

Report from the Assistant Director – Planning and Public Protection

Unmet Demand Survey

Summary

1. This report seeks Members' approval to undertake an unmet demand survey in relation to hackney carriage provision within the authority area.

Background

2. Provisions within Section 16 of the Transport Act 1985 allow local authorities to set quantity restrictions on the number of licences issued in relation to hackney carriage vehicles (taxis), but only if it is satisfied that there is no significant unmet demand for taxi services in its area.
3. City of York Council (the Council) currently restricts (regulates) the number of taxi licences issued. At this time there are 183 licensed vehicles, of which 45 are wheelchair accessible (by condition of licence).
4. Due to regulating the number of licences the Council operates a waiting list for those who wish to obtain a new taxi licence, should any be issued in the future. The nature of the market means a vehicle licence has never been surrendered.

Unmet Demand

5. A licensing authority may limit the number of taxis in its area provided that it is satisfied that there is no significant demand for the services of taxis which is unmet. As the Council regulates the number of licences it is considered best practice, in guidance issued by the DfT, that an unmet demand survey is carried out once every three years. The purpose of the survey is to determine whether there is any evidence of significant unmet demand for taxi services in the Council's area and if

any unmet demand is found, to recommend how many licences would be required to meet this.

6. The last survey was carried out in 2014. At that time the survey identified that there was no evidence of significant unmet demand for taxis in York. The full results of the survey were brought to this committee on 20 October 2014. At that time Members resolved that no new taxi licences would be issued.

Consultation

7. This report seeks authority to undertake an unmet demand survey in relation to the provision of taxis, in line with best practice guidance from the DfT.

Options

8. Option 1 – Authorise officers to engage a transport consultancy to undertake an unmet demand survey, and once completed bring the results of the survey to this committee.
9. Option 2 – Take no action at this time (this could leave the Council at risk of legal challenge)

Analysis

10. The results of an unmet demand survey will assist the authority in determining whether or not it can lawfully retain a limit on the number of taxi licences available, and if retained, at what level bearing in mind the need to demonstrate that there is no significant unmet demand. If a significant unmet demand is identified, the recommendations made with regards to how to address this will need to be considered.
11. Due to the complex nature of assessing unmet demand a specialist company with expertise in this area would need to be procured to conduct an independent survey. The results of the survey will be brought before this Committee.
12. If the results of the survey identifies that there is no evidence of significant unmet demand, this will strengthen the Council's position in the event of a legal challenge against having a policy in place that no new taxi licences will be issued in principle or against claims from individuals who may be refused licences.

Council Priorities

13. The provision of hackney carriage and private hire licensing supports the council plan of a prosperous city for all, where local businesses can thrive.

Implications

14. The direct implications arising from this report are:
 - (a) **Financial** – The cost of consultation will be met from existing budgets.
 - (b) **Human Resources (HR)** - There are no HR implications.
 - (c) **Equalities** – There are no equalities implications.
 - (d) **Legal** – Section 16 of the Transport Act 1985 gives local authorities the power to limit the number of taxi licences provided that the local authority is satisfied that there is no significant demand for taxis which is unmet in its area. DfT guidance requires that local authorities which retain quantity controls carry out unmet demand surveys at least every three years to establish if there is any level of unmet demand. Should the Council carry out an unmet demand survey and find no significant unmet demand then it could lawfully retain quantity controls. Council could be at risk of legal challenge if it does not follow the best practice guidance issued by the DfT and undertake an unmet demand survey at least once every three years, so long as it wishes to restrict the number of hackney carriage vehicle licences issued.
 - (e) **Crime and Disorder** – There are no crime and disorder implications.
 - (f) **Information Technology (IT)** - There are no IT implications.
 - (g) **Property** - There are no property implications.
 - (h) **Other** - There are no other implications.

Risk Management

15. By undertaking an unmet demand survey, in line with best practice guidance, will mitigate the risk of legal challenge.

Recommendations

16. That Members approve Option 1 of this report.

Reason: This will allow the Council to undertake an unmet demand survey, in line with best practice guidance issued by the Department for Transport (DfT), in relation to the provision of the hackney carriage service.

Contact Details

Author:	Chief Officer Responsible for the report:		
Lesley Cooke Licensing Manager (01904) 551515	Mike Slater Assistant Director – Planning and Public Protection		
	Report Approved	√	Date 24/01/17
Specialist Implications Officer(s)			
Wards Affected:		All	√
For further information please contact the author of the report			

Background papers

Gambling, Licensing and Regulatory Committee Agenda and Minutes 20 October 2014

<http://democracy.york.gov.uk/ieListDocuments.aspx?CIId=606&MIId=8268&Ver=4>