

Introductory Statement from Anne Graham, Chief Executive Officer, National Transport Authority

Chairperson and members of the committee, thank you for the invitation to attend. I understand that the Committee wishes to focus upon Issues Impacting the Taxi Industry. To assist me in dealing with your subsequent questions I am joined by Hugh Creegan, Deputy Chief Executive with the Authority.

At the outset I would like to record that the NTA recognises the devastating impact that the Covid pandemic has had on small public service vehicle (SPSV) drivers and the SPSV industry and that the impact is still being felt today. It will take a number of years to recover to pre-pandemic numbers of vehicles and drivers, let alone to grow the industry further. What we have seen in recent times is a very significant increase in demand for SPSV services however, the numbers operating in the industry are not yet back to 2019 levels at peak times. While the NTA is working to deliver some alternative public transport services operating 24/7 in our cities, it will take a number of years to deliver alternatives due to other constraints. Therefore the NTA has to regulate the SPSV industry taking the prevailing external environment into account.

SPSV Vehicle Age

One of the key vehicle licensing requirements is the maximum age of the vehicle. The maximum vehicle age was introduced to ensure that vehicles were in good working order and safe when operating as a public service vehicle. Its commencement followed the wide-ranging review and subsequent report of the Taxi Review Group in 2012. International benchmarking has shown that Ireland's 10 year rule is not onerous in comparison with other regulated jurisdictions with 7-10yr maximum permissible ages for small public service vehicles being the norm.

During the COVID-19 pandemic, a number of measures were taken to support the SPSV industry, one of which was the introduction of emergency regulations to temporarily extend the maximum permissible age of taxis and hackneys in the SPSV fleet because a lack of passenger demand during the Covid restrictions had decimated the earning capacity of SPSV operators. As a result of these emergency regulations, no taxi or hackney was required to exit the SPSV fleet as a result of age between 2020 and 2022.

It had been proposed that the extension of vehicle age would be removed at the end of 2022 however there have been some very recent significant challenges that have arisen which have

impacted on vehicle availability that have obliged the Authority to consider the vehicle age limit again as it is not feasible for all end of life SPSVs to be replaced throughout the next 12-15 months. The stark change in vehicle supply predictions in late August by auto manufacturers has resulted in exceptional contingency draft regulations and a public consultation paper on extending vehicle ages during this exceptional period being submitted to the NTA board on Thursday 8th September for its consideration. The Board approved the commencement of the public consultation last Friday which was then published on Monday 19th September. Every licence holder received a notification of the supports proposed to be made available under these contingency measures.

The NTA is proposing the enactment of the Small Public Service Vehicle (Contingency Measure – Vehicle Supply) (Maximum Permissible Age) Regulations 2022 to allow SPSVs with a final operation date in 2023 and 2024 to operate until their date and month of final operation throughout 2025.

The representatives of the taxi industry have raised a number of matters in their discussion with the Committee last week and I would like to take the opportunity to respond to some of those matters:

Transferability of Vehicle Licences

The Taxi Regulation Act 2013 introduced a prohibition on vehicle licence transferability, such that all SPSV vehicle licences are unique to the person to whom the licence has been issued and cannot be transferred or sold to another person.

There is no monetary value associated with the SPSV licence which is available for €125 with renewals at €150pa or €75pa for a Wheelchair Accessible Vehicle (WAV).

The Advisory Committee on SPSVs had considered this matter pre-pandemic but have not been in a position to finalise their advice on this matter given the emergency policy matters that had to be considered during the pandemic. It is my understanding that those advices will be with the Minister and NTA in the coming weeks.

The Taxi Regulation Act 2013 allows for the nomination of a person to transfer the operation of a vehicle licence on the death of the holder, subject to the suitability of that person. This very

simple one page nomination form should be completed upon initial licence receipt but can be lodged with NTA at any point. It is a free service and the party nominated can also be changed at any time by the licence holder without charge.

The NTA has taken every step to ensure that licence holders are aware of this requirement. Reminders on the Section 15 Nomination process were included in 5 publications sent to all industry members by SMS and email over the last 2 years alone. The independent research carried out on behalf of NTA in October 2021 found that:

- 91% of taxi licence holders were aware that no one could take over their vehicle licence unless a S15N nomination form had been lodged with NTA;
- Only 22% of licence holders surveyed had submitted the nomination form;
- 69% said they intended to submit it however 42% were unsure who to nominate.

SPSV Operation – rental / leasing

Nomination forms are of course not the only way to have another SPSV driver operate your vehicle whether you want to retire with an income, ease a relative into the industry as mentioned last week or just use the car as a business asset rather than a family car.

SPSV Driver Licence holders can operate a licenced, insured vehicle owned by another person. The vehicle licence holder retains responsibility for the management of their licence, ensuring adherence to the vehicle related regulations and must maintain a valid insurance policy.

Where two drivers or more are operating the vehicle, insurance premiums naturally rise as the risk is greater. This is no different from the old style “cosy driver” situation or indeed for normal adding of a daughter/son to a private car policy. However, for taxi drivers, there is a facility to advise insurers that only the SPSV driver who is renting the licensed vehicle may drive it and this removes that multiple driver premium increase.

Finally a decision to rent to another licensed driver does not mean any money needs to change hands if this is not wanted, for example, if a parent is giving a son/daughter a leg up into the industry as mentioned last week goodwill is the consideration not money.

Drivers actively working

85% of licenced vehicles have been checked by our compliance teams whilst operating this year proving that operators are back providing services to the public.

Driver licence renewals are increasing each month with a 72% increase compared to 2019. New DL applications are also up significantly with an increase of 132% compared to last year. 944 new driver licences were issued by AGS in the last year.

Drivers returning their licences to active status having taken a break during Covid is also up by almost 30% on last year.

Event Planning

All major events undergo extensive transport and traffic management planning. Such planning encompasses transport needs, road traffic management, public safety and the impacts on those communities living near to these locations.

NTA is an integral part of that process along with other stakeholders such as An Garda Síochána, events planner and local authorities. SPSV requirements are considered by those parties in common with all vehicular transport.

NCT and SPSV Suitability Tests

It has been suggested that suitability tests and NCT test are carried out at the same time. NTA does not have jurisdiction over the NCT testing regime nor the legislation that governs the NCT. The Road Safety Authority is the responsible agency for NCT. It can take a minimum of 48 hours for the NCT test result to be updated onto the National Vehicle and Driver File (NVDF) to become accessible to the NTA.

The failure rate for taxis completing the NCT can be as high as 64% particularly in older vehicles. If a suitability inspection was booked for the same day as the NCT, it would result in up to 64% of SPSV suitability inspections not being completed, with no opportunity to fill the unused appointments. Such a low utilisation rate would substantially increase the cost of licensing for operators having to pay for both a no show and a second suitability inspection.

eSPSV22 Grant Payment Timeframes and Fitness for purpose

For eSPSV2022, the committed payment turnaround in the information guide and terms & conditions is 20 working days from payment form receipt. On average 11 working days was achieved, with a median of 8 working days for payment.

The eSPSV22 requirement to have an active vehicle for a prior 3 year period in order to apply for the grant is a matter raised with the Department of Transport for consideration in its eSPSV terms and conditions.

That concludes my introductory statement. I trust that we can answer any queries that arise.