

DEPARTMENT OF ENVIRONMENT HOUSING AND NEIGHBOURHOODS

ORIGINATING SECTION: PUBLIC PROTECTION SERVICE

REPORT TO: LICENSING COMMITTEE

23.02.10

TITLE : HACKNEY CARRIAGE VEHICLE LICENCES – REVIEW OF
CONSULTATION**1. PURPOSE**

To inform members of the results of a recent consultation in relation to Hackney Carriage Vehicle Licences.

2. RECOMMENDATIONS

That Members note the report and forward their proposals to the Executive Member for consideration.

3. KEY ISSUES

Under Section 37 Town Police Clause Act 1847 as amended by section 16 of the Transport Act, local authorities can, but do not have to limit the number of hackney carriage vehicles in its area, it must however satisfy that there is no "unmet significant demand for the services which is unmet". To meet this requirement local authorities need to evidence there is no unmet demand by undertaking an "unmet demand survey"

The law does not place any requirements on local authorities wishing to remove limits on hackney carriage numbers – they are free to do so at any time.

Blackburn with Darwen Council last considered this issue in 2005, by conducting an unmet demand survey. It was identified that a further 10 plates were required to be issued to eliminate any unmet demand.

Since that time elected members have addressed this issue periodically and as a result of this, a suspension of the unissued plates was in place. However failure to issue these plates has been challenged in Blackburn Magistrates Court and has a result the local authority has now no choice but to formally consider this issue again.

4. RATIONALE

On 4th January 2012 a letter of consultation was sent to all the hackney carriage trade that are currently licensed in Blackburn with Darwen. In total 124 letters were sent out. A copy of the consultation letter can be found at appendix 1.

The letter detailed two options open to the trade :-

- 1) To delimit the number of hackney carriage vehicles and, allow market forces to determine the number of licence within the borough

- 2) To undertake a further survey of unmet demand this would determine the appropriate number of hackney carriage vehicles for a borough of this size. If this option is chosen then the associated cost with undertaking the survey would be added to the hackney carriage fees, and spread over three years. The average cost of undertaking the surveys by an independent 3rd party is approximately £10,000. This would equate to an average of £50 per vehicle per year. In order for the council to maintain a robust policy this exercise will be undertaken every 3 years.

47 responses to the consultation were received by the deadline of 20th January, of those replies 36 responded in favour of **option A** – Deregulate the number of Hackney Carriage Vehicles and 11 responded in favour of **option B** - to conduct a further unmet Demand survey

If deregulation of hackney carriage vehicle licences is recommended by the Licensing Committee, Members may wish to consider under what terms and conditions hackney carriage vehicle licences will be issued. The issues to consider would be types of vehicles, ages of vehicles and colour of vehicles, to eliminate any further challenges from the trade, further consultation on the terms and conditions should be made with the trade.

5. POLICY IMPLICATIONS

The expertise of the Licensing Committee in this area of work is recognised, The Licensing Committee should consider the proposals and their recommendations will be forwarded to the Executive Member as part of the consultation process.

6. FINANCIAL IMPLICATIONS

The proposals have been considered as part of the budgetary process and reflect an increase in the fee payable to the Council by the hackney carriage trade if the option of undertaking a further unmet survey is recommended by the Licensing Committee.

7. LEGAL IMPLICATIONS

Theoretical risk of legal challenge if recommendations are not followed.

8. RESOURCE IMPLICATIONS

None

9. CONSULTATIONS

As detailed in Rationale

10 . CONTACT OFFICER

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Date: 4th January 2012
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Dear Sir

Consultation on Hackney Carriage Vehicle Licences

Under Section 37 Town Police Clauses Act 1847 as amended by Section 16 Transport Act, local authorities can, but do not have to, limit the number of hackney carriage vehicles in its area. If a local authority wishes to limit the number of hackney carriages in its area, it must satisfy that there is "no significant demand for the services which is unmet". To meet this requirement local authorities need to evidence there is no unmet demand by undertaking an "unmet demand survey". The law does not place any requirements on local authorities wishing to remove limits on hackney carriage numbers – they are free to do so at any time.

Blackburn with Darwen Council last considered this issue in 2005, it was identified that a further 10 plates were required to be issued to eliminate any unmet demand.

Since that time elected members have addressed this issue periodically and as a result of this, a suspension of the unissued plates was in place. However failure to issue these plates has been challenged in Blackburn Magistrates Court and as a result the local authority has now no choice but to formally consider this issue again.

There are only two options available to the local authority and these are:-

- 1) To delimit entirely the number of hackney carriage vehicles and, allow market forces to determine the number of licences in the borough.
- 2) To undertake a further survey of unmet demand this will determine the appropriate number of hackney carriage vehicles for a borough of this size. Should this option be chosen then the cost associated with undertaking the survey will be added to hackney carriage fees, and spread over a period of three years. The average cost of undertaking the surveys by an independent 3rd party is approximately £10,000. This would equate to an average of £50 per vehicle per year. In order for the council to maintain a robust policy this exercise will be undertaken every three years.

In order to have your views on which option you would prefer the council to pursue you are asked to choose on of the following options:

Yours faithfully

Donna Riding
Principal Licensing Officer