

Transport Committee

Oral evidence: [Licensing of taxis and private hire vehicles](#), HC 1224

Wednesday 15 October 2025

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Members present: Ruth Cadbury (Chair); Steff Aquarone; Dr Scott Arthur; Mrs Elsie Blundell; Olly Glover; Alex Mayer; Baggy Shanker; Laurence Turner.

Questions 1–22

Witnesses

I: Paul James, Taxi Driver and Project Manager, Unite the Union Taxi Education; David Lawrie, Director, National Private Hire and Taxi Association; Eamon O'Hearn, National Officer, GMB Union; Andy Mahoney MBE, Licensed Private Hire Car Association.

Written evidence from witnesses:

- [Unite the Union](#)
- [National Private Hire and Taxi Association](#)
- [GMB Union](#)
- [Licensed Private Hire Car Association](#)

Examination of witnesses

Witnesses: Paul James, David Lawrie, Eamon O'Hearn and Andy Mahoney.

Q1 Chair: Welcome to the first oral evidence session of our new inquiry into the licensing of taxis and private hire vehicles. We will be hosting two panels today.

During our first panel we will be hearing from representatives of the workforce and unions about how the current licensing system affects drivers' safety and working conditions.

During our second panel we will be scrutinising licensing authorities on how regulation can vary between different licensing authorities across England and considering what impacts that may have on passenger safety and enforcement. Starting on my left, could I please ask the first panel of witnesses to introduce themselves?

David Lawrie: Good morning. Thank you for inviting me. I am the director of the National Private Hire and Taxi Association and I am here to give evidence on behalf of our membership.

Paul James: Good morning, Chair. I am from the Unite the Union taxi section and am also the project manager for Unite Taxi Education.

Andy Mahoney: Good morning. I am representing the Licensed Private Hire Car Association. I also operate a schools transport business with just over 4,500 vehicles nationally and it is licensed with 40 different licensing offices.

Eamon O'Hearn: Good morning. I am a GMB national officer and I represent our members who work in the traditional private hire and platform economy.

Q2 Chair: Welcome to our Committee. I am going to open with a fairly general question on the legislative framework. The taxi and private hire licensing system has largely been governed by provisions of quite old legislation by way of Acts passed in 1847 and 1976. David, is this legislation fit for the purpose of modern times?

David Lawrie: I am not entirely sure that the 1847 Act is fit for modern times but the 1976 Act most certainly is. More importantly, there is a section of the 1976 Act that whoever wrote the Act had incredible foresight when including it. That is section 75(1)(a), which stipulates that once a private hire driver is cleared outside their district, they will not be available to receive a further booking until they cross back into their licensed district.

Fifty years ago, all private hire companies and drivers were governed by the range of the CB or taxi radios that they were using, so once they had left their district they would be out of range and not receive a signal anyway. Nowadays, with the app-based systems, that is no longer the



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case, so where it was not needed to be enforced 50 years ago, now it actually is.

Paul James: Unite firmly believe that the framework is broken and needs fixing. We believe that successive Governments have let the trade—the profession of taxi and private hire—down immensely by not ever implementing any recommendations from the Transport Committee in 2011, the task and finish group report and the Law Commission. We firmly believe that with the Casey report coming up on child sexual exploitation, this Government must enforce the law to protect the travelling public and drivers.

Chair: We are going to come on to both those points, but thank you.

Andy Mahoney: Local authorities really struggle to regulate effectively. There are about 270 different licensing offices throughout the country that probably operate under about 230 different sets of conditions, and over 300,000 licensed drivers who operate under different conditions. Most taxi or licensing authorities would have around 10 council officers in the committee; that is about 2,700 officers making the rules. Quite honestly, that is probably why we are in such a mess.

The solution has to be one single, absolute, national standard for licensing and enforcement; that way, everybody works on the same level and enforcement can be done throughout the country—maybe with PCNs if a driver is doing something wrong so that a licensing office gets paid, but that is what I believe should happen.

Eamon O'Hearn: I will not repeat what colleagues have said other than to say I do not think the concept of integrated transport networks like we pursue today—with all the concerns around environment, traffic and sustainability—was really on the agenda 50 years ago; they were just not concepts at that time.

By virtue of the fact that the legislation and the framework are so old, it requires revision precisely to pick up some more modern elements that we are talking about, not least around platform working and the like. From the GMB's point of view, the framework—almost without comparison—applies to parties in such an unequal way. If we were reframing the industry, we would ensure that there was a significant driver voice because I cannot conceive of another industry where one party is so silently treated in a framework that effectively governs their work.

Chair: That is a very interesting and helpful spread of responses, none of which contradict each other.

Q3

Laurence Turner: I draw the Committee's attention to the fact that I am a former employee of the GMB union and chair of the GMB parliamentary group.

The second question is also quite general. In your view, what are the



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biggest challenges facing taxi and private hire drivers in terms of their working conditions and wellbeing?

David Lawrie: The biggest issue that they have at the moment is the flooding of many regions. The problem with flooding of regions means that it allows for prices to be reduced because there are that many drivers available for each trip that is on offer. That means that the cost and the income for the drivers are massively reduced, which then means they have to work longer hours in order to comfortably maintain a living wage.

Within the existing framework and legislation, we believe you have the ability to regulate hackney carriage fares as to the maximum that they can charge. We believe that there should be a regulated minimum per-mile charge that is applied to private hire and must be paid to the drivers.

When we see price comparisons in competition—which is perfectly normal—in the likes of Asda, Tesco and Morrisons, where they have price wars with loaves of bread, milk, coffee or even alcohol, it is not the cashiers or other employees of those supermarkets that are paying the cost of that price reduction. That is not what we see in the private hire sector. When there are reductions, introductory offers—50p a mile, 7p a mile and so on—in order to gain a customer base, it is the driver who is paying the cost of that.

We believe that should be regulated because when they are working longer hours, they are more tired, stressed and anxious, and are wondering how they are going to pay their mortgage and feed their families. All this increases the pressure on their mental anxiety and wellbeing.

Paul James: At Unite the Union, we obviously fight for drivers' and workers' rights, terms and conditions, good work and employment stability. We believe that the conditions for the workforces and the large operator-based apps have manipulated the Deregulation Act 2015. They are just flooding areas—major cities, towns and airports, such as Gatwick, which has massive amounts of TfL drivers flooding there.

We have drivers living in their vehicles over the weekends, and I witness that on a weekly basis in Liverpool. We also have reports from our members at Manchester airport and Heathrow airport—there are reports from the local villages around Heathrow—about the amount of taxi drivers who live in their vehicles. We believe it has a massive impact on their mental health, and because they have to work excessive hours for very low pay, we feel that it leads some drivers into addiction, mainly gambling to try to supplement their income, and the use of illicit substances to keep them awake for long periods of time.

We also feel that the turnover of drivers in the industry means that what was once a very professional industry has been watered down massively.



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People entering the trade can go and basically licence shop, where they go to the easiest licensing authority that has minimum standards to get a badge.

As I say, we run Unite Taxi Education, which strives for the highest standards within the Liverpool and Greater Manchester city regions. Drivers have to do an accredited qualification to gain entry into the trade so they know the full professional aspects of the trade. The majority of the new drivers coming into the trade are second income stream, so they are basically going to the easiest licensing authority, getting their licence, doing a normal job, 9 am to 5 pm—a 12-hour shift or whatever it may be—and then going out and driving a taxi on private hire. As a union, we think that is very dangerous and will have a massive impact on the mental health of the drivers themselves, their families and income streams.

Andy Mahoney: There are two distinct types of licence within private hire. One is the restricted school licences, which are for people who work solely in schools; they are mainly employed. My own business employs 5,500 drivers on PAYE, which is a completely different model from most.

On the private hire side, there are certain barriers to coming in, and one of the biggest is the time and cost in some licensing offices. The price of a licence can be in the range of £350 to £380 down to £79, and that is all because of the efficiency of the licensing office.

A licensing district cannot make money out of licensing. If it is acting within the rules, then it sets its licences on their cost, so the delay is only because of inefficiencies. Some licensing offices take eight, 10 or 15 weeks to license; that is far too long for somebody who needs an income. That is the reason for a lot of the licence shopping: the inefficiencies of licensing offices.

Once again, I will say that national standards would take away a lot of that perceived licence shopping. I do not believe it is about it being easy for a lot of people to go and get a licence with less standards, but if that is the case, absolute national standards would stop that dead. Have a licensing regime that is administered, maybe by DVLA or the Traffic Commissioners. It can still go through the local licensing offices for them to do every bit that they do with enforcement and licensing drivers but under one set of rules. That way, you will find that the costs will even out and there will not be any argument about whether it is easier to get licensed if there are less standards.

Standards should all be the same. Every passenger in this country deserves the same standard of safety. Why would somebody be safer in one council area than in the neighbouring area? They should not be. They should all be exactly the same. That is the way it is with buses, coaches and every other type of operation, really.



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The other thing is that we have this triple lock, which is a major concern to drivers. If you live in Surrey, for instance, and you are going to move to Hampshire, you cannot hold two licences at once. You have to apply for a new licence; you are a new driver, and they make you get a new DBS. You have to hand your old licence back and apply for your new licence. There is a different set of rules. The car that you have always had is now no good for there. Drivers are stuck. A lot of them cannot move from area to area, and that is where a lot of the mental stress is. What Paul is talking about with drivers is something I have never witnessed in my life, but I do not live in Liverpool.

Eamon O'Hearn: Without wanting to repeat too much, we have to agree that oversaturation is a key issue and has an impact on earnings. There is another element to that that complicates the matter, which is that increasingly there is a lack of transparency in respect of the earnings that drivers achieve.

In its wider sense, the platform industry often uses the phrase, "We provide more earnings opportunities." It is a telling phrase because it does not suggest that hourly earnings are increasing; it suggests that they are providing more opportunities. While that is welcome on one hand, there is the notion of a law of decreasing returns and the impact that this potentially has on the notion of flexibility, which is one of the key elements that proponents of platform work promote quite heavily. We believe that, inevitably, a conflict is arising around this—colleagues have referred to it—in terms of the increasing hours that drivers are meant to work.

A challenge for drivers is that if they are increasingly on platforms with no transparency over earnings, they are fundamentally insecure. If we reflect back on the Make Work Pay document, a massive contribution to that is the notion of security; it is inherent within the first three or four pages. Referenced on multiple occasions is security for workers and communities—security that gives people the ability to be active, fully functioning members of a community. If we accept that there is a growing driver population that does not have the same set of securities that the rest of an integrated transport framework has, it does seem a bit odd.

We have all these rules and regulations that are quite supportive of workers in the transport economy, but we have the Cinderella group of drivers over here who are almost an add-on, an ad hoc. However, everybody talks about the fact that they are vital to the night-time economy and to members of the community who are disabled or vulnerable and have transport needs. It strikes as a bit odd.

A challenge for drivers in not having that degree of framework is that they are constantly fighting a battle to be heard. Their voice is very rarely engaged foremost in discussions about what they do, and they often have



to refer back to licensing authorities, which colleagues have mentioned have challenges of their own in terms of consistency.

There is a multitude of challenges facing drivers. Ideally, there is an opportunity here, especially with the English Devolution and Community Empowerment Bill, to rectify some omissions that they experience as fundamental members of the transport network.

Chair: Thank you. We may want to come back to the fee income saturation issue in a bit.

Q4 **Baggy Shanker:** The most recent national taxi and private hire driver survey found that over half of drivers have experienced verbal or physical abuse. From my conversations with drivers, I am not surprised at that figure; I thought it might even be higher. Lots of actions have been discussed: CCTV, panic alarms, protective screens, links back to the police, and cross-authority sharing of information. What actions and policies do you guys feel would address the problem best?

David Lawrie: I have written several articles on this over many years and they are still ongoing. We believe that it is a lot more than 50% of drivers who are subject to verbal and physical, violent, racial attacks. The problem that we have is that drivers do not report it because if they do, they know that there is a very slim possibility that the police will turn up. That is because the police know that when they do turn up, it is a case of your word against theirs and there is a lack of evidence in order for them to investigate. They may also turn up and the passenger who has assaulted you has already gone, which means that there is nothing for them to investigate and they then have to try to chase it.

I was attacked in 2010. I gave the police the offender's name and address, the registration number of the vehicle he was in, his direction of travel and his estimated time of arrival at home. It took them two weeks to go and interview him because of that lack of enforcement, which does not just stop at the police; it carries on to the CPS, which decides whether to take the matter further and take it to court.

It then continues into the courts, where somebody appears in front of a magistrate and is let off with a slap on the wrist because they have a drink problem. Well, that does not help the driver who has just been stabbed in the eye or the head or stabbed 13 times with his ear hanging off—that is the type of attacks that drivers are up against on a daily basis. But because they know that there is going to be a lack of enforcement activity and support, they have given up reporting it.

There needs to be far more active enforcement, which has been referred to here before. There also needs to be evidence-gathering technology, whether is in-vehicle or in-app recording. Whichever way they do it, the police need to know that there is going to be evidence on which they can rely and prosecute.



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Of course, the flip side of that is if the offender reports the driver for even saying something inappropriate, that driver is going to find himself in front of a licensing committee. This is what was referred to earlier about insecurity. They make the report to Uber, Uber deactivates them, and that driver is out of work. They make the report to the council and within a week or two, or a month or two, the driver is called in front of a licensing committee and their licence is revoked or suspended, which means they cannot work for any operator and are out of work. The level of security within the industry and the feeling of protection is absolutely paramount.

Paul James: Mechanisms that we could put in place to safeguard drivers include setting up regular local working groups with the combined authorities that have ultimate oversight of the licensing authorities, the police and trade bodies to formulate a plan for victim support against assault and abuse; introducing enhanced training for new police officers on taxi and private hire legislation so that they are aware of the hardships and problems that are inherent within the trade; and setting up local emergency numbers that a taxi or private hire driver can contact if they are in desperate need.

Our Unite colleagues in Dundee have just started a big campaign called No Excuse for Abuse in conjunction with Dundee city council and Police Scotland. There is a direct number, the driver quotes that saying, and the police act on it straightaway because they know the driver is in danger. Unite is going to try to roll that out throughout the country.

The NR3 system for vehicle licensing could also be enhanced to track which vehicles have been suspended, revoked and so on to stop them moving on to other authorities. The LCRCA and the GMCA are now in the process of setting up a taskforce of local licensing officers, parking services and the police to combat the pandemic that we have of cross-border hiring.

Q5 **Chair:** We will come on to cross-border hiring. Is there anything else on this issue of safeguarding and the safety of drivers?

Andy Mahoney: Anything that we do has to be proportionate. Private hire is different from taxis. Taxis are hailed on the street; nobody knows who is getting in that vehicle. Private hire has the ability to take the full details—should be taking the full details—of every passenger. It should maybe take their credit card details or prepayment as well.

The driver safety aspect of it really depends on where in the country they are and what time of day it is. In rural economies, taking passengers to the supermarket or airport during the day, very little ever happens with that, but the night-time economy is completely different.

What Paul said about police training is absolutely right, but it can only happen with national standards; otherwise, as I said, the police have 230 different sets of rules to look at.



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As far as NR3 goes, NR3 is absolutely right, but the operator often does not get the information that they should. They should also be able to check the NR3 register, as they can in the equivalent coach and bus regulations through the Traffic Commissioners.

Eamon O'Hearn: Very quickly, I agree about No Excuse for Abuse. If I walk into a train station now, I am shown quite visibly that abuse will not be tolerated by other elements of an integrated transport network. The challenge for drivers is that there is no body that is necessarily responsible for them; again, they fall through the cracks. There is no employment status that says there is an obligation on the employer to implement and institute safe practices of working that you would get in the rest of the transport network.

We also cannot ignore racism. GMB members reported that 60% were impacted by the race riots last year and I imagine there have probably been similar instances this year. We cannot ignore the fact that that issue unfortunately runs in parallel with many elements of the private hire industry, and we need to be cognisant of that and understand that element as well, given the demographics of the industry at large. They all impact on safeguarding in terms of driver safety, which is, again, a Cinderella element.

Q6 **Chair:** Okay, this is not licensing but the private sector, but in Uber, there is the passenger equivalent of the star system; you can be rated as a bad passenger. It does not sound like that is acting as a deterrent to unacceptable behaviour.

Eamon O'Hearn: If I may, Chair, given that we represent Uber and have a relationship with it, that is an area of ongoing concern, I have to admit. There is an issue whereby any complaint that is made or any issue that arises between a rider and a driver is deemed to be between those two; Uber is essentially hands-off. If there is any loss of earnings associated with false claims against the driver—everybody has the right to make a complaint, do not get me wrong—the loss of earnings is described as a civil matter and drivers are advised to pursue a rider in the civil courts. Obviously, that is untenable, but it comes back to this point that they are falling through the cracks in an otherwise integrated network.

If you were a bus driver and suffered an assault or verbal abuse, there would be a very clear pathway by which you could have some degree of resolution and support. But, again, we have hundreds of thousands of people working in our community, so you have a significant gap in that area.

Q7 **Chair:** It is just that I was assuming that as an Uber passenger—it is probably the same for Bolt and so on—it is in my interest to keep my rating high in order that when I next put out a call for a cab, I will be more likely to be accepted by a nearby driver because I am a highly rated passenger, and that even if a driver does not put in a complaint, they will rate an abusive passenger with a very low rating, and that that is the



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incentive on the passenger. Obviously, it is not working in practice. Somebody is shaking their head at the back.

David Lawrie: It does not work that way in reality. What we are seeing within the community and the industry is that passengers are increasingly making allegations against drivers, whether they are false or accurate. They have identified it as the new, electronic form of doing a runner, which is the old term for where somebody gets out and does a runner.

Of course, as Eamon has just said, when a passenger used to get out of the vehicle and do a runner for the sake of a £10 fare, the driver had actually lost that fare. But when an Uber passenger makes an allegation against the driver, that driver is instantly deactivated for a period of up to two to three months so it costs him thousands and he is out of work. That is the way it actually works.

When a driver rates a passenger, that does not seem to have any impact on the Uber platform itself. That passenger just books another one and another one and another one, and they have that many drivers that it does not matter.

Chair: Somebody will take the fare eventually.

David Lawrie: Exactly, and that is how the fares have been dropped as well.

Paul James: Dave mentioned runners or bilkers. We have a massive problem with the police—if they ever arrive—with the fact that they say it is a civil matter and not a criminal matter. There is legislation that says it is a criminal matter. If you make off without payment and gain services by deception, it is a criminal matter.

Getting back to education of police officers, this is a massive thing that we need to get across, because it is putting drivers in danger. The biggest thing that you are going to do when somebody does a runner is react, potentially get out of your vehicle and follow them, because it is like a personal insult as well as robbing you. When you get out, you are putting your life in danger, and there have been many drivers who have been assaulted, stabbed or even killed. That is something that we—and this Government—have to put a stop to.

Chair: We will move on to another area of deterrence.

Q8 **Alex Mayer:** What role do you think CCTV in vehicles can play in protecting both drivers and passengers? We have seen in the evidence that there are some barriers, and like everything else, it appears to be a bit of a postcode lottery. What are the main barriers?

David Lawrie: The main barriers are a lack of understanding and education, and Chinese whispers because the industry sees it as “Big Brother is watching me” and local authorities do not understand the technology. Invariably, they do not necessarily understand the rules and



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regulations set by the ICO around that either. This just happens to be my specialist subject, because I am also a director of a company that does that.

We see that drivers who put it in on a voluntary basis tend to care more about it and look after it, because they have chosen to put it into their vehicles at their cost and have seen the benefit and advantage of having it, which is what I referred to before about the lack of defence and evidence. This is exactly what CCTV is for. There is no "Big Brother is watching me", because they should not be remotely accessible, and under UK GDPR, data may only be accessed in the event of an allegation being made, so the data is secure and safe anyway.

Furthermore, you have the use of audio, which the ICO took action against Southampton city council for and ruled that it must be switched off. There is a very small minority of local authorities that have set the audio to be timed. We believe and have seen that that is dangerous because you have no way of understanding or knowing how long the trip and the associated abuse is going to last. It should be either constant audio or full-control switched audio.

We have a handful of councils that do not allow the visible monitor. That is a huge loss to CCTV systems because it means that there is no visible deterrent. Having a system without a monitor simply means that, yes, you are going to record the event so that you have evidence after the fact, but there is nothing there to discourage potential troublemakers from committing the offence. If you can activate the monitor and they can see themselves, there is nothing that calms them down quicker.

It is more cost and lack of understanding that are the barriers to people having CCTV, but I will echo one of the written submissions and say—we say it every single time—that CCTV is there to protect the public, which includes the drivers. Council CCTV, street-level CCTV—all public CCTV is funded. This is for the same purpose and it absolutely must be funded.

Paul James: Dave is the expert so I am not going to cut across him in any way, but we encourage—certainly at Unite Taxi Education—all drivers to have their own CCTV systems and to have a data controller licence as well. If we were to go forward towards everybody having it, we would want the vehicle owners to maybe have a recognised CCTV system and a data controller licence as part of their licensing conditions. They would be the only person who could download that data, and obviously, on request from the police or licensing authorities, they would be able to do that.

We are 100% supportive of the position that this will become a deterrent for unsocial behaviour towards drivers and protect the travelling public—mainly the most vulnerable in society: in the night-time economy, young girls and guys who have been drugged, date raped or are excessively over the alcohol limit.



We have had many complaints where a reveller has got home in the early hours of the morning, the parents have had a bit of a go at the child and she has turned around and said, "Oh, the driver took me here, there, everywhere." Obviously, the parents then make a complaint to the police, the police check, and when we have checked the CCTV footage from the city, we see that actually the timeframe that the driver had taken her was the actual timeframe; the reveller was just trying to get out of being in trouble with their parents by blaming the taxi driver. But that mud sticks, and as Dave said before, the driver would be hauled in front of the authorities because of the inappropriate behaviour.

Q9 Alex Mayer: I think you said there that you thought there should be some kind of recognised CCTV. In quite a lot of our evidence, people have said that they do not want a concept of approved devices because it can be very costly to have to get a specific type.

Paul James: What we said in our submission is we do not want the local councils to do it because it is very onerous on the local council. It costs money for the driver to get the CCTV downloaded, and the time off the road costs time and money. Dave is probably more of an expert on it. I have what is called a BlackVue CCTV system in my LEVC black taxi, and that has a cloud backup that can last as long as I leave it on the cloud. It is a recognised system, but as I say, Dave is probably better placed to talk about the differences.

David Lawrie: What we are seeing is that a lot of people are going to Halfords, eBay and so on and buying a simple dashcam. Dashcams are not UK GDPR compliant; they cannot record anything inside the vehicle at all. So yes, there is a cost barrier, and yes, there is a differentiation between what is approved, which means actually legally compliant and has been verified to be so, and what is not approved, which could be absolutely anything. You then run the risk of that data falling into the wrong hands and being shared on YouTube and social media, and that is a huge problem. So yes, there has to be an absolute national standard and we are pleased to see that there is a growing national standard, which I have sent you a copy of. Up to now, that has been approved and accepted by around 115 different local authorities around the UK.

I echo what Paul has said. We welcome the new approach that has been taken by some newer councils that have gone down the mandatory route, where they are the data controller, but they do not access the data; it is a condition of the system supplier that they access the data on the council's behalf. That builds confidence with the drivers. It is about that lack of confidence and trust, and the cost, which should not actually be there. That is part of UK GDPR: you are not allowed to charge a fee for the retrieval of data. It just overcomes all that, because we are a system supplier, not an enforcement team. We are simply going to provide the data that has been requested and nothing more. That is a welcome approach, but I agree with what Paul said about having to go to the council being a barrier.



Andy Mahoney: I agree with the vast majority of what has been said about CCTV. As I said earlier, night-time economy is completely different from rural daytime. What concerns me slightly is that private hire should be private hire; it is private. Bankers, solicitors, footballers and schoolchildren use it and there is a lot of concern about how secure it is. Will people travelling a long way together—bankers, people who are making contracts and so on—actually not use a private hire vehicle because it has CCTV and just look for somebody else to pay who does not have it? That all concerns me. It concerns me about schools with children being videoed, but let us not get into that realm. There is an awful lot of thought that has to be given to the whole thing, quite honestly; it is not an easy one.

Eamon O'Hearn: I largely agree, definitely about the barriers and the trust. There is a real area of work to be done there, particularly on who can access and hold it and the cost; there should not be a cost associated with that.

There are two things I would flag. Again, in any other form of transport, you are on CCTV. I get on a bus or train and it is there. Obviously, audio is the big difference, but if we think ahead, we are transitioning at some point to automated vehicles and they will need to have audio recording capacity. There will be a change in the market and in behaviours and acceptance because they will need to have that functionality.

Perhaps if people are warned and there is a wider issue around making people aware that audio is being recorded, that also might help moderate behaviours because that is also a key area of dispute. Sometimes a reactive position on setting up audio misses the key moment that is sometimes the essential dispute between riders and drivers. It is not beyond the realm of possibility to have audio and to reassure people about the extent to which it is being used and why.

Q10 **Alex Mayer:** Some of you have already touched upon this, but overall, how effective are the current complaint systems for both drivers and passengers, particularly in circumstances where drivers work out of area?

Paul James: Licensing authorities have to take any complaints seriously, and rightly so. The big thing we have is with cross-border hiring and the amount of out-of-town private hires plying a trade in cities and towns across the country. They may have a plate 10 and Liverpool may have a plate 10. The intoxicated passenger who gets in—again, it is mainly in the night-time economy—just sees plate 10 and complains to Liverpool city council about plate 10, but that plate could be from Wolverhampton or elsewhere. Lately, we have had vehicles from as far as Newcastle and as far south as Birmingham and Solihull plying their trade in Liverpool, as well as those from Greater Manchester and everybody else. They all have their own specific plate numbers so it becomes harder for the travelling public to realise and make complaints. They automatically think they are from Liverpool and make a complaint.



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Depending on the severity of the complaint, that driver could be immediately suspended or revoked. They then have to prove that they are not guilty before somebody has proven that they are guilty. Again, the whole complaint system needs to be reformed so it is fast and efficient, the drivers have good representation and the councils give the drivers a chance. We have probably all experienced drivers who are in trouble or have been accused of something and they have already been proven guilty in somebody's mind because they are a taxi or a private hire driver. Unfortunately, that is the reality.

Andy Mahoney: Once again, there needs to be a national standard. In the terms, conditions and rules about complaints, licensing offices say that complaints must be reported to the council. What is a complaint? Was it that a red car turned up when they actually wanted a white car? That we were five minutes late? What is a complaint? There needs to be a standard of what a complaint actually is; otherwise, councils just get inundated with complaints.

It is very easy with electronics now to just say, "Any sniff of a complaint, send it straight to the council," and the council just gets thousands of complaints and gets bogged down. I am sure that is what happens with a lot of councils because operators do not want to be accused of not putting in a complaint. In saying that, complaints must be treated as an operator failure if they are not reported or not reported in time.

Who determines the outcome of a complaint? This changes all over the country. It could be the licensing officer. It might have to go to a committee. That committee could be a committee of councillors who are not trained. It could take—and has taken—nine months to get a committee meeting. That is just not good enough.

There needs to be a national standard and a set of rules. What is a complaint and how should a complaint be dealt with? And customers need to know how to complain. A national database would sort that. It is all down to stripping the licensing back, taking it right back to zero and coming back out with national standards right the way through the system.

Eamon O'Hearn: There is clearly a role for a national standard, but how that national standard is applied is probably the real question. If we are moving towards more enhanced transport authorities, perhaps that is a better balance, because some people—not us, necessarily—will criticise a national standard by saying it is too unwieldy or not flexible enough.

Perhaps the examples that we are giving are sometimes too localised. Something like a Greater Manchester authority—a TfL level—should in theory be the right size to have an effective and efficient system. We also do not want to create a hacker's paradise by having too many centralised databases; we can see the dangers in that, but having some degree of consistency is essential.



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Regarding how to ensure drivers are protected, I have to emphasise Paul's point: it feels like there is a lack of procedural fairness. The concept of natural justice does not apply to drivers. The reactive position to immediately suspend has significant consequences for drivers and the threat of that contributes to colleagues' comments about mental health earlier. This is a really serious issue, and I struggle to think of workers who are so easily set aside from doing what they do day to day and earning on the basis of a complaint that can take far too long to be resolved at many levels.

Q11 Alex Mayer: David, in your written evidence you mentioned premature suspensions and suggested that the process might be too effective. On the other hand, in previous inquiries we have heard, for example, about drivers who would be unwilling to take assistance dogs. I know from my own casework that there are cases where there is alleged dangerous behaviour by drivers and the passenger does not feel that much has happened yet. Could you comment on that, and perhaps on the overall theme that keeps coming up of speed? It seems that if some complaints were dealt with a bit quicker, that would help everybody all around.

David Lawrie: I would tend to agree, but I am also going to throw in a curveball, because the majority of the responses that you have had have been focused on the passengers making the complaints. We have seen the introduction of signage on vehicles that says, "Should you wish to make a complaint, please contact this number," and it gives you a contact number for the council. We find that offensive and do not agree with it. It should be, "Should you wish to make a comment," because they might want to compliment the driver. Yes, there is a rare set of situations where it may be a complaint about a guide or assistance dog, but quite often those are also false allegations.

We have recently represented a driver who was taken to court with an attempted prosecution for refusing to take an assistance dog. He did not refuse; he said that the dog had to sit in the rear of the vehicle with the passenger. The allegation was that he had said the dog had to go in the boot. It was a Vauxhall Zafira; they do not have a boot. It is this kind of false reporting and false allegation that I referred to before, and the speed and haste of resolving those and getting to the bottom of whether it is genuine—in which case we absolutely agree the driver should be prosecuted for that offence—or a false allegation, in which case that driver should not be penalised for too long.

In recent years we have seen the development of taxi cop schemes in various regions, including Bristol. That develops a far better reporting and action system. Because before he became a taxi cop, his opinion of the industry was the same as the general public's: we are all bad. Once he becomes a taxi cop and sees that it is actually the opposite way around, he is far more responsive, supportive and engaging with the industry, and they love it. The drivers and passengers report to him, he supports the enforcement of the taxi ranks, and he puts regular bulletins out to



build their confidence and reports what actions he has taken, including against out-of-town vehicles that are sitting on ranks. The whole reporting scheme needs to be sped up and be more efficient, and that needs to be down to national standards, but there needs to be far more support for the drivers as well.

Andy Mahoney: Regarding suspensions through complaints, some complaints can be very serious, and what a licensing office should be doing is suspending, hearing and then perhaps revoking. They do not have the ability to revoke after a suspension and many panels can take months, as I said earlier.

Q12 **Steff Aquarone:** Just stepping back a bit to the question of operating models, how well do you think the current legislation and operating regulatory framework accommodate both what we might describe as the traditional taxi model—I appreciate that many traditional taxi firms also use apps—and the pure, native, digital app-based model?

David Lawrie: As I referred to before, the legislation—including section 75(1)(a) of the Local Government (Miscellaneous Provisions) Act 1976—is very efficient, but because it was unknown about and unnecessary 50 years ago, it has not been in force for long enough. There should be expansions in certain areas of the legislation, including the rolling out of intended use policies for private hire vehicles. At the moment, it can be adopted to hackney carriage vehicles but not private hire.

The issue that we have is predominant out-of-area use, which is the activity of drivers intentionally going to a different local authority, not because it is easier—and we hear that all the time—not because it undermines public safety as such, which is another allegation that we have seen, and not because of the Deregulation Act 2015, which it is often blamed on. It is purely and simply because it is cheaper, faster and more efficient to obtain that licence, and they genuinely believe that with that licence they can work anywhere they want in the country.

If you introduced the intended use policy and expanded it to private hire, that would end predominant out-of-area use. It would not stop or undermine the ability of right to roam and traditional private hire operations, but it would stop the flooding of areas hundreds of miles away from local authorities. That would then boost income for the private hire drivers who have always been in that area. It does not mean that those who have gone to other areas would be out of work, because they would simply apply to be licensed locally. Our belief is that that would reinforce section 75(1)(a) and adopt geofencing into the private hire industry, which would far better protect the industry as a whole without making major changes to legislation, simply minor tweaks.

Paul James: I slightly differ from what Dave said about an intended use policy, but technology is basically the same. Near enough every operator now uses app-based technology to dispatch their vehicles. It is not the system; it is the cross-border hiring that is the problem.



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Unite's stance is that we feel that every licensed vehicle should either start or finish its journey in the area that it is licensed. That is black and white. Our problem with the intended use policy is that Knowsley council got taken to court because it put a percentage on it. What does the word "predominantly" mean? Does it mean "most of the time", so the rest of the time you can do it? That is our concern.

Start and finish is black and white. I can get a job from Liverpool to Manchester and be given a job by my operator to go to Stoke to bring them back to Liverpool, but I could only start or finish in the area that we are licensed. That would stop licence shopping because you can only work in the area where you are licensed. If you want to work in Liverpool but are licensed in Wolverhampton, you cannot work in Liverpool. It would make it easier for enforcement because straightaway the enforcement office and the police would say, "What's that vehicle doing here? Let's go and check it. Have you got a job?" "No." "So you're illegally plying for hire."

A massive thing we have now because of the cross-border saturation is that drivers are being forced to illegally ply for hire because they are not getting the jobs that they think they are so they just pick up anyway, and that is putting the travelling public at a massive risk. It also opens the doors for the criminal fraternity to do child sexual exploitation, county lines drug dealing and human trafficking, and it is a massive problem. We all know about the Casey report and chapter 7.

Chair: We are going to come on to that.

Q13 Steff Aquarone: Very briefly, because you have both given different answers to the same problem, is the flooding a problem based upon the operating model simply because the digital native operators are just broadly more available across the whole country?

David Lawrie: That is the belief. They think they can work. We see it on social media all the time: "Go and get a Wolverhampton licence, you can work anywhere you want." Well, I am sorry, it does not matter which council you are licensed by; you have that same ability or you do not. It is as simple as that.

We differ on the intended use and start to finish—commonly referred to as the ABBA rule—because we have seen it on several occasions where you could live in one area and work in a different area, your parents could work in a different area, and you have your regular company that you always use. Imagine the scenario: you have your taxi to go to work, you have gone to work, then you get a call from your parent to say they have had a fall and injured themselves and they need you right now. You ring your local company and the driver says, "Sorry, I can't take you; it doesn't end in my area."

Or imagine you have gone on a night out or to an event and have met friends, and you have booked your return trip with your regular company



to go home. The driver has taken you and comes back to pick you up. Your friends want to have a house party, but it is not in the driver's area, so the driver has turned up and has to say, "Sorry, I can't take you. You've got to cancel it." That is why we believe that the ABBA rule would not work at all, but there is merit in the fact that we need to do something.

Q14 Steff Aquarone: Could I come to Andy and Eamon on the broader point about whether the current regime accommodates both traditional and more digitally native operating models?

Andy Mahoney: I have probably completely different views, but that is what it is about. I believe that the ABBA—A to B, B to A—rule is totally unrealistic. Thousands of tonnes of carbon would be produced unnecessarily because of empty legs. It would fly in the face of Government mandates to lower emissions, such as ESOS, and achieve net zero. Prices in the transport industry have always been based on return legs. If you are getting full money to go one way and nothing to come back, you have no flexibility to reduce your price and congestion has increased.

Cross-border licensing is a symptom of considerable inefficiencies and inconsistencies by licensing authorities rather than people looking for a cheaper route to licensing. People do look for a cheaper route to licensing but the inconsistencies are what make that happen. That is why national standards must be there.

Again, if we do not have cross-border, then the people who flood into an area will just be licensed with that area that they flood into. If they are licensing in Wolverhampton and live in Liverpool, they will license in Liverpool because they do not live in Wolverhampton and travel to Liverpool. That is not the way it is. They license out of area.

A major part of taxis and private hire—private hire particularly—is in times of national emergency, large events, breakdowns and so on. You have a major problem if you have the ABBA rule and no out-of-area working and there is a breakdown, especially if that breakdown is with a special needs child at 7 pm on a Sunday, taking them to a care home 150 miles away from home.

Q15 Chair: We take the point that there are going to be exceptions, for example rail replacement services in an emergency.

Andy Mahoney: You have rail replacement, airports, disasters and large events like Cheltenham. You need to have a large amount of private hire from out of area and different regions because there is just not enough.

Q16 Steff Aquarone: In a way, that would have existed, and still exists, regardless of the operating model that we have seen emerging in the market since 2015, but I appreciate the points. Can I come on to Eamon on the point about the different operating models and whether the framework caters for them both adequately?



Eamon O'Hearn: I do not think it does. Fundamentally, if the framework is designed to give surety to riders, drivers and operators, there is a huge gap around transparency of fares, and the models at present are completely opposite. As a colleague mentioned, you used to have the rate per mile quite clearly: it was designated, understood and transparent. An increasing proportion of the private hire market does not have that transparency.

In actual fact, drivers in many of the operators are explicitly prevented from talking to passengers about the fares that they have been offered for journeys. That sort of model contribution to the arrangements is increasingly making those arrangements untenable because we will continue to have this unfair competition. That will drive some behaviours that we have already heard about, of people then trying to seek out better opportunities as they see them.

In terms of cross-bordering, again, if we are looking at it purely from the current footprint of localised transport authorities, then there are massive issues. But if we are thinking to the future, where we have TfL, Greater Manchester, Greater West Midlands, more conurbations and larger transport authorities, then perhaps the monitoring and the work around cross-bordering will be a little easier.

In actual fact, perhaps we should be looking to the very point that colleagues have made, which is that almost all operators now have a digital footprint. There is nothing stopping us in review saying to an operator, "Well, show us the extent of all the trips that your drivers made over the course of a period of time." That could very well give us an indication of what is predominantly for an intended use or clearly identify abuse of cross-bordering restrictions, whatever they may be. That digital footprint will be useful in the future if we decide on a mechanism to use it for accountability, transparency and reassurance for riders and authorities.

Q17 **Steff Aquarone:** You talk about price transparency, which is only ever applied to taxis; of course we have never had regulated pricing for private hire. I think what you are saying is that the difference with the newer operating models is that they are preventing the driver from discussing price with the passenger, which of course has always been the case previously with private hire, because ultimately the contract and the payment are made directly from the passenger to the driver.

Eamon O'Hearn: There is a subtle difference between having the conversation and being able to have the conversation versus being explicitly prevented from having the conversation. While you are right that the previous contract would have been a contract, in the course of conversation it would not have been any harm to say, "Yeah, actually, this is what I get for this journey." That ability does not exist at present because there is such a shroud of secrecy over the innovation across the entire platform economy, not just on the mobility side. It is a real challenge to us as public policymakers as to the extent to which we



should have some degree of understanding of what transpires under the bonnet, so to speak.

Chair: Olly, we jumped ahead to cross-border. Is there anything else that you want to ask about that?

Q18 **Olly Glover:** If it is all right with you, Chair, I will perhaps just invite the panel to say whether they feel that the whole out-of-area and cross-border question has been adequately covered by what we have discussed so far or whether they have any particularly salient thoughts to add on that. It is clear from the written evidence that there are very strong views on that subject.

Eamon O'Hearn: The one thing we would add is that with the proposed introduction of AV, there is nothing at present around displacement or replacement. We know through sharp experience with the steel industry that the phrase "just transition" looks great but often does not have meaning. I raise that point about the steel industry and others because the people there are employees and they have rights and entitlements. We are potentially moving to a sphere where 200,000 to 300,000 people who have no similar rights are going to face either displacement or replacement.

If cross-bordering or the equivalent of capping were to occur—which is sort of a logical extension of cross-bordering efforts—you may then have a mechanism for the phased introduction of AV that seeks to displace, as little as possible and in the most sensitive manner possible, existing drivers within a certain area. AVs will be licensed at a local level at this point and if that local level becomes the wider transport area, it perhaps provides a mechanism for us to approach their impending introduction in a way that is cognisant of the communities who rely on the fact that their partner is a driver but in a manner that does not stop the introduction of AV. But it would rely on some degree of cross-bordering and capping. That might be a positive public intervention in order to manage the transition so that we do not have 100,000 to 200,000 people cast out of jobs without any security whatsoever.

David Lawrie: We need to be very clear in understanding what we mean when we are talking about cross-border. The actual issue is predominant out-of-area use, which is drivers that are intentionally sitting around. They go to the airport without a booking to take them there, so they should not be there at all because private hire is pre-booked only. Unless you have a pre-booked trip to justify you being there, you should not be there. You have private hire work, which is the act of an operator sending somebody to do a job, pick up in one area, maybe travel through five or six different regions, drop off at their final area and then come back. That is perfectly legal; that is pre-booked and there is nothing wrong with that. Cross-border working is pretty much another term for predominant out-of-area use: they are intentionally working in the remote region at all times with no intention of returning to their home and issuing authority.



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As has been touched on already, with the introduction and discussions of devolution as is coming through, those regions will become a lot larger. It will not be a smaller local authority such as a local district; it will become an entire zone, such as the whole of Greater Manchester, the whole of west Lancashire or the whole of east Lancashire. Instead of being narrowed down into a small area, you will have a much larger area where you are able to work. Action needs to be taken, and quite urgently, to address this.

The intended use policy, enforcement of section 75(1)(a) and geofencing would work, but we are seeing a massive lack of enforcement, because you have the triple lock rule. If you have a Manchester operator that has Merseyside, Knowsley, Sefton and various other local authority licensed drivers and vehicles on its records, it is in breach. If those jobs have been dispatched to a vehicle and driver that are not licensed by the same local authority, that is a clear breach of the triple lock rule, so there needs to be more enforcement.

A lot of councils are very good at it; they go into offices, check and take action, but we are seeing the excuse, "We have limited resources; who is going to pay for it?" It cannot be the local licensees that are paying for the enforcement of drivers who are licensed by and paid their fees to a different authority. Maybe we need to be looking at centralising funding for enforcement.

We have been campaigning for national standards for a long time but we need to be very mindful of the clear differences between the likes of Transport for London and Monmouthshire in Wales. The two do not mix, so there has to be that regional variation. I believe that where you have sections 47, 57 and 67 of the LGMPA 1976 that allow for local variations, the level of those variations is going to decrease because of devolution. But I believe that there should be a strong justification for making those variations and that has to be written.

Paul James: On cross-border hiring, it is the practice of people licensing in one area and coming to another area to work. The start and/or finish in the area where you are licensed is a clear way of stopping it. It does not put any parameters; we can have exemptions for special education needs, patient transfers, specialised chauffeur services and so on.

Under the current model, a driver can get a job from A to B, B to C and C to D, and could end up in London from Liverpool. He still has to come back to Liverpool because that is where he lives, so he is still going to have dead mileage because he has to come back. Is that clear? Probably 90% of jobs issued by local operators are for local people travelling locally. I have been a cab driver for 28 years and I have had very few, let us say, lucrative jobs that take me far from where I live. Most of the work I do is in my local area.

Again, the Unite stance is: keep it local, keep it safe. We have a campaign called Get Home Safely, which is to get employers to help their



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night-time economy staff get home. A lot of them are not engaging in it because they do not know who they are getting.

The Conservative Government brought in the Deregulation Act 2015. That has been abused; it gives operators the power to transfer a job to another operator for them to complete the journey. In the case of a breakdown or an emergency, they could dispatch that job to another operator in Birmingham, which would do that job, complete it and be paid. If we look at it statistically, it is quite horrific the way the Deregulation Act 2015 has been abused.

Andy Mahoney: Again, I have differing views. I have the same views on the chauffeur and school work. They should be looked at in a slightly different way; it would cost an absolute fortune for the Government if we could not have out-of-area for schools. Chauffeurs have to have out-of-area. I have a client who would go from here to Scotland, and four or five days later go from Scotland to maybe Northumberland and want the same chauffeur. There are no borders in this country.

It is really important that private hire is licensed as private hire. They should not be tied to a local area; they should be able to go where they want. They have a licence. Much the same as an electrician, a train driver, a bus driver or a solicitor, they can work wherever they wish and need to work. As long as there is a national standard, there should be no problems with that.

Q19 **Laurence Turner:** We are in the rapid-fire part of the panel. We have already heard from Mr Lawrie and other witnesses that enforcement is an issue with the triple lock. Please do not respond if you feel that you have covered this question already, but are there other areas where you would like to see the operation of the triple lock improved?

Paul James: We are all supportive of national enforcement powers for all licensing authorities so they can issue fixed penalties and suspensions, regardless of where a vehicle is licensed, if it is plying its trade in the authority and it is caught defective or committing a misdemeanour. At the moment, they have to contact licensing officers from the licensing authority for them to suspend it. From the point of view of the night-time—I think a lot of my colleagues on the panel would agree—it is putting the travelling public at risk on a daily and weekly basis. If nothing else, we need to source the professionalism of the taxi and private hire trade, accredited training and standards, close the cross-border hiring loophole and give national enforcement powers to licensing officers.

Andy Mahoney: With medical standards, DBS interpretation—which is really important and interpreted differently right the way through the country—safeguarding training, vehicle standards and enforcement training all being the same, is there a need for a triple lock? I would say there is not.

Q20 **Laurence Turner:** We have talked almost exclusively about the



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workforce in terms of drivers. Does anybody want to comment about non-drivers who are involved in the trade, such as dispatch operators and local authority officers, and any wellbeing or pain conditions issues that you wish to draw to our attention?

David Lawrie: There needs to be the roll-out and development of far more active engagement, as we have seen with the Regulators' Code 2014, which stated that there needs to be far more active engagement and working groups, and the trade need to be recognised for the professional bodies that they are. When we look around, we see the Liverpool example with the bombing, where the driver recognised it. The trade is a highly professional body. The licensing authorities are, in the main, highly professional. But there seems to be that breakdown in communication between the two, and if we can improve on that then we can improve on standards, enforcement, activity, checking on the triple lock rule, unlawful private hire vehicles parking on ranks and so on.

We need to be very mindful that the cross-border issue and the ignoring of the triple lock rule did not start in 2015; it started in 2007 in Berwick and was predominantly hackney carriage. Since then, it has rolled out into private hire, but because hackney carriages are vastly outnumbered by private hire throughout the UK, it is a far more recognisable problem now—but not because of the 2015 Act.

Paul James: In our opinion, we have lost the professionalism and need to get it back. Anybody who is involved in the private hire or taxi industry should go through the same rigorous checks as a driver. Who is to say an operator or somebody who works for an operator is scrupulous? They need to have the same background checks as the drivers. They are issuing and accepting the jobs and taking the money predominantly.

Eamon O'Hearn: As a public sector union as well, GMB is quite conscious of the pressures that local councils face. It is a significant issue that we have challenges at local government level around funding in many areas, let alone just for their statutory responsibilities. There is some potential for economies of scale if there are to be slightly enhanced transport authorities; in an ideal world, the combination of authorities, pooling resources, may well deliver the consistency that we are looking to receive from authorities, and provision of a service that is timely and efficient but also effective. It is not just about being efficient; it is about effectiveness—for our drivers, as well as operators and riders, to be able to receive the service. Perhaps that is another future benefit of reformed transporting arrangements.

Q21 **Laurence Turner:** There was a question earlier about the Supreme Court judgment in respect of Uber, which has been covered. What is the situation for other operators in terms of employee-worker status? It would be interesting to hear particularly about small operators.

David Lawrie: This was touched on a few moments ago with the reference to a contract: who is the contract with? In our opinion, the



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2021 employment Bill was legally flawed in two senses. Part one was that the driver may not be involved in the acceptance of bookings. No, they cannot; that is the '76 Act. It is a private hire driver. The second part was that the private hire driver may not be involved in the setting of fares. No, you are quite right: the '76 Act states that the fares must be set by the operator.

The only part that was right was specific to Uber, because in the Uber model, Uber takes payment for all fares and then pays the driver. That is what gave the drivers their worker status. That model does not roll out on to the industry generically, as a whole. We saw this challenged recently in the case of Sefton versus Delta and Veezu, where Uber appealed against the decision. It went to the final hearing and Uber lost its appeal because the generic taxi and private hire models do not work in the same way.

There has always been a multitude of contracts. When a passenger contacts an operator, they request a trip, find out what the journey is and are accepted. That is offer, consideration, acceptance: there is your first contract. The operator then passes the job on to the driver, who is contracted to provide a service on behalf of the operator, take that passenger safely from A to B, and charge them the rate that has been set by the operator. That is your second contract.

Once that driver turns up, if he turns up on a skateboard and your passenger is not going to get on, there is no third contract. If the driver turns up and the passenger is stood there with a string vest on, blood hanging down from him, vomit all over him, and 15 bags of luggage, they are not going to let them get in the vehicle and there is no third contract. But if everything is fine—the vehicle and driver are professional, everything is okay about it and the passenger gets in—you then have the third contract, between the passenger and the driver.

The difficulty is that under the Deregulation Act 2015, there is the possibility of multiple contracts coming into play along the line, as Paul has already suggested; an operator can subcontract to a different operator in a different district, so within any one journey, you could actually have up to eight, nine or 10 contracts in play. The issue is who takes the payment, and that was the case in the 2021 employment case. Who takes the payment? The operator does; therefore, the driver is a worker and entitled to pay.

The negative side of that is the reaction from the industry and the drivers as a whole. They have seen their rate per mile massively drop as a direct result of the 2021 case because Uber is now having to cover the holiday and sick pay, and that comes out of fares.

Q22 Laurence Turner: I wonder if I might bring in Mr O'Hearn to respond as a GMB representative.



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Eamon O'Hearn: You have left a great curly question for the last one. The crossovers with VAT decisions at tribunal, where there are decisions that support both models of operation, are quite clear and well known. The Uber decision was about control of an employment status. Uber can speak for itself but it made the decision to change its business model post the Supreme Court decision.

The challenge around that model, if you like, and the challenge around it all, is: where does that leave the driver? Paul is absolutely right. There are different operating models out there, and perhaps Government colleagues who are involved in discussions about a new or potentially new VAT regime for the industry should liaise closely with this Committee, because there is an opportunity to establish a consistent VAT regime that treats passengers and operators fairly.

We have a massive concern at the moment in that Bolt has lost an employment tribunal decision on the status of its drivers. It is appealing that decision, understandably, but HMRC is allowing Bolt to argue at the financial tribunals on their VAT dispute that Bolt's drivers are independent contractors. HMRC has not challenged Bolt on that position; it has not challenged Bolt that it has an employment tribunal decision to the contrary.

So we have this third issue coming in that is not helpful and not indicative that Departments are on the same page. If the Government continue to ignore that employment tribunal decision, Bolt is free to argue that its VAT arrangements are consistent with independent contractors, which we do not believe is the case. We think that the tribunal decision for Bolt is absolutely clearcut based on the Supreme Court decision regarding Uber.

Paul James: Going back to your earlier question about the smaller operators, we are finding that the smaller operators in the big cities are getting swamped out. They are no longer your traditional, small, urban area operators. It is the "if you can't beat them, join them" model. The bigger operators in the Liverpool area—the likes of Delta and Alpha—have now got operator licences in all the cities, including Wolverhampton, Birmingham and everywhere else. What you would call your traditional secure operator has gone out of business because they just swamp them; they lower the prices and basically bully them out of existence.

That again has a massive effect on the local communities and certainly the elderly and the people who are vulnerable, because they are used to having that local operator. The whole system is being imploded by the platform-based operators and the larger national "traditional" operators taking over all the smaller operators. That is the big thing that we have found, certainly in Greater Manchester and the city region, and even in London.

Chair: In rural areas you have a lot of one-person operators, with one driver and one car—self-employed, effectively.



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I am very conscious of the time. You have all given very effusive answers that have covered the answers to other questions, so unless my colleagues have anything else that they really want to ask, we will move on to the next panel. Thank you for your evidence today and the time you spent on your submissions. If there is anything you feel still needs to be added, please write in.