

Citizen Participation and Public Petitions Committee

19th Meeting, 2022 (Session 6), Wednesday
21 December 2022

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

1. The Committee last considered this petition at its meeting on [26 October 2022](#). At that meeting, the Committee took evidence, from Callum Anderson on behalf of Unite and from Murray Fleming on behalf of the Scottish Taxi Federation.
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 the Scottish Taxi Federation 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 [SPICe briefing](#) for this petition.

6. The Scottish Government's initial position on this petition can be found on the [petition's webpage](#).

Key issues highlighted in evidence

7. The Committee heard about a range of issues impacting on the taxi trade, including:
 - Low availability of LEZ compliant vehicles and of those that are available, LEVC models, costs are prohibitive (£64,500)
 - Decreasing driver numbers caused by an ageing workforce and pandemic-related economic challenges.
 - Imparity between LEZ introduction timescales in Glasgow compared to the rest of Scotland.
8. The Committee also heard suggestions for solutions to the issues highlighted in evidence, these 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.
 - 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 year-long 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.

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 26th October 2022

The Convener: Our next petition is PE1856, which was lodged by Pat Rafferty on behalf of Unite the union, on support for the taxi trade. The petition 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 the low-emission standards and implementation dates. I am delighted that we are joined this morning by Steven Grant—with audio only, regrettably—on behalf of Unite, representing the petitioner, and by Robert McLean and Murray Fleming on behalf of the Scottish Taxi Federation. Good morning to you all, and welcome to the committee.

We have heard and collated quite a lot of evidence on this subject, so members have a number of questions. If the witnesses are happy for us to do so, we will move straight to those questions. By way of introduction, I will ask a general question. The situation is fluid, as I know from talking to taxi drivers in my local authority, East Renfrewshire; it has moved on even since we last considered the petition a few months ago. Our witnesses might like to outline briefly the main challenges that currently face the taxi industry, given that the situation is now very different from what it was when the petition was submitted in early 2021.

I come to Mr Grant first—because we cannot see you, we will have to hope that you speak up and speak clearly.

Steven Grant (Unite): Good morning, and thank you for listening to me today. I am sorry about my camera issues. Basically, the issues facing the taxi trade are currently critical; we really are fighting for our survival. We are looking at a low-emission zone being enforced in June 2023, which comes in the midst of a dysfunctional new and used taxi market as well as a situation in which financially distressed operators are just coming out of a pandemic and are now into a cost of living crisis. That means that, even if the vehicles were there to buy, they do not have the money to invest at present.

We also feel that it is unfair that the roll-out of the LEZs in Scotland is not synchronised across the four major cities. Glasgow is starting early in June 2023, in comparison with mid-2024 for Dundee, Edinburgh and Aberdeen. We feel that the roll-out should have been synchronised by the Scottish Government, in order not to discriminate against Glasgow. We really need extra funding— that is always welcome—but we also need time to recover and to get through the cost of living crisis. We also need to see the electric taxi market mature and charging infrastructure appear on the streets at the capacity that we need.

We feel that the situation would be much better if we were to transition to electric vehicles in one step, rather than going down the retrofitting route. That would allow

the net zero ambitions to be met in one transition, and it would probably be a much better strategy in the long term.

The Convener: Thank you. Would Mr McLean and Mr Fleming like to address the question?

Robert McLean (Scottish Taxi Federation): Yes—I am from Glasgow Taxis Ltd, and I am currently treasurer of the Scottish Taxi Federation. To build on what Steven Grant from Unite has just said, I will pick up on a few points. First, the second-hand market and the availability of vehicles for fleet owners are such that we are pretty limited in what we can buy.

Over the past few years, a company called Cab Direct, a division of the Allied Vehicles Group, in Glasgow, was able to produce a vehicle that was converted in Glasgow. It was based on a Peugeot at one time and, latterly, on a Ford Transit-type vehicle, a Tourneo, which it converted into a six-seater, wheelchair-accessible vehicle that was utilised by the taxi trade. However, come the advent of the necessity to meet the Euro 6 standard for the low-emission zone, it stopped producing any vehicle. Although the Transit was a Euro 6 standard vehicle, it stopped producing it. It was unable to get the donor vehicles from Ford to continue with that.

The other vehicle that we had a chance to use was the Mercedes Vito. Again, it was a diesel Euro 6 standard-compliant vehicle. However, again, that is now in very short supply. Over the past couple of months, we have moved away from the automatic vehicle to a manual vehicle with a 1.7 litre diesel engine. It is probably still chipped in such a way that is powerful, but Glasgow has some fairly steep hills, such as Montrose Street, North Hanover Street and so on, so it can be a fair old task to take four or five people—or indeed six, which these vehicles can carry. Therefore, the availability of that type of vehicle is fairly restricted.

The next one that is available, which is the one that will probably become the main vehicle, is made by the London Electric Vehicle Company. It is a hybrid-type vehicle, currently priced at £64,500. That is with a £7,500-reduction through a UK grant. It is more than £70,000 in its original iteration, so it is expensive to buy. The only support available for purchasing that vehicle is the Energy Saving Trust's interest-free loan, which, over six years, works out at £888 per month. I am sure that most people appreciate that that is a fair old chunk of money.

In theory, you do not have any fuel costs, but we all know that the cost of electricity has increased. Drivers certainly have to pay to charge the vehicle at home and most street-side charging points now charge some sort of fee. Indeed, if you go away from the conurbations of Glasgow, Edinburgh and the bigger cities, you will find that it can be as much as 80p per kilowatt at charging points provided by BP and those types of places, which now see it as a revenue stream in place of the carbon fuels that they have traditionally supplied us all with over the past 100 years or so. To that end, if there was support in relation to the LEVC vehicle or the Euro 6 standard vehicles that are available, that would be a huge assistance.

A number of vehicles that are capable of being converted are being taken up from London. The only issue that I and the trade in general see with that is that, in

London, the owner of that vehicle has been given £10,000 to decommission it from the London market so that the London market can hit its targets for the ultra-low-emission zone. Those vehicles, which are shipped all over the UK—not just to Glasgow—and which have had £10,000 of public money spent on them, then arrive in Glasgow, Birmingham or wherever, where they are converted to use liquid petroleum gas or undergo the retrofit exhaust change, which makes them capable of meeting the Euro 6 standard.

In Scotland, the Energy Saving Trust provides support for the payment for that. For the retrofit exhaust, about £5,500 to £6,000 is available by way of the grant, and the owner of the vehicle pays £1,500. The last figure that I saw for conversion to LPG was about £13,700, of which £12,000 or so is paid for by the Energy Saving Trust. Therefore, across the UK, £25,000 to £35,000 has been given by way of grants for each of those vehicles, but they are still old vehicles. They are still 12, 13 or 14 plate vehicles, so they have already been well used in the London market. They might already have done more than 150,000 miles by the time they arrive in the other cities, where they are converted with an expectation of getting some sort of life out of them over another 10 to 15 years.

Public money would have been better spent to support, as I believe Manchester has done, a grant of £20,000 to an owner who is prepared to purchase the LEVC model. Taking £20,000 off of that £64,000 top price would be a good reduction back down to where the market was with the Mercedes and the Ford at around £40,000. A lot of things can be done there.

The trade is in a really difficult position, not least because of some of the impacts of the pandemic and the dearth of drivers. I am just back from America, and even there people are crying out for workers in the hospitality industry, and I know that that is the case across Scotland. We are very closely aligned with the hospitality industry, and we work closely with events at venues such as the Hydro. Large numbers of people come and go to those concerts.

We enjoy a very good relationship with nearly all the big hotels in Glasgow, whereby we are the provider of transport for them, and it is disappointing to let those customers down. We simply do not have enough cars on the road in the evenings and for the night-time economy in particular. We do not have enough cars only because we do not have enough people to drive them. The cars are available, but we do not have the drivers to drive them.

I realise that that is a slightly different topic, but it impacts the whole trade. The trade needs support in a number of areas to get drivers in. As a company, Glasgow Taxis has just run a four-week advert on STV to highlight the attractiveness of the flexibility of being a taxi driver or a taxi owner and operator, and the potential that is there for people to come into a good job. There is a living to be made, but having coming out of the pandemic, we are now in an economic crisis in which the cost of road fuel and fuel for home utilities has increased, as well as the potential to charge an electric vehicle on the back of that. There are a number of concerning factors there.

My last point is that it is an ageing trade. We are predominantly in our late 50s and 60s; the average age of owners of Glasgow taxis is 59 and the average age of a driver is 54. Fewer and fewer people are coming into the trade from the youth market. Investing £64,000 over six years for anyone aged over 60 is a huge consideration, not least because a lot of the guys do not have health insurance. None of us knows where our health is going. There are lots of factors there, there is a lot of worry and anxiety and there are lots of serious considerations about the economics of the trade.

I will close there, sir, and pass over to Murray Fleming, who might want to add a couple of pointers to—[Inaudible.]—side of the picture.

The Convener: That was very comprehensive, and you have touched on a number of issues that we want to explore. Mr Fleming, would you like to add anything further to Mr McLean's comments?

Murray Fleming (Scottish Taxi Federation): No. Robert has covered most aspects. The low-emission zone expectations on the back of Covid, the capital investment that is needed and the Scottish Government's wish to retain wheelchair-accessible vehicles in the manner that we have become accustomed to in Edinburgh and Glasgow will require funding. I also share the view that the funding for LPG and retrofits is misguided. Investment in new vehicles would be a far better course of action.

The Convener: I worry a little when you say that it is a horribly old profession at 54 and 59; I am 63, so I do not know what that says about my prospects. You raise three very specific areas. We have some areas of questioning that we want to address, but I hope that, during the course of the evidence session, we do justice to all those issues.

Paul Sweeney: I will preface my comments by referring members to my entry in the register of members' interests. I am a member of Unite the union.

As I represent Glasgow, I recognise a lot of the points that have been made, particularly the controversy over the low-emission zone restrictions that are planned for introduction next year. I understand that Glasgow City Council recently announced that enforcement of the LEZ will not apply to certain taxis until 1 June 2024, which is, in effect, an extension of one year. Is that sufficient time to allow non-compliant vehicles to be retrofitted with emissions reduction systems or fully replaced?

The Convener: Mr Grant, can I come to you first? Would you like to comment on that?

Steven Grant: Yes, absolutely. A year's extension is not enough time. The vehicles that are being talked about are Euro 4 standard or lower—the TX1 and TX2 models, the Peugeot E7 and the Mercedes Vito—which are not suitable for retrofitting as they do not have a retrofit solution. They will get a year's extension. Any vehicles for which there is a retrofit solution will have to have that done by June 2023. Even as it is, meeting the date of mid-2024 is a serious ask.

We feel that there needs to be a rethink, as has happened in Manchester. The mayor of Manchester realised that the plans that had been made pre-pandemic had to change because they would not work following the pandemic. In my eyes, and the eyes of our union, there really needs to be a rethink. The plan is just not workable in its present form.

The Convener: Mr McLean, I assume from your contribution a moment ago that you take a similar view. Do you want to articulate that?

Either Mr McLean or Mr Fleming can come in.

Robert McLean: Sorry—I was waiting on the microphone.

There is an issue with the retrofit equipment as well. The primary supplier is a company called Cybrand, which allows third-party engineers to install that equipment in vehicles in Glasgow and, presumably, when it comes to it, in Edinburgh. I can speak for the Glasgow market—the situation is supposedly active and on-going, but it is actually not active, because it is proving very difficult to get the kit from Cybrand. The company can provide the hardcore engineering part that converts the exhaust, but the Energy Saving Trust insists that, along with that piece of hardware, there is a piece of software that is known as telematics—a black box, as the insurance companies call it. That allows the movement of the vehicle to be monitored by the EST to ensure that it is still being used as a taxi and that what the EST has funded through the grant money is still fully operational.

The telematics aspect is proving impossible to get at present, and therefore Cybrand is currently unable to fit quite a number of vehicles. That is proving difficult and challenging at this time. It has had the effect of kicking things down the road, as the vehicles that are currently in the process of being funded by the EST are not going to get their equipment installed for some considerable time. That has had a knock-on effect on all the other operators and owners who are trying to hit the mark.

In Glasgow, the vehicles have to be registered by next Monday, 31 October. Owners and operators have to declare that they are going to go ahead either with a retrofit or an LPG solution, or with a new vehicle purchase. As I explained earlier, with regard to the availability of new vehicles, the LEVC is now probably the only model that is available. There are only two dealers in Scotland: one in Edinburgh and one that started operating in Glasgow as recently as two weeks ago.

You can see the challenges that the trade has faced, not just through the pandemic and as a result of it but over a period of three years in which the ability to buy vehicles, and their availability, has proved a real challenge.

The Convener: Mr Grant, I understand that you would like to add something.

Steven Grant: A significant number of vehicles have retrofit solutions, but that is only on paper. A lot of those vehicles will be structurally compromised long before the actual retrofit technology has ended its life cycle. We see a lot of operators scrambling to change those retrofittable vehicles to a vehicle that is structurally sound and that will last for the life cycle of the retrofit. Those vehicles are not available, however, because the used market is completely dysfunctional at present.

Vehicles for retrofit that we would say are structurally sound, and which will last for the duration of the retrofit technology, are simply not available.

Paul Sweeney: You have described significant constraints such as the age profile, the financial crunch that is involved and the risks that are associated with people reaching the end of their careers having to take on a huge amount of financial leverage. The Scottish Government, in response to a written question that I lodged some months ago, indicated the three main schemes that the Energy Saving Trust is administering on its behalf.

The first is the switched-on taxi loan scheme, which offers interest free loans of up to £120,000, but I think that we heard a response mention a cost of servicing that of £800 to £1,000 a month.

The second is the low-emission zone retrofit fund, which provides “80% grant funding to replace existing diesel engines to meet the Euro 6 standard for driving within a LEZ. The grant provides up to £10,000 per wheelchair accessible taxi installing re-powering technology, or £5,000 per taxi installing exhaust after-treatment systems.”

The third is the low-emission zone support fund, “which is available to eligible microbusinesses and sole traders (including taxi operators)” and provides “a £2,500 grant towards the safe disposal of non-compliant vehicles as an incentive.”

Those are quotes from a response to a written question that I received on 6 January 2022.

You mentioned that the Manchester scheme has a £20,000 grant, so in the context of the three options that the Scottish Government has provided, would you suggest that enhancing the retrofit fund to provide a grant towards new purchases could be a satisfactory solution?

Robert McLean: That is a very valid point, Mr Sweeney. As I said in my initial presentation, it is about the current use of public money and where it is spent.

You spoke about the £2,500 scrappage scheme. If an owner or operator takes advantage of that £2,500 to buy a vehicle that is newer than the one they have—it only has to be one year newer—and then their new vehicle hits the mark to have some other retrofit solution added, the £2,500 they received would be deducted from any subsequent grant that they are paid. That means that, if a person gets £2,500 and for a vehicle that is scrapped or taken off the road in Glasgow, and then they go and get a retrofit exhaust fitted to a newer vehicle, their £5,000 grant would be reduced by £2,500, which means that £2,500 would still be the maximum amount that they would get to put a newer vehicle on the road that hits the mark for Glasgow low-emission zone compliance.

The 80 per cent grant funding that you mentioned relates to LPG conversion. At the moment, that is running at about £12,000 or just over that will be grant funded by the Energy Saving Trust, with the balance paid by the owner. That conversion is a complete repowering solution that involves removing diesel engines from old taxis and putting in fairly decent petrol engines and the parts that go with the exhaust to

make them compliant with the Euro 6 on LPG powering. After the conversion, vehicles start on petrol and convert themselves to LPG once running and then continue to run on LPG.

As you might be aware, for about a month, sourcing LPG was particularly challenging in Glasgow—I am not sure about Edinburgh. We had guys running to Kilmarnock and Hamilton to try to source LPG. As you can imagine, by the time they got back, their availability of fuel to operate in Glasgow was significantly reduced.

There are a lot of issues and challenges around the retrofitting of old vehicles—whether that involves repowering them or retrofitting exhausts—and by far the best solution is to make available a decent, funded scheme that allows people to get into the market and buy a newer vehicle, and they do not even need to buy a brand new vehicle. For instance, I have a two-year-old Mercedes, which is a fully compliant vehicle, but if I got a grant to buy a new vehicle, I would buy a brand new one and make mine available on the second-hand market. That would mean that somebody who has an even older vehicle than mine could take advantage of mine at a much better price and that we could see Glasgow hit the mark for fully compliant vehicles.

The last thing that we want is to lose the fleet in Glasgow. None of us is against low-emission zones; everyone fully supports the health aspects and everything that will be done, but Glasgow cannot lose the fleet overnight. It will not lose the fleet on 1 June, but it will lose a huge part of it, and that is a worry.

Paul Sweeney: You seem to have a clear set of asks. Have you presented a counter-proposal to Glasgow City Council and, if so, has that been well received or has the council ignored what you have tried to say about a reasonable set of counter-measures to what is clearly quite a blunt instrument which has already caused a 20 per cent reduction in the number of licences in the city?

The Convener: I will come to the witnesses in a minute, because I want to explore this area, too.

What sort of reception have you had from Glasgow City Council with regard to exploring your arguments? The comprehensive if technical arguments that you have been making about the availability of vehicles relate to specification as well as the structure of the financial support for the alternatives that you think would be best. I say that as someone who spent 25 years in the Scottish retail motor industry and who found from time to time that, with regard to technical specifications—this was a real issue—the associated difficulties and practicalities were not always understood by policy makers, who were keen to drive towards a particular objective. Like Mr Sweeney, I am interested in knowing with whom the discussions are taking place and how you feel the arguments are being received.

Mr Grant, you might want to touch on that and the previous question.

Steven Grant: The main people in Glasgow City Council with whom we have been discussing our counter-proposals have been councillors such as Anna Richardson, who is no longer in position, and Angus Millar. However, I am afraid that our

arguments have fallen on deaf ears. The council wants to implement the LEZ in June 2023, come hell or high water and despite all our protestations and concerns.

The Convener: I just want to explore that point. You have detailed quite specific technical specification and availability issues with regard to the ability to comply. What has been the response to that reality?

Steven Grant: It seems as if the council does not want to understand the issues that we have.

As I have said, it wants to push ahead with the LEZ. There has been some mitigation—those with older vehicles that cannot get the retrofit solution are being allowed an extra year—but it is just tinkering at the edges. We have explained the issues that we have with retrofitting; as I have said, there are vehicles that, on paper, might look as if they can access such a solution, but the fact is they will not last the duration of the retrofit technology. As a result, the owners of those vehicles will still have to go out and purchase a vehicle—if they can—so they are in the same position as people who cannot get a retrofit solution.

All I can say is that, despite the numerous meetings that we have had with Angus Millar and the Green councillor Jon Molyneux, we feel that they are not listening and that, come hell or high water, this is going through.

The Convener: Mr McLean and Mr Fleming, do you want to respond to Mr Sweeney's question and my codicil?

Robert McLean: Indeed. I will let Murray Fleming give a quick update on the Edinburgh side afterwards, but as far as Glasgow is concerned, back in late 2019, before Covid even happened, we as a company compiled a presentation called "Death by a thousand cuts" in which we showed that, over the next 10 years, the taxi trade would suffer to such an extent that Glasgow would probably be left with no trade at all as a result of all the things that I mentioned earlier, such as the lack of drivers and the age of vehicles. Initially, we gave that presentation to a couple of councillors, the licensing department and a number of other key stakeholders in Glasgow City Council. Along came Covid—and things changed significantly.

We have been continuing to give the presentation, culminating in our doing so to Susan Aitken, the leader of the council. The elections came and went in May. Susan and her team were back in, and Anna Richardson, who was keen to listen but who was very stuck in her ways in relation to the low-emission zone and where it was going to go, was replaced by Angus Millar. We got an audience with Mr Millar, spoke to him and gave him the presentation. All the while, Glasgow has still been hell-bent on ensuring that the LEZ will go ahead on the date on which it has always said that it would.

The council is clearly eager to please the Scottish Government in so far as it wants to hit the mark to be the first council to do this and to meet the 2030 energy efficiency target as laid down by the Scottish Government. By that time, the sale of any internal combustion engines will have been stopped.

That would all be fantastic, but the vehicle that I have talked about costs £64,000; it is a hybrid, which means that it still has a petrol engine. If we invest £64,000, is there any guarantee that, at some point, Glasgow will not look to become zero emission, rather than low emission?

All those things are factors in the background. Glasgow City Council will listen, although it will not necessarily act on what it hears. People can get an audience and they get a chance to speak and have their say, but the council will continue doing exactly what it is doing.

Murray Fleming: In Edinburgh, we have the 2024 deadline, which is helpful. It is important to note that Edinburgh has an age limit: the vehicle must not only comply with the Euro 6 standard but be 10 years old or less. There are guys in Edinburgh who have taken the Cybrand product and converted their vehicles. That only has one year's extension, in effect, although we are seeking to get an extension to 14 years. LPG vehicles already have an extension to 14 years, which seems rather unfair, bearing in mind that a Mercedes Euro 6 will have to go off the road after 10 years.

We have accepted the policy, but the approach that councils are adopting is that it is Government policy, there is simply no scope for change and the deadline is there, come what may. A lot of people in the trade have older vehicles and, once they get to the 2024 deadline, they will walk away, and there is no one to replace them—no one is prepared to take the funding on board.

The Convener: Do you want to say more, Mr Sweeney? We can then move on to Mr Torrance.

Paul Sweeney: Thank you for that insight, Mr Fleming. It seems that the financial solution sits with the Scottish Government as regards the Energy Saving Trust products that are offered via the Government. If we are able to present a counter-proposal to the Government, that could potentially offer a way to deal with the intransigence that you have experienced at a council level. It seems that there is not much appetite for moving any further in terms of the deadlines, but perhaps there could be a remedy here that is similar to the financial remedy that Manchester has reached. Could we perhaps consider taking that forward?

The Convener: I think that leads into your general question, Mr Torrance.

David Torrance: Yes—thank you, convener, and good morning to all the witnesses. In written evidence, the Scottish Taxi Federation argues that the current taxi and driver licensing regime under the Civic Government (Scotland) Act 1982 is no longer fit for purpose. Why do you think that, and how best could the system be brought up to date? Just to let you know, I was on the regulation and licensing board at Fife Council for 20 years.

My question is aimed at Murray Fleming and Robert McLean.

Robert McLean: That act was passed in 1982; here we are, all these years later—40 years later—looking at legislation that has a bit of catching up to do, particularly in relation to technology. When the 1982 act was passed, it was all very traditional, in that a private hire car was a private hire car simply because it was not a taxi. What is

a taxi? A taxi is a vehicle that can pick people up on the street, sit at a rank and take people from a rank.

It can also take called-for hires, like a private hire car, but a private hire car cannot—sorry, should not—do the other aspects that I have referred to: picking up on the street or at a rank. Along come mobile phones, and things start to change a little bit. People no longer have to go to what is called the minicab office in London, or the private hire car operator's office up here, to await the arrival of a private hire car. Likewise, people do not have to go to a phone box or stand in the street, look for the orange light and hail a cab in the traditional way. Along comes the mobile phone, so people can phone the company. That changes things significantly. Lo and behold, the mobile phone becomes a smart phone and, all of a sudden, we have apps, which those of us who were born in the 1950s never had any knowledge of—and some still have no knowledge of them. Particularly in our trade, we are reticent to change and to acknowledge those changes. Anyway, we have apps, and along come disruptors in the app technology who are not transport providers, but technologists. Along comes a company called Uber, which is probably the biggest disruptor in the market in Glasgow and Edinburgh. Uber arrives with its very slick ads and hundreds of millions of pounds to waste and to throw at and lose in the trade, which has still never made a penny of profit.

We tried to emulate that. As recently as last month in Glasgow, we tried to put in place a fixed pricing structure, as a result of some work that we did through Scotpulse, a national survey company. We surveyed the people of Glasgow to ask what they would like to see in their local public hire cab company. They said that they would love to see the meter being taken away, as it causes real anxiety.

I do not know if you have ever sat in the back of a black cab when it is stuck in traffic coming from Ibrox and there is an event on at the Hydro. When you come to the squinty bridge, you can sit there for 20 or 25 minutes before you eventually get over it. The meter is ticking away, and the poor customer in the back is looking at it, saying, "Am I going to have to pay that?" The reasonable drivers will say, "Look—don't worry about the meter, pal. We'll get that sorted once we get to Central station", or wherever they are going. However, less scrupulous drivers might just leave the meter running and—as they are entitled to do—charge the person exactly what it says.

All those things have created a real issue in relation to how we operate those taxis. As you know, in the city we have to operate every hire on the meter—the meter must be engaged. A fixed price is never going to be an option at this particular time, certainly not until the Civic Government (Scotland) Act 1982 either gets an upgrade and recognises technology or, in some other way, recognises that there have been significant changes in how the trade operates over the past four years and hauls itself into the 21st century to sit exactly where we are now in relation to those aspects.

Murray Fleming: I concur with Robert McLean's thoughts. To come back to the meter, it is there to protect the public, but the first thing that these other companies do is ensure that their vehicles do not have a meter, which allows for the escalation

of fares when it is busy. Very often, at busy weekends, the black cab trade now sees itself at a disadvantage, earning less than a sector that has had far less capital investment. I come back to the point that if you want a wheelchairaccessible fleet, some form of assistance has to be offered.

The Convener: I am not sure that all the committee members will have had that experience specifically coming from Ibrox, but I am sure that we have all sat in a cab with the meter running.

Mr Grant, do you want to come in?

Steven Grant: I agree with the points that Murray Fleming has made. We also have big issues in Glasgow with satellite council areas licensing private hire vehicles that are working almost exclusively within Glasgow city. We see that in particular with vehicles from South Lanarkshire now working in the west end of Glasgow, which contravenes the 1982 act. That is a huge problem—there should be some sort of geofencing in place to stop them doing that. There needs to be an update in that regard.

Alexander Stewart: Thank you, gentlemen, for your comprehensive comments. You have identified—there is no question about it—that the industry is in crisis and that, without the proper support mechanisms in place, we will see the demise of some of it. We have already seen reductions as a result of the pandemic, and you talked eloquently about the demographics and the age profile situation.

The Scottish Government has to give you support mechanisms. We have touched on some of the grants and the areas in which proposals have been made. However, do you believe that there is room for more incentives to ensure that the sector can be supported? If those grants are not sufficient or not equivalent to what is happening elsewhere, you will be at a disadvantage in comparison with other locations across the United Kingdom. The Scottish Government has a role and responsibility to act to support you.

It would be good to hear, therefore, what more you think could be done by the Scottish Government and what it should be looking at, perhaps thinking outside the box, to try to support you and do what is required.

As I said earlier, and as you identified, if that does not take place sooner rather than later, there will be sections of the community that no longer have the support mechanisms for taxis that have been enjoyed in the past.

The Convener: That is an invitation for a wish list, gentlemen. I come to Mr Grant first. We are slightly short of time now, so I ask everybody to be a little bit concise.

Steven Grant: One thing that we asked for was a dedicated taxi team in Transport Scotland, as it does not currently have such a team. The buses have a dedicated team. We can see the disparity between the grant offerings for buses and those for taxis. Buses have been given grants of around 40 or 50 per cent to change from diesel to electric. At the moment, there is a scrappage scheme available for taxis where you can get £2,000 for scrapping your old vehicle; if you put that against the £65,000 cost of an electric vehicle, it comes in at around a 4 per cent grant. That is a

tenfold difference between the available grants for buses and taxis. I have to think that that is because there is little understanding of the taxi trade, so a dedicated team in Transport Scotland would help enormously.

The Convener: Mr McLean and Mr Fleming, could you be brief?

Robert McLean: The points that I outlined earlier probably cover better use of available public money. Of course we would welcome more being made available, although we all understand entirely the on-going economic crisis and the number of demands that are being placed on the resources of the Scottish Government and local authorities.

Purchasing a wheelchair-accessible vehicle—a black cab or whatever you want to call it—is a significant investment, not only for the owner and operator but for the city and the people who rely on those vehicles. We are trying to reduce the number of cars that come into and frequent city centres, so let us make better use of the cars that we allow in, including private hires, black cabs and the companies that provide transport for people and ensure that people still have freedom of movement to enjoy those cities and go to events, shop, eat or whatever they want to do.

Let us make sure that we have a fleet that is commensurate with what cities, and presumably the Scottish Government, want in order to ensure that wheelchair-accessible vehicles are available, and that there is funding support that ensures that we can maintain the trade.

Murray Fleming: We need a more targeted approach to the funding of new vehicles and suitable second-hand vehicles that have a reasonable operating lifespan left. Stop wasting money on retrofits, which is throwing money at old vehicles that are unsuitable from the outset.

Fergus Ewing: Good morning, gentlemen. I want to ask about your engagement with the Scottish Government. The Scottish Government told the committee in October last year—more than a year ago—that “Officials will make contact with the Petitioner to discuss engagement between Transport Scotland and the Taxi sector”. What was the outcome of those discussions?

Steven Grant: We had a meeting with Jenny Gilruth and laid out the issues that we faced. All that came out of that was a modest increase in the grants for retrofitting—there was nothing else groundbreaking. We called for the Government to put the brakes on the timeline—the enforcement date is far too soon, considering everything that has happened—but the Government did not want to pause it. Jenny Gilruth was at pains to suggest that it is within Glasgow City Council’s gift to delay the enforcement date of June 2023. Basically, she washed her hands of the issue.

Fergus Ewing: When did that meeting with the transport minister take place?

Steven Grant: I cannot give you an exact date, but it was around two to three months ago.

Fergus Ewing: After the meeting, could the witnesses send us the detail on the points that they have made? I suspect that I am not alone in thinking that they have

laid out a strong set of arguments, and I would like to see in black and white the figures that they have mentioned and study them in a bit more detail.

It seems that you are the Cinderella of the public transport sector in the way that you have been treated. You are trying to do the right thing, but are being told that you must do the right thing by the state. The state has a responsibility to assist you to do that without forcing your members out of business or imposing the unreasonable financial burden that you have described.

You have persuaded me that you have made a statable case, but I would like to have those figures in writing, and I therefore make that request. Specifically, could you share with us details of the Manchester alternative and how things are done there? One of the witnesses said that Manchester provides a more generous scheme to enable assistance by way of grant finance for the purchase of a new vehicle, rather than—as the witnesses have argued—throwing money away on retrofitting old vehicles that are ready to go to the great car cemetery in the sky.

If the witnesses can provide more evidence, the committee might want to consider how it can help them to advance the petition. Time is agin us, so it would have to be done quite quickly. I hope that that is a reasonable request.

Paul Sweeney: I want to supplement Mr Ewing's call for more evidence or helpful information. You mentioned the wider impact on the economy. Anecdotally, I can attest to significant issues in Glasgow that have been felt by businesses in the night-time economy, which are not getting the sort of trade that they used to get because people say that it is too difficult to get back home, and therefore the city is a ghost town at night. There are massive queues at taxi ranks next to train stations—people sometimes wait for about half an hour for a taxi out of George Square, and that is midweek. Places that hold big events, such as the Scottish Event Campus, are also feeling an impact on their ticket sales.

You mentioned the manufacturing base. We had a healthy ecosystem in manufacturing taxis at Allied Vehicles Group in Possilpark, employing more than 600 people in skilled manufacturing. You mentioned that the only product available is from a Coventry and Shanghai-based manufacturer called LEVC. There is a wider economic impact, both on the taxi supply chain in Scotland and on the night-time economy in major cities such as Glasgow.

If the witnesses could furnish us with more evidence—perhaps Unite could commission work or we could try to find ways to build up the picture—it would make for a more compelling argument.

The Convener: I am concerned that we are almost out of time, so I suggest that the clerks liaise with our witnesses on some of the areas where it might be helpful to get more detailed evidence and information. I am sure that they will be very happy to co-operate—I will allow them to confirm that in a second.

My final question relates to something that Robert McLean touched on. We asked all local authorities what the effect of the pandemic had been, and about half of them responded. The general response was that in the wake of the pandemic there had

been a 20 per cent reduction in the number of available cabs. I have heard that there has been a bit of a recovery from that in my own local authority area, but Mr McLean said that, in Glasgow, the cars are there but the drivers are not. It has been suggested to me that some local authorities are underresourced when it comes to processing applications from those interested in becoming drivers.

Mr McLean, can you confirm that you are happy to provide further information on that? When you say that you have the cars but not the drivers, is that a question of the attractiveness of the proposition or is it about the time that it takes people who want to enter the profession to get a licence?

Robert McLean: I will be as quick as I can with my answers to your questions.

To work in the public hire trade, drivers have to pass the topographical test—which is called “the knowledge” in London—and the new Scottish Qualifications Authority certificate in the role of the professional taxi driver. People need to get over those two hurdles before they can even apply to become a taxi driver.

In response to our presentation, “Death by a thousand cuts”, Councillor Susan Aitken agreed with our suggestion that Glasgow City Council could remove the topographical test and allow drivers to be an apprentice for a year. They could drive the taxi and learn their way around the city—let us face it, most people use their sat nav or mobile phones to navigate—and then sit the exam with a much higher chance of passing and of being of more use in the trade. However, when she went back to the council’s licensing and regulatory committee with that suggestion, it was thrown out.

We are where we are: we still have the topo and the SQA certificate, so we still have to jump those fences and go through those hoops to get a driver into a taxi.

Going back very quickly to a previous point, I have to say that the STF has had no communication with any Scottish minister or, indeed, the Scottish Government. That said, I attend two short-life working groups that are also attended by the Energy Saving Trust—Derek McCreadie is the main representative of the trust, and I regularly talk to him. However, there is no one higher up or at finance level.

The Convener: Mr Grant, do you have any final comments that you would like to make on behalf of the petitioner?

Steven Grant: It just seems to me that Glasgow City Council—or, at least, its licensing department—is underresourced. We can be waiting up to a year and a half to get a physical driver’s licence badge out to a driver; similarly, it can take up to a year to get a taxi operator licence out. There seems to be a shortage of staff to deal with licensing applications.

I also think that drivers have been doing a lot of reflection throughout the pandemic and have left the trade to look for a better work-life balance. There was an oversupply of vehicles, and it was very difficult for someone to make a living unless they put in serious hours, so a lot have jumped with the demand for drivers in other sectors.

The Convener: I thank you all, gentlemen. The committee very much appreciates the evidence that you have given, and it has certainly justified our decision to have this round-table discussion this morning. There are a number of issues that we will wish to pursue, and we look forward to your further assistance in that respect.

I suspend the meeting for a few moments.

Annexe C

Scottish Taxi Federation submission of 1 December 2022 PE1856/S: Support the taxi trade

You requested that I follow up my evidence on 26 October 2022 with a written submission.

Civic Government (Scotland) Act 1982

The **Civic Government (Scotland) Act 1982** is outdated and fails to represent the significant changes in provision of taxis and private hire vehicles, especially the advance of technology. In the absence of legislative clarity, technologists, such as Uber, continue to exploit the disruption in the trading practices of public hire taxis in their favour. The instances of private hire vehicles illegally picking up members of the public without prior bookings is now commonplace, with nightly observations of non-licensed vehicles blatantly presenting themselves for 'hire' at prominent locations. However, rather than addressing the issue, it appears to have become an accepted practice by the police and enforcement officers either due to a genuine lack of awareness or on account of deliberate decisions based upon perceived greater priorities. The Scottish Taxi Federation draws attention to the public safety dangers of tacit acceptance of such illegal practices, with journeys being unlicensed and uninsured, and providing a greater risk to the travelling public of 'being ripped off' in unregulated journeys.

Low Emission Zone

Cost of New Vehicles

Our support for a Low Emission Zone (LEZ) is with consideration that compliance comes at a cost, with an **entry-level LEZ compatible vehicle is around £40,000 rising to £72,000 for an electric range extended hybrid (LEVC Hybrid)**. A solely EV option is yet to be launched in the UK.

The only real option available for a new vehicle is the LEVC Hybrid but at a significant cost. With the application of the UK Government Grant, **the current cost of a new LEVC Hybrid is £64,500**; with finance arrangements, this equates to **£888 per month over a six years term**. Questionable whether this a cost-effective option, especially without guarantees that councils will not proceed towards "Zero Emissions".

A further consideration for LEVC owners is the increasing electricity costs, which offsets the potential benefits on fuel. Indeed, **EV charge costs are noted as being up to 80p kw** in some parts of Scotland.

2nd Hand Vehicle Market

The availability of second-hand compliant taxis is limited.

Retrofit Options

Based upon a recent survey conducted by Glasgow Taxis, the conversion of existing vehicles to achieve compliance is the preference of most owners; undoubtedly based upon cost and the availability of Government grant support.

The Scottish Taxi Federation notes that such low-cost options are typically decommissioned from the London market and are already a minimum of 10 years old, subject of circa. 150,000 miles and many have already benefited from £10,000 of public funding.

The current retrofit options are:

LPG Conversion

Conversion of TX4 to LPG cost circa. £13,000 with Energy Savings Trust providing circa. £12,000 support. A point of note has been the challenge of obtaining LPG sources.

Cybrand Conversion

Costing an estimated to be around £5,500 / £6,000, the retrofit of Euro VI exhaust system and AdBlue system to TX4, Mercedes Vito and Peugeot E7 provides LEZ compliance. This is cost effective for the owner, paying circa. £1,500. It should be noted there are currently issues in accessing the necessary telematics software is proving impossible to obtain, causing an inherent delays.

Better Funding Option – Grant Funding for New Vehicles

In our opinion, any available financial support would be better directed towards replacing ageing vehicles with LEVC and other Euro VI vehicles rather than committing up to £25,000 - £35,000 of public money to maintaining old vehicles.

Greater Manchester (GM) are in the process of introducing a Clean Air Plan (CAP). During early 2020 they had put forward a proposal to support Taxi operators buying an LEVC Hybrid Taxi, to receive £20,000 grant towards the cost of replacing a non-compliant vehicle with the aforementioned Hybrid.

However, as you will see from the minutes (see link), they have recognised, and taken cognisance of the CoVid-19 Pandemic and the current cost of living crisis, coupled with the impending recession. To that end, I include a link to their most recent meeting, Economic Development (greatermanchester-ca.gov.uk) of the GM Air Quality Administration Committee from 17th August 2022.

You will note the current proposed figure for supporting the Hackney Carriage trade at Paragraph 1.6. You will note from the attached screen shot of the GM CAP website, a recognition that some operators, had planned to take advantage of the initial offering, which is currently paused (as outlined), but GM do not want operators to be disadvantaged.

The Scottish Taxi Federation recommends the approach of Manchester City Council in supporting owners through the provision of a grant towards the purchase of LEVC instead, alongside other specific support for owners. We recognise this also stimulates the second-hand market for Euro VI compliant vehicles.

Drivers Shortages

The average age of taxi owners is **59 years of age**, with drivers currently **54 years**. **The Scottish Taxi Federation observes that if the supply chain of new drivers cannot be re-established then the trade will cease to exist over the coming the decade.**

Taxi owners across Scotland report they are unable to secure drivers for their vehicles, which has a direct impact on the service provision especially in respect of the night-time economy.

Driver Recruitment

The Scottish Taxi Federation has supported its members to initiate campaigns to encourage new entrants into the taxi trade but such multi-faceted recruitment campaigns have only gathered limited interest.

Topographical Test

The topographical test, where applicable by a local council, has been deemed to be the largest singular barrier preventing people from entering the taxi trade, with potential candidates deterred by the scope and level of relevance. A successful candidate still requires navigate the outdated rote learning requirements, which is clearly obsolete and largely irrelevant to actual provision of service.

In Glasgow, the Leader of the Council intimated her support for the temporary withdrawal of the Topographical Test to support the

identification of new drivers but the Council's Licensing and Regulatory Committee refused the request to relax the Test.

SVQ Professional Taxi Driver Qualification

A further prerequisite for a new taxi driver licence is any applicant must have gained the **SVQ Professional Taxi Driver Qualification**.

Scottish Taxi Federation accepts that the content of the new Course and the learning outcomes, and moreover, believes it will impact positively on the taxis trade. However, it is acknowledged that attaining this new qualification does incur an additional time and cost, estimated at **£400 per person**.

"Support for Taxi Trade" - Request of Parliament

In conclusion, sadly, we concur with Alexander Stewart MSP's comments during the Session that the "(taxi) industry is in crisis" when all these factors are considered together (i.e., death by 1,000 cuts). Without intervention, put simply, there will be no taxi trade (Public Hire) in its current form by the end of the next decade. However, with the support of Scottish Government, Councils, and partners, this is entirely avoidable and we make the following key requests, namely:

- **Maintaining & enforcing the legal distinction between Public Hire and Private Hire, as part of a wider revision of the Licensing (Scotland) Act 1982.**
- **Promoting taxis as a key component of Scotland's Public Transport and as a viable solution to reducing private car usage.**
- **Consider the wider implications for the taxi trade in respect of the implementation timeline of Low Emission Zones and any future planning for 'Ultra Low' / 'Net Zero' Emission Zone.**

I would be delighted to provide the Committee with clarification on any of the points raised in this submission or provide any further information sought in its considerations.