Citizen Participation and Public Petitions Committee

13th Meeting, 2023 (Session 6), Wednesday 20 September 2023

PE1856: Support the taxi trade

Lodged on 24 March 2021

Petitioner Pat Rafferty on behalf of Unite

Petition summary

Calling on the Scottish Parliament to urge the Scottish Government to protect the future of the taxi trade by:

- providing financial support to taxi drivers;
- setting up a national stakeholder group with trade union driver representatives;
- reviewing low emission standards and implementation dates

Webpage

https://petitions.parliament.scot/petitions/PE1856

Introduction

- The Committee last considered this petition at its meeting on <u>21 December</u> <u>2022</u>. At that meeting, the Committee agreed to write to the Scottish Government and COSLA.
- 2. The petition summary is included in **Annexe A** and the Official Report of the Committee's last consideration of this petition is at **Annexe B**.
- 3. The Committee has received a new response from Transport Scotland which is set out in **Annexe C**.
- 4. Written submissions received prior to the Committee's last consideration can be found on the petition's webpage. All written submissions received on the petition before May 2021 can be viewed on the petition on the archive webpage.
- 5. Further background information about this petition can be found in the <u>SPICe</u> <u>briefing</u> for this petition.

- 6. The Scottish Government's initial position on this petition can be found on the petition's webpage.
- 7. Every petition collects signatures while it remains under consideration. At the time of writing, 5,044 signatures have been received on this petition.

Key issues highlighted in evidence

- 8. The Committee took evidence from the Scottish Taxi Federation and Unite on Wednesday 26 October 2022. It heard about a range of issues impacting on the taxi trade, including:
 - Low availability of low emission zone compliant (LEVC) vehicles and prohibitive costs (£64,500)
 - Decreasing driver numbers caused by an ageing workforce and pandemic-related economic challenges.
 - A lack of parity between LEZ introduction timescales in Glasgow compared to the rest of Scotland.
- 9. The Committee also heard suggestions for solutions to the issues highlighted in evidence, which included:
 - Synchronised roll-out of LEZs across Scotland at a later date than 2024 to allow the trade time to recover financially and for the electric vehicle market to mature.
 - A single transition to electric vehicles at a later date, rather than retrofitting vehicles to make them compliant.
 - Redirecting public funding to provide a grant of £20,000 for taxi owners to purchase an LEVC model or Euro 6 standard vehicles.
 - A dedicated taxi team in Transport Scotland, as exists for buses, to improve understanding of the trade and its needs.
 - Removing the topographical test for new drivers and allowing a yearlong apprenticeship as an alternative.
 - Promotion of taxis as a method of reducing private car usage.
 - Consideration of the impact of LEZs and any future Ultra Low or Net Zero Emission Zones on the taxi trade.

Action

The Committee is invited to consider what action it wishes to take.

Clerk to the Committee

Annexe A

PE1856: Support the taxi trade

Petitioner

Pat Rafferty on behalf of Unite

Date Lodged

24/03/2021

Petition summary

Calling on the Scottish Parliament to urge the Scottish Government to protect the future of the taxi trade by:

- providing financial support to taxi drivers;
- setting up a national stakeholder group with trade union driver representatives;
- reviewing low emission standards and implementation dates

Previous action

We have been in contact with MSPs to press for support and raised these issues in discussions with Scottish Ministers and Government officials. Questions have also been asked in the chamber.

Background information

An online survey of taxi drivers has revealed the devastating impact on the trade with many harrowing stories from drivers who are struggling to financially survive. Many drivers are regularly working 16-17-hour days with a shift being determined as having been 'good' if £50 is cleared.

Unite Scotland has highlighted 'loopholes' in a number of Scottish Government schemes which have led to drivers being unable to access financial support.

The Unite Scotland survey shows that 30% of drivers have been unable to access any financial help from government support schemes. For those that have been able to access financial help from government:

37% report that it represents less than 25% of their average earnings;

18% report that it represents between 25% - 50% of their average earnings;

20% report that it represents between 50% - 75% of their average earnings;

25% report that it represents over 75% of average earnings.

The COVID19 crisis continues to have a devastating effect on the cab and taxi trade. Our members are reporting a 90% reduction in income. This is unsustainable and means that many owners and drivers are unable to cover their costs, let alone make a living to support themselves and their families.

We feel our members are the forgotten spoke in our public transport wheel, too many of our members are excluded from the government help available. This is leading to savings being exhausted, families forced in to poverty, bankruptcy and a mental health emergency. In our opinion, promises have been made to the trade that have been broken. The Scottish Government must act now. We are asking parliamentarians to support taxi drivers across Scotland and to deliver financial support to save the trade.

Our members demand:

- Access to business support, grants and loans;
- Additional funding for operators and drivers;
- A national stakeholder group to be set up to safeguard the future of the trade with trade union driver representatives involved as a key stakeholder;
- A review of Low Emission standards and implementation dates to give the trade additional time to adjust to Environmental targets.

Unite Scotland is asking the Scottish Government to adopt targeted schemes similar to those in Northern Ireland and Wales to support the taxi trade.

Annexe B

Extract from Official Report of last consideration of PE1856 on 21st December 2022

The Convener: Welcome back to the final meeting of the Citizen Participation and Public Petitions Committee in 2022.

Illustrating the diverse range and nature of the petitions that we consider, we now move from upland falconry to support for the taxi trade. PE1856, which has been lodged by Pat Rafferty on behalf of Unite the union, calls on the Scottish Parliament to urge the Scottish Government to protect the future of the taxi trade by providing financial support to taxi drivers, setting up a national stakeholder group with trade union driver representatives and reviewing low emissions standards and implementation dates.

Members will recall that, during our previous consideration of this petition, we took evidence from Calum Anderson on behalf of Unite and from Murray Fleming on behalf of the Scottish Taxi Federation. They made a number of proposals for improvements that could provide greater support for the taxi trade. We subsequently received written information from the Scottish Taxi Federation, providing details of the financial implications of becoming low emission zone compliant.

The issues raised at our previous meeting, and the information about proposed improvements, are all contained in our meeting papers. Do members have any suggestions as to how we should proceed?

David Torrance: I suggest that the committee should write to the Scottish Government, highlighting the solutions proposed by the petitioner and the Scottish Taxi Federation and asking it to consider those.

The Convener: Are members content with that suggestion?

Paul Sweeney: It might also be relevant to write to the Convention of Scottish Local Authorities, which tends to manage taxi licences and the introduction of measures such as the low emission zones that are having a detrimental impact on the taxi trade, to ask for its view on how those can be more appropriately managed. We could also ask what remedies might come from Government, such as financial support for the transition to compliant vehicles. There seems to be a disconnect between the regulations applied by local government and the national funds that have been established to support the transition.

The Convener: Okay. Are we content

Fergus Ewing: I agree with those suggestions. When we write to the Scottish Government, could we specifically ask if it would advise in what ways the taxi trade as a whole is brought into discussions and policy making? I get the impression that the taxi trade in general feels that it is a bit of a Cinderella, because other forms of

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public transport are routinely involved in every forum, committee and policy-making body, but the taxi trade is outside the room. That issue came across in the evidence.

The Convener: It did. I recall that the Scottish Government previously responded that there is no definition of public transport, and that it would seek to engage. However, we have heard that that engagement is sporadic and is not structured in the way that it is with other forms of transport, and that something far more direct and accountable to the industry would be appropriate. Do we agree to include that general sentiment?

Members *indicated agreement*.

Annexe C

Transport Scotland submission of 17 May 2023

PE1856/T: Support the taxi trade

Thank you for your letter of 6 January requesting consideration on a number of areas relating to the taxi trade.

Transport Scotland and Justice officials have provided an update on the following areas, attached as Appendix A to this letter:

- Synchronised roll-out of LEZs across Scotland at a later date than 2024 to allow the trade time to recover financially and for the electric vehicle market to mature.
- Transitioning to electric vehicles at once, rather than retrofitting vehicles to make them compliant.
- Redirecting public funding to provide a grant of £20,000 for taxi owners to purchase an LEVC model or Euro 6 standard vehicles.
- A dedicated taxi team in Transport Scotland, as exists for buses, to improve understanding of the trade and its needs.
- Removing the topographical test for new drivers and allowing a yearlong apprenticeship as an alternative.
- Promotion of taxis as a method of reducing private car usage.
- Consideration of the impact LEZs and any future Ultra Low or Net Zero Emission Zones on the taxi trade.

Synchronised roll-out of LEZs across Scotland at a later date than 2024 to allow the trade time to recover financially and for the electric vehicle market to mature.

Local authorities are responsible for the operation and enforcement of LEZs, and can design the shape, size, vehicle scope, and timing for the introduction and enforcement of their LEZ based on their specific, local requirements.

There has been extensive consultation throughout the development of LEZs by Transport Scotland and each local authority introducing a LEZ.

Local workshops with key stakeholders (including taxi operators), and public consultations have been undertaken. Residents and businesses across the cities introducing LEZs have prepared for the implementation and enforcement dates as set out by each local authorities.

An example of local decision making is, Glasgow City Council introduced a LEZ in 2018 that initially applied only to bus services. Following an extensive engagement and consultation period, the LEZ was extended in May 2022 to include all vehicles. A one-year grace period now applies (2 years for residents within the zone), with enforcement in the city centre beginning 1 June 2023. Glasgow City Council, as the LEZ enforcing authority, is responsible for setting the grace periods and local exemptions they consider appropriate for their city. Glasgow City Council has however developed a mechanism for eligible taxi operators to receive a temporary exemption to the LEZ beyond the enforcement date of June 2023, the aim is to give additional time to comply.

The Scottish Government continues to support this being a decision for individual authorities and has developed regulations and guidance in relation to the introduction of LEZs, including emissions, penalties, national exemptions and parameters for grace periods.

Transitioning to electric vehicles at once, rather than retrofitting vehicles to make them compliant.

The numbers of new electric taxis have been steadily increasing, supported by an interest free loan offer from the Scottish Government. However, it is important to note that it is not necessary to purchase a new taxi, or an electric taxi, to be LEZ compliant. For taxi operators who do not wish to change their vehicle, some older taxis may be suitable for retrofitting to LEZ standards.

This is a decision for operators and not something the Government would be minded to mandate.

Redirecting public funding to provide a grant of £20,000 for taxi owners to purchase an LEVC model or Euro 6 standard vehicles.

Scottish Government makes available a number of funding options for businesses, including taxi operators, that is suitable for their individual circumstances and provides value for money on public funding. To support a just transition to net zero, funding is now prioritised to focus on used electric vehicles, those operating light commercial vehicles as part of their business, in addition to the taxi sector.

On 8 June 2022, the Low Carbon Transport Loan reopened as the Used Electric Vehicle loan. We are providing over £30 million this financial year to accelerate the shift to zero emission transport. This includes support for zero emission community transport and car clubs in addition to funding interest free loans for electric vehicles. This approach is designed to support more people and households on lower incomes to make the switch to electric.

Interest free loans of up to £150,000 are available to enable owners and operators of hackney cabs (purpose-built taxis) or private hire taxis to replace their current vehicles with an eligible ultra-low emission vehicle. Limited companies are eligible for up to £150,000 of loan support, sole traders or partnerships are eligible for up to £75,000 of loan support. For private hire drivers the maximum amount of loan support available to purchase one electric car is £30,000. The vehicle must cost £50,000 or less.

Funding assistance is provided to support taxi operators and small business to prepare for LEZs. The LEZ Retrofit fund has awarded £4.5 million in grant offers through the LEZ Retrofit fund to taxi operators since 2019. To date, over 250 taxis have been retrofitted to Euro 6 emission standard as a result of the funding support provided and are now LEZ compliant. A further 230 taxis have received a grant offer in recent months. Grants provide up to 80% of the capital costs and are the most generous of its kind in the UK.

Grant funding has also been made available to taxi operators that wish to dispose of their existing taxi through the LEZ Support Fund, this provides £2,000 per vehicle disposed of.

The Scottish Government consider that the current funding available meets the request.

A dedicated taxi team in Transport Scotland, as exists for buses, to improve understanding of the trade and its needs.

Work is underway across Transport Scotland to review the structure of the organisation with the overall ambition to embed more resilience and flexibility to respond to the challenges and opportunities within the transport sector.

We will consider the request as part of that programme, as we seek to balance transport needs, priorities and resources available to us. In the meantime the Taxi industry should continue to engage with the Scottish Government via the Licensing Unit.

Removing the topographical test for new drivers and allowing a year-long apprenticeship as an alternative.

The Civic Government (Scotland) Act 1982 provides for a variety of licensing regimes, including taxi and private hire car licensing, to be operated by independent local Licensing Authorities – in effect the 32 Scottish local authorities. As set out in section 13(5) of the 1982 Act, consideration of whether or not to require taxi and private hire car drivers to sit and pass a test of local topographical knowledge as a condition of first grant of a licence is an issue for the relevant local Licensing Authority.

While Scottish Government Justice officials keep the taxi and private hire car licensing regime under review, there are no current legislative plans that would see the removal of the topographical test for new drivers, nor are any legislative changes planned to introduce a measure that would allow for a year-long apprenticeship as an alternative.

The Scottish Government considers that taxi and private hire car drivers should have a good working knowledge of the area for which they are licensed. Mandatory testing of topographical knowledge is therefore recommended as best practice, although the stringency of the test should reflect the complexity or otherwise of the local geography, on the principle of ensuring that barriers to entry are not unnecessarily high.

Promotion of taxis as a method of reducing private car usage.

In January 2022, we published our draft <u>route map</u> to achieving our world-leading commitment to reducing car kilometres by 20% by 2030. The route map contains over 30 interventions we believe can help meet this target. Demonstrating the strength of our ambition to

meet our statutory net-zero climate change commitments by 2045, it also recognises the benefits that re-thinking the way we travel can have on our individual and community health and wellbeing, as well as the fairness of our society and the inclusiveness of our economy.

The need to reduce our reliance on private car use was also set out through the Sustainable Transport Hierarchy in Scotland's <u>National Transport Strategy</u>, where walking, wheeling, cycling, public transport and shared transport options, including taxis, are in preference to single occupancy private car use for the movement of people. The use of taxis can support these aims through an alternative to car ownership.

The route map identifies four key behaviours applicable in both rural and urban settings for everyone in Scotland to consider each time we plan a journey. These are: make use of online options, where appropriate, to reduce the need to travel; choose local destinations to reduce the distance travelled; switch to walk, wheel, cycle or public transport where possible; and combine a trip or share a journey to reduce the number of individual car trips made, if a car remains the only feasible option.

Just transition considerations run through the 20% route map and we do recognise that certain behaviours will be more feasible in different geographical locations and for individuals with different needs. A 20% reduction in car kilometres can deliver benefits to all in Scotland. Reducing our reliance on private cars can significantly improve the places we live in and our quality of life including through improved air quality and reduced noise, better health and wellbeing as a result of increased physical activity, reduced negative economic and social impacts of congestion and road danger.

Consideration of the impact LEZs and any future Ultra Low or Net Zero Emission Zones on the taxi trade.

There are no plans to adapt LEZs beyond the current size or scope, or to introduce new LEZs in other parts of Scotland. Local authorities have the powers to create, operate and enforce Low Emission Zones and are able to design the shape, size and vehicle scope of their Low Emission Zone based on their specific, local requirements. Local authorities are best placed to make decisions for their local area as part of their air

quality management systems. Consultations between local authorities and stakeholders is key to understanding and delivering the right solutions for local communities.

Local authorities engaged with a wide range of stakeholders in developing LEZs. In summer 2021 there were consultations on city-specific Low Emission Zones as part of the development and implementation process. These consultations gave people across Scotland the opportunity to comment on the proposals for Scotland's Low Emission Zones in Aberdeen, Dundee, Edinburgh and Glasgow.

The feedback received from these consultations allowed for further development of the LEZs in each city including more research and testing being carried out on the proposed LEZ boundaries for each city. In some cases it meant an adjustment to the boundary i.e. Glasgow and Aberdeen or more evidence of why the boundary would stay as it is i.e. Dundee.

The Transport Scotland Act 2019 provides the legislation to enable the creation and civil enforcement of Low Emission Zones. The Scottish Government has developed regulations and guidance, relating to a number of key aspects including emissions, penalties, certain exemptions and parameters for grace periods.