



Regulatory
Impact
Analysis:
Complaints and
Commendation
Process and
Enforcement

Final Report

Table of Contents

INTRODUCTION	1
1. THE POLICY PROBLEM AND OBJECTIVES	1
1.1 THE POLICY CONTEXT	1
1.2 OBJECTIVES	3
2. DESCRIPTION OF OPTIONS	4
2.1 OPTION 1: THE COMMISSION PROPOSAL	4
2.2 OPTION 2: “DO NOTHING” SCENARIO	5
2.3 OTHER OPTIONS	5
3. COSTS, BENEFITS AND IMPACTS	7
3.1 COSTS	7
3.2 BENEFITS	8
3.3 OTHER IMPACTS	10
3.4 SUMMARY OF COSTS, BENEFITS AND IMPACTS	10
4. CONSULTATION	11
4.1 INTRODUCTION	11
4.2 CONSULTATION WITH THE SPSV UNIONS	11
4.3 GARDA CARRIAGE OFFICE, DUBLIN	13
4.4 SUBMISSIONS MADE REGARDING ROADMAP	14
5. ENFORCEMENT AND COMPLIANCE	15
6. REVIEW	16
7. CONCLUSION	17
 ANNEX	

Introduction

This is the report of a Regulatory Impact Analysis (RIA) of the proposed new complaints and commendation process and enforcement procedures for the taxi and hackney industry. It has been prepared by Fitzpatrick Associates on behalf of the Commission for Taxi Regulation (hereafter referred to as the Commission). These proposals are set out in the Commission's consultation document, "*ROADMAP: Towards a New National Code of Regulation for Taxis, Hackneys and Limousines in Ireland*"¹. Specifically, ROADMAP states that:

"The Gardaí and Legal Metrology will continue to have an important enforcement role. In order to supplement their work, Section 49 of the 2003 Act, when commenced, provides for the Commission to appoint Enforcement Officers. While Section 34 provides for the information which must be displayed and Section 38 provides for the maintenance of a Register of Licences, Section 46 provides for fixed charges offences. Working with the Gardaí and other relevant enforcement agencies, the Commission proposes to develop a model of enforcement to include:

- *informing drivers, operators and passengers of their rights and responsibilities;*
- *a tamper proof disc with licence details and period of validity clearly visible inside the front windscreen and rear window in all licensed vehicles;*
- *the appointment of Enforcement Officers by the Commission to carry out random checks;*
- *development of a database to assist in identifying non-compliant service providers;*
- *development of a scheme of on-the-spot fines and wider use of the sanctions available under the 2003 Act including legal proceedings;*
- *a modern complaints system that will be widely advertised and easily accessible to all customers, managed by the Commission;*
- *the Commission would also propose to operate a commendation process for passengers who wish to acknowledge good service as part of the quality assurance scheme.*

The Commission would propose to progress these matters throughout 2006/2007".

¹ "*ROADMAP: Towards a New National Code of Regulation of Taxis, Hackneys and Limousines in Ireland*", Commission for Taxi Regulation, June 2005.

Development of the proposals is at a relatively early stage, and as such the RIA is based on assumptions about the development of the complaints and commendation process, and the employment of the Enforcement Officers. These assumptions are based on consultations with the Commission. The RIA follows the guidelines and structure set out in the Department of An Taoiseach's publication, "*RIA Guidelines: How to Conduct a Regulatory Impact Analysis*"².

² "*RIA Guidelines: How to Conduct a Regulatory Impact Analysis*", Department of An Taoiseach, October 2005.

1. The Policy Problem and Objectives

1.1 The Policy Context

1.1.1 Current Arrangements

Complaints and enforcement of the small public service vehicle (SPSV) regulations, including fares, are currently the responsibility of the Gardaí. The Carriage Office, located in Dublin Castle, deals with complaints in the Dublin area, and also carries out random checks throughout the city regarding the SPSV regulations.

The Carriage Office has a total of 17 staff, of which four are civilian staff. Its functions go well beyond dealing with complaints and enforcement, as it is also responsible for processing SPSV licence applications, performing background checks, accepting and returning lost property, organising and marking the SPSV licence applicant examinations, and maintaining licence holder records. The office is sub-divided into a number of different departments relating to particular areas of current SPSV regulation. It also includes a public counter area where members of the public and drivers can call in regarding lost property, licensing or other enquiries.

The complaints department in the Carriage Office mainly deals with grievances regarding overcharging. Two Gardaí work in this area. They initiate investigations on the basis of written complaints that arrive via normal post or e-mail. Upon receipt of such a complaint, a file is opened under the name of the complainant and given a log number.

The office deals with approximately 500-800 written complaints annually. They may also receive an average of about 40 telephone complaints in one day. This, however, may be an underestimate of the number of complaints likely to be made, as the phone is not answered for large parts of the day due to resource constraints.

Some public complaints involve a lack of understanding regarding the fare structure, and the complainant is written to with an explanation. Other complaints require that the driver is spoken to and, if the offence warrants it and the complainant is willing to substantiate their complaint, a prosecution may follow. In a situation where the complainant does not wish to make a formal statement, the driver is still spoken to regarding any alleged indiscretion. A note will be made on the driver's file. A withdrawal statement is taken from any complainant unwilling to support a prosecution.

In Dublin, where about 68% of SPSV licences are active, the level of enforcement is significantly restricted by the resources available to the Carriage Office. However, each Garda has the power to enforce current SPSV legislation. Enforcement operations are conducted when resources allow, and on a few occasions this may involve a larger operation held jointly with other agencies, e.g. Revenue.

Outside of Dublin the relevant Garda PSV Officer handles complaints and enforcement. This is usually only one part of the officer's functions.

The Legal Metrology Service is responsible for the enforcement of regulations in relation to the use of taximeters.

1.1.2 Issues

The current complaints and enforcement system pre-dates liberalisation of the SPSV market and needs to adapt to meet the requirements of a new regulatory code and the very large increase in the number of SPSVs licensed and operating. An effective system of receiving and processing complaints is an essential element of ensuring a quality customer service and adequate enforcement.

In summary, the key issues that need addressing are:

- **growth in numbers:** while the number of licenses has increased significantly, the resources allocated to the complaints and enforcement process has not;
- **new regulations:** the Commission has, and continues to introduce, further regulations which will require enforcement;
- **awareness:** the Commission's "*National Review of Taxi, Hackney and Limousine Services*"³ indicated that less than 7% of passengers ever made a formal complaint, and many did not know how to make a formal complaint. The current contact numbers for making a complaint are not widely known or advertised;
- **accessibility:** a lack of resources has meant that those who do make a complaint face difficulty in contacting somebody directly about their issues, and there are delays in dealing with complaints;
- **data/IT issues:** Records of complaints against drivers are currently recorded in paper format. This process means that there currently is no central database on non-compliant service providers.

³ "*National Review of Taxi, Hackney and Limousine Services*", Commission for Taxi Regulation, June 2005.

1.2 Objectives

The overall objective of the Commission is to raise and maintain service standards in the SPSV market. This has resulted in the introduction of a range of new regulations. Regulations which are not enforced will not achieve their objectives.

As such the Commission is introducing enforcement measures to ensure that the SPSV regulations are being adhered to. A further objective, which is also linked to the enforcement element of the proposal, is that customers have an accessible and efficient means of redress. A final objective of the proposal, meanwhile, is that the better operators in the industry are recognised for their service provision.

2. Description of Options

2.1 Option 1: The Commission Proposal

The Commission proposes introducing a number of measures that would supplement the work currently undertaken by the Gardaí and the Legal Metrology Service.

Section 49 of the 2003 Act, provides for the appointment of Enforcement Officers by the Commission⁴. Section 34 provides for the information that must be displayed, and Section 38 provides for the maintenance of a Register of Licences. Section 46, meanwhile, provides for fixed charges for offences.

Working with the Gardaí and other relevant enforcement agencies, the Commission proposes to develop a model of complaints and enforcement to include:

- a **modern complaints system** that will be widely advertised and easily accessible to all customers, managed by the Commission;
- development of a **database** to assist in identifying non-compliant service providers;
- informing drivers, operators and passengers of their **rights and responsibilities**;
- a **tamper-proof disc** with licence details and period of validity clearly visible inside the front windscreen and rear window in all licensed vehicles;
- development of a scheme of **on-the-spot fines** and wider use of the sanctions available under the 2003 Act, including legal proceedings;
- a **commendation process** for passengers who wish to acknowledge good service as part of the quality assurance scheme;
- the appointment of **Enforcement Officers**.

The Enforcement Officers will have a number of functions concerning complaints and enforcement, including:

- identification and investigation of offences and potential offences under legislation and regulations relating to small public service vehicles and their drivers and passengers;
- dealing with, recording and investigating complaints from passengers, intending passengers, drivers and operators of SPSVs and the general public;
- the compilation of case files to prosecution level, and court attendance;
- the collection, recording and processing of evidence and evidential exhibits;

⁴ The number and remuneration of any Enforcement Officers must be agreed by the Minister for Transport and the Minister for Finance. The Garda Commissioner must also be consulted on this matter.

- working with the Gardaí, local authorities and other enforcement agencies to enforce SPSV and driver legislation and regulations;
- provision of advice and support to drivers and passengers of SPSVs and agencies in relation to the Commission's activities;
- day-to-day management of routine administration and reporting functions relating to compliance and complaints;
- ensuring compliance with all legal and administrative requirements relating to the post;
- developing and improving new and improved systems of administration for complaints and enforcement.

Under the proposal the Gardaí will maintain their role in investigating criminal complaints and enforcing the Roads Traffic Act. The Carriage Office would also retain its role for lost property deposit and collection.

The Commission would propose to progress these matters throughout 2006 and 2007.

2.2 Option 2: “Do Nothing” Scenario

The “do nothing” scenario involves leaving the complaints and enforcement function with the existing resources of the Carriage Office in Dublin, and local Garda PSV Officers in the Garda divisional areas.

2.3 Other Options

Possible options to achieve the stated objectives were also identified as part of this RIA. These included:

- whether enforcement could be undertaken without “on the ground” Enforcement Officers. In a number of industries, operators are required to submit returns or files which show that they have complied with regulations, without the threat of on-the-ground Enforcement Officers calling to offices etc, i.e. a desk-based approach to enforcement. However, given the nature of the taxi industry and the regulations, it is immediately obvious that this approach alone is not adequate. As such the option is not considered further;

- whether the process could be undertaken by an organisation other than the Commission. UK experience suggests that the licensing authority also deals with complaints and enforcement in the majority of cases. This makes sense, given the approval and revocation of a licence will in part be determined by a driver's record, which includes a record of complaints and breaches of regulations. In any case, we are not primarily concerned here with where institutionally the regulation resides. The assumption is that the same amount of resources would be required to achieve a similar effect, whatever its nature. As such this possibility is also not given further consideration.

3. Costs, Benefits and Impacts

3.1 Costs

3.1.1 Option 1: The Commission Proposal

The main costs of the Commission proposal are those associated with the employment of nine new Enforcement Officers. These costs include:

- salary and associated costs;
- direct costs, e.g. phones, equipment, travel;
- office overheads, i.e. the share of rents, rates, insurance etc;
- training costs (mainly at the start).

There are also a number of other costs to the proposal. Informing drivers of their rights and responsibilities will be done via the completion of a “consumer friendly guide”. Drivers will also be instructed of their rights and responsibilities as part of the Driver Skills Development Programme and subsequent refresher courses. As such we have assumed that 10% of the cost associated with these programmes will be on the information provision elements.

Service users will also get more information about how and where to make a complaint as the numbers to call will be advertised in each vehicle. A further cost will be that of developing the database on which complaints will be logged. The Enforcement Officers will record these complaints, and as such no additional/maintenance costs are added. Also, the Enforcement Officer will issue the on-the-spot fines and administer the recording and collection system.

Separate costs for the commendation process are not shown. This will be run via the same system as the complaints process and thus is included in the cost of the Enforcement Officers.

Finally, the cost of producing the tamper-proof disc is also estimated. This will be issued on the application/renewal of a SPSV licence and will be included as part of the existing licence fee.

Table 3.1 shows that the overall estimated cost of this option over a ten year period is approximately €8.9 mn. It should be noted that these are the total costs of the proposal, and not additional costs. Significant resources are currently being spent on the current complaints and enforcement process.

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Enforcement	704	700	700	704	700	700	704	700	700	704	7,016
Rights/Responsibilities Database	124	157	143	224	167	54	74	86	56	77	1,161
Tamper-proof Disc	100	-	-	-	-	-	-	-	-	-	100
	8	50	46	77	92	52	78	93	53	80	628
TOTAL	936	907	889	1,006	959	806	857	879	809	861	8,906

Note: There will be initial training costs for the Enforcement Officers in 2006. This is estimated to last between 7-10 days. The majority of the training will be carried out in-house, while some training will be provided by the Gardaí and the Courts Service. This is unlikely to be a significant additional cost to the proposal.

SOURCE: DERIVED BY FITZPATRICK ASSOCIATES

3.1.2 Option 2: “Do Nothing” Scenario

There are no additional costs to the “do nothing” scenario, in that no additional resources would be allocated. However, a significant amount of resources are currently being expended on the complaints and enforcement process. The main costs are:

- the costs of the complaints department in the Carriage Office (a number of Gardaí and clerical officers, operating costs, equipment costs, follow-up costs);
- the cost of the SPSV Officer in each of the local authority areas;
- enforcement costs, including random checks. The costs associated with the number of Gardaí involved in this function, and the frequency of their investigations, cannot be estimated with any real accuracy.

3.2 Benefits

The Commission proposal has four main elements:

- the Commission takes responsibility for the complaints process, which includes receiving, recording and responding to non-criminal complaints from service users throughout the country;
- the Commission takes primary responsibility for enforcement of the SPSV regulations, albeit with the Gardaí still implementing the Road Traffic Act and responding to criminal complaints;
- the Commission informs drivers and service users of both their rights and responsibilities;
- the Commission implements a commendation process.

The first two points are tantamount to a transfer of (some elements of) responsibility and reorganisation of the complaints and enforcement process, including an increase in wholly

dedicated resources. It also includes some new elements such as on-the-spot fines and the introduction of the tamper-proof disc. The latter two points are completely “new” initiatives.

Table 3.2 outlines the main benefits of the Commission proposal over the existing situation in each of the four areas. It also lists the relative benefits of the current situation, which would need to be considered if the Commission proposal was to be moved forward.

These benefits are not “scored” or “quantified” in any way. However, it is likely that the major benefits are to come from the extra resources being put into the complaints and enforcement process.

TABLE 3.2: COMPARISON OF BENEFITS OF EACH OPTION

<p>The Commission Proposal:</p> <p>Complaints Procedures and Processing</p> <ul style="list-style-type: none"> ▪ Would mean a consistent nationwide approach to complaints and enforcement ▪ Creates synergies, as the Commission has links with Dispatch Centres throughout the country, which are also undertaking to record complaints made against drivers ▪ Centralises responsibility for complaints and enforcement with the licensing authority, i.e. the Commission ▪ Creates a more accessible, nationwide database of non-compliant or suspect drivers for the licensing authority ▪ Provides for a more accessible means of redress for service users ▪ Would likely mean greater response times for addressing complaints <p>Enforcement</p> <ul style="list-style-type: none"> ▪ Provides for more accessible information collection, which would enable greater targeting of problem areas where non-compliant drivers are thought to be providing a service ▪ Extra dedicated resources will provide for more frequent enforcement operations ▪ Introduces an extra “preventative” measure, i.e. the on-the-spot fines ▪ The tamper-proof disc will allow both Enforcement Officers and services users to establish whether the vehicle is licensed <p>Rights and Responsibilities</p> <ul style="list-style-type: none"> ▪ Will give service users a greater understanding of the level of service they should expect, including customer service, charges and so on ▪ Will inform drivers of their rights and responsibilities, through the Driver Skills Development Programme and their publication <p>Commendation Process</p> <ul style="list-style-type: none"> ▪ Ensures that a process is available for the commendation of superior service provision 	<p>“Do Nothing” Scenario:</p> <ul style="list-style-type: none"> ▪ Existing staff have valuable experience in dealing with complaints from service users and following up with non-compliant drivers ▪ Existing staff don’t require as much training in this area ▪ Operators in the various local authority areas have important local knowledge
<p>SOURCE: FITZPATRICK ASSOCIATES</p>	

3.3 Other Impacts

There would not be any other significant impacts of the measure, and the existing proposal should not cause a barrier to entry to the market. This is because the likely scale of any increase in the licence fee is unlikely to seriously affect the number of new entrants into the market and the renewal of licences.

3.4 Summary of Costs, Benefits and Impacts

The overall cost of the Commission proposal is estimated to be about €8.9 mn over the next ten years. The main cost associated with the proposal is the employment of the nine Enforcement Officers. However, the additional cost (the difference between the cost of the current system, which involves the Carriage Office and local PSV Officers, and the Commission proposal) is likely to be significantly lower. It was not possible to get a comprehensive estimate of the former, however.

The main additional benefits of the Commission's proposal are:

- a more efficient and accessible complaints process for customers;
- a more comprehensive system of enforcement throughout the country.

Ultimately, these should play an important role in ensuring that drivers operate under the SPSV regulations and offer an acceptable level of service to taxi users.

4. Consultation

4.1 Introduction

The consultation process consisted of the following:

- face-to-face meetings with the four main SPSV unions to discuss in detail their reaction to the proposal;
- a meeting with members of the Carriage Office;
- a review of public submissions made to the Commission regarding the complaints, commendation and enforcement proposal as described in ROADMAP;
- consultations with local authorities in the UK to identify other options for dealing with complaints and enforcement.

The information gathered from UK local authorities has contributed to the previous sections of the RIA. The issues raised by the other stakeholders are outlined below.

4.2 Consultation with the SPSV Unions

The **National Taxi Drivers Union** did not raise any major issues of concern regarding the proposal outlined in ROADMAP. The Union did state that some level of discretion and flexibility should be applied when dealing with drivers however.

A number of points in relation to enforcement were raised. These included:

- the need to speed up procedures used when dealing with assaults on taxi drivers. A mandatory sentence was suggested;
- that an affidavit should be sought from passengers regarding overcharging offences brought to court. This is because passengers are less likely to take the time to turn up to court, and as such numerous cases have been thrown out;
- that the tamper-proof disc should also include evidence that the car is insured as a taxi. Allianz currently issue these kind of discs, although other insurance companies would need to be encouraged to include this option for taxi drivers;
- that consideration be given to the introduction of the requirement for drivers to carry their plate and PSV licence at all times;

- that some consideration be given to the production of a more “tamper-proof” licence;
- while drivers that apply for an SPSV licence are screened regarding their suitability, there is no vetting procedure for those that apply for a plate. This should be addressed.

The ***Irish Taxi Drivers Federation*** stated that the enforcement in Dublin is currently taking place via the work of the Carriage Office. However, the level of enforcement outside of Dublin varies on a local authority basis, with particular black-spots of illegal activity mentioned. The Federation stated that they agreed with the introduction of on-the-spot fines rather than bringing less serious cases to court. However, they did express a concern that the fine may be set at too high a level.

The ***National Private Hire and Taxi Association*** stated that the existing complaints system is adequate. The only other main point raised was that it should be ensured that Enforcement Officers act only within their statutory powers.

SIPTU recognised that there has been an increase in the number of drivers without a corresponding increase in resources to deal with complaints and enforcement. SIPTU expressed concerns regarding the role of Enforcement Officers. They stated that the Enforcement Officers will be taking over the role of well-trained and experienced Gardaí. It was suggested that the Enforcement Officers would require a high level of training and should maintain links with Gardaí for some time in order to draw from their experience.

It was also felt that Enforcement Officers need to be trained to operate in a non-biased fashion, understanding that driving is a taxi driver’s livelihood and that they will be dealing with people operating a business on which their livelihood depends. The Enforcement Officers should also be easily identifiable to the driver when making checks, arguing that a visible deterrent is better than an invisible one. However, SIPTU does agree that in a small number of cases “undercover” checks will need to take place.

SIPTU also argue that the current plan lacks consideration of the needs of taxi drivers in relation to enforcement. A significant number of offences are carried out against taxi drivers by their passengers. Many of these go unreported as taxi drivers a) don’t want to worry their family about the dangers involved in their profession and b) don’t want to advertise the fact that they are one of the last remaining public service providers that have relatively easy access to cash.

In particular, SIPTU argue that it should be made clear to the public that any misrepresentation by a passenger about the conduct of a driver will result in prosecution.

4.3 Garda Carriage Office, Dublin

The Garda Carriage Office is generally positive about the Commission proposals regarding complaints and enforcement. However they raised a number of issues which they believed should be taken into account in the planning and design of the process.

Enforcement Officers

Enforcement Officers will need to know/be trained in how to effectively take a complaint, such as conducting the conversation and recording it in writing. Taking complaints in writing are particularly important, as complainants are reluctant to go to court in most cases. This is a communication skill which the Gardaí have broad experience. Enforcement Officers will also need to know the distinction between a criminal offence (which will have to be referred to the Gardaí) and other offences. This knowledge will either be gained through training, the Enforcement Officers' background, or legal support within the Commission.

The Carriage Office suggested that a system should be put in place that classifies the type of complaint when it is received, grades its seriousness, and has a series of "next steps" for dealing with each type of complaint. Recording of complaints will also be very important as this system has to be seen to be accountable.

Liaison Arrangements

Liaison arrangement between the Gardaí and the Commission will have to be put in place. The Gardaí will continue to come into contact with taxi drivers through their role in enforcing the Road Traffic Act and other issues that remain in their remit. Also, Enforcement Officers will need to know when to refer matters to the Gardaí. The Gardaí will also maintain their role in providing background checks on applicant drivers. There may be an issue regarding the Official Secrets Act on this matter.

Driver Information

The Carriage Office also agreed that cards should be on the back of the front seat of the vehicle, including badge number and taxi number. They stated that women in particular do not like to ask for badge numbers etc and that this would mean they don't have to.

4.4 Submissions made Regarding ROADMAP

A number of *individual taxi drivers* responded positively to the proposal as set out in ROADMAP. It was stated by a number of respondents that enforcement of the regulations was a key issue, with the current system being inadequate at doing so. While the actions proposed for policing taxi drivers was well received, it was noted that there is an absence of measures to be introduced against members of the public who mistreat taxi drivers and/or their vehicles.

A number of *taxi users* also welcome changes to the structure of the complaints procedure. A number of issues were raised in the areas of: accessibility to WATs; the process in relation to reclaiming lost property; and giving greater information to passengers regarding the fare they should be charged.

The *Transport Committee of the Consumer Association of Ireland* recommended that passenger information should be placed on the back of the front seat, and should include information on: fare structure; lost property; how and where to make a complaint; and a note stating that tipping is not necessary as it is included in the fare. The Committee also stated that it agrees with the introduction of a passenger charter, suggesting that it should refer to driver rights, e.g. to refuse belligerent and aggressive passengers and to charge for damage caused by the passenger to the driver's vehicle.

Members of *Galway City Council's Strategic Policy Committee on Transport and Infrastructure* also expressed the view that there should be publication of passengers rights when using taxis, and they suggested the mandatory introduction of information cards in taxis. They also suggested that a uniform taxi driver badge be introduced, and that a mounted photograph (placed on a dashboard) is a necessity.

The *Kildare County Council Transportation Strategic Policy Committee* recommended that local authorities should continue to operate on an agency basis (for the Commission) in the licensing and complaints processes, due to their experience in this area and the existence of a "network of offices".

5. Enforcement and Compliance

The Enforcement Officers will have the responsibility for enforcing the SPSV regulations. However, it should be noted that this will be their main, but not sole function. The Gardaí will continue to enforce the Roads Traffic Act and will respond to criminal complaints. The specific division of responsibilities has still to be confirmed.

There are no other enforcement or compliance considerations.

6. Review

The Commission's "*Strategy Statement 2005-2009*"⁵ states that progress on each of the Commission's proposals will be reported on in its Annual Report. Options for review may include:

- ***monitoring the trend in and nature of customer complaints***, through the introduction of the new database;
- ***consumer surveys***, monitoring trends in consumer satisfaction with the service offered;
- ***monitoring of the number of on-the-spot fines issued***, with regard to the nature of the regulation breach, location etc.

The Advisory Council to the Commission will also play a part in the review of the proposal. The Advisory Council consists of a chairperson and 17 members appointed by the Minister for Transport, and consists of representatives of:

- SPSV and drivers' interests;
- An Garda Síochána;
- consumer interests;
- people with disabilities;
- local authorities;
- business interests;
- tourism interests.

⁵ See "*Strategy Statement 2005-2009*", Commission for Taxi Regulation, August 2005.

7. Conclusion

The Commission proposal compares favourably to the “do nothing scenario”, i.e. leaving the complaints and enforcement function with the existing resources of the Carriage Office in Dublin and local Garda PSV Officers. This is based primarily on the following findings:

- that additional resources are needed due to the increase in the number of operators and the introduction of additional regulations to the industry;
- that complaints and enforcement procedures should be conducted by the same authority responsible for licensing, i.e. the Commission;
- that the additional costs of these measures will not act as a barrier to entry for new entrants to the market;
- that the proposed measures will have no other negative impacts for consumers or other stakeholders/concerns.

However, the stakeholder issues raised during the consultation stage should be taken into account when designing and implementing the proposal (see Section 4). Perhaps the most significant of these are:

- that clear lines of responsibility be established regarding the enforcements and other responsibilities between the Gardaí and the Commission;
- that agreed liaison arrangements are agreed between the Gardaí and the Commission;
- that Enforcement Officers are adequately trained to conduct their duties;
- that Enforcement Officers act in a responsible manner, with equal consideration of the rights and responsibilities of both drivers and service users.

Annex

Annex 1 Cost Assumptions

Enforcement Officers

The following assumptions were made regarding the cost of Enforcement Officers:

- that nine full-time positions would be created;
- gross salary of €337,500, or €37,500 per person. Additional PRSI contribution of 10.75% bring the total cost to €41,531 per person;
- travel and subsistence costs of €180,000 per annum;
- equipment and portable IT costs of €975 per person per annum;
- that Enforcement Officers account for 9/19 (i.e. nine out of total staff of 19) of the Commission's office costs, equivalent to about €142,100 per annum;

Also, the Enforcement Officers will issue the on-the-spot fines and administer the recording and collection system. The costs of operating this system are therefore included in the Enforcement Officer costs outlined above.

Commendation Process

Separate costs for the commendation process are not shown. This will be run via the same system as the complaints process and thus is included in the cost of the Enforcement Officers.

Information Provision

The main costs associated with providing information on rights and responsibilities were based on the following assumptions:

- production of consumer friendly guides, detailing all rights and responsibilities, are estimated to cost €100,000;
- we have assumed that 10% of the Driver Skills Development Programme is spent informing drivers of their rights and responsibilities (regulations etc). Thus, 10% of the total cost of this programme, per driver, are included in the costs.

Database/IT Systems

A further cost will be that of developing the database on which complaints will be logged and managed. The development of this system is estimated to cost €100,000. The Enforcement Officers will record these complaints, and as such no additional/maintenance costs are added.

Tamper-proof Discs

This will be issued on the application/renewal of an SPSV licence. We have assumed that the cost of producing these discs as €7.91 per vehicle. This is based on an estimate from a supplier, and a cheaper alternative may be sought going forward. These will be issued on application and renewal of the licence.

The estimation of the total cost of the tamper-proof disc requires an estimation of a) the number of new entrants each year and b) an estimation of when those already in the sector will have to renew their licence.

The figure used for number of drivers is assumed to be equal to the “cabs in use” figures as per the Vehicle Registration Unit (VRU).

The forecasting of this figure over the next ten years is based on the following assumptions (as per the Driver Skills Development Programme RIA):

- an overall increase of 3% per annum in the number of cabs in use (which includes taxis, hackneys and limousines) from 2004 onwards. Figures for 2005 were not available;
- that the number of limousines increases at 3% per annum;
- that the number of hackney cabs continues to decrease in 2005 and 2006 as drivers continue to transfer to the taxi market, but that this transfer ceases thereafter. The number of hackneys then increases at a slower rate than the overall market, i.e. 1% from 2007 onwards;
- that the growth in the number of taxis is the difference between the growth in the overall market (3% per annum) and the growth in the limousine and hackney market. This is equivalent to about 4% per annum.

In working out when existing drivers would have to renew their licence, it was assumed that, of the total number of cabs in 2003, 20% were to renew their licences in 2004, 20% in 2005, and so on.

It was also assumed that the period for renewing a licence would decrease from five years to three years from 2007 onwards.