
Report of the Director of Legal and Democratic Services

To the Licensing and Regulatory Panel

Date: 5th September 2006

Subject: HACKNEY CARRIAGE - UNMET DEMAND SURVEY

Electoral Wards Affected:

All

Specific Implications For:

Ethnic minorities

Women

Disabled people

Executive Summary

In response to an Executive Board decision to conduct an 'unmet demand' survey, enabling the Council to consider its existing policy on the regulating of Hackney Carriage Proprietor licences, Officers have set out proposals for consideration in determining the way in which the survey is conducted.

Members of the Licensing and Regulatory Panel are requested to provide comments on the scope of the 'statement of requirements' enabling Officers to then progress to identifying a consultant within the Council's procurement policy.

The final and approved 'statement of requirements' will direct the selected consultant to conduct the survey in accordance with the Council's wishes and within set time scales.

1.0 Purpose Of This Report

- 1.1 To inform Members of the proposed 'statement of requirements' considered appropriate to secure information to enable the Council's Executive Board to review its policy on restricting the numbers of Hackney Carriage Proprietor licences.

2.0 Background Information

- 2.1 Hackney Carriage Proprietor licences are granted by the Local Authority under Section 37 of the Town Police Clauses Act, 1847.
- 2.2 The Town Police Clauses Act, 1847, as amended by the Transport Act 1985, allows a Local Authority to limit the number of Hackney Carriage Proprietor licences if but only if it is satisfied there is no significant demand for the service of Hackney carriages within its area. The Council currently remains satisfied that there is no significant unmet demand.
- 2.3 The Office of Fair Trading (OFT) started an enquiry into Local Authorities across the country dealing with issues of regulating the numbers of licences. The OFT made recommendations to the Government who considered the position and proposed that those authorities who did regulate the numbers of Hackney Carriage licences review and justify their position.
- 2.4 The Governments recommendations were considered by the Executive Board who determined that the Council's current policy of regulating the number of Hackney Carriage Proprietor licences should be reviewed and that an unmet demand survey should be conducted to inform that review. Attached to this report is a draft paper identifying the key areas for survey and research by the consultant
- 2.5 It is accepted practice to identify and use a consultant with the appropriate levels of expertise in this field to carry out the survey. Case law suggests that surveys carried out by officers do not form an adequate basis for restricting licence numbers

3.0 Main Issues

- 3.1 Members are advised that before a decision can be made on whether or not to continue with or change its existing policy to restrict the number of Hackney Carriage Proprietor licences it issues, it is essential that the most appropriate information is gained through an unmet demand survey.
- 3.2 To enable this a 'statement of requirements' sets out, amongst other things, key consultees, time tables, outputs and performance accountability. Contained within that specification at 6.5 are a range of other issues which Officers consider may have importance when the Council reviews its existing policy.
- 3.3 There may be a variety of issues which could be included but Members are advised that the requirement for this survey is to measure 'unmet demand'. Attaching other issues may lengthen the process, incur additional expense and confuse the purpose of the report.
- 3.4 The selection process to identify the successful consultant will be conducted within the Council's procurement policy.

3.5 There are extensive background documents about the issues but they do not form part of this report, which is to deal with and approve the scope, time scales, consultees and outputs to be met by the consultant.

4.0 Implications For Council Policy And Governance

4.1 The provision of a Taxi service impacts across the whole of the Council and particular contributing issues have been identified in the 'statement of requirements' as highlighted at 6.5.

4.2 The extent of consultation is identified within the 'statement of requirements'. Emphasis has been placed on securing supportive evidence as opposed to anecdotal examples during the consultation process.

4.3 The cost of the survey will fall upon the Taxi and Private Hire Licensing Section but the cost will not be known precisely until the tenders have been submitted.

5.0 Legal And Resource Implications

5.1 As set out in paragraph 2.2 above the Council can restrict the number of Hackney Carriage licences it issues if but only if it is satisfied that there is no significant unmet demand within the District. |The last unmet demand survey was carried out in 2000. As such the Council should repeat the survey even to justify maintaining existing limits. If the Council does not carry out another survey then any decision to refuse an application for a new licence is scaleable on the grounds that the Council cannot be so satisfied.

5.2 Once the survey has been completed then the Council must decide, in light of the results, whether to remove the restriction, maintain the excising restriction or to increase the number of licences on a managed basis until there is no further significant unmet demand.

5.3 The cost of completing the survey is anticipated to be in the region of.....

6.0 Conclusions

6.1 The proposals set out in the proposed tender specification document are in the format approved within the procurement policy.

6.2 The timetable for the survey enables a whole year overview and an insight into how the additional Hackney Carriage plates issues within recent years and the provision of new Taxi ranks are effecting service provision.

6.3 The 'statement of requirements' is aimed specifically at identifying those key areas of information required to influence and guide the decision making process.

7.0 Recommendations

7.1 That Members consider and approve the proposed specification to enable Officers to proceed to the procurement stage.

APPENDIX 1



Chief Executives Department

Legal and Democratic Services

**Taxi and Private Licensing
225 York Road
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A review of the Council Policy to regulate the number of Hackney Carriage Licences issued by conducting an Unmet Demand Survey within the Licensing district of Leeds.

Unique Reference: T&PHL UNMETDS2006

Draft Date:

Final Revision Date:

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1. Introduction

The Town Police Clauses Act, 1847, grants a discretion to a Licensing Authority to limit the numbers of proprietors licences it thinks fit to grant.

The power has been used in some cases to restrict the numbers of proprietor's licences enabling that authority to exercise control over the fleet.

Section 16, Transport Act, 1985, changes that principle of the Town Police Clauses Act, to the extent that the grant of a proprietors licence may only be refused for the purposes of limiting numbers if the Authority is satisfied there is no significant unmet demand for the services of Hackney Carriages in that licensing district.

It is this particular area of legislation which has attracted the attention of the Office of Fair Trading who have expressed concerns at Government level which appeared in a report entitled 'The Regulation of Licensed Taxis and Private Hire Vehicles in the UK (November 2003.) (Appendix 1.)

Tenderers are expected to be familiar with all the relevant reports from the Office of Fair trading concerning the regulation of licensed Taxis and Private Hire vehicle services in the UK and the relevant legal framework.

Since November 2003 some of the content of the original reports may now be out of date and the most recent information should be continually appraised.

Similarly, the Government response to the Office of Fair Trading report and work undertaken by the Department for Transport integral to this exercise are essential sign posts.

The Government response is, in essence, a requirement that all local Authorities who regulate the granting of Proprietors licences review that policy.

That point has been considered by this Authority and it has been determined that Leeds City Council will assess those issues in Leeds as set out within this document.

The successful tenderer will have demonstrated that they can meet those requirements within a 'value for money' environment.

2. Background – Leeds City Council Policy

Leeds City Council regulates the number of proprietor licences it grants for Hackney Carriages. Up until 1994 these were 262 such licences and these were used on saloon vehicles.

Following the proposals of the Disability Discrimination Act, 1995, the Council conducted an 'Unmet Demand' survey using a specialist consultant.

Having considered the final report, Members determined three key matters: -

- The Authority would continue to regulate the number of Hackney Carriage Proprietor licences issued
- There would be a controlled expansion of the licensed fleet with additional proprietor plates being granted

- That those new proprietor licences would only be granted to vehicles which were wheelchair accessible

The policy was implemented and the agreed number of new proprietor licences was allocated following an applications process.

There is undoubtedly demand for the personal hire of vehicles, either Hackney Carriages or Private Hire, indicated by the licence base in the Leeds licensing district.

Currently there are 537 Hackney Carriage vehicles, 1068 Hackney Carriage Drivers, 3341 Private Hire Vehicles and 4160 Private Hire Drivers.

3 Scope

The overall scope of the review is more closely defined within this Section, which is intended to direct the contractor to those key areas from which evaluated and qualified information may be obtained, but not to the exclusion of other consultees who may be recognised during the process.

The review is to be conducted within the Licensing District of Leeds City Council. It should include those who are accessing a service they may not normally use e.g. professional, business and tourism issues at their point of arrival or departure within the city.

It is considered necessary to conduct the survey in respect of potential unmet demand over a twelve month cycle to be able to support and balance recommendations.

The Consultant appointed to carry out the study will be required to provide the Council's representative with a four weekly written report of progress electronically and to attend review meetings with the Council's representative at the Taxi and Private Hire Licensing Section as specified in the 'timescales for submission' or, additionally, in the event of any other issues requiring early attention.

Before developing the final report the Consultant should prepare an interim report outlining the alternative options investigated and recommendations for consideration and discussion with the Council's representative.

Written evidence should be provided of any alternative approaches which have been considered but discounted and the reasons for doing so.

The Council is conscious that demand for taxis may fluctuate not only through the day and night but also have trends throughout the year

The methodology statement should present appropriate seasonal schedules as well as a daily demand survey on which a cycle of observation can be agreed.

The actual gathering of data and the methodology statement must be capable of satisfying legal challenge and be supported by the Contractor in the event of legal challenge.

The Contractor must ensure all staff resources used have experience and skills for the area of work.

The report author will formally present the report to: -

- Legal and Democratic Services
- Licensing and Regulatory panel
- Executive Board

The Council will undertake to permit necessary information and questionnaires to be displayed at contact centres and appropriate offices and supply contact detail to assist the survey.

4. Other Documents

All legally relevant, those bringing the DfT forward, any other relevant transport, Local Authority papers properly forming part of the survey.

5. Service Conditions

The Contractor will be responsible for the effective risk assessments and recording of all aspects of Health and Safety issues during the course of this contract.

The Council restricts access to certain buildings to ensure safety of staff, visitors or property. The Contractor is responsible for ensuring that all visits and meetings are pre-arranged and that personal identification is carried.

Confidentiality of information at every stage is important and no information should be released without written consent of the nominated Officer within the Council. Contractor's staff should not discuss their views or opinions with anyone other than the nominated Officer of the Council.

All media interest in the issues involved in this document will be handled by Leeds City Council Press Office and the Contractor should not pass comment on issues in other authorities which may reflect on this authority.

The terminology to be used at all times to describe the Council's licensed fleet is: -

- Hackney Carriage or Taxi
- Private Hire Vehicle

All staff employed by the Contractor must be fully conversant with these terms and exactly what they apply to. The Council undertakes to carry out a knowledge briefing for all those people involved in the report to ensure they are conversant with the key issues and relevant parts of legislation. The Taxi Associations have specifically requested this be conducted so that the Consultant's staff can ensure that consultees etc can be made aware of any key issues.

The Council maximises the use of its office floor space and is unable to provide accommodation other than that required for pre-arranged conferences.

6. Statement of Requirements

6.1 Data Requirements

It is the Consultant's responsibility to collect such data as is considered pertinent to undertake the study and to ensure that any specific requirements of the Client are met. The Consultant shall demonstrate to the satisfaction of the Client that any such requirement pertaining to the proposal is met.

The Client will endeavour to make available to the Consultant relevant information that might be readily accessible. However, The Consultant should note this information is likely to be limited and not collected for the purpose of this study. Therefore, due consideration should be given to the collection of any additional information necessary to achieve the objectives of the brief.

The Consultant may need to collect additional background information in order to develop and justify their proposals. Adequate provision should be made for this within the tender price.

It is essential that all data collected is evaluated and weighted when preparing recommendations, to the extent that unsupported documentary or oral submissions should carry less value than that which is clearly supported by statements of fact.

6.2 Data Sources

Accessing the sources of potentially important and relevant information is a key part of this survey. Some important contacts are listed in this document (see 6.7) but, during the course of research others may be identified. The Contractor must evaluate each one and qualify and record their view point in determining whether or not to use that source or to what extent it is used. The impact of those decisions should also form part of a 'Consultees Section' in the Consultants reports to the Council.

The Consultant will be responsible for creating an appropriate level of awareness of this survey and its purpose. Throughout the survey period.

6.3 Time Scales for Submission

The study shall be delivered to the timescales stated below: -

- ***Timescale for submission of first interim report - Proposals***

Two weeks from commencement of contract

- ***Timescale for Council's response to interim report***

One week from date of receipt of Consultants proposals report

- ***Timescale for submission of second interim report for the four month period following review of the first interim report***

Sixteen weeks from commencement of the first survey

- ***Timescale for Council's response to second interim report***

One week from date of receipt of report

- ***Timescale for submission of third interim report for the four month period following second interim report***

Sixteen weeks from the date of conclusion of the first survey

- ***Timescale for Council's response to third interim report***

One week from date of receipt of report

- ***Timescale for submission of fourth interim report for the four month period following third interim report***

Sixteen weeks from the date of conclusion of the second survey

- ***Timescale for Council's response to fourth interim report***

One week from date of receipt of report

- ***Timescale for submission of draft final report outlining proposals***

Two weeks from receipt of Council's response to fourth interim report

- ***Timescale for Council's response to draft final report outlining proposals***

Two weeks from date of receipt of draft final report

- ***Timescale for submission of final report outlining recommendations***

Two weeks from receipt of Council's response to the draft final report

6.4 Consultees

The Council

- Ward Members
- Officers involved in issues involving transport provision (e.g. Highways, Entertainment Licensing, Parking Services, Taxi and Private Hire Licensing Staff, Tourism and Leisure, Transport Planners, Education, Social Services)

The Transport Providers

- Existing Hackney Carriage Proprietors and drivers
- Private Hire Operators
- Bus services
- Rail

- Airport
- W. Y. P. T. E

Users

- Public survey at points of delivery
- Survey of major businesses (hotels, entertainment, restaurants and licensed premises)

Specific Users

- Disabled Groups
- Women's Representative Groups

Other Agencies

- West Yorkshire Police
- British transport Police
- L. C. L. A
- Yorkshire Forward
- Chamber of Commerce

The Council would consider best practice in the areas of safety, accessibility and service provision from other licensing authorities which have comparable issues.

6.5 Outputs

The Contractor will provide a report to the Council which describes the: -

- Existing situation based on information collected
- The study procedures
- Consultations and their outcome
- Findings with evidence
- Recommendations
- Suggested timescales for achieving the recommendations together with likely estimated costs and resource implications

Specific reference should also be made to the following issues: -

- Implications for the Council's environmental policy
- Implication of any recommendation on: -
 - (i) Corporate Plan
 - (ii) Council Plan
 - (iii) Vision for Leeds
 - (iv) Local Transport Plan
- Any consequential effects on the transport infrastructure with particular reference to City Centre congestion, road safety, traffic flow and taxi ranks
- Effects on Council quality controls (Hackney Carriage Vehicle Conditions)
- If any other initiative could be implemented which could improve service provision
- Recommendations for 'building in' best practice within building developments to enable easier access to taxi services (e.g. retail outlets and licensed premises)
- Highlight any potential for increasing the level of service to wheelchair users and people with a disability wherever the service is required (rank or home / business address.)
- To what extent Hackney Carriage drivers fear for their personal safety affects the services offered during the night or to any parts of the city in particular and identify any best practice which may increase levels of safety to taxi drivers
- Determine from observation data those types of Hackney Carriage vehicles which provide an infrequent service during evening economy hours and to survey the reasons why providing comparable data on the day / night service provision
- Consider if efficient marshalling at peak periods could influence the efficiency of service provision

6.6 Performance Accountability

The Consultant shall provide the following: -

- Detailed method statement demonstrating how the project brief will be met. This should expand on the outline method statement submitted with their tender, and is required after appointment and before commencing work.
- Interim written reports on a four weekly basis providing details of the progress with the contract
- Full details in advance of all public consultations proposed including procedure, documentation, dates, times, venues and significant issues or challenges to the process
- Detailed summary reports of all public consultation results

- Interim reports (delivered electronically) submitted for each of the survey period in the form of an executive summary with evidence charts within the stated timescales at 6.4 along with proposals for the next stage of the review.
- Draft final report for approval (delivered electronically) submitted on completion of the study
- Final report (delivered electronically) outlining the study, recommendations and highlighting any appropriate best practice
- Timely delivery of hard copies of the approved report to Officers and Members as specified
- Formal presentation of the report at all stages through the Council's approval process