

From: The WHCDA

To: Licensing Committee

Date prepared: 21<sup>st</sup> June 2011

Date of hearing: 29<sup>th</sup> June 2011

Definition: Trade Meaning the - WATFORD HACKNEY CARRIAGE DRIVERS ASSOCIATION (WHCDA)

This report is submitted by the WHCDA

## Background

Following the Government's Action Plan for Taxi's (and private hire vehicles) the DfT requested all councils that restrict hackney carriage numbers to publicly justify their policy. Currently 45% of authorities have restrictions:

The Government views the restriction of the numbers of such licences as only being justified where the consumer gains some benefit. The DfT accepts that local authorities are in the best position to identify public interests. However, the knowledge they have must be set against a number of questions concerning the

- (a) Market value of licences,
- (b) The existence of a relevant survey and
- (c) The number of disabled accessible vehicles licensed.

## Hackney carriages

A hackney carriage is a vehicle that trades with a driver for hire or reward from 'taxi' ranks or is available to be hailed down in the street. It is distinctly different from a private hire vehicle that may only be hired by being pre-booked. The fare charged by a hackney carriage has a maximum rate set by the Council whereas private hire journeys are theoretically set by negotiation between the hirer and supplier. This policy affects the hackney carriages vehicles whose numbers are 295+ within the Borough of Watford

## Unmet Demand Survey

The Department for Transport has issued Best Practice Guidance for Taxi and Private Hire Vehicle Licensing of which the current version is dated February 2010.

With reference to quantity restrictions of taxi licences outside London it states:

Quantity restrictions of taxi licences outside London

45. 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 [local licensing authority] is satisfied that there is no significant demand for the services of hackney carriages (within the area to which the licence would apply) which is unmet“.

46. Local licensing authorities will be aware that, in the event of a challenge to a decision to refuse a licence, the local authority concerned would have to establish that it had, reasonably, been satisfied that there was no significant unmet demand.

47. ....The Department further urges that the issue to be addressed first in each reconsideration is whether the restrictions should continue at all. It is suggested that the matter should be approached in terms of the interests of the travelling public - that is to say, the people who use taxi services. What benefits or disadvantages arise for them as a result of the continuation of controls; and 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 deterioration in the amount or quality of taxi service provision?

If a local authority does nonetheless take the view that a quantity restriction can be justified in principle, there remains the question of the level at which it should be set, bearing in mind the need to demonstrate that there is no significant unmet demand. This issue is usually addressed by means of a survey; it will be necessary for the local licensing authority to carry out a survey sufficiently frequently to be able to respond to any challenge to the satisfaction of a court. An interval of three years is commonly regarded as the maximum reasonable period between surveys.

## Survey

The trade is seeking to establish, that a restriction on hackney carriage numbers is relevant and that such a survey will establish the Council will still correct be complying in terms of both numbers and its duties in respect of the Disabilities Discrimination Act 1995.

The trade believes that the accepted manner of determining this remains legally justifiable by way of a survey undertaken by professional independent traffic consultants. A survey will seek to establish whether or not there exists within the licensing area any SUD for hackney carriages. If a SUD is found then the council would not be able to justify restricting the numbers of hackney carriage vehicle licences it issues. However, it is the belief of the trade that any such survey will now reveal that no SUD exists and would then be urging the authority to use its discretion not to increase the number of licences it issues.

The Council may be concerned to insure that they have sufficient provisions of a number of hackney carriages that would be suitable for the carriage of wheelchair bound passengers however, currently approximately 50% + of the

trade vehicles are capable of carrying wheelchair-confined and disabled passengers.

The trade believe that in addition to the absence of any SUD, the relatively low value of licences in this current climate, and the lack of need for further provisions to increase the level of wheelchair accessible hackney carriages, the reduced number of trains now stopping at the main commute stations in Watford (less demand), the extremely limited ranking space provided by the council means drivers are constantly being booked for over ranking (currently approximately 30 throughout the entire borough) versus the large and increasing number of permits the council issues that in the borough of Hertfordshire, Watford has one of the smallest zones yet exceeds the number of permits issued in many of the much larger zones in Hertfordshire, the Council should now be seeking restrict the number of licences its issues to the trade.

Further and additional to the above grounds to support a limit on the number of licences been issued, the fact that fewer trains now stopping in Watford (virgin trains) equating to less demand by commuters and the current recession, the increase in driver numbers, means the trade are receiving wages currently below the minimum national wage limit and to add to the sufferance of the trade we are all hit by the national increase in insurance premiums, and petrol prices. This loss of income is adversely affecting the trade and they believe the council are in a position to assist them overcoming these issues and thereby promoting a better working relationship all-around

#### Transport plan

The trade believes that they are more than sufficiently meeting the current Transport Plan in that they are able to;

- reinforces existing public transport links, and
- provides flexibility and convenience, and
- acts as part of an integrated transport system.

This is achieved by the proximity of taxi facilities within easy reach of both the local railway and bus stations, providing an 'on demand' service throughout an extended period of the 24 hours, including a significant provision of wheelchair accessible vehicles.

In relation to the financial costing of the required survey:

The cost of an Unmet Demand Survey could be met in part by the council and part by a 20% contribution via trades licence fees taking into account the need to maintain a „self financing“ position for the service. Such fees then being evidence by the council as to how it arrived at the fee levels and subsequently demonstrating that they have been calculated on a cost recovery basis only at the said 20%.

#### Risk assessment statement

The cost of an Unmet Demand Survey would have to be spread over a three year period with costs being recovered in part by the council and part through a 20% contribution via Hackney Carriage licence fees.

## The future

The trade is aware that should the economic climate get better in the future, the council may wish to revisit lifting the requested restriction and at that time it will be determined by the council monitoring its hackney carriage policy to ensure, as far as it is empowered, that the trade continues to be able to provide a viable service to the public without any significant increase in unmet demand. Viability will in part be shown by whether or not there continues to be positive interest in obtaining hackney licences, their street value and the commissioning of unmet demand surveys. These will be in addition to the impact that the policy has in respect of the disabled community within our area.

The current position regarding hackney carriages does not prevent the council from promoting changes to the policy calculated to benefit our community. For this reason the council could continue to encourage suggestions from users, potential users and anyone who has a constructive view that may promote the industry to the benefit of all hackney carriage users.

Much attention should be paid to paragraphs 3.7 and 3.8 of the report to the councils committee which was due to be held on the 15<sup>th</sup> June 2011

The lack of certainty given to the wording in the same report at 3.9 pertaining to ..."Expected to be implemented..." doesn't give rise to much hope to the trade as this is not a defiant implementation, merely an stated expectation. In any event, the additional proposed 10 ranking spaces cannot assist the trade that much, if the spaces in the existing rank at Church Street are to be taken from the trade fro disabled parking.. Further the proposal mentions a new rant at the Harebrakes car park, but fails to indicate the number of rank spaces.

This only goes to validity the points of the trade that the number of licences issued, vastly and excessively outweighs the number of ranking provisions provided by the council and further exasperate the trade. Any commitment mentioned in this paragraph by officers to review the ranking at Charter Place and High Street / King Street has been echoed for many years with no action following the echoes.

The trade is of the opinion that any such review findings should have been clear with definite dated and not speculative dated and or incomplete presentations.

Whilst it may be the case (but not agreed) that *very few* councils can provide sufficient taxi rank spaces for the number they licence they give; it is the understanding of the trade that no other council has the approximate ratio of

11 licences holders to every 1 rank space. This percentage is thus vastly excessive and to allow it to increase further would border on the verge of inequality to the trade concerning income opportunities and unjustified road blockages for pedestrians, the community, road users and causing unwarranted congestion and more work for the police, traffic controllers and the council themselves.

Lastly, the trade would like this report to be considered in conjunction with the appendix 1 which was item 6 page 14 of the report which was due to be heard on the 15<sup>th</sup> June 2011 and the contents of our report submitted to this same end in 2010.

Mr. Shafiq Ahmed

Chairman of WHCDA

### **Item 6, Appendix 1 from Licensing Committee dated 15<sup>th</sup> June 2011**

FAO: The Licensing Committee (Watford) Meeting on 15 June 2011

Watford Hackney Carriage Drivers Association, Request To Have An Unmet Demand Survey And Requesting

The Re-limitation Of Taxis In Watford.

The law requires that an unmet demand survey is carried out. The Transport Act 1985 allow a licensing authority to continue to limit numbers if it is satisfied that there is no significant unmet demand for Taxis in that area.

Therefore, after the unmet survey is conducted it could legally re-limit By carrying out an unmet demand survey the Council is protected against claims from individuals who may be refused licences.

There is an assumption that more taxis leads to a better service. We WHCDA, believe such assumptions disregards any proper assessment of quality.

The government requires that councils which retain quantity controls, carry out unmet demand survey at least every 3 years. We the trade feel at present the survey will find there is no demand for further taxis in Watford. WHCDA do not believe that Watford Council would be capping numbers for the sake of protectionism, but rather

to give the best possible service to the consumer. The health and sustainability of the taxi trade must be taken into account.

We are also into deepest economic recession for over 60 years. It is unlikely that 295+ hackney drivers in Watford are going to leave the trade with unemployment at its highest level with further increases likely. Drivers are just working longer and longer hours to survive in this trade. They are not going to make themselves intentionally unemployed.

We would like the Council to become proactive in determining the best solution for taxi services within Watford area by commissioning an unmet demand survey. This will then enable a decision on whether to reintroduce quantity controls and better planning of the trade, to be made on the basis of factual evidence rather than simply hoping that free market economics and deregulation will work.

We request Watford Council adopts the relimit policy for the following other reasons:

1: Watford Council is a small Borough in geographical terms, therefore, taxis are squeezed and over ranked in masses.

2: Limited rank spaces has caused drivers frustrations and anger. They are also being punished from local authorities, Police and the general public.

3: Drivers are continuously driving around the 'Ring Rd' in circles, this is no good for the environment or traffic concerns.

4: As explained above, recession is making further difficulties with limited work/earnings. Drivers are working longer hours, therefore not finishing shifts as before, causing problems 24 hours.

5: Many UK Boroughs i.e., Basildon, Harlow, Liverpool, Sheffield, Southend on Sea and many more have adopted the relimit policy. (All other Boroughs who have adopted the relimit policy, names can be given upon a request).

Finally, WHCDA will commit to work tirelessly with Watford Council to ensure that the

service our drivers/members provide continues to be of high quality and appropriate to the needs of the customer.

Kind regards,

Shafiq Ahmed

(Chairman, WHCDA)

Watford Hackney Carriage Drivers Association