

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF ECONOMIC GROWTH & NEIGHBOURHOOD SERVICES

TO:	LICENSING APPLICATIONS COMMITTEE		
DATE:	11 JUNE 2019	AGENDA ITEM:	5
TITLE:	REVIEW OF HACKNEY CARRIAGE UNMET DEMAND SURVEY RESULTS		
LEAD COUNCILLOR:	CLLR PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT PLANNING & TRANSPORT
SERVICE:	PLANNING DEVELOPMENT & REGULATORY SERVICES	WARDS:	BOROUGHWIDE
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1. PURPOSE OF REPORT EXECUTIVE SUMMARY

- 1.1 This report presents the outcome of the Unmet Demand Survey which was carried out by LVSA Traffic Consultants in October 2018, with the final report being received in April 2019.
- 1.2 Based on the results, officers have set out recommendations for this Committee to consider. Officers recommend that the Committee notes that the results indicate that there is currently no significant unmet demand for hackney carriages and that the current policy of not issuing any additional hackney carriage vehicle licences is retained, pending a review in Autumn 2022.

2. RECOMMENDED ACTION

- 2.1 That the results of the unmet demand survey states that there is currently no significant unmet demand for hackney carriages in the Reading rank based market be noted;
- 2.2 That retaining the current policy of not issuing any further hackney carriage licences, pending another review due in late 2022 or consider other options as outlined by officers be considered.

3. POLICY CONTEXT

- 3.1 The Town Police Clauses Act 1847, as amended by the Transport Act 1985, enables Councils to restrict the number of hackney carriage licences issued in their area, but only if they are satisfied that there is no significant unmet demand for hackney carriage services. In order to be satisfied that there is no significant unmet demand a survey must be carried out, at least every three years.
- 3.2 Prior to 1998 the number of hackney carriages in Reading was limited to 122. This was increased in 1998 by 16, bringing the number of licences to 138. In 2005 a further 15 licences were issued, bringing the total to 153.
- 3.3 In November 2003 the Office of Fair Trading (OFT) published a market study into the regulation of hackney carriages and private hire vehicles in the UK. The OFT recommended that local authorities should lose their powers to restrict the number of hackney carriage licences issued because they considered that such restrictions can:
 - a) reduce the availability of hackney carriages
 - b) increase waiting times for consumers
 - c) reduce choice and safety for consumers
 - d) restrict those wanting to set up a hackney carriage business
- 3.4 Following the OFT report the Government published an Action Plan making it clear that the Government believed restrictions should only be retained where it is shown to be a clear benefit for the consumer, and that Councils should publicly justify their reasons for the retention of restrictions and how decisions on numbers had been reached. The Government considers that unless a specific case can be made, it is not in the interests of consumers for market entry to be refused to those who meet the application criteria. However, the Government also makes clear in the Action Plan that Local Authorities remain best placed to determine local transport needs and to make the decisions about them in the light of local circumstances.
- 3.5 In October 2006, the Department for Transport published their "Taxi and Private Hire Vehicle Licensing Best Practice Guidance". This Guidance supports the view that an approach of not imposing quantity restrictions constitutes best practice.
- 3.6 From April 2007 to March 2009, the number of HC's licensed by the Council increased by 40% from 153 to 216 vehicles.
- 3.7 In March 2009, as a result of the increase in numbers of vehicles and down turn in the economy, members resolved not to issue any further licences in respect of Hackney Carriage Vehicles and instructed officers to carry out an unmet demand survey.
- 3.8 In February 2010, members reviewed both the results of the unmet demand survey and Hackney Carriage quantity control Policy. Members resolved to retain the

policy of not issuing any further Hackney Carriage vehicle licences pending a further review in spring 2012.

- 3.9 In March 2010, the Department for Transport published its latest “Taxi and Private Hire Vehicle Licensing Best Practice Guidance”. This Guidance continued to support the view that an approach of not imposing quantity restrictions constitutes best practice.
- 3.10 In October 2012 and October 2015 an unmet demand survey was carried out, the results of which were presented to members in a report in February 2013 and February 2016. In each case, members of the committee considered the results of the survey and reviewed the impact of the policy in place which limited the number of hackney carriages for the previous 3 years. They considered whether it was appropriate for the policy approach to remain in place. Members resolved that restriction on hackney carriage vehicle licences be retained.

4. Current Position

- 4.1 During the summer of 2018 LVSA Traffic consultants were recruited to carry out a survey to determine if any unmet demand existed within the borough of Reading for Hackney Carriage Vehicles.
- 4.2 The full report detailing the study is attached as Appendix I.

5. Options Proposed

- 5.1 Following a review of the survey carried out by LVSA, it is officers’ view that there is currently a good supply of hackney carriage vehicles in Reading. The results of the recently completed unmet demand survey demonstrated this to be the case as there has been no growth in passenger numbers since the last survey. The south side ranks located at the rail station are still the main source of work for the hackney carriage trade. The provision of rank space on the north of the station continues to be under used and is unlikely to be fully used by vehicles or passengers for a number of years.
- 5.2 There is also an increase in customers who report the use of phone apps to book their taxi rather than use a taxi rank bringing more work to the Private Hire trade.
- 5.3 The report highlighted some areas of taxi provision which could be changed as follows:
- Removal of ranks that are not used.
 - Provision of taxi ranks on the south side of the station remains limited due to the removal of the old bus station. If any additional Hackney Carriage vehicles were plated, they would require additional spaces to rank in the station area.
 - During non-peak times there are many hackney carriages waiting at ranks for customers. This has caused disruption to other road users.
- 5.4 Emissions from HCVs continues to be an issue in the town centre. There are ongoing discussions with officers and the RTA as to how to deal with this issue. A

separate report with proposals will follow shortly, detailing strategies to manage this issue.

6. CONTRIBUTION TO STRATEGIC AIMS

6.1 This report supports the following objectives in the corporate plan:

- Securing the economic success of Reading
- Keeping Reading's environment, clean, green and safe

6.2 The report contributes to the Council's strategic aims as follows:

- To Develop Reading as a Green City with a sustainable environment and economy at the heart of the Thames Valley by ensuring the number of taxis is limited and regulated.

7. EQUALITY IMPACT ASSESSMENT

7.1 An Equality Impact Assessment is not relevant to this decision. The licensing of hackney carriage vehicles provides an adequate, safe and efficient service to the residents and visitors of the Borough. Hackney Carriage Vehicles are wheelchair accessible and therefore increases the ability of disabled consumers to utilise taxi services.

8. COMMUNITY ENGAGEMENT AND INFORMATION

8.1 In considering whether it is appropriate to issue additional hackney carriage licences, formal consultation with those affected by any proposal has taken place, including the taxi and private hire trades, the public and other interested parties.

9. LEGAL IMPLICATIONS

9.1 Section 37 of the Town Police Clauses Act 1847, as amended by section 16 of the Transport Act 1985, enables Councils to licence taxis and to restrict the number of taxi licences issued only if they are satisfied that there is no significant unmet demand for taxi services in their area.

9.2 Any person aggrieved by the Council's refusal to grant a hackney carriage licence may appeal to the Crown Court.

10. FINANCIAL IMPLICATIONS

10.1 In the event of an appeal, the Council will have to bear the costs of defending their decision.

10.2 If, as is proposed, a limiting approach to the issue of hackney carriage licences were maintained a survey costing in the region of £12,000 would have to be undertaken every 3 years. The next survey would need to be undertaken in late 2021.

11. BACKGROUND PAPERS

Department for Transport Taxi and Private Hire Vehicle Licensing Best Practice Guidance. Published March 2010