



Research Paper

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TAXIS BILL

Alan Rehfisch

This short briefing provides a brief introduction to the regulation of taxis currently in operation in Northern Ireland. It goes on to provide some key facts about the taxi service industry and outline the problems with the current arrangements. It concludes with a summary of the key proposals in the Bill and an outline of the views of key stakeholders on these proposals.

Research Papers are compiled for the benefit of Members of The Assembly and their personal staff. Authors are available to discuss the contents of these papers with Members and their staff but cannot advise members of the general public.

SUMMARY OF KEY POINTS

- The Bill would require every taxi operator to obtain a licence from the Department of the Environment
- Taxi operators would be guilty of an offence if they knowingly allowed services to be provided by taxis or drivers without the necessary licences
- The Bill would do away with the distinction between public hire taxis and private hire, allowing all suitably licensed taxis to pick up passengers on the street
- The Bill would create a regulatory regime for shared taxi services (taxi buses)
- The Bill would allow police officers and authorised officials to take action where they consider vehicles are being used as taxis without the appropriate licences

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INTRODUCTION

The [Taxis Bill](#) [NIA Bill 4/07] was introduced in the Assembly by the Minister for the Environment on Monday 11 June 2007. The Bill aims to update the regulation of the taxi industry in Northern Ireland. This short briefing outlines the current system of taxi regulation in Northern Ireland and provides key taxi industry statistics. It goes on to highlight problems with the current system and how the proposals in the Bill aim to deal with these problems. Finally, it outlines the views of key stakeholders on the proposals in the Bill

CURRENT REGULATION OF TAXIS AND TAXI DRIVERS IN NORTHERN IRELAND

The Department of the Environment is currently responsible for licensing taxis and taxi drivers under the provisions of the Road Traffic (Northern Ireland) Order 1981. Licensing work is carried out on the Department's behalf by the Driver and Vehicle Agency.

Vehicle Licensing: All vehicles used as taxis must be individually licensed. There are four different categories of taxi license:

- **Private Hire:** They may only accept pre-booked work. Their licence prevents them from being hailed in the street or working from a rank.
- **Belfast Public Hire:** These must be wheelchair accessible vehicles and work to fares regulated by the Department of the Environment. Under the 1951 County Borough of Belfast By-Laws Relating to Motor Hackney Carriages (Taxi Cabs), they are the only taxis that can be hailed in the street and work from ranks within a five-mile radius of Belfast city centre.
- **Restricted Public Hire:** Also known as 'Public Hire Outside Belfast'. These taxis are licensed to accept pre-booked journeys throughout Northern Ireland and to be hailed in the street and work from ranks outside of the five-mile limit of Belfast city centre.
- **Taxibuses:** Taxibuses, such as West Belfast's black taxi operation, charge separate fares on services provided along pre-set routes. Taxibuses are regulated through a mixture of legislation. Operators must hold a Road Service (Bus Operators) licence while the vehicles used to provide the service are licensed as private hire taxis.

All licensed taxis are required to display license plates, which clearly indicate which kind of license applies to that vehicle.

Driver Licensing: Every taxi driver in Northern Ireland is required to hold a taxi drivers' licence. To obtain such a licence a prospective driver must:

- Have held a full EU car drivers licence for at least 12 months
- Be medically fit
- Be of 'good repute'

Taxi and taxi driver licences are issued by the Driver and Vehicle Agency. It is worth noting that taxi operators, i.e. those companies that organise taxi services at taxi ranks, take and fulfil bookings or provides any kind of paid service using a taxi to carry passengers, are not currently subject to any specific regulation.

Enforcement: Enforcement of taxi and taxi driver licensing is principally the responsibility of the Department of the Environment, with day to day enforcement work carried out by the Driver and Vehicle Agency. The PSNI can also undertake enforcement work. At present there is no power allowing government officials or police officers to take action where they suspect that a vehicle is being used as an unlicensed taxi.

THE NORTHERN IRELAND TAXI INDUSTRY

There is very little comprehensive information on the taxi industry in Northern Ireland. The Department of the Environment commissioned the [Quantitative Survey of Northern Ireland Taxi Operators 2004](#) (Northern Ireland Statistics and Research Agency 2004) to provide some basic quantitative information on the industry prior to the review of taxi policy. In addition to this, the Road Transport Regulation Review Branch of the Department of the Environment (2007) has supplied further information directly to the Regional Development Committee. The following key points are taken from these two documents:

- Almost 50% of all adults in Northern Ireland use a taxi at least once a month, with 20% of all adults using a taxi at least once a week
- Annual taxi industry turnover is estimated to be in excess of £70m per annum
- There are approximately 17,000 licensed taxi drivers, of which two-thirds are currently working as taxi drivers
- There are 10,500 licensed taxis. 400 Belfast Public Hire, 7,400 Restricted Public Hire and 2,700 Private Hire (including 250 taxibuses)
- There are an estimated 850 taxi operators
- The majority of taxi operators (43%) run five vehicles or fewer.
- The majority of taxis are owner-driven: Belfast Public Hire (82%), Restricted Public Hire (84%), and Private Hire (85%)
- Over two thirds of taxi operators (67%) calculate fares based on distance travelled, with 95% imposing a fixed minimum fare

PROBLEMS WITH THE CURRENT SYSTEM OF TAXI REGULATION

The Taxis Bill was introduced to deal with perceived problems in the operation of the current system of taxi regulation in Northern Ireland. The Road Transport Regulation Review Branch of the Department of the Environment (2007) has identified the following issues which the proposals in the Bill seek to address:

- A proportionately high number of unlicensed taxis and drivers and the possible involvement of organised criminal gangs in the operation of such services
- Overcharging of passengers
- Poor road safety and customer service standards
- A lack of accessible vehicles
- A lack of taxis available at ranks or to be hailed in the street in Belfast at peak times
- Limited regulation of taxibus services

KEY PROPOSALS IN THE TAXIS BILL

The following is a summary of the key proposals in the Taxis Bill. A detailed clause by clause description of the proposals can be found in the Explanatory and Financial Memorandum (Northern Ireland Assembly 2007) that accompanies the Bill.

Regulation of taxi operators: Chapter 1 of the Bill would make it an offence to operate a taxi service, i.e. to organise taxi services at taxi ranks, take and fulfil bookings or provide any kind of paid service using a taxi to carry passengers, without holding an operators licence.

Taxi operator licensing would be administered by the Department of the Environment, which would only issue a licence were it satisfied that a prospective operator is a 'fit and proper person' who also meets 'any further requirements that may be prescribed'. An operator's licence would have a maximum duration of five years and may be subject to conditions at the discretion of the DoE, e.g. setting a minimum number of accessible taxis to be provided by the operator. In addition the licence would specify the address(es) which the operator may use as operating centre.

An applicant for an operator's licence could appeal to a court against a refusal to grant a licence, a decision not to specify a particular address as an operating centre, a decision to grant a licence only in respect of certain type of taxi service or against any condition attached to the licence.

A licensed taxi operator would be required to ensure that all taxis and taxi drivers that they use to provide taxi services are correctly licensed. In addition they would be required to operate only from the addresses specified on their licence and to keep accurate records of the services they have provided, which must be available for inspection by an authorised person if required. Failure to meet any of these requirements would be an offence.

It would also be an offence for a licensed operator to sub-contract the provision of any taxi service to any person other than another licensed operator.

A licensed operator may only provide for the hiring of taxis at separate fares, i.e. taxi sharing, where:

- (1) The operator is providing a service in compliance with a Departmental taxi-sharing scheme
- (2) All the passengers to be carried have made their booking in advance and have agreed to share their taxi on that occasion
- (3) The operator's licence authorises the provision of shared taxi services. In deciding whether to grant such a licence the DoE will take account of the interests of potential passengers and other taxi and bus operators. In addition the DoE will consider representations made by the General Consumer Council of Northern Ireland, local taxi and bus operators, local authorities and the Northern Ireland Tourist Board. Any appeal against a refusal to grant such a licence or apply particular conditions can be appealed to the DoE.

Regulation of taxis: The current requirement that every vehicle used as a taxi must have a taxi licence remains in place. However, the current distinction between public and private hire would be replaced by licences based on:

- (1) Class: The DoE will have the power to define taxis by class, e.g. 'accessible' or 'non-accessible'
- (2) Use: Some vehicles will only be licensed for specific uses, e.g. wedding cars or chauffer driven cars.

All taxis, except some with specific use licences, would be able to pick up passengers from a rank, be hailed on the street and do contract or pre-booked work.

The Bill would require every taxi to meet certain design, condition and use criteria established by the DoE through Regulation, possibly including a maximum permitted age. In addition every taxi would be required to be fitted with an approved type of taximeter and a device for printing receipts, which would be inspected by the DoE at regular intervals. Operating a taxi without a licence or in contravention of licence conditions would be an offence.

Regulation of taxi drivers: The current requirement that every taxi driver holds a taxi driver's licence remains in place. The DoE will grant a licence to any applicant that:

- (1) Has held a full EU car driver's licence for at least three years prior to application, or held a taxi drivers licence immediately prior to this provision coming into force
- (2) Is a 'fit and proper person'
- (3) Has passed any taxi driving test required by the DoE, this would not be required where a driver held a taxi driver's licence immediately prior to this requirement coming into force
- (4) Meets any other requirements that may be required by the DoE

The DoE may attach such conditions as it thinks fit to any taxi driver's licence it issues. A prospective taxi driver may appeal to the courts where the DoE

refuses to grant them a taxi driver's licence or attaches conditions to the licence which they do not agree with

A taxi driver's licence would be valid for a maximum of three years. Every licensed taxi driver would be required to wear a badge issued by the DoE, as well as displaying a licensing certificate in the taxi, when driving a taxi. Failure to display these items while driving a taxi is an offence.

Licences: General Provisions: The DoE would have a general right to suspend or revoke a taxi driver, taxi or operator's licence for any reasonable cause, in addition it could suspend or revoke such licences if:

- It was no longer satisfied that the licence holder was fit to hold the licence; or
- The licence holder had failed to meet a licence condition or obligation

In addition the DoE would be able to curtail an operator's licence, i.e. require a taxi operator to remove a particular taxi from its fleet, increase or decrease the proportion of accessible taxis in its fleet or reduce the total number of taxis it is allowed to operate. The DoE would also be able to suspend an operator's licence as it applies to a particular operating centre or vary a licence to remove all reference to a particular operating centre where it was satisfied that the centre no longer met its licensing requirements or for any other reasonable cause.

The DoE would also be able to suspend or revoke a taxi licence where it is no longer satisfied that the taxi is fit for use. A licence holder could appeal to the courts against the decision to suspend, revoke or curtail a licence.

Through Regulation the DoE would be able to establish a fee regime for the licensing system. In addition the DoE will be required to establish a publicly accessible register of taxi operator, driver and taxi licences.

Enforcement: The DoE can issue an 'enforcement notice' against the holder of a taxi operator's licence where it considers that the operator has failed to meet its obligations to keep, maintain and supply accurate records. The notice will specify what the operator needs to do to comply with the terms of the notice and the time available to do so, which must be at least 21 days. Failure to comply with an enforcement notice is an offence. An operator can appeal to the courts against an enforcement notice within 21 from the date it was served. The notice does not have effect while the appeal is ongoing.

Police officers and authorised government officials would have the power to enter any licensed taxi operating centre without a warrant, except where such a centre is also a private residence, to check whether licence or statutory conditions are being met. In addition a police officer or authorised government official may enter, with a warrant, any premises where there are reasonable grounds for suspecting that a person is operating a taxi service from those premises without an operator's licence.

Authorised government officials or uniformed police officers would have the power to stop and examine any licensed taxi and, where there is reasonable suspicion that a vehicle is being used as an unlicensed taxi, stop and examine any vehicle. If after stopping a vehicle suspected of being used as an unlicensed taxi, the officer or official remain suspicious, they can seize the vehicle. If the vehicle failed to stop or did not stop long enough for the officer or official to investigate then the vehicle can be removed from private property, except that used as a private dwelling, within 24 hours. The DoE will have the power to make regulations covering the seizure and handling of seized vehicles.

The Bill would also make it an offence to:

- Make false or misleading statements on an application for a taxi operator's, taxi driver's or taxi licence application or application for a variation
- Forge or alter any licence, record, identity document or record as prescribed in Regulation
- Makes false statements to an authorised official or police officer exercising powers authorised by the Bill
- Obstruct an authorised official or police officer in the execution of any duty imposed by the Bill

Miscellaneous and General: The Bill would allow:

The DoE to release information it holds on taxi licensing to police officers, police support staff and anyone else it prescribes. The DoE would have the power to make Regulations governing the disclosure and handling of such information.

The DoE, with the approval of the Department of Finance and Personnel, would have powers to make grants to people or organisations it considers appropriate in connection with the provisions or purposes of the Act.

The DoE would also have the power to make regulations with requiring mandatory training in respect of any person in connection with the Act.

VIEWS OF KEY STAKEHOLDERS

This section provides a brief summary of key issues raised during the consultation exercise which preceded the introduction of the Bill. It does not provide a comprehensive summary or analysis of consultation responses, rather it highlights areas of concern raised by stakeholders during the consultation process.

The proposals in the Bill have been through two full rounds of consultation. Following the publication of an initial discussion document in 2003, the DoE published a consultation on the [Reform of Taxis and Private Hire Vehicles](#) (Department of the Environment 2005), which ran from 18 March 2005 until 29

July 2005. The DoE received 343 responses to this consultation, representing taxi operators, drivers and other interested organisations.

Following consideration of the responses to the initial consultation the DoE published [Proposals for a Draft Order in Council: The Taxis \(Northern Ireland\) Order 2006](#) (Department of the Environment 2006). Information on the proposals were distributed to taxi companies, drivers, equality groups and other interested parties and the DoE held a series of eight stakeholder meetings and 13 public meetings to discuss the proposals. The DoE received 53 formal written responses to the consultation. The proposals in the draft Order form the basis of the proposals in the Taxis Bill.

The 2006 key proposals were generally welcomed by the great majority of respondents, for example:

Newry and Mourne District Council (2006) “...*would be supportive of this new regulatory system, which will help to ensure a more efficient, accessible and high quality service from the taxi sector to the general public*”, while the PSNI (2006) state that “*Comments have been positive concerning the improvements this legislation will make to the accountability of operators and the reduction in the number of illegal taxis. Other enhancements to enforcement powers are also welcome*”. The Homefirst Community Trust (2006) stated that the proposals could make “...*a very significant contribution to raising levels of professionalism in this service area.*”

However, a number of respondents did highlight minor areas of unease and several raised major concerns, particularly the Belfast Public Hire Taxi Association (2006) which stated that:

- Standards for accessible taxis should not be diluted
- Operators of Belfast Public Hire taxis should not require an operator's licence
- Only Belfast Public Hire Taxis should be able to pick up passengers from the street within five miles of the city centre
- Taxi drivers should not be required to wear seatbelts
- Drivers should receive financial support for any training they need to undertake
- A uniform Northern Ireland wide taxi fare system should be introduced

The concern regarding the maintenance of accessibility standards was also shared by the West Belfast Taxi Association (2006), which had particular concerns about the safety of vehicles which were not purposefully designed to be accessible but adapted for that use. As the major provider of shared taxi services (taxi buses) the West Belfast Taxi Association was content with the proposals for the revised regulation of shared taxi services.

The Equalities Commission (2006) and Disability Action (2006), while acknowledging that the DoE will attempt to tackle the issue through Regulation, both asked that fares be regulated in such a way as to ensure that

disabled people cannot be charged more for using a taxi service than anyone else.

Many other concerns raised relate to a lack of detail on the face of the Bill and statements made in the Explanatory and Financial Memorandum or in policy statements by the DoE, e.g. provision of accessible taxis by owner/operators, maintenance of records, regulation of fares, taxi driver testing or the definition of a 'fit and proper person'. The Bill allows for these issues to be set out in secondary legislation, which the Assembly will have an opportunity to scrutinise at a later date if the Bill is passed.

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