



INVESTOR IN PEOPLE

DRIVER AND VEHICLE LICENSING NORTHERN IRELAND

PROPOSALS TO RESTRUCTURE AND REVISE THE FEE FOR A TAXI DRIVER'S LICENCE

MAY 2006



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To: TAXI INDUSTRY REPRESENTATIVES
AND OTHER INTERESTED PARTIES

Date: May 2006

TAXI DRIVER LICENCES' FEES

1. This consultation letter and the supporting Partial Regulatory Impact Assessment seeks your views on the changes we are proposing to make to the structure and the level of Taxi Driver Licence fees. We intend to introduce the revised fees from September 2006. Any comments should be made by 31 August 2006 in one of the following ways:

a. In writing or by fax to:

Jim Dumigan,
Road Transport Licensing Division,
Taxi Licensing Section,
148-158 Corporation Street,
BELFAST
BT1 3DH

b By e-mail to jim.dumigan@doeni.gov.uk

This document is available on DVLNI's website at www.dvlni.gov.uk.

Alternatively, requests for further copies should be made to Jim Dumigan at the telephone number and e-mail address shown above.



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BACKGROUND

2. The cost of a taxi driver's licence in Northern Ireland has remained at £58.50 since 1996. As a consequence DVLNI has sustained a financial loss over the past number of years and is now required to recover the operational and all other costs associated with this licensing regime. We therefore propose to replace the current single fee for a 5-year licence and to put in its place a 2-tiered structure. The renewal of an existing taxi driver licence will therefore increase to £75.00 and to £110.00 for first time applications. The cost of a duplicate licences will increase from the current £9.00 to £19.00.

REGULATORY IMPACT ASSESSMENT AND OTHER DOCUMENTS.

3. A Partial Regulatory Impact Assessment prepared for these proposals is attached. It would be helpful, when you reply, if you would indicate whether or not you have any specific comments on this document. Also enclosed is the Equality of Opportunity Analysis and the draft legislation.

ROAD TRANSPORT LICENSING DIVISION



PARTIAL REGULATORY IMPACT ASSESSMENT

1. TITLE

A revised fee structure of £75.00 for renewal and £110.00 for first time applications for taxi drivers' licences. This replaces the current single fee of £58.50 and amounts to increases of £16.50 and £51.50 respectively for renewal and first time applications.

2. ISSUE AND INTENDED OBJECTIVE

Objective

To ensure that the cost of providing a licensing system for taxi drivers is matched by the income from fees.

Background

Driver and Vehicle Licensing Northern Ireland (DVLNI) is responsible inter alia for licensing taxi drivers. This function is exercised by the Road Transport Licensing Division (RTLDD) based at Corporation Street, Belfast. Taxi drivers' licences are issued for a 5 year period, after which they must be renewed.

Fees for taxi drivers' licences were last reviewed in 1996; there has been no fee increase in respect of taxi drivers' licences in the past 9 years to reflect the increasing costs of providing the service.

It is now necessary to amend fees payable for the issue of taxi drivers' licences to take account of: -

- Inflation (since 1996)
- The need to include indirect and support costs which were not previously included in the fee (e.g. senior management and internal policy costs)
- Additional costs due to the implementation of a computerised systems.

At some point over the next year, it is expected that a new system for obtaining criminal records/repute checks will be introduced in Northern Ireland. It is also expected that the costs of the new service will have to be passed onto applicants for taxi drivers' licences and this may add a further £25 to £30 to the above proposed fees.

This partial regulatory impact assessment considers the fee levels necessary to ensure that the licensing authority (DVLNI) recovers all of the costs it incurs through licence fees.

3. RISK ASSESSMENT

In the context of this Regulation there is no perceived hazard or situation which could lead to any harm or detriment to any organisation or individual. However, if this increase in fees cannot be made, the Department will not be able to meet its financial objective of full cost recovery for taxi driver licensing. We have, therefore, no option other than to increase the fees.

The magnitude of the increases in fees appears high but is relatively small when compared to the annual running costs incurred by taxi drivers. It is, therefore, considered unlikely that the higher fees will tempt taxi drivers to skip the requirement to have an up to date taxi driver licence. However, if this does occur such conduct will risk enforcement action by the Department's Enforcement staff or by the PSNI.

4. OPTIONS

OPTION 1 – Do nothing. Realistically, this is not a feasible option. If the current fees were to be retained, costs would not be recovered and this would necessitate a fundamental review of the licensing process.

OPTION 2 – Introduce revised fees which would cover only inflationary increases since the fees were last revised in 1996. Taxi drivers would benefit from a lower fee. The drawback is that it does not address the full cost recovery objective of the Department.

OPTION 3 – Introduce a revised fee structure of £75 for renewals and £110 for first time applications for taxi drivers' licences to replace the current single fee of £58.50. The proposed new fee structure would in effect charge a higher fee for first time applications and set a much lower fee for renewals. The size of the overall fee increase although probably not welcomed by taxi drivers should not be too great a problem as licensing fees per se are not a significant part of the cost of owning and operating taxis.

We believe that option 3 would be preferable as it best meets the objectives of the Department without unduly penalising taxi drivers.

5. BENEFITS

For the taxi driver, a valid licence is provided at a reasonable cost thus enabling him or her to obtain insurance cover and operate legally. Also, the travelling public can be assured that necessary steps have been taken to ensure

taxi drivers can be considered “fit and proper” persons. It should also be noted that the revised fees being proposed in Northern Ireland are very much lower than comparable fees in GB.

6. EQUITY/FAIRNESS

It is perceived that the proposed measure would impact proportionally across all existing taxi drivers. The new fee structure envisages a higher fee for first time applicants and this reflects as closely as possible the actual costs incurred in providing new and renewal applications. The likely burden on small businesses is not considered to be any more onerous in relation to size than it would be for larger businesses as it would generally appear individual taxi drivers tend to renew and pay for their own licence.

7. COMPLIANCE COSTS

The estimated annual increased compliance costs to the industry will be: -

Estimated annual first time applications	1,800 x £51.50 = £ 92,700
Estimated annual renewal applications	1,700 x £16.50 = <u>£ 28,050</u>

Total **£120,750**

This must be seen in context. The annual turn-over in the taxi industry is probably well in excess of £200m and the increased compliance costs represent only a minute fraction of this.

8. RURAL IMPACT

Taxi drivers operate on roads throughout Northern Ireland and we do not expect the Regulations to have any significant impact in rural areas when compared to other areas. It is acknowledged, however, that alternative forms of transport such as taxis may be more accessible in non-rural areas.

9. EFFECTS ON INTERNATIONAL COMPETITIVENESS

The measure should have no bearing on international competitiveness.

10. SUMMARY

The proposals are necessary to keep the accounts for taxi driver licensing in financial balance. The increases may appear large in percentage terms, however these have not been increased for over 9 years and the new fees are still very much below the level of comparable fees in GB. The fee increases

must be viewed in context and are minimal compared to the costs of buying a taxi vehicle. When this comparison is made, the fees for 5-year taxi driver licensing is very good value for money and will continue to represent a very small proportion of the annual costs of operating a taxi.

DOE SECTION 75 EQUALITY OF OPPORTUNITY SCREENING ANALYSIS FORM

Section 1

Introduction

This form is intended to help you to consider whether a new policy or legislation will require a full equality impact assessment (EQIA). It will also provide a record of the factors taken into consideration for audit purposes and for reference in the Department's Annual Review of Progress prepared for the Equality Commission.

Background

The Legal Background
<p>Under section 75 of the Northern Ireland Act 1998, the Department is required to have due regard to the need to promote equality of opportunity:</p> <ul style="list-style-type: none">• between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;• between men and women generally;• between persons with a disability and persons without; and• between persons with dependants and persons without. <p>The main groups within each of the nine categories, highlighted above, are identified at Appendix 1.</p>
<p>In addition, without prejudice to its obligations above, the Department is also required, in carrying out its functions relating to Northern Ireland, to have regard to the desirability of promoting good relations between persons of different religious beliefs, political opinion or racial group.</p>

Role of Equality Unit

The Equality Unit, Room 413A, Clarence Court, Tel 41194 or 40855 is happy to assist with all aspects of the screening process and will help with the completion of the form, if required.

In all cases the form should be signed off by a Senior Officer responsible for the policy and legislation with copies placed on file and a copy forwarded to the Equality Unit.

Section 2 – Policy to be Screened

Definition of Policy

There have been some difficulties in defining what constitutes a policy in the context of Section 75. To be on the safe side it is recommended that you consider changes to or any new initiatives, proposals, schemes or programmes as policies. The policies covered in the Equality Scheme EQIA programme are a reasonable guide both to the nature of departmental policies and the level at which they should be considered.

It is important to remember that even if a full EQIA has been carried out in respect of an “overarching” policy or strategy, it will still be necessary for the policy maker to consider if a further EQIA needs to be carried out in respect of those policies cascading from the overarching strategy.

OFMDFM Guidance on Legislative Procedures (Primary and Subordinate) sets out clearly the stages at which equality of opportunity considerations should be taken into consideration in the development of legislation.

Overview of Policy Proposals

The aims and objectives of the policy must be clear and terms of reference well defined. You must take into account any available data that will enable you to come to a decision on whether or not a policy may or may not have a differential impact on any of the S75 categories.

2.1 Please insert below a brief description of the policy/legislation, including the title and all the main aims and objectives

Title	Revised fees for the grant of Taxi Driver Licences
Aims	The cost of a taxi driver licence in Northern Ireland has remained at £58.50 since 1996. As a consequence DVLNI has sustained a financial loss over the past number of years and is now required to recover the operational and all other administrative costs associated with the licensing regime. It is therefore proposed that the current single fee for a 5 year licence is replaced by a two tier fee, whereby the renewal of an existing taxi driver licence will increase to £75 and that for a first time applicant to £110. The cost of a duplicate licence will increase from £9 to £19.

It is essential that **all** the aims/objectives of the policy be clearly and fully defined.

2.2 On whom will the policies/legislation impact? Please specify

The policy/legislation will impact on the taxi industry as a whole but as licensing costs constitute a very small fraction of the overall costs of running a taxi, the impact of this measure will be almost negligible, given that it can be spread over the 5 year term of the licence.
--

2.3 Who is responsible for (a) devising and (b) delivering the policy, eg is it DOE, a Whitehall Department or EU? What is the relationship and have they considered this issue and any equality issues?

Road Transport Licensing Division (RTLTD) of Driver and Vehicle Licensing, Northern Ireland (DVLNI) is responsible for the devising and the delivery of the policy. Government accounting insists that where feasible, full cost recovery is the norm. Equality issues have been considered.

2.4 What linkages are there to other NI Departments/NDPBs in relation to this policy/legislation?

The Department's Driver and Vehicle Testing Agency (DVTA) and the Police Service of Northern Ireland (PSNI) in conjunction with the Northern Ireland Court Service (NICS) will be involved in the enforcement of the policy. Persons who act as taxi drivers without a valid taxi driver licence will be liable to prosecution. The fee is a constituent part of the licensing process.

2.5 What data are available to facilitate the screening of this policy/legislation?

In a recently undertaken EQIA consultation exercise on the Department's procedures relating to taxi driver licences, no Section 75 grouping raised the issue of the fee. In terms of the overall cost of running a taxi, licensing costs that include driver and vehicle licensing and road tax, represent less than 2% of the overall annual costs. Of these, the cost of a driver licence is the least. Indeed the cost of a taxi driver licence in Northern Ireland will still remain one of the smallest within UK taxi licensing authorities.

2.6 Is additional data required to facilitate screening?

No.

See Appendix IV of Equality Commission Practical Guidance on EQIA or speak to Central Statistics Research Branch, (Nicola Kilpatrick ext 40877) or Equality Unit (Alex Boyle, ext 41194, or Jeff Johnston ext 40813).

Section 3 – Screening Analysis

In cases where there is no available quantitative or qualitative evidence, you will need to take a pragmatic, common sense judgement as to whether the policy/legislation you are screening may have a particular/differential impact on any of the groups. Discussions with Equality Unit, Statistics Branch and organisations representing the Section 75 Groups will be important and helpful at this stage.

The following criteria must be considered when screening.

3.1 Is there any evidence of higher or lower participation or uptake by the following Section 75 groups?

	Yes	<u>No</u>
Religious belief		•
Political opinion		•
Racial group		•
Age		•
Marital status		•
Sexual orientation		•
Gender	•	
Disability		•
Dependants		•

Please elaborate

This issue will effect all licensed taxi drivers, male and female of whom there are in excess of 16,000 in total within Northern Ireland. However the greater impact will be on male drivers as there are currently approximately 15000.

3.2 Is there evidence that any of the following Section 75 groups have different needs, experiences, issues and priorities in relation to this policy issue?

	Yes	No
Religious belief		•
Political opinion		•
Racial group		•
Age		•
Marital status		•
Sexual orientation		•
Gender		•
Disability		•
Dependants		•

Please elaborate

N/A

3.3 Have consultations with the relevant representative organisations or individuals within any of the Section 75 categories, indicated that policies of this type create problems specific to them?

	Yes	No
Religious belief		•
Political opinion		•
Racial group		•
Age		•
Marital status		•
Sexual orientation		•
Gender		•
Disability		•
Dependants		•

Please elaborate

See comments at 2.5 above

3.4 Is there an opportunity to better promote equality of opportunity or community relations by altering the policy, or by working with others, in Government, or in the larger community in the context of this policy?

No.

Please elaborate

Equal opportunities for all groups already exists within the scope of the legislation relating to the grant of taxi driver licences. The proposal will have a neutral effect on community relations.

3.5 It may be that a policy/legislation has a differential impact on a certain Section 75 group, as the policy has been developed to address an existing or historical inequality or disadvantage. If this is the case, please give details below:

This is not the case.

3.6 If the answer to any of the questions is affirmative please indicate whether you consider if the policy/legislation could be changed, to promote better equality of opportunity and or if a full EQIA should be carried out.

Please elaborate

The policy/legislation does not require changing and a full EQIA is considered unnecessary.

A record of the screening process undertaken must be held on file. A copy of the documentation must be forwarded to the Equality Unit for information.

It is important that the necessary documentation is available should either the Equality Commission or the Department challenge a decision.

Reference should also be made to the screening exercise in any submission on a policy that is to be sent to the Minister.

Section 4

EQIA Recommendation

- 4.1 Full EQIA procedures should be carried out on policies considered to have significant implications for equality of opportunity. In light of the above 3 sections please fill in the following grid in relation to the policy/legislation.

	Significant Impact	Moderate Impact	Low Impact
Social Need.			•
Effect on people's daily lives.			•
Effect on economic, social and human rights.			•

Please elaborate

The proposal will have little, if any, impact on social need nor on economic, social and human rights as licensing costs are but a very small part of the overall costs of running a taxi.

- 4.2 What is the scale of expenditure incurred by the policy/legislation?

Approximately £100k per annum.

- 4.3 Do you consider that this policy/legislation should be subject to a full EQIA? Please give reasons for your considerations. Yes/No

No. The evidence to date does not indicate that the policy will have a differential impact on any of the Section 75 groups. It is not therefore anticipated that that a full EQIA will be required.

4.4 If an EQIA is considered necessary what data are required in the future to ensure effective monitoring?

N/A

Signed: _____

Division: _____

Date: _____

PLEASE FORWARD A COPY OF THIS COMPLETED FORM TO:

**DOE EQUALITY UNIT
ROOM 413A
CLARENCE COURT

10-18 ADELAIDE STREET
BELFAST
BT2 8GB**

**ANY QUERIES: ALEX BOYLE EXT 41194
alex.boyle@doeni.gov.uk**

**JEFF JOHNSTON EXT 40813
jeff.johnston@doeni.gov.uk**

Main Groups Relevant to the Section 75 Categories

<u>Category</u>	<u>Main Groups</u>
Religious belief	Protestants; Catholics; people of non-Christian faiths; people of no religious belief
Political opinion	Unionists generally; Nationalists generally; members/supporters of any political party
Racial Group	White people; Chinese; Irish Travellers; Indians; Pakistanis; Bangladeshis; Black Africans; Black Caribbean people; people with mixed ethnic group
Men and women generally	Men (including boys); women (including girls); transgendered people
Marital status	Married people; unmarried people; divorced or separated people; widowed people
Age	For most purposes, the main categories are: children under 18, people aged between 18-65, and people over 65. However, the definition of age groups will need to be sensitive to the policy under consideration
“Persons with a disability”	Disability is defined as: A physical or mental impairment, which has a substantial and long-term adverse effect on a person’s ability to carry out normal day-to-day activities as defined in Sections 1 and 2 and Schedules 1 and 2 of the Disability Discrimination Act 1995
“Persons with dependants”	Persons with personal responsibility for the care of a child; persons with personal responsibility for the care of a person with an incapacitating disability; persons with personal responsibility for the care of a dependant elderly person
Sexual orientation	Heterosexuals; bi-sexuals; gays; lesbians

2005 No.

ROAD TRAFFIC AND VEHICLES

**The Motor Vehicles (Taxi Drivers' Licences) (Fees) (Amendment)
(Northern Ireland) Regulations 2006**

Made - - - - 2006

Coming into operation - 2006

The Department of the Environment, in exercise of the powers conferred on it by Articles 79A(2) and 218(1) of the Road Traffic (Northern Ireland) Order 1981(1) and of all other powers enabling it in that behalf, and with the approval of the Department of Finance and Personnel as regards regulation 2, hereby makes the following Regulations:

Citation and Commencement

1. These regulations may be cited as the Motor Vehicles (Taxi Drivers' Licences) (Fees) (Amendment) Regulations 2006.

Amendment of the Motor Vehicles (Taxi Drivers' Licences) Regulations (Northern Ireland) 1991

2. The Motor Vehicles (Taxi Drivers' Licences) Regulations (Northern Ireland) 1991(2) shall be amended as follows—

(1) In regulation 4 (fee for a licence) for paragraph (1) there shall be substituted—

“(1) The fee for a first licence shall be £110.00 and for renewal of a licence shall be £75.00.”.

(2) In regulation 5(4) (grant of new licences to replace lost, stolen, defaced or destroyed licences) for “£9” there shall be substituted “£19”.

Revocation

3. The Motor Vehicle (Taxi Drivers' Licences) (Amendment) Regulations (Northern Ireland) 1996(3) are hereby revoked.

Sealed with the Official Seal of the Department of the Environment on

2006

(1) S.I. 1981/154 (N.I. 1) see Article 2(2) for the definition of “Department and “prescribed”; Article 79A was inserted by Part II of Sch. 3 to S.I. 1991/197 (N.I. 3)
(2) S.R. 1991 No. 454: relevant amending Regulations are S.R. 1993 No.108, S.R. 1994 No.412, S.R. 1995 No. 153, S.R. 1996 No. 142 and S.R. 1996 No.304
(3) S.R. 1996 No. 304



A senior officer of the
Department of the Environment

The Department of Finance and Personnel hereby approves regulation 2.

Sealed with the Official Seal of the Department of Finance and Personnel on 2006



A senior officer of the
Department of Finance and Personnel

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further amend the Motor Vehicles (Taxi Drivers' Licences) Regulations (Northern Ireland) 1991 as follows—

(1) The single fee of £58.50 for a licence is replaced by a two tier system of fees. The cost of a first licence is £110.00 and the cost of a renewal licence is £75.00

(2) The fee a new licence to replace lost, stolen, defaced or a destroyed licence is increased from £9 to £19.

The Motor Vehicle (Taxi Drivers' Licences) (Amendment) Regulations (Northern Ireland) 1996 are revoked.

TAXI FEES CONSULTEES

Belfast City Airport Taxis	Mrs I Robinson, MP MLA
Belfast Private Hire Proprietor's Association	Mr P Robinson, MP MLA
Belfast Public Hire Taxi Association	Mr D Simpson, MP MLA
Causeway Taxi Owner's Association	Mr S Wilson, MP MLA
Derry Taxi Association	Mr J Allister MEP
Derry Taxi Drivers' Initiative	Ms B DeBrun, MEP
Limavady Taxi Driver's Association	Mr J Nicholson, MEP
Mid-Ulster Taxi Association	Lord Alderdice
Newry Taxi Association	Baroness Blood
North Belfast Taxi Association	Lord Laird
North Coast Taxi Association	Lord Kilclooney
North West Taxi Proprietor's Association	Lord Maginnis
West Belfast Taxis	Lord Molyneaux
Rev Dr I R K Paisley, MP MLA	Lord Rogan
Mr G Adams, MP MLA	Baroness O'Neill
Sir R Empey, MLA	Lord Steinberg
Mr M Durkan, MP MLA	Lord Cooke
Mr D Ford, MLA	Lord Ballyedmond
Mr R McCartney, QC, MLA	Lord Rana
Mr D Ervine, MLA	Lord Eames
Mr T Dick	Lord Glentoran CBE, DL
Mr M Curran	Lord Smith of Clifton
Green Party	Lord Shutt of Greetland
Democratic Left	Baroness Farrington
The Worker's Party	Viscount Brookeborough

Mr Gregory Campbell, MP MLA	112 Copies for MLA
Mr N Dodds, MP MLA	NI Local Authorities
Mr P Doherty, MP MLA	NI Education and Library Boards
Mr J Donaldson, MP MLA	Mr D Lidington, MP
Mrs M Gildernew, MP MLA	Mr L Robertson, MP
Lady Hermon, MP	Mr L Opik, MP
Rev William McCrea, MP MLA	Mr A Carmichael, MP
Dr A McDonnell, MP MLA	NI Affairs Committee
Mr E McGrady, MP	The Vote Office – House of Commons
Mr M McGuinness, MP MLA	Department for Social Development
Mr C Murphy, MP MLA	Department of Agriculture & Rural Development
The Printed Papers Office – House of Lords	Department of Culture Arts & Leisure
The Librarian – NI Assembly	Department of Education for NI
Mr N Jackson – Machinery of Government Division	Department of Employment & Learning
Central Management Branch – OFMDFM	Department of Finance & Personnel
NIO – Devolution & Legislation Division	Department of Health, Social Service & Public Safety
The Exec Council of the Inns of Court of NI	Disability Action
Belfast Solicitor's Association	Help the Aged, Northern Ireland
The Law Society of NI	NIPSA
The Head of School, School of Law – QUB	Northern Ireland Association for Mental Health
The Head of the School of Law – UUJ	Northern Ireland Council for Ethnic Minorities
Clerk of Petty Sessions – Laganside Courts	NIO – CMB
Institute of Professional Legal Studies – QUB	NUS – USI Northern Ireland
Law Centre (NI)	Royal National Institute for the Blind (NI)
Judge Curran – HM Council of County Court Judges	Royal National Institute for the Deaf (NI)

