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## Meeting of Licensing and Regulatory Committee

21<sup>st</sup> May 2008

Report of the Director of Neighbourhood Services

### **IMPLEMENTATION OF CONTROLLED GROWTH POLICY FOR HACKNEY CARRIAGE VEHICLE LICENCES**

#### **Summary**

1. At its meeting on 2 November 2007, this committee resolved to remove the current numeric restriction on the number of hackney carriage vehicle licences issued by the Council and to issue a number of new licences each year until market demand limits the number of licences issued.
2. This report seeks members' approval of a methodology which will produce managed growth from the present position to a market regulated situation. It relates only to motorised hackney carriages.

#### **Background**

3. Following a request from The Department of Transport this Council has undertaken a review of its policy of limiting the number of hackney carriage vehicle licences. This committee resolved at its meeting on 2 November 2007:
  - (i) That a rank queue survey be conducted and repeated at least every two years in order to monitor the level of unmet demand.
  - (ii) Approve Option d, i.e. to issue a limited number of new hackney carriage vehicle licences each year until market demand regulates the number of licences issued but subject to a review after 2 years on the effects of any increase in numbers.
  - (iii) That officers be asked to investigate the availability of taxi vehicles which both meet Euro 4/5 standards and which also achieve low greenhouse gas emission levels.
  - (iv) That any new hackney carriage vehicle licences which may be made available are allocated to vehicles which allow side access for wheelchair users.
  - (v) That officers investigate and report back on options for extending the availability of taxi rank space with particular reference to the city centre.

- (vi) That officers be asked to investigate and report on how the Council can ensure that hackney carriage vehicle licences are retained by local residents and that any rental income which may be charged by vehicle licence owners is ploughed back into improving the quality of the taxi service in York.
- 4. This report seeks to address items (i), (ii) and (vi). The remaining matters will be dealt with in subsequent reports.
- 5. In considering these matters members are reminded that in accordance with existing policies any additional vehicles licensed must be:
  - 1) Wheelchair accessible, side loading.
  - 2) In the newly adopted black livery.
  - 3) Meet Euro IV emission standards.

### **Rank Queue Survey**

- 6. Following the November meeting, Halcrow, one of the UK's largest transport planning consultancies, were contracted to carry out a study of the taxi industry in York. This study was to include a rank survey, public consultation, stakeholder consultation, trade consultation and benchmarking with other authorities. The study report is attached at Annex 1.
- 7. Halcrow conducted rank surveys between 23<sup>rd</sup> February 2008 and 9<sup>th</sup> March 2008.
- 8. Key conclusions of the study are as follows:
  - a) That there is a significant unmet demand for hackney carriage vehicle licences in York.
  - b) That an additional 15 licences are required to meet that demand.
  - c) That the taxi rank in St. Sampson's Square be reinstated.
  - d) That many stakeholders with disabilities stated they often had difficulties obtaining accessible vehicles.
  - e) That a problem exists with the traffic management at the railway station.
- 9. The project manager from Halcrow will be present at the meeting to answer any questions relating to the study.

### **Policy for controlled release of new licences**

10. Members have resolved to issue a number of new vehicle licences each year until market demand regulates numbers subject to a 2 year review (para 3 minute ii.).
11. Members are now required to determine how many licences will be issued and when. Members must note that now an unmet demand has been identified the Council cannot refuse to grant any new application for a vehicle licence until that demand is satisfied.
12. The Halcrow study has indicated from the study of the patent and suppressed (latent) demand that at least a further 15 new vehicle licences are required to meet the current significant unmet demand.
13. Members may also wish to consider growth in demand from the present position to when the next study will be undertaken. They may wish to consider an additional release of licences between now and the next review.
14. It is proposed that there be an initial release of 15 new licences from 1<sup>st</sup> July 2008 and, after the first year, a further 2 licences released every 6 months. Members are also requested to consider increasing the period for subsequent surveys and reviews from 2 years to 3 years. 3 years is considered the market norm for repeat rank queue surveys.
15. This process will be an ongoing process until the market regulates the demand for new licences, i.e. there is no waiting list. It will be subject to review after 2 years (or 3 years if the proposal in the above paragraph is approved) (para 3 minute ii).

### **New Licence Allocation**

16. Since 1996 the Council has operated a waiting list for those who would wish to obtain a new hackney carriage vehicle licence should any be issued in the future. By the nature of the market no vehicle licences have been surrendered so there has been no call upon the waiting list.
17. The waiting list is a points based system designed to give priority to those who have worked in the trade but have not had the opportunity to hold a vehicle licence in their own name. Points are allocated as follows:
18. All applicants – one point for every full month on the list.
19. Holders of a hackney carriage or private hire driver's licence, (except for those who hold or have held a hackney carriage vehicle licence issued by this Council or its former constituent authorities) – one extra point for every full month on the list.

20. Holders of a hackney carriage or private hire driver's licence – one point for every full year in which the driver's licence has been held prior to joining the list or the list being established.
21. There are currently 179 persons on the list.
22. It is proposed that this list be used as a basis for the allocation of any new licences issued. Each application will be considered on its own merits and all applications will be considered and any special circumstances evaluated. There are, however, some operational issues that will need to be addressed.
23. It is proposed that an applicant should have a period of 3 months from receiving the offer to obtain a vehicle licence to putting a vehicle on the road. Any person who has been offered a vehicle licence but fails to take up the offer will not be offered a further opportunity to obtain a vehicle licence for a further 12 months. They will retain the accrued points to that date but will not accrue any additional points within the 12 month period.
24. Having obtained a new vehicle licence the applicant could remain eligible for the issue of another vehicle licence but all accrued points to that date will have been "spent" and s/he would have to start from the bottom of the list.
25. It is recognised that in operating the waiting list system that there may be circumstances that merit special consideration. These will be considered by officers and applicants will be permitted to submit any appeals to members through the Environment Appeals Panel.

### **Retention of licences by local residents (Minute vi para 3)**

26. Members requested that officers investigate how it could be ensured that vehicle licences are retained by local residents.
27. It is not legally possible to restrict the issue of new vehicle licences to local residents. The council had, many years ago, a local residency restriction, which was challenged in the courts and was determined to be unlawful.
28. Of the 179 names on the waiting list 12 do not have York post codes, a further 14 live just outside the city boundary in villages such as Stamford Bridge, Cawood and Easingwold. The majority of potential licence holders live in or around the city.
29. Section 49 of the Local Government (Miscellaneous Provisions) Act 1976 permits the transfer of a vehicle licence with subsequent notification to the licensing authority. This is the route by which existing vehicle licences are traded.

The Council is not in a position to lawfully interfere with this legal right.

## **Consultation**

30. Extensive consultation was reported in the November 2007 report to this committee on the principal of delimitation which informed members' decision as stated in paragraph 3 of this report.
31. This committee report has been copied to the hackney carriage trade representative body the York Taxi Association (YTA) and the private hire organisation the York Private Hire Association (YPHA).
32. Proposals from the YTA received after the November 2007 meeting are attached at Annex 2 of this report.

## **Options**

33. The proposals set out in this report to produce and implement a policy for the issue of new hackney carriage vehicle licences are numerous but can be considered as follows:-

### **Policy for release of new licences**

Option 1 - Apply the policy as set out in paragraph 14 of this report.

Option 2 - Apply some other policy for the release of new vehicle licences.

Option 3 - Take no further action and grant no new vehicle licences.

Option 4 - Delimit completely.

### **Methodology to determine recipients of new vehicle licences**

Option 5 - Utilise the waiting list in the manner set out in paragraphs 16 to 25.

Option 6 - Utilise the waiting list but apply alternative criteria.

Option 7 - Do not use the waiting list as a means to release new vehicle licences but apply some other selection method such as a random selection (lucky dip).

## **Analysis**

34. This is a complex issue with competing pressures from those in the trade that currently have the benefit of a vehicle licence and those that do not, the needs of the customer, the recommendations of the government and our local situation.
35. The proposals set out in this report, i.e. Option 1, represent officers views on obtaining a balanced approach that will deliver members objectives as set out in the approved minutes, be as fair as possible to all parties and would be deemed as reasonable in any examination by a court of law.

36. Option 3, taking no further action, would be unlawful as an unmet demand has been identified. The Council could not refuse to grant any application received until the unmet demand has been met.
37. Members may wish to reconsider total delimitation, i.e. the granting of all applications for vehicle licences that are received. This option has been previously considered and would result in an uncontrolled release of many vehicles onto the roads leading to possible rank congestion and problems for the trade with business viability until the market settles.
38. The use of the waiting list as a basis for licence allocation has the support of the taxi industry. A random selection of applications does not reward those who have served the local taxi trade over many years.

### **Corporate Priorities**

39. An efficient, high quality, accessible taxi service will reduce the dependence on the private car for short journeys in and around the city contributing to making York a sustainable city.
40. Taxis also remain the key transport out of the city late at night. The safe transportation out of the city of those enjoying the late night economy contributes significantly to the reduction of crime, disorder and anti social behaviour making York a safer city.

### **Implications**

#### **Financial**

41. There are no direct financial implications to this report. Costs associated with taxi licensing are directly recovered through licence fees.

#### **Human Resources (HR)**

42. There are no Human Resources implications.

#### **Equalities**

43. Increasing the proportion of accessible taxis will assist those dependant on a wheelchair for mobility.

#### **Legal**

44. The legal implications have been outlined in this report save to say that there are two potential avenues of legal challenge: an aggrieved party could seek judicial review of the committee's decision, and applicants on the waiting list could appeal to the Crown Court against the refusal of a licence.

### **Crime and Disorder**

45. None.

### **Information Technology (IT)**

46. There are no Information Technology implications.

### **Property**

47. There are no property implications.

### **Other**

48. There are no other implications.

### **Risk Management**

49. Potential risks in implementing the recommendations of this report are those of legal challenge. It is essential that all recommendations are lawful and are reasonable. Legal advice has been taken in making the recommendations which are deemed to meet that criteria.

### **Recommendations**

50. Members of the Licensing and Regulatory Committee are asked to:
1. Approve option 1 with regard to the release of new hackney carriage licences.  
  
Reason: The proposed policy achieves a managed approach to meeting members stated objectives which is deemed to be fair and reasonable.
  2. Approve option 5 with regard to the allocation of new hackney carriage vehicle licences.  
  
Reason: The waiting list has been in existence for 11years and has general approval of the trade. The additional operational criteria are considered to be reasonable in meeting members stated objectives.

## Contact Details

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Report Approved

Date 1<sup>st</sup> May 2008

### Specialist Implications Officer(s)

#### Legal

Quentin Baker  
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551004

### Wards Affected:

All

For further information please contact the author of the report.

### Background Papers:

Report To Licensing and Regulatory Committee 2 November 2007

### Annex

Annex 1 – Halcrow Report

Annex 2 – Proposals from York Taxi Association