

Licensing & Regulatory Committee

13 July 2026

Report from the Director Environment and Regulatory Services

Unmet Demand Survey

Summary

1. This report asks Members to consider the findings of a recent survey on any unmet demand for the services of hackney carriages in the City of York, and to determine whether or not to continue restricting the number of hackney carriage licences issued at the current level (190). For the avoidance of doubt, this report concerns the number of hackney carriage vehicle licences issued; it does not concern the number of any other licences including private hire vehicle licences.

Recommendations

2. That Members consider Best Practice Guidance issued by the Department for Transport and the findings of the unmet demand survey to determine that there is no significant unmet demand for hackney carriages in the city, and leave the existing Taxi Licensing policy unchanged i.e. restricting the number of hackney carriage vehicle licences issued to 190.

Reason: To continue to lawfully restrict the number of hackney carriage vehicle licences issued by the council.

Background

Legal Requirements and Department for Transport Best Practice Guidance

3. 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 demand for taxi services which is unmet in its area.

4. Department for Transport (DfT) Best Practice Guidance, updated on 17 November 2023, advises that local licensing authorities *do not* impose quantity restrictions. However, it acknowledges that some authorities see the benefit of restricting numbers and where restrictions are imposed, the Guidance recommends authorities consider this matter at least every 5 years. The Guidance also asks Local Licensing Authorities to consider the benefits or disadvantages to the travelling public (users of taxis) from having quantity restrictions in place; and what the benefits or disadvantages would result for the public if the quantity restrictions were removed.

Benefits of Quantity Restrictions

5. Due to the geography of York the benefits relate to helping to manage congestion around the city centre, preventing over ranking at the limited number of designated rank spaces available and preventing unofficial ranks being formed.

Disadvantages of Quantity Restrictions

6. There are also disadvantages when restricting the number of taxi licences issued. In most cases where quantity restrictions are imposed, vehicle licences command a premium, often in tens of thousands of pounds; this is the case in York. This indicates that there are people who want to enter the taxi market and provide a service to the public, but who are being prevented from doing so by the quantity restrictions. This is also demonstrated by the fact that in York we have a waiting list of people wanting a taxi licence. That said, the fact that there are three licences available for wheelchair accessible, low emission hackney carriage vehicles indicates that the wait (and value) is for licences that are *not* required to meet this criteria such as diesel saloon cars.

The current position

7. As stated above, the Council currently restricts (regulates) the number of taxi licences issued. The restrictions are 190 licensed vehicles, of which 55 are wheelchair accessible (by condition of licence).
8. At this time, there are 187 Hackney Carriage vehicles licensed (allocated) of which 52 are wheelchair accessible (by condition of licence). Three existing licences are available with the conditions that the vehicle is wheelchair accessible and meets the low emissions criteria set within the Taxi Licensing Policy.

9. 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.

Unmet demand survey

10. The purpose of the unmet demand survey is to establish whether there is any evidence of significant unmet demand for taxi services in York and if any unmet demand is found to recommend how many licences would be required to meet this.
11. The last survey was carried out in 2022. At that time the survey identified that there was an unmet demand for taxis in York – although it was not significant - and the council increased the number of licences issued to 190 from 183. There were also three unallocated licences at the time.
12. Licensed Vehicle Surveys and Assessment (LVSA) were engaged to undertake the latest independent survey. They conducted a rank observation survey during September 2025. During the survey, they observed some 5,076 vehicles departing the ranks, no passengers were observed who used wheelchairs.
13. It should be noted that the rank survey was conducted the week after the return of the university students in York. The consensus view from the trade and stakeholders was that this generates normal levels of demand for taxis. This is reflected within LVSA report.
14. This survey has identified that there is no evidence of significant unmet demand for taxis in York. A full copy of the survey can be found at Annex 1. A representative from LVSA will be present at the meeting to answer any questions relating to the survey.

Consultation

15. As part of their work, LVSA conducted a public attitude survey. A questionnaire was published online to offer the general public an opportunity to provide views on licensed vehicles service provisions. A total of 123 responses were received from members of the public. Survey results are detailed in Section 4 of LVSA report.

16. LVSA also complied with the DfT guidelines and consulted key stakeholders:

- Supermarkets
- Hotels
- Individual pubs / nightclubs
- Other entertainment venues
- Restaurants
- Hospitals
- Police
- Disability representatives
- Rail operators
- Other council contacts within all relevant local councils

17. Stakeholders were contacted by telephone, email or letter. Responses received are detailed in Section 5 of LVSA report.

Options

18. Option 1 – Determine that there is no significant unmet demand for hackney carriages in the city and continue to apply the existing policy i.e restrict the number of licences issued to the current level (190). This is maintaining the status quo.

19. Option 2 – Determine that there is no significant demand for hackney carriage licences in the city but instruct officers to undertake a further consultation with stakeholders and the public as to whether the existing policy of restricting the number of taxi licences should be amended. For example to remove the quantity restrictions, or change to a new limit (increase or decrease) with officers reporting back to Members at the earliest opportunity with the results of the consultation and further recommendation.

20. Please note that in the event of determining that there is a significant unmet demand, the restriction on the number of hackney carriage licences issued must be lifted and licences allocated to anyone who applies.

Analysis

21. The table below details the number of taxi and private hire vehicles licences issued by other authorities in the area, and whether the authority restricts the number of taxi licences issued.

	Restrict	Don't Restrict	Taxis	PH vehicles	% of licensed fleet taxis
North Yorkshire		√	636	836	43%
York	√		190	401	32%
Bradford	√		213	4078	5%
Calderdale	√ inner zone	√ outer zone	117	1575	6.9%
Kirklees	√		213	2063	9%
Leeds	√		537	3914	12%
Wakefield	√		102	1000	9%

22. The council has appointed 13 taxi ranks, 11 of which are within the vicinity of the city centre:

Rank Location	Rank Operating Times	No. of Cars
Duncombe Place	Fulltime	10
St Leonard's Place	Fulltime	4
St Saviourgate – Rank A	Fulltime	12
St Saviourgate – Rank B (feeder)	Fulltime	4
The Crescent	Fulltime	1
Tower Street	Fulltime	3
Clifford Street (Kuda side)	Midnight – 6.00 am	4
Clifford Street (opposite side to Kuda)	Midnight – 6.00 am	4
Micklegate (outside Jalou)	Midnight – 6.00 am	5
Toft Green (opposite Fibbers)	Midnight – 6.00 am	3
Exhibition Square	8.00 pm – 6.00 am	3
Piccadilly	11.00 am – 6.00 am	2
St Sampson's Square	8.00 pm – 6.00 am	8

23. The two ranks outside of the city centre are located at:

Rank Location	Rank Operating Times	No. of Cars
Clifton Moor Cinema	Fulltime	3
York Racecourse (race days only)		12

24. A new rank for three vehicles (evenings and race days) is currently planned to be implemented on Blossom Street within the next few months. This rank replaces the Queen Street rank which was removed during the gateway development.

25. The rank located at the Railway Station is a private rank and is outside of the control of the council.
26. As part of the rank observation LVSA recorded 5076 vehicles departing from ranks.
27. The busiest appointed ranks are Duncombe Place and St Saviourgate. Peak activity on St Saviourgate rank was on the Saturday evening during the hour beginning 20:00. Peak activity on Duncombe Place rank was on a Saturday evening at 89 hires per hour.
28. As part of the public attitude survey, 123 respondents indicated their most commonly used type of licensed vehicle transport use was private hire vehicles. However, with respect to hackney carriages, the most common method of hiring hackney carriages was at ranks, rather than by prebooking.
29. Some disabled travellers found it difficult to get in and out of larger (wheelchair accessible) hackney carriages, owing to height above ground. Generally, wheelchair passengers found that there were wheelchair accessible licensed vehicles available to book, when they needed them.
30. Compared with results of previous surveys in York and results of similar surveys elsewhere in the UK, the level of service provided to disabled users seems to have improved in York and be better in York than other UK locations. Feedback from disabled representatives indicated that there have been initiatives to improve the connection (communication) with and access to wheelchair accessible licensed vehicles. It appears that wheelchair users now have more confidence to book travel in advance, than they had in the past.
31. Some other responses received from stakeholders were as follows:
 - Supermarkets – Staff at the supermarkets were not aware of any issues with service.
 - Police - Feedback from the police indicated that whilst there were periods late on Saturday nights when people would gather, owing to limited supply of licensed vehicles, it wasn't generally an issue they felt needed to be addressed.

- Hotels – Feedback from hotels was generally positive, with no known issues with availability. Generally, hotel guests arranged their own transport.
- Public houses – Some feedback was received from licenced premises. All who responded felt that there were generally sufficient licensed vehicles available to cope with demand from customers. However, late on Saturday nights there could be some delays for passengers waiting for pre-booked licensed vehicles.
- Disability groups – Feedback was received from representatives of elderly and mobility impaired groups, including care homes. The availability of wheelchair accessible transport was generally found to be adequate for day to day needs. Those who required wheelchair accessible vehicles were generally able to obtain one when they needed one.
- Rail and other transport operators – No issues were raised by bus operators. Railway Station staff felt that it was rare that there were no hackney carriages available on the station rank to meet arriving passengers. However, they did point out that the feeder area was further away from the rank than normal, owing to the works underway at the station. This relocation could occasionally lead to delays to the hackney carriages getting to the rank. Sometimes, private cars would pull on to the taxi rank area in front of the station entrance, rather than the roadway designated for other vehicles.
- Businesses – it was felt that availability was generally good, with occasions when passengers had to wait at busy times. The drivers and vehicles were generally well regarded and were generally good ambassadors for York.

32. Some responses from trade stakeholders were as follows:

- Feedback indicated a perception that rank trade has been affected by increasing use of pre-booked hires of licensed vehicles. Whilst it was busy at night on weekdays and weekends in the past, nowadays, only Saturday nights are busy nights.
- There was a consensus of opinion amongst the trade objecting to lack of daytime access to the city centre during the daytime. This may be considered to be the area between the ranks on Duncombe Place and St Saviourgate.

- Around a third of licensed vehicle drivers had regular clients who required the use of wheelchairs.
- Around three quarters of hackney carriage drivers worked primarily from the ranks, with the remainder working primarily on pre-booked hires, either public facing or contract/corporate hires. Very few hackney carriage drivers didn't undertake any rank-based hires at all.

Option 1

33. This option will maintain the current situation as it stands. A further unmet demand survey would be conducted in 2030. No changes would be required to the current Taxi Licensing Policy.
34. On the basis of the evidence gathered in the unmet demand survey, there is no evidence of any significant unmet demand. The Committee is therefore able to exercise its discretion to retain the current vehicle limit policy and maintain it at the present level. In the event of a legal challenge to a decision to refuse a licence, the LVSA survey provides the evidence base for the Council's decision that it is satisfied that there is no significant unmet demand. If Members decide to recommend to keep the current level of licences at 190 then the Council would be required to commission a further survey to assess demand in around 5 years time.

Option 2

35. Deregulating the number of taxi licences issued or increasing the current limit would be considered to be changes to the current Taxi Licensing Policy and would require further consultation on the specific considerations. Therefore, should Members be minded to consider option 2, they can only do so following further consultation and so should instruct officers to carry out a consultation to inform any further recommendations on the options for the issuing of taxi licences before bringing back the results for a decision. If Members were considering an increase in the number of licences, the consultation would ordinarily include the type of vehicle that would be licensed and that the waiting list is the correct method to allocate new licences. Final approval of your recommendation to approve changes to the Taxi Licensing Policy would have to be given by Full Council. Providing that there is no significant unmet demand, if members are minded to review the existing policy, the current policy would remain in place until the decision to amend is made.

Council Priorities

36. 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

37. The direct implications arising from this report are:

- (a) **Financial** – The existing taxi budget is forecast on the existing position.
- (b) **Human Resources (HR)** - There are no HR implications.
- (c) **Equalities** –An equality impact assessment has been undertaken and can be found at Annex 2.
- Legal** – Section 16 of the Transport Act 1985 gives local authorities the power to limit the number of hackney carriage 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 five 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 may lawfully retain quantity controls. The Council could be at risk of legal challenge if it does not follow the best practice guidance. In the event of a challenge to a decision to refuse a licence, the Council would have to establish that it had, reasonably, been satisfied that there was no significant unmet demand.
- (d) **Crime and Disorder** – There are no crime and disorder implications.
- (e) **Information Technology (IT)** - There are no IT implications.
- (f) **Property** - There are no property implications.
- (g) **Other** - There are no other implications.

Risk Management

48. By undertaking an unmet demand survey, in line with best practice guidance, the risk of legal challenge is mitigated.

Contact Details

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	Report Approved	√	Date	03/07/2026
Specialist Implications Officer(s) Sandra Branigan Senior Solicitor Ext: 1040				
Wards Affected:			All	√
For further information please contact the author of the report				

Background papers

City of York Council's Taxi Licensing Policy (the Policy)

<https://www.york.gov.uk/downloads/file/137/hackney-carriage-and-private-hire-licensing-policy-november-2024>

Department for Transport – Taxi and Private Hire Vehicle Best Practice Guidance

<https://www.gov.uk/government/publications/taxi-and-private-hire-vehicle-licensing-best-practice-guidance>

Annex 1 – Hackney Carriage Unmet Demand Survey

Annex 2 – Equality Impact assessment