

# Facts & Figures

SPSV Industry in Ireland



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# Introduction

**Welcome to the Commission for Taxi Regulation's first issue of the new *Facts & Figures* series. The purpose of this document is to utilise the Commission's data collection to provide an ongoing and comparative picture of the small public service vehicle industry in Ireland.**

The Commission collects a great deal of data relating to driver and vehicle licensing, enforcement and complaints during its day-to-day operations. This is now been complimented by a consumer survey, which will be conducted regularly.

The first consumer survey was conducted in June 2010 and the results are representative of the population of Ireland over the age of eighteen. A driver survey was also conducted in August 2010 and the results are representative throughout the country. Both the consumer and the driver survey are referenced through this document.

The intention is to use all this research to help us build a profile of those operating in the industry and trends on consumer usage. This will help inform our policy decision-making and assist those in the industry with their business planning. It will also provide assistance in educating those considering entering the industry.

This document will also seek to highlight progress on the Commission's reforms, identify which areas are working well, if there are any areas of concern, and where possible, predict future trends.

*Facts & Figures* will be published biannually, in line with the collection of survey data and other statistics.

# Industry Profile

FIGURE 1 IRELAND VEHICLE LICENCE TRENDS 2000–JUNE 2010

Source: Vehicle Registration Unit, Department of Transport (VRU 1993–2006) and Commission for Taxi Regulation, *National Vehicle Licence Database* (2007–2010)

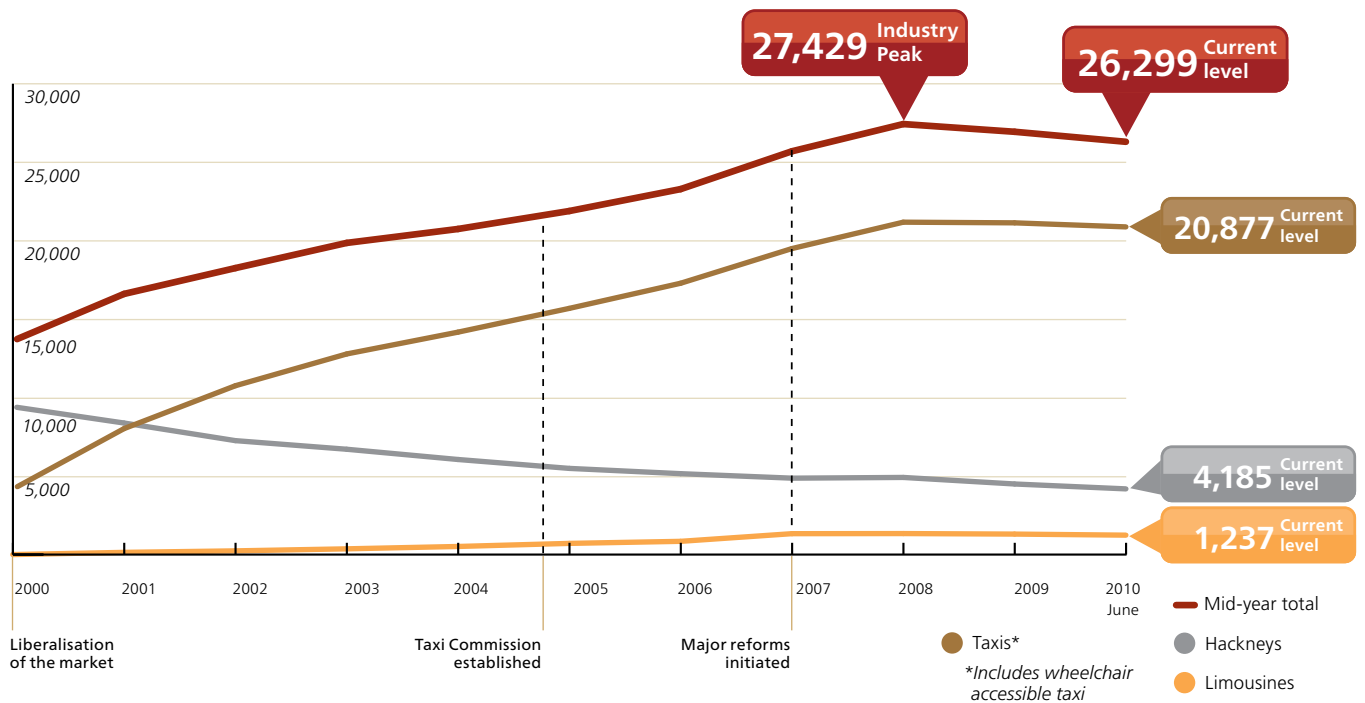


FIGURE 2 BREAKDOWN OF SPSV ACTIVE VEHICLE FLEET BY CATEGORY JUNE 2010

Source: Commission for Taxi Regulation, *National Vehicle Licence Database* (2010)

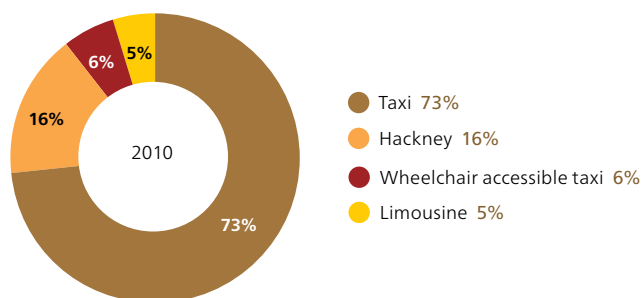


FIGURE 3 OPERATOR PROFILE

Source: Commission for Taxi Regulation, *Survey of Cab Drivers* (August 2010)

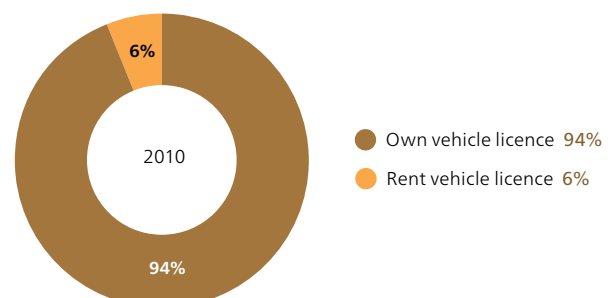


FIGURE 4 DRIVER PROFILE – LENGTH OF SERVICE IN THE INDUSTRY

Source: Commission for Taxi Regulation, *Survey of Cab Drivers* (August 2010)

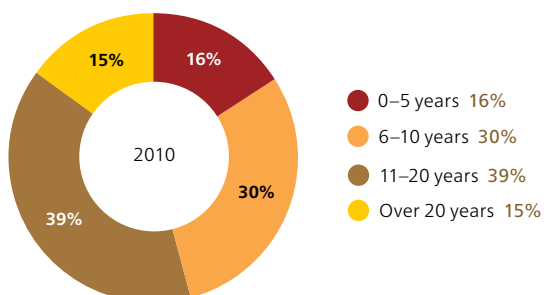
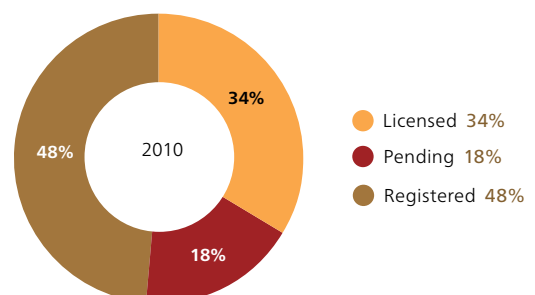


FIGURE 5 DISPATCH OPERATORS LICENCES JUNE 2010

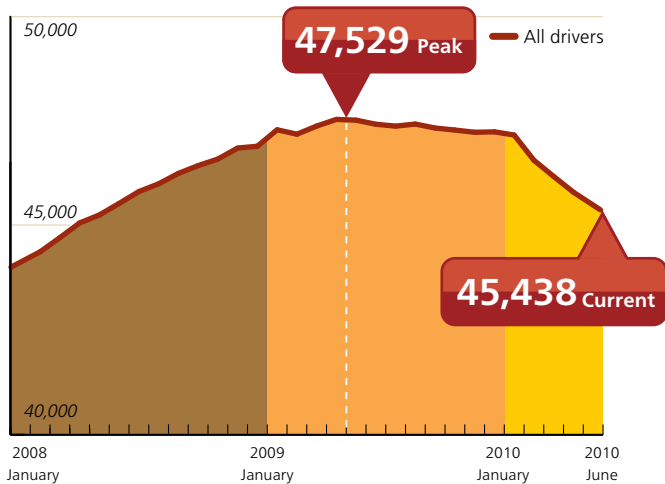
Source: Commission for Taxi Regulation, *National Dispatch Operator Database* (2010)



# What this means...

**FIGURE 6 NUMBER OF ACTIVE LICENSED DRIVERS  
2008–JUNE 2010**

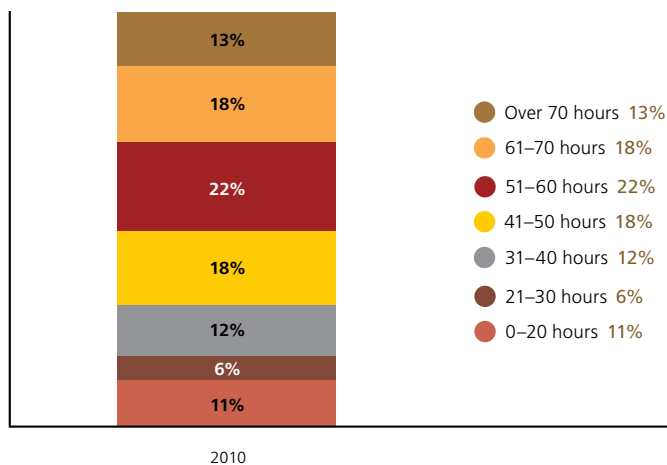
Source: Commission for Taxi Regulation, National SPSV Driver Licence Database (2008–2010)



\*Please note that not all active driver licence holders are operating in the industry

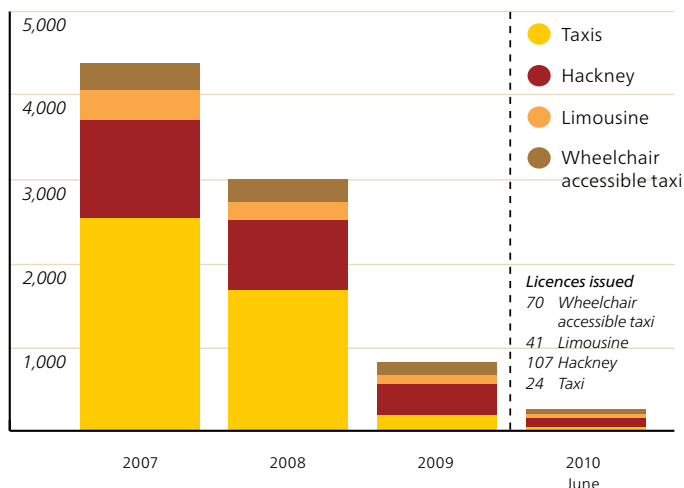
**FIGURE 7 REPORTED HOURS OF OPERATION FOR DRIVERS**

Source: Commission for Taxi Regulation, Survey of Cab Drivers (August 2010)



**FIGURE 8 NEW LICENCES ISSUED 2007–JUNE 2010**

Source: Commission for Taxi Regulation, National Vehicle Licence Database (2007–2010)



## Overall fleet size continues to drop from its peak in mid 2008

The years following liberalisation in 2000 saw a consistent increase in vehicle licences, to a peak of 27,429 vehicles in December 2008. Since this time, however, there have been more people leaving the industry than entering it. Figure 1 shows that in the year to date, active vehicle licences have fallen by 1.8%.

Figure 4 shows the average length of operation reported by drivers. Over 50% of drivers indicate that they have been in the industry for 11 or more years with 16% entering in the last five years.

## Market remains competitive for operators

While there has been a slight decline in both vehicle and driver numbers over the past year, there has also been a decline in taxi usage over the same period. This indicates that the market continues to be highly competitive for operators.

## Market reaching equilibrium

The trend of more operators leaving than entering the industry is one that the Commission anticipates will continue over the coming years.

As previously stated, the Commission has always anticipated that the market will determine its own optimum level.

Entry and exit levels are also to some extent determined by the requirements that must be met to operate in the industry. As such, there may also be an impact following recently introduced measures to improve the standard of vehicles and driver knowledge.

The certified driver programme and new vehicle standards are being implemented to improve the service on offer to the consumer, however, the Commission realises that these are now new considerations for those considering entering the market and for those currently operating below these standards.

Ultimately, we anticipate that those entrants or new operators who are professional and viable will have the best competitive advantage and those who are in a position to meet the new required standards will benefit as a higher quality fleet develops.

# Standards, Quality and Customer Satisfaction

FIGURE 9 AGE PROFILE OF STANDARD TAXI AND HACKNEYS 2008–JUNE 2010

Source: Commission for Taxi Regulation, National Vehicle Licence Database (2008–2010)

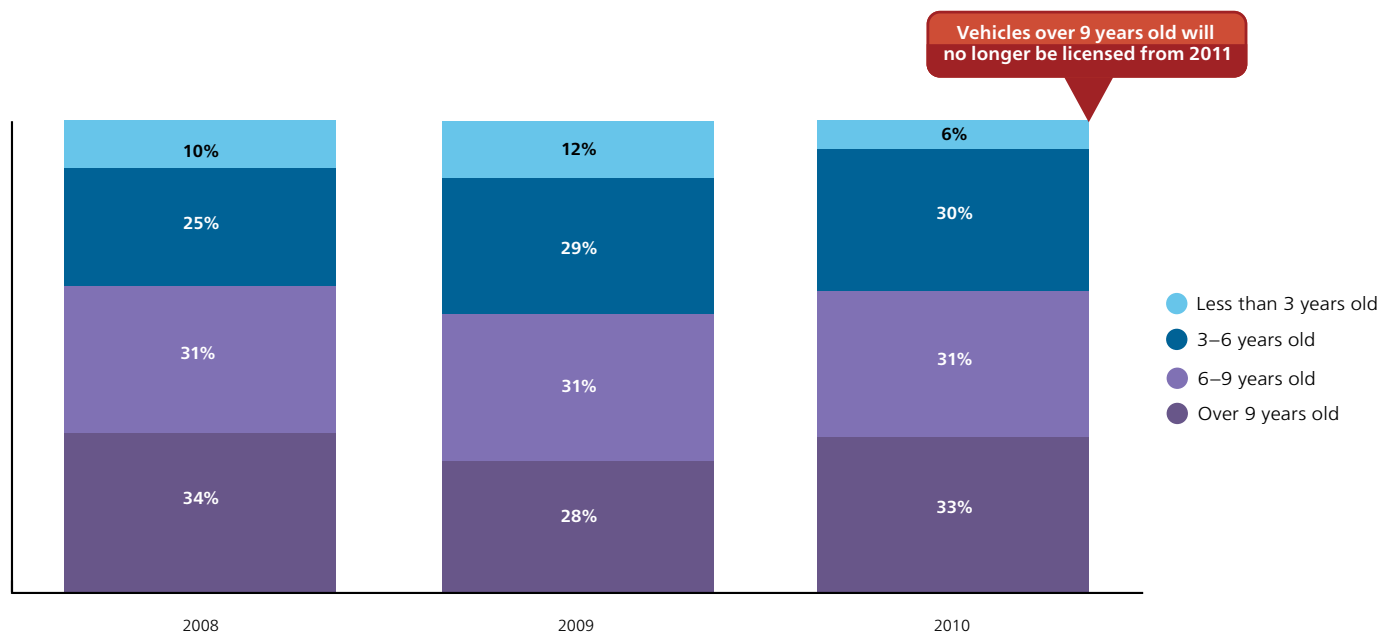
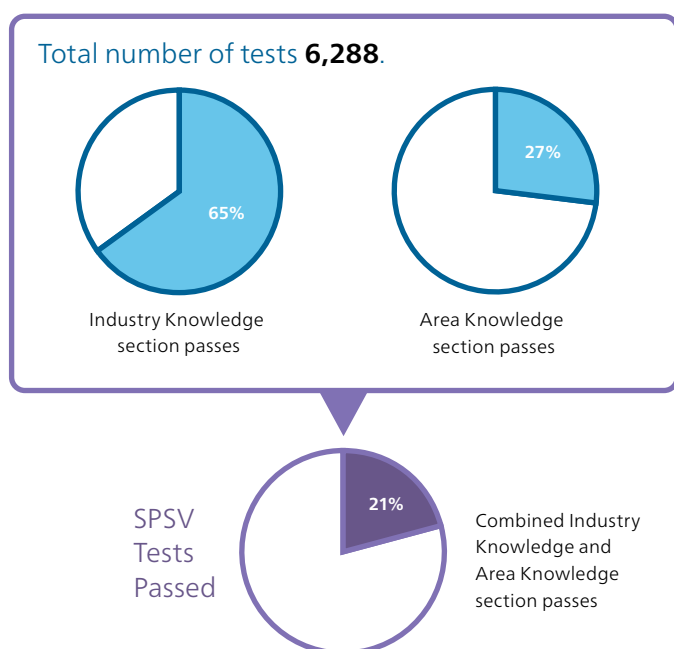


FIGURE 10 SPSV SKILLS TESTS DELIVERED BETWEEN JULY 2009 AND JUNE 2010

Source: Commission for Taxi Regulation (2010)

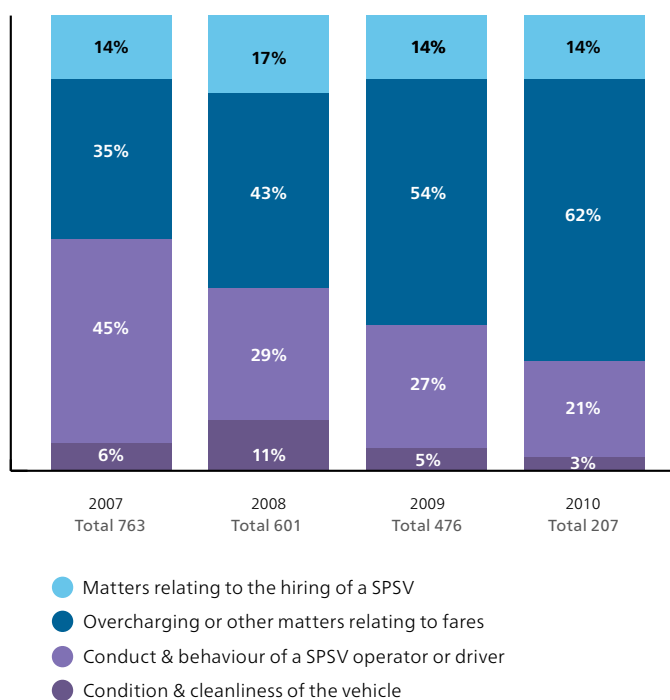


**1,348** passed both sections and therefore passed overall and received a Skills Development Certificate.

**8,322** manuals have been distributed between May 2009 and June 2010, 4,357 of these to existing drivers and 3,965 to new entrants.

FIGURE 11 CONSUMER COMPLAINTS BY TYPE 2007–2010

Source: Commission for Taxi Regulation, Consumer Complaints Statistics (2007–June 2010)



## What this means...

FIGURE 12 VALUE FOR MONEY – CONSUMER VIEW

Source: Commission for Taxi Regulation, Red C Consumer Survey (June 2010)

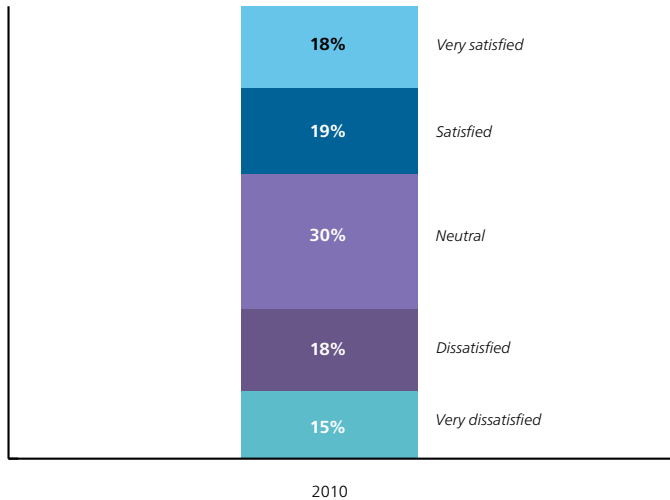


FIGURE 13 VEHICLE QUALITY – CONSUMER VIEW

Source: Commission for Taxi Regulation, Red C Consumer Survey (June 2010)

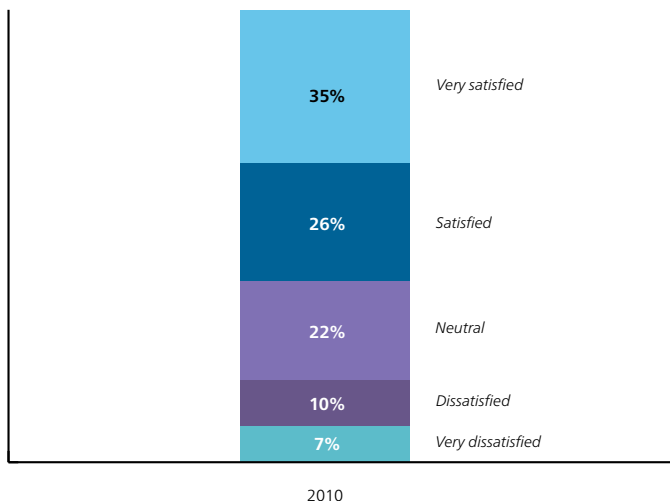
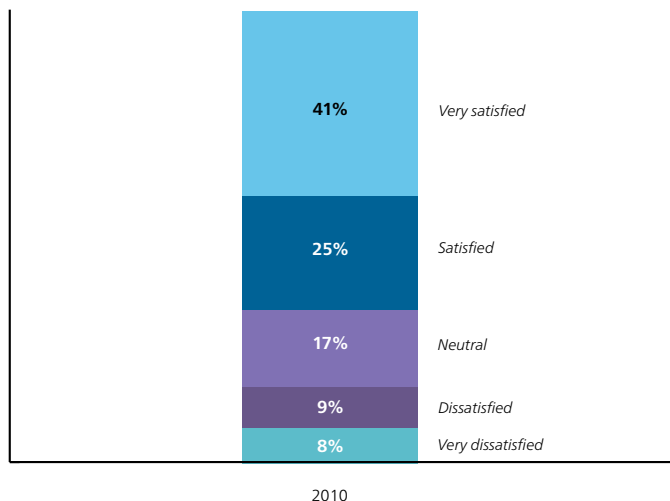


FIGURE 14 DRIVER SERVICE QUALITY – CONSUMER VIEW

Source: Commission for Taxi Regulation, Red C Consumer Survey (June 2010)



### Deteriorating average age of fleet will be addressed

One of the key objectives of the Commission is that Ireland's small public service vehicle fleet is of a high quality. The current age profile of the fleet shows that 67% of the fleet currently meets the Commission's forthcoming standard vehicle age of nine years old.

These figures meet an interesting parallel with consumer sentiment. In the Commission's research, 66% of taxi and hackney users felt that vehicles were generally clean and tidy, whilst 61% were satisfied with vehicle quality.

Current trends of drivers upgrading their cars show that on average, drivers are upgrading to a vehicle between four and five years old. Many other jurisdictions place quality standard requirements on vehicles. The nearest examples being in the UK where in Birmingham, vehicles must be new for first issue of a licence and can then be renewed up to 8 years old. In Leeds, vehicles are required to be less than 5 years old.

### Skills certification contributing to assurance of higher standards

All new entrants since May 2009 have had to pass the Commission's driver certification programme, which results in a certificate on successful completion of both the industry knowledge and area knowledge modules. The certificate is required for all new entrants to be licensed as an SPSV driver. From July 2010, existing drivers have been notified and encouraged to complete the programme as all drivers will be expected to have successfully passed the industry knowledge module test by 2012. The Commission will be recognising these certified drivers with a distinct ID card and we expect that, in time, consumers will start to choose certified drivers over non-certified and that dispatch operators and public contractors may well follow suit.

### Consumer satisfaction levels remain positive overall

The Commission's consumer research shows that 66% of respondents felt that taxi drivers are generally helpful and friendly. This is a very positive statistic and it is also notable that complaints in relation to driver behaviour have fallen significantly compared to last year, with 44 complaints to end June 2010 against 77 in the same period last year. We expect this trend to continue as uptake of the driver certificate programme continues. It is also indicative of the vast levels of experience in the industry.

The one area where consumer sentiment was negative was value for money. Only 37% of respondents felt that taxis and hackneys offer value for money. Clearly this is a concern, and one that appears to be being addressed by the growing number of operators offering discounts (23% of customers have reported receiving a discount on the fare). There are two clear implications in this respect, firstly that it is essential to continue with regular reviews of the national maximum taxi fare, and secondly that standards must continue to improve.

# Role, Usage and Compliance

FIGURE 15 IMPORTANCE OF SPSVS IN WIDER TRANSPORT NETWORK

Source: Commission for Taxi Regulation, Red C Consumer Survey (June 2010)

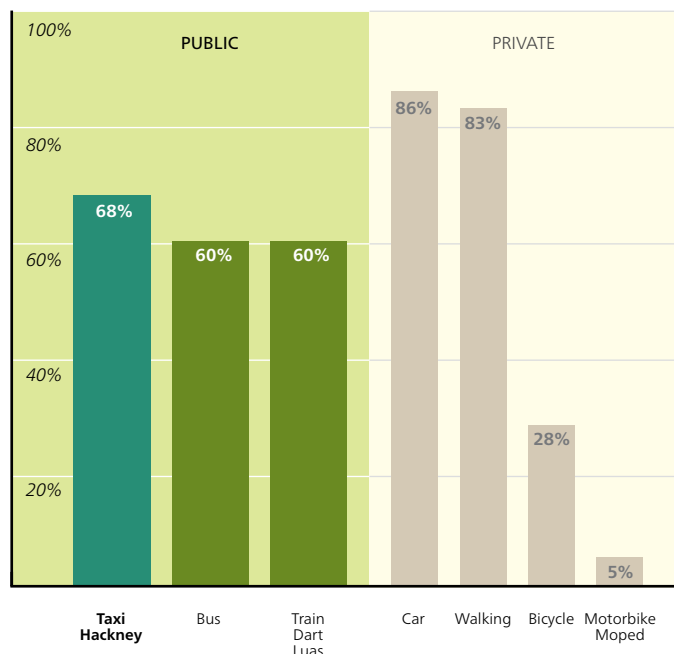


FIGURE 16 LEVEL OF TAXI USAGE OVER THE PAST 12 MONTHS

Source: Commission for Taxi Regulation, Red C Consumer Survey (July 2010)

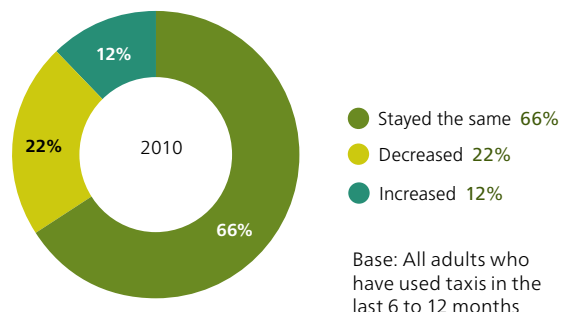


FIGURE 17 BREAKDOWN OF SPSV TRAVEL FROM MONDAY TO SUNDAY

Source: Commission for Taxi Regulation, Red C Consumer Survey (July 2010)

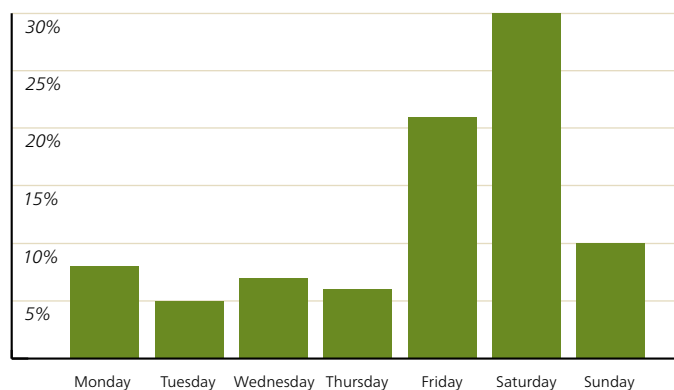


FIGURE 18 ORDER METHOD FOR SPSVS

Source: Commission for Taxi Regulation, Red C Consumer Survey (July 2010)

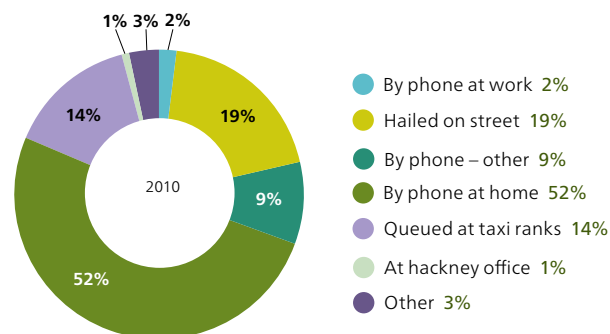


FIGURE 19 COMPLIANCE STATISTICS

Source: Commission for Taxi Regulation Enforcement Statistics

2008	2009	2010*
601 Consumer complaints	476 Consumer complaints	207 consumer complaints
258 Fixed charge penalties	401 Fixed charge penalties	154 Fixed charge penalties
106 Prosecutions	84 Prosecutions	39 Prosecutions
117 Offences	87 Offences	39 Offences
9 Cases where Probation Act was applied	4 Cases where Probation Act was applied	No Cases where Probation Act was applied
€84,175 Fines imposed	€56,210 Fines imposed	€16,850 Fines imposed
€25,200 Costs imposed	€26,896 Costs imposed	€18,700 Costs imposed

\*Figures current to 30 June 2010



# What this means...

## Growing importance within the wider transport network

The Irish SPSV sector is steadily increasing in prominence as a key public transport category. Figure 16 shows transport modes used by consumers at least once within the previous six months as reported in June 2010.

This shows that taxis and hackneys are used by 68% of all respondents compared to 60% using the Luas, Dart or train or public bus. The use of private cars 86% remains the more preferred use of transport among respondents.

The popularity of SPSVs is most likely due to the fact that they have many of the advantages offered by the private car – they are demand responsive, operate 365 days of the year and offer a door-to-door service.

## An overall drop in usage

Notwithstanding the above, the fare review of 2010 has shown consumers reporting a decline in their usage of taxis over the last 12 months. Those consumers who say they are using taxis less also say that they are going out less and that taxis are an expensive option if they do. The Commission will continue to monitor usage levels in future surveys.

## Trends in usage

The heaviest users of taxis/hackneys are males aged between 18–34. Social reasons remain the most popular reason for using a taxi/hackney (57%) with travelling to/from other transport hubs at 31%. Trips are more likely to be taken at weekends, although not necessarily at evening time, with trips spread throughout the day for all days of the week. The vast majority of taxi journeys are booked by phone from home (52%) while 19% were hailed on the street and 14% picked up at ranks.

## Operating model

The upshot of all of this is that consumer usage has decreased but customers are likely to be better informed and more discerning in their choice of hire. We believe that the industry will continue to adapt to this changing requirement.

We can expect to see successful operators running businesses specifically tailored to best meet consumer demand in their area. We also anticipate an increase in customer incentives such as discounts, package deals for businesses and customer loyalty schemes.

Competition will continue to be quite strong for those that remain in the industry. Continued success in the industry will be dependent on the provision of high quality services to customers and on the development of modern, competitive businesses.

## Overall compliance remains high

Enforcement is key element of the successful regulation of any industry and a cornerstone of the Commission's activities. In the drive to improve standards and to ensure fair competition, it is essential to ensure operators are compliant with the regulations.

We are fortunate in that the vast majority of small public service vehicle operators are fully compliant with all regulations and provide a very high standard of service to their customers. There has been a decline in the level of consumer complaints in recent years.

Following the introduction of the 2010 Finance Bill the Commission for Taxi Regulation's enforcement activity is increasingly focussing on the sharing of information and joint operations with other enforcement agencies such as the Department of Social Protection and Revenue Commissioners. The Commission continues to work with An Garda Síochána on the enforcement of the industry nationwide.

Current enforcement statistics show a low percentage of serious offences confirming our belief that the majority of the industry operates to a very high standard.

Further detail on enforcement statistics are released quarterly by the Commission and can be found at:

[www.taxiregulator.ie/about/latest-statistics/latest-statistics.html](http://www.taxiregulator.ie/about/latest-statistics/latest-statistics.html)

# About the Commission

## OUR ROLE

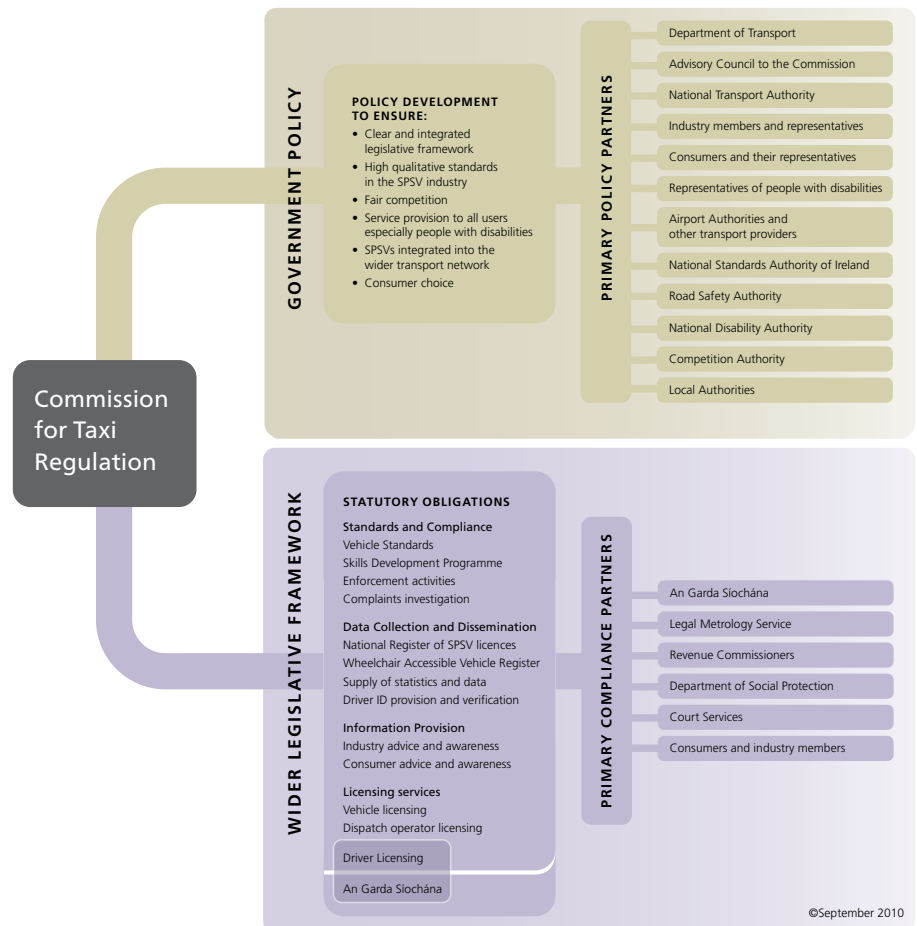
The Commission for Taxi Regulation was established by the Minister for Transport on the 1st September 2004 under Part 2 of the Taxi Regulation Act 2003. The Commission is currently responsible for regulating, monitoring and controlling most aspects of the small public service vehicle (SPSV) industry in Ireland.

The Commission pursues its objectives by promoting high quality service provision by all licence holders. The Act provides the Commission with the power to regulate the licensing, ownership, control and operation of SPSVs, including taxis, hackneys and limousines, their drivers and dispatch operators in Ireland.

As of 2010, An Garda Síochána continues to administer, monitor and control the licensing of SPSV drivers; the Commission expects to take over this function during the lifetime of its current strategic plan.

The Commission does not have powers under the 2003 Act or otherwise to impose quantitative restrictions on entry to the SPSV sector.

## OUR POLICY AND COMPLIANCE PARTNERS



In executing its mandate, the Commission works with and alongside a wide range of policy partners and compliance partners. This diagram shows the principal

bodies that have a role in SPSV regulation. The Commission also engages with several bodies on a consultative basis.

## OUR OBJECTIVES

The 2003 Act outlines a number of key objectives for the delivery of an SPSV service to all customers, including:

- ▶ Accessibility to those with disabilities and those with mobility, sensory or cognitive impairments.
- ▶ Promotion of quality services.
- ▶ Customer-orientated licensing systems.
- ▶ Promotion of competition.
- ▶ Integration with other modes of public transport.
- ▶ Encouragement of investment to enhance services.

## ADVISORY COUNCIL

The Advisory Council to the Commission for Taxi Regulation was set up under the Taxi Regulation Act 2003. The Advisory Council represents a wide range of stakeholders nationally. The Advisory Council advises the Commission or the Minister for Transport, as appropriate, on a broad range of issues relevant to SPSVs and their drivers.

## NTA INTEGRATION

Under the Public Transport Regulation Act of 2009, the functions of the Commission for Taxi Regulation will transfer at the appropriate date to the National Transport Authority.

This date will be set by the Minister for Transport under Section 31 of the Act.

## OUR RESPONSIBILITIES

AREA OF RESPONSIBILITY	KEY STAKEHOLDERS
Vehicle licensing	SPSV licence holders, dispatch operators, other enforcement bodies
Dispatch operator licensing	SPSV dispatch operators, SPSV drivers, SPSV users
Vehicle standards	SPSV licence holders, SPSV users, SPSV vehicle manufacturers and converters, other statutory bodies
Skills development	Drivers, dispatch operators
Driver licensing and driver standards	An Garda Síochána, Revenue Commissioners, other enforcement bodies
Identification of licensed drivers	SPSV licence holders, SPSV users, An Garda Síochána, other enforcement bodies
Consumer advice and awareness	SPSV users
Service provision to people with disabilities, and mobility or sensory needs	SPSV users, SPSV licence holders, disability groups
Industry advice and communications	SPSV licence holders
Setting of fares for taxis	Taxi operators, taxi users, dispatch operators, Legal Metrology
Maintenance of national register of SPSV licences	SPSV licence holders, SPSV users, An Garda Síochána, other enforcement bodies
Compliance and enforcement	SPSV licence holders, An Garda Síochána, other enforcement bodies, SPSV users
Complaints and commendations	SPSV users, SPSV licence holders, other enforcement bodies
Prosecution of breaches of regulations nationally	Courts Service, An Garda Síochána
Provision of guidance on taxi ranks	Local authorities, SPSV licence holders, local interest groups, other enforcement bodies
Contribution to wider policy	SPSV licence holders, SPSV users, society, Government, other statutory bodies
Supply of statistics and data	SPSV licence holders, SPSV users, transport academics, Government, other statutory bodies

## OUR STRATEGY FOR 2010–2014



The Commission's strategy for 2010 to 2014 outlines our strategic objectives and supporting goals and actions.

- 1 To continue to develop and maintain the regulatory framework for the SPSV industry in Ireland.
- 2 To facilitate access to high quality SPSV services by all users, particularly people with disabilities.
- 3 To enhance quality assurance for SPSV users and service providers.
- 4 To partner and engage with stakeholders to progress statutory and strategic objectives.
- 5 To promote the integration of SPSV services into the wider public transport system.

## OUR ONLINE RESOURCES



### Statistics

[www.taxiregulator.ie/about/latest-statistics/latest-statistics.html](http://www.taxiregulator.ie/about/latest-statistics/latest-statistics.html)



### Publications

[www.taxiregulator.ie/about/publications/publications.html](http://www.taxiregulator.ie/about/publications/publications.html)



### Action Plan 2010–2011

[www.taxiregulator.ie/actionplan](http://www.taxiregulator.ie/actionplan)



### Online Register

<http://onlineregister.taxiregulator.ie>



### Online Fare Estimator

[www.taxiregulator.ie/consumer/taxi-tool](http://www.taxiregulator.ie/consumer/taxi-tool)



### Newsletters

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