

Licensing Committee

Wednesday, 5th December,
2018

at 2.00 pm

PLEASE NOTE TIME OF MEETING
Conference Room 3 - Civic Centre

This meeting is open to the public

Members

Councillor Mrs Blatchford (Chair)
Councillor J Baillie
Councillor Bogle
Councillor Furnell
Councillor B Harris
Councillor Leggett
Councillor McEwing
Councillor Parnell
Councillor Streets
Councillor T Thomas

Contacts

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PUBLIC INFORMATION

Role of this Committee

The Committee publishes and implements a statement of licensing policy. It appoints Sub-Committees to deal with individual licensing applications and associated matters for which the Council as Licensing Authority is responsible.

Public Representations

At the discretion of the Chair, members of the public may address the meeting about any report on the agenda for the meeting in which they have a relevant interest.

The Southampton City Council Strategy (2016-2020) is a key document and sets out the four key outcomes that make up our vision.

- Southampton has strong and sustainable economic growth
- Children and young people get a good start in life
- People in Southampton live safe, healthy, independent lives
- Southampton is an attractive modern City, where people are proud to live and work

Smoking policy – The Council operates a no-smoking policy in all civic buildings.

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Access – Access is available for disabled people. Please contact the Democratic Support Officer who will help to make any necessary arrangements.

Dates of Meetings: Municipal Year 2018/19:

Meetings of the Committee are held as and when required.

CONDUCT OF MEETING

TERMS OF REFERENCE

The terms of reference of the Licensing Committee are contained in Part 3 (Schedule 2) of the Council's Constitution.

BUSINESS TO BE DISCUSSED

Only those items listed on the attached agenda may be considered at this meeting.

Rules of Procedure

The meeting is governed by the Council Procedure Rules as set out in Part 4 of the Constitution.

Quorum

The minimum number of appointed Members required to be in attendance to hold the meeting is 4.

DISCLOSURE OF INTERESTS

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "Disclosable Pecuniary Interest" or "Other Interest" they may have in relation to matters for consideration on this Agenda.

DISCLOSABLE PECUNIARY INTERESTS

A Member must regard himself or herself as having a Disclosable Pecuniary Interest in any matter that they or their spouse, partner, a person they are living with as husband or wife, or a person with whom they are living as if they were a civil partner in relation to:

- (i) Any employment, office, trade, profession or vocation carried on for profit or gain.
- (ii) Sponsorship:

Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

- (iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.

- (iv) Any beneficial interest in land which is within the area of Southampton.

- (v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.

- (vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.

- (vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:

- a) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body, or
- b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.

Other Interests

A Member must regard himself or herself as having an, 'Other Interest' in any membership of, or occupation of a position of general control or management in:

Any body to which they have been appointed or nominated by Southampton City Council

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

Any body whose principal purpose includes the influence of public opinion or policy

Principles of Decision Making

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

AGENDA

1 APOLOGIES AND CHANGES IN MEMBERSHIP (IF ANY)

To note any changes in membership of the Committee made in accordance with Council Procedure Rule 4.3.

2 DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

3 STATEMENT FROM THE CHAIR

4 MINUTES OF THE PREVIOUS MEETING (INCLUDING MATTERS ARISING)

(Pages 1 - 2)

To approve and sign as a correct record the Minutes of the meeting held on 20 July 2018 and to deal with any matters arising.

5 HACKNEY CARRIAGE LICENCES – UNMET DEMAND SURVEY (Pages 3 - 16)

Report of Service Director - Transactions and Universal Services detailing the findings of the Hackney Carriage Unmet Demand survey and seeking approval to retain the current numerical restriction on hackney carriage licences.

6 PRIVATE HIRE KNOWLEDGE TEST (Pages 17 - 20)

Report of Service Director - Transactions and Universal Services reviewing the change of the knowledge test for new private hire drivers and seeking approval for the continuance of the current test for new private hire drivers.

Tuesday, 27 November 2018

Service Director - Transactions and Universal Services

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SOUTHAMPTON CITY COUNCIL
LICENSING COMMITTEE

MINUTES OF THE MEETING HELD ON 20 JULY 2018

Present: Councillors Mrs Blatchford (Chair), Bogle, B Harris, Leggett, McEwing and Parnell

Apologies: Councillors J Baillie, Furnell, Streets and T Thomas

7. **APOLOGIES AND CHANGES IN MEMBERSHIP (IF ANY)**

The apologies of Councillors J Baillie, Furnell, Streets and T Thomas were noted.

8. **DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS**

Councillor McEwing declared a personal interest as being a branch chair and member of Unite and remained in the meeting.

9. **MINUTES OF THE PREVIOUS MEETING (INCLUDING MATTERS ARISING)**

It was noted that minute item 4 should not have included the year 2018 and had been amended to refer to the meeting held on 21 August 2017.

RESOLVED that the minutes of the meeting held on 24 May 2018 be approved and signed as a correct record.

10. **REVIEW OF THE GAMBLING ACT 2005 STATEMENT OF LICENSING PRINCIPLES**

The Committee considered the report of the Service Director Transactions and Universal Services which sought approval of the draft Statement of Licensing Principles for the Gambling Act 2005 for consultation purposes.

Phil Bates, Licensing Manager was present and with the consent of the Chair addressed the meeting.

The Committee discussed the following

- The policy applied to premises licensed for the supply of alcohol for consumption on the premises where the premises also had a gaming machine installed;
- The legal distinction between a gaming machine and a gambling machine was noted;
- It was noted that the licensing/regulation of online gambling was carried out by the Gambling Commission;
- That the impact on the health and wellbeing of the City's residents should be taken into consideration and it was noted that the Gambling Commission required operators to produce a premises risk assessment that identified risks to the licensing objectives in the location in which it was sited; and
- That Public Health be included in the consultation and that section 3.4 of the policy be amended to include Public Health in the list of organisations.

RESOLVED

- (i) That subject to the amendment above, the revised Statement of Licensing Principles for the Gambling Act 2005 be approved for consultation purposes;

- (ii) That approval be given for the consultation period to run from 23 July 2018 to 12 October 2018;
- (iii) That after the consultation period a briefing on the matters raised during the consultation and any amendments to the policy resulting therefrom be circulated to the Committee members for information; and
- (iv) That a further report for the approval of the policy be taken to Council for consideration in November 2018.

Agenda Item 5

DECISION-MAKER:	LICENSING COMMITTEE		
SUBJECT:	HACKNEY CARRIAGE LICENCES – UNMET DEMAND SURVEY		
DATE OF DECISION:	5 DECEMBER 2018		
REPORT OF:	SERVICE DIRECTOR - TRANSACTIONS AND UNIVERSAL SERVICES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Phil Bates	Tel: 023 8083 3523
	E-mail:	phil.bates@southampton.gov.uk	
Director	Name:	Mitch Sanders	Tel: 023 8083 3613
	E-mail:	mitch.sanders@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY	
None	
BRIEF SUMMARY	
To consider the report by Licensed Vehicles Survey and Assessment (LVSA) in relation to demand for the services of additional licensed hackney carriages and consider the City Council's current policy of numerical control of the number of hackney carriage licences.	
Should the committee resolve to issue further licences it will need to give consideration to the additional vehicle conditions detailed below.	
RECOMMENDATIONS:	
	(i) To consider the unmet demand report and seek approval to retain the current numerical restriction on hackney carriage licences.
REASONS FOR REPORT RECOMMENDATIONS	
1.	The recommendations are made in accordance with the legal restrictions surrounding the grant of hackney carriage licences and the Department for Transport's best practice guidance.
2.	The report by LVSA sets out the reasons for the recommendations.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	To issue a limited number hackney carriage licences – the report demonstrates there is no unmet demand, the trade already advise that drivers are having to work longer hours to maintain an income. This could compromise public safety.
4.	To issue a limited number of hackney carriage licences on a periodic basis – not recommended as in paragraph 3.
5.	To remove the numerical restrictions on hackney carriages – again an adverse impact on the income of drivers, insufficient room to accommodate

	extra numbers at ranks likely to result in congestion and disputes at or near ranks.
DETAIL (Including consultation carried out)	
6.	Section 16 of the Transport Act 1985 provides that the grant of a licence may be refused, for the purpose of limiting the number of hackney carriages in respect of which licences are granted, if, but only if, the person authorised to grant licences 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.
7.	LVSA is an amalgamation of two companies that work in this field, including VTC who conducted the last survey. The author of the report from LVSA is Mr MacDonald who prepared the report in 2015 so he has prior knowledge of Southampton and the taxi trades.
8.	LVSA has carried out an independent survey of unmet demand on behalf of the City Council. The survey has involved extensive consultation with the taxi and private hire trade, the public and other special interest groups of taxi users.
9.	On 23rd May 2014 The Law Commission published its report on taxi law reform and states “Our initial view was that derestriction would be likely to provide the most efficient use of resources by enabling the market to determine supply and demand. However, having listened to the responses to our consultation, we recognise that some limitation on taxi licence numbers may, in some areas, be desirable.”
10.	The Department for Transport guidance dated 2010 states they consider best practice is not to restrict the numbers of hackney carriage licences, see paragraphs 45 to 51 of the guidance.
11.	Although there is no current statutory prohibition on continued numerical restrictions, the Council must show, if it does not follow the Department for Transport guidance, that it has reasonably been satisfied that there was no significant unmet demand.
12.	The committee has a statutory responsibility to promote and protect public safety and that economic and business considerations in determining policy cannot lawfully be considered.
13.	It is therefore lawful and reasonable, in considering the unmet demand survey, for the committee to conclude that the current numerical limit on hackney carriages should either be removed entirely or altered or retained.
14.	The City Council’s current policy, last determined by the committee on 23rd September 2015, was to retain the number of licences at 283.
15.	The Council is required to review its policy regularly in order to ensure that it would be robust in the face of any challenge. LVSA was instructed to undertake a further independent survey in the spring of 2018. A copy of the report summary is attached at Appendix 1 and the full report has been placed in the Members’ Rooms and on the Council’s web site.
16.	The Council’s options in relation to the review of its policy, together with the advantages and disadvantages are as follows:-

	<p><u>Option 1:</u> To retain the current numerical restriction on hackney carriage licence Advantage: Retains the current status. Is in line with the recommendations in the LVSA report of there being no unmet demand.</p> <p>Disadvantage: A triennial survey will still be required with the associated extra work for existing resources.</p> <p><u>Option 2:</u> Issue a limited number of hackney carriage licences. Advantage: Potential better service for consumers by increasing the competition and reducing waiting times at peak times, however there is little evidence to support this.</p> <p>Disadvantage: A triennial survey will still be required with the associated extra work for existing resources.</p> <p><u>Option 3:</u> To issue a limited number of hackney carriage licences, on a periodic basis. Advantage: Has the benefit of the increasing the availability of licensed hackney carriages to the community, albeit a gradual increase over a period of time. However, the numbers of licences issued annually should not be so limited as to be insignificant. There is little evidence to support this option.</p> <p>Disadvantage: A triennial survey will still be required with the associated extra work for existing resources.</p> <p><u>Option 4:</u> To remove numerical restrictions on hackney carriage licences. Advantage: Potential better service for consumers by increasing the competition and reducing waiting times at peak times and any perception or potential allegation that market forces are unnecessarily interfered with by restricting entry to the trade is removed. There will be no need for a triennial survey with associated extra work, this option lets market forces immediately dictate the number of hackney carriages without Council intervention and accords fully with Government guidance. Whether a better service would be provided overall would only be ascertained after a period of implementation.</p> <p>Disadvantage: Potential dissatisfaction within the taxi trade due to perceived additional competition. However “public safety” is the primary licensing test and economic and business considerations are irrelevant.</p>
17.	<p>Should the committee decide to issue new licences, any new hackney carriage licences should be subject to conditions as follows:</p> <ul style="list-style-type: none"> • Any vehicle to be licensed must be fully wheelchair accessible to the Council’s satisfaction. • Any such vehicle must be maintained in the specification in which it was originally supplied and subsequently licensed.

	<ul style="list-style-type: none"> Any vehicle to be licensed must conform to European whole vehicle type approval as a hackney carriage or VCA qualification for production of up to 500 vehicles. Any vehicle to be licensed must be less than one year old at the time of its being first licensed as a hackney carriage and shall not have been previously licensed by the Council. Any vehicle to be licensed must be fitted with a taxi camera system approved by the City Council. Any vehicle to be licensed will be subject, in addition, to all the Council's current hackney carriage licence conditions.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
18.	None, save that if any additional licences are granted they will result in additional income to offset the costs of providing the licensing service.
<u>Property/Other</u>	
19.	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
20.	Section 37 Town Police Clauses Act 1847, as modified by section 15 Transport Act 1985 provides for the regulation of hackney carriages.
21.	There is a considerable body of case law arising from the higher courts' consideration of this provision.
<u>Other Legal Implications:</u>	
22.	Section 17 Crime and Disorder Act 1998 places the council under a duty to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.
23.	Human Rights Act 1998 - any action undertaken by the council that could have an effect upon another person's human rights must be taken having regard to the principle of proportionality - the need to balance the rights of the individual with the rights of the community as a whole. Any action taken by the council which affect another's' rights must be no more onerous than is necessary in a democratic society. The matter set out in this report must be considered in light of those obligations.
24.	Public authorities, under the Equality Act 2010, have a legal obligation to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. An Equality Impact Assessment has not been carried out in this instance as the risks associated with the publication of this document on this duty are considered to be low.

RISK MANAGEMENT IMPLICATIONS	
25.	None
POLICY FRAMEWORK IMPLICATIONS	
26.	None

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	LVSA Unmet Demand Survey Report Summary

Documents In Members' Rooms

1.	LVSA Unmet Demand Survey Report in Full http://www.southampton.gov.uk/images/southampton_hackney_carriage_unmet_demand_survey_2018_tcm63-402893.pdf
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
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Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
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Other Background Documents

Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	Law Commission report on Taxi law reform https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/314106/9781474104531_web.pdf
2.	Department for Transport Best Practice guidance 2010. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/212554/taxi-private-hire-licensing-guide.pdf

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**Southampton – Hackney Carriage Unmet Demand Survey
August 2018**





Executive Summary

This study has been conducted by LVSA on behalf of Southampton City Council.

Hackney Carriages are regulated by local authorities. The Department for Transport has developed guidance documentation entitled TAXI AND PRIVATE HIRE VEHICLE LICENSING: BEST PRACTICE GUIDANCE. The guidance addresses a wide range of licensing considerations and issues and provides recommendations on good practice. Within the licensing aspects considered, is the choice of whether to implement and maintain a restriction in the quantity of Hackney Carriages licences.

Within the guidance, the Department for Transport recommend that if a Licensing Authority should seek to retain a quantity restriction, then a survey should be carried out to establish if there is any unmet demand for Hackney Carriages. The minimum interval between successive surveys is recommended to be no more than three years.

If the result of an unmet demand survey should demonstrate that there is evidence of significant unmet demand, the recommended actions for a licensing authority may be to either raise the limit on Hackney Carriage numbers to an appropriate level, or to remove the limit all together.

If the result of an unmet demand survey should demonstrate that there is no evidence of unmet demand, then a third choice of action becomes available to the licensing authority, which is to keep the cap in place at the same level.

A licensing authority may choose at any time, to raise or remove a limit on Hackney Carriage numbers, but in order to retain or impose a limit; good practice guidance suggests that an unmet demand survey is required and that the result shows that there is no evidence of unmet demand.

This study is intended to fulfil the requirements of Section 16 of the 1985 Transport Act and to address the questions raised in the Department for Transport (DfT) 2010 Best Practice Guidance.

Surveys were undertaken at taxi ranks in Southampton, for three days, from the morning of Thursday 22nd March 2018 to the morning of the following Sunday 25th March 2018, 72 hours later. The volume of passengers and hackney carriages was recorded, together with Hackney Carriage waiting times and wait times for any queuing passengers.

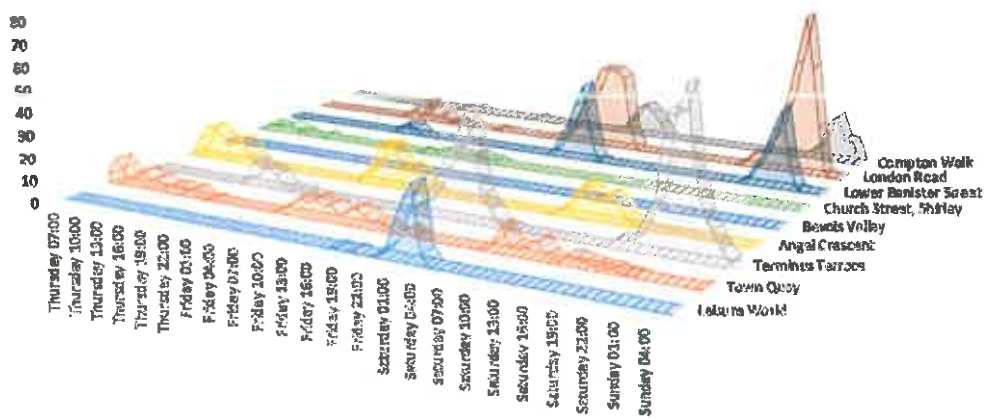




The busiest rank was at Southampton Central Railway Station, there are two ranks at the Railway Station, one either side. The rank on the Western Esplanade side was the busiest rank in Southampton, with respect to the total number of hires. The busiest hour in terms of hires observed across all ranks, was during the hour beginning 01:00 on Sunday morning, with 253 hires observed during that hour. The busiest hours at individual ranks were the hour beginning 01:00 hours on Sunday morning at the London Road rank, with 73 hires during that hour and the hour beginning 01:00 hours on Sunday morning at the Terminus Terrace rank, with 71 hires during that hour

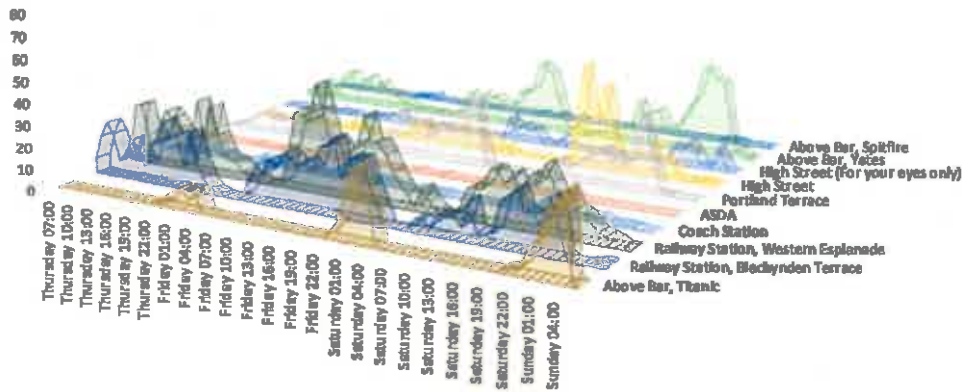
The volume of hires are summarised in the following two figures. There were a total of 6,555 hires observed over the three days of observation.

Total Hackney Carriages Departing With Passengers - Part 1





Total Hackney Carriages Departing With Passengers - Part 2



There were 580 passengers who had to wait for Hackney Carriages to arrive at the ranks. Incidences of passenger queuing were spread throughout the period observed and spread over most of the taxi ranks. Occasions when passengers had to wait for a Hackney Carriage to arrive at a rank were generally isolated events rather than continuous periods of queuing. A total of 10,206 passengers were observed departing the ranks in Hackney Carriages, over the three days surveyed. This equates to 5.7% of passengers had to wait for Hackney Carriages to arrive at ranks. The normal situation was that Hackney Carriages were observed waiting for passengers to arrive at the ranks.



Volumes at the ranks are summarised in the following table as totals over the three days of observation.

All 3 days					
Rank location	Total taxis departing the ranks empty	Total taxis departing the ranks with passengers	Total taxis departing the ranks	Total passengers departing the ranks	Average passengers per taxi
Total for all locations	967	6555	7522	10206	1.6
Leisure World	17	88	105	156	1.8
Town Quay	57	225	282	365	1.6
Terminus Terrace	83	575	658	1007	1.8
Angel Crescent	19	272	291	352	1.3
Bevois Valley	1	0	1	0	0.0
Church Street, Shirley	31	45	76	55	1.2
Lower Banister Street	20	216	236	349	1.6
London Road	46	532	578	878	1.7
Compton Walk	25	133	158	235	1.8
Above Bar, Titanic	15	282	297	490	1.7
Railway Station, Blechynden T	22	981	1003	1398	1.4
Railway Station, Western Espla	295	1188	1483	1694	1.4
Coach Station	60	106	166	179	1.7
ASDA	34	10	44	16	1.6
Portland Terrace	59	582	641	981	1.7
High Street	34	380	414	573	1.5
High Street (For your eyes only)	68	119	187	189	1.6
Above Bar, Yates	74	807	881	1267	1.6
Above Bar, Spitfire	7	14	21	22	1.6

Some Hackney Carriages left the ranks empty. It may be the case that many of these empty departures may have been responding to bookings made through booking circuits or direct calls to the driver. Feedback from the trade supports this view. It is also likely that some of the empty departures were by drivers who had waited at a rank with no hires and then decided to move on to another rank to wait.

Consultation feedback suggests that some Hackney Carriages work with / for Private Hire operators, as well as undertaking rank hire work.

Public consultation was undertaken through questionnaire surveys conducted on street and an online questionnaire. Stakeholder consultation was undertaken with minority group representatives, local businesses, hotels, licensed premises, visitor attractions, the police transport providers and officers of Southampton Council.

The consultation feedback indicated that:

- There were few perceived issues with the availability of Hackney Carriages.
- The Hackney Carriage fleet in Southampton is generally well regarded. However, there was consistent feedback from the trade that some new

drivers have poor language skills and some have poor knowledge of routes and locations.

- Representatives of elderly, disabled and mobility impaired passengers raised no issues. Availability of accessible vehicles for wheel chair users and mobility impaired users appears to have improved in recent years.
- The storage capacity of some ranks is often insufficient to accommodate all of the hackney carriages waiting for fares.

Observations

Some individuals own multiple Hackney Carriage vehicle licences and rent these licensed vehicles to drivers for a weekly fee. Some of the drivers interviewed or who returned survey forms, resented the ownership of licensed vehicles by non-drivers. However, some felt that the availability of vehicles or plates to rent offered a low capital option for entry into the trade.

A significant proportion of licensed vehicle drivers indicated that they had been physically or verbally attacked in the previous year. This was despite the fact that all vehicles were fitted with CCTV systems.

There has been no growth in demand for Hackney Carriages since the last survey was undertaken. Indeed, a like for like comparison of survey data suggests a moderate decline in demand.

Unmet need assessment

Data from the taxi rank surveys was used, together with any indication from the public consultation surveys of frustration with non-availability of Hackney Carriages, to calculate an Index of Significant Unmet Demand (ISUD). The ISUD index value calculated from the survey results was 5.6. A value of less than 80 is normally taken as an indicator that there is no significant unmet demand. Whilst the ISUD value is a strong indicator, it should not be taken in isolation as the only valid evidence. Further evidence from stakeholder and public consultation indicated that there were normally sufficient Hackney Carriages available to satisfy demand.

Future requirements

There is an adequate supply of Hackney Carriages currently and this is likely to be enough to cater for more than 3 years. No additional licences would be necessary to cater for growth in demand over the next three years.

Conclusions and recommendations

The primary purpose of this study was to determine whether there is evidence of significant unmet demand. The evidence gathered suggests that there is no significant unmet demand.

It is recommended that there is no need to increase the number of Hackney Carriage licences at the present time, to meet the needs of the travelling public.

Agenda Item 6

DECISION-MAKER:	LICENSING COMMITTEE		
SUBJECT:	PRIVATE HIRE KNOWLEDGE TEST		
DATE OF DECISION:	5 DECEMBER 2018		
REPORT OF:	SERVICE DIRECTOR – TRANSACTIONS AND UNIVERSAL SERVICES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Phil Bates	Tel: 023 8083 3523
	E-mail:	phil.bates@southampton.gov.uk	
Director	Name:	Mitch Sanders	Tel: 023 8083 3613
	E-mail:	mitch.sanders@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY	
None	
BRIEF SUMMARY	
Review of the change of the knowledge test for new private hire drivers.	
RECOMMENDATIONS:	
(i)	To consider the content of the report and representations from any parties and to approve the continuance of the current content of the test for new private hire drivers.
REASONS FOR REPORT RECOMMENDATIONS	
1.	Officers changed the content of the test in January 2018 to address the number of out of area vehicles working in the city, this was against the wishes of the existing taxi trade representatives therefore it was agreed to bring a review before the licensing committee after one year.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	To revert to the arrangement prior to January 2018 whereby all private hire driver applicants were required to pass the full knowledge test.
DETAIL (Including consultation carried out)	
3.	It has been the policy of Southampton City Council that applicants for either a private hire or hackney carriage driver's licence must pass a knowledge test as set by the council.
4.	The test has evolved over the years from being part of a driving assessment to a one to one interview style test asking questions to the current format where applicants sit a multiple choice style test using a council computer.
5.	Until the 1st of January 2018 the test for both hackney carriage driver applicants and private hire driver applicants were the same. There were 100 questions split into three sections. 20 questions on legislation and conditions,

	40 questions on junctions and 40 questions on locations. To pass a test an applicant needed to achieve a minimum of 80% in each of the three sections.
6.	This style of test had been in place for a number of years. In that time the taxi trades have seen significant changes such as the impact resulting from technology companies. This resulted in a significant increase of licensed vehicles, in particular private hire vehicles, working in Southampton but licensed elsewhere.
7.	During 2017 the taxi trades reported an estimated 180 vehicles licensed by other authorities were regularly working in Southampton using one of the technology companies' platforms. This raised public safety concerns as these drivers had not been checked by local officers and the vehicles were not subject to local policy and conditions, especially the requirement to have an approved taxi camera fitted.
8.	Officers made enquiries of drivers they came into contact with from other authorities and private hire operators to ascertain why drivers (working in Southampton) apply to be licensed elsewhere. The main reason given was the difficulty applicants had passing the Southampton knowledge test.
9.	In one of the taxi trade consultation meetings in 2017 the low pass rate of the knowledge test was raised as companies were struggling to recruit drivers and saw the test as a barrier to their trade.
10.	Officers considered lowering the pass mark but were reluctant to lower standards. The taxi trade were also keen to maintain standards. Officers were aware the larger operators conducted their own assessment and took responsibility for the standard of their drivers.
11.	As any private hire journey has to be pre-booked a driver should have time to prepare for the journey, this reduced the need for a driver to have such a detailed knowledge of the area.
12.	<p>As a result, officers amended the test for both private hire drivers and hackney carriage drivers.</p> <ul style="list-style-type: none"> • Hackney carriage drivers still take a test of 100 questions; 40 on legislation and conditions, 20 on road junctions and 40 on locations • Private hire drivers only have to take the legislation and conditions section of the test <p>The pass mark remained the same at 80% of each section they took. This was implemented on 2nd January 2018. Any private hire driver wishing to become a hackney carriage driver would have to pass the test to the level required for hackney carriage drivers.</p>
13.	Part of the reason for taking this option was the fact private hire operators were already undertaking assessment of drivers and it is in the operators' interest to ensure drivers provide a good service. This change passed the responsibility of service delivery to the operator.
14.	Since changing the test for private hire drivers we have seen a significant increase in applications and this has resulted in a significant increase in the numbers of private hire vehicles and drivers we licence. The table below shows the numbers of both hackney carriage and private hire licences since 2017

	Date	Hackney carriage	Hackney carriage Driver	Private hire vehicle	Private hire driver
	1 st January 2017	283	467	660	848
	1 st January 2018	283	436	682	848
	15 th November 2018	283	436	858	1127
15.	This has not completely resolved the issue of out of area vehicles working in Southampton, however, it has significantly reduced the numbers. Some of this change must be attributed to Uber moving to a regionalised operating model but Uber drivers would have the option of licensing in other areas in the region, by changing the test we have captured the vast majority of this group.				
16.	There was always a concern this move would see Southampton licensed vehicles working in areas other than Southampton, to date there is very little evidence of this occurring.				
17.	Another concern of the trade was there would be an increase in complaints of drivers not knowing where they are going. This has not been realised in the record of complaints held by the authority.				
18.	In reviewing this change officers are satisfied the change in the test has made a significant contribution to reducing the numbers of out of area vehicles working in the city and therefore improving public safety. There is a real concern if we reverted to the original exam we would see a large number of drivers and vehicles licence elsewhere but continue to work in the city.				
19.	Officers continue to work with local authorities in the area to try and address the issue of out of area vehicles working in Southampton.				
RESOURCE IMPLICATIONS					
<u>Capital/Revenue</u>					
20.	The additional fees received have been considered in a restructure of the licensing team which has seen an increase in establishment of one and half officers. A further assessment of income and costs will be conducted next year with a view to a further increase.				
<u>Property/Other</u>					
21.	None				
LEGAL IMPLICATIONS					
<u>Statutory power to undertake proposals in the report:</u>					
22.	Sections 51 and 59 of the Local Government (Miscellaneous Provisions) Act 1976				
<u>Other Legal Implications:</u>					
23.	Section 17 Crime and Disorder Act 1998 places the council under a duty to exercise its functions with due regard to the likely effect of the exercise of				

	those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.
24.	Human Rights Act 1998 - any action undertaken by the council that could have an effect upon another person's human rights must be taken having regard to the principle of proportionality - the need to balance the rights of the individual with the rights of the community as a whole. Any action taken by the council which affect another's' rights must be no more onerous than is necessary in a democratic society. The matter set out in this report must be considered in light of those obligations.
RISK MANAGEMENT IMPLICATIONS	
25.	None
POLICY FRAMEWORK IMPLICATIONS	
26.	None

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	None
2.	

Documents In Members' Rooms

1.	None
2.	

Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
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Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
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Other Background Documents

Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	
2.	