

REPORT OF LEAD LICENSING OFFICER

To: LICENSING COMMITTEE

Subject: TAXI DEMAND SURVEY

Date: 30 NOVEMBER 2022

Reference:

PURPOSE OF REPORT:

To provide the Committee with the results of the recent hackney carriage demand survey

1. INTRODUCTION

The Council currently restricts the number of hackney carriage vehicle licence plates it issues to 49. In order to maintain this restriction the Council is required to undertake a formal hackney carriage demand survey every 3 years. This report details the findings of the latest survey.

2. REPORT

The current legal basis for a restriction on numbers is contained within Section 16 of the Transport Act 1985 which allows a licensing authority to limit the number of hackney carriage licences it issues but only *‘if the person authorised to grant such licences is satisfied that there is no significant demand for the services of hackney carriages within the area which is unmet’*.

The Council’s current policy of restricting hackney carriage vehicle licences has been in place for a number of years and was last reviewed by this Committee on 23rd October 2019. Guidance issued by the Department for Transport recommends that surveys should be repeated every 3 years. Therefore, the policy is now due for review.

The Council employed the services of a company called Licensed Vehicle Surveys and Assessment (LVSA) to conduct the latest survey. The survey is paid for by the trade via a supplement added onto the fees charged for a hackney carriage vehicle licence. The final report was provided in the end of October 2022. This report is provided in Appendix A.

It should be noted that although the current limit on plates is 49, two dedicated wheelchair accessible vehicle plates have been returned to the Authority during the year. It was decided not to issue these plates whilst the survey was ongoing.

The survey this year has produced different results to those undertaken in previous years. The reason for this is the significant disruption caused by the Covid-19 pandemic which has had a big impact on the taxi trade.

The key points from the survey are as follows:



The overall view of the current status of the licensed vehicle trade in Torridge remains generally positive.

The pandemic appears to have taken away the relative stability of demand seeing 40% less demand now at the rank. It is accepted that the main night demand generator had not re-opened at the time of the survey.

Resulting average passenger levels are just nine passengers per hour from the rank although peak demand remains on Friday and Saturday nights.

The level of vehicles servicing the rank appears to have reduced from 83% in 2019 to 64%.

Unmet demand for hackney carriages is now occurring more despite the reduced overall level of demand. This is because supply to the rank has reduced more than the demand has particularly on Saturday evenings.

Despite this, public views of the service have significantly improved.

The driver survey found just three hackney carriages whose principal work was from ranks, most said rank demand provided between ten and 35% of their work. Most drivers now chose when they preferred to work.

The limit remained supported across the trade and many said it provided a better service with a focussed number of drivers and better remuneration allowing higher vehicle standards and maintenance than a free market situation would predicate.

It appears that the revision of demand has allowed many more to achieve their required level of remuneration during the week compounding the lower Saturday night demand impact seeing even less vehicles active then.

The number of hours of very low (thin) demand has also increased and much of the unmet demand occurs at these times when it is very hard to match supply and demand cost-effectively. However, 53% of all observed passenger delay occurs from 17:00 Saturday to 0159 Sunday – despite an estimated peak vehicle need of no more than ten to adequately service that demand.

Taking all evidence into account, the present hackney carriage service seems to be in a relatively healthy position, providing public benefit arising partly from the limit policy. The 'new normal' does not yet seem to have achieved a balance between driver operating practice and passenger demand which leads to the industry standard analysis suggesting significantly poorer public service, yet with actual public views suggesting they are generally happier with the overall service now.

The only recommendations for improvement of the overall service are a possible need to consider higher night fares and a reminder to the hackney carriage trade that their principal objective is serving the rank, even if this is at times when demand there is low. This covers both the Saturday night period but also the early mornings.

There needs to be an honest discussion with drivers whose apparent focus on lifestyle choices is possibly reducing supply at times when demand – although reduced – still needs more vehicle active than are presenting themselves.



Were it to become clear there was an unwillingness to service such demand, it may be necessary to either issue more plates or remove the limit to allow others to service the observed demand. However, it should also be remembered that with overall low demand such an action might be counter-productive removing many experienced players who might consider the remuneration insufficient to continue their involvement.

To reiterate, at this time we would not recommend any other action than ensuring any plates not on issue can be reissued and a reminder that hackney carriage plates are issued to service the public ranks available.

It may be that the re-opening of the main night demand generator could draw more drivers and improve the overall situation, but it may also be prudent to test levels of service provided within three months of the re-opening of that venue to identify if a sufficient balance to protect public safety had been achieved. Sufficient service to that venue is important to ensure its future is enhanced by the ability of patrons to get home safely.

3. IMPLICATIONS

Legal Implications

None - The results of the survey provide sufficient evidence to defend the policy restriction if it is challenged in court.

Financial Implications

None – the cost of the survey is funded by a surcharge on hackney carriage vehicle licence fees.

Human Resources Implications

None

Sustainability/Biodiversity Implications

None

Equality/Diversity

None

Risk Management

There are no legal, financial or reputational risks with maintaining the restriction policy.

Compliance with Policies and Strategies

Complies with the current taxi policy

Data Protection (GDPR) Implications

None

Climate Change

It could be argued that if the Council were to issue more taxi plates there would be increased pollution in the town centre as more taxis would be using the rank.

Ward Member and Lead Member Views

None



4. CONCLUSIONS

The general outcome of the survey is that rank usage has significantly reduced. This has resulted in a reduction in vehicles servicing the rank, partly due to lifestyle choices. Therefore, there has been an increase in periods of unmet demand, although, much of the unmet demand occurs at times of low demand when it is very hard to match supply and demand cost-effectively.

The report recommends the Authority issues the two plates which are available but there is no need to issue any further plates or to remove the current limit.

5. RECOMMENDATIONS

It is recommended the Committee approve the issue of the two available plates and retain the limit of 49 plates for a further 3 years.

SUPPORTING INFORMATION

Consultations:	Taxi Liaison Committee
Contact Officer:	Chris Parkhouse
Background Papers:	Licensing data area/files

