
DECISION - MAKER:	LICENSING COMMITTEE
DATE OF DECISION:	24 TH AUGUST 2005
SUBJECT:	HACKNEY CARRIAGE LICENCES – PLATE LIMITS
REPORT OF:	SOLICITOR TO THE COUNCIL
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A. RECOMMENDATION

To select Tenderer A to undertake a survey of unmet demand for the services of licensed hackney carriages.

B. REASONS FOR REPORT RECOMMENDATIONS

Whilst all four tenderers could reasonably provide a quality service, Tenderer A is the most competitively priced.

C. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

With regard to the need to carry out an unmet demand survey, the Government has, to all intents and purposes, instructed all local authorities that currently have plate limits, such as Southampton, to carry out such a survey. Naturally, the Committee has the ability to select one of the other tenderers, or none and retender, should it so wish.

D. WARDS /COMMUNITIES AFFECTED

Potentially, all Wards will be affected by the results of the survey.

SUMMARY

1. In December 2003 the Office of Fair Trading published a Report entitled “The Regulation of Licensed Taxi and PHV services in the UK”, a copy of which is available in the Members’ Rooms.
2. The Trade and Industry Secretary’s response, on behalf of the Government, to the Office of Fair Trading Report was given to Parliament in March 2004.
3. The statement indicates that Local Authorities with limits on the numbers of hackney carriages should justify their policy by conducting a regular, possibly triennial survey of unmet demand for the services of additional licensed Hackney Carriages.
4. On 16th June 2004 the Department of Transport issued a letter to every local authority requesting that they review their policies for restricting the number of taxi licences granted and publish the outcome by 31st March 2005. Whilst there is no statutory obligation to do so, firstly there is an expectation by the Government to do so. Secondly, the Council must be in a position to defend any assertion that there is unmet demand and, therefore, a need for further

licences to be issued. Accordingly, the Council should review the policy at this juncture.

5. The City Council's current policy, determined in 2000, is that there is no significant unmet demand for the services of additional licensed hackney carriages. This was determined following the conclusion of a survey of unmet demand in the city by Halcrow Fox in the spring of 1999.
6. As a result of the survey in 2000, the Licensing Committee determined to issue an additional 40 hackney carriage plates with effect from December 2000. All were wheelchair accessible vehicles and the number of licences available was exceeded by the demand from individuals wishing to apply for them.
7. More recently, a small number of enquiries have been made about the grant of new licences. None has, at the date of writing, resulted in a formal application being made.

BACKGROUND & REPORT DETAILS

8. The Committee will be aware that on 10th February 2005 it resolved in principle to undertake a survey of unmet demand for services of licensed hackney carriages be supported subject to consultation with the trade and a further report regarding the financial provision for the survey and any consequent expenditure being brought back to the committee.
9. Since that date, consultations have indeed taken place with the trade who agreed that a survey was required to assess any unmet demand. They agreed that should there be a requirement for the trade to subscribe to the cost then a one off charge to the proprietors would be in order. They did request that in selecting a company to carry out any survey that cost should be considered.
10. A tender process has been undertaken inviting tenders from four experienced companies who have undertaken such surveys for other local authorities in the past. The tenderers were requested to tender against the following criteria:-
 - a. Taxi rank observations (approximately 500 hours).
 - b. Public opinion surveys.
 - c. A land use review of rank requirements.
 - d. A mystery shopper study to determine the optimum number of accessible vehicles.
 - e. Full consultation with all those involved in the trade plus contact with stakeholders as set out in ANNEX C of the Department of Trade letter of 16th June 2004
 - f. Any other matters the Consultant deems relevant for the purposes of the study, to ensure it is robust and beyond challenge.
 - g. Presentation of the final report to the Licensing Committee.

- h. Provision of 10 bound and 2 unbound copies and an electronic version in Microsoft Word.
11. All four tenderers submitted prices to undertake all of the above works and the details of the tender prices can be found in the confidential appendix to this report. Additionally, one tenderer submitted an alternative robust software solution to alleviate the need to undertake a physical taxi rank observation, thereby reducing the cost without any discernable impact on the quality of the survey result.

POLICY FRAMEWORK IMPLICATIONS

12. The decision to determine the application in the manner set out in this report is not contrary to the Council's policy framework. The ability to review current Licensing policies falls within the Committee's terms of reference.

LEGAL IMPLICATIONS

13. *Crime and Disorder Act 1998*
Section 17 of the Crime and Disorder Act 1998 places the Council under a duty to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.
14. *Human Rights Act 1998*
Any action undertaken by the Council that could have an effect upon another persons Human Rights must be taken having regard to the principle of Proportionality - the need to balance the rights of the individual with the rights of the community as a whole. Any action taken by the Council which affect another's' rights must be no more onerous than is necessary in a democratic society. The matter set out in this report must be considered in light of the above obligations.

FINANCIAL IMPLICATIONS

15. The Committee will be aware that the tender from company A, which is recommended to be accepted, is well below the estimated cost detailed in the previous committee report. As such, this cost can be contained within the existing Licensing reserve budget, which is held specifically to cater for one off matters such as this. Accordingly, whilst consultations were undertaken with the trade with regard to the possibility of a surcharge being added to the existing hackney carriage licence fee, it is felt in the circumstances that it will be unnecessary to do so. Indeed by the Council being solely responsible for the fees this would alleviate any possible, though unfounded, concerns that the survey may in some way be biased in favour of the trade.

CONSULTATION AND CONCLUSIONS

16. The consultations undertaken by the Licensing Officer have already been detailed in the report.

Solicitor to the Council

Appendices: Appendix 1 – Confidential details of tenderers and price submissions

Documents in Members Rooms: None

BACKGROUND PAPERS

Title of Background Paper

Relevant Paragraph of AIP Rules allowing document to be Exempt/ Confidential (if applicable)

Office of Fair Trading Report –
December 2003

Written response to Office of Fair Trading
Report by Trade and Industry Secretary
(Rt Hon Patricia Hewitt MP)

Department of Transport letter dated 16th
June 2004

Documents available for inspection at:

Licensing Office
Southbrook Rise
4-8 Millbrook Road East
Southampton SO15 1YG

ITEM NO:

TO BE DETACHED & RETAINED BY DEMOCRATIC SUPPORT BEFORE PUBLICATION