

APPENDIX 2

OFFICE OF FAIR TRADING - CENTRAL GOVERNMENT POSITION

The Office of Fair Trading published a market study into the regulation of taxi's and private hire vehicles in November 2003.

http://www.offt.gov.uk/shared_offt/reports/comp_policy/oft676.pdf

The OFT recommended that local authorities should not retain the power to restrict the number of hackney carriage vehicle licences because it considered that such restrictions can:

- (a) reduce the availability of taxis
- (b) increase waiting times for consumers
- (c) reduce choice and safety for consumers
- (d) restrict those wanting to set up a taxi business

Central Government responded by means of a Written Statement in the House of Commons

<http://www.bis.gov.uk/files/file25882.pdf> In summary, should local authorities choose to limit the number of hackney carriages provided in its area it will need to know whether there is any unmet demand for taxi services in their area. The Government response indicates that consideration may be given to an unmet demand survey, unless a recent survey has been carried out. It also indicates that latent demand should be taken into account in any survey carried out