



DERBY CITY COUNCIL

TAXI LICENSING AND APPEALS COMMITTEE 15 February 2006

Report of the Director of Environmental Services

PETITION REQUESTING THE COUNCIL TO RESTRICT THE NUMBERS OF LICENSED HACKNEY CARRIAGES

RECOMMENDATION

1. To note the report.

SUPPORTING INFORMATION

- 2.1 The Chairman of the Derby Hackney Union (DHU), one of the local hackney trade organisations, has written to the Chair of the Taxi Licensing and Appeals requesting that the Council stop issuing new hackney carriage vehicle licences. The stated reason for this request is that there are too many licensed hackney carriages in Derby for the number of users, resulting in difficulties for hackney carriage drivers and owners. The letter also highlights a recent decline in demand for taxis and the limited number of hackney carriage rank spaces available in the city centre. A copy of the letter is attached in Appendix 2.
- 2.2 The letter from the DHU is accompanied by a petition signed by 241 licensed hackney carriage drivers, which states "I, the undersigned driver, appeal to Derby City Council to stop hackney carriage plating immediately."
- 2.3 At the present time the City Council does not restrict the number of licenses issued to hackney carriages. This is because the Transport Act 1985 advised licensing authorities (district councils) that hackney carriage licences should **not** be restricted and that 'market forces' should dictate the number of licensed vehicles. The Act (and guidance issued) advised licensing authorities that restrictions on numbers of vehicles should not be applied unless they were satisfied that there is 'no unmet demand' with their area.
- 2.4 At the time when this Act came into force (1986) the numbers of licensed hackney carriages in Derby, was restricted to 51. However, the Taxi Licensing Section already had a waiting list of approximately 150 for new vehicle licence vehicles and many of the applicants were existing license-holders.
- 2.5 In response to the Act, the Council resolved to de-restrict the number of licensed hackney carriages, and there was a phased release of the new licences over the next two years until the waiting list had been addressed. After this, new licences were issued on application.

- 2.6 This approach was followed by most other licensing authorities. There were some exceptions to this; some authorities chose to increase the number of licences, but still retain a restriction, some have only de-restricted recently, and some de-restricted initially, but have subsequently re-restricted as the basis of there being 'no unmet demand'.
- 2.7 In order to be satisfied that there is no unmet demand, good practice (and case law) require that a local demand survey is conducted and the findings considered by the licensing authority. Such demand surveys need to be conducted by competent, specialist companies and normally cost in the region of £20k for an authority of this size. The results of such a survey are considered to be valid for approximately 2 – 3 years, after which the survey would need to be repeated. A licensing authority that has de-restricted is under no obligation to carry out a demand survey.
- 2.8 If a licensing authority restricted licence numbers without the results of such a survey, an aggrieved applicant would have a strong case against the authority on appeal.
- 2.9 Because the de-restriction requirements are within the Transport Act 1985, rather than within Licensing Legislation, (i.e. the Town Police Clauses Act 1849 and Local Government (Miscellaneous Provisions) Act 1976) the cost of any demand survey cannot be met from licences fees. This means that there is no existing budget from which such a cost can be met.
- 2.10 The issue of de-restriction has been regularly raised and discussed at trade meetings over the last seven years. On every occasion licensing officers have advised the trade of the legal position.
- 2.11 The hackney carriage trade could choose to commission a demand survey themselves, but it would need to be conducted in accordance with approved methodology for its results to be considered valid. Even if this was to happen and the results suggested there was 'no unmet demand' the licensing authority is under no obligation to restrict licence numbers.
- 2.12 There are currently 306 hackney carriages licensed by this authority.
- 2.13 There are no powers to restrict the numbers of licensed private hire vehicles within a licensing authority area.

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Background papers:	None
List of Appendices:	Appendix 1 Implications Appendix 2 Derby Hackney Union letter

IMPLICATIONS

Financial

1. If the Council decided to undertake a demand survey, this would cost approximately £20k. There is currently no budget for this.

Legal

2. The Council currently complies with government advice by having no restriction on the numbers of licensed hackney carriages. Any such restriction would be open to challenge on appeal by any person whose licence application was refused on these grounds.

Personnel

3. None

Equalities impact

4. None

Corporate objectives and priorities for change

5. Taxi Licensing contributes to the Council's objective of **providing a prosperous, vibrant and successful economy**.