Taxi Regulatory Reform – Recommendations

States of Jersey
10103C

October 13

FINAL

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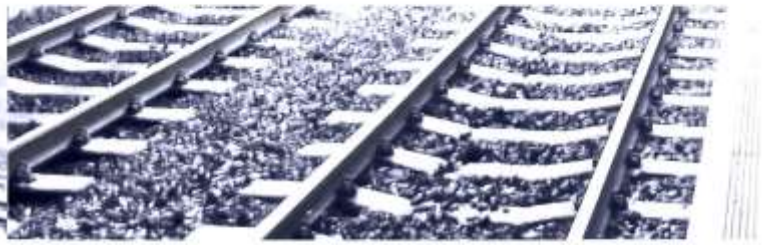

The TAS Partnership Limited
Passenger Transport Specialists

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Contents

Executive Summary

1. Introduction

1.1 We believe that significant change to the regulation of the taxi industry in Jersey is both necessary and desirable. The taxi industry and its regulation both pre-date the motor vehicle and as technology has developed, there is a requirement also for regulation to change.

1.2 The primary focus for our work has been the experience of the customer and the effect of any proposed change on taxi customers. However, we were also mindful of the effect of changes on those working in the industry, not least because where, for example, a big-bang approach to deregulation has been applied, the ensuing chaos has harmed both those working in the industry and their customers.

1.3 As is not uncommon, change to taxi regulation in Jersey has happened in a piecemeal fashion. Technology that is already widely used in Jersey (e.g. mobile phones) has already changed the taxi industry by blurring the distinction between rank work, on-street pick-up and pre-booked taxis and therefore between the different taxi types. We believe that further developments and their implementation in Jersey will further erode the distinction between different types of taxis.

1.4 We believe that the evidence presented to us about the public's knowledge of the two-tier system is accurate; that is there is a poor understanding of the differences between the two types of taxi.

2. Summary of Recommendations

2.1 The current two-tier taxi licensing system should be replaced with a single-tier system with harmonised conditions and fares.

2.2 A mixed market of taxi supply consisting of companies with drivers as employees and self-employed owner drivers is to be encouraged.

2.3 Owner-drivers must be the main drivers of their vehicles; however owner-drivers should be allowed to share their taxi with other self-employed driver(s).

2.4 Numbers of taxi licences should be allowed to rise over a period of several years, with review after three years.

2.5 Enhanced quality standards for taxis and their operation should be introduced. The type of standards which should be introduced include those relating to:

- Environment (vehicle emissions)

- Vehicle safety (for drivers, passengers and pedestrians)
- Accessibility for passengers with restricted mobility
- Accessibility for passengers with other disabilities including restricted vision or hearing.
- Availability when needed (time, place and type of service)
- Vehicle condition (internal and external)

2.6 Additional requirements for taxi drivers should be introduced, covering fitness, customer care and related training, dress code and a commitment to ensuring safe and clean vehicles.

2.7 Changes should be phased in to avoid the disruption (to both customers and the taxi industry) associated with a big-bang approach experienced elsewhere.

Introduction and Objectives 1

1.1 Introduction

1.1.1 The TAS Partnership Ltd was asked by Transport and Technical Services (TTS) of the States of Jersey to assist with a review of the regulation and provision of taxis and cabs. TAS produced a report on regulatory reform in March 2012 and was involved with the extensive consultation exercise which followed the publication of the report.

1.1.2 This consultation included:

- Online survey for everyone in Jersey.
- Online survey of businesses.
- Paper-based survey of all taxi drivers.
- Several two-hour consultation sessions with stakeholders including:
  - Taxi drivers (restricted / controlled / company);
  - Taxi marshals;
  - Taxi company owners;
  - States employees involved with transport procurement.

1.2 Objectives

1.2.1 The overall objectives of our work were to:

- Evaluate the current situation and produce a report with initial recommendations (this is the Taxi Regulatory Reform report produced by TAS in March 2012).
- Advise upon and assist with consultation with stakeholders.
- Consider the responses received as part of the consultation process.
- Make clear recommendations to form the basis for proposed legislation through the normal process starting with a Green Paper and, if successful, ending with a new Law.

1.3 Our Approach

1.3.1 TAS was initially tasked to undertake a workshop on 22 March 2011. This workshop formed an initial scoping exercise and was an internal meeting

attended by Mike Jackson (Minister, Transport & Technical Services), Kevin Lewis (Assistant Minister, Transport & Technical Services) and ten senior officers. The outcome of the workshop indicated a plan of action which the Minister wished to pursue. This was to examine the options and draw up recommendations for change.

1.3.2 In March 2012, following a period of research and study, TAS produced the final version of a report on Taxi Regulatory Reform. This document was designed to be a public document which would form the basis for widespread discussion and consultation with a wide range of stakeholders.

1.3.3 Our view is that it is crucial to engage in a meaningful manner with stakeholders. This is in order to ensure both that as wide a range of views as possible is considered and that no-one is able to reasonably claim that either:

a) they did not know about the proposed changes, or

b) they did not have ample opportunity to comment.

1.4 Report Structure

1.4.1 This report is structured as follows:

- Chapter 2 outlines the background to and process followed by the review.
- Chapter 3 briefly summarises the recommendations made in the March 2012 Taxi Regulatory Reform report ('the 2012 report').
- Chapter 4 summarises the views expressed by stakeholders during the consultation and examines the consultation responses.
- Chapter 5 provides our conclusions and recommendations.

Detailed descriptions of items referred to in the text are included in the appendices.

1.5 Note about Terminology

1.5.1 In the 2012 report, we made a note about terminology. It is replicated below in the interests of consistency and clarity.

- The legislation relating to the taxi sector in Jersey variously refers to cabs, taxi-cabs and cab services. We are aware that Controlled Taxi-cabs are commonly referred to as Taxis or Rank Taxis and Restricted Taxi-Cabs as Cabs or Restricted Cabs. When directly referring to legislation we have used the term Cab. Otherwise, throughout this report 'taxi' refers to both Controlled and Restricted taxis.

- When reference is made to taxis elsewhere in the UK, 'taxi' will cover both Hackney-Cabs (can use ranks and available for immediate hire) and Private Hire Vehicles (minicabs or private hire cars – must be booked in advance), unless the context makes it clear otherwise. These categories do NOT correspond to Controlled and Restricted taxi-cabs in Jersey.

Background and Process 2

2.1 Background

2.1.1 This report and its recommendations come at the end of a detailed analysis of and consultation about taxi regulation in Jersey. TAS has undertaken a substantial amount of work since March 2011, including the production of the Taxi Regulatory Reform (2012) report and the detailed consultation on the recommendations in this report.

2.2 Process

2.2.1 Following the publication of the 2012 report, a comprehensive consultation exercise took place. This included carrying out questionnaire surveys, both online and paper-based and undertaking several face-to-face consultation sessions with stakeholders including taxi drivers and taxi company owners.

2.2.2 The consultation process followed was comprehensive and exhaustive. Different stakeholder groups were engaged in ways designed to be most appropriate for them. Key stakeholders, for example taxi drivers, were involved both through questionnaires and the opportunity to attend consultation sessions.

2.2.3 Taxi companies and representatives from both the Jersey Taxi Drivers' Association (JTDA) and the Jersey Cab Drivers' Association (JCDA) attended various two-hour consultation sessions; an online survey of the public and businesses was carried out and consultation responses, both quantitative and qualitative, were then analysed in order to:

a) check for new information;

b) consider any arguments made for or against the proposals;

c) test the overall level of support for the original outline proposals.

Original Recommendations 3

3.1 Original Recommendations

3.1.1 The recommendations from the 2012 report were that the artificial barriers to access to the industry should be removed. In principle, Jersey should move towards a system where ***quantity*** control is replaced by ***quality*** control. Quality control aspects should include:

- A maximum fare tariff throughout the industry
- Improved accessibility and service for disabled people
- Compellability with a guarantee to taxi users and compensation for delay
- A requirement to accept electronic payment systems throughout
- A requirement for clearer performance indicators and monitoring
- A common livery
- Improved driver training
- Reduction in environmental impact.

3.1.2 Whilst there is a strong case for removing the distinction between Controlled and Restricted Taxis, particularly as smartphone booking and payment arrangements develop, we are conscious that the 'big bang' approach with all changes introduced at one go would be potentially disruptive and would lead to congestion and conflict. Consequently, it is recommended that a phased process is developed for moving towards a unitary licensing model, in conjunction with industry representatives.

3.1.3 A formal set of criteria should be adopted for licensing companies that offer remote taxi booking. This should include:

- Compellable minimum coverage:
  - whole island coverage;
  - 24/7 availability;
  - availability of accessible vehicles on request.
- Improved record keeping with full, interrogable booking records.
- Information provision to customers.

3.1.4 An improved two stage complaints and comments system should be introduced. This should go in the first place to the industry itself to resolve, with appeals going to TTS. Thus there is a specific requirement on the industry to establish a single responsible body, with proper resolution structures and penalties, for handling these issues in a way that will be fair and reasonable and thus resistant to legal challenge.

3.1.5 A working group should be established with the industry with a specific 'task and finish' remit to consider two issues:

- How to accelerate the introduction of new communications, information provision and payment technology.
- How to develop a role for taxis in providing taxibus or shared taxi services in rural areas outside peak times, integrated within the bus system and using common payment and concession systems.

3.1.6 The opportunity of the above changes should be accompanied by a general review of licensing processes to eliminate past ad hoc arrangements and provide for formal, challengeable criteria where possible. This also provides an opportunity for reconsideration of minor technical issues that were raised during the review such as 'soiling' charges, criteria for taximeter calibration and testing and so on.

3.1.7 The States should develop an access strategy within its Sustainable Transport Policy which specifically considers the needs of disabled people. This will enable the vehicle accessibility and driver training requirements mentioned above to be part of a coherent approach towards barrier-free movement including all forms of public transport and the walking environment. Within this, the States also need to consider how such use of taxis can be afforded by a group of people that includes many on low income.

3.1.8 Finally, there remains considerable potential in our view for the taxi industry in Jersey to grow in line with UK experience, despite recent declines in economic and tourism activity. This could contribute significantly to achieving the island's sustainable transport policy objectives. This will, however, require the industry to improve its collective organisation so that it can undertake common promotion where appropriate and the development of new initiatives such as taxi-sharing.

3.1.9 We believe that the proposed changes to the sector's regulatory system will provide improvements in the following fields:

- Economic – through improved efficiency and better consumer value.
- Social – including improved provision for people in rural areas, people with a mobility difficulty and people with, for example, a visual impairment or a hearing impairment and people with learning difficulties.

- Safety – on technical and behavioural grounds.
- Environmental – with new technology reducing wasted mileage and reducing the environmental impact of the taxi fleet.

3.1.10 The above imply significant changes for the industry. We underline the need to avoid perverse impacts and therefore the requirement for consultation on the principles set out within this document with the industry itself as well as with representatives of consumers and other stakeholders, including business, tourism and the Parishes.

3.1.11 Following this and assuming that a need for change is determined, there should be an extended period of consultation concerning implementation. Amongst other issues to resolve, this will need to include:

- The speed at which the changes can be introduced and, particularly, the phasing so as to reduce any negative impacts on existing licence holders.
- The way in which the requirement for compellability can be introduced to groups of individual licence holders through a collective organisation as an alternative to company membership.
- Some of the technical standards such as livery and a dress code.

Consultation Responses 4

4.1 Overview

4.1.1 Consultation with the public, businesses and taxi industry stakeholders took place in a variety of different ways:

a) Online questionnaires (with paper copies also available from various outlets) involving:

- the public and
- businesses.

b) Hard copy questionnaires for taxi drivers.

c) A series of group consultation meetings, involving taxi drivers, taxi firms' owners, representatives from Jersey Taxi Drivers' Association (JTDA) and the Jersey Cab Drivers' Association (JCDA) and States officers.

d) Acceptance of written submissions from stakeholders.

4.1.2 The public questionnaires were promoted by advertising both in the press and on the radio. The consultations took place over the period 28 March to 10 July 2012. Very little response was received from the business survey, apart from the comments received as written submissions (see 4.3 below).

4.2 Public Survey Responses

4.2.1 A variety of questions was asked in order to determine the level and purpose of taxi use. The majority of respondents were taxi users and "coming back from town at night" was the reason stated most frequently for use of taxis, with 44% of respondents stating they used a taxi for this purpose at least once a month.

4.2.2 There were 742 responses in total to the public questionnaire, with the number of responses from each parish being broadly reflective of each parish's population and Figure A to Figure D below show the responses to some of the more important questions asked in the public questionnaire.

Figure A: The States of Jersey Should Set the Maximum Level of Fares for all Taxis

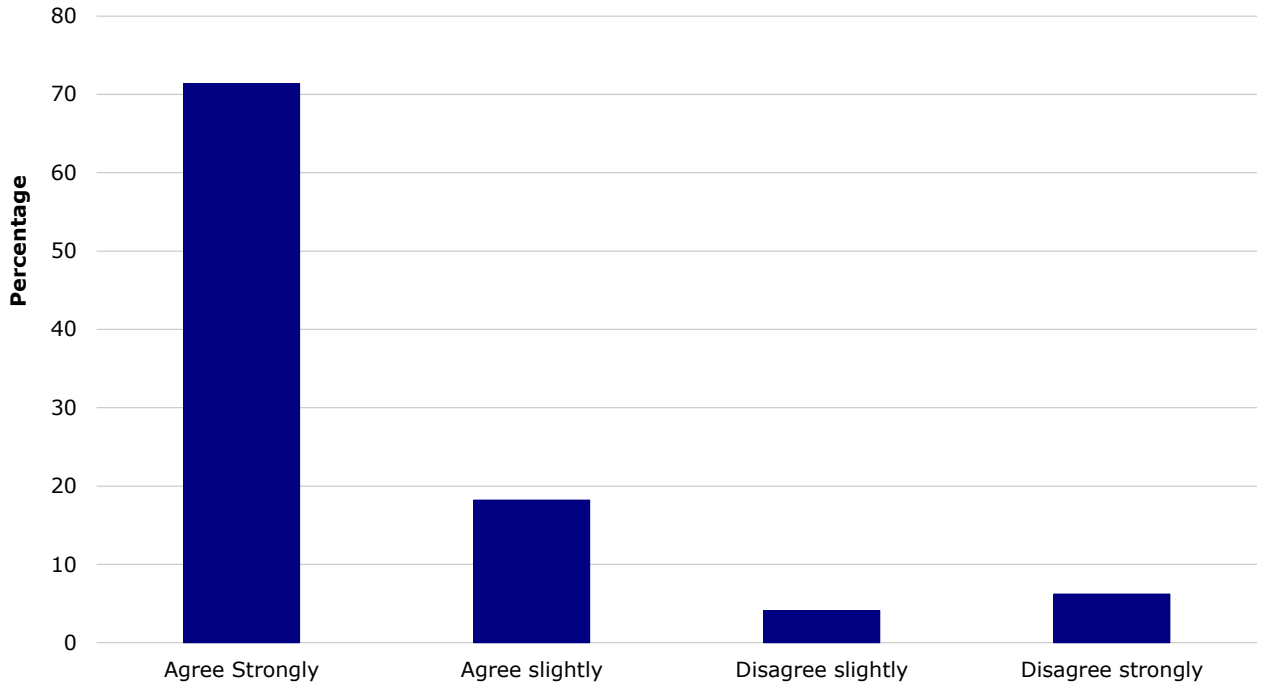


Figure B: All Taxis Should be Able to Pick up from Premises and Ranks

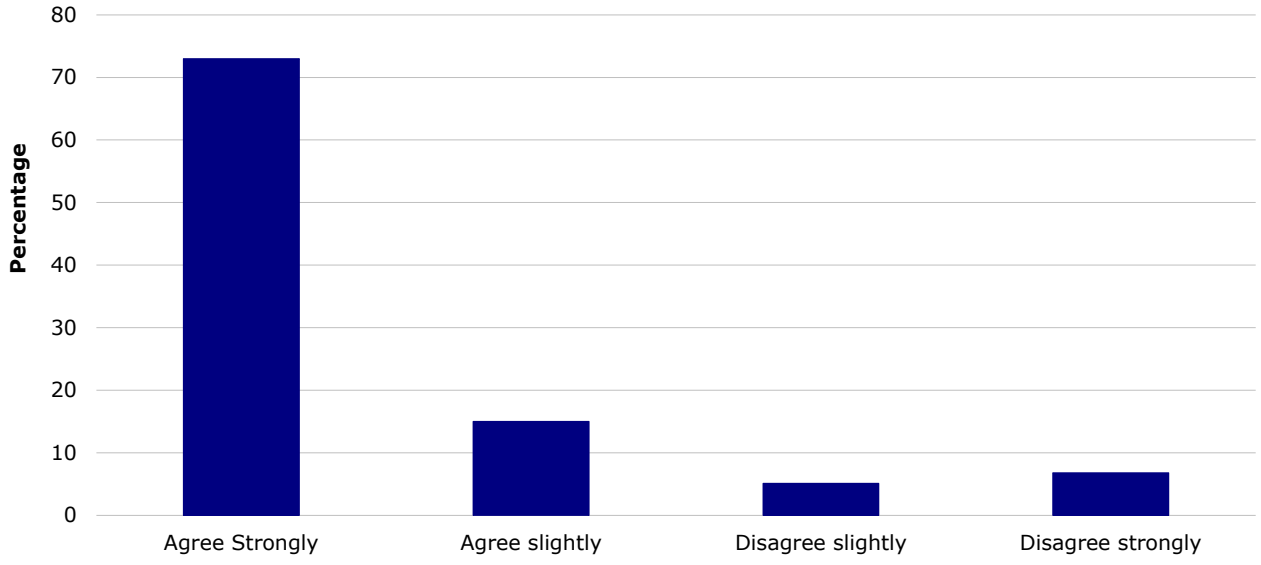


Figure C: How Important is it for a Taxi to be in Good Condition?

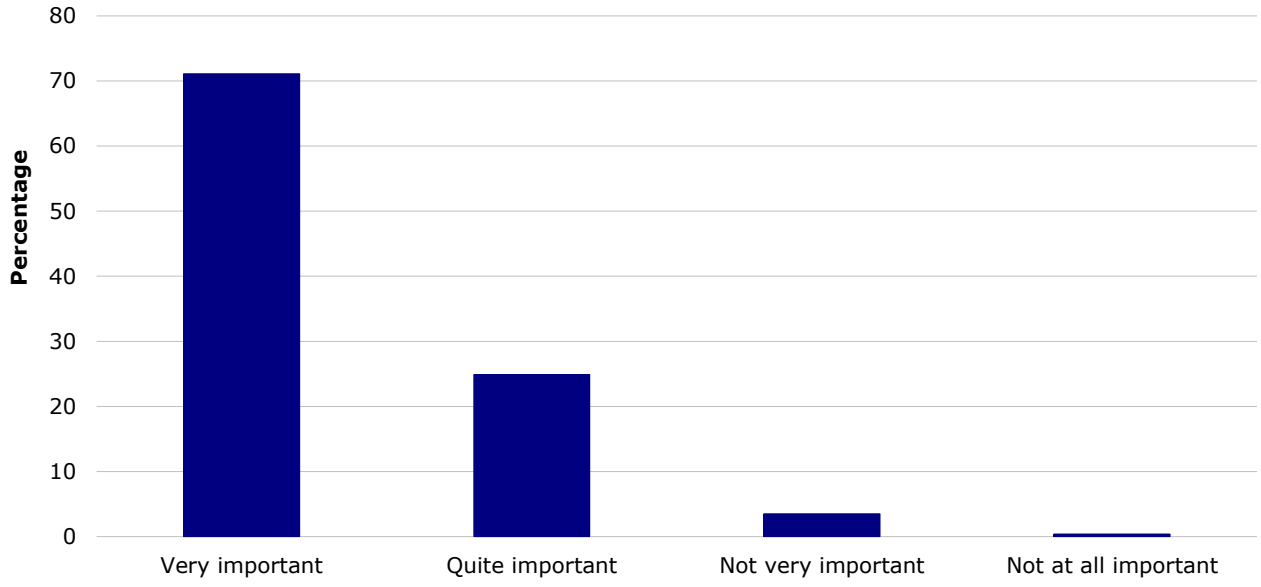
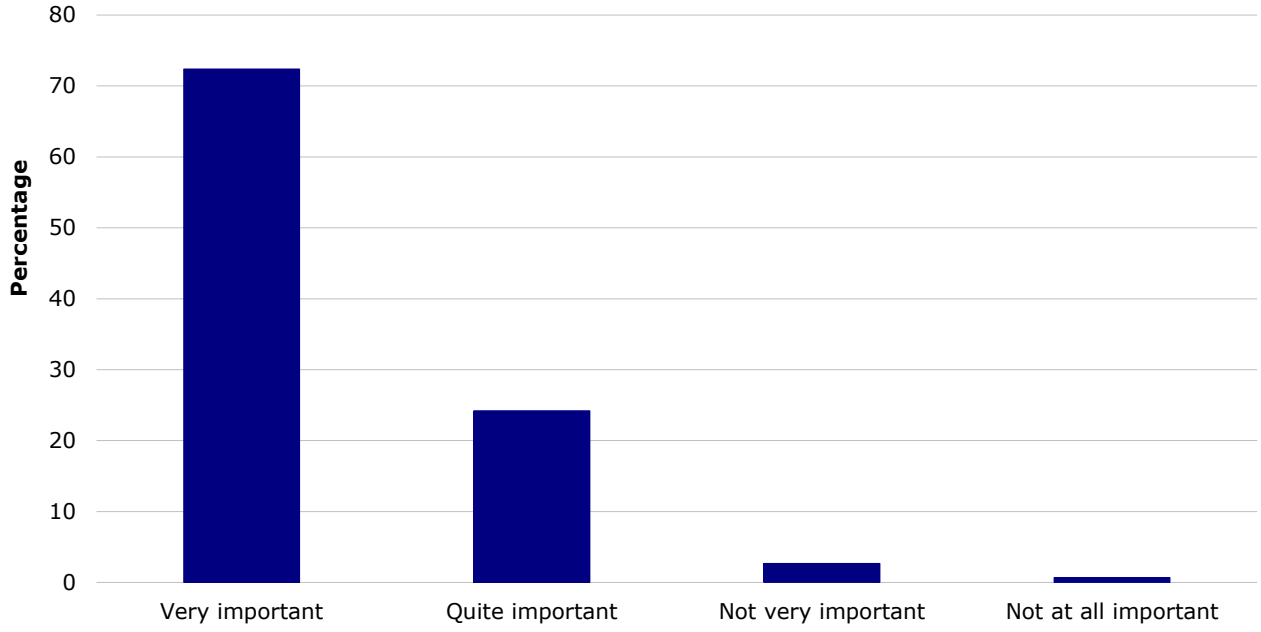


Figure D: How Important is it to be Able to Get a Taxi from Anywhere in the Island at Any Time of the Day or Night?



4.2.3 Several of the questions generated responses showing strong preferences. Figure A and Figure B above illustrate views about two key proposals; that the States of Jersey sets the maximum level of fares for all taxis and that all taxis be able to pick up both from premises and from ranks. There was overwhelming support for both of these proposals, with over 70% of respondents agreeing strongly and 10% or fewer disagreeing with the proposals.

4.2.4 Figure C and Figure D above deal with two important questions for customers; the value placed on taxis being in good condition and on being able to get a taxi from anywhere in the island at any time of the day or night. Over 95% of respondents thought it was either very important or quite important both that taxis should be in good condition and that there should be universal availability.

4.2.5 Other proposals that were asked about generated less strong responses. However, with one exception, all of the proposals were supported. For example, 95% of respondents thought it was important (i.e. either very important or quite important) that the States should ensure that there is a minimum number of taxis that can carry wheelchairs. Over 70% of respondents agreed that it was either very important or quite important that taxis should accept payment by credit and debit cards and a similar proportion that taxi drivers should be able to provide printed receipts.

4.2.6 The only proposal with which respondents disagreed related to making a booking charge for pre-booked taxis. 46% of respondents disagreed strongly and over 60% disagreed strongly or slightly with the proposal that pre-booked taxis should be able to charge a small booking fee.

4.3 Written Submissions

4.3.1 Unstructured written responses, summarised in Table 1 below, were received from the following:

- Jersey Chamber of Commerce and Industry Incorporated
- Citicabs Ltd
- Jersey Consumer Council
- Mr G W J de Faye
- Jersey Hospitality Association
- Jersey Cab Drivers Association
- Jersey Competition Regulatory Authority
- Jersey Taxi Drivers Association

Table 1: Summary of Written Submissions Received

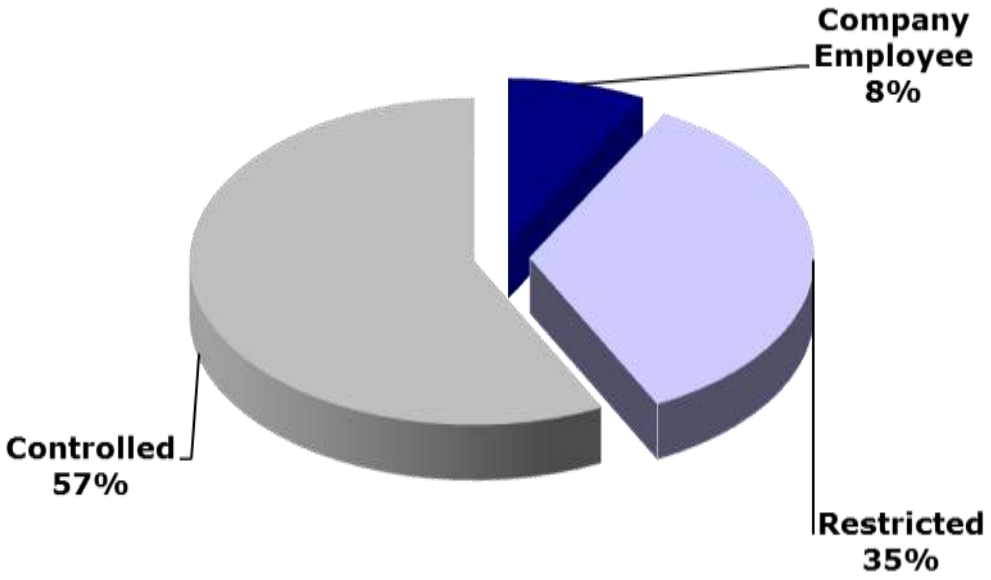
Respondent	Unitary Licensing	Maximum fare tariff	Deregulation of number of drivers	Electronic Payment	Printed Receipt	Other issues
Jersey Chamber of Commerce and Industry		Agree	Agree			Dress code "very important"
Jersey Consumer Council		Disagree	Agree "strongly"	Agree – but want to avoid 'credit card charges'	Agree	Should be more town-based taxi ranks
Jersey Hospitality Association	Disagree – "We believe that Private Hire should be made to operate the same way as the UK"	Not stated, however "The tariff structure needs to be simplified"	No comment			
Jersey Cab Drivers' Association	Agree	Agree – "to include a standard booking fee"	No comment			Training should be used to encourage new drivers. Company plates should be reduced. Existing company drivers should be offered their own plates.
Jersey Taxi Drivers' Association	Disagree "Private Hire should be made to operate as Private Hire as they do in the UK"	No direct response, however "Many of them (Restricted taxis) are charging excessive fares."	No comment	Agree "Chip and pin payment methods are a good idea"	Disagree "Electronic receipts are something we feel are an unnecessary additional expense"	Suggest rank taxis could be operated by part-time drivers at peak times

Respondent	Unitary Licensing	Maximum fare tariff	Deregulation of number of drivers	Electronic Payment	Printed Receipt	Other issues
Channel Islands Competition & Regulatory Authority	Agree	Agree and comment "We believe it would benefit the consumer and the taxi industry if the manner in which maximum fares are determined was more transparent"	Agree and comment "…it is important to underline that the experience of countries including Ireland and New Zealand shows that immediate reforms can be successfully implemented…"			"…strongly support the introduction of fixed prices on regular pre-booked routes, for example the Airport-St Helier route"
Mr G W J de Faye	Agree	Agree	Disagree			"The major issue for Jersey is not the total number of available taxis and cabs but is a logistical problem of matching the supply of operational vehicles to the customer demand" Proposes setting up one Jersey-wide 'Universal Control Base'
Citicabs Ltd						Response was marked 'private and confidential'

4.4 Taxi Driver Questionnaire Responses

4.4.1 118 taxi drivers completed and returned questionnaires. Figure E illustrates the breakdown of driver type among respondents.

Figure E: Breakdown of Driver Respondents



4.4.2 Figure F below shows the breakdown by driver type to the question 'Do you agree or disagree with the following statement: "There should be only one type of taxi instead of Controlled and Regulated taxis?"'. There is a sharp distinction between the response from Controlled taxi drivers and the response from Restricted taxi or company employee drivers. In particular, there was an extremely strong opinion from Controlled taxi drivers disagreeing with the proposal to have only one type of taxi.

Figure F: "There should be only One Type of Taxi Instead of Controlled and Regulated Taxis"

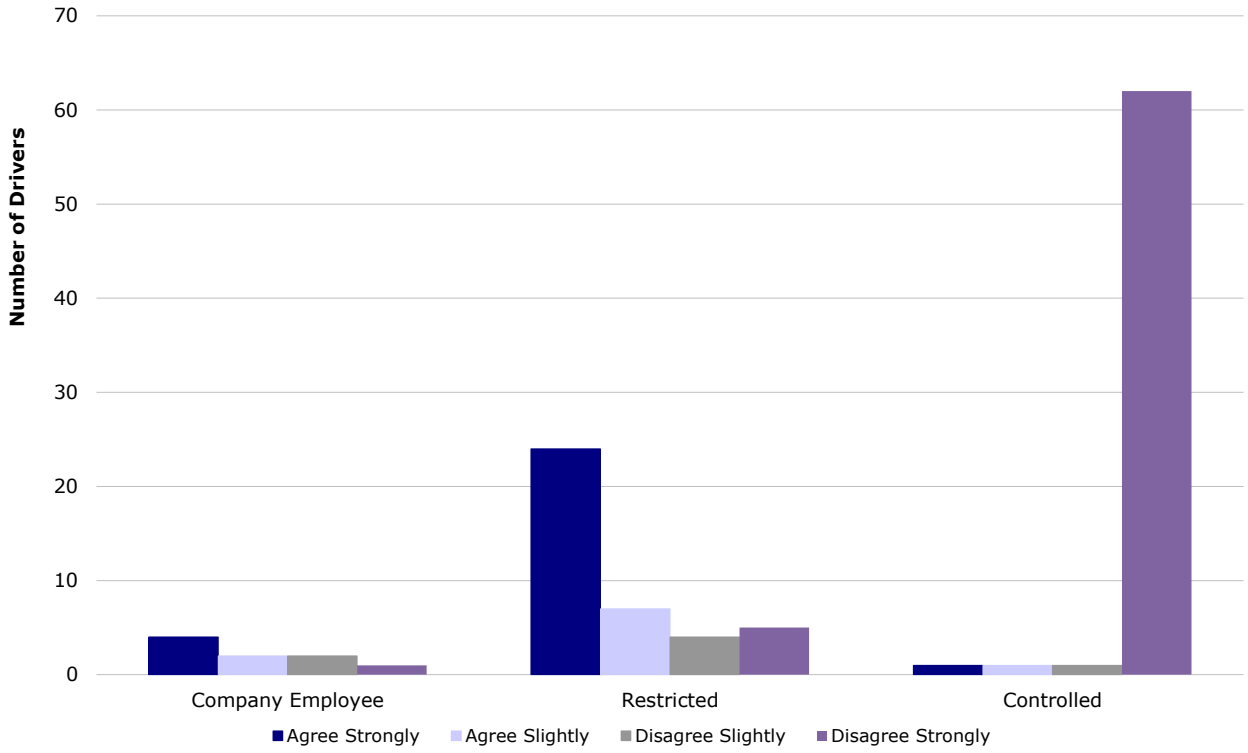


Table 2: "How Often do You Drive your Taxi in an Average Week?"

Between	Once a Week or More	Once or Twice a Month	Every Few Months	Once or Twice a Year	Not at All	Count of Responses
0900 and 1700	89.9%	3.4%	3.4%	2.2%	1.1%	89
1700 and 2200	97.8%	1.1%	0.0%	0.0%	1.1%	91
2200 and 0100	88.4%	1.2%	3.5%	2.3%	4.7%	86
0100 and 0900	81.9%	4.2%	1.4%	2.8%	9.7%	72
					Answered Question	113
					Skipped Question	5

4.4.3 Table 2 above shows the times of day when drivers choose to work. This will predominately reflect the periods of greatest demand and, to a lesser extent, individual drivers' preferences, for example, to avoid night work. Worth noting is that fewer than 85% of drivers work at the peak time between 2200 and 0100 on a weekly basis. We can therefore estimate that 15% of the current fleet is off the road at peak time.

4.5 Group Consultation Meeting Results

4.5.1 In addition to the questionnaires and written responses, a series of nine group consultation meetings was held between April and July 2012. These were led by John Taylor from TAS and Tristen Dodd from TTS, lasted approximately two hours each and consisted of mixed groups drawn from the following:

- Taxi drivers;
- Taxi company owners and others associated with the industry;
- The taxi marshal;
- A representative from Jersey Airport;
- Relevant States staff from TTS and other Departments.

4.5.2 One message from the meetings was that Controlled drivers consistently and strongly opposed the idea of only having one type of taxi on Jersey, while Regulated drivers consistently and strongly supported the idea.

4.5.3 Controlled drivers expressed a variety of opinions about the proposed change to a one-tier taxi regulation system and alternatives to this:

- The two-tier system gives drivers an apprenticeship;
- There would be insufficient room at ranks if all taxis were allowed to use them;
- Controlled taxis already offer a good service;
- The public need to be educated about the difference between the two types of taxi "We (the Jersey Taxi Drivers' Association) are putting signs on the sides of our cars … to try and distinguish ourselves away from private hire".

4.5.4 In contrast, Restricted drivers were strongly in favour of moving towards a one-tier system:

- Currently there is conflict at the airport between Restricted drivers (who are allowed to pick-up fares at the rank if there is no Controlled taxi there) and Controlled drivers;
- A comment was made: "I've asked friends the difference between a Restricted and Controlled and basically they don't know and aren't interested".

Conclusions, Recommendations and Implementation 5

5.1 Conclusions

5.1.1 As noted elsewhere[1], the taxi service in Jersey is not in crisis. It generally offers a reasonable service to the public. However, there are problems and issues that need resolving and new technologies which are likely to have a disruptive influence. Furthermore, there are significant issues from a customer perspective which need to be addressed. The most significant amongst these are:

- Customers do not know about and / or do not understand the difference between types of taxi including:
  - The different fares charged;
  - The different ways taxis can be hailed;
- At peak times there are occasions when there are not enough taxis to meet demand;
- There is some evidence of difficulty in booking a taxi from rural locations.

5.1.2 From a driver's perspective, opinion about the suitability of the current arrangements was split decisively according to whether the driver was a Restricted or Controlled driver. Restricted drivers almost universally rejected the need for a two-tier system and Controlled drivers almost universally advocated retaining the two-tier system. Although we agree that quality standards are important, we reject the main arguments made by Controlled drivers. In particular:

- That the long wait for a Controlled plate acts as a necessary apprenticeship;
- Congestion around ranks will become unmanageable if more taxis are allowed to use them;
- Customers are aware of the difference between the two types of taxi;
- Customers are best served by the two-tier system.

5.1.3 Technology has begun to blur the distinction between the two types of taxi and will continue to do so in the future. As an example of current technology, the mobile phone makes it possible to book a Restricted taxi anywhere in St Helier. This results in a type of service similar to that offered by going to a rank. In the future, based on developments elsewhere, it will be even easier to

[1] *Taxi Regulatory Reform (March 2012) The TAS Partnership Ltd pp 107*

hail a taxi using a smartphone which will also allow customers to see the progress of their taxi to the pick-up point, know the registration number of the taxi they have booked and easily pay for the journey using some form of smartphone-based e-payment system.

5.1.4 The recently launched Jersey Taxis App is an example of significant technology-driven change on Jersey that allows customers to use their smartphones to book, monitor and pay for their taxi.

5.1.5 We heard evidence about the way in which red plate (company) drivers were given preference over white (Restricted) drivers when companies were allocating jobs, because red plates were more profitable. This evidence was, however, contested by the companies with the red (company) plates and who employ drivers.

5.1.6 We understand that originally companies were given red plates in order to be able to offer more reliable coverage (since white plate Restricted drivers are self-employed and could not be compelled to work). Since we are recommending increasing the numbers of taxis and compelling taxi companies and booking entities to provide 24 /7 island-wide coverage, the main reason for originally having companies with taxi licences will disappear. However, we believe that there are other advantages to having taxi firms that can own taxi licences. Primarily it allows a choice for drivers who can either work as an employee for a company, or work as self-employed drivers. Importantly, this provides a no-cost entry route into the industry for new taxi drivers and allows them to 'learn the ropes' of the taxi industry before potentially then investing in a vehicle themselves and becoming a self-employed driver.

5.1.7 In order to mitigate against taxi companies exerting undue pressure on their drivers and / or showing preference to company drivers over self-employed drivers, it is recommended that two types of taxi firm be permitted:

- Taxi firms with company taxi licences, these firms would employ drivers to work for them
- Taxi firms undertaking booking and dispatch functions.

Companies may carry out either one, or the other, or both of the above functions in paragraph 5.1.7 above.

5.1.8 Taxis on Jersey are viewed as part of the public transport system. It seems perfectly reasonable that passengers and pedestrians should expect high safety standards, taxis should be accessible and that taxis should be clean and tidy at all times. The Euro NCAP safety rating system is a well-established and respected way to determine a vehicle's safety. We recommend that minimum Euro NCAP standards are used as a basis for choosing which particular vehicle(s) can be used as taxis.

5.1.9 Accidents where there are serious long-term injuries or fatalities involving taxi passengers, drivers or third parties are relatively rare. The way in which data is collected in the UK (which could be used as a comparator) also does not readily lend itself to analysis. In general terms, however, we can state that both to the States and insurance companies (and therefore to policy holders) the cost of personal injury accidents is high. In 2011 in Great Britain, the Department of Transport estimated that the average value of prevention of a fatal accident exceeds £1.5M[2]. Reducing the likelihood of death from road accidents is therefore worth pursuing. Highly rated EURO NCAP vehicles do not appear to be more expensive than other vehicles of a similar kind that have lower EURO NCAP ratings. The regulatory cost of defining and enforcing suitable vehicles is low. Therefore unless a standard is introduced to a timescale that requires taxis to be replaced sooner than they otherwise would have been, the cost is low and the benefits are potentially large.

5.1.10 Environmental standards for vehicles can deliver benefits in terms of air quality and carbon reduction. The States' Summary of Responses to the Survey on Air Quality states that "Almost 90% of respondents felt that it was either very important or somewhat important to spend money on air quality to reduce risks for the environment and for health." It seems likely, therefore, that the public would strongly support the improved environmental performance of taxis. Additionally, the States has signed-up to the Convention on Long Range Trans-boundary Air Pollution (LRTAP) 1979[3] which demonstrates the States' concern about air pollution.

5.1.11 We believe that it is reasonable that wider policy objectives such as environmental improvement should be pursued via taxi licensing regulations, provided the costs are proportionate to the benefits. The introduction of environmental requirements for taxis, either directly through specifying tailpipe emission levels, or indirectly using lower vehicle age as a proxy for higher environmental standards, is something we recommend.

5.1.12 It was suggested to us that taxi plates should be tradeable, as is the case in many cities and, we understand, on Guernsey. We do not think that taxi plates should be tradeable because it would not be easy to charge existing drivers for their plates and the alternative – allowing existing drivers to sell their plates – amounts to handing existing plate-holders a windfall at the expense of future generations of drivers and their customers. This would create a significant unnecessary barrier to entry for new drivers and ultimately customers would pay the price for tradeable plates because fares would need to be higher in order to allow drivers to pay for their plates.

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[2] Reported Road Casualties in Great Britain: 2011 Annual Report DfT

[3] Summary of Responses to the Survey on Air Quality, 11 Feb 2011 http://www.gov.je/SiteCollectionDocuments/Environment%20and%20greener%20living/R%20Public%20Consultation%20-%20Summary%20of%20Responses%20Air%20Quality%20Sur.pdf retrieved 19 June 2013
http://www.gov.je/Environment/ProtectingEnvironment/Air/Pages/AirQualityConv.aspx retrieved 19 June 2013

5.1.13 Overall, there was a mixed response to the related suggestions that printed receipts should be offered by all drivers to all customers and that all taxis should accept card payments.

5.1.14 Our conclusion is that the benefits to customers in terms of knowing that the correct charge is being made and the additional benefits of speed of issuance and higher level of assurance that a receipt is genuine are worthwhile gains. We therefore recommend that from a specified date in the future to be negotiated with taxi companies and drivers' representatives, but in any case within two years of new legislation regarding taxi regulation being enacted, all taxis should be capable of automatically offering printed receipts for all journeys and that all customers should be proactively offered a receipt at the end of their journey. Information on the receipt should include: date, start time, finish time, miles run, tariff, total cost, vehicle registration number and taxi driver badge number.

5.1.15 Card payment is becoming increasingly common. There is an increasing customer expectation that card payments will be accepted. We therefore recommend that from a specified date in the future (the same date that receipt printing will become universal), all taxis should be capable of taking card payments (both credit and debit cards) offered by at least MasterCard and Visa. Passengers should not have to pay an additional fee when they choose to pay using a debit or credit card.

5.1.16 Taxi companies in Jersey are currently lightly regulated. While we agree with the principle that regulation should be limited to the minimum consistent with a well-run, safe taxi service, we believe that regulations for taxi companies need to be more rigorous. In addition to the current tests, taxi companies should need to demonstrate they are run honestly and without corruption, from a suitable depot and providing the public with a high level of service.

5.1.17 Servicing the airport and harbour is a particular challenge, since although peak demand is easy to approximate because it coincides with (peak) landing times, exact matching is more difficult since landing times are subject to variation and plane or ferry passenger loadings also vary.

5.1.18 Despite these problems, we believe that a combination of real-time information about landing times, combined with knowledge of plane and ferry capacity and likely loading together with webcams on the taxi waiting areas should provide sufficient information to ensure that taxi supply keeps up with passenger demand. The co-operation of the airport and harbour will be needed in setting up and maintaining webcams of the taxi queues and it will be necessary to ensure that taxi companies have access to the webcams' output.

5.1.19 The airport is a key gateway to Jersey. Providing an excellent taxi service at the airport is therefore important in order to reinforce the impression of Jersey as a desirable place to visit and do business. In order to smooth travellers' journey from the airport two improvements are recommended:

- Signs and / or dedicated booking phones for taxis are provided or made available in the baggage reclaim area to allow people to book a taxi while waiting for their baggage to be unloaded from the plane;

- A fixed fare is introduced from the airport to any location in St Helier.

5.1.20 Engagement with the airport will be necessary, since it owns and therefore controls access to airport land (including the taxi pick up and drop off points and how these are operated) and also controls what signage and equipment can be put in the baggage reclaim area.

5.1.21 A particularly difficult issue relates to the availability of taxis in rural areas, especially at night-time. The customer surveys show that 24 / 7 availability is something that is seen as being important and that there is also strong public opinion against a booking fee. In order to ensure rural coverage, we believe that there should be a 'compellability' requirement such that taxi companies and other booking entities will have to be able to provide a taxi 24 / 7 anywhere in Jersey.

5.1.22 The regulatory burden in Jersey is different and less onerous than that in England and Wales. This is due to a number of circumstances being different in Jersey than in England and Wales, particularly there being no cross-border issues in Jersey. There are, therefore, likely to be fewer savings from reduced regulation in Jersey than have been anticipated by regulatory reviews in the UK. Nevertheless, TTS does carry out a significant amount of regulation of the taxi sector and also has to deal with disputes between taxi drivers.

5.1.23 Disputes between taxi drivers occur and these are almost always between drivers of different types i.e. between controlled and restricted drivers. Evidence gathered by TAS during workshop sessions with drivers indicated that there was friction between the restricted and controlled sectors. Examples given where conflict occurred included the use of the airport rank by restricted drivers.

5.1.24 It is estimated that about one dispute a month is referred to TTS. If it is a straightforward complaint it takes three hours to deal with. Occasionally, complaints are more complex which takes more time, particularly if the complaint is appealed either formally to the Minister or Royal Court or informally to States of Jersey Members.

Table 3: Estimated Cost of Dealing with Disputes

	Low Estimate	Best Estimate	High Estimate	Comment
Complaint processing – one per month	£2,500	£3,600	£5,000	Standard driver-on-driver complaint. £300 each time.
Complaint processing – complex – three per year	£5,000	£6,000	£10,000	Complaint where either: ▪ It is appealed ▪ A States Member becomes involved ▪ It becomes a case the Minister / Royal Court deals with

5.1.25 One option to reduce the cost of regulation is to work with the industry to set up a system of self-regulation with an appeal possible to TTS. It is not clear what industry bodies will exist after a period of significant change and additionally, there may be fewer disputes in the future (therefore lower cost to resolve disputes) because one significant type of dispute – that between drivers from different codes – will no longer occur if there is only one type of taxi.

5.1.26 Taxis should treat all passengers including mobility impaired passengers fairly. This should include allowing extra time for boarding and alighting and not charging for the extra time some passengers will require to board and alight.

5.2 Recommendations

1. The current two-tier taxi licensing system should be replaced with a single-tier system.

2. The number of taxi licences should be allowed to gradually rise over a period of several years.

3. Quality standards for taxis should be introduced. The type of standards which should be introduced include those relating to:

- Environmental factors (vehicle emissions)
- Vehicle safety (for drivers, passengers and pedestrians)
- Availability when needed (time, place and type of service)
- Accessibility for passengers with restricted mobility and passengers with other disabilities including restricted vision or hearing (examples include visibility strips on door handles and in-cab hearing aid loops)
- Vehicle condition (internal and external)

- Customer care and driver training

5.2.2 Changes should be phased in, so that the disruption to both taxi customers and the taxi industry associated with a 'big-bang' approach experienced elsewhere does not occur.

5.3 Implementation

Priority changes

5.3.1 The priority changes are to introduce a single tier of taxi that would replace the current two-tier system and to begin to increase the numbers of taxis on Jersey. These priority changes should be introduced at the earliest opportunity and the introduction of a single tier needs to happen for all taxis at the same time. This change will be the single most significant change to occur and will need to be accompanied by other changes in order for the whole taxi system to continue working. The clear implication of having a one-tier system is that all taxis will be able to use the ranks and all taxis will be able to take on as much private hire work as they want.

5.3.2 However, the industry should be consulted on the timing of the introduction of these changes and given an opportunity to comment on any matters that the States may be able to address in order to facilitate the changeover - for example agreeing a code of conduct for using the ranks or assisting with informing the public about the changeover.

5.3.3 A maximum fare scheme for all taxis will need to be determined and, although not essential, it would be sensible to make some changes to the appearance of taxis in order to help the public understand the changes. The immediate visual changes that should be introduced are:

- New taxi plates for all taxis in a new colour – one that is not currently being used
- All taxis should carry a new roof sign and the States should specify:
  - What is allowed to appear on the sign
  - What colour the sign should be
  - When the sign should be illuminated
- Magnetic signs attached to front door panels whenever the vehicle is being used as a taxi.

5.3.4 Consideration will be given to introducing French-style coloured lights to indicate which tariff is being charged once the costs and benefits of such a system have been fully evaluated. The expansion of the number of drivers should happen gradually, rather than as a 'big-bang' as has been advocated

by some. The primary reason for this is that adopting a 'big bang' approach, while having the advantage of faster reform, is likely to cause a period of disruption for customers and instability for drivers with many people entering and exiting the taxi driving profession in a short period of time. This high level of turnover would result in lower customer standards and is avoidable by introducing change more gradually.

5.3.5 Although gradual implementation is recommended, the process should start as soon as possible in order that:

- Benefits to customers through increased availability begin to be delivered as soon as possible;
- The States signals its determination to increase numbers.

5.3.6 Taxi numbers should be allowed to expand by 10% per year in each of the first three years following new regulations being introduced, after which there should be a review of how these changes have affected the taxi market before further taxi licences are issued.

5.3.7 Taxi fares should be reviewed on an annual basis. This does not necessarily mean fares will change each year, the annual review could simply confirm existing fare levels for the forthcoming year.

Phase Two

5.3.8 The Priority changes outlined above stand on their own. However, there are some sensible additions which will support these changes including:

a) A uniform colour for all taxis with distinctive, removable identification such as contrasting coloured bonnets and boot or rear door applied using vinyl. As many taxis are already silver, this seems a sensible choice of base colour.

b) The introduction of taximeters able to automatically offer customers a printed receipt.

- The estimated costs of introducing these changes are included in the table in Appendix A, dealing with improvements to vehicle standards

c) Introduction of equipment to allow all taxis to take electronic payments from at least Visa and MasterCard.

d) Change in Regulations or law in relation to taxi companies so that two types of taxi company are permitted:

- 1. Taxi companies with taxi licences employing drivers to work for them
- 2. Taxi companies and booking entities taking bookings and dispatching vehicles

- All firms or entities performing either of these roles must be registered as companies in Jersey and comply with regulations specified by the Minister.

    - It should be a condition of being licensed as a booking, dispatching taxi company or booking entity that work must be distributed fairly and evenly so that employed drivers are not favoured over self-employed drivers paying depot fees.

e) Require all companies or booking systems used by licensed taxi drivers to be legal entities based on Jersey and registered as companies in Jersey.

f) All companies or booking systems will be required to offer 24 / 7 island-wide coverage and supply accessible taxis when requested. This is to be achieved by putting the onus on taxi drivers to only use approved companies or booking systems with sanctions of fines or withdrawal of licence for taxi driver repeat offenders who are found to be using non-approved taxi companies or entities.

g) Allow taxi drivers to use one or several companies or booking systems as long as they are approved by TTS.

h) Only systems operated by an approved company or booking system can be used to take bookings. This is to ensure that both Island-wide coverage, 24 / 7 availability and accessible vehicles are available to customers, whichever company and whichever method they choose to use.

i) Drivers will be compelled as a condition of their licence to respond to pre-booked work in preference to immediate hire (e.g. street pick-up or rank). This will ensure that dispatch companies are able to offer an effective and efficient service.

Phase Three

5.3.9 Phase three is mostly concerned with improving the quality of the taxi service on Jersey by improving both the quality of vehicles and the quality of service offered by drivers. The quality of vehicles will be improved primarily by specifying standards or by specifying types of vehicles that will be approved. This can be phased in to minimise the cost to drivers in order to allow them to replace vehicles at or close to the time when they would be due to replace their vehicles anyway. The quality improvements to be introduced are intended to improve:

- Vehicle safety;
- Vehicle environmental performance;
- Vehicle accessibility (the aim being to end up with an appropriate mix of vehicle types to suit customers' needs).

5.3.10 Improvements to vehicle safety and environmental performance can be achieved by announcing in advance that from a date in the future, all vehicles within each of three categories (accessible vehicle, standard saloon and MPV) will need to meet the required standard for that vehicle. One way to ensure this happens is for the States to specify one or two models from each category as the only vehicles that will be newly approved as taxis.

5.3.11 Measures will be taken to ensure different types of taxi, for example accessible taxis, are readily available. An example of the kind of measure which might be used in order to ensure there is an appropriate type of vehicle mix is to announce that from a specified date in the future only accessible taxis will be allowed access to (all or some) taxi ranks.

5.3.12 The quality of service offered by drivers will be improved through compulsory training. Details of possible training can be found in Appendix B below. This training should be compulsory for applicants wanting to become taxi drivers and consideration should be given to phasing the training in for existing drivers over a period of five years, starting with those drivers who have most recently become licensed taxi drivers.

5.3.13 More frequent medicals and capability tests for drivers should be introduced in order to ensure that drivers are able and competent to assist passengers (including wheelchair users) to board and alight. The checks should also ensure drivers are able to assist with passenger's luggage, including heavy luggage up to the airlines'[4] standard baggage limit of 23kg per bag. The exact nature of the medicals and tests should be determined in consultation with existing drivers and medical professionals. Once standards have been agreed, tests should be conducted by appropriately qualified medical professionals.

5.3.14 Self-regulation by the industry should not be pursued at this time because of the uncertainty of the shape of the industry and industry bodies after changes have been implemented and because it is difficult to predict the number of disputes that will occur once the industry has been restructured. Nevertheless, because disputes are costly they should be monitored and the situation regarding industry self-regulation should be reviewed in light of the evidence at some future point in time.

[4] *http://www.britishairways.com/travel/bagchk/public/en_gb retrieved 8 July 2013*
http://www.flybe.com/flightInfo/baggage.htm retrieved 8 July 2013

Appendix A: Improvements to Vehicle Standards

Table A1: Improvements to Vehicle Standards

Measure	Low estimate per vehicle	Best estimate per vehicle	High estimate per vehicle	Comment
All vehicles to be accessible				The cost of vehicle accessibility can only be determined once the level(s) of accessibility required have been decided.
All vehicles to be re-sprayed / vinyl wrapped a standard colour (this could be silver to minimise the overall cost since many taxis on Jersey are already silver)	£1,500	£1,500	£4,000	A car can be vinyl wrapped for around £1500[5], while a full professional respray can cost £4,000. A vinyl wrap will last around five years.
All vehicles to have bonnets and boots or rear doors in a contrasting colour	£0	£0	£500	If included in the price of vinyl wrapping the car (above) £0. If vinyl wrapped on its own £500. Buying a vehicle with the correct 'base' colour and then adding bonnet / boot vinyls allows vinyls to be removed for onward sale at no / very low cost. A cheaper alternative that could be considered is to use magnetic signs. These would cost around £50 per vehicle (30CM * 75CM) and have the additional advantage that they can be extremely easily removed and refixed allow drivers to use their vehicles for personal use without them being readily identified as being a taxi.
All vehicles to meet high EURO NCAP standards	£0	£750	£3,000	If done when vehicle is replaced £0. If this brings forward the date at which the vehicle is replaced, the cost is dependent on the age of the vehicle being replaced.
All accessible vehicles to meet Euro environmental standards e.g. Euro 6	£0	£0	£0	If done when vehicle is replaced £0. If this brings forward the date at which the vehicle is replaced, the cost is dependent on the age of the vehicle being replaced. No additional cost over and above that to meet EURO NCAP (see row immediately above)

[5] http://www.colourmycar.net/frequently-asked-questions *retrieved 13/05/2013*

Measure	Low estimate per vehicle	Best estimate per vehicle	High estimate per vehicle	Comment
All standard (non accessible) saloon vehicles to be from an approved shortlist of highly efficient (possibly hybrid) vehicles to be determined by the Minister	£0	£0	£0	If done when vehicle is replaced £0. If this brings forward the date at which the vehicle is replaced, the cost is dependent on the age of the vehicle being replaced. Although hybrid vehicles are more expensive to purchase, several taxis on Jersey are already of this type suggesting there is little or no overall lifetime cost disadvantage from using this type of vehicle.
All vehicles to have meters that can print receipts	£390	£2,000	£2,500	£390 pays for a Digitax F3+ (includes printer) installed. More cost if CANBUS interface and / or mirror meter are necessary / specified. French taxi meter packages (including roof lights with coloured tariff indicators) start at around €1,800 (including fitting and French VAT)[6]. Enhancements such as a mirror meter would cost more.
All vehicles to accept card payments at no additional cost to the passengers who choose to pay by card	£99 per year	£750 per year	£3,000 per year	This is an area where there are rapid developments e.g. PayPal's PayPal Here system which has a capital cost of £99 and revenue cost (to the taxi driver) of under 2.7% per transaction. This system launched in the UK in summer 2013.

[6] http://www.taxirama.fr/ *retrieved 13 August 2013*

Appendix B: Measures to Improve Driver Standards

Table B1: Measures to Improve Driver Standards

Item	Low estimate	Best estimate	High estimate	Comment
A. Cost of training per licensee Edexcel BTEC Level 2 Certificate in Introduction to the Role of the Professional Taxi and Private Hire Driver	£350	£500	£600	Assumes that course is delivered to groups of ten drivers at a time. Low estimate applies if can be delivered by someone based locally, high estimate applies otherwise. Includes an amount for modifying UK course material. A taxi is required to deliver the course.
B. Number of licensees	325	350	375	
C. Total Transitional Cost (A*B)	**£113,750**	**£175,000**	**£225,000**	
D. Number of new licensees per year	20	50	1,000	There is large variation in this figure, because it depends on what happens to regulation of taxi numbers. 'Big-bang' deregulation will, at least initially, significantly increase the numbers of new licensees.
E. On-going cost (A*D)	£7,000	£25,000	£600,000	
Cost of modifying course for Jersey. One-off cost.	£2,500	£4,000	£5,000	Cost will need modifying for Jersey, particularly the module focussing on legislation.

Note: it will be a requirement that all new taxi drivers will have to successfully complete this training before they are granted a badge to drive a taxi-cab.

Appendix C: Background Information

1. Types of Taxis

1.1 In Jersey, there are three categories of taxi :

- Controlled Taxis
- Restricted Taxis
- Limousine Taxis.

Controlled Taxis

1.2 Controlled Taxis (sometimes known as 'Rank Taxis') are licensed to use taxi ranks and a maximum fare control is in place. Fares are charged according to a tariff table issued by the government and are recorded by taximeters which are checked periodically by TTS to ensure that the meter operates the controlled tariffs correctly. The actual meter calibration is undertaken by the supplier or their agent. As well as being accessed on ranks, Controlled Taxis can be hailed on street and booked in advance. It is a condition of their licence that "Radio communication must be fitted and operational". In addition, many have access to mobile phones.

1.3 The Controlled Taxi sector is represented by the Jersey Taxi Drivers Association (JTDA). In addition to representing its members, it also organises radio communications, taxi coordination at the airport and ports and supports the Taxi Marshalls provided by the Safer St. Helier Board. In the view of the JTDA, the bulk of the work of Controlled Taxis comes from immediate hirings at public ranks.

1.4 The JTDA holds four controlled licences. Two of these were issued to enable the JTDA to use the profits from their operation to pay for the taxi coordinator at the airport. The remaining two cover reserve vehicles to be used when another Controlled vehicle is off the road, so that there is no reduction in capacity. Controlled Taxis are identified by Yellow Plates.

Restricted Taxis

1.5 Restricted Taxis (sometimes known as Cabs) can be booked in advance or hailed on the street. However, they are not permitted to use ranks except:

- at the Airport or the Harbour (Albert and Elizabeth Terminals), when
  - a passenger is waiting and
  - no controlled taxi is available.

1.6 Restricted Taxis are identified by white plates. However, there is a sub-sector of Restricted Taxi licences designed to facilitate the development of Cab operating companies which own and maintain vehicles and employ drivers to

drive them. The vehicles licensed in this way are identified by red plates. In addition to their own vehicles, the cab companies also deploy self-employed restricted licence holders who are affiliated to them.

1.7 Restricted Taxis must also be fitted with working taximeters and the fares or charges to be paid must be visible to the passenger on a Tariff Card; however, no maximum or other fare control is in place and the TTS does not check the taximeters. The tariffs (which were until a few years ago identical to those for Controlled Taxis) follow the same structure as that used for Controlled Taxis i.e. distance, time and time of day, etc. It would be considered an offence (breach of licence) if passengers were charged higher fares on the meter than on the tariff card. Approximately one third of Restricted Taxicab licences are company operated licences (red plates).

Limousine Taxis

1.8 The Limousine category was designed to facilitate wedding, funeral and executive chauffeur services. Limousine Taxis cannot be hailed or picked up on ranks. They must be pre booked and payment needs to be through an 'account' and not direct to the driver. They are identifiable by a white plate saying 'Limousine', but must not have any other distinguishing signs that would suggest they are cabs (this is in contrast to other taxicabs which show company signs).

1.9 At the time of the Workshop there were 35 Limousine licences in issue. There is no restriction on the number of Limousine licences issued. Applications need to be accompanied by a Business Plan that will make it clear that the business model complies with the above rules and applicants are interviewed to confirm this.

1.10 These types of taxis generally do not compete with the other types of taxis in that they are not available for hire immediately upon request, whether on or off street and they offer a premium service. Consequently, relatively little consideration is given to Limousine Taxis further in our analysis.

Table C1: Summary of Taxi Licence Categories

Taxi Type	Ability to Use Ranks	Ability to be Hailed On-Street	Pre-booking available?	Fare Control Regime	Licences Issued at time of Workshop
Controlled Taxis ('Rank' Taxis)	Yes	Yes	Yes	Maximum Fare Control in place Four time-based fare bands	146 (all except four held by owner/drivers)
Restricted Taxis	No except at Airport or the Harbour only when • A passenger is waiting • No Controlled Taxi is available	Yes	Yes	Must have a meter with a fare table visible but fare not regulated, (no maximum fare)	159 (all except 50 held by owner/drivers)
Limousine Taxis	No	No	Mandatory AND payment must be 'on account'		35

Table C2: Taxi Licence Numbers

Type of Licence	2005	2009	2010	2011
Controlled Taxis (Rank)	148	141[1]	144[4]	146[6]
Restricted Taxis (Individual)	104	115[2]	115[5]	115[5]
Restricted Taxis (Company)	66	55	51	50
Restricted Sub-total	**170**	**170**	**166**	**165**
Cont. + Rest. Taxis Total	**318**	**311**	**310**	**311**
Limousine Taxis	28	33	35	35
Mobility Taxi-Cab[7]	1	1	1	1
Restricted Cab Companies	15[3]	4	6	6

[1] Minister decided to reduce controlled plate numbers by 10 in 2006

[2] Company plates surrendered or revoked from 2006 were reissued as individual (white) plates

[3] 8 'companies' operated under one of the 5 larger companies

[4] 140 permanent controlled licences. In addition, 4 licences awarded to individuals on compassionate grounds that will not be reissued when licensees no longer granted a licence

[5] 115 permanent restricted licences are available – 6 are currently being allocated to the next suitable applicants

[6] Number of controlled licences is increased by 1 when two semi-retired drivers return an annual mileage of less than 50% of the overall average controlled driver mileage

[7] This was issued some years ago to an applicant who just focuses on providing a service for disabled people

Table C3: Key Findings from Street Survey (Dec 2010)

Question	St Helier % answering 'No'	St Brelade % answering 'No'
Do you understand the difference between a rank taxi and a restricted taxi?	66	78
Do you know which type of taxi is cheaper?	57	62

Table C4: Ministerial Powers with Respect to Cabs

Area of Control	Specific Ministerial Power
Drivers	Applicant qualifications
Vehicles	Vehicle design and type Necessary equipment to be carried including: • Communication equipment • Meters
Licensing	Number of taxi-cab licences issued
Operational Aspects of Cab Services	Operating conditions, including: • The passenger capacity • The manner in which and the times during which the vehicle is to be operated • The use of 'stands' by particular taxis • Driver dress codes • Signs, advertisements and other display material
Fares / Fees	The fares and charges payable Fees
Stands	Availability of 'stands' (taxi ranks)[7]

[7] *In some cases powers over stands are shared with other authorities – e.g. airport and harbours stands are established by the Minister for Economic Development*

Appendix D: Taxi Fare and Cost of Living Comparison

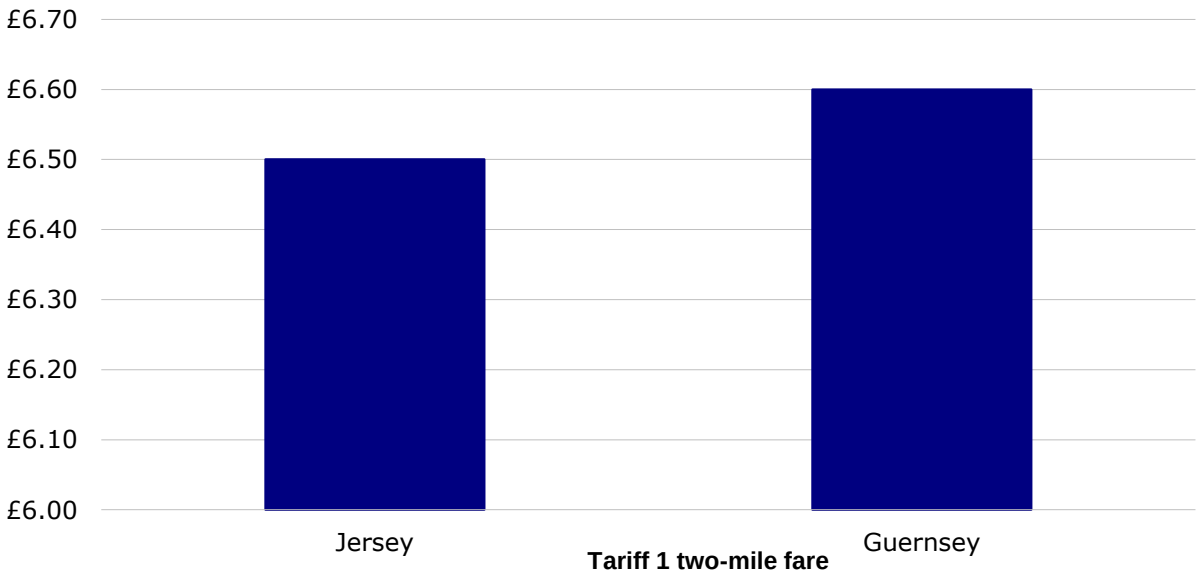
Introduction

1.1 Taxi fare comparisons are not always straightforward. Differences in flag-fall (both the flag-fall amount and the distance included with the flag-fall) vary. Different jurisdictions have different tariff structures, including having different numbers of tariffs. Even where there are the same number of tariffs, the percentage uplift for tariff 2 compared to tariff 1 varies and the time(s) at which tariffs apply varies from area to area.

1.2 In order to make a comparison, therefore, a decision has to be made about how to deal with these differences. One way to approach this is to calculate a fare for a particular length of journey using a particular tariff. Private Hire and Taxi Monthly (PHTM) adopt this approach, producing a table comparing the cost of a two mile journey for tariff one for Hackney cabs across the UK and also including figures for both Guernsey and Jersey (Controlled taxis). The data for the analysis in this appendix comes from Private Hire and Taxi Monthly's June 2013 table[8]. In Jersey, tariff 1 applies 07.00- 23.00 except for Sundays, Public Holidays, Christmas Eve and New Year's Eve.

1.3 The nearest comparator for Jersey and one that is frequently used by the States of Jersey Statistics Unit is Guernsey. Figure D1, below shows that taxi fares on Guernsey are more expensive than taxi fares on Jersey.

Figure D1: Comparison of Taxi Fares on Jersey (Controlled Taxis) and Guernsey - Tariff 1 Two Mile Journey



1.4 The PHTM data shows that at £6.50, Jersey is the 22nd most expensive place (out of 364 authorities) for a two mile tariff one journey. However, the range of fares is relatively limited with the most expensive 100 areas all charging

[8] *http://www.phtm.co.uk/file/taxi-fare-league-tables/taxi-fares-league-table-june-2013.pdf retrieved 11 July 2013*

£6.00 or over for a tariff 1 two mile journey and the most expensive 40 areas charging over £6.30. The cost of a tariff 1 two mile journey for the most expensive 40 areas is illustrated in figure D2, below. Figure D2 illustrates that Jersey is mid-range in this group and that the overall range (particularly if the fare for Heathrow airport is excluded) is small.

1.5 The average fare for this journey is £5.54, making Jersey 17% above average. However, we have real doubts as to the utility of making comparisons between Jersey and, for example, Bolsover, Hartlepool or South Kesteven – the three cheapest locations – where there is significant deprivation and major structural unemployment and a lot of part-time taxi working with some work clearly undertaken at rates that are effectively below the national minimum wage.

1.6 Although making comparisons between the overall cost of living on Jersey and the cost of living in the UK is not straightforward, there is evidence that the cost of living may well be higher on Jersey. If the cost of living is higher in Jersey than in the UK generally (especially for lower income groups such as taxi drivers) then it is reasonable for fares to be higher in order to compensate.

Figure D2: Top Forty Taxi Licensing Cost Areas – Tariff 1 Two-Mile Fare (Controlled Fare in Jersey, Hackney Fares in the UK)