

Community Protection Committee

DATE	06/11/2024
REPORT	Carolina Borgstrom Director of Economy, Environment & Infrastructure
SUBJECT	Limit on Hackney Carriage Numbers
STATUS	Open
CONTRIBUTION TO OUR AIM	

Stronger Community:

Ensure there is adequate and appropriate taxi provision for all within the borough to support safe travel.

Stronger Economy:

Strengthen the local economy through relevant interested parties having the opportunity to obtain Hackney Carriage Vehicle Licences

EXECUTIVE SUMMARY

This report sets out options for the review of North East Lincolnshire Council's current policy to limit the number of hackney carriage vehicles licensed in the Borough.

RECOMMENDATIONS

1. To remove the existing limit on Hackney Carriage numbers.
2. To introduce a policy that all "new" (i.e. plate number 221 and higher) Hackney Carriage Vehicles first licensed after a specified date are Wheel Chair Accessible and fully Electric or Hybrid powered. (This requirement would not relate to temporary vehicle licences provided to insurance companies following damage to existing vehicles)
3. To remove the current exemption from North East Lincolnshire Council's Hackney Carriage Vehicle Policy which allows Wheel Chair Accessible Vehicles to be replaced for a saloon type vehicle on written application from any person with a Hackney Carriage vehicle licence who has been granted an exemption from carrying passengers in wheelchairs under Section 36 of the Disability Discrimination Act 1995 due to a medical condition.

REASONS FOR DECISION

To comply with Department for Transport Best Practice Guidance.

To help prevent a reduction in Wheel Chair Accessible vehicles and provide a more accessible and flexible taxi fleet.

To support the carbon reduction agenda

1. BACKGROUND AND ISSUES

1.1 The present legal provision on quantity restrictions for taxis outside London is set out in [section 16 of the Transport Act 1985](#). This provides that the grant of a taxi licence may be refused for the purpose of limiting the number of licensed taxis if, but only if, the licensing authority is satisfied that there is no significant unmet demand for taxi services in their area.

In the event of a challenge to a decision to refuse a licence, the authority concerned would have to establish that it had, reasonably, been satisfied that there was no significant unmet demand by undertaking a specialist survey.

1.2 North East Lincolnshire Council currently limits the number of Hackney Carriage Vehicle licences it will issue at a maximum of 220. This Policy was introduced in 2010 following representations from the trade.

1.3 On 20th August 2012 Community Protection Committee decided to create a mixed Hackney Carriage Fleet. The decision was that any existing wheelchair accessible vehicle (WAV) be replaced by another wheelchair accessible vehicle, and that saloon vehicles could be replaced for either a saloon vehicle or wheelchair accessible vehicle. There was no exemption clause from this policy. The Community Protection Committee wanted to keep the number of WAVs to a desired level.

1.4 On 11 March 2013, Community Protection Committee resolved to amend the above policy by allowing WAVs to be replaced for a saloon type vehicle on written application from any person with a Hackney Carriage vehicle licence who has been granted a medical exemption certified by their GP from carrying passengers in wheelchairs under Section 36 of the Disability Discrimination Act 1995 due to a medical condition. Such Certification may be time limited or for a lifetime and should be provided on the basis that a driver's physical condition makes it impossible or unreasonably difficult for them to comply with the duty to place a person in a wheelchair and their luggage in the vehicle. To be clear the exemption does not extend to type of vehicle being used.

1.5 Since 2013 the number of medical exemptions from carrying passengers in wheelchairs under Section 36 of the Disability Discrimination Act 1995 due to a medical condition has increased from 13 to 75, with 84 % of these being lifetime exemptions.

1.6 The last specialist unmet demand survey was completed in 2020, and a decision was made to maintain the existing policy and limit hackney carriage vehicle numbers at 220.

1.7 The Department for Transport's view is that licensing authorities that elect to restrict taxi licences should review this decision at least every 5 years. The department also expects the justification for any policy of quantity restrictions to be included in the local transport plan process.

1.8 The Competition and Markets Authority was clear in its 2017 guidance on the [Regulation of taxis and private hire vehicles: understanding the impact of competition](#) that:

Quantity restrictions are not necessary to ensure the safety of passengers, or to ensure that fares are reasonable. However, they can harm passengers by reducing availability, increasing waiting times, and reducing the scope for downward competitive pressure on fares.

Most licensing authorities do not impose quantity restrictions. The Department for Transport regards that as best practice. Where restrictions are imposed, the department would urge that the matter should be regularly reviewed. The matter should be approached in terms of the interests of the travelling public:

- What benefits or disadvantages arise for them because of the continuation of controls?
- What benefits or disadvantages would result for the public if the controls were removed?
- Is there evidence that removal of the controls would result in a deterioration in the amount or quality of taxi service provision?
- Are there alternative ways in which the issue could be addressed?

If alternative measures could be used to achieve the same effect, then the department believes these should be used in preference to quantity restrictions.

It has been observed that where quantity restrictions are imposed, vehicle licence plates command a premium, often of tens of thousands of pounds. This indicates that there are people who want to enter the taxi market and provide a service to the public, but who are being prevented from doing so by the quantity restrictions.

1.9 Officers have considered the current situation in view of the above guidance and make the following observations:

- There are no obvious benefits to the travelling public from the current limit.
- There is no evidence that removal of the controls would result in a deterioration in the amount or quality of taxi service provision.

- The maintenance of the current limit in conjunction with the decision outlined in Section 1.4 has led to a reduction in WAV provision from 73 in 2020 to 40 at the time of writing. It is proposed that reverting to the original policy from 2012 (see Section 1.3) and removing the overall limit would reverse this trend.
- In 2023 the trade was consulted on their views about undertaking a further unmet demand survey for which they would be charged. 495 drivers were contacted and 28 replied (19 said Yes; 7 said No ; 2 were Neutral)
- Representatives of the trade will be able to present their views at this open meeting.
- There has been interest in the possibility of new Hackney Carriage Plates being made available which would provide new WAVs for the travelling public.
- To be clear there is no suggestion that any application for a medical exemption from carrying passengers in wheelchairs under Section 36 of the Disability Discrimination Act 1995 due to a medical condition which is properly certified by their GP would be refused, but it is proposed that any link to the vehicle being provided is removed.
- WAVs, as opposed to normal saloon vehicles, are purpose built for general public transportation proposes with associated safety features and can carry all types of passengers making the overall taxi fleet provision more accessible and flexible.
- In terms of drivers with a new medical exemption, there is the option of obtaining a private hire vehicle licence if they do not wish to continue with a WCA vehicle.
- This policy review also provides an opportunity to promote the use of non-petrol and diesel powered vehicles.

2. RISKS, OPPORTUNITIES AND EQUALITY ISSUES

Human Rights / Equality and Diversity – it is important that the policy reviews can be justified in the event of litigation by affected parties. The current policy does not support these matters as it allows the number of WAVs to reduce.

Value for Money – any survey services being provided must be value for money in terms of their benefit and the method of re-charging the trade. Failure to ensure this would be a financial cost to the Council.

The Impact on the Social, Economic and Environmental well-being of the Borough – The transport service provided by hackney carriages is an important factor in the social wellbeing and safety of the borough. The availability of a suitable number of appropriate vehicles is therefore important and there is a risk if this is not properly addressed. The current policy does not support the social well-being as it allows the number of WAV to reduce. If there a decision to allow new purpose built electric or hybrid vehicles into the fleet there are potential positive impacts on environmental well being

Economic Risk – Whilst the costs associated with an Unmet Demand Survey can be reclaimed, full recovery of all resource is never possible.

Economic Opportunity – Whilst fees associated with Hackney Carriage Licensing are charged on a full recovery basis, allowing applications for new Hackney Carriage Vehicle Licences could provide some economic opportunities to the wider borough in terms of work for garages etc.

Equalities Impact Assessment – An initial assessment of the implications of the proposed policy changes has been undertaken and no significant impacts were identified that required further action.

3. OTHER OPTIONS CONSIDERED

Maintain the existing policies and undertake a further survey as required with associated cost and time implications.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

There are potential reputational implications in relation to policy changes outlined in the report. A statement will be agreed with the Council's communications service covering information requirements and communication channels to be utilised.

5. FINANCIAL CONSIDERATIONS

Whilst efforts are made to recover all relevant costs through licence fees, if the requirement to undertake an unmet demand survey is removed the overall financial implications are significantly reduced.

6. CHILDREN & YOUNG PEOPLE IMPLICATIONS

The provision of additional suitable Hackney Carriages would be a benefit for the safe transport of children and young persons.

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

If there is a decision to allow new purpose built electric or hybrid vehicles into the fleet there are potential positive implications in this respect.

8. FINANCIAL IMPLICATIONS

No significant financial implications to the Council are anticipated as a result of the recommendations contained within the report.

9. LEGAL IMPLICATIONS

- 9.1 The report clearly outlines the legal parameters in terms of the Transport Act 1985, the Department for Transport and Private Hire Vehicle Licensing: Best Practice Guidance and the Competition and Markets Authority 2017.
- 9.2 The Guidance lays out a set of recommended questions for licensing authorities to consider when setting any taxi quantity controls and suggests that taxis quantity control should be reviewed regularly. These questions can give an idea

of the things to consider demonstrating that control would be proportionate.

- 9.3 Case law shows that in the decision of R v Great Yarmouth Borough Council ex p Sawyer that a local authority can at any time decide to delimit the number of Hackney Carriages, subject only to the proviso that the decision must not, of itself, be Wednesbury unreasonable.

10. HUMAN RESOURCES IMPLICATIONS

.There are no direct HR implications arising from the contents of this report.

11. WARD IMPLICATIONS

All Wards

12. BACKGROUND PAPERS

None

13. CONTACT OFFICERS

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