LVSA

Reading

Taxi survey

April 2019

Executive Summary

This Taxi survey has been undertaken on behalf of Reading Borough Council following the guidance of the April 2010 DfT Best Practice Guidance document, and all relevant case history in regard to unmet demand. This Executive Summary draws together key points from the main report that are needed to allow a committee to determine from the facts presented their current position in regard to the policy of limiting hackney carriage vehicle licences according to Section 16 of the 1985 Transport Act. It is a summary of the main report which follows and should not be relied upon solely to justify any decisions of a committee but must be read in conjunction with the full report below.

Since re-applying the limit on hackney carriage vehicle numbers after a survey in 2009, the licensing area has undertaken regular 3-yearly reviews of the level of unmet demand in line with DfT best practice. Neither the 2012 nor 2015 surveys identified any unmet demand that was significant. The current survey mirrors work undertaken in the first two surveys to provide a robust review of demand at 2018. Both operator and private hire vehicle numbers have reduced since the last survey, whilst hackney carriage driver numbers have for some reason increased.

A review of the industry structure found 39% of hackney carriage drivers are dependent on renting or sharing a vehicle, with a much lower number of vehicles available for pure hire putting the emphasis on shared vehicle usage. However, this double and triple shifting does raise the availability level of the hackney carriage fleet which is a benefit to customers and tends to reduce over-ranking by getting the most out of the current fleet.

Only minor change has occurred in terms of rank operation, with some revision of the operation of the feeder to the Horseshoe rank, and the changing of two little used ranks to formal rest ranks. The night rank near Headmasters has been given further feeder spaces, also available as a direct rank before the main section is available for use.

The current survey suggests reduced usage of hackney carriages at ranks since the last survey of some 14%. However, the proportion of trips made from the station ranks had increased, with much more use now being made of the two new ranks than in past surveys. Other central area ranks saw significant reductions although patronage of the Gun Street night facility as well as the hospital rank have increased. Both hackney carriage and private hire have increased their usage of 'apps' since the last survey, which may have accounted for some of the reduction in rank-based usage.

Levels of unmet demand were very low, with just 4% of all passengers observed actually experiencing a delay of a minute or more at a rank. Even the harsher statistic of people travelling in hours with any average passenger delay is only 15% of all passengers. Some average passenger delay was a result of 'thin' demand, with just five hours seeing average passenger delay resulting from high demand in that hour.

The fleet was found to be very active during our sample tests of activity levels although the highest observed proportion of the fleet out in any single period did not exceed 39%. This confirms there is a wide provision of service covering a good range of ranks across the City.

The public claimed increased levels of recent usage of licensed vehicles, up from 2015 but still lower than in the two previous surveys. Trips per person were 1.1 for all licensed vehicles and 0.4 for hackney carriages, not particularly high compared to some areas. Hackney carriage visibility and actual usage appeared to have increased with no-one telling us they could not remember when they last used a hackney carriage. This seems consistent with the decreased rank usage being partly accounted for by increased use of apps to get vehicles rather than waiting at ranks. This was further confirmed by the proportion hailing having increased, with the first mention in a survey of app usage suggesting 10% got their licensed vehicles by this method.

However, other checks suggested that people related 'apps' more to private hire than hackney carriage, with many that used the hackney carriage app thinking this was a normal method of getting a hackney carriage rather than it being something separate.

Rank knowledge was fair if somewhat confused at the Station. Actual usage compared to knowledge was very high. The service found high satisfaction levels across the board. Latent demand was low. Unusually, people were keen to see electric vehicles and some were willing to pay more to use them.

Key stakeholders had positive views of the service, although there were some detailed concerns provided about practical issues by the Access Officer.

Trade concern related to the high level of competition. The support for the current limit was high, with clear views that this remained in the public interest and prevented issues from traffic congestion that might arise were there more vehicles provided.

Most elements of the index of significance of unmet demand have improved in favour of better service to the public, apart from a marginal increase in average passenger waiting times that again may be a symptom of increased 'app' usage of hackney carriages. The current index at 3.31 is the lowest recorded apart from in 2012 when there was no off-peak waiting by passengers at all that resulted in the index being zero.

The Committee can readily retain the current policy of limiting vehicle numbers and do so at the present level. This decision could also be readily defended if needed.

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1 General introduction and background

Reading Borough Council is responsible for the licensing of hackney carriage and private hire vehicles operating within the Council area and is the licensing authority for this complete area. Further details of the local application of Section 16 of the 1985 Transport Act with regard to limiting hackney carriage vehicle numbers is provided in further Chapters of this report. Hackney carriage vehicle licences are the only part of licensing where such a stipulation occurs and there is no legal means by which either private hire vehicle numbers, private hire or hackney carriage driver numbers, or the number of private hire operators can be limited.

This review of current policy is based on the Best Practice Guidance produced by the Department for Transport in April 2010 (BPG). It seeks to provide information to the licensing authority to meet section 16 of the Transport Act 1985 "that the grant of a hackney carriage vehicle licence may be refused if, but only if, the licensing authority is satisfied that there is no significant demand for the services of hackney carriages within its local area, which is unmet." This terminology is typically shortened to "no SUD".

Current hackney carriage, private hire and operator licensing is undertaken within the legal frameworks first set by the Town Polices Clause Act 1847 (TPCA), amended and supplemented by various following legislation including the Transport Act 1985, Section 16 in regard to hackney carriage vehicle limits, and by the Local Government Miscellaneous Provisions Act 1976 with reference to private hire vehicles and operations. This latter Act saw application of regulation to the then growing private hire sector which had not been previously part of the TPCA. Many of the aspects of these laws have been tested and refined by other more recent legislation and more importantly through case law.

Beyond legislation, the experience of the person in the street tends to see both hackney carriage and private hire vehicles both as 'taxis' – a term we will try for the sake of clarity to use only in its generic sense within the report. We will use the term 'licensed vehicle' to refer to both hackney carriage and private hire.

The legislation around licensed vehicles and their drivers has been the subject of many attempts at review. The limiting of hackney carriage vehicle numbers has been a particular concern as it is often considered to be a restrictive practice and against natural economic trends. The current BPG in fact says "most local licensing authorities do not impose quantity restrictions, the Department regards that as best practice". The three most recent reviews were by the Office of Fair Trading in 2003, through the production of the BPG in 2010, and the Law Commission review which published its results in 2014.

None of these resulted in any material change to the legislation involved in licensing. Details of the results of the All-Party Parliamentary Group review are provided below. Other groups have provided their comment, but the upshot remains no change in legislation from that already stated above.

With respect to the principal subject of this survey, local authorities retain the right to restrict the number of hackney carriage vehicle licenses. The Law Commission conclusion included retention of the power to limit hackney carriage vehicle numbers but utilizing a public interest test determined by the Secretary of State. It also suggested the three-year horizon also be used for rank reviews and accessibility reviews. However, there is currently no expected date either for publication of the Government response to the Law Commission, nor indeed any plans for revisions to legislation.

A more recent restriction, often applied to areas where there is no 'quantity' control felt to exist per-se, is that of 'quality control'. This is often a pseudonym for a restriction that any new hackney carriage vehicle licence must be for a wheel chair accessible vehicle, of various kinds as determined locally. In many places this implies a restricted number of saloon style hackney carriage licences are available, which often are given 'grandfather' rights to remain as saloon style.

Within this quality restriction, there are various levels of strength of the types of vehicles allowed. The tightest restriction, now only retained by a few authorities only allows 'London' style wheel chair accessible vehicles, restricted to those with a 25-foot turning circle, and at the present time principally the LTI Tx, the Mercedes Vito special edition with steerable rear axle, and the Metrocab (no longer produced). Others allow a wider range of van style conversions in their wheel chair accessible fleet, whilst some go as far as also allowing rear-loading conversions. Given the additional price of these vehicles, this often implies a restriction on entry to the hackney carriage trade.

Some authorities do not allow vehicles which appear to be hackney carriage, i.e. mainly the London style vehicles, to be within the private hire fleet, whilst others do allow wheel chair vehicles. The most usual method of distinguishing between hackney carriages and private hire is a 'Taxi' roof sign on the vehicle, although again some areas do allow roof signs on private hire as long as they do not say 'Taxi', some turn those signs at right angles, whilst others apply liveries, mainly to hackney carriage fleets, but sometimes also to private hire fleets.

After introduction of the 1985 Transport Act, Leeds University Institute for Transport Studies developed a tool by which unmet demand could be evaluated and a determination made if this was significant or not. The tool was taken forward and developed as more studies were undertaken. Over time this 'index of significance of unmet demand' (ISUD) became accepted as an industry standard tool to be used for this purpose. Some revisions have been made following the few but specific court cases where various parties have challenged the policy of retaining a limit.

Some of the application has differed between Scottish and English authority's. This is mainly due to some court cases in Scotland taking interpretation of the duty of the licensing authority further than is usual in England and Wales, requiring current knowledge of the status of unmet demand at all times, rather than just at the snap-shot taken every three years. However, the three year survey horizon has become generally accepted given the advice of the BPG and most locations that review regularly do within that timescale.

The DfT asked in writing in 2004 for all licensing authorities with quantity restrictions to review them, publish their justification by March 2005, and then review at least every three years since then. In due course, this led to a summary of the government guidance which was last updated in England and Wales in 2010 (but more recently in Scotland).

The BPG in 2010 also provided additional suggestions of how these surveys should be undertaken, albeit in general but fairly extensive terms. A key encouragement within the BPG is that "an interval of three years is commonly regarded as the maximum reasonable period between surveys". BPG suggests key points in consideration are passenger waiting times at ranks, for street hailings and telephone bookings, latent and peaked demand, wide consultation and publication of "all the evidence gathered".

The most recent changes in legislation regarding licensed vehicles have been enactment of the parts of the Equality Act related to guidance dogs (sections 168 to 171, enacted in October 2010), the two clauses of the Deregulation Act which were successful in proceeding, relating to length of period each license covers and to allowing operators to transfer work across borders (enacted in October 2015), and most recently enactment of Sections 165 and 167 of the Equality Act, albeit on a permissive basis (see below).

In November 2016, the DfT undertook a consultation regarding enacting Sections 167 and 165 of the Equality Act. These allow for all vehicles capable of carrying a wheel chair to be placed on a list by the local council (section 167). Any driver using a vehicle on this list then has a duty under section 165 to:

- Carry the passenger while in the wheel chair
- Not make any additional charge for doing so
- If the passenger chooses to sit in a passenger seat to carry the wheel chair
- To take such steps as are necessary to ensure that the passenger is carried in safety and reasonable comfort
- To give the passenger such mobility assistance as is reasonably required

This was enacted from April 2017. There remains no confirmation of any timetable for instigating either the remainder of the Equality Act or the Law Commission recommendations, or for the update of the BPG.

In respect to case law impinging on unmet demand, the two most recent cases were in 1987 and 2002. The first case (R v Great Yarmouth) concluded authorities must consider the view of significant unmet demand as a whole, not condescending to detailed consideration of the position in every limited area, i.e. to consider significance of unmet demand over the area as a whole.

R v Castle Point considered the issue of latent, or preferably termed, suppressed demand consideration. This clarified that this element relates only to the element which is measurable. Measurable suppressed demand includes inappropriately met demand (taken by private hire vehicles in situations legally hackney carriage opportunities) or those forced to use less satisfactory methods to get home (principally walking, i.e. those observed to walk away from rank locations).

In general, industry standards suggest (but specifically do not mandate in any way) that the determination of conclusions about significance of unmet demand should take into account the practicability of improving the standard of service through the increase of supply of vehicles. It is also felt important to have consistent treatment of authorities as well as for the same authority over time, although apart from the general guidance of the BPG there is no clear stipulations as to what this means in reality, and certainly no mandatory nor significant court guidance in this regard.

During September 2018 the All-Party Parliamentary Group on taxis produced its long-awaited Final Report. There was a generally accepted call for revision to taxi licensing legislation and practice, including encouragement for local authorities to move towards some of the practical suggestions made within the Report. However, the Report has no legislative backing and the key conclusion was that the Government needed to act firstly to revise the 2010 BPG but then to move to revisions to primary legislation as soon as practicable.

Despite some opposition from members of the group, the right to retain limits on hackney carriage vehicle numbers was supported, with many also supporting adding a tool which would allow private hire numbers to be limited where appropriate, given reasonable explanation of the expected public interest gains.

In conclusion, the present legislation in England and Wales sees public fare-paying passenger carrying vehicles firstly split by passenger capacity. All vehicles able to carry nine or more passengers are dealt with under national public service vehicle licensing. Local licensing authorities only have jurisdiction over vehicles carrying eight or less passengers. Further, the jurisdiction focusses on the vehicles, drivers and operators but rarely extends to the physical infrastructure these use (principally ranks).

The vehicles are split between hackney carriages which are alone able to wait at ranks or pick up people in the streets without a booking, and private hire who can only be used with a booking made through an operator. If any passenger uses a private hire vehicle without such a properly made booking, they are not generally considered to be insured for their journey.

Drivers can either be split between ability to drive either hackney carriage or private hire, or be 'dual', allowed to drive either kind of vehicle. Whilst a private hire driver can only take bookings via an operator, with the 'triple-lock' applying that the vehicle, driver and operator must all be with the same authority, a hackney carriage driver can accept bookings on-street or by phone without the same stipulation required for private hire.

Recent legislation needing clarification has some operators believing they can use vehicles from any authority as long as they are legally licensed as private hire. At first, under the 'Stockton' case, this was hackney carriages operating as private hire in other areas (cross-border hiring). More recently, under the Deregulation Act, private hire companies are able to subcontract bookings to other companies in other areas if they are unable to fulfil their booking, but the interpretation of this has become quite wide.

The 'triple lock' licensing rule has also become accepted. A vehicle, driver and operator must all be under the same licensing authority to provide full protection to the passenger. However, it is also accepted that a customer can call any private hire company anywhere to provide their transport although many would not realise that if there was an issue it would be hard for a local authority to follow this up unless the triple lock was in place by the vehicle used and was for the area the customer contacted licensing.

Further, introduction of recent methods of obtaining vehicles, principally using 'apps' on mobile phones have also led to confusion as to how 'apps' usage sits with present legislation. All these matters can impact on hackney carriage services, their usage, and therefore on unmet demand and its significance.

2 Local background and context

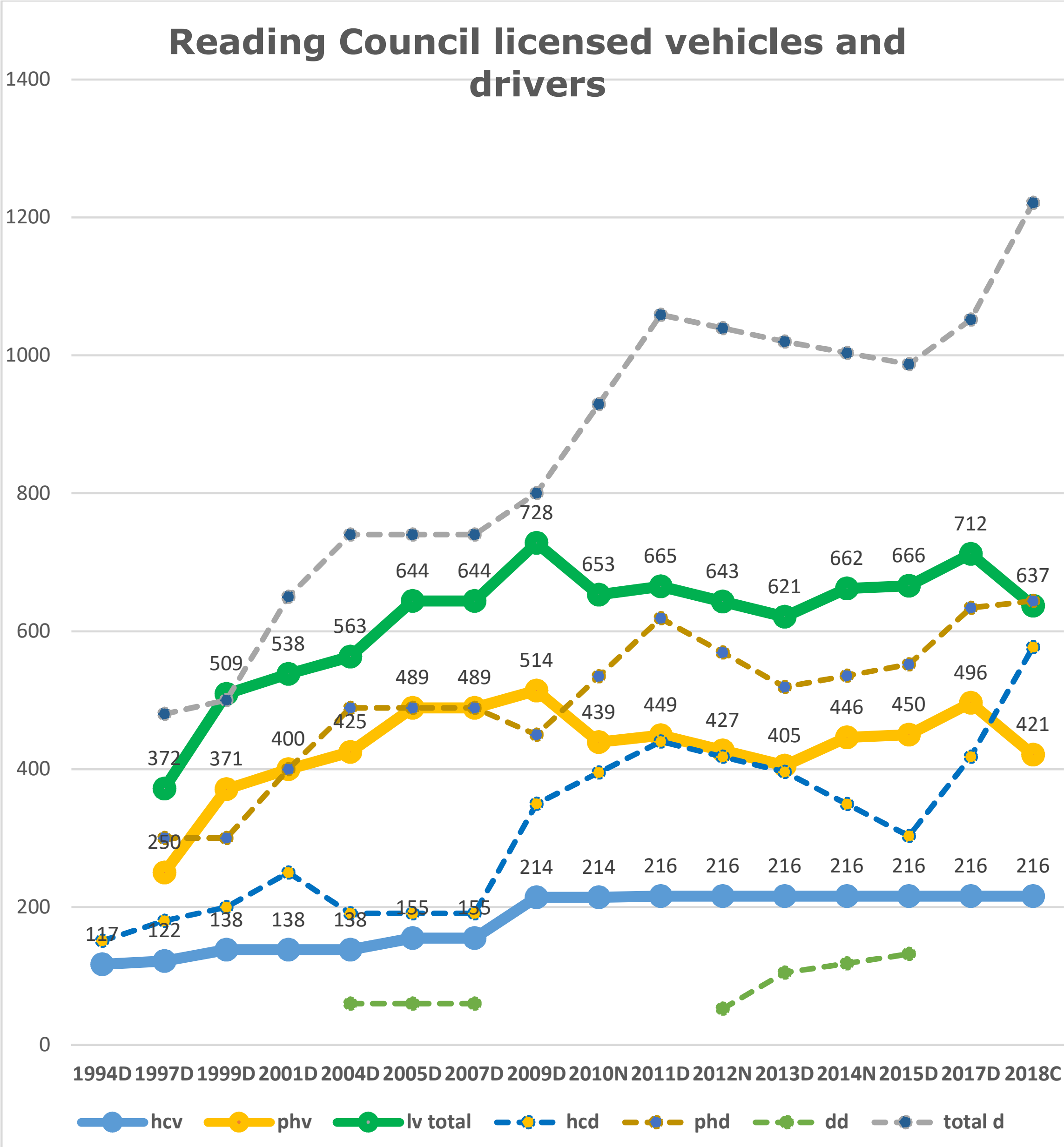
Key dates for this Taxi survey for Reading are:

- appointed Licensed Vehicle Surveys and Assessment (LVSA) on 15th May 2018
- in accordance with our proposal of February 2018
- as confirmed during the inception meeting for the survey held on 3 July 2018
- this survey was carried out between July 2018 and February 2019
- On street pedestrian survey work occurred in October 2018
- the video rank observations occurred in October 2018
- Licensed vehicle driver opinions and operating practices were obtained during our inception trade meeting and rank tour
- Key stakeholders were consulted throughout the period of the survey
- A draft of this Final Report was reviewed by the client during March 2019
- and reported to the appropriate Council committee following that date.

Reading Borough Council is one of six unitary authorities within the former Berkshire county area. The authority has a current population of 166,100 using the 2018 estimates currently available from the 2011 census. In terms of rank provision, all ranks are provided by the Council itself which is the local highway authority. There is just one private rank within the area on shopping centre land. All three rail station ranks remain on council land even following the redevelopment of the station. Although there was a time between the last survey and now when there was a question regarding the main Horseshoe rank, and access to it, this is now back to the status it had during the last survey, and is likely to remain thus for the foreseeable future.

Reading has chosen to utilize its power to limit hackney carriage vehicle numbers, although it removed its restriction in April 2007 but returned the limit in March 2009 after a further survey. Surveys in 2012 and 2015 both found the levels of unmet demand were not significant and no requirement existed for any new plate introduction, whilst retention of the limit policy remained possible given the conclusions of no significant unmet demand in the area. Another key fact is that Reading has long held a policy that all hackney carriages must be wheel chair accessible, and essentially London-style.

By drawing together published statistics from both the Department for Transport (D) and the National Private Hire Association (N), supplemented by private information from the licensing authority records (C), recent trends in vehicle, driver and operator numbers can be observed. The detailed numbers supporting the picture below are provided in Appendix 1. Due to the comparative size, the operator figures are shown in the second picture.

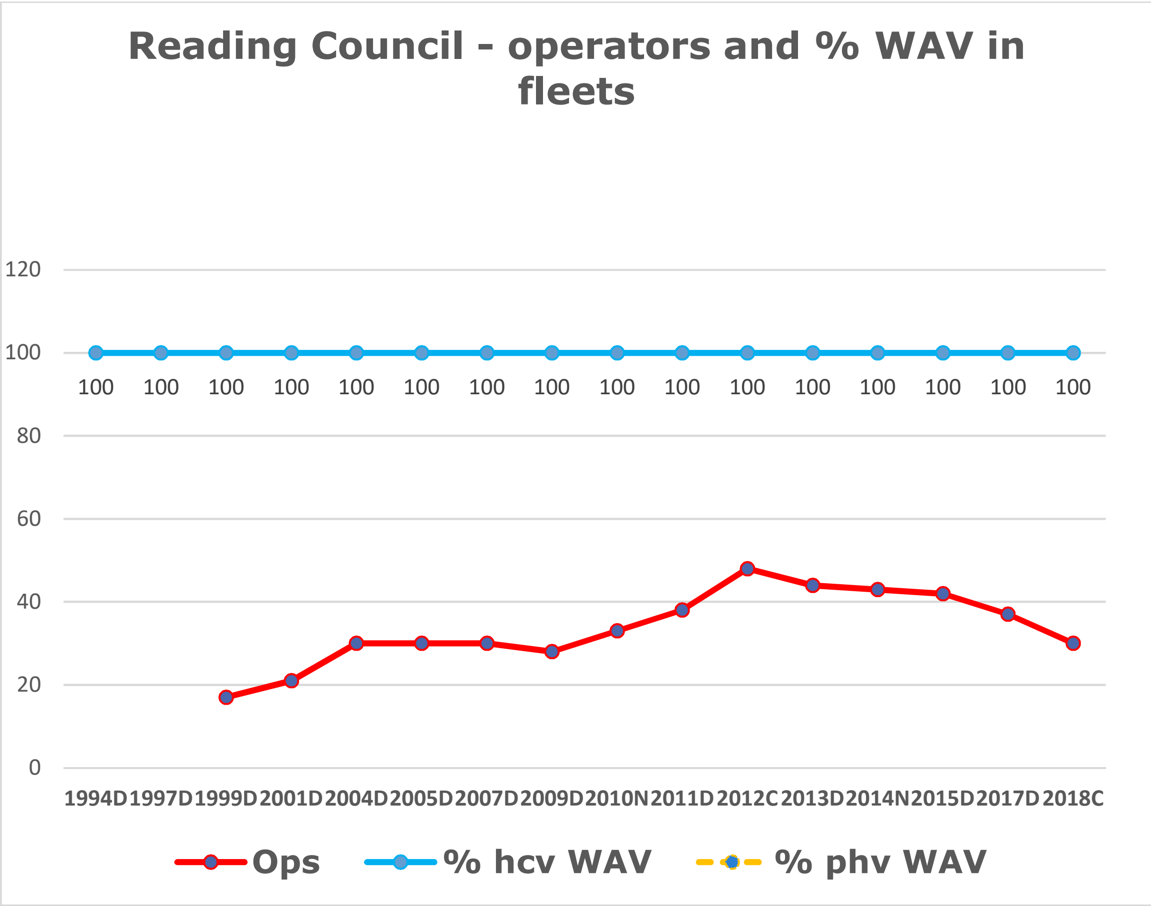


Licensing Statistics from 1994 to date

The graph shows how vehicle numbers were gradually increased up until the limit was removed, with a sharp increase to almost the current level of 216 was set after the 2009 review and reintroduction of the limit. Interestingly, the period when anyone could have a hackney carriage, as long as it met the current vehicle criteria which were fairly stringent, saw private hire numbers also grow strongly. Their levels have never been as high since that point, with a general increase up to 2017 and more recent decline. This may be due to some vehicles transferring to operate in the area but from other licensing areas.

Hackney carriage drivers, and to a lesser extent private hire, have seen growth over the last three years, with present hackney carriage driver numbers almost equal to those of the private hire sector despite the number of vehicles remaining the same. Further discussion of driver, owner and vehicle numbers is provided below.

Information is also available from these sources to show how the level of wheel chair accessible vehicles (WAV) has varied. It must be noted that in most cases the values for the private hire side tend to be much more approximate than those on the hackney carriage side, as there is no option to mandate for private hire being wheel chair accessible. In some areas, to strengthen the ability of the public to differentiate between the two parts of the licensed vehicle trade, licensing authorities might not allow any WAV in the private hire fleet at all.



Operator numbers and levels of WAV provision in the fleet

For Reading, the hackney carriage fleet has been fully wheel chair accessible, principally using mainly vehicles also accepted by TfL, for a long period of time. There are a very small number of wheel chair accessible vehicles in the private hire fleet although the actual numbers are not confirmed.

Most private hire operators with need for such vehicles are understood to have arrangements with relevant hackney carriages in order to meet their customer requirements in this regard.

In line with the reduction in vehicle numbers, operator numbers have also appeared to be reducing in the more recent years. Again there could be some transfer to other authorities although essentially the issue relates to the relative strength of the hackney carriage trade and other issues with respect to the restricted access for private hire to the central area.

Reading undertakes regular review of its policy to limit hackney carriage vehicle numbers in line with the BPG. The previous surveys were in 2015, 2012 and 2009, before which as already noted there had been a brief spell of no limit on hackney carriage vehicle numbers.

Fleet profile

Details of the current hackney carriage vehicle, owner and driver information were reviewed. The database provided contained 216 hackney carriage vehicles and 439 hackney carriage drivers (now increased to 577). There are a total of 200 different owners of the hackney carriages. Of these, 29 do not appear to have a driving licence and the remaining 171 are who do have a driving licence. Of these owner-drivers, two have an extra two vehicles they own and seven have one extra vehicle. In total this provides 45 hackney carriage vehicles whose owner is unable to drive it.

There are some 268 drivers who do not own their own vehicle, 39% of the total number of people with hackney carriage driver licences. They need to rely either on the 45 directly available vehicles, or sharing a vehicle with someone who can drive their own vehicle. Even if all vehicles are made available for hire, this still implies that there are either some non-drivers or alternatively there is some triple-shifting of vehicles. The standard driver ratio is 2.03 giving all equal share of the 216 vehicles, but this has to be modified by the fact that 79% of all vehicles have an owner that can drive that vehicle.

This suggests the vehicle renting market is almost certainly very complex, focussing more on vehicle sharing than direct rent of fully available vehicles. However, this does imply each hackney carriage is very likely to be highly utilised, which maximises the availability to the public.

3 Patent demand measurement (rank surveys)

As already recorded in Chapter 2, control of provision of on-street ranks in Reading is under the jurisdiction of the Borough Council, which is the local highway authority as well as being the licensing authority. Appendix 2 provides a list of ranks in Reading at the time of this current survey.

Our methodology involves a current review both in advance of submitting our proposal to undertake this Taxi survey and at the study inception meeting, together with site visits where considered necessary. This provides a valid and appropriate sample of rank coverage which is important to feed the numeric evaluation of the level of unmet demand, and its significance (see discussion in Chapter 7). The detailed specification of the hours included in the sample is provided in Appendix 3.

For this survey, a tour around the current rank provision was undertaken with trade representatives following the inception meeting. This identified no significant change in rank provision but a number of operational differences from 2015.

A key operational change has been that the Bridge Street and Oxford Road ranks have both been designated 'rest ranks' where vehicles can wait but principally for the purposes of driver safety rather than acting as places that passengers can join the vehicles.

The King Street rank has now formally been removed, and Blagrave Street was not reinstated following the road works in that area.

The night rank in St Mary's Butts has seen revision. The main section that operates outside Headmasters from 23:00 onwards is now supplemented by another section on the opposite side of the road which operates from 20:00 onwards. We were advised that vehicles serve this rank facing northwards from start of service until the point at which the main rank is available. At this time, the new rank becomes the feeder, but operating southbound, with vehicles u-turning to service the main rank northbound. When both ranks are full (capacity is informally 12 vehicles), some vehicles wait facing southbound to the north of the adjacent junction. This is not a formal rank but has been accepted as reasonable by the local police.

At the time of the survey, the head of the Yield Hall Place rank was immediately over the bridge on the council section of the road, with one or two vehicles able to wait there. Proposals were in place to modify this arrangement with extra street furniture and layout revisions, but one vehicle would still remain in this location with the feeder rank on private land, but with no additional permit or other requirement on vehicles using that space.

The Horseshoe and Station West ranks also now operated differently. At Station West there are two lanes in the main part of the rank. The outer lane is for vehicles servicing the Station West rank. The inner lane is for any vehicle waiting to move on to the Horseshoe location. All vehicles for the Horseshoe must pass through this location before moving on to service the head of the rank, or before waiting in the reduced number of spaces in Garrard Street.

Overall survey results

The observations from the rank surveys were analysed and overall estimates produced for an average weekly level of demand at each rank. To validate this information and understand current levels of usage against those from the past, information from the previous surveys has been included. The overall results are shown in the table below, whilst detailed results by hour and rank are contained in Appendix 4.

Rank	Passengers per week 2018 survey	% of total	Passengers per week 2015 survey (% of total)	Passengers per week, 2012 survey (% of total)	Passengers per week 2009 survey
Horseshoe	10,584	42%	11,719 (40%)	15,830 (59%)	-69%
Station West	3,217	13%	1,553 (5%)	n/a	n/a
Station North	2,296	9%	2,507 (8%)	n/a	n/a
(all station)	***16,097***	***64%***	***15,779 [53%]***	***15,830 [59%]***	***[69%]***
Pitcher and Piano	2,588	10%	4,018 (14%)	3,472 (13%)	
Headmasters	1,840	7%	2,418 (8%)	620 (2.25%)	
Quicksilver	1,695	7%	2,289 (8%)	1,010 (4%)	
Gun Street	915	4%	414 (1.1%)	1,854 (7%)	
Oracle and Yield Hall Place (private) feeder	752	3%	2,397 (8%)	132 (0.5%)	
Station Road	564	2%	1,057 (4%)	2,223 (8.3%)	-27%
Royal Berkshire Hospital	410	2%	264 (1%)		
St Mary's Butts 24-hr	361	1%	342 (1%)	12 (0.05%)	
Casino	35	0.1%	67 (0.2%)		
Minster Street (for 2018 see Gun St above)			18 (0.1%)		
Oracle Feeder (for 2018 see Oracle rank above)			13 (0.0%)	1,057 (4.3%)	
Bridge St (rest rank only 2018)			268 (1%)	344 (1.3%)	
Oxford Rd	Gone		125 (0.4%)	84 (0.3%)	
King Street	Gone		48 (0.2%)		
Total est weekly demand	***25,255***		***29,516***	***26,638***	***17,600***
Growth from previous	***-14%***		***11%***	***51%***	***n/a***
Growth from 2009	***43%***		***68%***	***51%***	***n/a***

Since the last survey, overall usage of hackney carriage ranks in Reading has reduced by around 14%. However, this still remains 43% higher than the low values identified in the 2009 survey. We were advised that there had been issues with rail services at the London end which affected levels of passengers during Thursday 11th October, which may reduce the difference a little but not necessarily that much. The total passenger flow through all three station ranks over the survey period actually increased, with the Station West rank seeing an almost doubling in flows since the last survey. It now has 13% of all demand during this survey compared to 5% in 2015. The Horseshoe remains the dominant rank both at the station and in the full set of ranks. It has even slightly increased its share to 42%. For this survey, the station ranks took 64% of total estimated weekly demand.

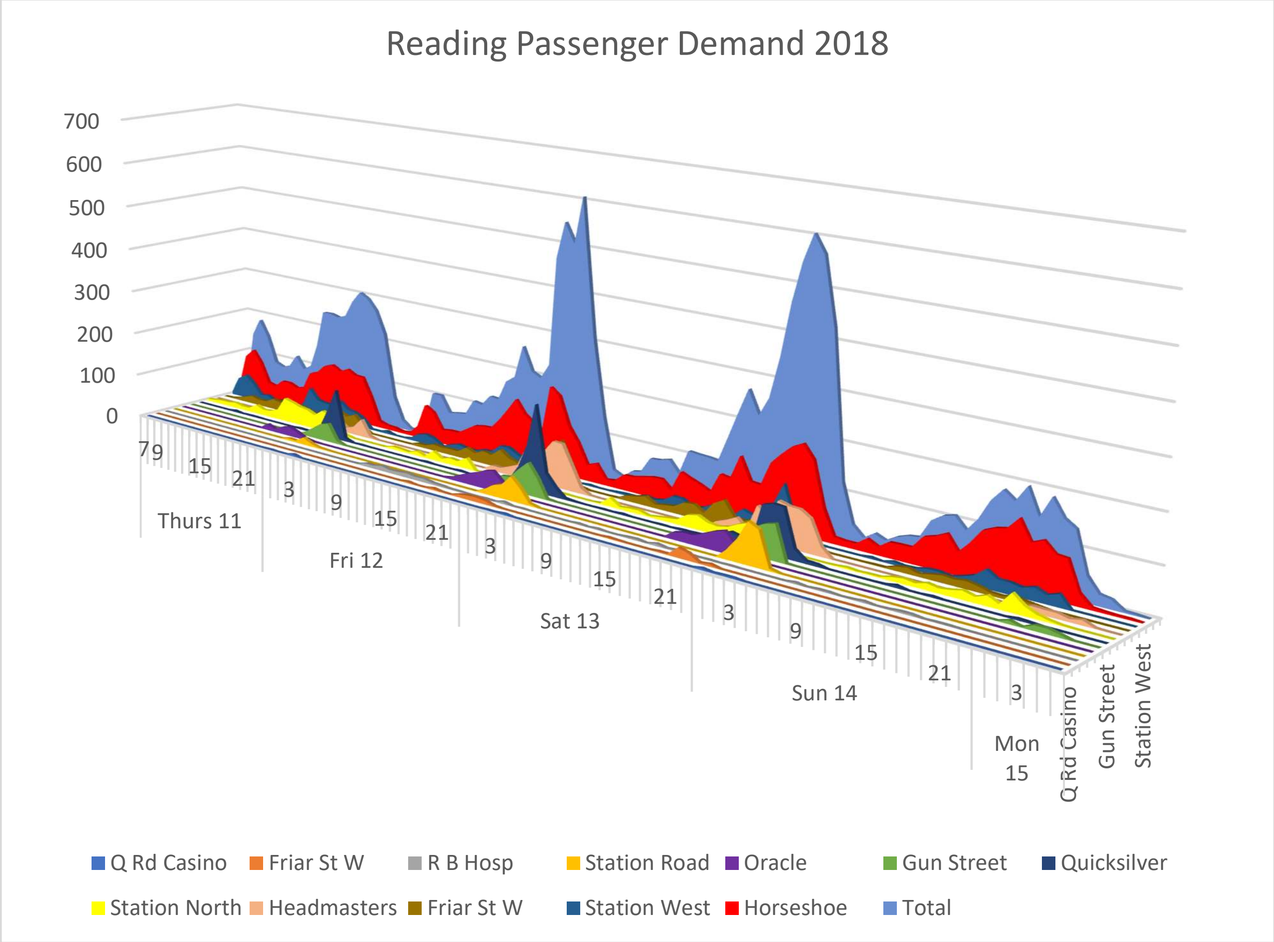
The Pitcher and Piano (Friar St West) rank is now the third busiest rank, but has lost patronage and share since the last survey. Quicksilver and Headmasters ranks retain similar levels of usage, and both have also slightly reduced in both demand and their share (both now 7% rather than 8% in 2015). Gun Street, however, has seen more than doubling of flow and now sees 4% of passenger demand compared to 1.1% in 2015. The Oracle rank has reduced significantly in usage as has Station Road and the Casino rank.

However, the hospital rank seems to have increased in usage, although this may be a result of undertaking longer survey hours at this location to obtain more accurate weekly estimated flows. The 24-hour St Mary's Butts rank has effectively maintained its small level of demand and share of patronage. It is not clear where the flows from the ranks that are either closed or now used as rest ranks have moved to, or if they have been lost to the hackney carriage trade. Their contribution to overall demand was in any case low.

Given the recent changes in the economy, with continuing uncertainty, the changes in usage of hackney carriages at ranks seem to be reasonable. Further, they need to be seen in context of the introduction of two 'app' style operations to the hackney carriage fleet since the 2015 survey. There has also been an increase in the level of non-hackney 'app' operations in the area since that time.

Contribution of individual ranks over time

The separate rank demand by hour was plotted for the survey period to demonstrate how each separate rank contributed to the total demand for each hour. With the extensive level of surveys undertaken, this picture is comprehensive for the days covered.



The most notable feature of the graph is the two very high peak flows occurring both on the Friday and the Saturday nights. Whilst these are at about the same maximum level, the actual peak is in the early hours of Saturday morning, whilst the early hours of Sunday morning see the peak more sustained, but peaking an hour earlier. The graph also shows that this peak comprises peaks at a minimum of six different locations all contributing to the total. This makes the meeting of such demand more difficult as it requires vehicles at each different location.

The graph also clearly shows the dominance of the Horseshoe rank whilst most of the other ranks also contribute well to the overall total passenger service in the central area. The hospital rank is mainly a daytime location whereas most other ranks appear to service longer time periods unless they are just night only.

Whilst Sunday is clearly a much quieter day, mainly dominated by the Horseshoe demand and the other two station locations, it is not far behind Thursday in terms of overall levels of rank usage. Friday and Saturday daytimes both see growth from morning to the late night peaks, although Thursday seems to see a more sustained overall level of demand for a longer period than other days.

Incidence of passenger delay

From all the information gathered, totalling some 734 hours of observations across all operational ranks in Reading, there were just 17, or 2%, of hours when there was an average passenger delay in that hour of a minute or more. A further 13% of hours saw average passenger delays less than a minute. This means that 85% of all passengers travelled in hours when there was no delay at all. To further clarify the number of people affected, just 4% of all passengers experienced an actual wait of a minute or more. There were only 18 people in total who experienced waits of 11 minutes or more. These were concentrated in three hours – two of which were in the early hours at the Horseshoe rank.

The top six worst hours for delay all occurred when overall passenger flows were low, with a further seven of the top 17 hours of delay also seeing such low flows. This results in unmet demand, but arising from 'thin' passenger demand. Just five hours resulted from high passenger demand. Three of these occurred at the Horseshoe rank.

The lower levels of delay, resulting in average passenger delays less than a minute, were from various ranks at various times of the day with no particularly obvious pattern emerging.

Overall, the average passenger delay over all observed passengers during our survey period was just 0.3 minutes, or 18 seconds, which is minimal.

Review of activity level for hackney carriage vehicles

For this survey, as was undertaken three years ago, a review was undertaken of the level of activity of all hackney carriage vehicles during the days of the rank survey. Samples were collected on the Thursday and Friday of the survey, with the Thursday also identifying overall waiting times for vehicles servicing the Horseshoe rank from the feeder at Station West.

The Thursday saw typical waits from arriving at Station West feeder to leaving the Horseshoe of 40 minutes during the 10:00 to 11:00 period. This reduced to between one and five minutes for the next half hour to 11:30. The next sample found typical waiting times of five or six minutes from 13:00 to 13:30 but again reducing for 13:30 to 14:30 to between two and five minutes.

The final sample found longer waits again between 16:30 and 17:30, between 15 and 25 minutes, but in the final half hour after 17:30 the typical wait reduced to between two and eight minutes. This demonstrates a range of wait times which are not always predictable given different train loadings and impact of rail delays that can occur at any time.

In the equivalent test in 2015, waiting times on average were 24 minutes for the morning, 20 for the early afternoon and 24 for the late afternoon, suggesting a lengthening of waiting times in the early period, but a significant reduction for the early afternoon (which may have been due to the rail disruption that occurred and we understand gave many hackney carriages longer trips, reducing supply to the rank later).

For this 2018 Thursday sample, over the three periods some 39% of the entire hackney carriage fleet was observed. The proportion was highest in the evening period, some 27%, and lowest for the morning sample (10%) and between the two for the afternoon sample (16%).

A further test was undertaken using all vehicles observed in this period. All those not included in the station through were either seen only at the feeder (and possibly therefore servicing Station West directly), or at the Horseshoe (and most likely dropping off passengers). For this sample, slightly more vehicles were observed, 42% across the three periods, with a similar pattern of split through the day apart from that the morning sample saw 19% of all plates.

The Friday set of observations covered a total of 9.5 hours at three different locations between 14:00 and 03:00 the next morning. In terms of proportions of the fleet observed, the level was 16% for the 14:00 to 15:30 period, rising to 20% for 16:00 to 17:30, then 17% for both the next two periods of 18:30 to 20:00 and 20:30 to 22:00, rising to the peak of 23% out between 22:30 and midnight. Levels of vehicles observed then dropped to 17% in the hour from 00:30 on and 5% from 02:00 onwards.

When all the data was put together, over the Thursday and Friday samples some 93% of the total fleet was observed, a high level of activity, although it must be noted that no period saw more than 39% of the fleet, although this would be partly suppressed by the range of locations the fleet would be serving across the town centre. This was higher than the 90% in 2012 across three days and more than the level observed on the Thursday and Friday in 2015.

Summary

The general picture of service to ranks in Reading is of a wide service provided generally promptly across all ranks in the central area. Some severe peaks do occur, but the trade seemed well-placed and organised to meet the overall demand requirements of the area.

4 General public views

It is very important that the views of people within the area are obtained about the service provided by hackney carriage and private hire. A key element which these surveys seek to discover is specifically if people have given up waiting for hackney carriages at ranks (the most readily available measure of latent demand). However, the opportunity is also taken with these surveys to identify the overall usage and views of hackney carriage and private hire vehicles within the study area, and to give chance for people to identify current issues and factors which may encourage them to use licensed vehicles more.

Such surveys can also be key in identifying variation of demand for licensed vehicles across an area, particularly if there are significant areas of potential demand without ranks, albeit in the context that many areas do not have places apart from their central area with sufficient demand to justify hackney carriages waiting at ranks.

These surveys tend to be undertaken during the daytime period when more people are available, and when survey staff safety can be guaranteed. Further, interviews with groups of people or with those affected by alcohol consumption may not necessarily provide accurate responses, despite the potential value in speaking with people more likely to use hackney carriages at times of higher demand and then more likely unmet demand. Where possible, extension of interviews to the early evening may capture some of this group, as well as some studies where careful choice of night samples can be undertaken.

Our basic methodology requires a sample size of at least 200 to ensure stable responses. Trained and experienced interviewers are also important as this ensures respondents are guided through the questions carefully and consistently. A minimum sample of 50 interviews is generally possible by a trained interviewer in a day meaning that sample sizes are best incremented by 50, usually if there is targeting of a specific area or group (e.g. of students, or a sub-centre), although conclusions from these separate samples can only be indicative taken alone. For some authorities with multiple centres this can imply value in using a higher sample size, such as 250 if there are two large and one moderate sized centre.

It is normal practice to compare the resulting gender and age structure to the latest available local and national census proportions to identify if the sample has become biased in any way.

More recently, general public views have been enlisted from the use of council citizens' panels although the issue with these is that return numbers cannot be guaranteed. The other issue is that the structure of the sample responding cannot be guaranteed either, and it is also true that those on the panel have chosen to be there such that they may tend to be people willing to have stronger opinions than the general public randomly approached.

Finally, some recent surveys have placed an electronic copy of the questionnaire on their web site to allow interested persons to respond, although again there needs to be an element of care with such results as people choosing to take part may have a vested interest.

For this survey, 199 people were interviewed around the central area of Reading. The sample obtained more males than the census estimate, with 61% of our sample being males compared to 50% in the census. In terms of age structure, there were more of the two lower age groups and less of the older group interviewed. For the over 55 group, 14% were interviewed compared to 27% in the census for 2018, whilst the under 30 group saw 33% compared to 29% in the census, and the mid group 53% compared to 45% in the census. This should not adversely affect the overall results but needs to be borne in mind.

58% of those responding had regular access to a car. 73% were from the Reading council area. The remaining respondents were from various places mainly around the London area.

Of the respondents, 30% said they had used a licensed vehicle in the Reading area in the last three months, relatively low. However, this is up from the 24% who said this in the 2015 survey, although still much lower than the values in 2012 and 2009 (52 and 55%).

35% of those interviewed told us their level of usage. This resulted in an estimated 1.1 trips by licensed vehicle per person per month. This is up from the 0.9 estimated in 2015. The most frequently quoted usage was 26% who said they used them once or twice monthly.

A similar question was asked but focussing on hackney carriage usage only. The response saw 31% saying once or twice yearly and 29% saying once of twice monthly (higher than for all licensed vehicles), with the overall level of trips per person per month being 0.4. This suggests that just over a third of all licensed vehicle trips in Reading are made by hackney carriage. This is double the level quoted in 2015 and the proportion is also increased from the 22% of 2015.

An encouraging improvement was that no-one in this survey said they could not remember when they last used a hackney carriage, and, as last time, none could not remember seeing a hackney carriage in the area at all. In 2015, a small number responded to say they could not remember when they had last used a hackney carriage.

The current proportion by hackney carriage using the trip rate is a slightly higher proportion than the level of vehicles, with about 30% of the fleet being hackney carriages.

When people were asked how they normally got a licensed vehicle, about a third of those interviewed gave information. Quite a number gave three options, others gave two, with some giving four responses. There were 54% of the respondents who just gave a single answer. Considering all responses, 44% said a rank, 33% telephone, 10% an app and 9% hailing. This is a higher response than the trip-making question suggesting more occasional use of ranks in Reading. The rank and hailing values are also increased from the levels quoted in 2015 which were 39 and 7% respectively. Phone proportions have reduced even including the fast increase in use of 'apps' (to 10%).

30% of those interviewed gave us their view about taxi fares in Reading and if they were reasonable. 52% said they were if booked ahead, 28% if paid by meter and 12% said they were too high. The remaining people took time to say they had no opinion rather than not responding at all. Interestingly, all values this time suggest that views on fares have actually improved.

People were then asked what companies they would phone if they obtained a licensed vehicle by phone. Just 18% of interviewees gave an answer (partly low due to the high usage of ranks). Of these, 14% gave three names, a third gave two names and the remainder just one name. For all the responses, there were just five with between 12 and 19% of responses. Three of these were 'apps', with a total of 21% quoting either of the two hackney carriage apps, and 19% quoting a private hire based app. The highest two pure private hire proportions were 16% and 12%. Seven other companies were named, none with more than 5% of responses. This seems to confirm the high level of usage of hackney carriages amongst licensed vehicle users. It also seems to confirm the increase in app usage and no real dominance of any specific private hire companies in the area.

When directly asked specifically about app usage, 71% said they used a private hire-based app, whilst 14% each of the small response said the two hackney carriage based apps. This suggests that most respondents do not actually consider the hackney carriage 'apps' as such but think they are principally a method of booking hackney carriages.

Just under a quarter of those interviewed told us the ranks they were aware of, and if they used them or not. 4% of those responding gave three locations, 38% gave two and the rest just a single location. The top location mentioned, with 40% of all mentions given, was Station Road. 17% said Reading Station but did not stipulate which rank there. 13% said Friar Street. A total of 13% said the rear rank at Reading station, with two thirds of these calling it 'Trooper Potts Way'. 7% said Reading Station front and 6% Garrard Street.

The Friar Street proportion is exactly the same as it was in 2015. There seems to be more confusion about what to call the various station rank locations, and the dominance of people saying "Station Street" may arise from this.

One person said the Purple Turtle (Gun Street), another simply Reading centre and another Reading Park.

A resounding 89% of all ranks mentioned were stated as being used by those that knew of them. However, it is not clear exactly what people meant by either Station Road or Garrard Street, as actual use of the latter would usually be from the Horseshoe, and Station Road itself only operates at night, but could also be taken as the Horseshoe. What is clear is that the principal focus of ranks known about and used is at and around the station, with good use being made of the rear rank.

There were just four suggestions of where new ranks should be located, one of which was already a night rank. This was exactly the same number as in 2015.

People were then asked their ratings of various aspects of their most recent trip by hackney carriage, ranging from very poor to very good. Just under a quarter of those interviewed responded. The overall view was that all but price was generally very good. The only aspects other than price that had some average or poor scores were driver behaviour (2% average and 2% poor) and driver professionalism (2% poor), a very good overall performance given that in all but these two cases the very good score was between 75 and 77% of respondents.

For price, 4% said very poor, 33% said average, 54% said good and just 8% said very good.

All those responding said they were satisfied with the service they received in terms of arrival and journey times.

When asked about what might encourage people to use hackney carriages or to use them more often, a few more people responded. Overall, 35% said only cheaper fares would increase their usage. 25% said more hackney carriages they could phone for, 18% better vehicles and 16% more hackney carriages they could hail or get at a rank. Only 4% said better drivers.

71% - quite a low proportion – said they did not need, nor know anyone who needed an adapted licensed vehicle. 27% knew someone that needed a wheelchair accessible vehicle whilst 2% themselves needed one. This suggests a high level of need for fully wheel chair accessible vehicles in Reading. This is an increase from 2015.

Latent demand was then considered. People were asked if they had ever given up waiting for hackney carriages either at a rank or when hailing. If they responded that they had, they were asked where to check the validity of their response. Three people had given up at legitimate Reading ranks with two of these also having given up trying to hail. A third person, who had not given up at a rank, had given up trying to hail in Friar Street, but they did not say exactly where. This suggests that the rank-based latent demand factor is 1.5% as is the hailing based equivalent, with a combined factor therefore of 3%, relatively low. This is the same as the rank-only estimate from 2015, again suggesting an improved situation and a continued reduction from previous survey levels, which had been up to 9% in 2012.

When asked if there were enough hackney carriages in the Reading area, just over a quarter responded, with 60% saying there were enough and 40% saying there were not.

Nearly all respondents answered about if they would choose to use an electric powered vehicle. 11% said they would and would pay 10% more to use one. 52% said they would choose one, but only if it did not cost them more, and 37% had no preference. This seems a reasonable level of support for more environmentally friendly hackney carriages from the public.

Further detail of the on-street responses are contained in Appendix 5.

5 Key stakeholder consultation

The following key stakeholders were contacted in line with the recommendations of the BPG:

- Supermarkets
- Hotels
- Pubwatch / individual pubs / night clubs
- Other entertainment venues
- Restaurants
- Hospitals
- Police
- Disability representatives
- Rail operators
- Other council contacts within all relevant local councils

Comments received have been aggregated below to provide an overall appreciation of the situation at the time of this survey. In some cases, there are very specific comments from given stakeholders, but we try to maintain their confidentiality as far as is possible. The comments provided in the remainder of this Chapter are the views of those consulted, and not that of the authors of this report. A summary of respondents is provided in Appendix 6.

Our information was obtained by telephone, email, letter or face to face meeting as appropriate. The list contacted includes those suggested by the Council, those drawn from previous similar surveys, and from general internet trawls for information. Our target stakeholders are as far as possible drawn from across the entire licensing area to ensure the review covers the full area and not just specific parts or areas.

For the sake of clarity, we cover key stakeholders from the public side separately to those from the licensed vehicle trade element, whose views are summarized separately in the following Chapter.

Where the statistical analyses in Chapter 2 demonstrate low levels of wheelchair accessible vehicle (WAV) provision, an increased emphasis will be given to the issue in terms of the focus of stakeholders but also in specific efforts to contact disabled users and their representatives. However, it must be remembered that none of our consultation is statutory and for cost effective and fixed budget reasons we limit our attempts to contact people generally to a first attempt and reminder.

Supermarkets

Two supermarkets told us that their customers did use local licensed vehicles. Another said they were not sure as their location was within a pedestrianised area. None were aware of nearby ranks nor had received any complaints about the service provided, mainly by booked private hire. Of the two whose customers used licensed vehicles, one said staff would call for a vehicle if asked whilst the other had a freephone that was used, although at the time of our discussion it was not working. Five other supermarkets made no comment.

Hotels

Three hotels said their customers made use of licensed vehicles. Two said the hotel would call a company they preferred to use, but did not feel able to tell us which company this was. The other said they had a button that called a specific named company. The fourth hotel said their customers did not make use of licensed vehicles at all. Two were aware of the station rank, whilst two were not aware of ranks, with one saying the nearest would be 15 minutes walk away and therefore too far for customers. None had received any customer complaints about services provided, and the one that named the company it used felt they obtained a great service from that company.

Public houses

Three public houses in the Reading area told us their customers did make use of local licensed vehicles. Two said people would always make their own arrangements, whilst one said there was a number available at the bar if needed. One was not sure about rank usage, another said ranks would not be used whilst the third thought one rank might be used. They did not have any negative comments from customers to report. Three other pubs made no comment in the time available.

Night clubs

Three night clubs said their customers used licensed vehicles. Two said they used ranks directly outside the venues. The other said people would book vehicles themselves, using cards available, but also then said that there was a rank nearby. Two had not received any negative comment about the service provided whilst one said the only issue was that any items left in hackney carriages proved irretrievable. They felt one contact number to gain access to the hackney carriage trade would be helpful.

Other entertainment venues

One entertainment venue said they did not believe their customers used local licensed vehicles, but that they would phone for one if someone asked. They thought people would use the St Mary's Butts daytime rank if they wanted to get a taxi without phoning. There were no negative comments they could remember being given. No other comments were made.

Restaurants

Four restaurants told us their customers made use of local licensed vehicles. Two said customers usually made their own bookings, or asked staff to phone for a vehicle. Another gave a similar answer that both customers and staff made calls depending on the circumstances. The fourth told us their staff gave customers who asked a business card so the customer could then make their own arrangements. One was not sure if there was a nearby rank, two said there were not and the third said there were a good number for their customers to choose from nearby in the town centre.

None had received any complaints, although one said it had become a recent annoyance that drivers phoned customers on their mobile phones to ask where they were instead of coming into the restaurant to collect as they had done previously.

Two restaurants refused to provide any information.

Hospitals

There was no comment made by the hospital contacted.

Police

The police made no comment.

Disability

The council Access Officer provided their input. They felt there could never be too many hackney carriages from their point of view, but were very aware of the impact on the area around the Horseshoe the return of the hackney carriages had there, principally increasing issues of busyness, noise and air pollution around the bus stops. Key issues are reported mainly when those needing a wheel chair accessible vehicle try to book one – this means working through companies whose number of accessible vehicles is not always known.

There have also been issues of guide-dog refusals and with larger powered chairs being refused in some cases. They felt more larger vehicles were needed in the hackney carriage fleet, and some means by which the few that exist could be encouraged to move up the queue were they needed by a wheel chair passenger, which it was suggested did not happen at present. This could be very frustrating when the vehicle queue was moving slowly.

They suggested tail-lift or winch rear access vehicles were often best for many wheel chairs, but there were not many of this style of vehicle in the current fleet.

Other night stakeholders

A representative of the local street pastors felt there were always plenty of taxis which were always available where needed at night.

Other stakeholders

No other comments were received.

6 Trade stakeholder views

The BPG encourages all studies to include 'all those involved in the trade'. There are a number of different ways felt to be valid in meeting this requirement, partly dependent on what the licensing authority feel is reasonable and possible given the specifics of those involved in the trade in their area.

The most direct and least costly route is to obtain comment from trade representatives. This can be undertaken by email, phone call or face to face meeting by the consultant undertaking the study. In some cases to ensure validity of the work being undertaken it may be best for the consultation to occur after the main work has been undertaken. This avoids anyone being able to claim that the survey work was influenced by any change in behaviour.

Most current studies tend to issue a letter and questionnaire to all hackney carriage and private hire owners, drivers and operators. This is best issued by the council on behalf of the independent consultant. Usual return is now using an on-line form of the questionnaire, with the option of postal return still being provided, albeit in some cases without use of a freepost return. Returns can be encouraged by email or direct contact via representatives.

Some authorities cover private hire by issuing the letter and questionnaire to operators seeking they pass them on when drivers book on or off, or via vehicle data head communications.

In all cases, we believe it is essential we document the method used clearly and measure response levels. However, it is also rare for there to be high levels of response, with 5% typically felt to be good and reasonable.

For this survey, we met with the key trade representatives at inception, but no all-trade survey was undertaken as the overall view from the hackney carriage trade was strong support both for the survey to be undertaken and for the limit to be retained.

At our inception meeting, the trade confirmed they felt they were seeing higher levels of competition for trade, particularly from private hire operating through 'apps'. They also provided us with a very useful tour of the ranks, outlining how these worked in actuality. They remained of the view that the limit ensured sufficient vehicles were available whilst not allowing too many vehicles which they felt had the strong potential to cause difficulties around ranks whilst waiting for the reducing levels of work.

7 Evaluation of unmet demand and its significance

It is first important to define our specific view about what constitutes unmet demand. Our definition is when a person turns up at a hackney carriage rank and finds there is no vehicle there available for immediate hire. This normally leads to a queue of people building up, some of who may walk off (taken to be latent demand), whilst others will wait till a vehicle collects them. Later passengers may well arrive when there are vehicles there, but because of the queue will not obtain a vehicle immediately.

There are other instances where queues of passengers can be observed at hackney carriage ranks. This can occur when the level of demand is such that it takes longer for vehicles to move up to waiting passengers than passengers can board and move away. This often occurs at railway stations but can also occur at other ranks where high levels of passenger arrivals occur. We do not consider this is unmet demand, but geometric delay and although we note this, it is not counted towards unmet demand being significant.

The industry standard index of the significance of unmet demand (ISUD) was initiated at the time of the introduction of section 16 of the 1985 Transport Act as a numeric and consistent way of evaluating unmet demand and its significance. The ISUD methodology was initially developed by a university and then adopted by one of the leading consultant groups undertaking the surveys made necessary to enable authorities to retain their limit on hackney carriage vehicle numbers. The index has been developed and deepened over time to take into account various court challenges. It has now become accepted as the industry standard test of if identified unmet demand is significant.

The index is a statistical guide derived to evaluate if observed unmet demand is in fact significant. However, its basis is that early tests using first principles identified based on a moderate sample suggested that the level of index of 80 was the cut-off above which the index was in fact significant, and that unmet demand therefore was such that action was needed in terms of additional issue of plates to reduce the demand below this level, or a complete change of policy if it was felt appropriate. This level has been accepted as part of the industry standard. However, the index is not a strict determinant and care is needed in providing the input samples as well as interpreting the result provided. However, the index has various components which can also be used to understand what is happening in the rank-based and overall licensed vehicle market.

ISUD draws from several different parts of the study data. Each separate component of the index is designed to capture a part of the operation of the demand for hackney carriages and reflect this numerically. Whilst the principal inputs are from the rank surveys, the measure of latent demand comes from the public on-street surveys, and any final decision about if identified unmet demand is significant, or in fact about the value of continuing the current policy of restricting vehicle numbers, must be taken fully in the context of a careful balance of all the evidence gathered during the survey process.

The present ISUD calculation has two components which both could be zero. In the case that either are zero, the overall index result is zero, which means they clearly demonstrate there is no unmet demand which is significant, even if other values are high.

The first component which can be zero is the proportion of daytime hours where people are observed to have to wait for a hackney carriage to arrive. The level of wait used is ANY average wait at all within any hour. The industry definition of these hours varies, the main index user counts from 10:00 to 18:00 (i.e. eight hours ending at 17:59). The present index is clear that unmet demand cannot be significant if there are no such hours. The only rider on this component is that the sample of hours collected must include a fair element of such hours, and that if the value is non-zero, review of the potential effect of a wider sample needs to be considered.

The other component which could be zero is the test identifying the proportion of passengers which are travelling in any hour when the average passenger wait in that hour is greater than one minute.

If both of these components are non-zero, then the remaining components of the index come into play. These are the peakiness factor, the seasonality factor, average passenger delay, and the latent demand factor.

Average passenger delay is the total amount of time waited by all passengers in the sample, divided by the total number of passengers observed who entered hackney carriages.

The seasonality factor allows for the undertaking of rank survey work in periods which are not typical, although guidance is that such periods should normally be avoided if possible particularly as the impact of seasons may not just be on the level of passenger demand, but may also impact on the level of supply. This is particularly true in regard to if surveys are undertaken when schools are active or not.

Periods when schools are not active can lead to more hackney carriage vehicles being available whilst they are not required for school contract work. Such periods can also reduce hackney carriage demand with people away on holiday from the area. Generally, use of hackney carriages is higher in December in the run-up to Christmas, but much lower in January, February and the parts of July and August when more people are likely to be on holiday. The factor tends to range from 0.8 for December (factoring high demand level impacts down) to 1.2 for January / February (inflating the values from low demand levels upwards).

There can be special cases where summer demand needs to be covered, although high peaks for tourist traffic use of hackney carriages tend not to be so dominant at the current time, apart from in a few key tourist authorities.

The peakiness factor is generally either 1 (level demand generally) or 0.5 (demand has a high peak at one point during the week). This is used to allow for the difficulty of any transport system being able to meet high levels of peaking. It is rarely possible or practicable for example for any public transport system, or any road capacity, to be provided to cover a few hours a week.

The latent demand factor was added following a court case. It comes from asking people in the on-street questionnaires if they have ever given up waiting for a hackney carriage at a rank in any part of the area. This factor generally only affects the level of the index as it only ranges from 1.0 (no-one has given up) to 2.0 (everyone says they have). It is also important to check that people are quoting legitimate hackney carriage rank waits as some, despite careful questioning, quote giving up waiting at home, which must be for a private hire vehicle (even if in hackney carriage guise as there are few private homes with taxi ranks outside).

The ISUD index is the result of multiplying each of the components together and benchmarking this against the cut-off value of 80. Changes in the individual components of the index can also be illustrative. For example, the growth of daytime hour queueing can be an earlier sign of unmet demand developing than might be apparent from the proportion of people experiencing a queue particularly as the former element is based on any wait and not just that averaging over a minute. The change to a peaky demand profile can tend towards reducing the potential for unmet demand to be significant.

Finally, any ISUD value must be interpreted in the light of the sample used to feed it, as well as completely in the context of all other information gathered. Generally, the guide of the index will tend not to be overturned in regard to significant unmet demand being identified, but this cannot be assumed to be the case – the index is a guide and a part of the evidence and needs to be taken fully in context.

For this survey, using all the available data, the estimated average passenger delay shared between all passengers is 0.3 minutes. The area has peaky demand, as in the last two surveys, providing a value of 0.5. The proportion of hours in weekday daytimes when there are any queues at all is 6.45%. 3.32 of all passengers travelled in hours when there was an average passenger delay of a minute or more. Latent demand was 1.03 providing an ISUD value of 3.31. This is a long way short of the industry standard cut-off of 80 taken to suggest that measured unmet demand is significant in terms of Section 16 of the 1985 Transport Act.

Compared to previous surveys, all the elements of the index are either the same (peak factor and seasonal factor), or have reduced, apart from the average passenger delay which has increased. Overall, the current ISUD index is now less than half the value it was in the last survey. This is consistent with the reduction in overall demand which implies there are the same number of vehicles available servicing less passengers, which implies the potential for better service to those remaining. The biggest reduction seen has been in the weekday daytime hours with queues reducing, although this value is still not as low as it was in either 1997 or 2012, when there were no such hours.

Element	2018	2015	2012	2009	2002	1997
Average wait (mins)	0.3	0.19			1.27	1.42
Peak factor	0.5	0.5	0.5		1	1
% Queues in weekday daytime hours	6.45	19.4	0		6.98	0
% pass in hours with waiting over 1 min	3.32	3.8	3.6		32.91	26
Latent demand	1.03	1.03	1.09	n/k	n/k	n/k
Overall index	3.31	7.25	0	37	291	0

These results suggest that the current policy limiting vehicle numbers remains of benefit to the public interest. The figures also clearly show that the demand for vehicles is much more closely aligned to the current level of 216 than the levels before the limit was removed for a short period.

8 Summary, synthesis and study conclusions

This Taxi survey on behalf of Reading has been undertaken following the guidance of the BPG and other recent case history regarding unmet demand and its significance. This Report has drawn together all the evidence gathered to enable the licensing committee to determine if, at this present time, there is any evidence that observed unmet demand is significant according to the requirements of Section 16 of the 1985 Transport Act, and on that basis if, and at what level, the current limit on hackney carriage vehicle numbers can continue. This chapter summarises the key points from each chapter, draws a synthesis and conclusions together and make recommendations regarding the way forward. However, it must be reiterated that it is the Committee alone who need to be satisfied that their decision is robust and would stand up if scrutinized in Court.

Background and context

The current limit on hackney carriage vehicle numbers in the Reading Borough Council licensing area was put in place following a survey in 2009, before which there were two years when there was no quantity restriction in place. Since that time, the authority has undertaken regular reviews using a survey at the BPG recommended interval of no more than three years. The two previous surveys in both 2015 and 2012 found no unmet demand that was significant at those points in time. This survey is the latest in this series of reviews and ensures that Reading continues its best practice of regular review within BPG guidelines.

The 2018 survey began in mid-May with on the ground survey work undertaken in October 2018 and other consultation during the full period of review between June 2018 and March 2019. The authority has long had a further policy in place that all hackney carriages must be fully wheel chair accessible. This has generally been focussed on vehicles similar to the present TfL requirement.

At the point that the limit was removed, both hackney carriage and private hire vehicle numbers grew fairly strongly. However, private hire vehicle numbers have declined since 2017 although this may relate to some vehicles now being based out of town.

Unusually, recent years have seen strong growth in hackney carriage driver numbers with smaller growth on the private hire side. There has been no large scale move to dual drivers as has occurred in many other licensing areas. Operator numbers have also reduced.

There are a small number of wheel chair accessible private hire vehicles in the current fleet, but most demand for such vehicles tends to be met by private hire operators making agreements with the fully wheel chair accessible hackney carriage fleet.

For the current survey, a detailed review was undertaken to understand the overall fleet profile for the licensed vehicle industry in the area. There are 171 hackney carriage owner-drivers. However, there are some owners who do not have a driver licence and others who own more than one vehicle, providing some 45 vehicles that are owned but would be available for others to drive. 39% of the hackney drivers do not own a vehicle and are dependent on renting or sharing a vehicle. This level suggests a lot of double and some triple-shifting of hackney carriages must occur, implying a very high level of utilisation across the hackney carriage vehicle fleet. This is often quoted as one of the key benefits of a limit, reducing the options for over-ranking by vehicles.

Rank observations

Ranks in the area are regularly reviewed. Since the last survey, the operation of the main station rank has been slightly revised in terms of the feeder rank, and there has been another rank introduced providing additional night spaces near to the Headmaster's rank. Further, two little used ranks have been formally designated as 'rest ranks' where drivers do not have to take fares but can take breaks. Since the survey, the Yield Hall Place header rank has been amended.

Estimates from the full rank survey work suggest overall usage of hackney carriages at ranks in the area is down by 14% since the last survey, three years ago. This is still some 43% higher than the level of usage at the time of the first survey that led to the limit being returned in 2009. This reduction might have been partly the result of some rail service issues on the Thursday of the survey, although this is unlikely to account for the full amount of the reduction. This is supported by the increase of total flows through the station ranks in our estimates, these three ranks now seeing 64% of all demand compared to the 53% three years ago.

The Pitcher and Piano, Oracle, Station Road and Casino ranks have all seen significant reduction in usage between surveys. However, both Gun Street and the hospital ranks saw increased levels of usage. The hackney carriage trade have introduced two 'app' based systems since the last survey, with private hire app operations also increasing, alongside continued improvements to bus services, all of which may have contributed to the reduction in rank-based hiring.

Reading retains a peaky demand profile, albeit on two nights with the highest peak in the early hours of Saturday morning, followed by the second peak slightly earlier on Sunday morning. The peak is made up of separate peaks at up to six different locations, making it harder to cover than if all at one location. The area also sees Sunday demand fairly similar to that on Thursdays, which themselves tend to see more sustained overall demand over a longer period than on the Friday / Saturday, albeit less peaked.

85% of all passengers travelled in hours when there was no passenger delay at all. Only 4% of passengers actually experienced a delay of a minute or more, and only 18 passengers experienced waits of 11 minutes or more, all in three specific hours. Further, the top six worst hours for average passenger delay all occurred when there was 'thin' passenger demand rather than being a result of high passenger demand (just five hours of high average passenger delay resulted from high passenger demand levels).

Our tests of vehicle waiting times for the Horseshoe rank and general activity levels of vehicles identified several operating statistics. On the Thursday the waiting times of vehicles to get to the head of the Horseshoe rank ranged from around 40 minutes in the morning to just short periods, although wait times lengthened to 25 minutes in the run up to the evening peak, which tended to be after 17:30. It is possible that the shorter waits may have related to the train disruption on the 11th when vehicles reported ending up with longer journeys, reducing their availability during the daytime hours.

For those servicing the main rail rank only, some 39% of the fleet were observed during the three sets of observations. The highest level in an individual period was 27% in the evening peak sample.

Over the full two-day review of activity, 93% of all vehicles were seen at some point, a little higher than the 90% observed in 2012 and than the levels observed in 2015. However, the highest level of activity in any specific period was 39% with most seeing 16-20% of the fleet, with the peak on the Friday being 23% of vehicles operating in the 22:30 to midnight sample period.

The general picture remains of a wide service provided generally promptly across all central area ranks. Again, the trade seemed well-placed and organised in meeting overall demand at ranks in the area. Activity levels varied with demand although there were many fewer vehicles out overnight.

On street public views

A reasonable sample of the population in the streets of central Reading were interviewed. The sample interviewed more men and more younger and middle age groups. 58% had regular access to a car and 73% said they were from the area, with the remainder from London.

A higher level, 30%, said they had used a local licensed vehicle in the last three months compared to the 24% who said this in 2015, though still lower than the values of over 50% in the 2012 and 2009 surveys. The estimate of licensed vehicle trips per person per month was 1.1 for all licensed vehicles and 0.4 for hackney carriages. Both values are higher than in 2015, with the current figures suggesting about one in three licensed vehicle trips are in fact made by hackney carriage. Further, the number saying they could not remember when they last used a hackney carriage fell from the small level in 2015 to none this time, a very unusual result.

44% of those responding said they got licensed vehicles from a rank, 9% hailed, 10% used an app and 33% telephoned. The hackney carriage values are all increased from 2015. Views about fares had become more favourable.

Responses about use of companies by phone were very low, consistent with high usage of ranks and hailing. Three of the top five responses were in fact 'apps'. The highest pure private hire response was 16%, with two hackney carriage apps gaining 21% compared to 19% for a single private hire app. However, when people were specifically asked about apps, 71% said the private hire based and 29% the hackney carriage based versions. This suggests that most respondents do not actually consider the hackney carriage 'apps' as such but think they are principally a method of booking hackney carriages.

Knowledge of ranks was fair, but with some confusion about the station. 40% said they knew the rank in Station Road, which must be reference to the Horseshoe, whereas 17% simply said 'Station' and 13% specified the rank to the rear, 7% the station front and 6% Garrard Street. Friar Street, with 13% was the only none-station rank mentioned. However, 89% of those naming ranks said they used them.

There was high satisfaction with most aspects of hackney carriage service, with price as usual being the lowest scoring, although even with price only 4% said very poor, 33% said average, 54% said good and 8% said very good. This is generally encouraging regarding levels of overall service provided by the hackney carriages.

When asked about matters that might encourage more use of hackney carriages, the highest score was for cheaper fares (35%), closely followed by more hackney carriages that could be obtained by phone (25%). Better vehicles were next, with 18% followed by 16% for more hackney carriages available at ranks.

In terms of need of wheel chair accessible vehicles, the proportion needing such a vehicles was high at 29%, with all requiring fully wheel chair accessible styles, supporting the current Reading policy focussing on such vehicles.

Latent demand was relatively low at 3%, equally split between rank and hailing.

60% felt there were enough hackney carriages in Reading, with 40% suggesting there were not enough.

11% said they would use an electric powered vehicle and were willing to pay 10% more to use it. A further 52% would use, only if at the same cost, whilst the remainder said they had no preference. Compared to other areas, this is good support for an environmentally friendly fleet.

Key stakeholder views

Most key stakeholders appeared to make use of booked vehicles, with only night clubs really aware of ranks their customers used. There were only a few issues with the service provided.

The Access Officer provided input suggesting need for improved service from hackney carriages for those needing disability service, but focussing more on specific details rather than actual vehicle shortages. Some related to how hackney carriages were available for pre-bookings, which most disabled people tended to make. At ranks the key issue was being a feeling people could not select the style of vehicle they needed and so had to wait for it to move up the often long line of vehicles.

One night stakeholder felt there were always enough vehicles where they were needed to get people away from the central area quickly.

Trade views

The trade provided explanation in detail of how the current rank system worked, and principally expressed concern over the high current level of competition from private hire, particularly that from non-Reading bases. They strongly supported the current limit and felt it provided public benefit whilst ensuring there were not too many vehicles causing issues.

Formal evaluation of significance of unmet demand

Reduced demand has resulted in most elements of the index of unmet demand significance either remaining the same or improving. The only element to worsen was average wait times, which had marginally increased from 0.19 to 0.3 minutes since the last survey, not a large change but one that might result from the impact of vehicles servicing 'apps' and the increase in quoted usage of hailing against ranks.

The value of 3.31 for the present index remains the lowest recorded apart from the times when the index was zero arising from no off-peak passenger waiting, which occurred in 1997 and then again in 2012. This suggests the current policy of restriction is helping keep service levels high.

9 Recommendations

On the basis of the evidence gathered in this Taxi survey for Reading, our key conclusion is that there is no evidence of any unmet demand for the services of hackney carriages either patent or latent which is significant at this point in time in the Reading licensing area. The committee is therefore able to retain the present policy of limiting vehicle licences, and at the same level of vehicle numbers, and defend this if necessary.

Appendix 1 – Industry statistics

			Reading								
	Dft sources suggest limit began in 1988										
	hcv	**phv**	**lv total**	**hcd**	**phd**	**dd**	**total d**		**Ops**	**% hcv WAV**	**% phv WAV**
1994D	**117**			**151**				**1994D**		**100**	
1997D	**122**	**250**	**372**	**180**	**300**		**480**	**1997D**		**100**	
1999D	**138**	**371**	**509**	**200**	**300**		**500**	**1999D**	**17**	**100**	
2001D	**138**	**400**	**538**	**250**	**400**		**650**	**2001D**	**21**	**100**	
2004D	**138**	**425**	**563**	**191**	**489**	**60**	**740**	**2004D**	**30**	**100**	
2005D	**155**	**489**	**644**	**191**	**489**	**60**	**740**	**2005D**	**30**	**100**	
2007D	**155**	**489**	**644**	**191**	**489**	**60**	**740**	**2007D**	**30**	**100**	
2009D	**214**	**514**	**728**	**350**	**450**		**800**	**2009D**	**28**	**100**	
2010N	**214**	**439**	**653**	***395***	***535***	-	***930***	**2010N**	***33***	**100**	-
2011D	**216**	**449**	**665**	**440**	**619**		**1059**	**2011D**	**38**	**100**	
2012N	**216**	**427**	**643**	***418***	***569***	***53***	**1040**	**2012C**	***48***	**100**	-
2013D	**216**	**405**	**621**	**396**	**519**	**105**	**1020**	**2013D**	**44**	**100**	
2014N	**216**	**446**	**662**	***350***	***536***	***119***	**1004**	**2014N**	***43***	**100**	-
2015D	**216**	**450**	**666**	**303**	**552**	**132**	**987**	**2015D**	**42**	**100**	
2017D	**216**	**496**	**712**	**418**	**634**		**1052**	**2017D**	**37**	**100**	
2018C	**216**	**421**	**637**	**577**	**644**		**1221**	**2018C**	**30**	**100**	

Appendix 2 – List of ranks

Rank / operating hours	Spaces	Comments
24-hour ranks		
Railway Station - Horseshoe	5	Fed from Garrard Street (15 spaces) and Station West (Station Hill)
Garrard Street	15	In 2012 also had bus station, now demolished. Replaced by Station West but much reduced number of spaces.
Station West (Station Hill)	18	New provision since 2012 following rebuild of station.
Station North	25	In several sections on north side of station.
Friar Street East	4	Pitcher and Piano (see below for night feeder)
Friar Street West	3	Quicksilver (see below for night feeder)
Bridge Street	3	Now Rest Rank
Oxford Road, Tesco Express	2	Now Rest Rank
Yield Hall Place	3	Main rank fed from Yield Hall Place
Night ranks		
Station Road	7	Bus stops in day time. Operates 23:00 to 05:00 but more issues now with buses running during period is operating and blocking rank from full use.
Friar Street East	5	In bus stop opposite Pitcher and Piano, feeds Pitcher and Piano rank, operating 23:00-05:00, but rarely used
Friar Street West	4 + 5	First section from end of Quicksilver Rank to Subway. Feeds Quicksilver rank, 23:00-05:00 only, in practice, night section moves forward from current rank and does not use this section. Second section o/s Saver's operating for similar period.
Gun Street	6 + 3	Two sections. 6 spaces o/s Purple Turtle 24 hour (remains so despite plans to make night only), plus 3 spaces o/s White Stuff operating 23:00 to 05:00 to allow for daytime deliveries
Gun Street feeder (Minster Street)	7	Bus stop in day time, marked by plates on road side only. Operates 23:00 to 05:00 only
St Mary's Butts (o/s Headmasters)	6	Bus stop in day time, near to Millet's, well used at night. Operates 23:00 to 05:00 only.

St Mary's Butts (opp Headmasters)	6	Parking spaces when not rank. Operates 20:00 to 06:00, see notes in main text.
King's Street	Gone	
Blagrave Street	Gone	
St Mary's Butts (o/s St Mary's Church)	3	Often abused by parked cars and therefore little used. Amended since 2012 to 20:00 to 08:00 only and adjacent to island in centre of road. Further rank plates exist on opposite kerb but should have been removed.
Queen's Road, Casino	7	Operates 23:00 to 05:00 and formalises previous informal location.
Informal rank locations		
None		(2012 location near Casino now formal rank)
Private rank location		
Yield Hall Place	2 + 2	(see above, partly on Oracle shopping centre land, partly on council road)
Out of town locations		
Royal Berkshire Hospital	3	24-hour spaces outside hospital entrance. Existed in 2012 but not included in survey. Often has issues with other vehicles parking around hackney carriages, and over- ranking by hackney carriages.

Appendix 3 – Timetable of rank observations

Please see separate document

Appendix 4 – Detailed rank observation results

Please see separate document

Appendix 5 – Detailed on street interview results

Please see separate document

Appendix 6 List of Stakeholders consulted

Key consultee	Response
Supermarkets	
Sainsbury's Friar St	Y
Sainsbury's Broad St	Y
Iceland Caversham	N
Waitrose Church St	Y
Morrison Basingstoke Rd	N
Asda Honey End Lane	N
Tesco Napier Road	N
Tesco Portman Way	N
Hotels	
Malmaison, Station Road	Y
Hilton, Reading	N
Holiday Inn Reading South M4	Y
Madejski Hotel	Y
Hotel Novotel Reading Centre	Y
Mercure George Hotel	N
Restaurants / Cafes	
The Southcote	Y
Island Bar and Restaurant	Y
Pepe Sale	Y
Bill's Reading Restaurant	R
Coconut Bar and Kitchen	Y
Forbury's Restaurant	R
Entertainment	
The Hexagon	Y
Reading Film Theatre	N
Vue Cinemas	U
Public Houses	
The Allied Arms	N
The Back of Beyond	Y
Baron Cadogan	Y
Hook and Tackle	N
The Sun Inn	Y
Fruitbat	N
Night Clubs	
Oakford Social Club	N
Q Bar	N
Lola Lo	Y
Be At One	N
Matchbox	Y

Purple Turtle	Y
Other key stakeholder groups	
Reading Street Pastors	Y
Council Access Officer	Y
Thames Valley Police	N
Living Reading	N
Royal Berkshire Hospital	U
Oracle Shopping Centre	N

Key:

Y – response
N- contact but no response received
U – unable to find relevant contact
R – refused to provide response