

Report to: Licensing Committee

Date: 27th January 2025

Title: Eastbourne Borough Council Unmet Demand Survey

Report of: Chief Executive

Ward(s): All

Purpose of report: For the Licensing Committee to determine whether or not an Unmet Demand Survey should be undertaken and on what terms.

Officer recommendation(s): That the Licensing Committee considers:

- a) Whether or not an Unmet Demand Survey should be undertaken.
- b) If the survey is agreed, whether the survey should be a) in relation to hackney trade only or b) in relation to both hackney and private hire trade;
- c) If agreed, authorising the Senior Specialist Advisor to commence the survey and report back to the Committee on the results.

Reasons for recommendations: A request was received from the trade for the Council to consider undertaking an Unmet Demand Survey.

Contact Officer(s): Name: Dee O’Leary
Post title: Senior Specialist Advisor
E-mail: dee.o’leary@lewes-eastbourne.gov.uk
Telephone number: 07596890939

1 Introduction

- 1.1 Eastbourne Borough Council is responsible for licensing drivers, vehicles, and operators in relation to the hackney carriage and private hire trade.
- 1.2 Following a meeting with representatives from Eastbourne Licensed Hackney Carriage trade, in May 2024, the trade was advised that the Council would consider undertaking an unmet demand survey. The last unmet demand survey was undertaken in Eastbourne prior to 2009, this survey covered Hackney Carriage only.
- 1.3 Eastbourne Borough Council has not conducted an unmet demand survey since 2006. There has been no legal requirement to do so, due to there being no

restrictions to the number of licensed Hackney Carriages within the Borough since 2009.

- 1.4 The Department for Transport (DfT) issued the 'Taxi and Private Hire Vehicle Licensing Best Practice Guidance For Licensing Authorities In England', , updated in November 2023, which refers to unmet demand surveys. The Guidance suggests that if a Licensing Authority is considering putting a quantity limit on hackney carriage vehicles (which the DfT do not recommend doing), then an unmet need survey should be undertaken.
- 1.5 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 licensing authority is satisfied that there is no significant unmet demand for taxi services in its area.
- 1.6 In the event of a challenge to a decision to refuse a licence, the authority concerned would have to establish that it had, reasonably, been satisfied that there was no significant unmet demand.
- 1.7 An unmet demand survey is a research tool designed to evaluate the need for transportation services that are not adequately provided by current options. Its primary goal is to identify service gaps, understand the specific needs of underserved user groups, and gather data on the times and areas where demand exists without corresponding services.
- 1.8 This type of survey focuses on understanding transportation needs within target populations, such as commuters, students, and individuals with disabilities. It utilizes a variety of data collection methods, including questionnaires, interviews, and observations. The survey analyses existing transportation services to identify gaps and deficiencies in meeting community needs. The findings from the survey help transportation planners and policymakers make informed decisions about adjusting services, introducing new routes, and improving existing transportation options.
- 1.9 Officers have made enquiries with companies that conduct unmet need surveys and it is expected that the cost of the unmet demand survey will be in region of £20,000 - £25,000 to cover both the Hackney carriage and Private hire trade.

2 Considerations

- 2.1 An unmet demand survey can identify gaps in service enabling informed decisions to be made on changes to service provision. The findings can also enable the licensing authority to justify regulatory changes, including changes to the Guidance, by seeking to facilitate the growth of taxi licences to meet any unmet need. The uncovering of any unmet demand may stimulate market entry which may benefit passengers. Furthermore, insights from the survey may aid in crafting targeted policies for underserved demographics, such as individuals with disabilities, creating a more equitable transport system. In addition, operators can use the survey results to adjust their services thus catering more effectively to community demand through operational changes or new offerings. If any

unmet demand is found, addressing that need would boost service availability, improving the user experience. The collected data can align taxi services with broader sustainability objectives, promoting short trips and connections to public transport to mitigate congestion and emissions.

2.2 Conducting an unmet demand survey can be beneficial, yet it comes with several downsides. These include significant costs and resource demands, potential issues with data reliability if sample sizes are inadequate, and the risk of misinterpretation of findings leading to misguided policy decisions. Increased competition from new taxi licenses may adversely impact existing operators, while the survey could raise public expectations for service improvements that may not be feasible. Additionally, the results might provoke regulatory challenges and community resistance, and the focus on current needs could render the findings quickly outdated. Thus, careful consideration is needed to balance the potential benefits against these challenges.

2.3 Members are asked to note that the financing of demand surveys should be paid for by the local taxi trade through general revenues from licence fees. There are currently no reserves to facilitate this, and potentially licensing fees would need to be increased to cover the costs of the survey. Other funding arrangements may call into question the impartiality and objectivity of the survey process.

3 Options

3.1 Members have the following options:

1. Agree to an Unmet Demand Survey (Hackney only)
2. Agree to an Unmet Demand Survey and include the Private Hire Trade
3. Refuse to undertake an Unmet Demand Survey.

4 Financial appraisal

4.1 Eastbourne Borough Council is responsible for licensing drivers, vehicles, and operators in relation to the hackney carriage and private hire trade. This report considers whether an unmet demand survey should be undertaken to establish if existing license numbers are sufficient to meet existing demand for services in the Borough. The financial implications within this report relate to the potential cost of undertaking the survey. There is no existing budget allocation for such a survey (estimated to be £25,000) and the expectation is that funding for the survey should be sought through additional fees paid by existing licence holders. However, should the survey find there is an “unmet” demand for such services, this could lead to an increase in the number of licences issued, potentially generating additional income.

5 Legal implications

5.1 The Legal section considered this Report on 13 January 2025 (Iken 13569-EBC-MW).

6 Risk management implications

6.1 There are no risk management implications.

7 Equality analysis

7.1 There are no Equality Implications associated with this report.

8 Environmental sustainability implications

8.1 There are no sustainability and/or carbon reduction implications associated with this Report.

9 Appendices

9.1 None.

10 Background papers

10.1 The background papers used in compiling this report were as follows:

Department for Transport guidance: [Taxi and private hire vehicle licensing best practice guidance for licensing authorities in England - GOV.UK](#)