

Passenger services

Licences and requirements

What is a Passenger Service?

A passenger service carries passengers as their essential business whether for hire, reward or not. The rules and regulations are different depending on the nature of the service.

There are two types of passenger service based on the size of the vehicle used.

- A small passenger service has vehicles carrying 12 people or less (including the driver).
- A large passenger service is any service that has a vehicle carrying more than 12 people.

Do I need a licence to carry passengers?

Passenger services normally require a transport service licence (TSL) in order to operate.

Small and large passenger services have separate transport service licences, either a small passenger service licence (SPSL) or a large passenger service licence (LPSL). You must hold both licences if you operate a passenger service with both large and small vehicles.

- Any individual or company operating a passenger service using vehicles that carry 12 people or less (including the driver) and it is for hire or reward must hold an SPSL.
- Any individual or company operating a passenger service must hold an LPSL if the vehicles carry more than 12 people, regardless of whether the service is for hire or reward or not.

For information on how to apply for a SPSL or LPSL see Factsheet 47 *Transport service licences*.

If your passenger service doesn't fit into these two categories then it may be entitled to an exemption. Renting a vehicle for these categories does not exempt the service or vehicle from meeting requirements. See Factsheet 18 *Volunteer drivers and exempt passenger services* for more information.

Operator requirements	Small passenger service*	Large passenger service
Transport service licence	Yes	Yes
Vehicle requirements		
In-Vehicle cameras	Yes**	No
Vehicle CoF	Yes**	Yes
Driver requirements		
Driver ID card	Yes	No
P endorsement	Yes	Yes
Work time logbook	Yes	Yes
Operate under or as PSL holder	Yes	Yes

* where exemptions do not apply

** except as provided for in the Operator Licensing Rule 2017.

Small passenger service licence

A **small passenger service** (SPS) uses vehicles that carry 12 people or less (including the driver), for hire or reward.

Operators of an SPS are required to hold an SPSL and their drivers are required to have passenger (P) endorsement and display an ID card. Owner-operators need to hold both a SPSL and a P endorsement.

Small passenger services include:

- taxi services
- app-based services
- shuttle services
- private hire services
- dial-a-driver
- facilitated cost-sharing services (eg facilitated carpooling)

All these services must hold an SPSL, however, requirements around vehicles and drivers may differ.

Requirements of small passenger service operators

Operators of a small passenger service, for hire and reward, must:

- hold an SPSL
- ensure drivers hold a P endorsement and display an ID card*
- ensure drivers keep logbooks and meet work time requirements*
- ensure vehicles have a certificate of fitness*
- ensure a TSL label is displayed in the vehicle
- maintain a complaints record
- report serious improper behaviour
- assist with investigations.

*you must also keep records of these requirements.

Note: there are slightly different requirements for dial-a-driver and facilitated cost-sharing services. Please see over the page.

Small passenger service drivers

To drive a small passenger service vehicle for hire or reward, you need:

- a current P endorsement
- a current driver ID card
- to maintain a logbook
- to meet work time requirements
- **to hold an SPSL, or work for someone who holds an SPSL.**

For more information about how to apply for a P endorsement see Factsheet 42: *P endorsements for carrying passengers*.

Both drivers and passengers have rights and responsibilities. To find out more read Factsheet 21: *Small passenger service drivers: rights and responsibilities*.

Dial-a-driver services.

Dial-a-driver services are those where a driver is supplied to drive a passenger and their vehicle. The operator of the business must hold an SPSL, and their drivers must hold a current P endorsement if they are driving the customer's vehicle.

As the vehicles used in this service belong to the customer, they are exempt from the normal requirements for passenger service vehicles, including the need to have a CoF.

Apps and passenger services

Any service where drivers are paid to carry passengers is a passenger service. This includes those which use a mobile app to book and track the service. Operators of such a business are required to hold the correct PSL and their drivers are required to hold a P endorsement and understand the rights and responsibilities of passenger service drivers.

Failure to hold the correct PSL or a P endorsement while carrying passengers for hire or reward can be fined up to \$10,000.

Facilitated cost-sharing arrangements

A facilitated cost-sharing service is one where a third party arranges transport between other parties. For example, a person who brings people interested in car-pooling in contact with each other for a small fee. The facilitator of such a service must hold an SPSL.

Drivers in this arrangement don't need a P endorsement, and the vehicles don't need to display a TSL label.

Drivers can only be reimbursed at a rate set by the Ministry of Transport. This rate is \$0.73 per kilometre, as at 1 October 2017.

This rate is designed to reflect the actual cost of the journey and reasonable wear and tear. Drivers cannot be paid for their time, infringement fees, registration or licensing. Operators are required to maintain a record of payments made to the driver.

If a vehicle carrying more than 12 people is used, the facilitator will need an LPSL and all the driver and vehicle requirements must be met.

Vehicle requirements

Vehicles used for a passenger service are required to meet high standards of safety and reliability to ensure passengers and drivers are not put at undue risk. Instead of a warrant of fitness (WoF), passenger service vehicles must have a certificate of fitness (CoF) and a certificate of loading.

For more information read Factsheet 15 *Passenger Service Vehicles*.

In-vehicle security cameras and registered passengers

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

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.

Complaints

Passengers can lodge complaints to you and you must keep a record of these for at least two years. Your records must be available for inspection when requested by an enforcement agent.

You must advise the NZ Transport Agency of any serious improper behaviour. This includes you, anyone driving for you, on behalf of, or in connection with the service you offer. This includes (but is not limited to) violence, assault, sexual offences and driving while under the influence of alcohol or drugs. If you

are unsure whether the event is serious, we recommend you contact the Transport Agency anyway.

Representative living in New Zealand

Either a person in control of the service or an official representative must live in New Zealand. A New Zealand representative is someone who has the authority to engage with

the Transport Agency on matters relating to compliance with the legislation and can accept service of legal documents on behalf of the operator. The details of the person(s) in control and the New Zealand representative (where appointed) must be notified to the Transport Agency.

Large passenger service licence

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. This includes volunteer services and driving for events. Operators of a large passenger service are required to hold an LPSL. You may hold an SPSL at the same time and operate a mixed vehicle service.

All vehicles equipped to carry more than 12 passengers are considered passenger service vehicles and need to meet requirements for these vehicles. This is true for rental, private and commercial vehicles where exemptions do not apply.

To drive a large passenger service vehicle you need:

- a current P endorsement, and

- a current licence for the type of vehicle you're driving. For example, if you are driving a bus with a gross vehicle mass of 10,000kg, you'll need a class 2 licence, and
- to hold an LPSL, or work for someone who holds an LPSL.

You don't need to have an ID card to drive large passenger service vehicles.

Further information

If you have questions regarding passenger services or transport service licences please call us on 0800 822 422 for advice.

More information:

Factsheet 02: *Work time and logbooks*

Factsheet 15: *Passenger service vehicles*

Factsheet 18: *Volunteer drivers 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*

Note:

This information is provided as a general guide only, and does not cover everything in the law. It is not the source of the law.

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Contact details

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