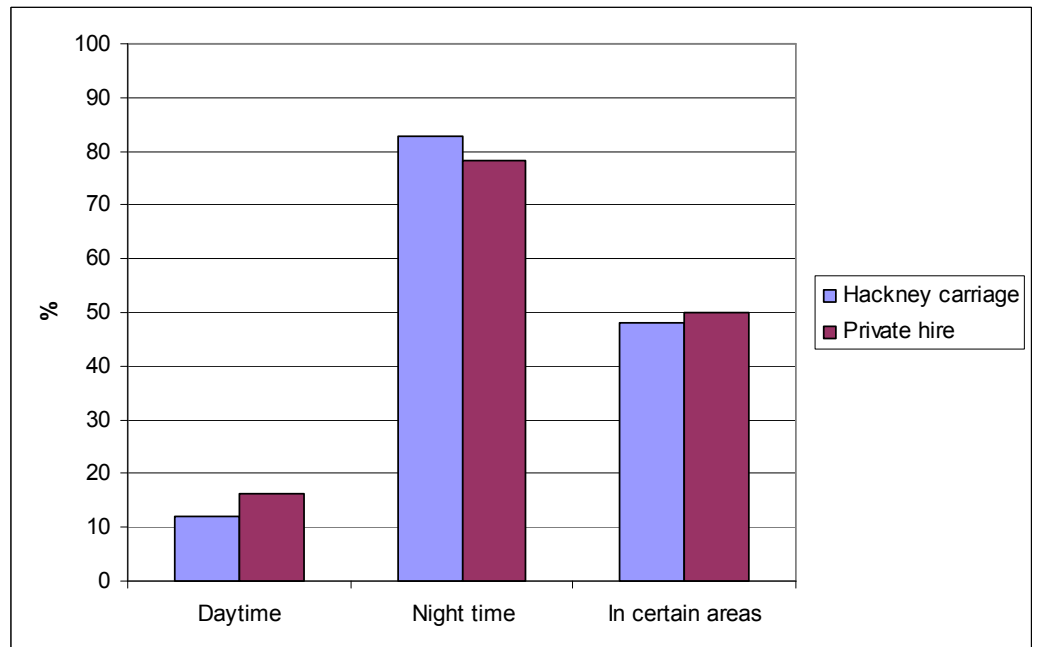
The respondents were asked if they felt safe whilst working as a taxi driver in Wirral, the results of which are shown below in Figure 8.4. Just 20.7% of hackney carriage respondents stated that they felt safe all of the time compared to 38.1% of private hire respondents. Only 4.6% of hackney carriage respondents felt safe none of the time compared with 4.4% of private hire respondents.

**Figure 8.4 Do you feel safe whilst working as a Taxi Driver in Wirral?**



Those respondents who felt unsafe working in Wirral were then asked when they felt unsafe. Figure 8.5 shows that of those that did feel unsafe working in Wirral, 82.7% of hackney carriage respondents and 78.4% of private hire respondents stated that they felt unsafe whilst working at night in Wirral.

**Figure 8.5 When do you feel unsafe as a taxi driver in Wirral?**



## 8.6 Ranks

Members of the hackney trade were asked whether they believe there is sufficient rank space in Wirral. The majority of the hackney carriage respondents (94.3%) stated that there is insufficient rank space for hackneys. However the majority of private hire respondents (75%) felt that there are enough spaces.

The trade were asked whether there were any areas where a new rank should be located. Some 68.4% of the hackney carriage respondents felt there were and 88.9% of the private hire respondents stated that there are no areas in Wirral where new hackney carriage ranks are needed. Areas identified by the hackney carriage trade included Arrow Park Hospital, Wallasey Road and generally at supermarkets and shopping areas.

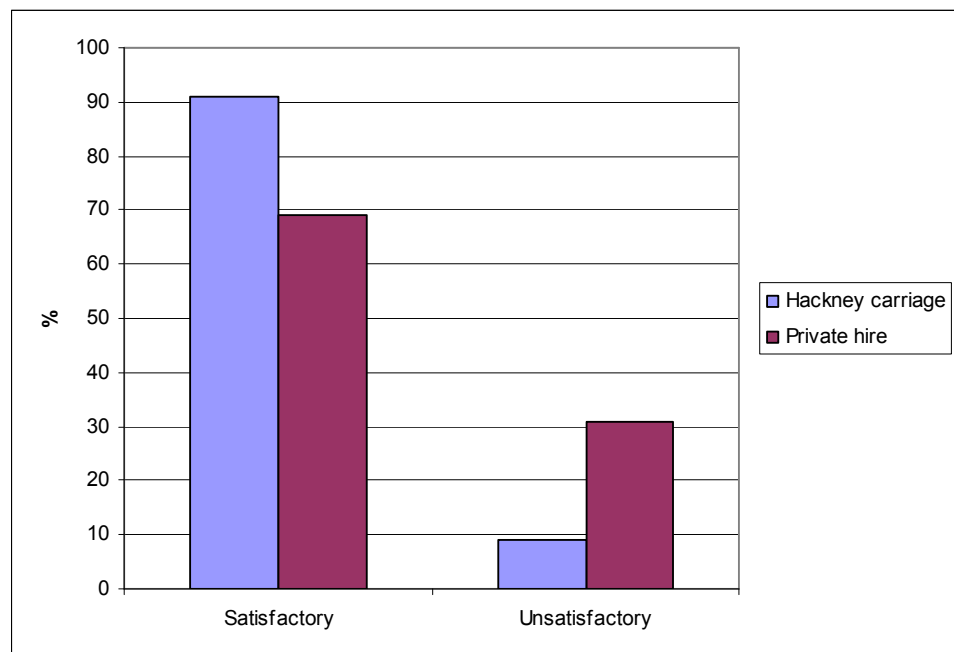
The survey went on to ask whether there are any ranks in Wirral that should be longer or have more spaces. Some 78.6% of the hackney carriage trade felt this was necessary, whereas only 12.9% of the private hire trade were of the same opinion. The most common suggested locations for extending ranks were;

- Cloughton Road Birkenhead;
- Charing Cross, Birkenhead; and
- Wallasey Road, Liscard;

## 8.7 Vehicle Conditions

The trade were asked whether they thought the current hackney carriage vehicle conditions were satisfactory. Current vehicle conditions state that vehicles under 10 years old must be licensed every 12 months and those vehicles over 10 years old, every 6 months.

**Figure 8.6** Satisfaction with hackney carriage vehicle conditions



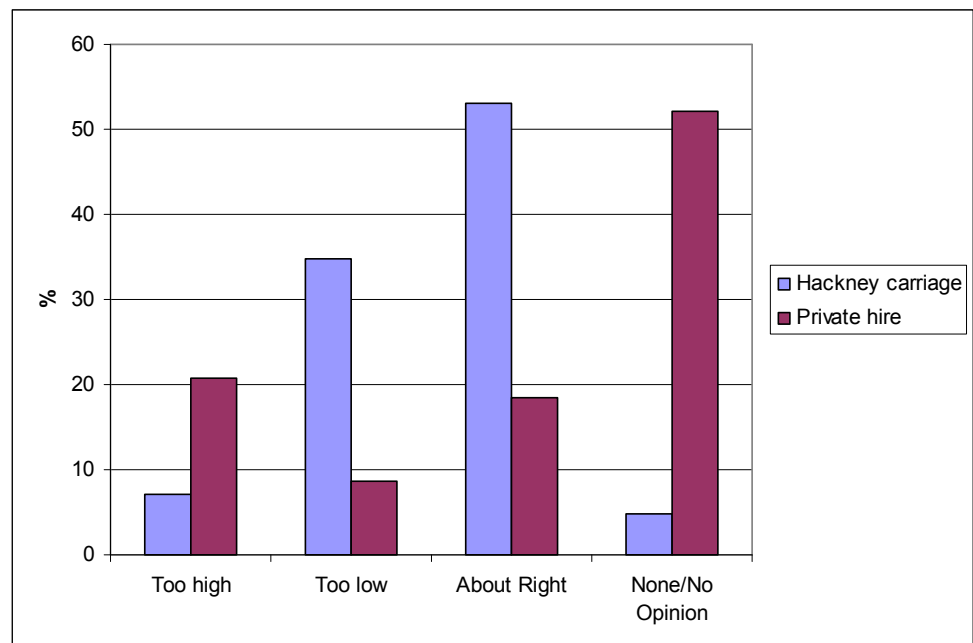
Members of both trades were then asked whether they felt current private hire vehicle conditions are satisfactory in terms of age limits and vehicle testing. Some 80% of the hackney carriage respondents felt the conditions were satisfactory, however 57.7% of the private hire trade felt that they were unsatisfactory. Those respondents who deemed the vehicle age and licence conditions to be unsatisfactory provided the following reasons;

- Should have the same vehicle conditions as hackney carriages;
- If vehicles are kept to a high standard and can pass an MOT and a council test, they should remain in operation; and
- Testing every 6 months is unnecessary.

## 8.8 Fares

Members of both trades were asked for their opinions regarding the current level of hackney carriage fares. The results are shown in figure 8.7.

**Figure 8.7 Opinions Relating to Hackney Carriage Fares**



Over half of hackney carriage respondents (53%) considered hackney carriage fares to be 'about right'. However private hire respondents were more split in their opinions with 18.5% stating they were 'about right' and 20.7% stating they were 'too high'.

## 8.9 Training

Both trades were asked their opinion on new drivers completing the BTEC qualification prior to being granted a licence. The majority of the hackney carriage trade (74.4%) were satisfied with this condition as were 74.5% of the private hire trade.

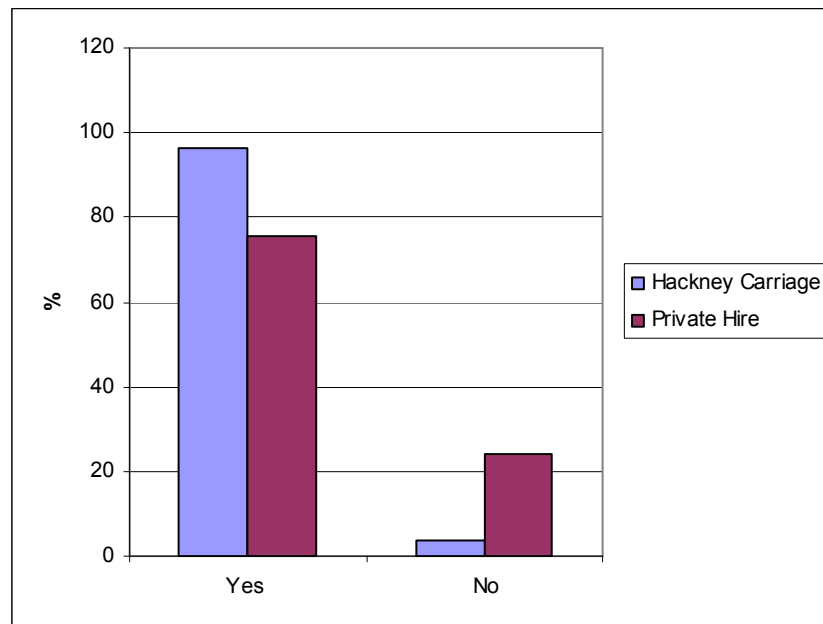
Of those who deemed the requirement to be unsatisfactory the following reasons were given:

- 'Waste of time';
- 'Need to improve English language before BTEC';
- 'After 20 years experience there is nothing I can be taught about the job';
- 'Does not benefit current drivers'; and
- 'Knowledge test should be harder'.

## 8.10 Taxi Market in Wirral

Members of both trades were asked if they were aware that Wirral Borough Council does not restrict the number of hackney carriage vehicle licences within Wirral. The results are outlined in Figure 8.8.

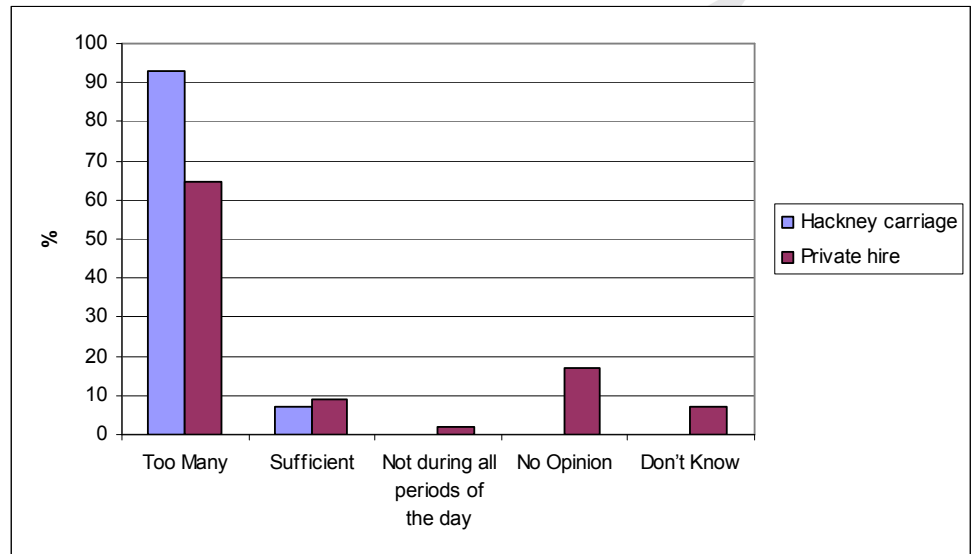
**Figure 8.8** Were you aware that there is no numerical limit of the number of hackney carriage vehicle licences in Wirral?



Most of the hackney carriage respondents (96.5%) were aware of the derestricted policy, as were 75.7% of the private hire respondents.

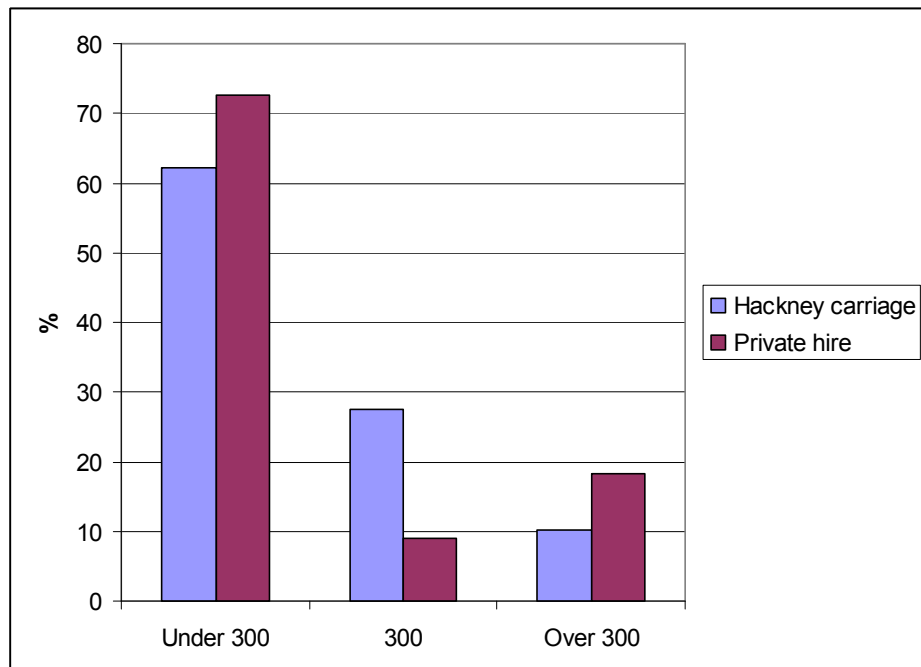
Members of both trades were asked whether they consider there to be sufficient hackney carriages to meet the current level of demand in Wirral. Figure 8.9 indicates some 93% of respondents from the hackney carriage trade consider there to be too many hackney carriages to meet the demand in Wirral, compared to 64.6% of private hire drivers.

**Figure 8.9** Do you consider there to be sufficient hackney carriages to meet the current level of demand in Wirral?



All respondents were asked to state what they thought the ideal fleet size for hackney carriages should be. The results are detailed in figure 8.10. Of those drivers who responded, 62.3% of the hackney carriage trade felt that the hackney carriage fleet size should be less than 300, compared to 72.7% of private hire respondents.

**Figure 8.10** Opinion of the Hackney Carriage and Private Hire trade of the Ideal Hackney Carriage Fleet Size.



All respondents were asked to state if they thought that Wirral Borough Council should impose a numerical limit on the number of hackney carriage vehicle licences.

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The majority of respondents from the hackney carriage trade (96.5%) felt that a numerical limit should be introduced, as did 69.7% of private hire respondents.

Views were sought regarding the likely impact on a series of factors if Wirral Council were to impose a limit on hackney carriage licences. The findings are summarised below and detailed in Table 8.4.

#### **Congestion**

The majority of respondents from the private hire trade (61.4%) felt congestion would not be affected following the introduction of a limit. The hackney carriage trade were split in their opinions with 49.4% believing it would have no effect and 49.4% of the opinion that it would decrease congestion.

#### **Fares**

Some 85.9% of the hackney carriage trade and 84.8% of the private hire trade were of the opinion that a limit on the number of hackney carriage vehicles in Wirral would have no effect on the fare tariffs.

#### **Passenger Waiting Times**

The majority of both hackney carriage and private hire respondents felt that there would be no effect on passenger waiting times at ranks, when flagging hackneys or when booking by telephone.

#### **Vehicle Compliance**

Some 60.7% of hackney carriage respondents and 69.1% of private hire respondents were of the opinion that introducing a limit on the number of hackney carriage licences would not affect compliance with vehicle safety standards. Similar proportions felt that there would also be no effect on compliance with licence conditions.

#### **Illegal Plying for Hire**

In terms of illegal plying for hire, some 75% of hackney carriage respondents and 70.7% of private hire respondents did not feel that a limit on the number of licences would have an effect on the illegal plying for hire by private hire vehicles.

#### **Over Ranking**

The majority of hackney carriage (79.5%) respondents felt over ranking would decrease, compared to 44.6% of private hire respondents.

#### **Customer Satisfaction**

Some 60.7% of hackney carriage respondents thought customer satisfaction would not change as a result of a licence limit. Some 72% of the private hire trade were of the same opinion.

**Table 8.4 Opinions Relating to the Impact of Restriction**

	Hackney Carriage Trade			Private Hire Trade		
	Increase	No Effect	Decrease	Increase	No Effect	Decrease
Traffic Congestion	1.2	49.4	49.4	1.2	61.4	37.3
Fares	10.6	85.9	3.5	10.1	84.8	5.1
Passenger waiting times at ranks	0.0	92.9	7.1	8.6	82.7	8.6
Passenger waiting time when flagdown	1.2	94.0	4.8	12.2	81.7	6.1
Passenger waiting time by telephone	3.6	88.0	8.4	3.7	85.4	11.0
Greater compliance with vehicle safety standards	36.9	60.7	2.4	28.4	69.1	2.5
Greater compliance with licence conditions	31.3	67.5	1.2	32.5	63.8	3.8
Illegal plying for hire – private hire	15.5	75.0	9.5	7.3	70.7	22.0
Illegal plying for hire – unlicensed	11.9	78.6	9.5	15.2	74.7	10.1
Over ranking	2.4	18.1	79.5	9.6	45.8	44.6
Customer satisfaction	39.3	60.7	0.0	24.4	72.0	3.7

All respondents were asked their response to *“There is not enough work to support the current number of hackney carriages”*. The results in table 8.5 show that some 91.8% of hackney carriage respondents strongly agree or agree with the statement that there is not enough work to support the current number of hackney carriages. Some 66.6% of private hire respondents were of the same opinion.

**Table 8.5 Opinion of: “There is not enough work to support the current number of hackney carriages”?**

	Hackney Carriage Trade		Private Hire Trade	
	Frequency	Percent	Frequency	Percent
Strongly disagree	3	3.5	6	7.4
Disagree	1	1.2	3	3.7
Neither agree nor disagree	3	3.5	18	22.2
Agree	15	17.4	18	22.2
Strongly agree	64	74.4	36	44.4
Total	86	100.0	81	100.0

Some of the most common responses to the statement included:

- Too many taxis, not enough work;
- Drivers having to work longer shifts to make a living – safety implications
- There are no demand generators in Wirral
- Taxis wait for hours at ranks for a fare; and.
- The recession has had a negative impact on taxi work.

The survey then asked opinions of the following statement; *“Imposing a limit on the number of hackney carriages in Wirral would cause the public longer waiting times at ranks”*. The results in table 8.6 shows that 87.2% of hackney carriage drivers strongly disagreed or disagreed that imposing limit on the number of hackney carriages in Wirral would cause the public longer waiting times at ranks, compared with 62.6% of Private Hire respondents.

**Table 8.6** Opinion of: *“Imposing a limit on the number of hackney carriages in Wirral would cause the public longer waiting times at ranks”*?

	Hackney Carriage Trade		Private Hire Trade	
	Frequency	Percent	Frequency	Percent
Strongly disagree	51	59.3	23	28.8
Disagree	24	27.9	27	33.8
Neither agree nor disagree	3	3.5	21	26.3
Agree	2	2.3	4	5.0
Strongly agree	6	7.0	5	6.3
<b>Total</b>	<b>86</b>	<b>100.0</b>	<b>80</b>	<b>100.0</b>

Some of the most common responses to this statement include:

- There are too many hackney vehicles on the ranks, drivers wait for customers;
- There are plenty of taxis to cope with demand;
- Never any waiting customers at ranks; and
- There are too many taxis and not enough work

The survey then asked opinions of the following statement; *“There are special circumstances in Wirral that make the introduction of a numerical limit essential”*. The results in table 8.7 show that 70.2% of the hackney carriage trade agree or strongly agree that there are special circumstances in Wirral that make the introduction of a numerical limit essential, compared with 41.3% of private hire respondents.

**Table 8.7 Opinion of: "There are special circumstances in Wirral that make the introduction of a numerical limit essential"**

	Hackney Carriage Trade		Private Hire Trade	
	Frequency	Percent	Frequency	Percent
Strongly disagree	13	15.5	9	12.0
Disagree	4	4.8	8	10.7
Neither agree nor disagree	8	9.5	27	36.0
Agree	16	19.0	10	13.3
Strongly agree	43	51.2	21	28.0
Total	84	100.0	75	100.0

Some of the most common responses to the statement:

- Too many cabs causing over ranking;
- No demand generators;
- Drivers are a risk working long hours; and
- Less people are using taxis as a result of the recession.

Finally the trade were asked what effect they thought it would have on them if the authority imposed a limit of hackney carriages. The results show in table 8.8 that 60% of hackney carriage cited there would be no change and 32.9% would work fewer hours if a numerical limit was imposed. Some 67.1% of private hire responses cited they would not change if a limit was imposed and 24.1% said they would work fewer hours.

**Table 8.8 Effect on the trade if the numerical limit was reintroduced (Multiple responses)**

Effect of introducing the limit	Hackney Carriage Trade		Private Hire Trade	
	Frequency	Percent	Frequency	Percent
No change	51	60.0	53	67.1
Work more hours	6	7.1	2	2.5
Work fewer hours	28	32.9	19	24.1
Switch from hackney to private hire	1	1.2	1	1.3
Leave the trade	1	1.2	0	0.0
Other	9	10.6	11	13.9

## Summary

Key findings from the survey can be summarised as follows:

- On average, hackney carriage drivers work for 9.4 hours longer per week than private hire drivers;
- Some 51.7% of hackney carriage respondents stated that they carry wheelchair bound passengers 1 to 5 times a week. Private hire respondents typically carried fewer wheelchair bound passengers than the hackney trade, with 49.6% of the private hire never carrying them.
- The majority of hackney carriage respondents (74.7%) and 57.5% of the private hire trade stated that they felt safe some of the time;
- Some 94.3% of the hackney carriage trade stated there insufficient ranks in Wirral, whilst the majority of private hire respondents (75%) stated that there are sufficient ranks for hackneys;
- The majority of hackney carriage respondents (53%) and 18.5% of private hire respondents considered hackney carriage fares to be 'about right'.
- The majority of respondents from the hackney carriage trade (96.5%) felt that a numerical limit should be introduced in Wirral as did 69.7% of private hire respondents.
- Some 60% of hackney carriage responses and 67.1% of private hire responses cited it would have no effect on them if a numerical limit was introduced.

## 9 Rank Review

### 9.1 Introduction

A review of the ranks was undertaken and a selection of ranks was chosen to be observed as part of the study. The rank observations conducted during February and March provides an indication of the usage of ranks by both passengers and vehicles.

### 9.2 Rank Utilisation

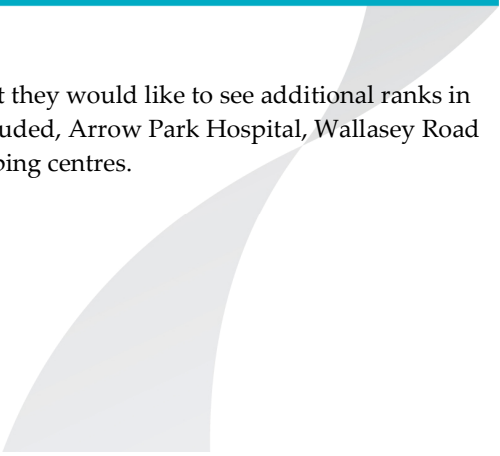
Table 9.1 gives a full breakdown of the findings. 'P' indicates that passengers were recorded during the observation period at each given time period, 'T' indicates that taxis were present during the observation periods.

**Table 9.1 Rank Utilisation**

Rank	Operating Hours	Weekday		Weekend		Sunday
		Day	Night	Day	Night	Day
Cloughton Road	24 hours	PT	PT	PT	PT	PT
Grange Road	24 hours	PT	PT	PT	PT	PT
Hamilton Street	24 hours	PT	PT	PT	PT	PT
Conway Street	Midnight to 6am		PT		PT	
Wallasey Road	24 hours	PT	PT	PT	PT	PT
Liscard Village	7pm to midnight				PT	
Marine Promenade	24 hours					
Hoylake Road	24 hours	PT		PT		T
Allport Lane	24 hours	T				T
Station Road	9pm – 1am					

Table 9.1 indicates that the most utilised ranks by both passengers and taxis are Cloughton Road, Grange Road, Hamilton Street and Wallasey Road. No passengers or taxis were recorded at the Marine Promenade and Station Road ranks. No passengers were recorded at ranks which were not being serviced by taxis.

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Consultation with the trade indicates that they would like to see additional ranks in Wirral. Potential areas for new ranks included, Arrow Park Hospital, Wallasey Road and generally at supermarkets and shopping centres.

## 10 Deriving the Significant Unmet Demand Index Value

### 10.1 Introduction

The data provided in the previous chapters can be summarised using Halcrow's ISUD factor described in Section 2.

The component parts of the index, their source and their values are given below:

Average Passenger Delay (Table 5.2)	0.12
Peak Factor (Figure 5.1)	1
General Incidence of Delay (Table 5.3)	0.41
Steady State Performance (Table 5.1)	0
Seasonality Factor (paragraph 5.4.5)	1
Latent Demand Factor (paragraph 6.3.3)	1.192
<b>ISUD</b> $(0.12*1*0.41*0*1*1.192)$	0

The cut off level for a significant unmet demand is 80. It is clear that Wirral is well below this cut off point as the ISUD is 0, indicating that there is **NO significant unmet demand**. This conclusion covers both patent and latent/suppressed demand. This finding is as expected given the absence of any numerical limit. It can be concluded, therefore, that any passenger delay that is present in the licensing district arises for operational rather than regulatory reasons.

## **11 Summary and Conclusions**

### **11.1 Introduction**

Halcrow has conducted a study of the hackney carriage and private hire market on behalf of Wirral Borough Council. The present study has been conducted in pursuit of the following objectives:

- To determine whether there is any evidence of significant unmet demand for Hackney Carriage Services in Wirral; and
- Consider whether changes are required to the current policy of having no limit to the number of licences that are issued.

This section provides a brief description of the work undertaken and summarises the conclusions and implications for regulatory policy.

### **11.2 Significant Unmet Demand**

The 2011 study has identified that there is NO evidence of significant unmet demand for hackney carriages in Wirral. This conclusion is based on an assessment of the implications of case law that has emerged since 2000, and the results of Halcrow's analysis.

### **11.3 Public Perception**

Public perception of the service was obtained through the undertaking of over 570 face to face surveys. Overall the public were generally satisfied with the service – key points included:

- High levels of satisfaction with delay on last trip were recorded for those making hackney trips;
- Majority of respondents had not given up waiting for a hackney or private hire vehicle in the last three months with just 19.2% stating they had given up trying to obtain a vehicle by rank and/or flagdown in Wirral;
- The majority of respondents felt safe using them during the day (87.2%) and at night (74.5%) in Wirral.
- Some people responding to the survey considered taxis to be too expensive.

### **11.4 Current Vehicle Policy**

All hackney carriage vehicles are required to be fully wheelchair accessible and are licensed every 12 months until they are 10 years old. From 10 years old, they are required to be licensed every 6 months however there is no upper age limit.

Consultation with the general public has identified that 10.8% of respondents do not use taxis more often as there is a lack of wheelchair accessible vehicles. However, consultation with disability groups found that representatives would like to see vehicles with wheelchair access at the rear to allow the user to face forward.

### **11.5 Entry Control Policy**

Wirral Council in line with best practice currently does not restrict the number of hackney carriage vehicles across the authority. Consultation has identified that this is something that the trade would like to see re introduced. Should the limit be re

introduced we would recommend that this be introduced at a minimum level of 289 at this level it has been determined that there is no significant unmet demand.

Table 11.1 details the potential benefits and dis benefits of a number of policy changes. Introducing a policy of entry control would provide considerable benefit to the trade. The hackney trade have stated a clear desire for this policy to be introduced. In recent years a number of authorities have chosen to reintroduce the numerical limit (e.g. Sheffield and North East Lincolnshire). It is too early to assess the effect of this policy change. Anecdotal evidence from hackney drivers across the UK suggests that the reintroduction of a numerical limit gives them the confidence to invest in newer vehicles. However reintroducing the numerical limit brings about a need for regular (three yearly) unmet demand surveys in order to comply with Section 16 of the 1985 Transport Act. The potential for litigation is also increased.

**Table 11.1 Benefits and Dis benefits**

	Potential benefit	Potential disbenefit
<b>Maintain policy of no entry control</b>	Promote innovation within the trade through competition;  Reduce potential costs by eliminating an area of potential litigation;  Maintain low levels of passenger delay	Potential increased demand for scarce road space for ranks and for cruising in town centres;
<b>Reintroduce the numerical limit</b>	Reduce the need for additional rank space;  Reduce the growth of over ranking;  Reduce vehicle emissions associated with circulating hackneys;	Reintroduce the need for surveys and their associated costs;  Reduce the availability of hackney vehicles;  Potential to increase passenger waiting time;  Against best practice and DfT guidance;  Places an artificial monetary value on hackney plates.

Evidence from the consultation exercise with the hackney trade suggests that a significant number of hackney trade respondents would like to see a numerical limit introduced.

Other key stakeholders also thought that there were enough hackneys in Wirral to serve the current demand. Members of the public were asked for their opinion on whether the number of hackney carriage licences should be limited in the Wirral

borough - some 42.5% stated that they should not be limited and 42.7% commented that there are a sufficient number of licences at present.

There is no evidence to suggest that by limiting the number of hackneys, the total fleet of vehicles available for hire (hackneys and private hire) is reduced. Clearly there is a theoretical risk that re - restricting supply may have a number of side effects but this will be influenced by the level at which the limit on numbers is set. Vehicles that form both elements of the trade are regulated and regularly checked for roadworthiness. In addition driver standards are maintained across both sections of the trade. Therefore it is difficult to accept that any limitation policy per se need have any adverse impact on customer safety.

The evidence from consultation and rank observation leads us to conclude that there is no evidence of unmet demand in Wirral. Hackney carriages have to wait on average 20 minutes for a taxi fare. In terms of consumer benefit the study highlighted high levels of satisfaction with the service.

Wirral is currently undergoing a period of regeneration and it is unclear yet as to the affect that the Wirral Waters and New Brighton development may have on the demand for hackney carriages. Should the limit be reintroduced regular monitoring of demand should be undertaken to ensure that demand does not exceed supply.

## **11.6 Patterns of Availability**

No evidence of 'cherry picking' was identified for hackney carriage vehicles during the rank observation programme.

The public consultation exercise identified that the majority of respondents (62.4%) hired a vehicle through a pre booking on their last trip. Evidence obtained through the rank observation programme identified that passenger demand at ranks peaks during the morning and late at night. Some 18.6% of respondents stated that they flagged down a vehicle.

Low levels of latent demand would also correlate with these findings. Only 10.6% of members of the public had given up waiting for taxi at a rank and there were no instances of passengers being present at ranks which were not being serviced by taxis during the observation periods. This suggests that demand is adequately being met by taxis at the ranks apart from on a small number of occasions.

The rank observation programme highlighted that demand for hackney carriages at ranks is concentrated at the Claughton Road and Wallasey Road ranks.

Those respondents who have taken a trip in a hackney carriage or private hire vehicle in the last three months generally rated the customer service, price and vehicle conditions as good or very good.

The majority of respondents commented that they do not use taxis more often as they are too expensive (57.1%) whilst 46.1% of people have a car available.

## **11.7 Recommendations**

The 2011 study has identified that there is no evidence of significant unmet demand for hackney carriages in Wirral. This conclusion covers both patent and latent/suppressed demand and is based on an assessment of the implications of case law that has emerged since 2000, and the results of Halcrow's analysis.

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On this basis the authority has discretion in its hackney licensing policy and may either:

- continue to allow market forces to dictate the number of hackney carriage licences; or
- introduce a limit on the number of vehicles at 289 or higher.

The vast majority of evidence collected during this study indicates a high level of service to consumers of hackney carriage services in Wirral as a result of the current policy of free entry to the market. The re-introduction of a fixed limit would be very unlikely to have any deleterious effect on this level of performance in the short term (one to three years). In the medium term, however, as demand for taxis may continue to grow with the redevelopment of Wirral, it is possible that consumers may be inconvenienced by a limit of 289 vehicles. When considering re-introducing a limit the Council therefore needs to balance this possible dis-benefit to the consumers of hackney carriage services with the likely benefit to the suppliers of the service. In its most recent guidance to local authorities, the Department for Transport is very clear on this point - it believes councils should allow free entry. One consequence of this view is that the evidence required in practice to defend and maintain a policy of limitation is becoming more stringent. The council should expect to have to re-visit its evidence at least every three years.

If the Council wishes to depart from the current policy of free entry, one approach might be to restrict future growth rather than to stifle it completely. This would have the benefit of protecting consumers whilst at the same time providing greater certainty to members of the hackney trade. This can be achieved in one of two ways:

- by retaining a free entry policy but introducing more demanding conditions on the type of vehicle (e.g. requiring much newer wheelchair accessible vehicles); or
- by introducing a policy of continuing to issue licences but only up to an annual limit. Limiting the growth to between five to ten licences per year would be reasonable, allowing for a five to ten percent increase in the fleet over a three year period.

Both of these approaches have been successfully applied by licensing authorities elsewhere, with the first being possibly the most straightforward to administer.

It is also recommended that the authority look to promote and publicise the range of wheelchair accessible vehicles available for pre booking together with information regarding the type of vehicle.



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