

**LICENSING HEALTH AND SAFETY AND GENERAL PURPOSES COMMITTEE****19 SEPTEMBER 2018**

<b>REPORT TITLE</b>	<b>INDEPENDENT SURVEY OF THE SUPPLY AND DEMAND FOR HACKNEY CARRIAGE VEHICLES IN WIRRAL</b>
<b>REPORT OF</b>	<b>CORPORATE DIRECTOR FOR BUSINESS MANAGEMENT</b>

**REPORT SUMMARY**

The purpose of this report is to seek Members views in respect of undertaking a consultation exercise in respect of two options set out in the final recommendations of the report produced by CTS Traffic and Transportation Ltd on their Independent Survey of the Supply and Demand for Hackney Carriage Vehicles.

**RECOMMENDATION/S**

That Members determine whether a consultation exercise should be undertaken in respect of two options set out in the final recommendations of the report produced by CTS Traffic and Transportation Ltd on their independent survey of the supply and demand for Hackney Carriage Vehicles in Wirral.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 Members are required to have regard to the recommendations within the Independent Survey of the Supply and Demand for Hackney Carriage Vehicles undertaken by CTS Traffic and Transportation Ltd

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The Committee may determine that no action is required at this time.

### **3.0 BACKGROUND INFORMATION**

- 3.1 At a meeting of this Committee held on 23 January 2012 Members resolved to impose a limit of 289 on the number of Hackney Carriage Vehicle Licences issued. The limit was set at 289 following recommendations made by Halcrow Group Limited who undertook an independent survey to ascertain the level of demand for Hackney Carriage Vehicles at that time. This decision was made following a period of 10 years of the council operating a Policy of no limit on the number of Hackney Carriage Vehicles.
- 3.2 During the 10 year period when there was no limit to the number of licences that could be granted, the number of Hackney Carriage Vehicles rose from 126 to 309 in 2007/8. The number of vehicles licensed then started to decline and reduced to 289 when the survey was undertaken..
- 3.3 At the time the Policy was determined it was also necessary to identify an allocation policy to determine how licences would be issued should the number of applications exceed the number of licences that could be granted. A random selection policy was implemented from 25 September 2012 and operated until 22 March 2017 when the number of licences available began to exceed the number of applications. The current number of vehicles licensed as Hackney Carriage Vehicles is 244 which subsequently means that whilst there is currently a limit set at 289 a licence could be granted to an applicant wishing to licence a vehicle as a Hackney Carriage Vehicle.
- 3.4 The primary legislation governing the licensing of Hackney Carriage Vehicles is the Town Police Clauses Act 1847, the Local Government (Miscellaneous Provisions) Act 1976 and The Transport Act 1985.
- 3.5 Until the Transport Act 1985 came into effect Licensing Authorities had an unfettered discretion to limit the number of Hackney Carriage Vehicles that it would license. Section 16 of The Transport Act 1985 removed that unrestricted power to limit the number of Hackney Carriage Vehicles. As a consequence the number of Hackney Carriage Vehicles may be limited but only on the following basis; a licence may be refused, for the purpose of limiting the number of hackney carriages in respect of which licences are granted, if but only if, the person authorised to grant licences is satisfied that there is no significant demand for the services of hackney carriages (within the area to which the licence would apply) which is unmet'.

The Department for Transport Taxis and Private Hire Licensing Best Guide states that 'This issue is usually addressed by means of a survey; it will be necessary for the local licensing authority to carry out a survey sufficiently frequently to be able to respond to any challenge to the satisfaction of a court. '

- 3.6 An independent survey of the supply and demand for Hackney Carriage Vehicles in Wirral was undertaken during 2017 by CTS Traffic and Transportation Ltd and the findings of this survey were reported to a meeting of this Committee on 1 February 2018. Members of that Committee resolved that the conclusions and recommendations of the independent study of supply and demand for Hackney Carriage Vehicles (taxis) carried out by CTS Traffic and Transportation Ltd be noted and that Members have regard to the report when determining any future policies in respect of Private Hire and Hackney Carriage Vehicle licences.
- 3.7 The report acknowledged that within the current limit of 289 licences there were licences available as the number of vehicles licensed at the time of the survey was 258. The executive summary of the report in respect of the survey of the supply and demand for Hackney Carriage Vehicles includes the following findings:
- Rank observations identified Asda in Birkenhead as the busiest rank and the next two busiest ranks were Cloughton Road and Liscard. The night rank Conway Street provided just 3% of total estimated weekly passengers.
  - Overall estimates of Hackney Carriage usage suggest insufficient demand for the present fleet although many do operate and gain significant fares from belonging to telephone networks.
  - Observations reported that of six active ranks surveyed just one saw poor service and one saw fair service, all others were good and one was reported as having very good levels of customer service.
  - The only main desire for 'new' active ranks was for locations in New Brighton.
  - Face to face interviews were undertaken with members of the public on the street which revealed that people were more confident of getting a Hackney Carriage in the daytime than at night with 14% of those surveyed reporting they could not get a Hackney Carriage. It was reported that people generally were unaware that they could flag down a Hackney Carriage Vehicle.
  - It was reported that the police 'felt that there was a weekend overnight shortage of both hackney carriage and private hire in the area that did lead to potential issues of crime and disorder'
  - Mystery shopping found good service from active ranks and good service on trips taken.

- The survey found that the overall response from the trade when seeking their views was low but that the response that was provided expressed a strong feeling that the limit on the number of Hackney Carriage licences should be retained. Nearly two thirds of hackney carriages responding said they worked on telephone bookings. The survey reported that the main trade concerns were lack of rank spaces and overall rank provision.
- The survey found there was no culture of hailing Hackney Carriage Vehicles in Wirral.
- It was stated in the report that the industry standard evaluation showed no unmet demand that was significant but went on to say that much off peak demand is expected to be by phone rather than people going to ranks.
- Levels of demand suitable for Hackney Carriage Vehicles focus on specific locations and daytime and that ‘there does not appear to be enough sufficiently rewarding work available either for these pockets of demand to be met by either hackney carriage or private hire means’. The report went on to say ‘on the contrary, most drivers appear to make enough living from daytime, weekday work so that they do not need to consider less attractive working periods, and that the ‘overall usage (both in terms of supply and demand) and availability of both hackney carriage and private hire in the area is not what it might be’ and that ‘the overall level of the industry clearly needs significant reinvigoration for the benefit of the overall economy of the area.’
- The survey reported that ‘the overall issue for Wirral is that present demand for licensed vehicle services is generally both disparate and low volume, but that there are frustrated potential customers who need to be able to interact with the trade to benefit the overall economy of the area. The report goes further stating that ‘The issue is how to marry supply to demand at these lower levels. The implications for those visiting the area are more severe as there is very high potential they will have poor experiences that may restrain their willingness to invest in the area or to return. Something needs to happen to reverse the spiral of decline.’

3.8 It is explained within the report that the usual purpose of undertaking an independent survey of the demand for Hackney Carriage vehicles is to determine whether the limit on Hackney Carriage vehicle numbers are sustained and this usually occurs against the background of all licences being issued and the potential for someone to apply for a licence only to be refused by the Council when they believe there is no significant unmet demand. The report acknowledges that ‘Wirral plates are currently available’ and goes on to say ‘this means current plate values are low or non-existent as anyone wanting a plate could have one’.

- 3.9 The report states that ‘In essence, neither keeping nor removing the limit appears to provide any impact on the current issues identified by this review.’ And further that ‘the key aim is providing a service that meets developing needs and also puts the area in a good place for those coming into the area.’
- 3.10 The survey concluded that on the basis of the evidence gathered in respect of the demand for Hackney Carriage Vehicles in Wirral there was no significant unmet demand for Hackney Carriage Vehicles. In reference to this finding the recommendations within the report stated that the Committee is able to continue the policy of limiting hackney carriage vehicle numbers as this policy could be defended if necessary but also that the Committee could remove the limit in order to allow further future potential for development of the fleet when required. The recommendations within the report went on to state that ‘ it is also very clear there are significant issues within the licensed vehicle industry - both on supply and demand sides- which need to see change for the overall benefit of the economy of Wirral.’
- 3.11 The report presents two options within its final recommendations as follows:
- The committee is able to continue the policy of limiting hackney carriage vehicle numbers if it wishes and this could be defended if necessary.
  - The committee could also remove the limit policy in order to allow further future development of the fleet when required
- 3.12 The Department for Transport ‘Taxis and Private Hire Licensing Best Guide’ states that in circumstances where local authorities are considering whether restrictions should continue on the number of Hackney Carriage licences ‘ the matter should be approached in terms of the interests of the travelling public - that is to say, the people who use taxi services. What benefits or disadvantages arise for them as a result of the continuation of controls; and what benefits or disadvantages would result for the public if the controls were removed? Is there evidence that removal of the controls would result in a deterioration in the amount or quality of taxi service provision?
- 3.13 It is proposed therefore that a consultation exercise is undertaken with the public and relevant stakeholders in respect of the two options contained within the final recommendations of the Survey Report and referred to in paragraph 3.11 of this report.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 There are costs associated with undertaking consultation.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 A decision of this Committee can be subject to legal challenge.

#### **6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS**

- 6.1 There are no specific implications arising from this report.

## 7.0 RISKS

7.1 There are no specific implications arising from this report.

## 8.0 ENGAGEMENT/CONSULTATION

8.1 The report is proposing a consultation exercise be undertaken with members of the public and relevant stakeholders.

## 9.0 EQUALITY IMPLICATIONS

9.1 There are no specific implications arising from this report.

**REPORT AUTHOR:** Margaret O'Donnell  
*Licensing Manager*  
telephone: (0151) 691 8606  
email: [margaretodonnell@wirral.gov.uk](mailto:margaretodonnell@wirral.gov.uk)

## APPENDICES

### REFERENCE MATERIAL

None

### SUBJECT HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
Licensing Health and Safety and General Purposes Committee	1 February 2018