

Bath & North East Somerset Council		
MEETING:	Licensing Committee	
MEETING DATE:	11 January 2018	
TITLE:	Review of Hackney Carriage Unmet Demand Survey Report	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 – Hackney Carriage Unmet Demand Survey Report 2017		

1 THE ISSUE

- 1.1 The Council currently regulates the number of Hackney Carriage Proprietor Licences (HCPLs) in the city of Bath. Because of this the Council is under a duty to carry out a review of any significant unmet demand every three years. This report requests Members to consider the outcome of the Hackney Carriage Unmet Demand Survey (the Survey) carried out by independent consultants in 2017 and, if necessary, make recommendations on the findings to the Cabinet Member. The main recommendation from this report suggests that there is no significant unmet demand and that the number of licences should remain the same.

2 RECOMMENDATION

- 2.1 The Committee are asked to consider the outcome of the survey carried out by independent consultants and recommend:
- 2.1.1 that the number of vehicle licences in Zone 1 remains at 125
- 2.1.2 that the limitation policy remains in place.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The Council sets the fee rates for both Hackney Carriages and Private Hire vehicles. Total income received in 2016/17 from fees was £168,000, including fees for the transfer of vehicles.

- 3.2 The cost of future unmet demand surveys required to help review the continuation or otherwise of a limitation policy, will be in the region of £12,000. The cost of carrying out the survey is covered by the annual licence fee for all Hackney Carriages.
- 3.3 If the decision is taken to continue with a limitation policy then there is the possibility of legal challenge to the decision in court. The cost of any challenge could be in excess of £40,000 and such costs would create a budget pressure elsewhere in the Public Protection and Health Improvement service area.
- 3.4 If the decision is taken to de-limit the number of taxis then subsequent monitoring of taxi ranks may reveal a need to expand their size or number, which the Council would be responsible for funding. Any further monitoring would be covered by the licence fee income. At this stage it is unlikely that there would be a need to increase the number of ranks, however any decision to do would be subject to the normal budgetary process.
- 3.5 Administration and compliance will be met from within existing resources funded by the licence fee.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The Council is the licensing authority for Hackney Carriages. Under the Town Police Clauses Act 1847, a licensing authority had an unfettered discretion to limit the number of Hackney Carriage licences by being able to licence only such numbers as it thought fit. It was a power, which was widely used by many authorities to restrict the numbers of Hackney Carriages for the purposes of exercising control and supervision over them. Under the Transport Act 1985, the position in law changed and the 1847 Act, as now amended by Section 16 of the Transport Act, provides as follows:

“...that the grant of 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”.

5 THE REPORT

- 5.1 Currently Hackney Carriages are restricted by zone and numbers within the authority. There are two zones which were set up at the time of local government reorganisation in 1996. Zone 1 has the same boundaries as the former Bath City Council and Zone 2 has the same boundaries as the former Wansdyke District Council (now referred to as North East Somerset).
- 5.2 There is no restriction on the number of Hackney Carriages in Zone 2 (North East Somerset). Following the previous survey of unmet demand in 2014 the approved number of licences in Zone 1 (Bath) was increased by 3 to 125.
- 5.3 In 2017 the Survey was undertaken to see if there was any significant demand that was unmet within Bath and a copy of the consultant's report is provided in Annex A. The Survey was carried out between March and December 2017 and included 160 hours of rank observation, pedestrian surveys and consultation with

licensed vehicle drivers and stakeholders. The rank surveys were undertaken when both university sites were fully active thereby avoiding the summer breaks for consistency.

- 5.4 The main conclusion from the Survey is that there is no unmet demand at this time in the Bath central zone (Zone 1) which is significant and therefore a limit on vehicle numbers can be retained at the present level.

6 RATIONALE

- 6.1 Central Government has recommended to local licensing authorities that a restriction on numbers should only be applied where there is a demonstrable benefit to the consumer and that it would not be in the interest of consumers for market entry to be refused to anyone who meets the application criteria.
- 6.2 The 2017 Survey has identified that there is no evidence of significant unmet demand for Hackney Carriages in Bath and the limit on the number of licences in Zone 1 should be retained. This is because removing the limit would encourage a high take-up of new licences leading to the public being inconvenienced by high numbers of vehicles causing congestion at ranks and a reduction in the trade focus on customers. This conclusion is based upon an assessment of the implications of case law since 2000 and the analysis contained within the Survey.

7 OTHER OPTIONS CONSIDERED

- 7.1 The options available are:
- 7.2 To partially delimit: Case law demonstrates that it would be feasible to issue batches of licences at a time which would allow a Council to assess the impact of each tranche and decide whether there is significant unmet demand. This option has been rejected as such assessments would require further budget and may result in periods of uncertainty within the trade and elsewhere.
- 7.3 To delimit altogether: This option has been rejected as the removal of the current limitation policy could result in a legal challenge from the existing vehicle licence holders in light of the findings of the survey.

8 CONSULTATION

- 8.1 Consultation with various stakeholders including the taxi trade and customers were included in the Survey.

9 RISK MANAGEMENT

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

10 ADVICE SOUGHT

- 10.1 The Council's Monitoring Officer (Head of Legal & Democratic Services and Council Solicitor), section 151 Officer (Divisional Director-Business Support) and the Group Manager Public Protection & Health Improvement have had the opportunity to input to this report and have cleared it for publication.

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Background papers	Appendix 1- Hackney Carriage Unmet Demand Survey 2017 <i>(A presentation summarising the survey outcomes will be provided at the Committee hearing)</i>
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