

Written evidence submitted by the Licensed Taxi Drivers' Association (EVP0109)

Introduction

The Licensed Taxi Drivers' Association (LTDA) has been the professional and authoritative voice of London taxi drivers for nearly 50 years. We are dedicated to supporting our 10,000 members, protecting the trade, and maintaining the high professional standards that London taxi drivers are known for across the world.

The LTDA welcomes this important inquiry. London's taxi drivers know only too well how important it is to tackle the problem of air pollution and address the climate emergency. They are committed to doing their part to support the achievement of the UK's commitment to net zero carbon emissions by 2050.

Accelerating the shift towards zero emission vehicles has a key role to play in achieving this and London's taxi trade is proud to already be in the vanguard of this. We aim to have a fully ZEC fleet within the current decade, and by 2030 at the latest. Since 2018, all new taxis licensed in London must be Zero Emission Capable (ZEC). Thus, traditional diesel cabs are already being phased out and with maximum age limits for existing diesel cabs operating in London also gradually reducing, this transition is hastening. There are now 3,946 ZEC taxis on London's streets.

To date, the trade made up of thousands of small businesses has invested more than £250 million in Zero Emission Capable taxis, and prior to the Covid-19 crisis, was continuing to invest at a rate of £3 million per week. The LTDA hopes that our members' experiences and the barriers they have encountered to phasing out diesel taxis detailed below, will help inform the Committee's inquiry on this issue.

Consultation questions

- **The feasibility, opportunities, and challenges presented by the acceleration of the ban of the sale of new petrol and diesel vehicles to 2030**

Bringing forward the ban on the sale of new petrol and diesel vehicles 2030 is an ambitious policy, but one that can be achieved if the right support, incentives, and infrastructure are put in place as a matter of urgency. There is a lot that will need to be done to make this feasible and ensure that EVs are a viable alternative for widespread use. Below, we consider the key issues from the perspective of the taxi trade.

Financial Incentives

The Government should ensure it continues and enhances the financial incentives that are available to help drivers to make the switch from diesel taxis to electric, zero emission capable (ZEC) taxis and make EVs more affordable.

As it stands, the plug-in grant is of vital importance in helping taxi drivers to purchase a ZEC taxi, which requires a considerable investment of up to £65,000. Providing up to £7,500 towards the cost of a vehicle, the Taxi Plug-in grant has been an invaluable way to reduce the cost to the driver. The Government has committed to providing £582 million to extend the plug-in car, van, taxi, and motorcycle grants to 2022-23. However, in view of the devastating impact of the pandemic on the economy and many people's personal finances, they should consider extending this further to ensure that drivers can continue to make the transition to an EV, and the investment required.

Adequate provision of charging infrastructure

There is currently a serious lack of electric charging infrastructure to support the widespread adoption and use of electric vehicles. The Government has recognised this and committed to investing £1.3 billion to accelerate roll out *“targeting support on rapid charge points on motorways and major roads to dash any anxiety around long journeys, and installing more on-street charge points near homes and workplaces to make charging as easy as refuelling a petrol or diesel car.”*

These are all extremely important objectives. The focus must be on rapid charging, which is essential to make the use of ZEC taxis commercially viable.

To date, much of the thinking on and investment in infrastructure has focussed on domestic users – who can charge overnight at home. This will need to change to make the 2030 phase out date workable.

We have also seen delays to investment specifically in public EV charging infrastructure, with many local authorities still determining how and where to make investments. This would need to ramp up considerably to make the 2030 date feasible. Rollout, specifically of rapid chargers, needs to be accelerated as a priority to make the widespread use of fully electric vehicles as an alternative practical.

A practical solution to improve access to the charging network for EV owners with no off-street parking is to require all new kerbside street lighting columns to incorporate a charging point. Modern street lighting is LED which typically uses half the power of a more traditional unit, this spare power can be re-utilised for slow overnight charging. Local authorities provide the necessary leads at or above cost and charge a small premium on the supply cost of the electricity used. This 'surplus' could be used to buy the new lighting columns and enable street lighting to be cost neutral. To ensure these are accessible for charging the London Borough of Camden has also demarcated charging-only parking bays close to its existing lamp post charging points.

Charging hubs

One way to speed up rollout of charging infrastructure and achieve the scale required to support more EVs is through the development of charging hubs with multiple charging points – a modern day equivalent of the petrol station – such as the one opened by Gridserve in Braintree in December 2020. This has 36 charging points offering ultra-rapid charging. These are particularly important for commercial EVs. They should be built on key arterial routes and in convenient locations such as near major stations, so drivers can access them easily during a shift. Many companies including SSE are pushing hubs as a model.

Dedicated taxi-only charging points

We also need more dedicated rapid charging points for commercial vehicles such as taxi only charging points, as working drivers rely on having ready access to points so they can get back on the road and back to work, as quickly as possible.

Taxi drivers in London using ZEC taxis already report difficulties finding and accessing charging points. With more people making the switch to electric vehicles ahead of the phase out date, the existing shortage risks becoming more acute. For example, as part of its efforts to electrify its fleet the Metropolitan Police have proposed making use of dedicated taxi charging points that do exist to charge their vehicles during shifts, which would put these points under additional pressure.

Another challenge is the lack of enforcement around other vehicles using taxi-only charging points. It is becoming increasingly common for these points to be ‘blocked’ by non-taxi users taking advantage of what is often the only charging point in the locality. This problem could easily be resolved if the charging provider made the point inaccessible to others by introducing cards/apps that identify a taxi user.

There are also opportunities to make better use of existing charging infrastructure for example, we have previously proposed that taxi drivers could use charging points in bus garages, which sit unused during the day.

Price and useability of charging points

Another challenge London’s taxi drivers currently find is that across London charging points are installed and managed by a myriad of different companies each with different price structures and schemes. To use them, drivers often need an account and a card or app on their mobile phone, which must be topped up with credit.

This means that working taxi drivers often need lots of different accounts to allow them to charge their vehicle whilst out working, depending on where they are when they need to charge their vehicle. This can be difficult to manage and cumbersome for drivers.

Each provider also charges a different rate and generally rates for charging are still relatively high when compared to the wholesale price of electricity, which is 3p per Kw, yet the

cheapest rapid charger is 25p per Kw and it can be much more depending on the provider, which is a significant mark up.

When commissioning new charging points, the Government and councils should look at ways to streamline this and ensure that the chosen providers are offering the very best value for money.

Improving technology

The lack of rapid charging infrastructure is even more problematic when combined with the limited range of existing battery technology. The range of existing electric taxis available for purchase is currently only around 60 miles, meaning that most drivers will need to charge at least once during a typical shift, particularly in central London. Taxi drivers and the wider public have expressed reluctance to purchase an electric vehicle for fear of the range being insufficient to meet their needs. So-called ‘range anxiety’ will need to be addressed to increase take up of zero emission vehicles and build consumer confidence, ahead of the phase out date, so people see a viable alternative to petrol, diesel, and ultimately hybrid vehicles.

The Government has committed £1 billion to support the electrification of UK vehicles and their supply chains, including developing “Gigafactories” in the UK to produce the batteries needed at scale. This will be vitally important to address this and should be met with a corresponding decrease in the purchase price of the vehicles.

A viable EV market

The high price and low production rate of electric vehicles represent further challenges to the implementation of a new car market comprised solely of zero emission vehicles. Currently, fully electric models represent only 1.6% of all new car sales in the UK. To increase this to 100% by 2030, a massive increase in production is required. This in turn will undoubtedly bring down the currently high cost of electric vehicles which is prohibitive both to taxi drivers and the general public – many of whom are keen to make the switch but can not afford to do so. The Government will need to actively monitor the situation over the next few years and ensure that the increase in production is met with a corresponding decrease in the price of an electric vehicle. If the market does not achieve this by itself, the Government should seriously consider intervention.

Lessons should also be learned from London, where the introduction of new ZEC licensing requirements resulted in the rapid devaluation of older diesel taxis and collapse in the market for second-hand cabs, which has made it difficult for many taxi owners, particularly individual drivers, to make the transition to ZEC vehicles and purchase new vehicles. It also particularly impacted drivers that had recently purchased the latest Euro VI models, with the value of their newly purchased vehicles plummeting.

Confidence in the market and clear messaging

To incentivise further take up of electric vehicles, particularly for commercial purposes, like taxis, the Government must make it clear that EVs have a future on our roads and that they see them as a key part of the transport system.

The current policy focus on active travel is welcome and necessary to allow for social distancing, respond to the challenges presented by the pandemic and to combat this country's obesity crisis. However, in looking at ways to encourage more active travel and discourage the use of private cars, the Government must ensure its messaging is clear and demonstrates that there is a clear role for EVs. Road schemes which exclude all vehicles being considered and introduced across the country can signal that there is no place for motorised vehicles of any kind. This may discourage take up of zero emission taxis and deter drivers from making the considerable investment required to make the transition.

We have seen this in London, where following the Covid-19 pandemic, the announcement of the Mayor of London's Streetspace programme, which included plans to exclude taxis from key through routes in central London, undermined confidence in the already struggling taxi trade. This resulted in sales of electric taxis falling dramatically, drivers giving up leases on electric taxis and some leaving the trade.

The LTDA firmly believes that the taxi trade is a fundamental part of the UK's public transport infrastructure, including supporting efforts to promote intelligent mobility and move away from car ownership. Policymakers must make it clear they share this view to ensure continued investment and complete the transition to a fully zero emission taxi fleet.

- **The actions required by Government and private operators to encourage greater uptake of electric vehicles and the infrastructure required to support them;**

The Government should:

- Maintain a strong commitment to developing public electric charging infrastructure across the country, and seek to fulfil its ambition of having a charging point no more than 30 minutes away as soon as possible;
- Invest specifically in more taxi-only rapid electric charging infrastructure in city centres, ensuring they remain 'taxi only'.
- Continue the plug-in taxi grant for taxis beyond 2022/23 to help incentivise drivers to make the switch to electric vehicles;
- Consider other monetary incentives to encourage drivers to make the switch to fully electric vehicles including investment in delicensing / scrappage schemes;
- Invest heavily in battery technology research and development to ensure that electric vehicles are capable of longer range and fully electric models are a practical choice for everyday use, particularly for commercial purposes;

- Consider measures to support car manufacturers to produce a greater range of fully electric vehicles, particularly for specialist sectors such as the taxi trade, in which the market for new vehicles is limited;
- Encourage stronger collaboration between the Department for Transport and local authorities, especially in areas like London with a powerful transport authority like TfL, to ensure that the 2030 phase out date is achievable;
- Ensure local authorities are effectively targeting and investing in EV charging infrastructure, for example by introducing ring-fenced funding or setting legally enforceable targets; and,
- Maintain and bolster confidence in the future of the taxi trade, with a clear vision for a net zero taxi trade as part of the UK's transport system.

Private operators should:

- Car manufacturers must look at ways to reduce costs and pass these savings on to the consumer.
- EV charging providers should work to provide a more user friendly and cost-effective service.

Road Pricing

London has been at the forefront of introducing road pricing through the Congestion Charge and Ultra Low Emissions Zone. These schemes have been shown to have a positive impact and have assisted in combating problems such as air pollution, as well as supporting wider efforts to decarbonise transport by making it more cost effective for people to make the switch to a cleaner, greener vehicle and incentivising take up of EVs.

London's licensed taxis have been exempt from these measures since they were introduced in recognition of the fact that they are a key part of the public transport system, providing the only door-to-door form of accessible transport in the capital and along with buses, are one of the only vehicles allowed to ply for hire.

If more road pricing schemes are to be introduced, it is crucial that taxis are similarly exempt from these to allow them to continue to provide such a service and ensure no passenger, particularly those with protected characteristics, such as elderly or disabled people, are not disadvantaged.

This is also important because licensed taxis also help to fill gaps in the transport system and through the use of technology and apps such as *Gett* and *ComCab*, have a role to play as part of the shift towards Mobility as a Service (MaaS), helping to reduce reliance on traditional car ownership and make transport more efficient, accessible, and sustainable. Including taxis in any road pricing schemes would undermine this.

Finally, the exemption of licensed taxis recognises the effort being made by the trade to decarbonise through the adoption of zero emission capable taxis. We believe that while

the trade is in the process of transitioning to an all ZEC fleet these exemptions should remain in place, so that taxis can continue to provide an important service.

New proposals in London

More recently, we have seen proposals from the Mayor of London to introduce a *Greater London Boundary Charge* unless the Government devolves London's Vehicle Excise Duty to the Greater London Authority. We can see the rationale for this, but for working taxi drivers, many of whom live beyond the GLA area, it would be hugely damaging, and we would assume that taxi drivers entering Greater London for work would be exempt from any such charge.

We have also seen major airports seeking to introduce fees for vehicles dropping passengers at their terminals, including licensed taxis. These proposals present real challenges for working drivers, particularly those who work the airports exclusively or earn a significant proportion of their income from clients going to and from the airport. We believe that licensed taxis should be exempt as part of the public transport network, particularly in view of the fact that for some people, including those with mobility issues, a taxi could be the only form of transport open to them.

Whilst not road pricing as such, we have also seen a number of local authorities across London looking at ways to incentivise the use of EVs and deter the use of older, more polluting vehicles, by restricting the type of vehicles which can use certain roads – making them open to EVs only. This has been used on stretches of road which have been identified as pollution hot spots such as Beech Street in the City of London and has also been proposed in other areas where authorities are considering closing a road to motor vehicles. Over the medium to longer term this could be a positive way to incentivise the take up of EVs but must be introduced gradually and in a measured way to give people time to make the transition and the considerable investment required.

In the meantime, licensed taxis should maintain the existing access they have and the right to go where buses go so that they can continue to provide an effective service and an integral part of the public transport system. This was recently affirmed by the High Court with regard to Mayor of London's Streetspace for London Plan and a specific scheme on the A10 Bishopsgate, which excluded taxis from a major thoroughfare.

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