

REPORT

To: CORPORATE SERVICES COMMITTEE		Subject: TAXI LICENSING – SURVEY OF DEMAND FOR TAXIS IN NORTH LANARKSHIRE
From: HEAD OF LEGAL SERVICES		
Date: 7 FEBRUARY 2008	Ref: JM/MK/AW/AT	

1. PURPOSE OF REPORT

- 1.1. The purpose of the report is to provide a copy of the full Fraser of Allander Institute ("the Institute") on the outcome of the independent survey of demand for taxi cars conducted amongst North Lanarkshire residents and to make an appropriate recommendation.
- 1.2. Members will recall that at their meeting on 6 March 2008, consideration of this matter was continued for a full copy of the Institute's report to them, with the Committee Report. The Report presented to Committee on 6 March is incorporated with this Report.

2. BACKGROUND

- 2.1. Section 10(3) of the Civic Government (Scotland) Act 1982 allows the Licensing Authority to refuse an application for a taxi licence for the purpose of limiting the number of taxis, provided that they are satisfied that there is no significant unmet demand for taxis in their area.
- 2.2. North Lanarkshire is split into three areas for the purpose of taxi licensing, and the limit on number of taxi licenses in each is based on the limits on numbers determined by the former District Authorities. These are as follows:- North Area – 50 taxis; Central Area – 238 taxis; and South Area – 182 taxis. (The towns included in each area are listed in the appendix to the survey being discussed). The current number of taxi licences in the South Area is in fact 203, following a policy decision taken by the General Purposes Committee on 25 August 2004 to offer taxi licences to members of the South Area waiting list. The current figure for the Central Area stands at 242 following a Sheriff Court decision to issue four licences.
- 2.3. Traditionally the approach taken by licensing authorities to testing the matter of demand for taxis is to instruct an independent survey.
- 2.4. The accuracy and currency of the aforementioned limits have been tested by the Fraser of Allander Institute in 2001 and 2005 and the aforementioned numerical limits affirmed by the General Purposes Committee on 8 May 2002 and 24 August 2005 respectively.

3. REPORT

- 3.1. In order to ensure the continued accuracy of the numerical limits, the Fraser of Allander Institute were contracted in September 2007 and they conducted a survey during October and November 2007.
- 3.2. A copy of the full report by Fraser of Allander Institute ("the Institute") is available within the members' library.
- 3.3. A total of 2170 residents were contacted, with a response rate of 28%, which the Institute advise is more than adequate to allow inferences to be drawn.
- 3.4. Within the Central Licensing Area, 56% of respondents used taxis at least once a month, with the most frequent use being for social activity. As such, taxi demand is highest in the evenings and at weekends. Of those using a taxi in the last month, 87% reported no difficulty in obtaining a taxi, with the vast majority of those experiencing difficulty having done so during the peak evening time. 92% of respondents reported adequate availability, and the Institute concluded that the survey results showed "no evidence of a significant level of unmet demand for taxis in the Central Zone".
- 3.5. Within the North Licensing Area, the majority of respondents' used taxis infrequently or not at all, with 41% having used a taxi in the last month. Again the most frequent use was for social activity, with taxi demand being at its highest in the evenings and at weekends. Of those using a taxi in the last month, 87% reported no difficulty in obtaining a taxi. Of the 12 people reporting a difficulty, five experienced it during the peak evening period and five also experienced it at lunchtime. Although the lunchtime period is not a period of peak demand, the Institute are not of the opinion that this result is representative of experience across all users as a whole. 89% of respondents reported adequate availability, and the Institute concluded that "the survey results show no evidence of a significant level of unmet demand for taxis in the North Zone".
- 3.6. Within the South Licensing Area, approximately half of respondents had used a taxi within the last month. The majority of these had used a taxi for social activity, and again peak usage was at evenings and weekends. Of those using a taxi in the last month, 87% reported no difficulty in obtaining a taxi, with the vast majority of those experiencing a difficulty again doing so during the peak evening period. 90% of respondents reported adequate availability, and the Institute concluded "the survey findings do not show evidence of significant unmet demand".
- 3.7. The survey was also used to assess respondent's views on the quality of both vehicles and drivers within the three areas. A rating of 1 (poor) – 5 (excellent) was requested and the results for vehicles were: Central – 94% rated 3-5, North – 87% rated 3-5 and South – 95% rated 3-5. For drivers, the results were Central – 91% rated 3-5, North – 93% rated 3-5 and South – 93% rated 3-5.

- 3.8. In so far as the number of licences actually at issue in the South and Central Areas is greater than the currently adopted numerical limit, this will not adversely affect the integrity of the proposed numerical limitation. Any future applications for a licence will continue to be tested against the then current demand for the services of taxis within the backdrop of the findings by the Fraser of Allander Institute. Specifically, in the future, should any South or Central Area taxi operator licence be surrendered or withdrawn following legal process that licence would not be made available for issue by advertising/ballot, as has occurred on occasions with other vacant licences, until such time as the number of licences actually at issue corresponds with the approved numerical limit.

4. CORPORATE CONSIDERATIONS

- 4.1. The matters under consideration in this report reflect the Council's commitment to keep the regulation of taxi and private hire under periodic review.

5. RECOMMENDATION

- 5.1. The Committee is asked (a) to note the outcome of the independent survey conducted by the Fraser of Allander Institute into the demand for taxis in North Lanarkshire and (b) to affirm the numerical limits on the numbers of taxis within North Lanarkshire, namely North Area – 50 taxis; Central Area – 238 taxis; and South Area – 182 taxis.


Head of Legal Services

Members seeking further information on the contents of this report are asked to contact Mitch Kerr, Solicitor (District Courts and Licensing) on extension 2371.