

EXPLANATORY MEMORANDUM TO

The Taxis (Taximeters, Devices and Maximum Fares) (Amendment No. 2) Regulations (Northern Ireland) 2023

SR 2023 No. 185

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department for Infrastructure to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under sections 16(1), 18(5) and 56(2) of the Taxis Act (Northern Ireland) 2008 and is subject to the negative resolution procedure.

2. Purpose

- 2.1. The main purpose of the Regulations is to amend the Taxis (Taximeters, Devices and Maximum Fares) Regulations (Northern Ireland) 2015 in order to implement an increase in the maximum fare rates for metered taxis (Class A and B taxis).

3. Background

- 3.1. Following a 7.6% increase in the maximum fare rates in 2021 which was based on 2019 costs, it was agreed at that time that a further review of the maximum fare rates would be undertaken in the Spring of 2022 which would use updated costings.
- 3.2. A desktop review of the maximum fare rates was carried out in March/April 2022 which concluded that there was sufficient evidence to support an increase in the maximum fare rates and this was further supported by feedback from the public consultation. The consultation addressed issues such as increases in fuel, vehicle maintenance/operating costs, depot fees and different fare bands for evenings/weekends.
- 3.3. The Regulations therefore implement an increase of 9.5% for Rate 1 and a 19.5% increase for Rates 2 to 4, including public holidays. Corresponding increases are also implemented for the "flag drop" rates.
- 3.4. As the fare charged by a driver of a class A or B taxi (the only classes using taximeters) cannot exceed the amount displayed on the taximeter, implementation of the fare increases will require recalibration of taximeters.
- 3.5. Recalibration can only be done by breaking the seal on the taximeter and as a consequence an application for inspection, testing and resealing of the taximeter by Driver Vehicle Agency ("DVA") is necessary. Inspecting, testing and sealing all taximeters would be a major and time consuming exercise for DVA which would not be possible in advance of the Christmas period. Therefore, to enable drivers to benefit from the fare increase, the Regulations will also make provision to permit taxis to operate for hire and reward, during the period from the operative date of

these Regulations to 31st May 2024, with a broken seal or, in the case of a newly fitted taximeter, without a seal having been applied.

- 3.6. This derogation will only apply where an application for a taximeter test has been made and the seal has been broken for the purpose of calibrating the taximeter so as not to exceed the maximum fare rates or a new taximeter has been fitted and has not yet been inspected, tested and sealed.

4. Consultation

- 4.1. An eight week consultation on proposals to increase the maximum taxi fare rates was carried out during the period 12th August 2022 to 7th October 2022. The consultation sought the views of the public, taxi drivers, taxi operators and other stakeholders.
- 4.2. In total 790 responses were received and approximately two thirds of the respondents favoured the option of increasing all fare rates but having a greater increase for evenings and weekends. Taxi drivers and operators supported this option as they felt it may help address the decreasing number of licenced drivers and encourage more drivers to work unsocial hours.
- 4.3. Concern was raised by the Consumer Council and others, however, about the impact on rural communities, disabled persons and essential users. The Consumer Council also noted, however, that by not increasing the maximum fare rates the number of available taxis could fall which would also have a detrimental effect. The Consumer Council were contacted again in October 2023 and their position remained unchanged.

5. Equality Impact

- 5.1. In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department conducted a screening exercise on the proposals and concluded that a full Equality Impact Assessment was not necessary as the service provided by the taxi industry benefits the whole population, including specific categories of vulnerable or disadvantaged people who may be totally dependent on the use of taxis as their only mode of transport to allow them to access essential services.

6. Regulatory Impact

- 6.1. A Regulatory Impact Assessment has been completed which concluded that increasing fares will support taxi drivers to earn a fair income, may increase the number of licenced taxi drivers and may increase the number of taxi drivers available for evening work. An increase in the number of taxis will be of benefit to the public.

7. Financial Implications

- 7.1. There are no financial implications associated with the proposals.

8. Section 24 of the Northern Ireland Act 1998

- 8.1. The Department has considered the matter of Convention Rights and Community Law and is satisfied that this Statutory Rule is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. There are no implications as the Regulations only apply in Northern Ireland.

10. Parity or Replicatory Measure

10.1. There is no equivalent GB legislation.

11. Additional Information

11.1. None