

# REPORT OF THE DIRECTOR OF COMMUNITY AND CULTURAL SERVICES

## REGULATORY COMMITTEE - 2 FEBRUARY 2009

### SURVEY INTO HACKNEY CARRIAGE DEMAND

#### 1.0 PURPOSE OF THE REPORT

- 1.1 To inform Members of the findings of a survey undertaken by an independent consultancy company in relation to the Council's current policy of restricting the number of hackney carriage vehicle licences it issues.

#### 2.0 DESCRIPTION OF DECISION (RECOMMENDATION)

- 2.1 Members are recommended to consider, in light of the consultants' report, if they want to continue the retention of the current policy in relation to the quantity control of hackney carriage licences or to remove the quantity control policy.

#### 3.0 BACKGROUND

- 3.1 The Council has a policy of limiting the number of hackney carriages licensed. By virtue of Section 16 of the Transport Act 1985 local authorities may refuse an application for a hackney carriage licence in order to limit the number of carriages if, but only if, they are satisfied there is no significant unmet demand for hackney carriage services in their area. The Committee agreed on 2 June 2008 that a study should be undertaken to determine whether there was any unmet demand for hackney carriages in the city.

- 3.2 In addition, in order that the Council may comply with the Department for Transport's 'Best Practice Guidance' issued in 2006, the consultants were requested that the review should also address the following issues:-

- a) Is it in the interest of the travelling public in Sunderland for the Council to continue to restrict hackney carriage numbers?
- b) If so, should we:-
  - i) maintain the current limit of hackney carriage licences; or
  - ii) grant a number of new licences to meet the unmet demand that may have been identified by the survey; or
  - iii) grant a specific number of new hackney carriage licences each year?

- 3.3 For Members' information, the Consultants will attend Committee to address Members on the subject and a copy of their report is attached as Appendix 1

#### 4.0 CURRENT POSITION

- 4.1 As mentioned in paragraph 3.1 above, the Council currently restricts the number of Hackney Carriage vehicle licences it issues. For Members' information, there are currently 284 such licences issued in the Sunderland zone and 65 in the Houghton, Hetton and Washington zone. The consultants have found that there is currently no

significant unmet demand in either of these zones. Members are therefore entitled, legally, to retain the current policy.

**4.2** With regard to the whether it is in the interest of the travelling public to continue to restrict hackney carriage numbers, the consultants' comments are provided at paragraph 10.4 of their report. They indicate that the potential to improve passenger service through additional licences is limited. They further conclude that de-restriction may require the Council to devote more of its resources to enforcement in order to guard against any reduction in service quality. They comment also that additional hackney carriages would put pressure on existing rank space and could lead to an increase in cruising by hackney carriages; potentially affecting adversely traffic congestion and vehicle emissions. In section 4 of the Consultant's report they consider unmet demand and have observed that in deregulated areas such as Leicester and Bristol, the problems of delays at peak times is greater than in Sunderland. The survey shows that at the busiest rank the worst average passenger delay is less than three minutes (table 4.2).

**4.3** Members may therefore conclude that it is in the interests of the travelling public to continue with the Council's current policy in order to ensure a high standard of vehicle safety and quality, avoid additional traffic congestion and prevent unnecessary vehicle emissions.

## **5.0 REASON FOR THE DECISION**

**5.1** To enable the Council to comply with the legislation pertaining to the restriction of numbers of hackney carriages, if Members decide to retain the current policy of restricting numbers.

## **6.0 ALTERNATIVE OPTIONS**

**6.1** The options are set out in the report.

## **7.0 RELEVANT CONSIDERATIONS/CONSULTATION**

**7.1** None submitted

## **8.0 GLOSSARY**

**8.1** No acronyms or abbreviations have been used in this report.

## **9.0 LIST OF APPENDICES**

**9.1** Halcrow Group Limited Sunderland City Council Hackney Carriage demand Survey.

## **10.0 BACKGROUND PAPERS**

**10.1** None submitted