



Licensing Committee agenda supplement

Date: Wednesday 14 October 2020

Time: 6.30 pm

Venue: Via Video Conference

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Appendix 4 – Removal of zones assessment report

If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

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Removal of zones assessment report.

Most local authorities allow licensed hackney carriages to ply and stand for hire throughout the entire Council area. Only a relatively small number of local authority areas are divided into separate hackney carriage zones. These zones only exist as a result of changes to local authority boundaries in circumstances where two or more former Districts are brought together. Newly created unitary Councils have a straightforward decision to make: either the hackney carriage licensing arrangements of the former Districts areas can be retained as separate zones or the Council can decide to remove the zones and effectively operate a single hackney carriage area. Local authorities do not have the power to create separate hackney carriage zones or partially retain zones and, once removed, former zones cannot be reinstated.

The issue of zones is inextricably linked to the provision of wheelchair accessible vehicles (WAVs) and numerical limits.

Under the current arrangements Buckinghamshire Council has inherited different vehicle specification requirements in respect of hackney carriages. The former Aylesbury Vale vehicles are all WAVs and in the other areas newly licensed hackney carriage vehicles are required to be WAVs, with grandfather rights for non-WAV vehicles that were licensed prior to the introduction of WAV requirements in those areas. Should the existing zones be merged, then arguably those vehicle licence holders bound by the WAV requirement are at a financial disadvantage compared to their competitors who are not required to provide a WAV. However, it is also arguable that a WAV hackney carriage is not always the most appropriate vehicle and there are those with certain disabilities that find accessing WAVs difficult and a saloon style vehicle is preferable. The merging of zones and allowing grandfather rights to continue should contribute to a mixed fleet of hackney carriages across the whole Council area.

In accordance with the Transport Act 1984, limits can be imposed on the number of licensed hackney carriages permitted to operate in an area. Numerical limits can only be imposed in circumstances where the Council is satisfied that there is no significant demand for hackney carriages which is unmet. Should the Council decide to remove its existing hackney carriage zones then any existing numerical limits would no longer be applicable. The Council could potentially adopt a new numerical limit for the whole of its area if it was considered appropriate. Any decision to implement and retain numerical limits must be supported by robust evidence to withstand legal challenge; the preferred approach advocated by the Department for Transport is to allow market forces to determine the appropriate levels of supply.

As the existence of separate zones within a Local Authority area is relatively uncommon there is a scarcity of evidence to support decision making when considering whether or not to merge zones. In 2009, as a result of structural changes to local government, 9 new

unitary authorities were created and most of these new authorities incorporated 2 or more former District Councils and by extension, hackney carriage zones.

Local Authority	Hackney Carriage Zones 2009	Hackney Carriage Zones 2020
Durham	7 (2 with numerical limits)	1
Wiltshire	4	4 (decision pending)
Northumberland	6	6 (pending future decision)
Shropshire	5	5 (1 zone from 1 st April 21)
Bedford Borough	1	1
Central Bedfordshire	2	1
Cheshire East	3	3
Cheshire West & Chester	4	4
Cornwall	6 (3 with numerical limits).	6

To date only Durham and Central Bedfordshire have implemented the merger of the former hackney carriage zones. Interestingly Durham had the highest number of former zones, seven, and Central Bedfordshire the least number of zones, two. Bedford Borough had no decision to make as only one zone existed prior to the unitary decision taking effect. Shropshire have resolved to merge their 5 zones from 1 April 2021. Wiltshire intend to consult on zones in 2021.

A brief questionnaire was sent to the licensing authority for each area and questions included:

- Whether they had kept pre-existing zones
- Whether they thought this was the correct decision if they were planning to change their current arrangements
- Whether they had maintained numerical limits for zone(s), where applicable

At the time of writing Durham, Wiltshire, Northumberland and Cheshire West & Chester have responded to the questionnaire. These responses are summarised below:

Durham

On becoming a unitary Council in 2009, Durham had 7 separate hackney carriage zones, 2 of which had numerical limits. In 2010, Durham consulted on the following options:

- Remove all zones and no numerical limits
- Retain existing zones and retain numerical limits for 2 zones
- Retain existing zones and remove numerical limits for 2 zones.
- Retain existing zones and survey all zones for numerical limits
- Remove existing zones and survey whole Council area.

Responses to the consultation were mixed. The trade operating within the two zones with limitation policies were opposed to the amalgamation of zones and removal of numerical limits. The trade from the other areas, the police and other consulted parties were supportive of the removal of zones and deregulation of numerical limits. Despite the resistance from some sectors of the trade in 2011 the Council took the decision to merge the zones and created a single zone. The Council acknowledged that while there would inevitably be a 'settling down period' the decision to merge zones would ultimately provide a better service to the public. The cost of an unmet demand survey for the whole area was considered but thought cost prohibitive. Anecdotally, some 9 years after the decision took effect, Durham's Licensing Service have reported that it was "definitely" the right decision. As anticipated there was a period of bedding in and initially an influx of vehicles into areas perceived as high demand. Over time, within 2 years, market forces took effect and supply reduced to meet demand. An additional benefit cited was that the public were now receiving an improved night time service in the centre of Durham. Traditionally hackney drivers had preferred to focus on the day time trade resulting in an under supply of hackney carriages operating in the evening. Following the merger of the zones, drivers from the former outer zones were now coming into Durham at night to fulfil this demand.

Wiltshire

Wiltshire became a unitary authority in 2009 and retained its 4 pre-existing zones. A review was undertaken with the trade in 2015 in relation to moving to a new single zone but the trade was split 50/50 on this option so no action was taken. Feedback indicates that the decision made at that time to retain the existing zones was correct. This meant that each zone operated with an office and workshop in each area allowing the drivers to drop in when required, build relationships with the team and arrange appointments at short notice. However, they are now considering putting forward a proposal to move to a single zone and this proposal is mainly driven by likely cost saving efficiencies. Operating a single zone would allow them to undertake all operations and inspections from a single office, although they indicate that this may be seen as a reduction in service by the trade. A report will be submitted to their Licensing Committee and, if approved, consultation will commence with the industry. Wiltshire does not currently limit the numbers within its zones and leaves it to supply and demand to dictate the correct level.

Northumberland

On becoming a Council in 2009, Northumberland decided to retain its 6 pre-existing zones. The preferred option would have been to create 2 zones, an urban zone for the south and a rural zone for the north. As this was not an option the 6 zones were retained. The decision is likely to be reviewed again but there are no timescales for this work at this time. In general the larger operators in the area are lobbying for one zone to be created, whereas the smaller operators prefer to keep the smaller zones. There are no numerical limits on the zones but all new vehicles are required to be WAVs.

Cheshire West and Chester

Cheshire West and Chester has operated three zones since 1 April 2009. One zone was subject to a numerical limit but this was removed following an unmet demand survey in 2018. All licensed vehicles are required to be WAVs.

For the unitary authorities that have not responded, web based research was conducted on this issue and findings summarised as follows:

Central Bedfordshire

Central Bedfordshire was formed from the merger of the former Districts of Mid and South Beds in 2009. Early consultation revealed that there were concerns from the trade from both the former zones about losing existing business. The trade also felt that it was not fair to the general public if drivers did not know the area that they were working in. Despite these concerns the Council made the decision to merge the zones in 2010.

Shropshire

Shropshire currently has five separate hackney carriage zones, one of which requires all vehicles to be WAVs. In September 2019 Shropshire Council resolved to remove the Hackney Carriage zones and this decision will take effect from 1 April 2021. From this time all licensed hackney carriages will be required to be WAVs and this appears to be the main reason for the decision to merge the zones. Interestingly less than 3% of the local trade responded to the consultation and of those that did, 67% supported the merge of the zones and the introduction of the Council wide WAV policy.

Cheshire East

Cheshire East has operated three zones since 1 April 2009, no further information is available at the time of writing this report.

Cornwall

Cornwall has retained six hackney carriage zones since reorganisation in 2009. Three of those zones are subject to numerical limits. One of the zones requires vehicles to be a "Disabled Access Vehicle".

Summary

The current position concerning licensing arrangements and hackney carriage zones within Buckinghamshire Council is comprehensively set out in the main Licensing Committee report. The Council's pre-consultation survey shows similar results to views in other areas that have consulted on this matter, with local trade holding conflicting opinions on the zone issue. By the 1st April 2021 of the nine other unitary Council's in a similar position,

- four will have one single hackney carriage zone
- one intends to consult on the issue next year,
- one is considering a consultation on the issue,
- one has not made a decision

- the remaining two have not responded to the questionnaire so their position is unclear.

On balance it appears the propensity among unitary Councils is to follow Department for Transport recommendations and merge the hackney carriage zones. Decisions to merge zones have broadly been taken for economic reasons, specifically to allow market forces to determine supply levels and generate cost savings for the Council, and accessibility reasons, to improve the availability of hackney carriages both generally and for passengers with a disability.

Whilst it is not legally possible to reverse a decision once the zones are removed, there are relevant measures that the Council could consider to address some of the perceived concerns such a decision may raise including:

- Hackney Carriage fares can be revised to ensure that vehicle owners and drivers costs are met. Fares in some of the existing Buckinghamshire Council zones are among the lowest in the country.
- The location and quantity of taxi ranks can be reviewed and new standing areas introduced to facilitate their use.
- More robust measures can be introduced to ensure ranks are robustly marshalled to facilitate access and monitor their use. Emerging technology such as parking sensors (already in use in some areas) could be introduced to show drivers and passengers when ranks are free or busy.
- The ability to specify vehicle requirements and amend policy requirements means that the Council can continue not only to require new hackney carriage vehicles to be WAVs, but any decision concerning grandfather rights on non-WAVs could also be revised should there found to be a lack of WAVs in the future.
- Topographical knowledge tests for drivers can be adapted and applied retrospectively so that all hackney drivers are required to have a level of geographical knowledge for the areas where they are working. In addition modern navigational technology is readily available and provides a reliable means of travelling the most direct route from A to B; arguably it is more reliable than local knowledge as the technology also monitors real time traffic flows.
- The commission of an unmet demand survey could be conducted for the whole of Buckinghamshire to inform the introduction of numerical limits in the single zoned area should it be considered desirable if there is perceived over supply of hackney carriages.

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