

# **East Herts Council Report**

**Licensing Committee**

**Date of Meeting: 15 March 2023**

**Report by: Oliver Rawlings (Service Manager - Licensing & Enforcement)**

**Report title: Consideration of the results of the Hackney Carriage Unmet Demand Survey**

**Ward(s) affected: All**

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## **Summary**

### **RECOMMENDATIONS FOR Licensing Committee:**

**That Members review and provide comments to the Executive Member for Planning & Economic Growth on the proposal to increase the limit on the number of Hackney Carriage vehicle licences issued by East Herts to inform the Executive's consideration of any recommendation to Council for approval**

### **1.0 Proposal(s)**

- 1.1 That the report is received by members of the Licensing Committee and the contents of the survey and trade responses are scrutinised.

### **2.0 Background**

- 2.1 East Herts is an authority that grants licenses for Hackney Carriage and Private Hire drivers, vehicle proprietors and operators.

- 2.2 In 2019, at the Taxi trade's request, a Hackney Carriage Unmet Demand Survey was commissioned. Following that survey a limit on the number of Hackney Carriage vehicle licences that the authority would issue was introduced as there was no evidence of 'significant' unmet demand identified.
- 2.3 The limit was set at 200 vehicles as this was a level that could satisfy the demand for Hackney Carriages at that time. This number was below the number of Hackney Carriage licences issued at that time.
- 2.4 Department for Transport (DfT) Best Practice Guidance states, in the section entitled 'Quantity Restrictions of Taxi Licences Outside London', that an interval of three years is commonly regarded as a maximum reasonable period between surveys.
- 2.5 A new Unmet Demand Survey was commissioned from Licensed Vehicle Surveys and Assessment (LVSA) at the end of 2022. The report of the survey (see Appendix A) demonstrates that circumstances have changed and that there is now evidence of 'significant' unmet demand for Hackney Carriage services within the District.
- 2.6 This means that it is appropriate for the authority to consider at what level the limit on Hackney Carriage vehicle numbers should be set to reduce that demand to a level that is not considered 'significant'.

### **3.0 Reason(s)**

- 3.1 The Unmet Demand Survey produced by LVSA is attached to this report as **Appendix A**.
- 3.2 The following conclusions have been drawn by Licensed Vehicle Surveys and Assessment (LVSA) based on the survey findings.

- a) The industry standard index of significance of unmet demand (ISUD) strongly indicates that there is 'significant' unmet demand.
- b) A significant proportion of this unmet demand is created by the private railway station ranks, particularly in Bishop's Stortford.
- c) The level of capacity available at taxi ranks was clearly not sufficient to cater for passenger demand at all times.
- d) There is a significant issue with public vehicles parked on all ranks during the evenings leaving less space for licensed vehicles to ply for hire.
- e) The public expressed frustration regarding the availability of vehicles to be pre-booked, which is likely to increase the demand for Hackney Carriages.
- f) A quarter of Hackney Carriage hires were servicing taxi rank demand, which would imply that there is sufficient theoretical capacity for the existing Hackney Carriage fleet to meet the existing levels of demand. However, current working practices mean that capacity was deployed on other types of hire.

3.3 The unmet demand survey indicates that increasing the number of Hackney Carriage vehicles is one step towards meeting this demand but there are other factors identified which the Licensing & Enforcement team will try to address.

3.4 Trade responses to the survey were low at 17, representing only approximately 8% of the Hackney Carriage trade.

3.5 The public response was higher than during the previous survey, with 208 responses received. These were mainly from the Bishop's Stortford area as can be seen from the comments made.

- 3.6 Once the report was received a short survey was sent to the Hackney Carriage trade to confirm that 'significant' unmet demand had been identified and to ask for their opinions regarding an increase in the number of licensed vehicles. The responses to this survey are at **Appendix B**.
- 3.7 Respondents were asked questions and invited to make additional comments if they wished. A total of 53 responses were received which represents approximately 25% of the Hackney Carriage trade.
- 3.8 In summary, many respondents:
- do not want an increase in the numbers of Hackney Carriages (71%)
  - would like unmet demand surveys carried out more frequently than every three years (66%, made up of 32% requesting yearly and 34% requesting a survey every two years)

## 4.0 Options

- 4.1 There are several options that Licensing Committee can recommend to the Executive Member for consideration.
- 4.2 **Option 1** – Leave the current limit unchanged (Not recommended). Having identified that there is 'significant' unmet demand for Hackney Carriage services, the refusal of an application to licence a vehicle would be likely to be subject to a successful legal challenge. This would not help address the issues identified in the public responses to the survey.
- 4.3 **Option 2** – Increase the number of Hackney Carriage vehicle licences issued by 10 (approximately 5%) over the number currently issued (Recommended). The report indicates that this would be likely to result in a commensurate increase in capacity. This change would be likely to bring down the level

of unmet demand to below what is considered 'significant' whilst maintaining the viability of Hackney Carriages.

- 4.4 **Option 3** – Increase the number of Hackney Carriage vehicle licences issued by an amount greater than 10 over the number currently issued (Not recommended). As identified in the report increasing the number of vehicles by a larger amount may impact the viability of Hackney Carriages.
- 4.5 **Option 4** – Remove the limit on Hackney Carriage vehicle licences (Not recommended). Whilst this would reduce demand to a level not considered 'significant' it would impact the viability of Hackney Carriages which see some drivers exiting the business and thus, perversely, this could ultimately lead to increased unmet demand in the future due to an insufficient number of vehicles.

## **5.0 Risks**

- 5.1 Having carried out an unmet demand survey, failing to take appropriate action based on the results, and justifying these actions, would increase the likelihood of the council facing a successful legal challenge as the authority would not be following the DfT Best Practice Guidance.

## **6.0 Implications/Consultations**

- 6.1 Public, stakeholder and trade consultation was carried out as part of the unmet demand survey for two weeks closing on midnight on 2<sup>nd</sup> January 2023.
- 6.2 The trade were consulted further regarding the proposal to increase the number of Hackney Carriage vehicle licences for two weeks closing at midnight on 19<sup>th</sup> February 2023.

## **Community Safety**

Failure to address the unmet demand could negatively impact on public safety with vulnerable people or groups unable to obtain the service they need.

## **Data Protection**

No

## **Equalities**

Currently 42% of the licensed trade were born outside the UK but are now British citizens or have a right to work in the UK. If this level is maintained of any new licences granted, then it is likely to have a greater positive impact on these groups.

## **Environmental Sustainability**

No

## **Financial**

No

## **Health and Safety**

No

## **Human Resources**

No

## **Human Rights**

No

## **Legal**

Failure to take appropriate action based on the results of the unmet demand survey will increase the likelihood of a successful legal challenge should an application be refused.

## **Specific Wards**

No

## 7.0 Background papers, appendices and other relevant material

- 7.1 The minutes of the Licensing Committee meeting of 21<sup>st</sup> August 2019:  
<http://democracy.eastherts.gov.uk/ieListDocuments.aspx?CId=120&MId=3649&Ver=4&J=3>
- 7.2 The minutes of the Licensing Committee meeting of 30<sup>th</sup> October 2019:  
<http://democracy.eastherts.gov.uk/ieListDocuments.aspx?CId=120&MId=3551&Ver=4&J=3>
- 7.3 The minutes from the Council meeting of the 18<sup>th</sup> December 2019:  
<http://democracy.eastherts.gov.uk/ieListDocuments.aspx?CId=158&MId=3510&Ver=4&J=8>
- 7.4 Department for Transport, Taxi and Private Hire Vehicle Licensing: Best Practice Guidance. Paragraphs 45-52 & Annex A:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/212554/taxi-private-hire-licensing-guide.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/212554/taxi-private-hire-licensing-guide.pdf)
- 7.5 **Appendix A** – East Herts District Hackney Carriage Unmet Demand Survey, January 2023
- 7.6 **Appendix B** – Trade responses to short survey following ‘significant’ unmet demand being identified.

### Contact Member

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