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Committee Passenger Transport
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Regional Council Responsibilities Regarding Taxis

1. Purpose

To inform the Committee of the Council's responsibilities in regard to taxi services.

2. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

At the last meeting of this Committee there was a brief discussion of taxi services in Wellington.

It was considered opportune to brief the Committee on its responsibilities and involvement in regard to taxis.

3.1 Taxi legislation relevant to regional councils

3.1.1 Registration of services

All operators of passenger services (including taxis) are required by the Transport Services Licensing Act 1989 to register their service (or any subsequent variation of abandonment) with the regional council in whose area the service is to operate.

[Note: A passenger service is defined in the Act as any service operated by means of a motor vehicle for hire or reward, and includes any harbour ferry service, passenger rail service, cable car, hovercraft, monorail, tramway, or other form of public transport (other than air transport) that is available to the public generally. This definition includes taxi services.]

Registration involves notifying details of routes, timetables, fares, operating hours and any other details required by the regional council. Notification must be given to the council at least 21 days prior to the service commencing.

The regional council is required to register a service **unless** the proposed service:

- (a) *is likely to have a material adverse effect on the financial viability of any contracted service; or*
- (b) *is likely to increase the net cost to the regional council of any contracted service; or*
- (c) *is contrary to sound traffic management or any other environmental factor identified by the regional council as being important to its region.*

All regional councils are required to maintain a register of passenger services, and the register is required to be made available to the public. There are no provisions in the legislation for services to be “de-registered”.

Thus taxis are required to register their services with a regional council before they can operate. There are likely to be no circumstances under which any regional council would refuse to register a taxi service. However a regional council is likely to wait until all the Land Transport NZ licensing and other requirements had been met before registering the service.

Enforcement of the service registration requirements is the responsibility of Land Transport NZ.

[Note that the Minister of Transport has recently announced plans to change the Transport Licensing Act, including the provisions for registering services. It is likely that regional councils will have more control/influence over commercial registrations, including those from taxi companies. A Bill introducing the changes is expected to be introduced to Parliament within six months.]

3.1.2 Taxi operating hours

The operation of taxi services is also governed by the Transport Services Licensing Act 1989. The Act requires all taxi owners and drivers to have the required taxi driving and operating licences, requires every taxi operator to belong to an approved taxi organisation (ATO), and sets the rules for providing a taxi service. It is the responsibility of Land Transport NZ to enforce these requirements.

Among the requirements of the Act is that every ATO must provide a 24 hour a day, 7 day a week service in the area it serves **unless** exempted by the regional council in whose area the taxi service operates.

Exemptions are covered by section 22 of the Act, which allows a regional council to grant an exemption if:

“in the opinion of the regional council, public demand does not require such a level of service”

The section further states that:

Any such exemption

- (a) *may be subject to such conditions as the regional council may specify*
- (b) *may be granted, revoked, or modified by the regional council at any time, after giving such notice and such opportunity to make submissions on the matter as may be reasonable in all circumstances to both -*
 - (i) *The approved taxi organisation concerned; and*
 - (ii) *Any other approved taxi organisation that may be affected by the proposed grant, revocation, or modification of the exemption.*

Failure to comply with these provisions makes the ATO liable for a fine of up to \$10,000. Enforcement is the responsibility of Land Transport NZ.

4. Taxis in the Wellington region

4.1 Number of companies and operating hours

There are 29 taxi companies registered in this region with the regional council.

No currently registered taxi companies have been granted an exemption from providing a 24 hour a day, 7 day a week, service.

Applications for exemptions have been considered in the past, with some having been granted (but only in smaller towns), and some declined. The council policy on providing a 24 hour a day, 7 day a week service, is set out in the draft Regional Passenger Transport Plan. The Plan states that no exemptions will be provided in the large urban areas (defined as including Wellington, Porirua, Paraparaumu-Raumati-Waikanae, the Hutt Valley and Masterton). The Plan states that exemptions will be considered in rural areas (defined as Otaki, Featherston, Greytown, Carterton, and Martinborough).

4.2 Total Mobility

The Council funded and administered Total Mobility scheme, which provides a door to door service for people with disabilities, is provided using taxis. Those people eligible to use the scheme are able to travel at half the usual taxi fare, and the balance is paid by the Council.

The operating budget for the scheme in this year is \$1.7m. There are currently 8,350 registered users in this region, who made 165,000 journeys in the first six months of 2006/07 financial year.

In addition to funding trips by scheme members, the Council also funds taxi companies to adapt taxi-vans to carry people in wheel chairs. The cost of adapting a van is about \$23,000. Vans are then contracted to provide a wheelchair service for four years.

The council has an annual budget of \$160,000 to cover wheelchair van replacements and maintenance. Each year all taxi companies are invited to bid for funding for replacement vans.

There are 29 wheelchair capable vans in the region. These are modern and well maintained. Four taxi companies in the region have wheelchair vans in their fleets. All taxi companies are eligible to apply for van funding, but many do not want wheelchair vans as drivers for these vehicles are often hard to find, and Total Mobility work is generally less profitable than other taxi work.

The number of wheelchair vans is considered to be appropriate for current levels of demand.

The Total Mobility scheme is currently under review by the Ministry of Transport, and is likely to be expanded as a result of that review.

4.3 Taxi fair

The Council also operates a “Taxi Fair” scheme whereby passengers from bus services that have been withdrawn are offered the use of subsidised taxis. The draft Regional Passenger Transport Plan contains the following policy (Policy 5.3.3) on this:

“Where a passenger service is withdrawn, leaving no service in the middle of the day on weekdays, GWRC may provide limited taxi fare subsidies to elderly people (and other categories of user where appropriate in cases of significant hardship) who have used the service”

Taxi Fair schemes operate in Korokoro and Belmont.

4.4 Contracted services

The Council has a contract with Paraparaumu Taxis to provide shopper services linking the Paraparaumu train station with Otaihanga, and Paekakariki.

5. Roles of other organisations

1. Land Transport NZ

Land Transport NZ is responsible for regulating the taxi industry. This includes issuing driver and operator licences, approving taxi organisations, and generally ensuring taxis comply with the various operating requirements (including vehicle standards).

Land Transport NZ has recently announced that it intends establishing a “Taxi Enforcement Team” to improve standards in the taxi industry. It is currently setting up this team.

2. Territorial Authorities

Territorial authorities have a role to play in providing taxi stands. As part of its responsibilities, Wellington City is currently addressing issues regarding the overcrowding of the taxi stand in Courtney Place.

6. Communication

No communications are required.

7. Recommendations

That the Committee:

- 1. Receives the report.*
- 2. Notes the content of the report.*

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