

CAMBRIDGE CITY COUNCIL

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TO: Licensing Committee

20 March 2017

WARDS: All

PROCUREMENT AND IMPLEMENTATION OF A HACKNEY CARRIAGE DEMAND SURVEY

1 INTRODUCTION

- 1.1 In January 2015 Licensing Committee resolved to limit the amount of Hackney Carriage Vehicles (HCV) following results of a taxi demand survey, conducted in 2014, that concluded there was no significant unmet demand in the city.
- 1.2 Government guidance recommends that the maximum reasonable period between surveys is three years.
- 1.3 The commissioning of a new demand survey, to determine whether a significant unmet demand continues to exist in the city, is therefore advised.
- 1.4 In 2001 a policy was introduced that all new HCV would have to be wheelchair accessible except those vehicles that were on plates 1 – 121, this policy was reviewed when the last demand survey was carried out, and the findings from the demand survey were primarily around drivers attitudes towards disabled users rather than the number of these type of vehicles
- 1.5 The Law Commissions final report on Taxi and Private Hire Services (published May 2014) recommends that the accessibility review should be conducted every 3 years.

2. RECOMMENDATIONS

- 2.1 Members are asked to instruct officers to procure and implement a new Hackney Carriage Demand Survey to determine whether a significant unmet demand continues to exist in the City, and to bring the results and recommendations to Licensing Committee in January 2018.
- 2.2 Members are asked to instruct officers as part of the demand survey, to review the accessibility policy in relation to the Hackney Carriage Vehicles and to bring the results and recommendations to Licensing Committee in January 2018.

3. BACKGROUND

- 3.1 Section 16 of the Transport Act 1985 (which amends Section 37 of the Town Police Clauses Act 1847) allows Licensing Authorities to limit the number of HCV licences issued, but only provided it ensures that there is no significant unmet demand for taxis in their licensing authority area.
- 3.2 In January 2015 Licensing Committee was presented with a committee report outlining the results of the taxi demand survey completed by CTS in 2014. However some of the survey was carried out in 2012, but due to lack of engagement with the trade a conclusion at that time could not be made. The final report 2014 concluded that there was no significant unmet taxi demand in Cambridge.
- 3.3 Informed by the report Licensing Committee was satisfied that there was no significant demand for hackney carriages in the city which is unmet. A decision was therefore made to introduce a limit on the number of HCV licences which may be issued.
- 3.4 The following reasons to introduce a limit on the number of HCV licences were given:
 - Public safety
 - Congestion and air pollution
 - Over-ranking
 - To allow the development of the trade
- 3.5 The limit was set at the levels licensed at the time, including those applications awaiting processing, totalling 317, with immediate effect.

It was agreed it would be difficult to lower the number of licences as they could not be taken away from individuals. The number would only reduce when a licence had expired, and not been renewed, or revoked, until the set limit had been met. To set a higher limit would not meet the objectives of the Committee; it was therefore decided that the current number of licences would allow the Committee to meet the objectives that had been agreed.

- 3.6 The eventual limit number became 321; however, the total number of HCV licences is currently 327. This is because six extra licences were granted as applicants could prove they had already bought a new vehicle and it was deemed unfair to refuse them the grant of a licence.
- 3.7 As of February 2017 there were 153 Private Hire Vehicles licensed with Cambridge City Council.
- 3.8 An 'Expression of Interest' list was set up the following the committee decision where by persons could be added to a waiting list should the number of Hackney Carriage Vehicles fall below 321. In May 2015 the waiting list was closed due to there being over 100 expressions of interest submitted.
- 3.9 Paragraph 49 of The Department for Transport's 'Taxi and Private Hire Vehicle Licensing: Best Practice Guidance' (March 2010) states:
- "If a local authority does nonetheless take the view that a quantity restriction can be justified in principle, there remains the question of the level at which it should be set, bearing in mind the need to demonstrate that there is no significant unmet demand. This issue is usually addressed by means of a survey; it will be necessary for the local licensing authority to carry out a survey sufficiently frequently to be able to respond to any challenge to the satisfaction of a court. An interval of three years is commonly regarded as the maximum reasonable period between surveys"*
- 3.10 In addition, the Law Commission's final report on 'Taxi and Private Hire Services' (published May 2014) recommends that limits should be reviewed every three years and be subject to local consultation. The report also advised that an accessibility review should be conducted at three-yearly intervals.
- 3.11 It would therefore appear in the interests of the Council to commission a taxi demand survey as it has been three years since the last survey was conducted.

- 3.12 The procurement of a contractor to conduct the survey will be subject to the standard corporate procurement process. The survey will be financed by the Hackney Carriage trade with a maximum budget estimated of £12,000.

The contract will be awarded on the basis of the most advantageous bid, in accordance with the following criteria:

- Price
- Method Statement for carrying out the work & quality of the proposal (e.g. quality of example questionnaires)
- Availability to commence the survey

- 3.13 When commissioning a demand survey the Council will need to agree with the contractor what methodology will be used and the parameters to be investigated.

- 3.14 As a guide, the Department for Transport has set out a list of 'Useful questions when assessing quantity controls of taxi licences' in Annex A of its March 2010 Best Practice Guidance document. These questions fall into three categories:

- Questions relating to the policy of controlling numbers
- Questions relating to setting the number of taxi licences
- Questions relating to consultation and other public transport service provision

A copy of the questions is attached as Appendix A.

- 3.15 The 2012/14 demand survey used several investigation techniques, which included as follows: rank surveys; public consultations; stakeholder consultations; and consultation with the taxi trade.
- 3.16 The commissioning of a taxi demand survey presents the opportunity to explore particular elements of the demand for HCVs. An example of this could be to review the quantity of Wheelchair Accessible Vehicles (WAVs) following the Law Commission's recommendations relating to a three-yearly accessibility review.
- 3.17 The current 'Taxi and Private Hire Licensing Policy' adopted in October 2016 stipulates that all new HCV licences can only be granted to WAVs. As of January 2017 65% of the Hackney Carriage Vehicle fleet are wheelchair accessible.

- 3.18 The Commercial and Licensing Team has, within the last three months, received at least two comments from members of the public that they find the number of WAVs excessive. Their circumstances related to the difficulty of getting into a WAV, which require a step up into the vehicle, and their preference for saloon, estate and hatchback vehicles, which do not.
- 3.19 Members may therefore wish to instruct officers for the demand survey to review the provision of WAVs in the city.
- 3.20 Members may also wish to have regard to the Council's Air Quality Management Plan (AQMP).
For example, the Council has agreed a 10 year plan with the aim of the entire Hackney Carriage fleet becoming either electric or hybrid type with the aim of reducing pollution levels in the city

Several options and bids are being looked at, which include:

- Creating a 'clear air zone' in the city centre banning or imposing restrictions on the driver of non-electric and hybrid HCVs and Private Hire Vehicles
 - Providing a significantly discounted licence fee for proprietors of electric and hybrid vehicles
- 3.21 Members may therefore wish to consider the aims and objectives of the AQMP and how this could shape the methodology to be employed when conducting a demand survey and the provisions of WAV in the City.
- 3.22 Members should also be advised that there is no requirement to undertake a demand survey in order to delimit the number of HCV licences, however it is strongly recommended and a consultation must be conducted. However, any increase or decrease in the set limit of HCV licences should be supported by evidence.

4. OPTIONS

- 4.1 The Committee may resolve to:
- a) Instruct officers to procure a contractor to conduct a Hackney Carriage Demand Survey in 2017 in include a review of the accessibility policy; or
 - b) Instruct officers to procure a contract to conduct a Hackney Carriage Demand Survey in 2017 only and not a review of the accessibility policy

- c) Instruct officers not to procure a contractor and thus not commission a Hackney Carriage Demand Survey or a review of the accessibility policy
- 4.2 If members pick option a) or b) then the results of the survey will be due to be presented at the January 2018 meeting of the Licensing Committee, to ascertain whether there exists a significant unmet demand for taxis in Cambridge
- 4.3 If members pick option c) then they must be satisfied that the decision to not allow commissioning of a demand survey to ascertain whether there exists a significant unmet demand for taxis in Cambridge could withstand challenge.

5. IMPLICATIONS

(a) Financial Implications

The survey will be financed by the Hackney Carriage trade; there is a maximum budget of £12,000 available.

(b) Staffing Implications

If members resolve for the survey to go ahead then the work involved would be absorbed by existing staff resources.

(c) Equal Opportunities Implications

The results of the demand survey and accessibility review will be subject to an equalities impact assessment and will form part of the committee report presented to Licensing Committee in January 2018

(d) Environmental Implications

The results of the accessibility review will have an impact as to whether the air quality action plan is achievable

(e) Procurement

The corporate procurement rules will be following in discussion with the procurement team

(f) Consultation and communication

Nil.

- (g) **Community Safety**
Nil.

APPENDICES

Appendix A – ‘Useful questions when assessing quantity controls of taxi licences’ (*Department for Transport – Taxi and Private Hire Vehicle Licensing: Best Practice Guidance March 2010*)

The author and contact officer for queries on the report is Alex Beebe on X7723.

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