Leicester City Council

Unmet demand survey

September 2020

Executive Summary

This report title has been undertaken on behalf of Leicester City 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.

The survey reported in this study was originally undertaken at an opportune time between proposed changes in rank provision. With the Coronavirus pandemic occurring, the timing of the data collection was even more opportune. Present rank provision is well-spread, demonstrated by fairly equal shares of demand across the active ranks. The fleet available to service ranks is large compared to the rank-based demand on offer, and very good service to passengers results. Local hackney carriage and private hire, and to an extent app-based services, seem to have developed a balanced equilibrium although out of town vehicles seem to be taking some advantage of the high hailing culture and providing some destabilisation of the operations.

Rank usage overall has reduced, partly from changes in the City Centre commercial offer and pedestrianisation and other highway changes, but also from increased take-up of app-based operations in both hackney carriage and private hire fleets. Passengers seem to be able to shop around for appropriate charging regimes and observably do so.

The WAV capability of the hackney carriage fleet is well-used but as in all fully WAV style fleets some evidence of avoiding service was found, both from the public comments and from driver views. Growth in usage of hackney carriages at the private station rank has increased 3% whereas rail passenger growth was 9%, a fairly similar level, corroborating the rank observations. 8% of all rail passengers left the station in hackney carriages from the rank.

Overall rank-based passenger levels at 3.5 per vehicle per day are low and confirm that the fleet could not survive without supplementary work, which appears to be a mix of hailing and school contracts. This level of over-provision of rank available vehicles provides excellent service to customers at ranks.

There are strong concerns from the recent trend of leaving the hackney carriage industry, which is expected to have worsened with the impacts of the Coronavirus pandemic on both fleets.

Evidence confirms that the current limit policy benefits the public and provides stability to the trade. The current limit is well-supported and should be retained, with the possibility of introducing a moratorium on new plates or other options possible.

Care is needed with the proposed rank revisions to ensure no further loss of rank accessibility occurs that reduces patronage of ranks further. Care is also needed to ensure that sufficient hackney carriage vehicles remain available to keep the levels of service high, although the potential level of 230 hackney carriages three years hence may well remain sufficient, but would need to be tested at that time in any event.

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1 General introduction and background

Leicester City 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.

The Best Practice Guidance

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".

Background

Current hackney carriage, private hire and operator licensing is undertaken within the legal frameworks first set by the Town Police Clauses 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 operators. 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 most recent reviews were by the Office of Fair Trading in 2003, through the production of the BPG in 2010, the Law Commission review which published its results in 2014, the Parliamentary Task and Finish Group which reported in September 2018, the Government Response in February 2019 and the consultation on "Protecting Users" which closed on 22 April 2019 that then resulted in issue of the "Statutory Taxi and Private Hire Vehicle Standards" (STPHVS) on 23rd July 2020. None of these resulted in any material change to the legislation involved in licensing. Other groups have provided their comments (including the Urban Transport Group and the Competition and Markets Authority) 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 licences. 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 be used for rank reviews and accessibility reviews. It is assumed the Government response to the Task and Finish Group is now effectively the current reaction to this extensive research. There was no mention of this topic in the STPHVS although that document did discuss wider review of the overall BPG document in the next consultation (see below).

Current Government Policy review status

It is also understood that the revisions resulting from the recently closed Government Consultation will eventually lead to a more comprehensive review of the sections of the BPG not affected by the February 2019 Statutory Guide, as stated in para 1.8 of that document – "A consultation on revised BPG, which focusses on recommendations to licensing authorities to assist them in setting appropriate standards (other than those relating to passenger safety) to enable the provision of services the public demand, will be taken forward once the final Statutory Guidance has been issued." STPHVS suggests this wider BPG review will involve a consultation "later this year" (2020) confirming the aim of making "clear recommendations on the measures licensing authorities should consider to enable the trade to react to the demands of passengers". This means the current April 2010 BPG sections regarding demand remain valid for our current review.

The present background to policy

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 wheelchair 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 wheelchair 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 wheelchair 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.

At the present time, Leicester City requires an all WAV hackney carriage fleet and has done so for some time. The WAV policy is in place because those arriving at a rank in a wheelchair would otherwise have no choice in the kind of vehicle at a given rank which significantly increases uncertainty. With a WAV policy they can be certain they will get an appropriate vehicle.

The WAV policy is set within a policy of limiting vehicle numbers rather than in a pure quality control context applied by some other authorities (i.e. stipulating no limit on vehicle numbers but a requirement that all new applications provide a WAV vehicle). For Leicester, any new hackney carriage vehicle would need to be WAV style.

Unmet demand and its significance

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 authorities. 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 latest STPHVS requires an update given to the DfT by the end of January 2021 in terms of consideration of the measures included in that document, principally production of a comprehensive policy document, review of if CCTV might be mandated and documentation of passenger complaints.

Case law and unmet demand

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).

2019 saw three challenges with respect to surveys of unmet demand. All three found in favour of the current methodology being undertaken. A key focus was the need for a robust and up to date independent survey report being available.

In one case it was made clear the current guidance is based on the 2010 BPG, whilst in another case having a valid survey meant those challenging had no case for their proposed challenge, and in the final case an authority was clearly told they could not rely on a very old survey which itself could not be produced.

Most recent changes relating to demand

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 the length of period each licence 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 wheelchair 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 wheelchair
- Not make any additional charge for doing so
- If the passenger chooses to sit in a passenger seat to carry the wheelchair
- 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.

The current status regarding unmet demand studies

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. The Government has broadly supported the recommendations of this Task and Finish Group.

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. This latter option is now being taken forward in Scotland, with two studies published and the Scottish Government preparing guidance, although the Government response did not support this option.

As already stated, other groups have provided comments giving their views about licensing matters but the upshot remains no change in legislation from that already stated above. The Scottish Government are moving forward in terms of their application of the potential limiting of private hire vehicle numbers but this is specific to Scottish law and not presently relevant to the English licensing authorities.

Summary of current legislation

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 in which they contacted the licensing department.

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.

Coronavirus

The serious Covid-19 virus took hold in the UK during March 2020. Whilst life carried on almost as normal until mid-March, formal lockdown was applied from Tuesday 24th March 2020 until further notice. Significant reductions in movement had begun to bite from the previous week. The last dates in 2020 when on-street and rank surveys occurred for our five 2020 studies were effectively Sunday 16th March 2020.

One study had seen all but the key stakeholder work completed. For three studies, all work apart from the driver surveys (that were modified and remained running till May) and key stakeholders (which could not reasonably be undertaken now) had been safely completed. For the Leicester study additionally the on-street public interview work had not been undertaken (for the sake of clarity the rank observations had been successfully completed).

There were two other 2020 studies partly under way. One study was due for rank work the following weekend, whilst a further study had driver surveys under way but no other work had been planned to occur till late May. A third study had not been started. All these studies were put on hold. As at the start of September 2020, the third study that had been put on hold was undertaken, and two fresh surveys were tendered for and begun seeking survey work in September / October 2020 in full knowledge of the current COVID developing situation.

All the evidence gathered above will remain valid as a snapshot of the operation of the industry immediately before the lock down and these reports have been produced on that basis, keeping in mind the developing situation as part of our considerations within analysis. Additionally, this Report has been updated with a separate Chapter considering the situation in Leicester during September 2020.

2 Local background and context

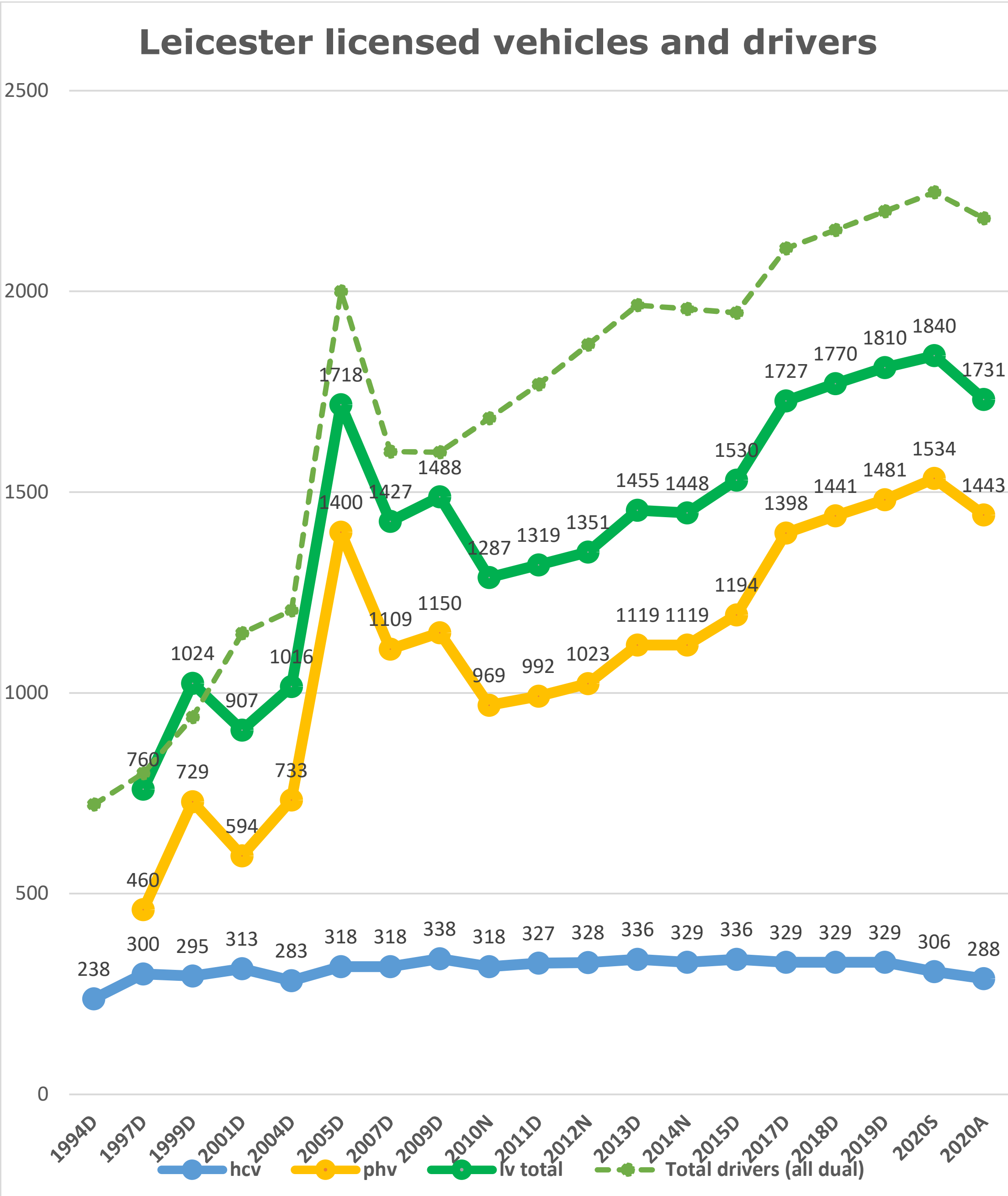
Key dates for this report title for Leicester City Council are:

- appointed Licensed Vehicle Surveys and Assessment (LVSA) on 17th January 2020
- in accordance with our proposal of December 2019
- as confirmed during the inception meeting for the survey held on 21st January 2020
- this survey was carried out between January and September 2020
- On street pedestrian survey work was planned for the end of March 2020 but was prevented by the imposition of the national lockdown, it was replaced by use of the in-house Council on-line consultation survey portal during April and May
- the video rank observations occurred at the end of January / beginning of February 2020
- Licensed vehicle driver opinions and operating practices were canvassed using an electronically available and posted out survey during March and April 2020
- Key stakeholders were consulted throughout the period of the survey
- A draft of this Final Report was reviewed by the client during August 2020
- and reported to the appropriate Council committee following acceptance by the client.

Leicester City Council is a city and unitary authority in the East Midlands of England, and in terms of background council policy able to determine its own ranks and transport policy. The authority has a current population of 362,162 using the 2020 estimates currently available from the 2011 census, 2016 revision.

Between 2001 and 2011 census the City became the most populated urban centre in the region and became more youthful. Overcrowding and rentals of houses had increased as had levels of employment across many areas. A local newspaper review in October 2018 confirmed that significant pedestrianisation had occurred with many areas of the City centre redeveloped, particularly the new Market Square, the replacement of a car park with Jubilee Square and the total rebuilding of the area including the Highcross Shopping Centre and John Lewis.

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 a general upward growth of both private hire vehicles and total drivers although there was a fall from 2005 to 2008 for vehicles with driver numbers starting to increase again a little earlier. Hackney carriage vehicle numbers, even with the limit, did not remain exactly static, with a peak of 338 in 2009, and a more recent drop in numbers on issue in the latest information, valid for the time of the survey in late January, early February. The actual growth of vehicle numbers was around 233% from 1997 to 2020 at the time of the survey whilst driver growth was less, but still some 180%. Even for the worst case from 1994 to the peak 2009, hackney carriage vehicle growth recorded was only 42%, although this was at the end of the period of no limit.

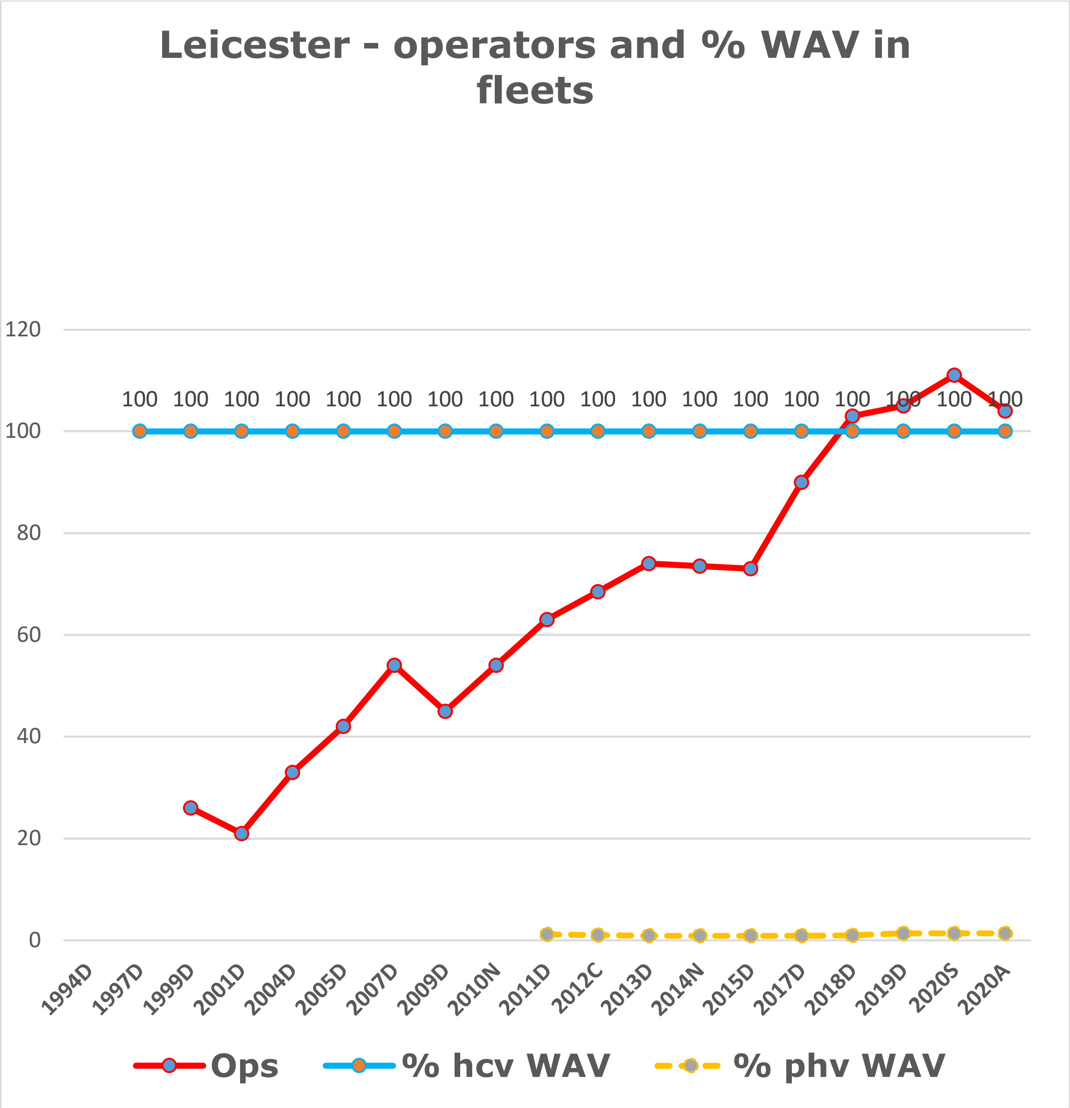
Inspection of the actual hackney carriage renewals found that between none and three vehicles were not renewed each month from March 2019 to February 2020, with the peak of three in March and May and minimum of none in August. Whilst some were vehicles needing younger replacements, others were simply not renewed, and no reasons provided. It is understood that most, if not all, of the non-renewals related to owner-drivers deciding not to continue, possibly retiring. The non-renewed plates were not re-issued arising from a policy review being undertaken if any replacements should be restricted to ULEV only or not.

The industry structure focusses on owner-drivers in the hackney carriage element. One private hire operator has 17 hackney carriage licences, another owner has three vehicles whilst an accident company has two licences. All the remainder appear to be owner-drivers. The major app-innovator, Uber was first licensed in Leicester in 2008. It is understood that a good proportion of licensed vehicles service school contracts but detail of this was not possible to collect during the course of this survey.

More recent information may be affected by the Covid-19 situation, but also may result from people waiting for new vehicles to be delivered. Although given some leeway in renewals being allowed (and more leeway likely with the COVID situation), little could originally be read into more recent changes. However, a comparison between lack of renewals for March to August 2019 is now possible to similar figures for 2020. In 2019 10 hackney carriage licences were not renewed. For the same period in 2020 this rose to 19, a clear and significant increase. Further, there was a 6% reduction in private hire renewals between the date of the survey and end of August 2020 figures, as well as a drop in licensed vehicle driver numbers. Further discussion of this occurs separately in a later Chapter. Compared to other places around England this will have been compounded by the extra time restrictions continued in Leicester whilst other places saw more relaxations in July.

Information is also available from these sources to show how the level of wheelchair 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 wheelchair 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. For Leicester, all hackney carriages have long had to be WAV, so this value is always 100.

Leicester also has a clear list of approved hackney carriage vehicle types, last updated in July 2018. This allows some 14 different styles but is clear giving specific Type Approvals appropriate within potential variation within models.



Operator numbers and levels of WAV provision in the fleet

This graph shows the growth of private hire operators has also increased significantly over the time – by around 326%. There have been a small number of years when the value has dropped, but the increase has been continual. However, the most recent numbers have seen values drop back to those at the time of the 2019 DfT survey in response to the pandemic issues.

From 2011 onwards there have been a small number of private hire vehicles of WAV style, but this level is only minor and has not seen significant increase, possibly a result of the high level of vehicles already WAV in the hackney carriage fleet.

In terms of the share of WAV vehicle type, for the hackney carriages Peugeot is dominant (mainly E7's) with 37%, then Mercedes (mainly Vito), 28%, then London style Tx4 17%, Citroen (Dispatch) 7%, Ford, 6%, Fiat 2%, new electric LEVC vehicle 2% and the old original London style Fx4 1%. This provides a wide range of subtly different provision for those needing adapted hackney carriages that are wheel chair accessible. It also shows some small provision of new vehicles.

The current licensing operation sees continual re-licensing of both hackney carriage and private hire, based on date first granted, with no specific date for mass renewals. The Council refunds the unused monitoring and compliance elements of fees if licences are handed back part way though their life. Driver licences can be for up to three years. All vehicles have one year licences. Any new vehicle must be no more than five years old based on the log book date of manufacture when licensed, whilst the maximum age limit on vehicles is eleven years. The age limits apply to both hackney carriage and private hire and there are no variations for specific elements at all (e.g. for WAV or any other different style or type of vehicle).

Leicester City Council has chosen to utilize its power to limit hackney carriage vehicle numbers, and as far as we are aware has done so since the return of the limit in 2001, after a study undertaken in 2000. Leicester City Council undertakes review of its policy to limit hackney carriage vehicle numbers in line with the BPG. The previous surveys were in 2009, 2005 and 2000. The result of the 2000 study was to return a limit on vehicle numbers, with the actual decision taken in April 2002, and the limit set to 318. A subsequent decision saw a further 20 plates added to make the formal limit 338.

We understand there had been a decision that spare plates could be released only to ULEV style vehicles, but this decision has not been implemented. Despite this, 2% of the current hackney carriage fleet have chosen to take the new LEVC electric vehicle with small petrol battery recharger.

3 Patent demand measurement (rank surveys)

As already recorded in Chapter 2, provision of on-street ranks in Leicester is under the control directly of the City Council. Appendix 2 provides a list of ranks at the time of this current survey. Our methodology involves a current review both in advance of submitting our proposal to undertake this Unmet Demand survey and at the study inception meeting, together with site visits where considered necessary (for this study, a city centre walk-round was undertaken with City licensing staff on inception day). 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 City Highways also provided a list of ranks and proposed changes. This confirmed that several imminent changes would occur in early March (delayed from October 2019). In the event, one change saw intervention from the Council to prevent amendment of the key Bus Station rank during the observations. Other changes were due later in 2020 making early 2020 an opportune time for rank observations. It was proposed the additional provision in St Nicholas Place would be undertaken before the observations were due, but in the event these changes did not occur but will be in place before the end of 2020.

The inception walk-round identified several unused or very little used ranks, some of which were not listed on the City Highway list. This list also omitted Gravel Street. Unused ranks included the night rank in Station Street which is directly outside a private hire booking office, Granby Street which is little used, two daytime bus stops / night-time ranks opposite each other on Abbey Street (rarely used) and the similar pair of ranks on Humberstone Gate, also rarely used. The tour found that the Bowling Green Street rank, little used in any event, was out of use due to nearby building works at the time of the survey.

Overview of rank observations

The detailed specification of the hours included in the sample is provided in Appendix 3. The full survey period, covering 07:00 on Thursday morning through to 05:59 in the early hours of the following Sunday, across late January to early February 2020 saw a total of 399 hours of observations at ranks. This included overnight observations at the informal rank location advised to us by the Council at the junction of Belvoir Street and Albion Street. Detailed results by rank, day and hour are in Appendix 4.

Across the full survey, 25,661 different records were obtained of activities at the rank ranging from vehicle and pedestrian arrivals to their departures, either together or separately, together with relevant comments about activities occurring, such as queues of people nearby entering clubs. These records covered all vehicle types at or near the ranks considered to impact on the rank operation. 44% of the records related to one site, which was a complex location (further detail below), 20% at the Station, 13% at Belgrave Gate, 12% at Horsefair Street, 10% at the Bus Station rank, and just 1% at the informal location at Belvoir Street.

Of the total records, just under three quarters relate to vehicle arrivals and departures. Of the total of both arrivals and departures from the ranks observed 49% of these movements were local hackney carriages. A further 27% were local private hire vehicles, although the bulk of this related to one more complex location (further detail below). 20% of observations were private cars, 2% out of town licensed vehicles, 1% goods vehicles and 1% emergency vehicles.

The Highcross Street location is a complex location. The main street leads off Jubilee Square, with traffic passing one way from the Square to Highcross Street. The main section of the rank furthest away from the Square provides about six spaces but only from 18:00 to 07:30. There are two 24-hour spaces provided closer to the Square. Within Jubilee Square (St Nicholas Circle), which has an element of shared road space, there are two areas marked out as traffic lay-bys. The area nearest the shops is a loading bay, whereas the area more into the Square is not clearly marked and tends to be used for general parking. The City planned to revise part of this to be a night-time taxi rank, although it had definitely not occurred by the time the survey was undertaken This change will be implemented during the remainder of 2020. A further complication arises from a private hire office being located on St Nicholas Circle nearer to Highcross Street. Before 2016, when the Square was revised, there was a large parking area where the public open space is now, including a regularly used hackney carriage rank.

Whilst the operating protocol for the private hire office sees most vehicles waiting in a location distant from St Nicholas Circle, vehicles will normally pick up from directly outside the office when passengers are ready. There can be times when this leads to some vehicles waiting in the loading area, or in the area opposite. Our observations covered the full area both of the formal rank and the potential rank, giving rise to the high level of activity, the bulk of which was private hire (possibly mostly legitimate).

With regards to other locations with issues of potential usage by other types of vehicle, the Station rank was the best in terms of pure hackney carriage usage. The only other vehicles observed at this location were some goods vehicles and a very small number of out of town licensed vehicles. Private hire did not appear to pick up or set down with any impact on the rank or feeder at all.

Even though not a formal rank, the informal location on the corner of Albion Street with Belvoir Street only saw private cars, some private hire, a handful of out of town vehicles and principally hackney carriages waiting, picking up or setting down in the area. Interestingly, some private hire vehicles were observed moving on from the key corner location when hackney carriages arrived. There were also occasions noted when licensed vehicles setting down or picking up blocked Albion Street traffic movement mainly when servicing the club part way along that Street.

The other three ranks at Belgrave Gate, the Bus Station and Horsefair Street have much more typical rank style layouts, with the Bus Station having the most exclusive kerb space of the three. The other two locations include part time rank space and other parking nearby, and the resulting encroachment on true rank space normal at such locations is also shown in the observations. In terms of observed vehicle movements, 30% at Belgrave Gate, 27% at the Bus Station and just 8% at Horsefair Street were private cars. The level of private hire vehicles from the local area was very low with 6% of movements at Belgrave Gate, Bus Station and Horsefair Street being such. This accords with our observation of private hire moving away at the informal location and suggests good levels of appreciation and courtesy towards ranks by the local companies.

Overall rank usage estimates

The surveyed rank usage was used to estimate average weekly passenger and vehicle numbers for each rank. The table below presents the estimated passenger volumes for each rank and compares this to previous survey information where available. The table is shown in descending order of 2020 estimated observed passenger numbers.

Rank	2020	2009	2006	2001
Station, Private	4529 (38%)	4392 (32%)		
Horsefair Street	2263 (19%)	2633 (19%)		
Belgrave Gate / Haymarket	1965 (17%)	2794 (20%)		
Highcross Street	1750 (15%)			
Humberstone Gate		2064 (15%)		
Bus Station, Gravel Street	1298 (11%)	1836 (13%)		
Belvoir St, informal	101 (1%)			
TOTAL	11906	13719	17229	13090
Comparison to previous	-13%	-20%	+32%	
Comparison to 2006	-31%			
Comparison to 2001	-9%			

There are just under 12,000 estimated passenger journeys per week from the ranks active in the Leicester City council licensing area. This is about 13% less than the level observed in the last survey undertaken in 2009, although the actual observation dates for that survey are not reported. Given the surveys were over the January – February month change of 2020, this could imply the actual difference in flows might be lower than this. However, it is also the case that the former rank replaced by Highcross Street was not observed in the 2009 survey, which suggests that 2009 value could be an underestimate which would make comparison worse.

From previous studies, the peak demand year was 2006 when 17,229 passengers were estimated in a typical week. The current level is 31% lower than that peak, but only 9% lower than the total estimated for 2001. The largest reduction was between 2006 and 2009, some 20%.

The Station rank is the busiest, with 38% of estimated demand. This location has lost market share since 2009 but is the only location with an identified increase in demand, some 3% over the 10 years. Further review of this occurs in the synthesis section where it is compared to overall growth in passenger numbers leaving the station from national sources.

Horsefair Street rank is now the second busiest, with 19% of estimated demand, albeit reduced by 14% since 2009 (around about the average overall reduction observed). It has also overtaken Belgrave Gate / Haymarket which formerly had 20% of passengers but now has reduced to 17%, with its overall reduction in passengers some 30%, quite a high level.

The Highcross Street arrangement sees 15% of hackney carriage rank-based demand. The 2009 survey did not observe the previous arrangements here although evidence suggest there was some usage here previously. The Bus Station, Gravel Street rank, has lost some share, although not to too great an extent, but seen larger decrease (29%), providing about 11% of current estimated demand in 2020.

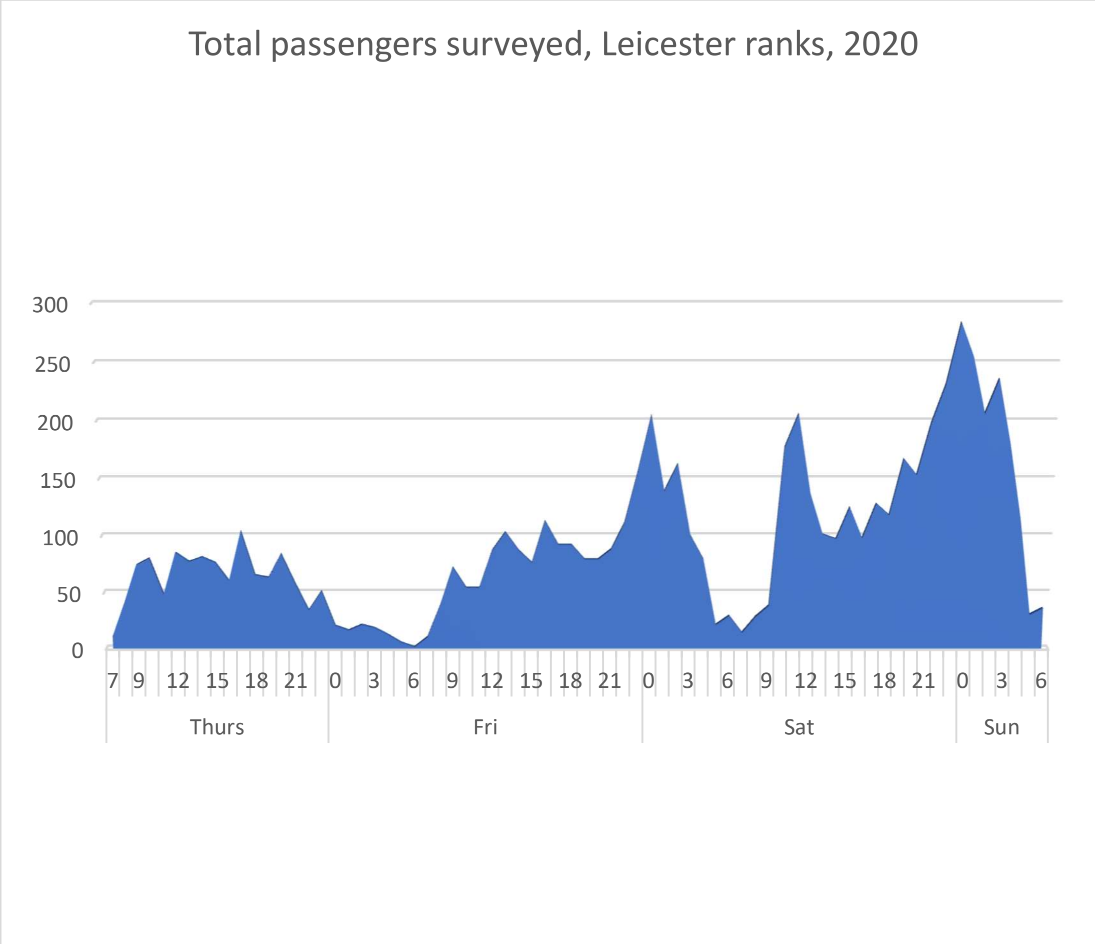
The informal Belvoir Street location generated about 100 estimated passengers in a typical week, amounting to about 1%. This is not a trivial number, and could be more with formal rank provision, although not a large amount which leaves the argument if it is worth providing a rank open. However, a positive point is that the current activity seems to prevent any significant level of pick-up here by private hire vehicles, either from the City or outside.

The previous rank provision at Humberstone Gate no longer appears to be used, whereas in 2009 this accounted for 15% of demand. It is not clear where this demand might have transferred to although it is the location of a very active private hire office. The highway revisions leading to loss of the active rank may also have reduced footfall in this location. It is also notable that the highest rank reductions in demand are also in the other two ranks closest to this location seeming to confirm a shift in the dynamic of the city centre footfall.

Further discussion of how the observed rank usage has changed will be provided in the synthesis section considering how the city centre has changed in the more than ten years since the last survey to validate if the changes can be matched together. As already noted, this will include comparison where possible to national information databases, such as those for rail stations.

Rank usage by location and time

The total estimated passenger flows for all ranks were graphed to show the overall variation in demand by day and hour. This graph is below:



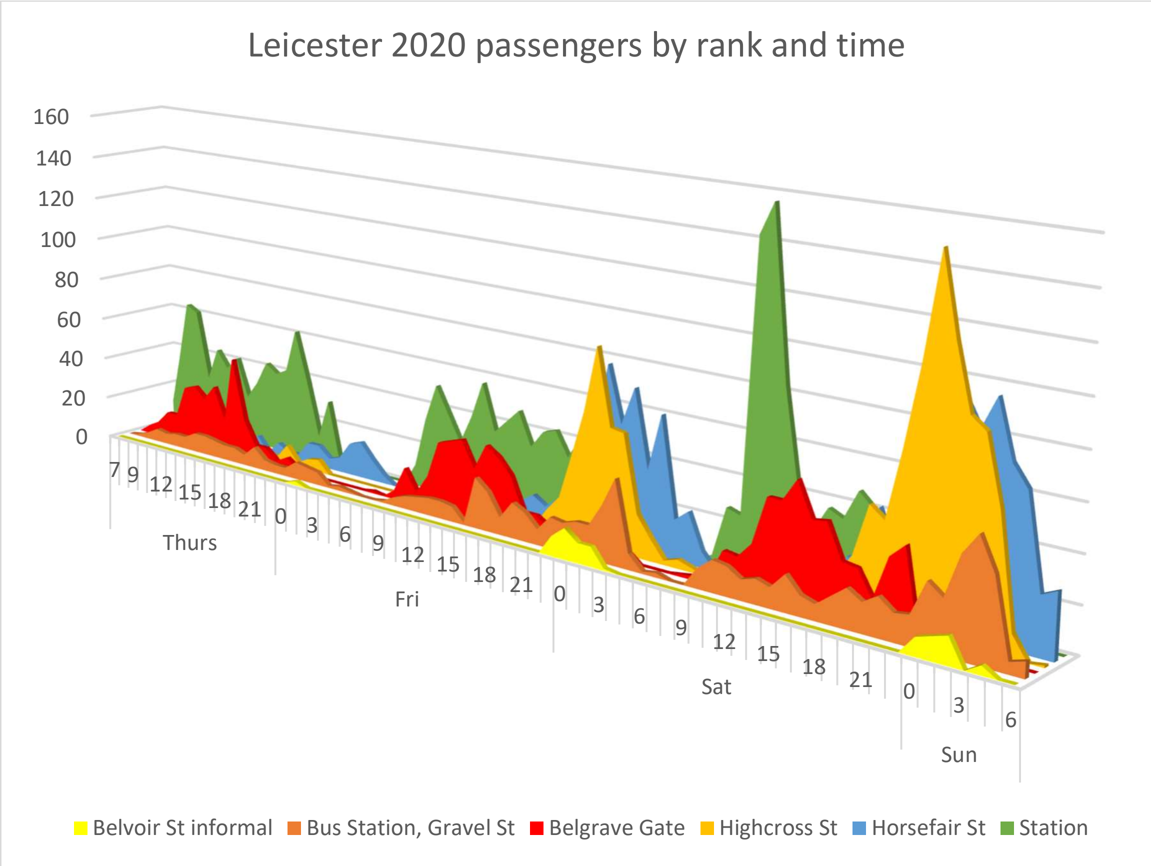
The graph demonstrates that, as is typical, passengers using ranks in Leicester increase from Thursday to Friday to Saturday, with each day having higher overall flows than the previous. It also shows that during our survey period there was no hour when there was no passenger using a rank to obtain a hackney carriage in the Leicester licensing area. The lowest flow was one single passenger who travelled in the 06:00 hour on the Friday morning.

Whilst Thursday flows quickly climb to a relatively similar level until the 18:00 hour after which they tail off, Friday grows to a plateau and then rises again to the only weekday flow of over 200 passengers late on Friday (actually in the hour starting midnight). For the Saturday, flows rise through the day to the peak of 284 in the 23:00 hour on the Saturday night. There are four other hours with over 200 passengers around this hour, but otherwise only two other hours in the whole surveyed period above 200 per hour.

The Saturday shows a sharp peak in the 11:00 hour, of 206 passengers, related to the arrival of football fans at the station for a major game at Leicester City that day (Arsenal).

In general, the peak flow is just over three times the average flow for ranks in any hour. The peak also occurs over five hours but is very different to any other peak on any other day, suggesting the area should be regarded as having peaky demand for the point of evaluation of the unmet demand observed (see later Chapter re ISUD analysis).

A further graph below demonstrates the passenger demand for each individual rank on the same axes to allow comparison of which ranks are busy when:



The graph shows that the station rank is quite important overall for the trade in providing a good level of consistent demand particularly during the week and over more extended periods than just shopping hours. Demand tends to drop off there as the rail services cease. The graph also clearly demonstrates the high peak at the station resulting from the football game.

The next most important rank shown by the graph is Belgrave Gate although this tends to be shopping hours only apart from a later peak on the Saturday. The Bus Station rank sees only moderate flows on the Thursday, with higher flows from mid-day Friday, steadier higher flows on a Saturday and modest peaks in the early hours of both Saturday and Sunday mornings.

Highcross Street, although having an all-day section, is principally a night-time location, and generally provides the highest peaks in passenger flow in both early hours. However, other sites see later peaks albeit at lower levels with the Bus Station and Horsefair Street both seeing later peaks, and demand later than at Highcross Street. The informal operation at Belvoir Street is relatively similar for both early hours, although there is a key subsidiary peak later in the early hours of Sunday morning. There is little demand at that location on the Thursday night / Friday morning.

Overall the graph demonstrates a range of ranks providing different needs at different times and days. The picture is generally healthy in that most times of day see contribution of various different ranks with little dependence on any one specific location.

Surveyed hours with observed unmet demand

The surveyed rank hours were examined to identify those hours when there was any passenger delay, i.e., any point at which someone arrived at the rank and found no hackney carriage ready for hire. This excludes times when the number of people waiting led to queues, i.e. geometric delay, unless this arose from a point in time when there were no vehicles available at all.

The table below shows a summary of the delays identified and the levels of average passenger delay (APD) found:

Rank	No of hours with any APD	Range of delay	When?
Belgrave Gate	NONE		
Bus Station	3	15,17,42 seconds	Consecutive hours 23:00 Sat to 01:00 Sunday
Highcross St	6	1-16 seconds	Consecutive hours Midnight Saturday to 03:00 Sunday 02:00 and 18:00 Saturday
	1	3 min 27 seconds	14:00 Thursday, due to thin demand
Horsefair St	8	3-41 seconds	Thursday 15:00 Saturday 06:00, 12:00, 14:00, 20:00 Consecutive hours Saturday 23:00 and midnight Sunday 03:00
Station	3	11-23 seconds	Friday 19:00 Saturday 11:00 and 12:00 (football)
	1	1 min 26 seconds	Thursday 20:00

Of the 399 surveyed hours, just two hours, or half a percent of all hours, had average passenger delays a minute or more. Just 6% of total hours had any passenger delay of any level at all. Further, the maximum observed wait by any passenger was seven minutes. The average delay within that hour netted out to just 20 seconds which is excellent given the fact that was the busiest daytime hour related to the football demand at the station rank. The worst average passenger delay in any hour, of just under 3.5 minutes, was at Highcross Street in the 14:00 hour on the Thursday, a time of very low demand at this location and when few vehicles tended to be there. The only other average passenger delay in any hour over a minute was at the station in the 20:00 hour again on the Thursday. This hour saw a longest wait just under seven minutes and was the hour in which the most passengers in total experienced unmet demand. However, most of these had waits no more than five minutes.

Although there were ten separate occasions with average passenger delay in the hours from 23:00 to 03:00 only two of the 44 passengers affected waited six or seven minutes. This generally confirms that the trade is dealing very well with the high passenger demand when it presents itself. Even the two hours with very high and less regular high demand (resulting from the football match including a team that is known to generate high station to ground demand) saw very moderate levels of delay, suggesting the overall spare capacity in the fleet to be very high. This is further discussed in the synthesis section and its implication for the vehicle number limit considered then.

Persons walking away from ranks

During the full rank survey period, 176 people were observed arriving at rank locations and then walking away without taking a hackney carriage vehicle. Of these, the largest proportion, 41%, were at Highcross Street, 34% were at Horsefair Street, 11% were at the Bus Station rank, 9% at Belgrave Gate and 5% at the station.

Further checks identified that none of these walked away when there were no vehicles available. There were always vehicles available when people walked away. Some appeared to have been waiting for a booked vehicle to arrive, some appeared to wait and then walked off, others escorted friends to vehicles and then left whilst some spoke to drivers and then chose to walk away, perhaps having tried to negotiate a fare or perhaps being turned away by a driver for an unknown reason.

Highcross Street was a very complex situation, with both hackney carriages and private hire picking up in several different parts of the Street and in Jubilee Square, mainly due to the volume of people. However, apart from the very few occasions recorded within the analysis files, there were very few times no vehicles were available.

Frequency of vehicle operation during rank survey

Surveys were undertaken on the Thursday and Saturday identifying licensed vehicles active at the key rank-related locations in the City. The surveyor walked a similar route around the ranks with six separate tours on each day, ranging from 13:30 to 01:00 starts. All tours began along the rank at the Station working through each active rank to end in Albion Street, covering all vehicles at ranks or passing the observer during their tour.

During the two days, some 541 different licensed vehicle movements were recorded, noting licence type and plate number. 43% of observations were on the Thursday/Friday with the larger proportion on the Saturday/Sunday, as might be expected.

72% of the total observations were recorded as Leicester hackney carriages. 18% were Leicester Private hire vehicles. 4% were out of town operating for one large national operator, with 3% other out of town (but from adjacent towns that might have legitimate reason to pick up people from Leicester) hackney carriages and 3% from one large out of town provider of private hire plates.

For the hackney carriages, the observations identified 61% of the total fleet active at some point over the two-day sample. However, individual observations saw lower proportions as might be expected, with the range of plates active during a tour hour ranging from 5% to a maximum of 15% in any one tour hour.

The table below compares the Thursday-Friday and the Saturday-Sunday consecutive tour hours. It shows the proportion of the total fleet seen during each tour by the hour that the tour began. For example, for the tour hour beginning at 13:00 on the Thursday, 11% of the available hackney carriage fleet were observed during that tour.

Start time	13	15	18	20	23	01
Thu-Fri	11	14	12	5	10	5
Sat-Sun	14	7	10	15	13	10

The sample demonstrates that more of the fleet is active on Saturday evenings than on Thursday evenings. It suggests a low in activity on the Thursday in early evening, followed by the last period seeing much lower activity. On the Saturday through to Sunday, the quieter point is mid-afternoon, with the highest level of vehicles from the fleet out during the evening, but with a much steadier decline in activity as the night progresses than on the Thursday. This suggests the trade are following expected demand relatively closely.

When all activity is taken into account over the two different samples, the Thursday sample sees 41% of the fleet during the observed hours whilst the Saturday level rises to 44%, not a huge increase, but a clear one. Only when both days are taken together does the total fleet activity level rise to 61%, suggesting a good number of vehicles choosing to work only one of those two days.

All these figures suggest there is spare capacity in the fleet for meeting higher levels of demand. Or conversely, that there is significant levels of over-capacity in the current hackney carriage fleet.

Observed usage for those with disabilities

Given that the Leicester hackney carriage fleet is fully wheelchair accessible, all vehicles presenting themselves at ranks are therefore of this style, and the survey did not identify any saloon style vehicles apart from a small number of out of town vehicles. Across all the rank observations, a total of 14 people were observed accessing hackney carriages in wheel chairs. The largest number, half of those observed, were at the station rank. There were three at Horsefair Street, two at Belgrave Gate and one each at the Bus Station and Highcross Street. This is a moderate usage of what is a fully wheelchair accessible fleet, although not a huge usage. There were a further 57 instances where people with apparent observable disabilities were noted. The bulk of these, some 63%, were at Belgrave Gate. There were nine at Horsefair Street, six at Highcross Street, five at the Bus Station and just one at the railway station. Overall this suggests people can trust travelling if they need assistance or have visible disabilities.

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.

Leicester study

For this survey, the imposition of the Covid-19 lockdown on 23 March prevented the standard on-street interviews being undertaken in a similar timescale to the remaining site work. To obtain some general public response, the Leicester City Council consultation hub (Citizen Space) was used to ask some key questions. Opportunity was also taken to obtain likely responses to the issues arising from Covid-19 regarding licensed vehicle usage from those responding. The survey opened on 14 May and closed on 11 June. The following introduction was provided:

"The council currently limits the number of hackney carriage (taxi) licences it issues. We are carrying out a survey to see if we should keep this limit, change it, or get rid of it altogether. On street observations of vehicle movements and usage have already taken place, and a survey of the taxi trade is ongoing. We would now like to hear the views of members of the public. We realise that taxi / private hire vehicle usage is currently very different since the onset of the coronavirus pandemic. Please answer the survey based on your experiences before the lockdown was introduced (up to March 2020)."

The number of questions asked was reduced from the usual level undertaken in the streets, with some questions added relevant to the current situation when the survey was undertaken as well as to the period similar to when other on-the-ground data was collected. The response provided some 105 responses, a good level of response.

As is usual, the sample respondents' characteristics were compared to the current 2020 estimates from the 2011 Census, 2016 review from SNPP. The survey obtained a marginally higher response from females (55% compared to 50% in the census population). This is not significant.

In terms of age profile, the responses below were obtained:

Age range	Census %	Response %	Difference
18 to 25	21	3	-18
26 to 35	21	14	-7
36 to 45	16	11	-5
46 to 55	14	21	+7
56 to 65	13	28	+15
66 +	15	23	+8

The consultation response tends to have come from the older age groups, with 28% of respondents in the 56-65 range. The largest under-representation was stronger, with just 3% of the lowest age range compared to 21% expected in the census for the area. This might tip the responses towards those using licensed vehicles, and perhaps towards those using hackney carriages. This structure will be borne in mind in the interpretation below.

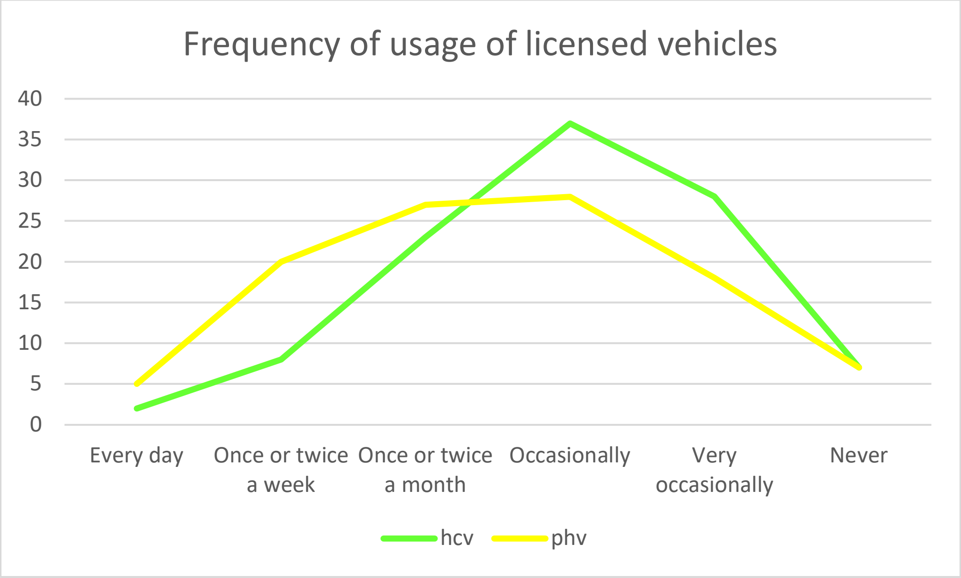
All but one of the responses were from Leicester postcodes, suggesting most of the response was from those who should be well-aware of Leicester licensed vehicles and their operation.

In terms of other characteristics normally compared in Leicester consultations, our response saw 81% from White British, with "Indian" next largest providing 6%. Seven other specific ethnic groups also contributed, although none contributed more than 3% and most just 1% (or one person).

Respondents had opportunity to say if they considered themselves disabled or not. 22% of those giving a response to this question (94% of those responding either said they did or they did not) said they had a disability – which seems a relatively high level.

Respondents had opportunity to confirm the various reasons they visited the City Centre. All provided at least one purpose for which they visited the City Centre. 23% gave four reasons, 20% each five and two, 19% three and 18% just one reason. Taking all reasons together from all respondents, 24% said they went to the city centre shopping, 23% said leisure or entertainment, 20% socialising, 18% for pubs and clubs, 9% to work (94% for the top five specified purposes) and 2% for the rail station. The other 4% of responses were all much more specific, with only one (volunteering) gaining 1% of the response, and all others just being single specific responses.

All respondents told us how often they used both hackney carriage and private hire vehicles. The graph below shows the relative usage with the most frequent usage levels to the left and least frequent to the right. The graph shows number of respondents by frequency.



Interestingly, although for both vehicle types there were seven people that said ‘never’, only one respondent said they did not use either form of licensed vehicle. This tends to confirm the respondents are mainly those who use licensed vehicles compared to a pure random on-street sample which would usually contain more non-users.

The mix of ‘never’ and frequencies suggests a good range of different levels of usage are represented. For example, for those never using hackney carriages, there was an equal split of private hire usage between every day and occasional use. Some people said they never used private hire, with most of these saying they used hackney carriages once or twice a month (with the other two saying ‘once or twice a week’ and ‘occasionally’.

As might be expected, the profile of use implies higher overall usage of private hire than hackney carriage although for both the highest level was for ‘occasional’ use. The highest number of people overall voted for ‘occasional’ use of hackney carriages (38%), followed by occasional use of private hire, with very occasional use of hackney carriages at the same level (29%). Everyday usage of both kinds of vehicle was low, with just 5% of those using vehicles using private hire every day, and an even lower 2% for hackney carriage daily use.

Transforming these values into average usage per person per month, there are on average 2.73 trips per person per month by private hire and 1.49 by hackney carriage. This gives a total of 4.22 licensed vehicle trips per person per month for those responding to the consultation. This suggests hackney carriage trips are 35% of the total of licensed vehicle trips. The 2009 survey found this proportion was 49% (albeit on a slightly different measure).

2009 results also suggested high levels of hailing, with 39% saying they got hackney carriages from ranks but 14% saying mainly from hailing.

People were asked if they had ever had a problem hiring a taxi (hackney carriage) in Leicester. 28% said they had. Most of these made comments.

Analysis of the comments made for those saying they had problems hiring vehicles showed a wide range. Some appeared to be issues with private hire, e.g. failure to arrive, failure to quote a price. Several said there were issues at night. Three people said they had been refused short journeys, mainly from the station rank.

Four people identified themselves having issues getting WAV style vehicles, including some refusals and one claiming they were charged more. One had issue with access to some vehicles whilst another said they found it hard to book WAV. Given there were 22 WAV respondees, the level of four having issues (18% of this total) is not good in terms that there should not really be any issues to those that are more vulnerable than others, but does suggest the majority of those who are disabled get a good service.

Several were more positive, e.g. occasional late-night issues, rare but occasional waits at ranks, or 'plenty in day'. Two made comments about poor driver knowledge. Two used this opportunity to say they found drivers rude or making inappropriate comments.

Some of those not having had a problem also made comment (three respondents). One of these said there were far too many vehicles, another confirmed they had never used a hackney carriage and the third said their use of hackneys was rare principally as they did not take credit cards.

Overall, whilst there were lots of comments and some of concern, given the large number saying they had no issue and the tone of some comments, the overall picture of service by hackney carriages was relatively good. Many of the comments were built upon in other comment sections.

A marginally higher 32% said they had issue with private hire – main issues being shortages mainly at busy times, particularly school times, but also including long waiting times being quoted, vehicles not fulfilling bookings and two where the vehicle ended up at the wrong location, with another person saying they had difficulty finding where their vehicle had said it had gone. That person sought something like rank provision for private hire.

People were given the opportunity to say if they had given up either trying to get a hackney carriage from a rank or from hailing. The initial responses suggest relatively high levels of latent demand, 32% for rank and 35% for hailing. However, several responses on reflection were not actually giving up for lack of a vehicle, for example one said they left when they found out what the fare might be, another explained they had been refused a short journey (already mentioned in other answers). These two answers help understanding of the level of walk-offs observed and tend to tally with that observation that there are reasons people do not use hackney carriages not related to a lack of vehicles but for other (common elsewhere) reasons.

The real latent demand level is about 25% for rank and 30% for hail – still high. However, some of these made it clear the experiences they had were not frequent.

To put the responses in context, a number said 'no' and then confirmed they had never had an issue and that they felt there were generally enough vehicles available. On the hailing side, six said they were not aware you could hail hackney carriages in Leicester whilst others said they did not think Leicester hackney carriages would stop. Others said vehicles did not seem to travel with their for-hire lights on.

12% of respondents said they had tried to hail a private hire vehicle. One of these said the driver told them he could not pick them up whilst the others generally did not say more, though one said they regularly did this near the hospital and another near the station. Several said they did not because they did not think they could (the correct answer).

77% said they felt safe using licensed vehicles. Of all the responses made, seven people – the highest number for all responses to this question – said they felt safe because they only used one company they trusted.

The top concern was driving standards (four responses), with three saying they felt unhappy with travelling as a single female, two each said there were issues using seat belts, drivers were unhelpful or the vehicle was in a poor state. Various other single issues were given including that they felt black cabs came from too many different councils, they often went clearly the long way round, the driver smoked and was from a city a long way away, drivers were over-friendly or grubby. Two people who said they felt safe said they were concerned for female relatives who had told them of difficult situations.

There were also several positive comments made including feeling completely safe on their own and at any time, that drivers of either private hire or hackney carriage were generally knowledgeable, and always polite and helpful.

Opportunity was taken to identify what level of licensed vehicle usage they might have following the pandemic. 58% said 'about the same'; 23% said less and 14% said more. 5% were not sure about their reaction. One person said they would transfer from bus to hackney carriage but make fewer journeys to compensate for higher costs (a WAV user), a major concern was confidence that the driver might have the virus and carry on driving. Several said they would prefer hackney carriages given the compartment should help.

Many of the other comments principally reiterated responses already given. Three people specifically were concerned about the level of out of town vehicles they were aware of. Many mentioned cost or poor driving or vehicle standards. Several said one poor experience put them off future licensed vehicle travel. However, there were many who said there were too many vehicles and several others who were very positive about their experiences.

Overall, the public views regarding the service provided by hackney carriage and private hire include typical negative and positive views, similar to many other Cities. They suggest merit in marketing and explaining what people can expect in terms of how to get a vehicle, and where, and in the short term better and clearer guidance how the security of the public in the pandemic is being dealt with. There would be value in presenting many of the positive comments made within the marketing. This could also include ensuring people know who and how to complain, particularly for those experiencing uncomfortable treatment, short journey refusals or feelings of being overcharged by being taken a long way round.

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.

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.

Further listing of who has responded and how is provided in Appendix 5 but ensuring privacy where appropriate for those contacted.

Police

Leicestershire Police said they were not aware of any problems with provision of hackney carriages, or operation of private hire or hackney carriage in Leicester at this point in time.

Disability

A representative from the equality section of the Council provided their latest Equality Impact Assessment tool and confirmed sources to provide population information to check our consultation had been sufficient. They also confirmed that the principal source of equality and disability comments should be those from the licensing authority sources, with no other contact sources available. The important matter was ensuring adequate contact with sufficient persons in the protected characteristic sets. Despite further checks, the most recent information advising on the level of people in these sets came from the 2011 census and reported in 2014.

Rail and other transport operators

The Department for Transport publishes statistics demonstrating the level of entries and exits from stations for all UK rail stations. This national rail usage information is available back to 1997/1998. The data is annual, but is only published in the December of the year the statistics are for, relating to the year ending March. The latest statistics are therefore for the year ending March 2019. For Leicester, the only national rail station in the City, current entries and exits totalled some 5,582,286. This puts the station 87th in UK patronage levels.

Since the last survey, this level of patronage has increased 9%, whilst since statistics began, the usage has increased by some 76%.

Other key stakeholders

The normal set of key stakeholders including supermarkets, hotels, pubs, clubs, restaurants and other entertainment venues were contacted. However, this was not undertaken until after the supplementary Leicester lockdown had been primarily lifted, but still resulted in no response apart from the occasional acknowledgment of receipt of the email. Attempts to contact by phone were all unfruitful, with people focussing on survival rather than wishing to comment on taxi usage by customers.

However, this is not a significant issue since it is very rare that key stakeholder information overturns the overall trend of information from other surveys. Further, if there are issues people would tend to speak out. There is no evidence anywhere of any such raising of concerns about taxi provision in the City.

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.

Leicester study

For Leicester, a total of 1,600 letters were issued to those that owned a vehicle or operated a private hire company. A further 450 were then issued to people identified as only driving a vehicle and not owning one, to minimise duplication but maximise the number issued. All had the option to return the printed copy or complete on-line. All but one completed on-line with the other emailing back their hard copy which was then entered manually into the database. The letters were issued between early and mid-March with a return date of early May.

The total returns were 31, giving a 1.5% response rate. This response only provides indicative results.

Of all responses, 77% said they drove private hire, 16% drove hackney carriage and 6% drove both kinds of vehicle. This is an unusual response for a demand survey but clearly demonstrates an interest from the private hire element of the trade.

Interestingly, the hackney carriage respondents were mostly those with 22 to 26 years of service, whilst those from the private hire side were generally those with much lower years in the trade.

Given the relatively low level of response, remaining results are generally only provided for the total response rather than any sector. 26% of those responding worked six days, 23% five, 16% seven or none, 10% three, 6% four and 3% one day. The average days worked was four. Average hours worked were 29, very low, although they did range up to 80 hours.

In terms of factors affecting when people worked, most gave more than one answer. The top response was that people worked busy times (29%), then around family commitments (24%), avoiding disruptive passengers (17%), sharing a vehicle (9%) and 'preference' (9%).

94% owned their own vehicle and none said anyone else drove their vehicle.

68% accepted pre-bookings with all these naming the companies they worked for. Half worked for a national app company. Four companies were used by two drivers each (one of which was a hackney carriage app) with the remaining three by just one person. All but the app-based hackney carriage respondents worked as independents. One of those that drove both kinds of vehicle gave a company they worked for.

Only four of the hackney carriage respondents, and the dual respondent, named ranks they worked. Two gave two names, two three names and the dual respondent only serviced the bus station rank. The top rank quoted was the bus station (plus one saying coach station), followed by two each quoting the rail station, Haymarket and 'Town Hall' (Horsefair St), with one saying Highcross.

There was strong support for retention of the limit on hackney carriage vehicle numbers, with all responding and 87% saying they supported the limit. This included all the hackney carriage respondents.

81% said they felt there were enough hackney carriages licensed in Leicester.

Most commented about fare levels, even though most were private hire. 40% felt they needed to be increased. 33% felt they were about right and 17% said they should be reduced.

With respect to how drivers obtained fares, the small hackney carriage response found the highest proportion obtained from ranks was 75%, followed by 55%, 35% and 10%. One obtained 90% of their work from school contracts, with the person saying they drove both kinds of vehicle also saying 85% of their work was from school contracts. For those using the hackney carriage app, 10% and 25% of their work came this way.

Nearly all the private hire respondents got most of their work through various apps, with four saying their work was exclusively school contracts and only three saying their work was all via office bookings.

Many additional comments were made. Four of the small number of hackney carriage respondents were concerned about out of town vehicles. Eight of the private hire were similarly concerned, with one asking for private hire vehicle numbers to be limited.

One hackney carriage respondent had issue with not being able to afford to replace their vehicle. Another pointed out that the hand-backs were occurring as the cost of maintaining WAV style vehicles was high, with the issue compounded by a lack of work. Two hackney carriage respondents were concerned about private hire near or at ranks. One was concerned that most ranks were not in the best locations for current demand. Three private hire respondents said they needed specific places to wait for customers at key locations.

One hackney carriage driver, however, was very pleased with the current system only noting their concern that many WAV drivers tended to give excuses and refuse to service people in wheel chairs. No further detail was provided.

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.

It must be remembered that the ISUD index is purely a guidance tool, drawing together several, but not all, elements of the database of information gathered to identify if there is unmet demand in a licensing area, and if that observed unmet demand is in fact significant according to Section 16 of the 1985 Transport Act.

The Leicester ISUD 2020 Results

The results of the specific review for Leicester are provided in the Table below. This also compares the current estimates to those from previous studies, also showing the exact calculation results alongside that quoted in the various sources of information.

	2020	2009	2005	2000
Average passenger delay, APD	0.05	1.52	0.35	1.17
Off peak delay measure	2.5	0	3	1
General delay measure	0.94	9.58	11	7
Peakiness	0.5	1	1	1
Seasonality	1.2	1	1	1
Latent Demand	1.55	n/a	n/a	n/a
Calculated ISUD	0.11	Zero	11.55	8.19
Reported ISUD	0.11	Zero	12	8

The current evaluation of unmet demand using the observed rank data and other information from the survey sees the level of average passenger delay at its lowest level within the surveys available. This level of average passenger delay is negligible. The general level of delay, based on the proportion of passengers who use ranks in hours when there is average passenger delay of a minute or more is also small, at 0.94%, i.e., less than 94 people in 10,000 passengers would experience arriving at a rank and finding no vehicle waiting there for them. The peakiness factor is for the first time set at 'peaky', but this tends to further dampen impacts of observed unmet demand.

Without the on-street interviews, no true latent demand factor is available. An estimate was given, that we consider to be high, 1.55 combined between ranks and hailing. However, even if this factor was at the maximum of 2, the impact on the ISUD would be offset by the change of the peak factor from 1 to 0.5, i.e. these two would at worst cancel each other out. In reality the true latent demand value is likely to be lower. When the last survey was undertaken, this element was not included as it had not yet been added to the equation.

As is often the case in places with reducing daytime rank demand, the off-peak delay measure has increased. In 2009, there were no hours observed in the off peak when there was any average passenger delay at all, now 2.5% of the hours in our sample saw such delay. Further, undertaking the sample in January / February implies the seasonal adjustment upwards of 1.2 should be applied. The result is the lowest ever ISUD value of 0.11, a long way from the value of 80 that would deem observed unmet demand to be significant. Even if the worst-case latent demand were applied, the value would still only be 0.14, very small and effectively zero.

This clearly demonstrates there is no unmet demand in the Leicester licensing area that can at this time be deemed significant in terms of Section 16 of the 1985 Transport Act. There is therefore no requirement for any change to the limit policy nor any need for any further hackney carriage licences to be issued.

Further, the level of unmet demand was produced by a fleet with 306 hackney carriage vehicles and not the limited level of 338. This implies that the City could operate successfully in unmet demand terms with the lower number of vehicles. Discussion of this in context is provided in the next Chapter.

8 Summary, synthesis and study conclusions

This Unmet Demand Survey on behalf of Leicester City Council has been undertaken following the guidance of the BPG and other recent case history regarding unmet demand and its significance. This chapter provides a summary of the key points identified in each chapter, draws them together, comparing and contrasting the separate streams of evidence, and draws conclusions. For this study, two extra chapters then follow considering options for the number of hackney carriage vehicles, plus a chapter reviewing what is known to the end of August of the implications of the Covid-19 pandemic. Recommendations are provided separately in the final Chapter.

Background and context

This latest review of the limit policy saw most data collection (rank and vehicle activity) occur well in advance of the impact of the Covid-19 pandemic. Driver views were obtained based on operations before lockdown. Public views, however, had to be obtained by use of the in-house Council consultation portal whilst key stakeholder views were delayed and significantly reduced by the impact of the lockdown.

Leicester is a city and unitary authority, fully in control of all background policies, and a much more dominant centre of its region since the turn of the new century. Over the last decade there has been significant pedestrianisation and redevelopment of much of the City Centre. In population terms, the city has become younger and more economically active although this has also led to more dense settlement levels and high housing density arising from the industries supported.

The upward trend of private hire vehicles since the last survey had slowed in the period up to when the survey was undertaken. Hackney carriage vehicle numbers had also begun to fall from their peak of 2009, with this accelerating just before the survey. No reason was given for the hackney carriage reductions nor was there any strong demand for these plates to be taken up, despite there being continued growth of private hire for much of the time. Some of the vehicles would have required new replacements, but others were still licences that could have been renewed without need for any change of vehicle.

Initial impacts of the pandemic reversed all private hire growth and accelerated the reduction in hackney carriage vehicle numbers. Six monthly reductions year on year almost doubled with the impact of COVID-19 for the period up to the end of August 2020. COVID-19 also reduced private hire renewals by 6% in that same period. The same has been true of operator numbers, which were growing fast in advance of the survey but have been knocked back.

The current fairly wide ranging WAV vehicle fleet styles are dominated by two main makes (Peugeot and Mercedes) with a modest level of London-style vehicles (17%). 2% of the fleet are the new electric LEVC vehicle. The large hackney carriage fleet as is usual has suppressed the level of provision in the private hire fleet for such vehicles, meaning most WAV provision in the City will require private hire companies to have links with hackney carriages.

The industry structure appears to be mainly owner-drivers on the hackney carriage side with just three multi-owners, one of which is an accident company with 2 plates, another is an individual with three, plus one private hire company with 17. The level of usage on school contracts appears significant but could not be confirmed.

The 2000 demand survey returned the limit on vehicle numbers at 318, with 20 further plates issued around 2008 taking the total allowed to 338. Interestingly, that number of licences was only sustained for that year with the number then fluctuating between 327 and 336 until the decline began in 2019.

Rank observations

The initial review, supplemented by the inception walk-round found that early 2020 was a critical time for undertaking observation of the ranks in the City. This was primarily because several sets of redevelopment were likely to impact on rank provision significantly, some of which were due during 2020. It was deemed prudent to understand current, established rank usage prior to these proposed changes. In the event, activity near the Gravel Street rank had to be slightly delayed to allow observations to be completed there. The expected additional provision in St Nicholas Circle did not occur. No other planned roadworks began before the survey was undertaken.

Several ranks were identified as no longer regularly used and reasons for this identified where possible.

Just under 400 hours of rank observations were undertaken across the City centre across the end of January and start of February 2020. Of nearly 26,000 different activities, 75% were vehicle arrivals or departures (the remainder were passenger arrivals, walk-aways or other items noted such as location closures, etc). Just under half the vehicle movements were local hackney carriages. Just over a quarter were private hire vehicles (mostly related to the complex Jubilee Square / Highcross Street location), with a fifth private cars.

The station saw the least other kinds of vehicle, arising from the layout of this location. The informal Albion Street / Belvoir Street location was mainly used by hackney carriages with evidence that private hire waiting moved on when hackney carriages arrived, leaving them to wait for passengers. Levels of demand here were, however, low, with just 1% of total passengers here.

Belgrave Gate and the Bus Station ranks both saw between 27% and 30% of movements by private car, partly resulting in the former location from the difficulty of communicating part time ranks, but partly from pressure in these areas for parking spaces. However, at all main rank locations the level of use by private hire vehicles from the area was very small, suggesting very high compliance with ranks by local private hire vehicles.

The estimated level of passengers in a typical week from this current survey at just under 12,000 passengers is 13% less than in the last survey in 2009, but nearly a third less than the peak surveyed level of over 17,000 passengers observed in 2006.

In this survey, the busiest rank was the Station with 38% of passengers. Flows here were 3% more than in 2009 although this may have resulted from the Saturday seeing a large football match likely to have increased flows at the station over a short period. Second busiest with 19% is Horsefair, then Haymarket (17%), Highcross Street (15%) and Bus Station (11%).

Both the Haymarket and Bus Station ranks have seen passenger numbers reduce by 29-30% whilst Horsefair reduced by less, 14%. The former 15% of overall demand observed in 2009 at Humberstone Gate has now completely disappeared, possibly due to changes in demand and existence of a strong private hire base near this location. The two ranks marked here also only operate from 23:00 to 06:00 on either side of the road.

Demand in the surveyed period increased from Thursday to Friday to Saturday. Every hour saw at least one passenger using a hackney carriage from a rank in the area. Both Friday and Saturday have night peaks, with Saturday being the highest. The impact of a football match is also clear on the Saturday morning flows. Only one weekday hour sees over 200 passengers in any hour, the Saturday/Sunday sees six such hours (one being the football peak, the other being around the peak flow at 23:00 on the Saturday night.

Inspection of these flows suggests the flow profile is peaky, although only just so, but primarily since the peak flow is just over three times the average and only occurs on the Saturday night / Sunday morning.

Graphical comparison of flows through the observed period at all ranks demonstrates the station providing consistent levels of demand for most hours when the rail service is operating. Belgrave Gate rank is shopping hours only. The Gravel Street Bus Station rank tends to operate more from afternoons onwards. Highcross Street is principally night only.

The graph confirms the importance of a range of ranks overall rather than dominance by any one location.

Detailed inspection of delay information at ranks found just 0.5% of all hours had average passenger delays a minute or more. Just a further 6% had any delays at all. Delays in the high demand hours met with only moderate average delay and no waits more than seven minutes by any individual.

However, a moderate level of walk-aways were noted from ranks, but never due to a lack of vehicles. If walk-aways were not friends who had waited to get someone into a vehicle, they seemed to be people choosing not to travel, possibly failing to negotiate a fare, or waiting for pre-booked vehicles or friends to collect them from near the rank.

Vehicle activity surveys found 72% of active vehicles were Leicester hackney carriages. 18% were local private hire with 10% out of town. Of all the available hackney carriages, 61% were seen at some point. However, the most seen in any one observation set was 15% of the fleet in the 20:00 observation on the Saturday night. The lowest number of different vehicles were observed in the 20:00 and 01:00 observations on the weekday, with just 5% of the total fleet observed.

14 people were seen accessing hackney carriages at ranks in wheel chairs. Half of these were at the Station rank with the others spread over the remaining rank locations. 57 others appeared to have a non-wheel chair bound disability principally at the Belgrave Gate location.

On street public views

This was undertaken using the City Council consultation hub given that the physical surveys were discounted by the imposition of the COVID-19 lockdown. 105 people responded to the Council-hosted on-line survey. There was moderate bias towards female respondents and those of older age groups.

The respondents appeared to have a high level of those saying they had a disability. Overall, of reasons given (many more than one per person), shopping was top with 24%, 23% leisure or entertainment, 20% socialising and 18% for pubs / clubs. Estimated trip levels from responses suggested 2.73 private hire and 1.49 hackney carriage trips per person per month.

The main issue with use of hackney carriages appeared to be obtaining WAV style vehicles, with people saying they felt they had been overcharged or that they were refused. Overall, however, the appreciation of both hackney carriage and private hire seemed good. Latent demand estimates were high.

77% felt safe using licensed vehicles. Some positive comments were provided but the key concern was driving standards, issues with fear of travel for females, followed by maintenance issues. Some raised concerns about out of town vehicles they were aware of.

People were asked how they might change their use of licensed vehicles beyond the pandemic. 58% felt use would be about the same, 23% said less and 14% said more, suggesting a potential decline in usage of around 10%.

Key stakeholder views

The pandemic led to a strong reduction in the willingness of people to respond to the key stakeholder consultation. Leicestershire Police told us they were not aware of issues and a disability representative pointed us back to licensing records, which did not identify any complaints. No other key stakeholder made any comment.

Trade views

An indicative 1.5% trade response was received, mainly from private hire. The small number of hackney carriage respondents generally had very high levels of experience. Over the full sample, 29% worked busy hours but 17% avoided hours when passengers were expected to be disruptive.

94% owned their own vehicle with none saying anyone shared their vehicle. 68% accepted pre-bookings but mostly by app rather than traditional booking circuits. Two used a hackney carriage app but the other hackney carriages were independents. Several pointed out issues with out of town vehicles they felt took trade from them.

Strong support for retaining the limit was given including all the hackney carriages and most of the private hire respondents. Very few were dependent entirely on ranks and several mainly worked school contracts (both for hackney carriage and private hire respondents).

Formal evaluation of significance of unmet demand

The overall significance of unmet demand index was just 0.11 even with the application of a high level of latent demand plus use of the seasonal uplift factor of 1.2. The value was the lowest yet (apart from 2009 when the index was zero). Further, this test of the limit of 338 was actually more than successful with the 309 available at the time of the survey, and beyond this a sample only found 61% of plates active over two of the survey days.

Synthesis

The City has seen significant change over the years in terms of both rank locations and demand for their usage. In some cases, rank provision has moved with the developments, in other cases this has not been the case. Sometimes, the trade have made their own provision where there is demand not covered by a rank. In other places this has not occurred. Further significant change in ranks is due shortly.

Ranks are currently provided relatively well across the City Centre which is demonstrated by fairly equal shares of demand across the main active rank locations. Drivers service ranks when highest demand is likely at each location, and also react to changes in demand positively. There are a relatively large number of vehicles available to service ranks which means passengers get a very good service and rarely have to wait for vehicles to arrive.

Overall, local private hire seems to work well in conjunction with hackney carriages. In other cases, lesser used rank locations have been left to service by private hire options. Leicester appears to have always had a high level of hailing, and the introduction of apps has taken advantage of this culture to the benefit of those using them. Whilst in some cases this has reduced hackney carriage usage, hackney carriages have also taken advantage of apps and done well using them. People appreciate this and know how the two elements of the trade work and do work together.

However, it is also clear that both trade and public are very aware of (what they perceive to be) the high level of out of town vehicles that have been attracted by the opportunities arising from the high hailing culture. However, both public and trade are concerned about this and in general are keen for this to be minimised as far as possible. Specific evidence, such as from the plate surveys, suggests that actual levels are small.

Overall rank usage has reduced. Part of this is transfer to hackney carriage apps, part to private hire apps, but a significant amount arises from changes in demand arising from physical changes to the local infrastructure, particularly at the Humberstone Gate / Haymarket and Bus Station parts of the City.

The usual situation whereby people try to negotiate fares with hackney carriages but find this is not possible seems to be stronger in Leicester than in other places, resulting in the higher apparent level of walk-aways from ranks observed.

The trade are clearly well able to meet peak demand as well as react to irregular peak events effectively.

There seems to be good usage of the WAV capability of the hackney carriage fleet although some concerns were also raised, by both customers and trade, that there were some obvious choices being made by a small number of hackney carriage drivers to avoid servicing WAV customers. There was also some evidence of fear of being overcharged by use of longer routes, and concern that females felt unsafe travelling, although this appeared to apply across the industry and not just to hackney carriages. Concerns were also raised about poor driving standards, again across the board.

The index of significance of unmet demand confirms a good level of service is provided by the hackney carriage fleet to the ranks.

Growth in passengers at the station since the last survey from national statistics is 9%. The observed growth at the rank is 3%, in the same direction and general level of growth.

If the current observed estimated 4,529 weekly passengers are compared to the current statistical exit value (half the total quoted), and divided by 50 to weeks, there are around 55,822 passengers per week leaving Leicester station. This suggests 8% of them leave using hackney carriages from the rank, a good proportion. The location of the station suggests that few other passengers would come to this point to obtain a hackney carriage, although walk-ins from the nearby street are possible.

A sense check has been applied to the survey results. Using the overall passenger numbers and occupancy figures, each of the local hackney carriages appear to be provided with 3.5 loaded vehicle trips per vehicle per day. This is clearly insufficient to provide sufficient remuneration. The driver survey identified many dependent on schools contracts but also many gaining from hailing demand, or use of apps.

Conclusions

People get a good service from hackney carriages in Leicester and can nearly always get a vehicle when they need one. There is clearly no unmet demand of any significance and this, together with trade support, suggests retention of the limit policy remains valid and of benefit to public and trade alike.

It is also clear that the current ranks that are used each provide specific elements of importance to the overall economy of the City. They remain of strong importance to various elements of the City economy and care is needed with their relocation that is impending.

A major concern is that the current hackney carriage fleet and drivers appear to be well beyond the level that individuals continue to think is reasonable, such that even with a limit, many are not renewing their plates. COVID-19 has worsened this situation. Further discussion of these points occurs below.

9 Present Need for Hackney Carriage Licences

The present almost negligible level of unmet demand was achieved with 306 vehicles available for public service. Further, the survey period sample of active plates identified 61% of all plates had been observed, but that the largest proportion at any one time was 15% of the fleet. The two separate sample days saw 41% to 44% of the fleet observed. The driver survey confirmed that very few – if any – were totally reliant on ranks and that many had to supplement income by school contract work.

These figures suggest that the number of hackney carriages required to provide good service is significantly less than the current number operating. Further, the level of just 3.5 loaded trips per vehicle per day is well below the level of around 12 trips that would normally justify a rank-only based economic level.

Hackney carriage vehicle numbers have begun to steadily drop, with little or no requests for taking up the plates available. There is some evidence that a mix of maintenance costs, vehicles coming to the end of their life and drivers being towards retirement age, are causing a small but significant number to leave the hackney carriage operations.

It is highly likely that further erosion of rank usage will occur as app usage increases. Whilst eradication of out of town vehicles might put some trade back to City vehicles, this is not likely to be significant, and is most likely to increase app-based demand and hailing rather than rank-based demand.

Two options have been used by other authorities. One is to set a limit level beneath the current level. This would require estimation of what such a limit should be. This is possible. The above figures suggest a level of 75% of the current might be appropriate, or 230 vehicles, allowing for space for vehicles to be unused for a period.

Based on the 2019 reductions, of around 20 per year, this limit would take around three years to achieve. This would fit in with the timing of the next required demand survey based on the BPG guidance of repeat within three years.

An alternative adopted by at least one authority (Birmingham) is a moratorium on issue of new plates. This effectively extinguishes each plate not renewed and slowly reduces the limit based on natural wastage. This needs no further considerations as the number effectively sets itself.

Both options might encourage those considering not renewing to think carefully given that their decision would be final.

Both would also continue to increase the overall level of remuneration for those remaining by sharing the same demand between a smaller number of vehicles, gently enhancing their ability to earn a living. Both should be seen by the hackney carriage trade as a sign of support and encouragement.

A further option is removal of the limit altogether. Benefits to this would be no fettering of potential investors in the trade, although the fully WAV policy would act as a restraint increasing entrance costs. Disbenefits would be the possibility that lower demand was shared out between even more vehicles, with the potential for congestion issues at a time rank provision was changing, and the possibility that the decrease in vehicle numbers might increase further, losing even more experience from the industry. The risk of strong numbers of new vehicles could be further mitigated by a stipulation that all new vehicles must be ULEV or EV style. On balance at this time, this option would almost certainly make the situation worse and should be discounted.

There remains a need to understand why people are leaving in detail, and to identify the current school contract demand and how this makes use of the fleet.

Further discussion follows below and in the recommendation chapter.

10 The impacts of COVID-19

This study was essentially completed ahead of the impact of COVID-19 on the City. This was now six months ago, and initial outputs suggest that supply of both hackney carriage and private hire vehicles has currently reduced – by between 6 and 7% in six months for both fleets. For the hackney carriage fleet the level of reduction in six months (18 vehicles) (12% per annum) is already very close to the total loss in the full previous year (23 vehicles) (7% per annum). The Leicester situation was not helped by the City being the first to have a further lockdown applied on 29th June. This reversed the ability of bars, restaurants and hairdressers to reopen (only first allowed on 15th June) and prevented further reopenings that were allowed elsewhere in England from 4th July. At the time of writing this report, bars etc. in Leicester were allowed to reopen on 3rd August and the next raft of venues and businesses will reopen on 8th September. Restrictions on meeting in private homes and gardens are still in place.

The public survey suggests that future demand for licensed vehicles is likely to be reduced by around 10% moving forward. This would be a one-off reduction to a lower level of patronage but would probably encourage further drop-outs as renewals continue through the year and people experience more what the 'new normal' will mean to them.

The COVID-19 situation does, however, provide an opportunity particularly to the hackney carriage given the full fleet tends to be provided with a separate driver portion, and that many options are appearing whereby the vehicle itself can be readily made significantly COVID-19 secure by use of anti bacterial coatings, masks and cleaning regimes. Some of this will be dependent on take-up of new procedures across the fleets, and on active promotion of these benefits to customers, which may or may not occur.

It is likely that the increased level of non-renewals of hackney carriage vehicle plates might continue perhaps for the remainder of this licensing year. This would suggest that the number of plates active could be in the order of 270 by the end of March 2021 on this basis. Were the previous rate of reduction then to continue from that date on, estimated hackney carriage vehicle numbers could be 250 by March 2022 and 230 by March 2023. This latter level would be the minimum number of vehicles that we would consider realistic were current demand to resurge to present levels by that time. This would also be the date that the current BPG advice would recommend fresh survey and testing of the limit.

It should also be remembered there are plans in place to see substantial revision to rank provision over the next year. These plans need to be checked and undertaken carefully to ensure no potential for this to further reduce customer numbers. Further, this would add a further good reason to retain the current limit on vehicle numbers through that period to avoid issues arising from over-ranking or from problems relating to new drivers (if removing the limit led to any) not knowing how the ranks worked.

Of all the options, the moratorium seems to provide the easiest, most transparent and valid option.

11 Recommendations

On the basis of the evidence gathered in this Unmet Demand Survey for Leicester City licensing area, 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 Leicester City licensing area. The committee is therefore able to retain the limit, and do so at the present level of 338.

Given the minimal nature of the level of unmet demand, and other factors identified options exist to:

- Apply a moratorium on new plate issue
- Set a revised limit at the level at the time of the committee meeting
- Determine a revised limit at a level not less than 230 vehicles
- Remove the limit completely
- Remove the limit completely but require all new plates to be environmentally friendly in a way defined by the Council after thought

Some matters identified require potential further consideration:

- Review of how many licensed vehicles are needed to service school and other known contracts
- Identification of why drivers are not renewing vehicles
- Careful planning of the impact of movement of ranks on customer usage
- Consideration of enhanced driver customer relation training (e.g. similar to the 'Welcome Host' training from the past – this could be linked with work encouraging revitalisation of the local economy post COVID-19.)
- More detailed discussion and review of how Leicester licensed vehicle users get WAV style vehicles, particularly the link between the mainly independent hcv WAV fleet and private hire companies
- Consideration of how post COVID-19 taxi usage develops

In any event we would recommend repeat of this data collection exercise with new rank observations no later than mid-March 2023.

Appendix 1 – Industry statistics

Leicester

Limit began 2001 (DfT 2001 data)

	hcv	phv	lv total	Total drivers (all dual)		Ops	% hcv WAV	% phv WAV
1994D	238			722	**1994D**			
1997D	300	460	760	800	**1997D**		100	
1999D	295	729	1024	940	**1999D**	26	100	
2001D	313	594	907	1149	**2001D**	21	100	
2004D	283	733	1016	1206	**2004D**	33	100	
2005D	318	1400	1718	2000	**2005D**	42	100	
2007D	318	1109	1427	1601	**2007D**	54	100	
2009D	338	1150	1488	1600	**2009D**	45	100	
2010N	318	969	1287	*1685*	**2010N**	*54*	100	
2011D	327	992	1319	1769	**2011D**	63	100	1.2
2012N	328	1023	1351	*1868*	**2012C**	*69*	100	*1.1*
2013D	336	1119	1455	1966	**2013D**	74	100	0.9
2014N	329	1119	1448	*1957*	**2014N**	*74*	100	*0.9*
2015D	336	1194	1530	1947	**2015D**	73	100	0.9
2017D	329	1398	1727	2107	**2017D**	90	100	0.9
2018D	329	1441	1770	2153	**2018D**	103	100	1.0
2019D	329	1481	1810	2200	**2019D**	105	100	1.4
2020S	306	1534	1840	2247	**2020S**	111	100	1.4
2020A	288	1443	1731	2182	**2020A**	104	100	1.4

Key:		
	D	DfT data
	N	National Private Hire Survey data
	S	Data from Council at time of rank survey work
	A	Data at end of August 2020

Note:			
	March to Aug 2019	10	hackney licences expired, not renewed
	March to Aug 2020	19	hackney licences expired, not renewed

Appendix 2 – List of ranks

Location	Hours of Operation	Future Situation
Highcross Street adj. Highcross PH	24hr	2 spaces. To be experimentally supplemented with a new rank on St Nicholas Place adj. to Jubilee Square
Highcross Street opp. Cosy Club	6pm to 7.30am	6 spaces. As above
Belgrave Gate opp. Haymarket Bus Station	24hr	Will be revoked in mid-late October due to the construction of the Mansfield Street link road
Belgrave Gate opp. Haymarket Theatre steps	24hr	Will be revoked in late Summer 2020 due to the introduction of the extended pedestrian zone and replaced by a new rank on the opposite side of Belgrave Gate in mid/late 2021
Belgrave Gate o/s Heron Food store	24hr	Will be revoked in Summer 2020 due to introduction of the extended pedestrian zone
Belgrave Gate Heron Food store to Clock Tower	11pm to 6.00am	Will be revoked in Summer 2020 due to introduction of the extended pedestrian zone
Horsefair Street opp. Town Hall	24hr	Will be re-located to a new position on Millstone Lane opposite McDonalds on completion of the proposed improvement scheme in late20/early21
Horsefair Street opp. Market Place Approach	6pm to 7.30am	Will be re-located to the opposite side of Horsefair Street on completion of the proposed improvement scheme in late20/early21
Braunstone Gate	6pm – 7.30am	Discussions are ongoing about the future street layout of Braunstone Gate. We will advise of any proposed amendments in due course
Western Road	6pm – 7.30am	As above
Bowling Green Street	6pm to 7.30am	No change proposed – unusable at time of survey due to building work, little used
Leicester Station	24hr	Private rank with need for supplementary permit from rail operator. Fed by Conduit St
Conduit Street	24hr	No change proposed at the present time. Council owned feeder to private station rank

Humberstone Gate	23:30 to 06:00	Bus stop in day, near Clarence House
	23:00 to 06:00	Just south of Vestry Street
Station Street	6pm – 7.30am	2 spaces outside station and near private hire booking office. Rarely used by hcv
Granby St before Bishop St	24hr	3 spaces but little used
Gravel St, Bus Station	24hr	New road nearby that may affect rank
Abbey Street	Daytime bus stops, night time ranks 23:00 or 23:30 start	Two ranks, one either side of road. Rarely used.

Appendix 3 – Timetable of rank observations

Please see separate document

Appendix 4 – Detailed rank observation results

Please see separate document

Appendix 5 List of Stakeholders consulted

Key consultee	Response
Supermarkets	
Sainsbury's, Humberstone Gate	U
Tesco, Narborough Road West	U
Asda, Leicester Abbey Lane	U
Morrison's, Aylestone Road	U
Waitrose, Ethel Road	U
Heron Foods	U
Hotels	
Hotel Maiyango	E
Novotel	A
Travelodge, Vaughan Way	RP
Mercure Leicester The Grand	E
Campanile Leicester	E
Holiday Inn, Leicester	E
Restaurants / Cafes	
Nando's, Granby Street	U
Zizzi Belvoir St	U
Casa Romana	E
Brew Dog Market Place South	E
Fernandez Grillhouse	E
Temptation, Bowling Green St	U
Everest Dine, Belgrave Gate	U
Entertainment	
New Walk Museum and Art Gallery	U
Showcase Cinema	U
Guildhall Museum	U
King Richard III Visitor Centre	U
Public Houses	
The High Cross, High St, Wetherspoon	RP
The Tree, High St	E
O'Neills Loseby Lane	U
Walkabout Leicester	E
TGI Fridays High St	U
The Gadabout, Guildhall Lane	E
Night Clubs	
Club Republic, Gravel St	E
Cosy Club, High Cross St	U
Waikiki, Market Place	E
Havana, Yeoman St	U
The Yellow Door, Belvoir St	Closed

The Terrace Albion St	E
Other key stakeholder groups	
Leicester Royal Infirmary	U

Key:

U – no means to contact due to pandemic changed communication policy or lack of contact email or contact form (no phones were being answered)

E – email sent but no response received despite chasing

A – email sent and acknowledged but no other response

R – refusal, due to national policy on not providing local feedback

Appendix 6 National Rail usage information for Leicester station

Rail year (ends March in last year noted)	Entries / exits	Growth / decline
Leicester (89th) (East Midlands Trains)		
1997 / 1998	3,180,677	n/a
1998 / 1999	3,324,048	+5%
1999 / 2000	3,656,368	+10%
2000 / 2001	3,708,580	+1%
2001 / 2002	3,964,480	+7%
2002 / 2003	4,267,391	+8%
2003 / 2004	Not collected	
2004 / 2005	4,456,662	+4%
2005 / 2006	4,360,891	-2%
2006 / 2007	4,778,063	+10%
2007 /2008	4,969,109	+4%
2008 / 2009	5,132,022	+3%
2009 / 2010	4,992,390	-3%
2010 / 2011	4,953,636	-1%
2011 / 2012	4,896,018	-1%
2012 / 2013	4,797,294	-2%
2013 / 2014	4,853,908	+1%
2014 / 2015	5,052,026	+4%
2015 / 2016	5,247,140	+1%
2016 / 2017	5,422,928	+3%
2017 / 2018	5,392,710	-0.1%
2018 / 2019	5,582,286	+4%
Growth since last survey (2008/9 to 2018/9) (and from 97/98)		+9% (+76%)