

Leicester
City Council

WARDS AFFECTED: Citywide

Cabinet

5 September 2006

Review of Restriction of Hackney Carriage Licences

Report of the Corporate Director Regeneration and Culture

1. Purpose of Report

- 1.1 This paper asks Cabinet to decide on Leicester City Council's approach to licensing hackney carriages.

2. Summary

- 2.1 In February 2005, Licensing Committee received a report on the Government's Action Plan for Hackney Carriages and Private Hire Vehicles. This included a requirement for local authorities to review their policy on restricting the number of hackney carriages licensed. Licensing Committee resolved to commission a study into the demand for hackney carriages in Leicester. This report sets out the outcome of that study and outlines three options for a future approach to licensing hackney carriages. On 8 June 2006, Licensing Committee expressed its view that there should be a phased increase in the number of licences issued, linked to regeneration developments and increases in rank spaces. This is represented by Option 1 below. An extract from the draft minutes of Licensing Committee of 8 June 2006 is shown in Appendix C.

3. Recommendation

Cabinet is recommended to approve one of the following options:

3.1 Option 1

- 1 Approve the adoption of a policy of increasing the number of hackney carriage licenses issued, linked to regeneration projects and new rank spaces.
- 2 Give delegated authority to the Corporate Director for Regeneration and Culture to approve increases in the number of hackney carriage licences issued, in consultation with the Cabinet Lead for Environment, Transport and Culture.
- 3 Require the Corporate Director of Regeneration and Culture to commission a further study into the demand for hackney carriages within the next three years.

3.2 Option 2

- 1 Continue with the current restriction on the number of licences issued
- 2 Require the Corporate Director of Regeneration and Culture to commission a further study into the demand for hackney carriages within the next three years.

3.3 Option 3

- 1 Remove the restriction on the number of licences that can be issued.

4. Financial and Legal Implications

Financial Implications

Financial Implications provided by Martin Hudson – Head of Finance, R&C

- 4.1 The current licence fee for Hackney carriage is £181p.a. If all the applicants on the waiting list were issued a licence, this will generate additional fee income of £15,928.

Legal Implications

Legal Implications provided by Jamie Guazzaroni – Solicitor, Resources

- 4.2 The Survey undertaken by Halcrow at point 6 in the executive summary in indicates there is no insignificant unmet demand for hackney carriages in Leicester and indicates the following options:

- Continue to limit the number of Hackney Carriage vehicles at 318;
- Issue any number of additional Hackney Vehicle Licenses as it sees fit, either in 1 allocation or a series of allocations.
- Remove the limit on the number of vehicles and allow a free entry policy.

4.3 Continuing to Limit the Number of Hackney Carriage Vehicles

- 4.3.1 Under Section 16 of the Transport Act 1985 a District Council may refuse an application for a Hackney Carriage Vehicle Licence in order to limit numbers only if they are satisfied that there is no significant unmet demand for taxi services within the area to which the licence will apply. This doesn't mean that district Councils must limit taxi numbers if they are satisfied that demand in the area is totally met but acts to forbid district Councils from restricting numbers for any other reason.

- 4.3.2 Where a district Council has assessed the number of licensed taxis required to meet a significant unmet demand and has granted licences up to that number, it may refuse any further application provided that it satisfies itself afresh as to the absence of such a demand.

- 4.3.3 Therefore under this section a district Council may refuse a licence to restrict numbers only if satisfied that there is not a significant unmet demand for taxis in the relevant area. If the Council cannot demonstrate there is no unmet demand the licence must be granted.

- 4.3.4 An applicant can appeal to the Crown Court if the Council refuse to grant or fail to make a determination of the application. The appeal must be made from the decision.

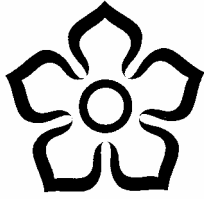
- 4.3.5 If there is appeal it will be for the council to convince the Court that they had reasonable grounds for being satisfied. Where on appeal the Crown Court determines that there is a significant unmet demand, and allows the appeal it is for the Council to allocate the licence according to its criteria.
- 4.4 Issue any number of Additional Vehicle Licenses as it sees fit.
- 4.4.1 The Council has this option and would need to show that there was unmet demand for introduction of additional vehicles.
- 4.5 Remove the limit on the number of Hackney Vehicles
- 4.5.1 This Option is available to the Council and the advantages/disadvantages of this are given at point 4 and 5 of the report.
- 4.6 It must be noted that Overcrowding of ranks is not itself evidence that there is no unmet demand .It could be argued that the provision of ranks has been limited and the Council should consider sites for further ranks.
- 4.7 As with any change in Council Policy it could be challenged by way of Judicial Review. The Council will have to be in a position to justify the reasons for the option chosen.

5. Report Author

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DECISION STATUS

Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)



Leicester
City Council

WARDS AFFECTED: Citywide

Cabinet

5 September 2006

Review of Restriction of Hackney Carriage Licences

Report of the Corporate Director Regeneration and Culture

Report

1. Background

- 1.1 In November 2003, the Office of Fair Trading published a market study into the regulation of hackney carriages and private hire vehicles in the UK. The Government responded in respect of England and Wales on 18th March 2004, with a written statement in the House of Commons, that included an Action Plan exploring how the Government expected licensing authorities to deal with restrictions on the number of hackney carriage licences they issue.
- 1.2 The Action Plan makes it clear that the Government believes restrictions on the number of licences should only be retained where there is shown to be a clear benefit for the consumer. Councils should be able to justify their reasons for the retention of restrictions and how decisions had been reached. A copy of the action plan relating to hackney carriage licence restrictions is attached to this report at Appendix A.
- 1.3 In February 2005, Licensing Committee asked officers to undertake a study to examine the demand for hackney carriage surveys in Leicester and report back the findings. The study was intended:
 - to determine whether or not there exists a significant unmet demand for Hackney Carriage services in Leicester
 - to advise on the action necessary to restore a position of no significant unmet demand if necessary
 - to prepare the basis for the authority to make a submission to Department for Trade.

2. Details of Demand Survey

2.1 In March 2006, Halcrow, a specialist company engaged to produce a report on hackney carriage licensing for the City Council, carried out a study on our behalf. That study was designed and conducted along guidelines issued by the Department for Transport. They consulted with:

- all those working in the hackney carriage trade
- consumer and passenger groups
- groups that represent those passengers with special needs
- the Police
- local interest groups such as hospitals and visitor attractions
- a wide range of transport stakeholders such as rail/bus/coach providers and transport managers.

3. Findings

3.1 The study found that there is no significant unmet demand for hackney carriages in Leicester. That conclusion is based in 188 hours of rank observations, new market research with residents and visitors and widespread consultation. Based on this conclusion, any decision Cabinet may make to impose a restriction on hackney carriage licences is within the law.

3.2 The public were asked to indicate how satisfied they were with the delay they experienced when waiting for a hackney carriage. This gives an indication on the level of satisfaction with the level of supply. When trying to hire a hackney carriage by flag down in the street the level of satisfaction was 86% and when waiting at a rank it was 90%.

3.3 By far the most significant delay for passengers identified by the study was between the hours of 23:00 and 03:00 at the weekend. At other times the average time passengers had to wait for a vehicle was less than 2 minutes. Officers have investigated whether it would be possible to issue licences to allow vehicles to operate just in the evening and night time. The Legal advice we received is that it is not legal to issue time restricted licences. Since the last survey, carried out in 2001, a night-time tariff has been introduced to encourage more licensed vehicles to operate at night. This appears to have had some success as the peak waiting time has reduced from almost 20 minutes in 2001 to less than 6 minutes in 2005. There may have been other factors involved in this reduction, such as the introduction of night buses and staggered closing times of licensed venues.

3.4 An executive summary of Halrow's report is attached at Appendix B and the full report has been deposited in the Members' library.

4 Options

4.1 Three options follow from the outcome of the study. These are:

- continue to limit the number of hackney carriages to 318;
- completely remove the limit on the number of hackney carriages and allow a free entry policy;
- issue any number of additional hackney carriage licences, either in one allocation or a series of allocations.

4.2 Officers recommend that Cabinet decide to licence additional hackney carriages, but the exact number of additional licences is linked to regeneration developments and as additional rank spaces are made available. Section 5 below sets out the advantages and disadvantages of the keeping or removing a limit on hackney carriage licences.

5. Advantages of removing limit

5.1. Currently, there are 88 applications on the waiting list. The longest wait for a licence is now 1 year 9 months. Issuing more licenses would help to reduce the waiting list. If hackney carriage licences were freely available, owners of vehicles could not sell their vehicles at a premium for the licence attached to the vehicle. The existence of premiums creates an incentive for potential licensees to join the waiting list with the intention of immediately selling any vehicle granted a licence. Issuing a number of new licences would tend to reduce premiums and remove the incentive to join the waiting list just to sell a licensed vehicle.

5.2. Removing a limit on the hackney carriage licences could result in a better supply at night at the weekend when the passenger waiting times are at a peak. However, there is no guarantee that new licensees would work at night and they may chose to work during the day instead.

5.3. Removing the limit would enable the supply of hackney carriages respond to changes in demand for their service. Change in demand is likely because of the regeneration of the City, including the expansion of the Shires and the development of the cultural quarter. If a limit was retained this could remain in place for two to three years, after which a further demand survey could be carried out.

6. Disadvantages of removing limit

6.1. Currently, there are not enough ranks, and space at ranks, for the 318 licensed vehicles. Increasing the number of licensed vehicles could result in further congestion at ranks and other city centre locations. The City Council has made some increases in rank provision, for instance at the railway station and Belgrave Gate ranks, and further opportunities will arise in the future as the City Centre is redeveloped. The City Council will ensure that suitable locations are used for ranks within constraints.

6.2. We already receive complaints from the public about hackney carriages parking illegally because of insufficient rank space. Hackney Carriages have been known to park illegally on roundabouts, double yellow lines and in disabled bays.

6.3. The trade's perspective is that as they operate in a highly regulated business environment and that we need to give consideration to ensuring their businesses remain viable. The City Council places restrictions on the types of vehicle they operate, the fares they may charge and the standard of maintenance of vehicles. Since the introduction of a restriction on hackney carriage licence plates, Leicester City Council has also adopted a more rigid vehicle age policy and has increased enforcement and the application of higher standards. This has resulted in a higher number of vehicles failing spot safety checks and an increase in the number of newer vehicles licensed. The trade believe that if the number of vehicles licensed were increased, considering that the existing number of taxis is sufficient to meet existing

demands, each taxi proprietor's income would reduce, making proprietors less able to meet maintenance costs.

- 6.4. Concerns about falling standards could be addressed through more enforcement. However, the trade may question whether the authority would be adopting a reasonable approach by expecting Hackney Carriage owners to meet the high cost of maintaining their vehicles when their incomes had been reduced. There is also a concern that in the short term, normal market forces may not be instrumental in determining the number of request for hackney carriage licences even though there is already an oversupply of vehicles for most periods of the daytime.

7. Advantages of Issuing a limited number of additional licences

- 7.1. Perhaps the most significant reason for retaining a limit is the likely overcrowding caused by additional vehicles. The potential impact of this could be reduced if the number of increased licences is in line with new developments and as rank spaces become available.
- 7.2. Issuing new licences as significant new regeneration projects are completed (such as the Highcross Quarter retail development) will encourage supply to keep pace with increases in demand.
- 7.3. The waiting list will be reduced as new licences are issued. Removal of applicants from the waiting list who decide not to take-up licences will reduce it further.
- 7.4. A reduction of the waiting list will tend to lessen the value of premiums paid for vehicles that have a licence.

8. Consultations

- 8.1. The RMT were consulted prior to the original report to Licensing Committee in February 2005. They were opposed to an increase because in their view there were too many hackney carriages already, insufficient rank space and drivers needed to work longer hours in order to earn a decent living. Hackney carriage drivers have been consulted individually as part of the consultation exercise now being reported on.

9. Situation in other Authorities

- 9.1 The consultant's report provides details of the number of vehicles licensed by other local authorities compared to their population. The per capita provision of hackney carriages in Leicester is high compared to other restricted authorities and is equivalent to that in some other deregulated authorities. Cabinet Members will recall that Leicester adopted a policy of free entry control between 1985 and 2003. It is possible that the number of licences may not increase significantly if the limit is lifted.

- 9.2 Halrow also researched the licensing policies of 9 other local authorities to obtain the up to date position. They reported the following:

- **Nottingham** – restricted to 430 licensed Hackney Carriages
- **Derby** – deregulated over 8 years ago

- **Birmingham** – no restrictions, however, will only licence brand new Hackney Carriages
- **Coventry** – no restrictions
- **Bristol** – restricted to between 720 – 750
- **Sheffield** – no restrictions
- **Newcastle** – restricted to 718
- **Liverpool** – restricted, unable to give number
- **Luton** – restricted to 121, looking to deregulate in 2008

10. Other Implications

OTHER IMPLICATIONS	YES/NO	PARAGRAPH REFERENCES WITHIN SUPPORTING PAPERS
Equal Opportunities	Yes	Hackney carriages provide an accessible means of transport, particularly for wheelchair users. If the restriction on the number of licences issued resulted in unmet demand for hackney carriages, this could impact on the availability of this accessible form of transport. However, the demand survey found that there was no significant unmet demand resulting from the restriction.
Policy	Yes	Throughout.
Sustainable and Environmental	Yes	6.3
Crime and Disorder	Yes	6.2 & 6.3
Human Rights Act	No	
Elderly/People on Low Income	No	

ANNEX A**The Government's Action Plan for Taxis and Private Hire Vehicles in England and Wales****Restrictions on the numbers of taxis**

- 1 In England and Wales outside London, local authorities (district/borough councils or unitary authorities) have been able to restrict the number of taxi licences that they issue since at least 1847. In practice, some 45% of authorities do so at present, but the legislation allows them to control numbers only if they are satisfied that there is no significant unmet demand.
- 2 Local authorities with quantity restrictions must be able to justify their policy in the event of an appeal by a taxi licence applicant who has had his application refused on the grounds of quantity controls. The usual method of ascertaining the level of demand is by means of a survey. The legislation does not stipulate any specific frequency for the surveys, but any licensing authority which controlled taxi numbers would want to ensure that its policy was based on up to date and sound information.
- 3 The OFT recommended that local authorities should not retain this power because they considered that such restrictions can:
 - a) reduce the availability of taxis
 - b) increase waiting times for consumers
 - c) reduce choice and safety for consumers
 - d) restrict those wanting to set up a taxi business.
- 4 The Government agrees that consumers should enjoy the benefits of competition in the taxi market and considers that it is detrimental to those seeking entry to a market if it is restricted. The Government is therefore strongly encouraging all those local authorities who still maintain quantity restrictions to remove restrictions as soon as possible. Restrictions should only be retained if there is a strong justification that removal of the restrictions would lead to significant consumer detriment as a result of local conditions.
- 5 However, the Government received a significant number of representations expressing the view that ultimately local authorities remain best placed to determine local transport needs and to make the decisions about them in the light of local circumstances. The Government believes that local authorities should be given the opportunity to assess their own needs, in the light of the OFT findings, rather than moving to a legislative solution.
- 6 Nevertheless the Government believes that local authorities should publish and justify their reasons for restricting the number of taxi licences issued. The Government will therefore write shortly to each district/borough council or unitary authority maintaining quantity restrictions and ask them to review by 31st March 2005 the local case for such restrictions, and at least every three years thereafter, and make their conclusions available to the public.

- 7 The Government intends that the letter will include guidelines on quantity restrictions, including a review of the level of service available to consumers and consumer choice. The guidelines will cover:
- a) **effective surveys** to measure demand, including latent demand, for taxi services;
 - b) **consultation** with:
 - i) all those working in the market;
 - ii) consumer and passenger (including disabled) groups;
 - iii) groups which represent those passengers with special needs;
 - iv) the police
 - v) a wide range of transport stakeholders e.g. rail/bus/coach providers and traffic managers.
 - c) **publication** of conclusions. This will include an explanation of the particular local circumstances which justify restrictions, what benefits they deliver to consumers and how decisions on numbers have been reached. Authorities will be encouraged to make all the evidence gathered to support the decision-making process available for public scrutiny.
- 8 This is to ensure that decisions to impose restrictions are based upon strong up-to-date evidence of benefits to consumers locally for their retention, and that the decision-making process is transparent and consultative. The Government considers that this would help local authorities with quantity restrictions to justify their policy if they were challenged about refusing to issue a taxi licence in the courts. If restrictions are not shown to be delivering clear benefits to consumers, it is the view of Government that local authorities should remove them.
- 9 The Government itself will review in association with the OFT the extent of quantity controls in three years' time to monitor progress towards the lifting of controls. If necessary, the Government will then explore further options through the RRO or legislative process if insufficient progress has been made.
- 10 The Local Transport Plan process requires local transport authorities to look holistically at how the transport provision for their area contributes to wider objectives such as economic growth, accessibility and the environment. Taxis and private hire vehicles are an integral part of local transport provision and should be properly taken into account in this process. The Government intends that the next 5-year Local Transport Plans, due to be submitted by authorities in 2005, will include justification of any quantity restrictions in the wider local transport context³.
- 11 The Government will also include guidelines on quantity restrictions in its best practice guidance on taxi licensing.

³ Those few authorities that will not be required to produce a Local Transport Plan will still be expected to justify their quantity restriction policy if any of the districts in their area have such restrictions.

Maintaining quality in service provision

- 12 The OFT states that there is a strong case for regulating quality and safety both for taxis and PHVs as:
- a) consumers cannot judge certain standards when getting into a taxi or PHV; and
 - b) taxi services can have a role to play in broader social welfare policy.
- 13 The OFT concludes that quality and safety standards should be maintained and supported by effective enforcement. The Government agrees.
- 14 The OFT recognises that local authorities should be able to apply quality and safety regulations to suit their needs. In doing this, local authorities should ensure that any quality and safety specifications set do not go beyond what is required to achieve their policy aim. To help them, OFT recommended that the Department for Transport promote and disseminate local best practice in applying quality and safety regulations.
- 15 The Government agrees with OFT that quality standards have an important role to play in securing the safety of the travelling public and ensuring that they are provided with a high level of service. The Government also agrees that these decisions should continue to be made by local authorities, but considers that there is scope for more sharing of best practice, particularly in ensuring proportionality.
- 16 The Government will therefore consult local authorities and other stakeholders in order to develop and publish best practice guidance as OFT recommend. The Government intends that this will comprehensively cover licensing issues, including suitable criteria for licensed vehicles, drivers and PHV operators; driver training; safety; security and other topical issues. The draft guidance will also include sections on quantity controls; fares (see below); enforcement; taxi zones; flexible transport services; and a model taxi/PHV policy for the Local Transport Plan process.
- 17 The aim would be to consult on draft guidance later this year, with a view to publication by the end of the year.

Fares

- 18 The OFT recommends that local authorities should not set fixed or minimum fares. They should only set taxi fare tariffs which represent the maximum that can be charged:
- a) to protect vulnerable consumers;
 - b) to address a lack of price competition; and
 - c) to allow consumers to negotiate lower fares in certain situations.
- 19 The Government agrees that where taxi fares are set by local authorities they should be a maximum. As the OFT notes, this is already the case in England and Wales outside London. The Government agrees that the situation in London should be clarified and is therefore grateful that the licensing authority for London has agreed to make clear through secondary measures that fares set in London are a maximum

rather than mandatory as soon as it is feasible to do so.

- 20 The Government also notes OFT's advice that consumers should be encouraged to negotiate for lower fares, particularly when booking taxi services over the telephone. In promoting more competition in the market, the Government will ask the OFT to advise on guidance as part of the Government's best practice guidance for local authorities (which will also encompass best practice on quality and quantity controls including unmet demand surveys as outlined above). The guidance will make clear that initiatives to promote greater competition should not jeopardise the safety of consumers or drivers, or create enforcement issues. There is scope to encourage some firms to differentiate their services thereby providing a greater range of choice for consumers (for example by providing a "happy hour" of lower cost journeys for, say, pensioners).

Further issues

- 21 The OFT also commented on several further issues that concern taxi and PHV licensing but which are outside the remit of the report:

Regulatory Reform Action Plan

- 22 The Government's Regulatory Reform Action Plan published in 2002 contained a number of proposals to use the streamlined order-making procedure in the Regulatory Reform Act 2001 to amend burdensome primary legislation. The plan included four proposals for taxi and PHV legislation in England and Wales outside London, which were subject to Ministerial decision. These were:
- a) removing the requirement for Secretary of State approval of local authority resolutions to amalgamate taxi zones
 - b) standardising driver and operator licence duration
 - c) removing local authority powers to restrict taxi licence numbers in their area
 - d) clarifying/simplifying the position on PHV cross border hirings across the borders of different licensing authorities.
- 23 The OFT considered that these proposals represented areas of concern and recommended that they should be addressed. The issue of restrictions of taxi licences is covered earlier in this action plan. The Government is taking forward the repeal of the need for the Secretary of State to approve taxi zone amalgamation resolutions in the regulatory reform order that will repeal various local authority consent regimes. The Government will include the issues of driver and operator licence duration and cross border hirings of PHVs (and taxis) for consultation in the draft best practice guidance.

Taxi Licensing Zones

24 The OFT considers that where taxi licensing areas are divided into more than one zone, greater clarity would be brought to the market if local authorities removed the zones and established a single licensing area. The Government agrees and will include a statement to this effect in the draft best practice guidance.

EXECUTIVE SUMMARY

1. Halcrow has completed a study into the taxi market in Leicester. The main objectives of the study are:
 - to identify whether or not there exists a significant unmet demand for hackney carriage services in Leicester;
 - to recommend the increase in licences required to eliminate any significant unmet demand; and
 - to provide the information required by the Authority to enable it to respond to the requirements of the Department for Transport's letter of 16 June 2004.
2. This executive summary is a stand-alone document designed to convey the main results and conclusions of the study, particularly those relating to the issue of significant unmet demand. It does not provide a full exposition of the results and rationale, and those seeking a more comprehensive treatment of the issues raised are referred to in the accompanying main report.
3. The study has been based around a number of data collection exercises:-
 - a rank observation programme (in the context of the study a rank is anywhere that hackneys and/or hire cars rank up);
 - a series of on-street interviews;
 - a survey of both the public and private hire trade drivers;
 - a survey of local proprietors; and
 - consultation with stakeholders.

SIGNIFICANT UNMET DEMAND

5. A programme of 180 hours rank observations was carried out from Tuesday 8th November 2005 to Sunday 12th February. The surveyors recorded information on passenger and cab departures from ranks. The observations were carried out at ranks (or locations) and during periods where there was expected to be activity.
6. The study has identified that there is **no significant unmet demand for hackney carriages in Leicester**. The conclusion is based on 188 hours worth of rank observations, new market research with residents and visitors and widespread consultation. On this basis we conclude that the authority has discretion in its hackney licensing policy and may either:
 - continue to limit the number of hackney vehicles at 318;
 - issue any number of additional hackney vehicle licences as it sees fit, either in one allocation or a series of allocations; or
 - remove the limit on the number of vehicles and allow a free entry policy.
7. The per capita provision of hackneys within Leicester is high compared to other restricted authorities. Indeed, the level of provision in Leicester is equivalent to that which we have observed in some derestricted authorities. It is recognised however that Leicester adopted a policy of free entry control between 1985 and 2003. Therefore, based on the results of the study we would expect the authority has a good chance of successfully defending the limit at 318 if it chooses to maintain the current number.

CONSULTATION – INTERESTED PARTIES

8. The Department for Transport had requested that licensing authorities consult widely to inform their policy making in respect of continued entry control to the hackney carriage market.
9. Consultation with interest groups identified issues when pre booking wheelchair accessible vehicles and a need to improve driver quality.

Consultation – Hackney Carriage and Private Hire Trade Members

10. A questionnaire was designed and passed to Trade representatives for comment. The survey was distributed to all 1500 members of the trade and 161 responses (10.7%) were received. The survey was designed to provide a wide range of information about the operation of the market and also included questions aimed specifically at addressing issues posed by the Department for Transport. These relate to the anticipated impact of the introduction of a free entry policy for hackney vehicle licences in Leicester. The main results are:

- 91% of hackney carriage trade respondents considered there to be insufficient rank space in Leicester;
- the majority of hackney carriage respondents (76.8%) are unhappy with the current age policy for hackneys;
- the majority of hackney trade respondents (84%) think that current fares levels are appropriate; opinion in the private hire trade largely contradicts with that of the hackney trade with 27% being of this opinion; 30% of the private hire trade considered hackney carriage fares to be too high;
- the majority of hackney carriage respondents (98%) consider there to be sufficient hackney carriages compared to only 65% of the private hire trade;
- over 90% of hackney trade respondents were not in favour of the removal of the limitation policy compared to 66% of the private hire trade;
- the perceived consequences of a delimitation policy among hackney and private hire trade respondents are respectively:
 - an increase in traffic congestion;
 - no effect on fares (hackney and private hire);
 - no effect on passenger waiting time at ranks, by flagdown and telephone bookings (hackneys and private hire);
 - decrease in hackney vehicle quality;
 - no effect in the effectiveness of enforcement;
 - an increase in over ranking; and
 - no effect on consumer satisfaction from both trades.
- the stated behavioural response to the introduction of a free entry policy includes working longer hours (hackney); continue as normal (private hire) or leave the trade (hackney). Based on responses in table 8.14, the net decrease in hackney licences following de restriction would be at least 40.

Minutes of the Meeting of the
LICENSING COMMITTEE

Held: THURSDAY, 8 JUNE 2006 at 5.30pm

P R E S E N T :

Councillor Henry - Chair
Councillor Thomas – Vice-Chair

Councillor Allen	Councillor Almey
Councillor Nurse	Councillor Porter
Councillor Smith	Councillor Sood
Councillor J Vincent	Councillor Wann

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8. REVIEW OF RESTRICTION OF HACKNEY CARRIAGE LICENCES

The Corporate Director, Regeneration and Culture, submitted a report which sought the Committee's views on a future approach to restricting the number of hackney carriages licensed. Liz Eccles from Halpro gave a presentation on the study which had taken place which assessed unmet demand and advised on appropriate action.

It was reported that there was no significant unmet demand in Leicester, but issues had been raised from consultation regarding problems at certain times of day such as late night at weekends and school opening and closing times, vehicle and driver quality, disabled access and rank provision and publicity.

The Chair invited representatives from the Hackney Carriage trade to the table to take part in the discussion and they stated that they believed there was insufficient ranking provision and requested that the limit on licences be maintained. They also stated that problems during the weekend late at night had improved since the implementation of the Licensing Act 2003. They requested a further report on the impact of the Licensing Act if Members supported derestricting the licences.

Members stated that they recognised problems with ranking provision but also asked that drivers exercise more discipline at ranks to avoid causing problems for other road users. Discussion took place on the potential impact of derestricting the number of licences and considered whether it would improve the service and the impact on existing drivers. Concern was raised regarding the availability of hackney carriages late at night at St Margaret's Bus Station following the introduction of the Safer Streets initiative and the resultant danger to vulnerable people. Members discussed future developments in the city and the need for new ranks to be included in these, particularly the Shires development and the opportunity to release more licences on a gradual basis to coincide with regeneration schemes and Section 106 agreements. There was the suggestion that bus stops could be used as ranks at night. It was also suggested that some hackney carriages could be licensed for night time only, but the Committee were advised that this was not legally possible. Discussion also took place on the appropriateness of current fares.

RESOLVED:

- 1) That the Committee recommend to Cabinet that the number of hackney carriage licences should be increased in stages to coincide with the introduction of new ranks as part of regeneration schemes and new developments in the city, that the provision of such ranks could be linked to Section 106 agreements, that bus stops should be available for use as ranks after 11.30pm and that advice be publicised on safe use of taxis.
- 2) That a report be brought to a future meeting of the Committee on potential locations for additional hackney carriage ranks in the City.