

Community Protection Committee

DATE 10/09/2025

REPORT Carolina Borgstrom
Director of Economy, Environment & Infrastructure

SUBJECT Limit on Hackney Carriage Numbers / Unmet
Demand Survey Report

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 outlines the findings of a survey carried out to ascertain whether there is any unmet demand for hackney carriages in North East Lincolnshire. The survey was undertaken at the request of the Community Protection Committee to provide a legal basis on which to base future decision on licensing policy. The survey concluded there is currently no significant unmet demand.
- The reports also provides some additional information about the operation of the Hackney Carriage fleet and in particular the provision of accessible vehicles for disabled passengers and Taxi Ranks which we intend to factor into future plans.
- A number of future options have been proposed based on the recommendations in the Unmet Demand Survey Report.
- The next step would be to consult with the taxi trade in relation to the proposed policies resulting from the survey, with the responses being reported back to this Committee in November for final decisions to be made.

RECOMMENDATIONS

1. That Committee selects 1 option from the 3 sections below as their preferred policy for consultation with Taxi Trade :

Part 1 (Hackney Carriage Vehicle numbers)–

- Option 1 - Maintain the current limit of 220
- Option 2 - Remove the limit

Part 2 (WCA Vehicle policy) –

- Option 1 - Maintain the current policy that where a licence was initially issued for a WAV it must return from a Saloon to a WAV when the vehicle is next changed or transferred.
- Option 2 - Amend the above policy such that it only applies to new applicants for Hackney Carriage vehicle licences.#

Part 3 (Vehicle Power) –

- Option 1 - Maintain the current policy which allows all vehicle types
- Option 2 - Require all new Hackney carriage vehicle licences to be fully Electric or Hybrid powered. #

These requirements would not relate to temporary vehicle licences provided to insurance companies following damage to existing vehicles

2. That following consultation with the Taxi Trade, the results are referred to this Committee to make a final decision.

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 On November 6th 2024, this Committee resolved that:

- The Officer recommendations to remove the existing limit on Hackney Carriage numbers and introduce a policy that all “new” Hackney Carriage Vehicles first licensed after a specified date are Wheel Chair Accessible and fully Electric or Hybrid powered, be deferred to allow for an unmet demand survey to be undertaken.
- The current exemption from North East Lincolnshire Council’s Hackney Carriage Vehicle Policy, which allowed 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 had been granted an exemption

from carrying passengers in wheelchairs under Section 36 of the Disability Discrimination Act 1995 due to a medical condition, be removed.

- 1.2** Following this decision an Unmet Demand Survey has been undertaken, and the final report is attached. Some matters of particular significance are set out below in summary:
- 1.2.1** North East Lincolnshire Council has chosen to utilize its power to limit hackney carriage vehicle numbers. The limit was removed in 2005 but restored at the level of 235 in 2009, then reset again to 220 in 2012. Surveys were undertaken last in 2020, then in 2016, 2012 and 2009. Both this survey and the 2020 one were delayed from the preferred dates due to ongoing road works in the two main town centres.
- 1.2.2** The evidence gathered in this unmet demand survey concludes there is no evidence of any unmet demand for the services of hackney carriages in the NEL licensing area which is significant. This result covers both patent and latent demand. In fact, there is strong counter evidence that the current limit policy provides public benefit and stability to the trade and on that basis should be retained.
- 1.2.3** In the 2021 census, the authority saw 9.2% of all usual residents whose day-to-day activities were limited a lot (higher than the 8.1% for Yorkshire and The Humber and higher again than the English average of 7.3%). Limited a little saw 11.2% (10.5 and 10); with physical or mental health conditions but whose day-to-day activities not limited 6.5% (6.9%, 6.8%) and with no conditions 73.1% (74.4%, 75.9%). This suggests a marginally higher need for adapted licensed vehicles than in either the region or across England on average.
- 1.2.4** During the course of the survey, it was identified that the 2013 policy of allowing any WAV hackney carriages to revert to saloon style vehicles was seeing high reductions in this style of vehicle, to the point that from a high of every other hackney carriage being a WAV to just one in six at this point in time. At peak, WAV were 47% (nearly every other vehicle) of the hackney carriage vehicle fleet. By 2016 this had reduced to 26%; by 2020 it was 33%, but for this survey the level is just 16%, one vehicle in six. With evidence of increasing need for this style of vehicle, and the significant detriment inability to obtain one has on those needing them, this policy needs to be reversed. At the present time the total active hackney carriage plates numbers on issue are 204. The limit is 220 vehicles.
- 1.2.5** The current policy limiting hackney carriage vehicle numbers appears to provide good stability to the whole trade and is well-supported. There is very clear evidence of public benefit arising from this, and other present policies. There is a major concern and need to resolve the fast-dropping numbers of WAV vehicles. Whilst it is accepted that demand for them is relatively low, their significance to those that use them is very high. It is unfortunate that the pressure on the industry to reduce costs is not helping in this respect.

- 1.3** The report also contains several recommendations around the provision and maintenance of Taxi Ranks and links with the Local and potential Integrated Transport Plan. These matters, whilst not a matter for this Committee decision, will be discussed with the Highways and Transport Policy Teams as part of the ongoing Town Centre Improvement plans in Grimsby and Cleethorpes.
- 1.4** In terms of vehicle numbers, the following options are open to the committee:
- The **status quo** option will maintain the current situation as it stands. It will give benefit to the trade as any increased demand would be shared with the current vehicles only. Further decreases would only be affecting the current vehicle numbers. Issues of over-ranking may not get worse.
 - **Removal of the limit** - The committee is always at liberty to follow stated Government-encouraged deregulatory trends. There is no need for surveys to allow a decision for the limit on vehicle numbers to be removed. This could be used to see a further increase in WAV percentages. It may allow new blood into service ranks that are presently little used. However, it risks pressure busy ranks as it is not possible to restrain where new plates choose to serve. It risks introducing uncertainty to the present trade and possible loss of those with significant experience serving the public from the trade. With reducing demand, it increases pressures on driver livelihoods which in many areas have been proven to lead to worsening of service to passengers.
- 1.5** The removal of the exemption from North East Lincolnshire Council's Hackney Carriage Vehicle Policy, which allowed 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 had been granted an exemption from carrying passengers in wheelchairs under Section 36 of the Disability Discrimination Act 1995 due to a medical condition, has given rise to complaints from some drivers who consider it be unfair. However, the matter has been considered by the Local Government Ombudsmen who concluded that the Council considered the impact on disabled drivers as part of its decision making. The policy change relates to vehicle requirements and does not affect medical exemptions from transporting wheelchair passengers, so an investigation would be unlikely to find the change discriminatory. There is insufficient evidence of fault to warrant an investigation.
- 1.6** Whilst the above policy came into force following the Committee meeting in November 2024, in light of the complaint investigations, any request to change a vehicle and maintain a saloon rather than provide a required WAV, has been considered on a case by case basis, to be as fair as possible.

- 1.7** In view of the fact that there are currently 204 Hackney Licences active, maintaining the limit at 220 still allows for 16 new licences to be issued. As such, there is potential scope to implement the requirement for a WAV for new licences only.
- 1.8** There have been concerns raised around the lack of consultation with the trade when the above policy changes were made. Whilst there has now been consultation through the Unmet Demand Survey, it is considered appropriate to allow the trade to be consulted on the Committee's preferred options, prior to their implementation which is scheduled for the Committee meeting on 5th November 2025.

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 former 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 former 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 – Vehicle costs can be prohibitive in some circumstances making compliance with licensing requirements difficult.

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

Committee could suggest other policy changes for consideration based on the findings of the Unmet Demand Survey.

Committee could set a different limit, but there is no basis for a new figure as the report findings are based on the current figure which is considered appropriate.

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

Efforts are made to recover all relevant costs through licence fees.

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 Department for Transport Best Practice Guidance recommends that where quantity restrictions are in place an unmet demand survey is conducted.
- 9.2 This report outlines the findings of the unmet demand survey and proposes options based on the recommendations in the survey report.
- 9.3 The unmet demand survey and consultation with the trade will provide a robust and sound legal basis on which to base future decision-making.

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

NELC Community Protection Committee Report 06/11/24
NELC Unmet Demand Survey 2025 (LVSA)

13. CONTACT OFFICERS

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