

SPS Amendments

What are the changes to small passenger services?

Factsheet

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Why the amendments?

The government has changed the rules for small passenger services (SPS). These changes take effect from 1 October 2017.

Under the changes similar rules will apply to services that connect passengers with customers (including taxi, shuttle, private hire, app-based services and dial-a-driver services).

Some rules that imposed costs on operators but don't meet the needs of the sector have been removed. This allows all operators to compete on an even footing and to differentiate from competitors as part of their brand on aspects such as cost, service, environmental footprint and philosophy.

Consumers now have a range of services to choose from, and can be confident that they can use these services safely. Drivers can also feel safe in their places of work.

What are the main changes?

The changes will affect:

- Transport service licences
- P endorsements for driving with passengers
- vehicle requirements for passenger services.

Transport Service Licence for passenger services

There will now be two types of licences to operate passenger services:

- a **small passenger service** uses vehicles that carry 12 people or less (including the driver), for hire or reward. To operate this type of service you need a small passenger service licence (SPSL).
- a **large passenger service** uses vehicles that are designed or adapted to carry more than 12 people (including the driver), whether or not they operate for hire or reward. To operate this type of service you need a large passenger service licence (LPSL).

Small passenger service licences

The SPSL will apply to all taxi, app-based, shuttle, private hire and dial-a-driver services and facilitated cost-sharing (car-pooling) services.

The following conditions to hold a small passenger service licence **have been removed**:

- belong to an approved taxi organisation (ATO)
- provide small passenger services on a 24/7 basis
- have a certificate of knowledge of law and practice
- have driver panic alarms, monitored 24/7 from a fixed location

Operators of an SPS, for hire and reward, **are still required to**:

- hold an SPSL
- ensure drivers hold a P endorsement and display their ID card
- ensure drivers keep logbooks and meet work time requirements

- ensure vehicles meet requirements
- keep a complaints record

Are there any approved taxi organisations (ATO) under the amendment?

The above changes to the small passenger service licence mean the extra requirements of an ATO are no longer needed. Therefore, the additional ATO status has been removed.

Dial-a-driver

Dial-a-driver services for hire and reward will need to hold a small passenger service licence and their drivers must hold a P endorsement to drive passengers. Since the vehicles used in this service are the customers' there are no additional requirements for vehicles.

Facilitated cost-sharing

A facilitated cost-sharing service is one where a third party arranges transport between other parties (eg facilitated carpooling). The facilitator of such a service must hold an SPSL.

Drivers can also only be reimbursed the actual cost of the journey. They are not entitled to be paid for their time. Drivers in this arrangement don't need a P endorsement, and the vehicles don't need to display a TSL label.

Carpooling can reduce traffic congestion and vehicle emissions, however, it's difficult for drivers and passengers to co-ordinate such arrangements. Under the new system the third party facilitator may take a fee for its services. This provides an incentive to facilitate these types of arrangements at an affordable cost to consumers.

What about traditional car-pooling?

If you car pool with people you know or this is arranged by your work or a specified council service, exemptions from holding the correct PSL and a P endorsement will continue under the Operator Licensing Rule 2017.

Changes regarding vehicle requirements

In-vehicle recording cameras

To ensure the personal safety of both passengers and drivers, small passenger service vehicles operating in the urban areas listed below must operate an approved in-vehicle camera or only provide services to registered passengers (such as those registered through an app).

- | | | |
|-------------|--------------------|----------------|
| • Whangarei | • Napier | • Nelson |
| • Auckland | • Hastings | • Christchurch |
| • Hamilton | • New Plymouth | • Dunedin |
| • Tauranga | • Whanganui | • Queenstown |
| • Rotorua | • Palmerston North | • Invercargill |
| • Gisborne | • Wellington | |

For more details on boundaries please refer to Schedule 2 Land

Transport Rule: Operator Licensing 2017 (www.nzta.govt.nz/resources/rules).

When cameras are not required

The following don't need to comply with either the in-vehicle camera or only registered passengers requirements:

- dial-a-driver operators
- facilitated cost-share operators
- exclusively pre-booked services such as:
 - special occasion vehicle hire services (eg weddings or school balls)
 - short duration package tour services (eg three-day sightseeing tours)
 - government services under a long-term contract
 - specialist services offered on a chartered basis (eg limousine chartered for 24 hours, chartered education services).

In-vehicle security camera systems

If you choose the in-vehicle camera system option the vehicle can't be used to accept a hire unless the system has been approved by the Transport Agency, is operating properly, and the camera is mounted so it has a clear view of the inside of the vehicle.

Approved camera systems are published on the Transport Agency website www.nzta.govt.nz/in-vehicle-camera. You can also apply to the Transport Agency for approval of a new system.

If you don't normally work in any of the listed urban areas and don't have a camera installed, you may go into these areas to collect a pre-booked fare provided the destination is outside one of the listed urban areas.

A sign or notice that an in-vehicle camera is operating must be clearly displayed on the outside of the front passenger door, and inside the vehicle in a prominent position.

Registered passengers

If you operate in one of the listed urban areas and don't have an in-vehicle camera, your passengers must be registered. The purpose of this alternative to having an in-vehicle camera is to ensure that a driver and passenger can be identified and located if an investigation into an incident is necessary. A registered passenger service must:

- only offer trips to passengers who are registered with the service
- make information about the driver available to the registered passenger, and
- information about the registered passenger available to the driver (such as names and photographs), prior to the trip commencing
- keep, for at least 168 hours (seven days), information about both the driver and the registered passenger and also a record of the journey.

Taking the above into account, an operator choosing this option is expected to have a registration process enabling prospective passengers to register with the service before using it. A register can be a database or document and can be on paper or electronic. It must gather sufficient information about a passenger so that he or she can be identified and found – for example, name,

contact address, contact phone number, email, photo or some combination of those elements.

Certificate of fitness

Passenger services operating PSVs will still require a certificate of fitness (CoF) and certificate of loading. Services where the customer's private vehicle is used will not have to meet these requirements.

Changes to P endorsements for small vehicle drivers

Applicants for a P endorsement will **no longer** need to:

- sit a P endorsement course
- hold an area knowledge certificate
- have sat a full class 1 licence test in the last five years.

Drivers of small passenger services will **still require**:

- a current P endorsement
- a current driver identification (ID) card
- a current licence for the type of vehicle you are driving (for example, if you're driving a car or van, you need a class 1 licence)
- an approved logbook
- hold an SPSL, or work for someone who holds an SPSL.

What happened to P endorsement courses?

One of the aims of the SPS review was to lower the compliance burden. The P endorsement course imposed costs on an operator, but no longer provided any significant benefit. The course typically costs between \$400 and \$700. The changes to the passenger service system, particularly the removal of a number of rules the course refers to, means it will add little value in the future.

How do large vehicle passenger services fit in?

Large passenger services, operating vehicles with more than 12 seats (eg buses) are not within the recent law review. However, some changes to the regulation of large passenger services were required as a consequence of changes to the small passenger services regime. For example, there is now a separate large passenger service licence. See the table below.

Further information

To find out more information please refer to:

- Factsheet 02: *Work time and logbooks*
- Factsheet 15: *Passenger service vehicles*
- Factsheet 18: *Volunteers and exempt passenger services*
- Factsheet 21: *Small passenger service drivers: rights and responsibilities*
- Factsheet 42: *P endorsements for carrying passengers.*
- Factsheet 47: *Transport Service Licences*
- Factsheet 66: *Driver licensing courses*
- Factsheet 78: *Passenger Services*

If you have further questions regarding the changes in the Land Transport Amendment Bill, please call us on 0800 822 422 for advice. The Ministry of Transport website has more information at <http://www.transport.govt.nz/land/small-passenger-services-review>

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