

Policy Brief

Regulation of taxis

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Introduction

The taxi service in Jersey has been the subject of much discussion over the past 15 or so years. Concerns have been expressed about the cost and availability of taxis. Unusually, Jersey restricts the number of licensed taxis. The leading UK taxi apps do not operate in the Island. An informal service, Jersey Lifts, operates through Facebook pages with over 30,000 followers.

Between 2010 and 2015 there was an extensive programme of review and discussion culminating in a regulatory reform programme being introduced in 2015. However, there is no document setting out the programme nor is there any reporting on the implementation of the programme. Not all regulatory requirements are published. No statistics are regularly published on the number of taxi licences or drivers. Information can be obtained from sources that are not easy to access including Freedom of Information (Fol) requests, questions and comments in the States Assembly and discussions in the relevant scrutiny committee. This report brings together the available information in a coherent way and analyses public policy issues.

Summary

- A taxi service can be simply defined as one person using a car to transport another person from place to place for a price, but the market for taxi services is a subset of a much wider market. The nature of the taxi service means that some regulation is essential for public safety reasons, but in many jurisdictions regulation is far more extensive. The market for taxi services has changed significantly in recent years as a result of developments in technology.
- Since 2010 there has been extensive discussion on the operation of the taxi service in Jersey. In 2010 the JCRA recommended that quantitative restrictions should be removed and qualitative restrictions should be proportionate. A reform programme was introduced in 2015. Jersey has been moving towards a single type of taxi, as opposed to the normal practice of a sector able to use ranks and a minicab service.
- Taxi services in Jersey are governed by a 1935 law as amended and regulations made under the law. The law gives the minister extensive powers to impose conditions on the issue of licences for vehicles and drivers. The requirements for holders of vehicle licences are a barrier to entry to the market. The Law is administered by Driver and Vehicle Standards (DVS), a unit of the Department for Infrastructure and Environment.
- Taxis are subject to maximum fares when operating from a taxi rank. When operating as private hire with advance booking, fares are not regulated.
- There is a cap on the number of taxis, officially 310 but the number is below this as a result of the strict conditions that licence holders must meet.
- There is no restriction on the number of people licensed to drive taxis, but being a licensed driver with onerous restrictions on holding a vehicle licence is of little value.

- There are 13 taxi firms. A 2015 decision to license operators has not been implemented but there seems to be an arrangement by which operators are “recognised”.
- Three local taxi companies currently operate apps with a fourth planned. The service offered by the major taxi booking Apps in the UK do not extend to Jersey.
- Jersey Lifts provides an informal taxi service that is widely used. It is not regulated, but this does not make it illegal. However, some activities under the Jersey Lifts framework may well be illegal.
- The major public policy issues, which are closely related, are -
 - The restriction on the number of licensed vehicles.
 - Availability of taxis at key locations at certain times.
 - The level of fares, which are, on average, much higher than minicab fares in England.
 - The requirements that applicants for vehicle licences must meet, in particular that they must work for 18 months for a “recognised” company before being allowed to operate independently.
 - The impact of taxis on carbon emissions, given Jersey’s ambitious targets for reducing emissions.
- There is a strong case for reforming the regulation of taxis in accordance with general government policy of reducing unnecessary red tape and creating a regime which recognises how people now wish to use a taxi service.

An overview of taxi services

A taxi service can be simply defined as one person using a car to transport another person from place to place for a price.

The market for taxi services is a subset of a much wider market. That is, people do not have a demand to use a taxi but rather a demand to get from one place to another for which they have a number of different options –

- Driving their own vehicle.
- Sharing a vehicle with people making the same journey.
- Public transport.
- Walking or cycling.
- Not travelling on the grounds that the cost (widely defined) exceeds the value of being at the destination.

The choice made depends on a variety of circumstances including price, convenience and personal preference. Clearly, the cheaper and more readily available public transport is the less the demand for taxis. Similarly,

the cheaper taxis are the more that people will use them for some journeys rather than driving their own vehicles. And the more expensive public transport and taxis are the lower the demand to travel.

It is relevant to note significant developments in the use of technology and other aspects of transport provision in Jersey. The bus operator, Liberty Buses, now accepts contactless debit and credit cards as well as his own branded Avanchi cards. For parking the cumbersome and bureaucratic paycard system has now largely been replaced by the PaybyPhone parking app, the market leader in the UK. These two developments mean that visitors to Jersey from the UK can use the same methods of payment that they are accustomed to in the UK.

The nature of the taxi service means that some regulation is essential for public safety reasons. The vehicle needs to be suitable for the purpose and given that the driver and passenger are usually alone in an enclosed space there is a need to ensure that drivers meet certain requirements. Each taxi journey by an individual is unique and there can be an imbalance of knowledge between provider and customer. For this reason it is normal for regulations to specify either that fares must be agreed in advance or that the scale of fares must be adequately displayed, and in many cases recorded on a meter.

In practice in many jurisdictions regulation goes well beyond what is covered in the previous paragraph including restrictions on the number of licensed vehicles as a means of protecting existing holders of licences. This is the case for example in France, Italy and Belgium.

The provision of taxi services is also connected with a number of other important issues including traffic management, policy towards visitors, transport policy generally and policy on carbon emissions.

The market for taxi services has changed significantly in recent years as a result of developments in technology. A number of taxi services now offer a much better customer experience. For example, 15 years ago someone wanting to go home from a restaurant in London might typically leave the restaurant, spend some time looking for a cab, and on arrival pay the cab driver in cash. Now, the customer spends a few seconds booking the cab through an App, knows precisely when it will arrive and who the driver is, does not need cash to pay the driver as the fare is automatically taken from a saved payment card and the passenger is sent an e-mail specifying the start and end points, the route taken, the fare and the driver's details.

Discussion on reform

In December 2010, the Jersey Competition Regulatory Authority published a report [Taxi Regulation in Jersey](#). This noted that taxi fares in Jersey were high in comparison with the UK. It made four recommendations –

- Remove quantitative restrictions - Currently, Jersey restricts the number of rank and private-hire taxi cabs. Such restrictions go against UK best practice and we strongly recommend that they be eliminated. The default position in Jersey, as in Britain, is that a person or a business is free to provide services to another person or a business subject to legislation and other conditions as appropriate. This general principle should also apply to the provision of taxi services. There is no compelling reason to restrict the number of people who can provide a taxi service or the type of service that is provided in respect of the degree of luxury offered, the hours of availability and the prices that are charged (with maximum fares in place), so long as the people providing the service are appropriately qualified to do so and the service meets certain standards.
- Qualitative restrictions should be proportionate - Our recommendation to eliminate quantitative restrictions is not advocating the complete deregulation of the taxi industry in Jersey. Specifically, qualitative restrictions, such as rules governing the necessary qualifications of drivers or the operating and safety standards of vehicles, should remain. Such rules and standards, however, should be tailored as narrowly as possible to satisfy legitimate and transparent public policy objectives, which should not include the need to maintain drivers' incomes.
- Increased transparency in fares - Currently in Jersey, there is little transparency for example, on how rank taxi fares are determined by the Minister for Transport and Technical Services, (the "Minister"), or the fare structures of individual private hire taxi companies. We recommend that the Minister takes steps to increase price transparency in this area, as it would facilitate greater consumer choice.
- Maintain maximum fares in some circumstances - Consumers may have little option of selection or negotiation when getting into a taxi at a taxi rank and thus maintaining government-controlled maximum fares for rank taxis is sensible.

In 2012 and 2013 the Government undertook an extensive consultation on taxi regulation. As part of the process the TAS Partnership Ltd, a UK firm of passenger transport specialists, was commissioned to provide technical advice and information on regulatory experience elsewhere. Its final report [Taxi Regulatory Reform](#) was published in March 2012. Its key recommendation was –

Artificial barriers to access to the industry should be removed. In principle, Jersey should move towards a system where quantity control is replaced by quality control. Quality control aspects should include:

- Maximum fare tariff throughout the industry

- Improved accessibility and service for disabled people
- Compellability / guarantee to taxi users / compensation for delay
- A requirement to accept electronic payment systems throughout
- Requirement for clearer performance indicators and monitoring
- Common livery
- Improved driver training
- Reducing the environmental impact.

On 28 September 2015, the Minister approved the taxi regulation reform programme. This document is published only as a Ministerial Decision with the title [Taxi-Cab Regulation Reform Programme: Law drafting instructions](#) (Decision Reference: MD-T-2015-0079). The document stated that the approach covered –

- (a) how to improve the quality and safety of taxi services;
- (b) adoption of a simplified, common tariff;
- (c) ensuring that the service is open to use by disabled travellers;
- (d) rationalising the currently overcomplex licensing framework;
- (e) streamlining the administration.

The proposals were stated to cover the following issues:

- (a) Consolidation towards a more flexible taxi industry
- b) Incentives to improve provision of wheelchair accessible transport
- (c) Advance booking arrangements
- (d) Livery and roof signs
- (e) Requirements for vehicles and associated equipment
- (f) A simplified tariff and a new approach towards determining this
- (g) Requirements in respect of taximeters
- (h) Requirements in respect of drivers.

An FoI response published on 7 March 2023 stated that of the key objectives all had been completed, except for advance booking arrangements and a driver disciplinary procedure.

The current legal requirements

The relevant legislation is the [Motor Traffic \(Jersey\) Law 1935](#), as amended. There are also a number of Orders, most recently the [Motor Traffic \(Cabs – General\) \(Jersey\) Order 2021](#).

The law provides for two types of taxi. The official definitions are –

“limousine-cab” means a motor vehicle in respect of which a public service vehicle licence is in force prohibiting it from using taxi ranks
“taxi-cab” means a motor vehicle in respect of which a public service licence is in force permitting it to use taxi ranks

However, the commonly accepted terms of taxi and cab are now more generally used.

There is a move to a single tier system, which has now largely been completed such that most vehicles are taxi-cabs.

The law gives the Minister extensive powers, including -

- 9 (2) The Minister may grant a public service vehicle licence unconditionally or subject to conditions, which shall be set out in the licence.
- 9(3) The conditions shall be such, as in the Minister’s opinion, are necessary or desirable to ensure the proper operation of the vehicle and the public service to be provided by the vehicle.
- 9(4) Without prejudice to the generality of paragraph (3), the conditions may relate to –
 - (a) the number of passengers that may be carried in the vehicle or in any part of it;
 - (b) who may or may not operate the vehicle;
 - (c) the manner in which and the times during which the public service to be provided by the vehicle is to be operated;
- 9(6) The Minister may, in respect of a class of public service vehicles, determine that public service vehicle licences shall not be granted in excess of such number the Minister considers desirable.

There is no requirement for the Minister to publish how they have used their powers. A response to an FoI request dated 29 May 2024 listed the conditions that apply for a standard vehicle -

- (1) Drivers, other than the licence holder, using this vehicle must be employed by the licence holder in accordance with Article 28 of the Motor Traffic (Jersey) Law (1935). Social Security contributions must be paid by the licence holder/employer and an employment contract must be issued to the driver and a copy sent to DVS.
- (2) The vehicle must not have a roof rack fitted or tow a trailer whilst being used as a taxi-cab.
- (3) Minimum mileage to be covered is 19,100 per year.
- (4) No third party commercial advertising to be displayed.

- (5) Radio or digital medium communication, whether directly or automatically, must be fitted and operational in the vehicle.
- (6) Table of fares to be kept fixed in the cab.
- (7) The approved roof sign is fitted.
- (8) The approved taxi meter is fitted, sealed and maintained.
- (9) The driving of a taxi-cab should be the main employment/ income of the licence holder.
- (10) The licence holder and any employee must adhere to the Code of Conduct at all times.
- (11) The licence holder must be a permanent resident in the Island.
- (12) This licence may only be used by the holder, personally or through the intermediary of employees of the holder, for the provision of the public service operated by the holder. Neither the licence nor the use or benefit thereof may be leased, licensed assigned, or otherwise transferred to any third party, whether permanently or temporarily. No payment may be required or received by the holder for allowing any person to use the vehicle to which this licence relates for the provision of a public vehicle service.
- (13) The licence holder must be the owner and registered keeper of the vehicle.
- (14) Licence holder to work from the recognised taxi-cab company, co-operative or approved booking entity named on the application and shown overleaf and seek permission from DVS before moving to a different company, co-operative or booking entity.
- (15) Rank fares must be charged when picking up from public ranks or when hailed.
- (16) Any driver of the vehicle must have undertaken and passed the approved customer service training.

It is understood that this is the first time that these conditions have been published. Most of these provisions are fairly obvious requirements but three stand out as being unusual –

- (3) Minimum mileage to be covered is 19,100 per year.
- (9) The driving of a taxi-cab should be the main employment/ income of the licence holder.
- (14) Licence holder to work from the recognised taxi-cab company, co-operative or approved booking entity named on the application [and shown overleaf] and seek permission from DVS before moving to a different company, co-operative or booking entity.

These requirements effectively set the structure of the industry rather than individuals with licences being free to decide how to provide a service using licensed vehicles.

All taxis are subject to maximum fares when operating from a public taxi rank or hailed in the street. When operating as private hire, through

bookings, there are no maximum fares, but fares must be agreed in advance or be in accordance with metered fares.

The maximum fares were increased with effect from 2 August 2024, although the new fares have not yet been published on the relevant page of the Government website. The new fares are –

Monday – Saturday 7:00am-11:00pm	£3.95 + £0.30 for each 176 yards
Other times	£4.05 + £0.42 for each 176 yards

Notes

1. Higher fares apply over Christmas and New Year.
2. Where a cab is pre-booked then an additional fee can be charged (generally 20-25%).
3. The amount per mile can vary depending on traffic.
4. An additional fare of 50p can be charged for fares not paid in cash.

Private hire fares are generally no lower than regulated fares, unlike the position in the UK.

Responsibility for administering the law rests with a unit of the Department of Infrastructure and Environment called Driver and Vehicle Standards (DVS). It has limited visibility. There is no mention of it on the Department's website page, even under the heading of "Transport and Operations". There is a page on the Government website headed "taxi fares and regulations", but this has nothing on regulations. DVS does not publish the conditions that applicants for licences must meet nor any statistics. There are no statistics on taxis on the Government web page on vehicle transport statistics.

Restriction on the number of taxis

Jersey restricts the number of licensed vehicles ("plates"). In response to a question in the States Assembly in 2020 the then Minister said –

The number of taxi vehicle licences is maintained as close to 310 as possible, as this was the number of licences in operation at the start of the Taxi Reform Programme, which commenced in 2015.

The 2013 [White Paper](#) on taxi reform recommended that "Numbers of taxi licences should be allowed to rise over a period of several years, with review after three years." However, it seems that this has not been acted on.

An FoI response, dated 4 March 2024, stated that there were 272 taxi licences in issue. The number has fallen from 297 in January 2021 and 312 in 2014. An FoI response dated 29 May 2024 stated that since January 2021 65 licences had been surrendered and 40 new licences granted,

The FoI response dated 29 May 2024 stated that no requests for licences had been refused by the Minister on the basis of a quantitative restriction and that since 2020 the supply of vehicle licences has exceeded the demand. However, the reason for this is that licensed drivers are not able to obtain a vehicle licence, as opposed to working for a company which has licences, unless they meet four restrictive conditions –

- Taxi driving must be the main employment/income and with a minimum mileage of 19,100 miles.
- Be affiliated to a specified company/booking entity and can change only with the permission of DVS.
- Spend 18 months as a driver for a recognised company.
- Purchase a vehicle than meets minimum requirements in respect of type, age and mileage. Currently the vehicle must be wheelchair accessible, an electric vehicle or a multi-seater. The vehicle must be retained for five years after which an application can be made for a four-seater saloon.

These are significant barriers to entry and explain why the demand is low. However, it is not certain that all the requirements are enforced, or in some cases, notably the mileage, are capable of being enforced.

Drivers

There is no restriction on the number of drivers (“badges”) permitted to operate taxis. Drivers have to pass a driving and knowledge test. The knowledge test has recently been simplified although some in the industry claim that people have been failed for trivial reasons. The number of badges has fallen steadily from 488 in 2014 to 363 in 2023. It is probable that the operation of Jersey Lifts has contributed to this reduction.

Having a badge without the ability to operate a taxi is of little use. The current practice is stated to be that when a plate is surrendered it is offered to the next badge holder on the waiting list. The relevant government website states: “You may want to apply for inclusion on the restricted taxi or cab licence waiting list. Request a form for this when you receive your badge.” However, as explained in the previous section strict conditions apply.

The 4 March 2024 FoI response stated that of the holders of the 220 plates held by individuals (52 were held by companies), 146 (66%) were 60 or over and 61 (28%) were 70 or over. Only 30 (14%) were under 50 and of those only 7 were under 40. An FoI request asked how many holders of licences were women. The response was –

This information is not held in recorded form. To provide an answer to the request would require extraction and manipulation of data to

produce new information. A Scheduled Public Authority is not required to manipulate and create new data sets.

This suggests either that DVS does not record the sex of drivers or that the data is held in such a way to make what should be a very simple exercise difficult – although it is hard to see that identifying the number of women in a database of 363 people should take more than a few minutes.

There are over 100 applications pending for a plate by qualified drivers, two thirds of whom are aged over 50. However, it is probable that some of the drivers share plates with drivers who hold them while others in practice would not take up the offer of a plate.

Taxi firms

An FoI response published on 27 February 2024 said that 13 taxi firms operated in Jersey –

- 1 had 71+ drivers
- 2 had between 21 and 40 drivers
- 3 had between 11 and 20 drivers
- 2 had between 4 and 10 drivers
- 4 had between 1 and 3 drivers
- 1 had no drivers.

These 13 firms are listed on the [taxi fares and regulations](#) page of the Government website, together with details of the pre-booking fee charged (typically 20-25% of the fare) and whether wheelchair accessible vehicles are available.

It is a licence condition that: “Licence holder to work from the recognised taxi-cab company, co-operative or approved booking entity named on the application”. However, taxi firms as such are not regulated, so it is not clear how the “recognition” process works. Licensing of taxi operators was part of the 2015 Taxi Reform Programme. The February 2023 progress report on the programme stated that this task was “in progress, no fixed completion date”.

Taxi Apps

The taxi market globally has changed rapidly from one in which taxis are booked from a rank or hailed or by phone to one that is App based. A common model now comprises -

- People register with the company and include a payments card.
- A trip is arranged by using the App to enter starting point, end point and time.
- Several choices are offered at different fixed prices.

- The App gives details of the car and driver and indicates the time the car will arrive.
- The vehicle can be tracked in real time so the passenger knows exactly when it will arrive.
- At the conclusion of the ride a payment is taken from the saved card, and a receipt, including a map of the journey, is emailed to the passenger.

Currently three taxi companies have their own Apps: the Jersey Taxi Drivers Association, Yellow Cabs and Ryde. A fourth company, Domino, plans to launch an App later this year. The Apps are Jersey-specific and vary in their functionality from a booking service and driver tracking to a service with all the points noted above.

In the UK the leading taxi booking Apps are Uber, Bolt, Gett and Addison Lee, none of which currently operate in Jersey.

Jersey Lifts

Jersey Lifts operates largely through two Facebook pages, Jersey Lifts with 28,000 members and Jersey Lifts 2.0 with 12,000 members. However, only a fraction of the members are active users of the service. Jersey Lifts is an informal marketplace. People post that they want a lift while those offering lifts respond and the two parties agree a payment. It is understood that some informal operators now operate a sophisticated service with dedicated vehicles, efficient communications and accepting card payments.

The Minister, in a letter to the Scrutiny Chairman on 22 October 2020, stated: “Jersey Lifts does not come under my remit as it is an unregulated activity, and as such is illegal”. However, it is not correct to say that merely because an activity is not regulated that it is illegal. Many activities are unregulated – eg domestic cleaning, hairdressing and car servicing.

Under the Motor Traffic (Jersey) Law 1935 a “cab service” means a service that consists of the carriage by motor vehicles of passengers for hire or reward under a contract expressed or implied for the use of the vehicle as a whole at a fixed rate or for an agreed sum.” It is an offence for a vehicle to be used as a cab service unless it is licensed.

There is ample scope to debate whether what Jersey Lifts is doing comes within the definition of a cab service. A recent prosecution failed. The defence lawyer, Greg Herold-Howes, has published a note on the legal position, which is reproduced as an Appendix to this paper.

It is worth noting here that it is sometimes claimed that those using Jersey Lifts have no insurance in the event of an accident. This is not correct. Even if an insurance company declined to meet a claim on the grounds

that the driver was using the vehicle for hire or reward, Jersey is party to the UK arrangements which protects victims of uninsured drivers.

Public policy issues

Public policy in respect of taxis should not be considered in isolation but rather should be viewed in the context of policies in respect of climate change, provision for car parking, the visitor economy and Jersey's attractiveness as a business centre as well as the overriding objective of serving the people of Jersey.

Policy also needs to be considered in the context of government policy towards business generally. The regulatory system for taxis should be in line with the system for other services that share some similar characteristics, for example removals, hairdressing, plumbing, counselling and personal tuition.

On 5 December 2023 the Government published the [Barriers to Business Report](#). The report identified eight main barriers faced by businesses in Jersey, one of which was legislation and regulation. A principal recommendation was "simplicity and simplification of processes, regulation, legislation, and communication". In response to the report the Minister for Sustainable Economic Development, Deputy Kirsten Morel, said: "Some recommendations are already being addressed, but there is still work to do and I will be working with other ministers to remove or reduce barriers, enabling Jersey businesses to start, to grow and to flourish." In line with this, one of the priorities in the Common Strategic Policy of the Council of Ministers is to "reduce red tape, enhance opportunities for business and strengthen Jersey's international reputation."

There are a number of related public policy issues.

The restriction on the number of licensed vehicles. This is an unusual provision; the intended effect is to restrict the supply of taxis which in turn has an upward effect on prices. In the UK, Glasgow is the only City that has a cap on the number of licensed vehicles – which exists because of a specific piece of Scottish legislation. The Government maintains that in practice there is no restriction because the "plates" on offer have not all been taken up. However, this is because of the highly restrictive conditions, identified earlier in this paper –

- Minimum mileage of 19,100 per year.
- Taxi driving should be the main employment/income of the licence holder.
- The licence holder to work from the recognised taxi-cab company, co-operative or approved booking entity named on the application

and seek permission from DVS before moving to a different company, co-operative or booking entity.

- The licence holder must have gained 18 months supervised experience as a company driver since receiving their PSV badge.
- The requirements in respect of the vehicle to be used.

It is difficult to see how these conditions can be justified under Article 9(3) of the 1935 Law : “The conditions shall be such, as in the Minister’s opinion, are necessary or desirable to ensure the proper operation of the vehicle and the public service to be provided by the vehicle.” There is also no trace of a Ministerial Decision setting out the conditions so it is not clear under what authority they have been imposed. (The Government website has a page headed [Taxi fares and regulations](#) but this is silent on regulations.)

The conditions impose significant restraints on trade which if committed by a business would probably be contrary to competition law.

Availability of taxis, particularly at the airport at certain times of the week, notably Sunday evenings. This is a consequence of the restriction on the number of licensed vehicles. It could be addressed by using licence requirements, but this would be difficult, if not impossible, to administer. It has been suggested that visitors should take the precaution of pre-booking a taxi. However, visitors normally assume that taxis are available at airports and cannot be expected to know that things are different in Jersey. Also, if taxis were pre-booked this would simply reduce the number of taxis on the rank. This is part of a wider issue of travel to and from the Airport. Unusually, Jersey does not have an express bus service from the Airport, and the bus schedule is not geared to scheduled arrivals and departures of flights.

Taxi fares in Jersey are, on average, higher than people in the UK are used to paying for minicabs, which is particularly noticeable to visitors to the Island and also to local people who travel to the UK frequently. In a normal market there is one set of fares for “taxis”, permitted to use ranks. Minicabs are not allowed to operate in this way and instead are booked through Apps or by phone or email. Minicabs are usually significantly cheaper than taxis. In Jersey the restriction on the number of vehicles means in effect that there is no separate minicab service and booking a cab by phone is actually more expensive than using a rank.

This paper cannot attempt to do a comprehensive comparison of regulated fares. The JCRA report included an analysis which it summarised –

The cost of a rank taxi cab journey in Jersey is among the most expensive in the United Kingdom (“UK”). A two-mile daytime journey cost 7% more in Jersey compared to the average price in the South

West of England and almost 20% more compared to the UK national average. For a five-mile daytime journey in Jersey the situation improves as the cost is just under the average cost in the South-West of England, but it is still 13% more than the UK national average. These comparisons are with the VAT and GST included in the fares.

A quick comparison has been done with six areas in the south east of England. All have the same model of a fixed fare, although for many this also covers part of the journey, and a charge per mile or time and all have higher fares at night. The comparison shows –

- The fixed element averages about £3.00. None have as high a fixed element as Jersey's £3.95.
- The per mile is typically £2.20, none being as high as Jersey's £3.00.
- Some, eg Watford and Bracknell, do not have higher fares on Sundays. Those that do typically have a fixed element on a par with that of Jersey's £4.05, but none have a mileage charge as high as Jersey's £4.20.

The Borough of Lewes gives expected charges for typical journeys –

	Standard rate	Sunday rate
2 miles	£6.30	£7.90
3 miles	£8.50	£10.10
5 miles	£12.90	£14.50
10 miles	£23.90	£25.50

A ten-mile journey on weekdays would cost £33.95 in Jersey compared with £23.90 in Lewes. On Sunday, the comparison would be £48.05 compared to £25.50. In addition in Jersey there could also be an additional booking fee.

None of this analysis is making a judgment on whether fares in Jersey are “too high”. Rather, it is making the point that fares in Jersey are higher than in the UK and that this is particularly noticeable to visitors to the Island and indeed to Jersey residents who frequently visit the UK.

It can be argued that it is not valid to make comparisons because of different circumstances, in particular in respect of cost of living. This does not invalidate comparisons. Rather they need to be viewed in context. The only official comparison of costs in the UK and Jersey is for 2013. In that study consumer goods and services were 9% higher than in the UK; including health, education and housing the gap was 20%. However, for transport the difference was just 5%. The recent JCRA report on the groceries market concluded that grocery prices were 13% higher in Jersey than in the UK.

Jersey Lifts is a direct consequence of a regulatory system that restricts supply, thereby forcing up prices. The price of regulated cabs in Jersey is above the level that would apply in the absence of quantitative restrictions and in such circumstances an informal market naturally develops. It is the mirror image of what happens when prices for sporting or cultural events are set at below a market level, leading to an informal market at much higher prices.

The requirement that **drivers are permitted to affiliate only to one booking entity** is a very unusual provision, rather like permitting hotels to use only one company for their marketing. In the UK many drivers affiliate to multiple operators.

Jersey has ambitious plans to reduce **carbon emissions**. Policies in respect of taxis are relevant to this. An ideal scenario from an environmental point of view would be –

- Given that taxis do far more mileage than most cars all taxis should be electric. The number of electric taxis is growing and this will continue as the market for electric vehicles generally grows.
- It should be economically attractive for people to use electric taxis rather than their own fossil-fuelled vehicles. For example, the high cost of taxis, particularly early morning and on Sundays, means that local residents flying from Jersey are most likely to drive their own cars to the Airport and park there or get a family member to do that. Cheaper electric taxis would reduce both mileage and emissions.
- If taxis were considerably cheaper and if shared electric car services were more available then more people may choose not to have a car, or in the case of families to have fewer cars, thereby reducing the need for parking space, particularly in new developments. A parking space adds about £50,000 to the cost of a new housing unit.

It should be noted that Jersey has a target for the percentage of vehicles that are electric. A better target would be sales of fossil fuels for road transport. Emissions would be significantly reduced if people used electric taxis more and their fossil-fuelled cars less.

A cheaper electric taxi fleet could make a significant contribution to achieving Jersey's ambitious target to reduce emissions by 68% compared to the 1990 baseline by 2030, and reduce them to 78% from baseline by 2035. The [Carbon Neutral Roadmap](#) is silent on the issue of taxis being electric as is the [Sustainable Transport Policy](#), which simply has the following comment –

Collaboration between taxi drivers, policy makers, and industry stakeholders can help to support decarbonisation and the adoption of technology within the taxicab sector. We recognise that taxi

drivers can provide valuable insights and feedback on the challenges they face to develop solutions that meet their needs.

Concluding comments

The regulation of taxis in Jersey reflects the market as it used to be with people picking up a taxi from a rank or telephoning to book a cab. Now, people throughout the world, including Jersey people, expect to be able to book a cab using an App. A useful analogy is that payment for parking has shifted from Jersey-specific paycards to the international PaybyPhone App.

The taxi service has been held back from developing to meet evolving customer demand by barriers to entry combined with an opaque regulatory system.

The taxi regime is highly prescriptive, telling people and businesses precisely how they should operate, something which is unnecessary given the entrepreneurial nature of taxi drivers and also which government generally is not qualified to do.

There is a strong case for reforming the regulation of taxis in accordance with general government policy of reducing unnecessary red tape and creating a fully transparent regime which better allows the taxi service to develop and which recognises how people now wish to use a taxi service.

Appendix Jersey Lifts – the legal position

Note by Greg Herold-Howes, 5 July 2024.

I recently secured the acquittal of a client in what I understand to be the first case of its kind in Jersey – the prosecution of a person for providing ‘Jersey lifts’.

This is a controversial topic, which over the years has been the subject of much debate. On the one hand, it is seen by users as community assistance, where a lift can be requested at seemingly any time in return for a contribution towards the cost of the journey (the word payment is deliberately avoided here).

On the other, the practice raises serious questions regarding passenger safety and insurance, and causes frustration for those who work within the regulated taxi industry.

Whilst many describe the giving of lifts as operating within a grey area, sitting somewhere between lift sharing and a cab service, I do not agree. The law is clear on what is required in order to make out the offence. Those offering lifts should be aware that they are at risk of prosecution, with a maximum £10,000 fine.

In addition, offering lifts may trigger connected offences such as driving without insurance.

One of the reasons for the rise of ‘Jersey lifts’ is that demand for taxis frequently outweighs supply. On busy nights in town, the wait for a taxi can be a long one; perhaps less of an issue in the summer, but a grim experience when the weather is poor. For many, ‘Jersey lifts’ seem to be the solution.

At the time of writing, there are over 40,000 members in the two principle ‘Jersey lifts’ groups on Facebook (obviously there will be some membership crossover). It is an active community, with a network of drivers offering lifts or passengers requesting them. One of those groups states on its frontpage that ‘it’s not illegal to do free lifts’. Whilst that disclaimer may be accurate, the reality is rather more complicated. Legitimate, not-for-profit lift sharing – for example where friends might contribute towards the cost of a journey – is lawful and specifically permitted in certain circumstances under the law. What amounts to ‘profit’ however is up for debate.

Critics of the practice say that the taxi-industry is for valid reasons heavily regulated in terms of both entry to the profession and what drivers are able to charge passengers. PSV badges are only issued by the Inspector for

Motor Traffic provided certain conditions are satisfied, with matters such as the fitness (physical and character) and capability of the driver being considered. Their conduct can be regulated and sanctions issued or a badge withdrawn.

A person with a poor driving record would likely struggle to obtain a badge to transport members of the public. By contrast, with 'Jersey lifts', passengers (who may have been drinking or otherwise potentially vulnerable) have very little information about their driver. They cannot have the same confidence that the standards which regulation provides are met.

In addition, there are serious potential insurance implications. Much will turn on the wording of the policy but underwriters may decline claims where they reach the view that otherwise insured drivers were driving for hire or reward, an aspect excluded under most standard motor policies. That creates a significant risk for those providing legitimate ride sharing in the event of an accident and also should have a cautionary effect on those seeking lifts. Should the worst happen, they might not be able to claim against the driver's insurance for compensation or medical costs.

The prosecution in my recent case contended that my client was driving a public service vehicle without authority in breach of the Motor Traffic (Jersey) Law 1935 and that there was an agreement with passengers, from which a profit would be made. The Magistrate, having heard the evidence and submissions on the law, concluded that the prosecution had failed to make out its case to the criminal standard and returned not guilty verdicts. There will however be other examples where the facts will allow a successful prosecution.

I have no doubt that there are drivers out there who are breaching the law and regularly profiting from offering lifts. If caught and successfully prosecuted, they will face sanction. A potential solution might be an amendment to the law to widen the scope for which a driver might be prosecuted. For now, despite the risks faced by both drivers and passengers, the practice shows no sign of abating.