

ABERDEEN CITY COUNCIL

COMMITTEE: Licensing Committee

DATE: 20 November 2012

DIRECTOR: Stewart Carruth

TITLE OF REPORT: Taxi Licence Limit Surveys - Update

REPORT NUMBER: CG/12/117

1. PURPOSE OF REPORT

The purpose of the report is to provide information to the Committee on the following:

- (a) the requirement for regular surveys to maintain the taxi licence limit
- (b) the legal and practical implications in maintaining a limit,
- (c) recommended length of time between surveys,
- (d) processes involved in a survey,
- (e) alternatives to an external consultant survey, and
- (f) potential cost of a survey.

2. RECOMMENDATION(S)

That the Committee:

- (a) notes the terms of the report; and
- (b) instructs officers to prepare a report to the first Licensing Committee meeting in 2014 seeking an instruction in respect of a taxi demand survey.

3. FINANCIAL IMPLICATIONS

As required by statute the taxi licensing scheme is self financing through licence fees and survey costs would require to be budgeted for.

4. OTHER IMPLICATIONS

- (a) Legal & Policy - Undertaking a demand survey provides up-to-date information on the current demand situation in Aberdeen and assists the Committee in: (i) meeting its duties in terms of the assessment of taxi provision in its area; and (ii) deciding whether or not a limit is necessary.

(b) Resources –

(i) External Tendering Model (Consultants to Complete Survey)

On the basis of known or anticipated workload, no major additional in-house resource will be required. Staff from the Litigation and Licensing Team will provide input and liaise with the appointed contractor as necessary as the work of the study progresses.

(ii) Internal Survey Model (Taxi Trade and Council to Complete a Survey)

Carrying out surveys is a specialised field which requires ingathering of relevant information which is then analysed to provide an assessment of and then a recommendation as to whether or not a taxi licence limit should be maintained. Such work should be carried out by suitably qualified personnel to ensure robustness of the data and conclusions. Such a process should be carried out independently to avoid allegations of bias in the process.

5. BACKGROUND/MAIN ISSUES

The Licensing Committee considered a presentation on the outcome of a taxi demand survey at its meeting on 23 November 2011 and instructed further work. As a result of the survey the Committee, at its meeting on 6 June 2012, placed a limit on the number of taxi licences (currently 1049). In making the decision the Committee also instructed that officers submit a future report providing more detail in relation to the taxi licence limit surveys and mini-surveys.

(a)&(b) The Legal and Practical Implications in Maintaining a Limit

In terms of Section 10(3) of the Civic Government (Scotland) Act 1982 (“the 1982 Act”) the Committee can refuse a taxi licence if it is satisfied there is no significant unmet demand for taxis in Aberdeen.

The mechanism that enables the Committee to consider this is a taxi demand survey. This is the standard mechanism utilised by licensing authorities and is considered best practice. The mechanism has been developed to meet the above legal requirement.

The Committee may base a refusal of a taxi licence application on sound and independent information provided in a taxi demand survey.

Having robust survey information assists in maintaining a taxi licence limit policy against legal challenge. A demand survey is also a useful tool to assist the Licensing Committee in the assessment of taxi provision in its area.

c) Recommended Length of Time Between Surveys

Regular taxi demand surveys are required in order to provide a robust basis for deciding whether or not there is a significant met demand. This is because the various pieces of information that feed into the survey quickly become outdated and may no longer accurately reflect demand for taxi services.

Current recommended best practice is that with a taxi licence limit in place, a taxi demand survey should be carried out at least every 3 years. The last survey was presented to the Committee on 23 November 2011. As such a further survey would be required by 23 November 2014.

d) Processes Involved in a Survey

Various steps are required to instruct and carry out survey. In summary:

- (i) The Committee must firstly decide whether or not it wishes to instruct a survey (see recommendation 2(b) above);
- (ii) Appoint a consultant to carry out the survey;
- (iii) Survey carried out by consultant with support from officers;
- (iv) Survey analysed by consultant who then prepares and presents a report of the findings to the Committee; and
- (v) The Committee considers the terms of the report and decides whether or not it wishes to continue with its taxi licence limit.*

* NB As has been shown from the recent survey taxi licence policies are interlinked. Consideration of a limit has an impact on other taxi licence policies. Consequently, it may not be possible to consider it in isolation.

e) Alternative to External Surveys

One of the trade representatives had suggested that future surveys could perhaps be carried out in other ways rather than by specialised consultants. It was suggested that such a model (which involved an “in-house” approach between parties connected to the taxi trade) was being developed by a local authority in England and further suggested that a similar approach could be explored in Aberdeen. However, upon further investigation it appears that this initiative was not actively pursued.

Taxi demand surveys are highly specialised and are conducted by professionals with specific knowledge and an understanding of the complex taxi services market economics.

It is difficult to comment in the absence of information on how an alternative to an external survey could be conducted. What can be said is that the following issues would require to be addressed:

- Use of suitably qualified personnel to provide the Committee with accurate and reliable information on the taxi services market in Aberdeen, on which to base the development of informed policies;
- Ensuring robustness of data and conclusions to withstand court challenge and resultant cost implications;
- Ensuring the independence of those conducting the survey to encourage credibility;
- Follow up to date best practice.
- Resourcing “internal” surveys would require significant support from Council officers and services likely to require additional resources.

f) Potential Cost of a Survey

The potential cost will depend on several factors to be taken into account including inflation and the point in time at which the survey is commissioned. The cost of surveys is met from licensing fees.

It is possible that the cost to the Council of a successful challenge or multiple challenges to the policy would exceed the cost of a survey conducted by external consultants.

In the absence of information is not apparent that some sort of “internal survey would offer any cost saving.

6. IMPACT

Corporate – A future taxi demand survey will assist in meeting the Council’s statutory corporate function as the licensing authority for taxis. A survey may also impact in relation to the Council’s transport and accessibility policies.

Public – Future taxi demand surveys will be of interest to the public because it is a vital part of public transport provision and a taxi demand survey will show whether or not there is unmet demand for taxis in the area.

Equality and Human Rights Impact - None required currently. However, if in future the Committee considers maintaining a limit on the number of taxi licences an Equality and Human Rights Impact Assessment will require to be completed and considered beforehand.

7. BACKGROUND PAPERS

None.

8. REPORT AUTHOR DETAILS

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