

London Assembly Economy Committee – 12 March 2019

Transcript of Item 6 – Small Minicab Firms in London - Panel 1

Susan Hall (Chairman): That now brings us to today's main item for discussion, on small minicabs in London. The main focus of the first panel will be to examine the challenges affecting small minicab firms' survival and establish ways that the Mayor can support their survival. I am going to ask you all to introduce yourselves very, very briefly, if I may. Could we start this side with Steve Wright?

Steve Wright MBE (Chair, Licensed Private Hire Car Association): I am Steve Wright, Chairman of the Licensed Private Hire Car Association and a former Transport for London (TfL) Board member.

Steve Hall (Commercial Director, Licensed Carriage Hire): Good morning. My name is Steve Hall. I am the Commercial Director for Licensed Carriage Hire (LCH). We supply exclusive cars to the industry.

Sue Flohr MBE (Head of Policy, British Dyslexia Association): I am Sue Flohr [MBE], Head of Policy for the British Dyslexia Association. I am here to represent those dyslexic drivers who have been contacting us about the literacy aspects.

Abu Ashrafuzzaman (Licensed Private Hire Driver): My name is Abu Ashrafuzzaman and I am a private hire vehicle driver.

Peter Jamieson (Vice Chair, Driver Guides Association): I am Peter Jamieson and I am the Vice Chairman of the Driver Guides Association. We are a national association of professional Blue Badge tourist carriages who undertake tours in their own vehicles.

Robert Welch (Managing Director, Small Car Big City): Good morning, everybody. My name is Robert Welch. I am the founder and Managing Director of a company called Small Car Big City. We do sight-seeing tours of London in a fleet of restored classic Mini Coopers, probably one of the more niche operators here today.

Roderick Lynch (Former private hire vehicle operator and developer of specialist wheelchair and stretcher accessible vehicles): I am Roderick Lynch, former private hire vehicle operator and also a consultant on disability transport.

Diana Kendall (Company Director, Kendall Cars): I am Diana Kendall. I own and run Kendall Cars, a minicab company based in Croydon. We have been in operation for just over 50 years.

Zoe Walsh (Sales and Customer Relations Director, GLH): Good morning. I am Zoe Walsh. I am the Sales and Customer Relations Director at GLH, a London operator that has been running for over 50 years and operates approximately 300 vehicles.

Anthony Edwards (Managing Director, Brunel Total Ground Transportation): Good morning. Anthony Edwards, Managing Director of Brunel Total Ground Transportation. We have been operating for over 30 years.

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services):

Good morning. I am Greg Mendoza, Chairman of the Chauffeur and Executive Committee, also Vice President of Carey International, an operator providing chauffeured driving services in London and globally.

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): Good morning. I am Jimmy Lazarou. I am the Chief Executive Officer of Crawfords of London. I deputise for Greg [Mendoza] on the Chauffeur and Executive Committee and the trade body that meets with TfL. We are at the executive and chauffeur end of the market. We are a licensed operator based in Park Royal with approximately 200 vehicles.

Susan Hall (Chairman): Thank you, and I have just been told that Eddie Townson [Chair, Private Hire Board] was taken ill on the train coming in so please do send him our best wishes for a speedy recovery.

We are going to be asking questions to some of you specifically but if that is not particularly in your remit then pass it to anybody that it might concern. If I start off, aiming these firstly to Jimmy Lazarou and Steve Hall, has it become more difficult to make a living as a minicab operator in recent years and if so, why?

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): Recently TfL have increased the private hire licensed operators' fees in our bracket. We fall within the 100 to 500 vehicle bracket. Previously the five-year operator licence was £2,826, if I am correct. We are now faced with a hike to £150,000, which is an absolutely eye-watering 5,207% [increase], if my mathematics are correct. What that means for us is that in an already extremely competitive market, we would have to increase our turnover by approximately £600,000 just to be able to stand still and afford the renewal with that sort of hike in fees.

The other challenge that we have recently been faced with is the Ultra Low Emission Zone (ULEZ) and Congestion Charge. What usually happens is we renew our fleet approximately every three years, and every three years the vehicles that we purchase are even greener with lower carbon dioxide (CO₂), more compliant and a lot more efficient. In December [2018] it was announced by TfL that there would be the removal of the Congestion Charge exemption and if you had a non-compliant vehicle you would be faced with a daily charge, and if you had a compliant vehicle, which is now a plug-in hybrid electric vehicle, you would be OK.

Now, for us to renew our fleet and have plug-in hybrid electric vehicles we are faced with additional manufacturing costs of approximately £2 million because these vehicles are costing between £9,000 and £14,000 in additional manufacturing costs. The other issue is that ironically in October and November [2018] the £2,500 Government grant incentive of the lower end of these vehicles was removed. Whilst the Congestion Charge has come in, the Government grant incentives have been removed. We are faced with these challenges.

In London as well, at our end of the market, the people carrier, the MPV [multi-purpose vehicle], as we call it, is predominantly the Mercedes-Benz V-Class and the Volkswagen Caravelle. In fact, these manufacturers do not have a plug-in hybrid electric vehicle compliant with this legislation. Even if we wanted to be compliant, there are no vehicles at that end of the market that meet that standard. That is just a brief summary of some of the challenges that we are faced with.

Susan Hall (Chairman): They are real challenges, I should imagine. Steve [Hall], do you have anything different to add to that?

Steve Hall (Commercial Director, Licensed Carriage Hire): From our point of view, being not an operator but a car rental company to the industry, we have challenges administratively which are going to see probably a 20% to 25% increase. We do not have to deal with the Congestion Charge today because we supply

exclusively to this industry. There is additional resource that we are going to have to pull in to deal with a lot of the penalty charge notices for this implementation.

Just to labour Jimmy's point, we also have the same problem in respect of as of 1 January next year we are not going to purchase about 20% of our fleet because there are no alternatives from several manufacturers, the biggest one being the Mercedes-Benz V-Class, which is a people carrier which encourages reducing the number of cars impacted by passengers. A replacement for that vehicle will not be available until about the end of 2021.

Susan Hall (Chairman): So you cannot be compliant because they do not sell the vehicles?

Steve Hall (Commercial Director, Licensed Carriage Hire): Correct.

Susan Hall (Chairman): Very briefly, if you all had electric vehicles, are there enough electric power points anywhere? No. OK.

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): If I may, in 2021 the plug-in hybrid electric vehicle will also be non-compliant because from then on they are insisting that we have all electric vehicles. The residual market that I will be looking to sell onto, which are other owner vehicle private hire drivers, will not be there. In 2021, approximately two years, I will have to look at renewing the fleet again with additional exorbitant costs.

Susan Hall (Chairman): OK, fine. What we are going to do is go through our questions and in the time left for this little bit, anybody else can go into their comments.

Shaun Bailey AM: I am going to ask about the number of minicab firms that are going under. Anyone in particular who is an operator, I would just like you to give me any indication that you have had that you may go under or that people in your industry that you are aware of may go under. What sort of numbers are we talking about, 2%, 20% or whatever? Greg, maybe you want to start.

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services): TfL's own numbers indicate very clearly that the number of private hire operators in existence is dropping rapidly, by 10s and 50s in every report, and there is quite a time lag there. Through discussions with TfL it is very clear that quite often they do not know that an operator has gone out of business until they go and do an inspection and find that the office is empty and the operator is no longer there. The numbers could be far greater than we are seeing in TfL's numbers.

As an operator, about the additional costs that we have been facing, for my company we run a fleet of around 150 vehicles. We have already had the increase in the operator licence fee --

Leonie Cooper AM: How many vehicles do you have?

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services): 150.

Leonie Cooper AM: Sorry, I could not hear what you said.

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services):

We have already taken the additional cost of the increase in relicensing cost from £2,000 to £150,000, and as of 8 April [2019] we have an additional cost of £500,000 a year to cover the removal of the Congestion Charge exemption.

Florence Eshalomi AM: Sorry, just to clarify in that, as an operator you are going to be covering your drivers' Congestion Charge costs?

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services): We are slightly different at the premium end. We own our vehicles and we employ drivers. We will be liable for that cost. That cost will clearly have to be passed on to customers to the extent that we can, but the bottom line is that the increase in costs that we face with regulation actually exceeds our annual profits. Unless we can put our prices up - and there is a whole story there about why that is not so easy with the way competition is in London right now - we have been moved from being a profitable company to a loss-making company. That is the case across many, many operators and that is what is driving operators out of business today.

Shaun Bailey AM: Can I ask someone who is not at the premium end, who has a different business model and whose drivers maybe own their cars as opposed to this? Are we seeing operators in that space close down as well?

Peter Jamieson (Vice Chair, Driver Guides Association): If I may make a point, all our members are Blue Badge tourist guides who undertake tours in their own cars. They are all individual, self-employed sole traders. It does not affect the Driver Guides Association as such but it does affect our members. We have 50 London-based members at the moment and in the last year five of our members have given up because the costs of the bureaucracy and the stress of offering a driver guide service, they say, is just not worth their while. It is only a very small thing but we are offering a high-quality, bespoke service to tourists and already we find that the availability of that bespoke service is now reducing at quite an alarming rate. Although it does not affect us as an operator, it affects our individual members.

Zoe Walsh (Sales and Customer Relations Director, GLH): Around 25% of our fleet are owner drivers. They are responsible for their own costs. We are now faced with a situation where if we are unable to cover that cost for them, they may just leave and so we will be left with 25% fewer drivers overnight. We are working hard to try to increase customer rates but as Greg [Mendoza] mentioned, that has its own difficulties. I fear that our fleet is going to become much smaller once the Congestion Charge is introduced, therefore not being able to cover the work.

Leonie Cooper AM: How many vehicles do you have in your fleet?

Zoe Walsh (Sales and Customer Relations Director, GLH): We operate both minicabs and couriers. Collectively, there are around 300.

Leonie Cooper AM: 300.

Steve Wright MBE (Chair, Licensed Private Hire Car Association): May I? Diana is a smaller operator.

Diana Kendall (Company Director, Kendall Cars): I run between 80 and 100 cars. My core business is special educational needs (SEN) transport, community transport and social work. My licence fee at that rate will be at £30,000, up from the £2,800. If I go one driver more it then leaps to £150,000. I work for the councils. All the councils are hard-pressed for cash and I do not see how we can continue with those kinds of

fees without passing the cost off. It is an impossible situation. I cannot see us surviving. I have been in business 50 years and I do not see us making the next couple of years.

Shaun Bailey AM: Can I just ask one additional question about the residual value of vehicles and the pace of this change? Who can indicate to me the financial stress that may have? Is that a very, very serious thing - it strikes me that it is because of capital costs - or are we barking up the wrong tree? How impactful will the residual values and the availability of compliant vehicles be on your businesses?

Anthony Edwards (Managing Director, Brunel Total Ground Transportation): Just to give some clarity in relation to the question you have just asked, we are a 300-strong operator in central London operating 300 vehicles with a mixture of employed and self-employed drivers.

We are also buying 1,400 vehicles today we actually have on fleet that are for the rental industry. We are renting vehicles to self-employed drivers. There are no statistics today that tell me what the damage or impact will be but, for sure we definitely have had a concern among our base of vehicle and our drivers that this will have a serious damaging effect on our business, from the point of congestion charging. We would have to pass congestion charging costs on to every single driver as part of their rental package.

Shaun Bailey AM: You are saying only the Congestion Charge is a concern, not the ULEZ?

Anthony Edwards (Managing Director, Brunel Total Ground Transportation): The ULEZ is also a concern. We as a business were sold out three years ago to a company called Europcar and we are purchasing 50,000 vehicles a year within the United Kingdom (UK). Our buying and procurement teams cannot find and source the correct vehicles to make us compliant with both the ULEZ and congestion charging. For example, the maximum amount of stock we have been able to find today to replace our existing fleet has been 1,000 vehicles if we can get hold of them, but the demand is so high we cannot.

Andrew Dismore (Deputy Chair): I think Anthony [Edwards] and Zoe [Walsh] both mentioned employing self-employed drivers. Obviously, there have been some recent decisions in the courts over what is and is not self-employment in this sphere. Can you tell us what control you exercise over the working hours and trips that your drivers do that you would classify that as self-employed?

Zoe Walsh (Sales and Customer Relations Director, GLH): Yes, I can answer that. The guidelines that we work towards are that a driver works an 11-hour shift, five days or six days a week, and we monitor that through our systems so we know when they have started and are finishing work.

Anthony Edwards (Managing Director, Brunel Total Ground Transportation): Just to add some context for that, from our business point of view our employed drivers would do a maximum of 10 hours per day on fixed shifts. Our other rental drivers will be self-employed, and they will do a flexible period of working times. It could be that they could cover between one and four jobs per day but there is no necessary requirement on them to do that.

Andrew Dismore (Deputy Chair): From what Zoe has said, it seems to me that you are probably caught by the recent decisions in the tribunals about Uber. How have you approached that?

Zoe Walsh (Sales and Customer Relations Director, GLH): It is something we have been following over the years, the line between 'workers' and 'self-employed'. When we have reached out to the fleet the majority want to be self-employed so that they can come and go as they wish. They do not have to do those 11 hours,

that is just a safety aspect so that they are not working longer than that on the road. They are free to come and go as they wish, which most of them --

Andrew Dismore (Deputy Chair): Do you give those drivers holiday pay and so forth?

Zoe Walsh (Sales and Customer Relations Director, GLH): We do not at the moment.

Andrew Dismore (Deputy Chair): Do you pay the London Living Wage?

Zoe Walsh (Sales and Customer Relations Director, GLH): We do.

Andrew Dismore (Deputy Chair): Anthony?

Anthony Edwards (Managing Director, Brunel Total Ground Transportation): Yes, correct. We are working with large corporations - for example the banking industry, law firms - and we are expected to make sure that our drivers are well paid for the hours they do.

Andrew Dismore (Deputy Chair): Jimmy, I thought we were looking at small firms but I would suggest that 500 cars is not a small firm.

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): No, 200 cars.

Andrew Dismore (Deputy Chair): I thought you said 500.

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): We fall within the licensing bracket of 101 to 500 vehicles, but we have 200 vehicles.

Andrew Dismore (Deputy Chair): Right, so you have 200.

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): Yes.

Andrew Dismore (Deputy Chair): Same questions to you. Do you consider your drivers self-employed or employed?

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): At this present moment in time, all our drivers are self-employed.

Andrew Dismore (Deputy Chair): OK, and have you looked at the decisions in the recent litigation?

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): We are closely monitoring it. We are looking now with our solicitors and our human resources teams to see if, going forward, our current business model will remain or not as the case may be. What we do find is the general consensus of drivers prefer the self-employed over the employed purely for reasons of flexibility and being in control of how they wish to operate.

Andrew Dismore (Deputy Chair): Do you pay holiday pay or sick pay?

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): We do not at the moment.

Andrew Dismore (Deputy Chair): Do you pay the London Living Wage?

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): Yes, we do.

Susan Hall (Chairman): Caroline is going to ask some questions now. They deviate from what we were going to ask because we must be mindful of the fact that there is a court case going on regarding the Congestion Charge. We will steer clear of anything to do with that court case.

Caroline Russell AM: I would like to ask Abu a question. I gather you are a licensed private hire driver.

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes.

Caroline Russell AM: Which operator do you work for?

Abu Ashrafuzzaman (Licensed Private Hire Driver): I work for Uber.

Caroline Russell AM: You work for Uber?

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes.

Caroline Russell AM: Are you expecting that you are going to have to pay the Congestion Charge when that comes in or do you think that they will --

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes. I have a few concerns here. This ULEZ and Congestion Charge, it will impact drivers like myself because most of the drivers are not even earning the minimum wage. I have calculated in draft that it would cost me approximately £6,000 a year if I work six days a week and I am paying my own taxes to Her Majesty's Revenue and Customs (HMRC). If I earn, after my taxes, say a net of £15,000, and if you take away that £6,000 for ULEZ and Congestion Charge, I will have --

Leonie Cooper AM: Sorry, are you saying that is ULEZ and Congestion Charge?

Abu Ashrafuzzaman (Licensed Private Hire Driver): And Congestion Charge.

Leonie Cooper AM: So when you said £6,000 for the Congestion Charge, you mean for both?

Abu Ashrafuzzaman (Licensed Private Hire Driver): £6,000 for both.

Leonie Cooper AM: It is both?

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes.

Leonie Cooper AM: Yes, because they are different things. They are different things.

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes, but ultimately I have to pay from my own earnings and it is going to affect me.

Leonie Cooper AM: £6,000 for both?

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes, for both the ULEZ and Congestion Charge, if I work six days only for 48 weeks. I have a calculation here and I believe that this is discriminatory and self-defeating --

Caroline Russell AM: We probably cannot talk --

Abu Ashrafuzzaman (Licensed Private Hire Driver): -- and it will hit those least able to pay. It will have impacts on many elderly, vulnerable and disabled passengers not only in cost but also availability because the Congestion Charge Zone will become a no-go area due to the cost.

Caroline Russell AM: We are straying a bit into the area of the court case, which I believe we are not able to talk about.

Abu Ashrafuzzaman (Licensed Private Hire Driver): Right.

Susan Hall (Chairman): We are not, we are really not.

Caroline Russell AM: But I am interested that with the ULEZ, you are being expected to pay that. Uber are not going to help with that.

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes. I have to pay from my own earnings this £6,000 a year for both the ULEZ and Congestion Charge.

Caroline Russell AM: Because we are being told we cannot talk about the stuff that is in the court case, just in terms of your situation as a worker working for Uber, do you rent a vehicle or do you own your own vehicle on a hire arrangement?

Abu Ashrafuzzaman (Licensed Private Hire Driver): Thanks. I used to rent but I found out that it is too expensive to rent so less than two years ago, I bought a diesel car which is Euro 5 standard and when I bought my car nobody informed me that within a couple of years it would be obsolete and I would have to pay the ULEZ charge and the Congestion Charge. I believe that the Government or TfL had a duty to inform us. I have no other alternative but to get rid of my car but I am very worried that I will not be able to sell my car, neither will I be able to part-exchange it. It is a total loss for me. I have not yet recovered the cost of my car.

Caroline Russell AM: Are Uber offering any help with leasing alternative vehicles?

Abu Ashrafuzzaman (Licensed Private Hire Driver): I have no idea. I think it is not the case. However, there are only limited electric cars available, which are out of my reach. I cannot afford to buy those cars. Even if I can take loans from friends, these things, there are not enough charging facilities available, near my home. I drive a lot every day. I hardly see the charging points there. I am wondering how I am going to do this job. I have no other alternative but to quit this job and find something else. I believe that this is very unfair. It is nothing but a stealth tax on us.

Leonie Cooper AM: Can we just correct the guest? You said that you did not know two years ago about the ULEZ coming in.

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes.

Leonie Cooper AM: I am afraid it was actually announced by the previous Mayor of London [Boris Johnson] in 2015. We have actually now known for four years that the ULEZ was going to be coming in. I am terribly sorry that two years ago you failed to notice that it had been announced but it has been trailed through multiple consultations since 2016, which is three years ago, announced originally in 2015 and it was very clear then that you would need to comply with it.

Susan Hall (Chairman): But it was brought forward.

Abu Ashrafuzzaman (Licensed Private Hire Driver): That is my point.

Susan Hall (Chairman): That is the issue. It was brought forward.

Leonie Cooper AM: No, he claimed that two years ago he did not know about it. It is not a new initiative.

Susan Hall (Chairman): Thank you. Steve --

Jimmy Lazarou (Chief Executive Officer, Crawfords of London): The Congestion Charge was not though, was it?

Leonie Cooper AM: He did not say that, he said ULEZ.

Susan Hall (Chairman): No, no, no, no. Enough.

Leonie Cooper AM: He said ULEZ.

Susan Hall (Chairman): Steve Wright would like to comment on --

Leonie Cooper AM: I am not talking about the Congestion Charge.

Steve Wright MBE (Chair, Licensed Private Hire Car Association): Can I clarify on the ULEZ, please? I was among the people, as a TfL Board member and as a trade representative, that sat down with the ULEZ team and worked out a realistic timeframe for its introduction. The problem is the goalposts have moved and people who have bought vehicles in good faith two years ago, prior to the last consultation where it was changed -- we sat down with the ULEZ team meeting after meeting and established the art of the possible so that people would not get caught in the trap that there is here. Yes, the ULEZ has been there but we need vehicles to be there too. We need people to be able to sell on their vehicles when they have finished in the ULEZ. It is typical of many drivers that they are self-employed - I did half a million miles as a self-employed driver - and they are now trapped, and they are trapped because the ULEZ goalposts have moved. We must not lose sight of that. Yes, it has been there for four years but the rules have changed midway.

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes.

Steve Wright MBE (Chair, Licensed Private Hire Car Association): That is what has happened.

Susan Hall (Chairman): Thank you, Steve [Wright].

Florence Eshalomi AM: One of the other things that we have seen, and I think Londoners will actually welcome, are some of TfL's proposals in terms of entry requirements for your drivers, some things that would help them in terms of their safety and the passengers' safety. Do you think that some of the additional

proposals will have an impact on your business model in the day-to-day, such as the English language test and additional licensing testing? Does anyone want to comment on that?

Steve Hall (Commercial Director, Licensed Carriage Hire): I think you are exactly right. A lot of the proposals and regulation changes have at their beginning very noble and good intentions. Nobody can argue that having a safer private hire industry is a good thing. Nobody can argue that having cleaner air in London is a good thing. All of these are things that everybody around this table agree with 100%. Where it has fallen down, from an industry perspective, is that the consultation has been in many cases less than meaningful and in many cases where the trade has come forward with proposals that are sensible and achieve the objectives that are set out, they have been ignored and railroaded and the original proposals as stated were made into regulations.

You mention the English language requirement. That in itself was something we proposed a very different approach to three or four years ago, one that has been echoed by [Professor] Mohammed Abdel-Haq [Chairman, Task and Finish Group on Taxi and Private Hire Vehicle Licensing] in the recent Government report [*Taxi and private hire vehicle licensing: steps toward a safer and more robust system (2018)*], which was ignored and pushed forward in the current form. That has caused a lot of unnecessary difficulty within the industry. It has caused a lot of individual drivers to go through a level of stress that was really unnecessary. Had there been proper and meaningful consultation with the trade and the view of the people who are out there having to deliver this service was taken into proper account, we could come up with better regulations in almost every occasion and still achieve the objectives set out, which are a safe industry and one that contributes to a cleaner environment for all of us who live and work in London.

Susan Hall (Chairman): Can I just interrupt here, if you will forgive me? There are rumours on the BBC that there is going to be an announcement shortly that the English language test is going to be taken forward to 2020/21. I am waiting for that to come out. It may well come out, coincidentally, while we are sitting here. Thank you for describing the problems.

Steve Hall (Commercial Director, Licensed Carriage Hire): Exactly, and if that is the case then one would assume that this is as a result of the Task and Finish report from [Professor] Mohammed Abdel-Haq. That was exactly the proposal that the industry put in to TfL three or four years ago. This whole scenario could have been avoided.

Susan Hall (Chairman): Let us hope they will listen.

Florence Eshalomi AM: As Assembly Members, we did also raise our concerns about that.

Steve Hall (Commercial Director, Licensed Carriage Hire): Yes, absolutely.

Florence Eshalomi AM: We definitely agree that all drivers should have an adequate standard of English but we were concerned with the proposal that TfL put forward in its original form.

Steve Hall (Commercial Director, Licensed Carriage Hire): The level of qualification.

Florence Eshalomi AM: The other thing I wanted to add was around additional driver assessments and renewal of the licensing. Bus drivers have to take this on a regular basis. As your drivers are carrying passengers, would you not feel that this is an assessment that should be welcomed? What is your view on the additional assessments that have been proposed?

Steve Hall (Commercial Director, Licensed Carriage Hire): Again, it is very difficult to make any kind of argument and I would not seek to make any kind of argument that opposes measures to improve passenger safety. What is important is that any regulation change needs to take into account the practicalities of delivering on that regulation change. Does it achieve the objective set out or does it achieve far more than was originally intended? Does it cause damage to the industry and ultimately the people who the industry serve? That seems to be the approach to a lot of the regulation change now, that it becomes something - I hesitate to use it but in many cases, a sledgehammer to crack a nut, in terms of starting with an original objective and then occasionally looking back and saying, "Are we still just looking to achieve that objective or have we crept into a whole range of other changes and regulations that potentially are unnecessary and just costly?"

Florence Eshalomi AM: On one hand I share your concerns but on the other hand there are a number of changes, especially when you are driving in London. One of the things which I hope that you are getting your drivers to look at is the Mayor's approach on Vision Zero in terms of deaths in London of people on the roads. Some of these additional assessments by TfL are to help drivers in terms of getting up to speed with some of those additional changes. For example, if you felt that the additional tests may be onerous and costly, is there an additional assessment you as operators may want to put in place to make sure your drivers are up to speed with the latest requirements, disability training and awareness of vulnerable drivers and passengers?

Steve Hall (Commercial Director, Licensed Carriage Hire): You are exactly right and if you talk to most operators, what they will tell you is that they have extensive programmes themselves already that would probably meet or exceed the requirements. If I talk about my own company, we have extensive training. Each of our drivers goes through a minimum of 10 days' training every year to cover exactly what you are talking about. All of our vehicles are equipped with full telematics, with drive cams, with speed limiters, with any number of safety-enhancing features, at great cost to us. This is what we decided to do from a commercial basis to differentiate what we do and most operators are the same. Each operator has a different approach but is achieving the same objectives. This is exactly why, with meaningful engagement with the trade, I believe that TfL can achieve all the objectives that they would like to achieve without damaging the industry they are seeking to regulate. Most of us would meet or exceed those requirements anyway. Perhaps we are just doing it in a different way. Engagement is absolutely vital.

Sue Flohr MBE (Head of Policy, British Dyslexia Association): I cannot hear very well from this position what Greg [Mendoza] is saying but I noticed that you said that maybe the date will change for the English test and we as an organisation are very concerned about a number of drivers who feel now that they are going to be on the benefits pile. We get calls day in, day out - we have had since January 2017 - mostly middle-aged drivers who are concerned they are going to lose their job because they cannot pass the test because they are dyslexic. To prove that they are dyslexic, they have to undergo an assessment that costs them £500. They do not have any evidence from school days. There is nothing provided in school to give them that evidence and there was especially nothing way back. They have all that. Then, even with the assessment, they can only get additional time. With additional time, if you find it difficult to write, you are going to find it difficult to write no matter how long you are given.

I think Florence there said something about - I could not hear you very well, sorry - health and safety issues. There is plenty of assistive technology out there that can help with reading. We do agree that there must be health and safety policies in place for these drivers to keep up-to-date but to actually have to write a letter seems totally inappropriate. We go along with Professor [Mohammed] Abdel-Haq in his report saying that they need to be able to communicate but the test at the moment does not seem fit for purpose for dyslexic drivers. Many dyslexics have chosen this pathway as a career thinking they would not have to do tests and would not have to write, and do a jolly good job, but are now faced with being on the benefits pile.

Susan Hall (Chairman): We have TfL, as you know, coming in afterwards. We will specifically put that to them, that section, so thank you.

Shaun Bailey AM: A very quick question. Maybe one of the trade bodies can answer. What is the accident rate? What is the rate of accidents among drivers in this industry in general? Is it very high? Is it low?

Steve Wright MBE (Chair, Licensed Private Hire Car Association): It is actually far less than the average driver because they are professional drivers and they work day in and day out. Many of them do training. Many have been through the Energy Saving Trust course about how to take the foot off the accelerator and reduce the emissions and what have you. The industry has a very good insurance record. Yes, of course there are the big, spectacular, unfortunate accidents. With 90,000-odd private hire vehicles and taxis out there, there are going to be accidents, but generally, touch wood, the accident rate is not -- a private motorist is far more likely to have an accident than a private hire professional driver.

That has been the experience and you get that information from the claims companies, which charge the appropriate premium even though they are on the road -- and this is important. Somebody mentioned hours earlier. It is driving hours that are critical. There are not many private hire drivers that do more than 25 to 30 hours a week actually driving. There are rest periods in between jobs. That is another factor why, proportionally to the hours that they work, there are not that many accidents.

Shaun Bailey AM: Thank you.

Susan Hall (Chairman): Thank you. You have been so good, thank you. I have 10 more minutes that I have allowed us for the questioning. It is really important that your issues are aired here because you are vital to the economy of London, your businesses, and you could affect jobs, as we have heard. Anybody who has not spoken, who has something completely different to say? I will stop it at 10 minutes so that we keep within time.

Robert Welch (Managing Director, Small Car Big City): I would like to touch on a couple of questions that Florence [Eshalomi AM] and Shaun [Bailey AM] mentioned earlier on the impact that these new policies are having on my business specifically. I am probably one of the smallest operators sitting around this table. I have 10 vehicles and they are all hyper-niche original classic Mini Coopers. I have 30 drivers in my team as well, so I am a very small business, but the impact is going to be profound. The £24-a-day charge will of course cost me £240 per day to get my vehicles out of the carpark because I will be paying ULEZ and the Congestion Charge because my vehicles do not have a hope in hell's chance of meeting either set of criteria. You are looking at £1,300 a week, £5,000 a month, to run my business, and it is a very small, niche business. The reality is that this could put me out of business within one to three months if the state of play stays as it is.

The particularly perplexing and frustrating situation that I have is that TfL have already exempted me from the Air Quality Act that limits private hire vehicles to 10 years old, which came into effect several years ago. Ultimately the decision of ULEZ is to try to enforce cleaner, more efficient vehicles on the road, which is what the Air Quality Act did to limit them to 10 years. TfL deemed my niche business already valuable enough to warrant an exemption but the criteria have changed ever so slightly and now there are no exemptions being made. The reality is we will probably go out of business within three months when the implementation of this new legislation comes into effect.

Susan Hall (Chairman): Oh dear.

Roderick Lynch (Former private hire vehicle operator and developer of specialist wheelchair and stretcher accessible vehicles): I have listened to some of your questions. There are quite a lot of operators around the table and I was an operator of a business that had 800 vehicles. If I wanted to get back into the industry, and I am trying to, I face a licensing fee of £500,000, but that is not where I am today.

The feeding force that drives this private hire industry is the people, and those people, 70,000-odd of them in London, are predominantly black and minority ethnic (BAME) people. They are people from under-represented groups. They have taken their money and they have worked in this industry for quite some time. I heard the lady talk about the consultation process and I am aware of that. Quite a few of them were aware of that.

As we said - I am not going to rehearse it - the actual changing the goalposts has happened, but what you have to look at is these people, these people who are predominantly at the bottom of the food chain, who work for operators and for themselves. They have gone and bought their cars and now they have to bin those cars. Some of them have struggling and got joint names to get finance for those vehicles. Those vehicles are now going to go on the scrap heap, no matter what scrappage scheme you talk about or try to implement. They have not been consulted. Looking at what is going forward, there has not been a financial impact assessment and there has not been a race equality impact assessment, because if they had done that they would have seen the damage that they are doing to 85% of the private hire drivers in London. It is not just about us and our vehicles, it is about those people.

You have 2,000, 3,000 or maybe 4,000 women, mothers, returners to work, who work at times when their husbands come home, inside those businesses. When I say "women", I say people who identify as women. They work in those businesses. What do they do? There is a supply chain around this. It is not just to sit here and talk about just the ULEZ fees and whatever. Yes, the operators are impacted. Operators are going to the wall because I would have to pay £500,000, end of story, and my business would predominantly be moving 5,000 to 6,000 disabled people every day for 29 local councils. It is a service which is a valuable service.

I say to any of you, if you go to London Bridge Station and the trains are cancelled, you would head for a private hire vehicle. That is where you will go to. Nothing else. Buses do not run. Where there are problems in London, you want to get to the airport and the trains do not run, you head for a private hire vehicle, those people who we are now treating at the bottom of the food chain, at the end of the day, implementing and adding costs to what they do.

I give you this. The last Government administration, be it Liberal Democrat and Conservative, gave people £12,000 of free pay. In fell swoop, this regulation that you are trying to bring in is taking away their free pay. When you look at these people and they blockade London, they do not want to lose money to blockade London. I make reference to the Bangladeshi Association which blockaded London last week. They are doing it because their poverty is driving them into the ground. As far as I am concerned, these people look at this industry and it is something that they believe they can do and they do not need an A Level or a Z Level. Somebody who attended one of our gatherings was a gentleman who had been working for 35 years in private hire and he was physically there crying because he felt threatened, because he knew that he could speak English and he could communicate like I am to you today, but for some reason this test that you are talking about today - the one that may be pushed back - will come into play.

I say this to you today. We are here in front of you and we are talking about this, but first and foremost you look at those people who are affected by it. It is the BAME population of London. They are the driving force of this private hire industry.

Florence Eshalomi AM: Thank you, Roderick. Just on that, again, I have met with some of those drivers and like I said, as Assembly Members we have been putting some of these concerns directly to TfL. To all of you as well, the nature of travelling in London is changing. Have you seen a demand for your services? Is there a high demand? Are you still recruiting drivers or has there been a decline in it? If I look at my commuting patterns from five years ago to now, it has changed, and that will be the case for many Londoners. Would you say that there is still a high demand for your services?

Zoe Walsh (Sales and Customer Relations Director, GLH): The majority of our work is carrying out non-emergency patient transfer services, which is growing year on year. These are people who are too sick to use public transport but do not need an ambulance and that is where we come in as a business. As I say, this has been growing year on year so there is actually a growing demand for these services. The other thing to consider in that instance is that these price rises, these increases, are going direct to the NHS.

Sue Flohr MBE (Head of Policy, British Dyslexia Association): My colleague here spoke about impact assessment. As far as we are aware, there was no impact assessment with regard to dyslexic drivers for the English test and we would like to be involved with TfL going forward to make this happen because we find it really difficult to communicate with TfL on this issue. Whereas they have been really supportive with Tube drivers and black cab drivers, giving them assessments and workshops to improve their skills, there has been nothing for this sector. We feel that there should be an impact assessment and that we should be involved there in giving advice. We have found it really difficult. Of businesses surveyed by the Government, 56% do not look at literacy skills. We wonder why this has happened for this sector.

Susan Hall (Chairman): Thank you. I am hoping TfL are listening and let's hope we get some answers. Abu?

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes, thanks. I agree 100% with the gentleman, what he said, the impact it would have on the drivers. As I mentioned, my yearly cost for ULEZ and Congestion Charge will wipe out £6,000 from my income and I will end up with about £9,000 a year after my tax. Will anybody be supporting their family with £8,000 or £9,000 a year? I reasonably doubt this.

I would like to respond to Ms Cooper's question.

Leonie Cooper AM: Assembly Member Cooper.

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes. I was aware at the time of buying my car that there will be a ULEZ charge but not starting from April 2019 but from 2020, and I was hoping that during those extra years I would make sufficient cash to exchange or part-exchange my car. Unfortunately, at that time there was no proposal for the [extension] Congestion Charge [to be] imposed by TfL on drivers.

Leonie Cooper AM: There was also no proposal at that time for scrappage, which was the other point I did not get on to make. Have you applied for scrappage, given that your vehicle is a Euro 5 and you do need to upgrade to a Euro 6?

Abu Ashrafuzzaman (Licensed Private Hire Driver): No, I have not yet but I do not think it will help me that much because to buy a fully electric car it is so expensive. Not only that, there is no --

Leonie Cooper AM: Have you looked into the details of the scrappage?

Abu Ashrafuzzaman (Licensed Private Hire Driver): -- infrastructure for charging, you see. It is not good enough to buy electric car. If I cannot charge it, I will not be able to use it.

Leonie Cooper AM: You have not applied for it and you have not looked into it? That is what you are saying? You have not looked into the details of the scrappage?

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes.

Leonie Cooper AM: You have?

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes. If I even get that scrappage --

Steve Wright MBE (Chair, Licensed Private Hire Car Association): There is no scrappage available for private hire.

Susan Hall (Chairman): Sorry, there is no funding available?

Steve Wright MBE (Chair, Licensed Private Hire Car Association): I do not believe there is any money set aside for private hire scrappage. There is for taxis.

Abu Ashrafuzzaman (Licensed Private Hire Driver): For the black cabs.

Leonie Cooper AM: He owns his own vehicle.

Steve Wright MBE (Chair, Licensed Private Hire Car Association): The point is the vehicle is not that old anyway. He bought it in good faith, looking at it on a four-year --

Leonie Cooper AM: We do not know how old it is. He only told us it was Euro V. He did not say how old it actually was.

Shaun Bailey AM: Could we establish if there is scrappage?

Florence Eshalomi AM: There is not.

Shaun Bailey AM: There is not?

Steve Wright MBE (Chair, Licensed Private Hire Car Association): I do not believe there is a scrappage scheme for private hire.

Susan Hall (Chairman): In the meantime, there is no scrappage.

Shaun Bailey AM: There is no scrappage.

Susan Hall (Chairman): Right, OK. Let us go to --

Roderick Lynch (Former private hire vehicle operator and developer of specialist wheelchair and stretcher accessible vehicles): I just wanted to say --

Shaun Bailey AM: Hold on because we are going to Diana.

Susan Hall (Chairman): If we can go to Diana then we will come to you, Roderick.

Diana Kendall (Company Director, Kendall Cars): The question at the start of this was: is there an increased demand for our services? The demand for our services far exceeds the number of drivers available. I do not think there is one operator in London who has enough drivers to cover. My core business is SEN transport. Every day we get more and more requests to transport children to school, more and more requests to transfer hospital patients, and we cannot cover the work. The answer goes back from the council to social workers, to the parents, "No resources". We cannot cope because more and more drivers are coming out of the trade for various reasons.

Susan Hall (Chairman): OK, thank you. The last, very short point, and thank you all so much for keeping this concise.

Roderick Lynch (Former private hire vehicle operator and developer of specialist wheelchair and stretcher accessible vehicles): I was going to respond to Assembly Member Eshalomi that this industry is a technology industry. On your mobile phone, you can book a car anywhere. It is a boon to London. We sit here and you can be picked up in five or 10 minutes outside this building. But what I will say to you is this. You mentioned scrappage. Scrappage is the private hire drivers who will be on the scrap heap if some of these regulations go through. When I get asked, "What should they do?" - and I am not going to rehearse all of it, I will just say it now - I say to them, "2020 is not just the day they bring this legislation in, 2020 is when there is an election". The 71,000 people out there who drive these vehicles, they have a vote. "Exercise your vote and at the end of the day you will be able to do something about this".

Leonie Cooper AM: I am sorry, Chairman, I do not think this is relevant to our investigation particularly. It is a well-made point.

Susan Hall (Chairman): Thank you. The first little bit of this has just proved that 12 of you can keep within time and I am very grateful to you.

Leonie Cooper AM: Chairman, can I just ask a question?

Susan Hall (Chairman): We are going on to the next section so if you want --

Leonie Cooper AM: I just wanted to ask a question because we do seem to be focusing as if all of the private hire vehicle operators are only operating within the central London Congestion Zone at the moment because we are talking as if everyone is going to have both the Congestion Charge and the ULEZ applied to them. My understanding is that there has been a growth in the number of private hire vehicles on the road during 2018. You are talking a lot about some very useful activities like taking people to hospitals and so on and so forth. Not all of those hospitals are contained within the central London Congestion Zone so I am wondering how much there has been an opportunity to expand what people are doing around the table, without being subject to those extra charges, in the outer London areas.

Susan Hall (Chairman): The thing is it is not just that. It is pretty multifactional, this whole thing. If you can answer that very quickly, Steve.

Steve Hall (Commercial Director, Licensed Carriage Hire): Very quickly, the actual number that is in the last set of reports from TfL has dropped 10,000. The type of driver that is working in central London is often

doing nine or 15 hours a week but the core industry, the 24/7 industry that supports the whole of London, is getting caught by those regulations. That is the problem.

Susan Hall (Chairman): OK, thank you. We are going to go on to the next section, which is what needs to change in the Mayor's approach to make things better for you. How can the Mayor help minicab operators in London?

Steve Wright MBE (Chair, Licensed Private Hire Car Association): I will just make one point. Having been through the process, working with Ken Livingstone [former Mayor of London], coming to Marsham Street before this was built, working with John Biggs [Mayor of Tower Hamlets] and various other people politically on things, one of the things that seems to happen is that policy is given to us as a *fait accompli*. Any consultation that is done seems to pay lip service to what we set out are the needs of the industry. We are tick-boxed. We are given no notice. Bearing in mind the industry and what it is, the timing of the Congestion Charge, three days before Christmas - and that will not affect the court case that is not enough time for an industry to change its systems and get them in place. It is the same with the ULEZ. You need a four or five-year lead time. I did take the manufacturers along to TfL because vehicles take time. The industry needs more notice to be able to adapt to change.

Susan Hall (Chairman): OK. Thank you. Does anybody else want to comment on that? Greg?

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services): To answer the question, "What can be done to improve things?", to echo Steve's point, consultation. Talking and listening to those who deliver the service, finding common ground. At the end of the day we are a trade, we are regulated; we are not the tail trying to wag the dog. We understand that we have to be regulated but we are also the ones who are on the ground, working with our drivers, delivering the service on a day-to-day basis. If we focus on the prize, which is the objective of the regulation change, and allow everyone to have input and, more importantly, listen and allow that input to shape the final regulation, we will come up with regulations that are fit for purpose, that do not damage the trade and deliver a better and safer service to Londoners. At the end of the day, that is what we are all here to do. As commercial organisations, it can only be a good thing if we are viewed positively in every possible way because more people are going to use our service. There is no mutual exclusivity here. We should have the same objectives.

Caroline Russell AM: I just wanted to pick up on some of the points that both Roderick [Lynch] and Abu [Ashrafuzzaman] had raised about workers' rights. The Assembly passed a motion two years ago saying that workers' rights should be built into licensing arrangements in future so that people have their sick pay and holiday pay and the operators are committed to those working conditions. What is the view of operators around the table on, in the future, building workers' rights into operating licences?

Steve Wright MBE (Chair, Licensed Private Hire Car Association): I sat next to Frank Field [MP] on the Committee on Workers' Rights with Professor Mohammed Abdel-Haq about the difficulties if you choose to be self-employed. I did half a million miles in 15 years as a self-employed driver, which was my choice, without sick pay, without pension, without maternity, paternity and so on. It was a choice that I have made. The problem is that in the industry, a self-employed person who chooses to come and do an hour here because it is convenient may work for seven, eight, nine or 10 different companies. They make that choice to be self-employed. I made the choice to go to Sweden for three months during my employment. I wanted that flexibility, and many of the people who are in the industry want to work like that and are not seeking workers' rights.

Caroline Russell AM: Of course there are some people who are privileged enough to be able to take that flexibility but there are many drivers who I have spoken to who are working on the Uber platform who are not in that position and are working very long hours on very, very low pay. You have made a very good case for the importance of this service in terms of what it delivers for London and Londoners, particularly minibuses taking SEN children to school, patients to hospitals and things like that, but there are a lot of drivers who are working in conditions where they do not feel that they are benefiting from that choice to be self-employed.

Steve Wright MBE (Chair, Licensed Private Hire Car Association): I agree. I would make the point that they make the choice of where they work. If you look at our magazine you will see advertisements for £1,000 employed positions within our industry. If you make the decision to work for a company where you can come and go as you please, the downsides to that is you may not earn as much money, but there are many, many positions. We did a show at a meeting with 250 people the other week on not an app-based company but traditional private hire operators who have infrastructure. Every single one of them needed drivers and every single one of them was prepared to guarantee a great deal of pay.

Susan Hall (Chairman): I have seen three people who want to come in on that. Can you keep it brief because the original question was, "How can we get the Mayor to help with all the minicabs?" If you could answer Caroline's --

Caroline Russell AM: He could help by bringing this into the operating licence.

Susan Hall (Chairman): -- in the order of Roderick, Greg [Mendoza] and Diana [Kendall], if you can give brief answers and if they are not the same, that would be great.

Roderick Lynch (Former private hire vehicle operator and developer of specialist wheelchair and stretcher accessible vehicles): How you have come across when you mentioned Uber, not everybody is Uber. At the end of the day, the majority of private hire companies have standards and I would like to think that regardless of if whether you are self-employed or employed, you have certain basic minimum standards. I would not use Uber as an example but what I would say to you is that as someone who had both, I made sure that they had certain privileges. Yes, legislation has caught up and we have to do things differently but that does not mean to say that you treat the drivers as second-class citizens.

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services): Partly to reiterate Steve's [Wright] point, we employ 200 drivers and they are all full employees of my company. I have a vacancy rate, consistently, of around 15% to 20%, and the vast majority of people who come to my company enquiring about a position with us reject the offer when they find out that it is an employed position and as such they have to work certain shifts, meet certain rules and meet the obligations of an employee, even though they are being offered all the benefits of a pension, holiday pay, sick pay and everything that you would expect as an employee. I think that just reiterates the point that the vast majority of drivers - I think you can take Uber and put it to one side because it is a very different animal to the rest of the industry - are doing the job that they do because they chose that method. There are employed and self-employed positions available, and they are equally available. There is no barrier to stop a driver who wants to work as an employee.

Andrew Dismore (Deputy Chair): Greg, can I just come back to you on the vacancy level? How many of your drivers are Europeans? Are you going to be affected by any new immigration controls that come in post-Brexit?

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services):

We will be. I would say probably 25% of our drivers are East European. There are potentially issues there, although that percentage of Eastern European versus other ethnicities has changed in the last two to three years.

Andrew Dismore (Deputy Chair): In what respect, gone up or down?

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services):

Down.

Andrew Dismore (Deputy Chair): It has gone down?

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services):

Yes.

Andrew Dismore (Deputy Chair): Anybody else who employs people, anything that will affect you?

Anthony Edwards (Managing Director, Brunel Total Ground Transportation): I vouch for what Greg has said. I agree with his comments. It is the same entirely. We have a mix of ethnicities and I would agree with his comments about percentages.

Susan Hall (Chairman): Right. Can we go back to Caroline's question? Diana, you were going to answer that.

Diana Kendall (Company Director, Kendall Cars): Again, I was just going to say --

Andrew Dismore (Deputy Chair): I think Robert wanted to say something then as well.

Robert Welch (Managing Director, Small Car Big City): I did but I will skip it.

Diana Kendall (Company Director, Kendall Cars): Basically, you do not have to work for Uber. If those drivers are struggling, earning less money and working long hours, they do not have to stay there. That is the point of being self-employed. You can move. You can go to other companies.

Caroline Russell AM: You are saying there are lots of jobs in other companies that are available at the moment?

Diana Kendall (Company Director, Kendall Cars): That is the whole point. We are all short of drivers. We turn work down all the time. Every single operator that I know of has a shortage of staff.

Susan Hall (Chairman): Thank you. Robert, you were going to answer Andrew?

Robert Welch (Managing Director, Small Car Big City): I was actually going to answer Assembly Member Hall's direct question, which was "What can the Mayor do directly in order to help our industry?" and that is: accept the fact that the private hire industry bridges the gap between the failings of public transport and provides an absolutely core, necessary mode of transport for millions of disabled, elderly and inactive people. Exempt private hire vehicles from the ULEZ and the Congestion Charge. It is a very, very small minority of cars that are private hire vehicles that are on the road already. He can still have his vision of a cleaner, safer, less congested city and exempt the private hire vehicles. If he did that, everybody is still employed, everybody's

business survives, everybody can still thrive and his vision is still met. I do not understand why that is not happening.

Florence Eshalomi AM: Do you think the Mayor should have the power to cap the number of private hire vehicles in London, Robert?

Robert Welch (Managing Director, Small Car Big City): It is a dangerous game, is it not, when you start having that level of control? I do think that the industry will become naturally, competitively regulated. It is already so competitive that it naturally weeds out competition. There is a market saturation point that we are already kind of approaching.

Florence Eshalomi AM: You may be aware that there is a current trial in New York where the transport authority there have a cap.

Robert Welch (Managing Director, Small Car Big City): I am aware.

Florence Eshalomi AM: It is a case of looking at the fact that London is congested and continues to get congested, the population is going up and the space on our roads is not increasing. How do we balance all those different competing demands on and make sure that London continues to move and thrive, like you are saying?

Robert Welch (Managing Director, Small Car Big City): Absolutely, but these rules are already affecting the majority of Londoners. They have already disincentivised any form of car movement. It is excruciatingly expensive to drive a car into central London already.

Florence Eshalomi AM: I declare an interest; I am a driver in London.

Robert Welch (Managing Director, Small Car Big City): I drive. I cycle. I commute. I get the train. I use all forms of modes of transport myself as well personally. It is already disincentivised. The go-to punishing of the car when there is an absolute important economic necessity for that vehicle cannot be ignored.

Susan Hall AM (Chairman): Steve wanted to come in on that.

Steve Wright MBE (Chair, Licensed Private Hire Car Association): I can answer that question because I took the trouble to feedback how it could be achieved, how congestion could be removed, and so did our members. It is very simple: private hire vehicles are not allowed to go into central London without a job. The big app-only companies' drivers go in. At the moment, TfL penalises 3% of the drivers who are going in. You can stop people coming into central London with the mechanism of the Congestion Charge legislation and the exemption that Ken Livingstone [former Mayor of London] gave us at the time. There is a mechanism to do that.

That was fed forward to the Transport Committee here, to the consultation; it has been ignored. I accept that app-only companies have caused congestion because they have been allowed to come into central London without a job. There is regulation in place to prevent that. You just have to use the existing powers that you have and you will have less congestion. These guys are just doing the same work they have always done. They are not sending cars into central London. We called it 'honey-potting' and 'clustering'.

I gave the same evidence to Professor Mohammed Abdel-Haq [Chairman, Task and Finish Group on Taxi and Private Hire Vehicle Licensing] and that is why the crude mechanism of a cap does not work; because everybody in this room is short of drivers.

Susan Hall AM (Chairman): I saw you indicate first. Did you want to come back on that?

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services): Just in terms of capping, you mentioned New York. My company operates in New York and the unintended consequence of that is the number of taxis and the equivalent of private hire vehicles in New York increased by 25% in the run-up to the cap being introduced because companies were just registering thousands of cars. Anything you do to artificially manipulate the marketplace is going to have unintended consequences and that is seen time and time again.

Roderick Lynch (Former private hire vehicle operator and developer of specialist wheelchair and stretcher accessible vehicles): I say to your idea about the cap: no. I would use TfL's own London Dial-A-Ride as an example. You have between 600,000 and 700,000 unmet need jobs per year, at least. At the end of the day, that is because we do not have enough members. We do not have enough drivers. We do not have enough vehicles. We cannot meet your needs. To cap it will make it a damn sight worse.

Susan Hall AM (Chairman): Going back to my original question, if anybody has not said anything, how can the Mayor help minicab operators in London? Is there anything that you think that you could say to do with that?

Abu Ashrafuzzaman (Licensed Private Hire Driver): Yes. This ULEZ and Congestion Charge scheme should be put on hold until a time when it is affordable to get an electric car and there is enough infrastructure available for recharging the cars. That would greatly help us.

Susan Hall AM (Chairman): Yes. I must say that the recharging situation is ludicrous at the moment. To insist you have electric vehicles and then not allow points --

Steve Hall (Commercial Director, LCH Industry Vehicle Hire): Just as example, we run over 200 vehicles, all under two years old with some of the latest technology, like Greg [Mendoza] alluded to, like stop-start technology. To look at the infrastructure for charging those vehicles at Heathrow Airport through the number of terminals there, there are 16 charging points. If you think about the number of cars and movements that go through that location every single day, there just is not the infrastructure to support it. A lot of our business we want to change. We want to support the change and run the cleanest of vehicles that manufacturers have to offer, but the pure availability of them is just non-existent at this moment in time.

Zoe Walsh (Sales and Customer Relations Director, GLH): I would just like to echo that point, really. We invested in a fully electric car fleet just over a year ago in the hope that we could drive that forward, but it is nearly impossible to make a profit from these vehicles because they spend so much time off the road trying to find charging points, which are broken or out of order. We were then subsidising the driver and having to pay him when he was not working because it was not his fault. The model just did not work.

Roderick Lynch (Former private hire vehicle operator and developer of specialist wheelchair and stretcher accessible vehicles): We are in the London Borough of Southwark, one of the biggest social housing landlords in Europe. Quite a few people live in tower blocks. The infrastructure is not there. How would they plug in their car, if they can find one and if they can afford one? The infrastructure is clearly not there. I use this borough, the London Borough of Southwark, as an example.

Florence Eshalomi AM: I would like to give an example. Southwark is one of the best boroughs in terms of charging points. We have that data. I am not just saying that as the Assembly Member for Lambeth and Southwark, but Southwark is leading the way in terms of charging points. I totally agree with you, though, and this is something we have been calling for.

Roderick Lynch (Former private hire vehicle operator and developer of specialist wheelchair and stretcher accessible vehicles): I raised it with Peter John, who is now the Chair of London Councils. I said that it is a disgrace but they do not allow it.

Florence Eshalomi AM: Yes, this is something we have been raising on the Transport Committee. There needs to be a lot more working with the boroughs in terms of providing rapid electric charging points.

Susan Hall AM (Chairman): I am hoping that TfL is listening to this and can give us a solution because you cannot insist that you go electric and then not supply the infrastructure there. We have done extremely well. Does anybody else have anything different that the Mayor can do to assist? If not, I am going to ask Steve Wright and Steve Hall to conclude this particular section. No, nothing else?

Florence Eshalomi AM: Sorry, Chairman. I just wanted to ask. We are looking at the economic impact. Since we have had the Night Tube launch, do you feel that that has affected your industry in any way? Has it helped? Have you seen a decline for those of you who transport people at night?

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services): Just in terms of the Night Tube, clearly, that last half mile or mile home from the Night Tube --

Florence Eshalomi AM: Yes, for outer London boroughs.

Greg Mendoza (Vice President, International Operations, Carey Worldwide Chauffeured Services): And even within London, we have competitors in black taxis who, at 11 or 12 o'clock at night or 1 or 2 o'clock in the morning, they are not there. It is private hire vehicles that are available. When you need a car at 2 o'clock in the morning, it is a private hire vehicle that you are going to call. It is our drivers who are out at 1, 2 or 3 o'clock in the morning providing that service.

Steve Wright MBE (Chair, Licensed Private Hire Car Association): Can I just come in on that point as a board member? We helped to push that through and it is a very positive step. I declare an interest. I started as a London Underground apprentice and so I am a very big fan of getting people home. It has disseminated the clustering traffic from central London out to the regions. These people sitting around here are the last mile home for those people and they are an integrated part of the transport network. It is a very positive step with the last mile home. I would like to see all of the Tube 24/7, personally, but it has maintenance challenges, of course.

Diana Kendall (Company Director, Kendall Cars): I would just say, yes, it has been brilliant. We have all got extra work because it is us who take the train drivers, to and from, to pick up the trains and take them home afterwards.

Leonie Cooper AM: This was my question, the one about the extra work that has changed into the outer London boroughs, as opposed to always working in the inner London boroughs. The scene is changing.

Susan Hall AM (Chairman): Peter, do you have something different to add?

Peter Jamieson (Vice Chair, Driver Guides Association): I think you should take into consideration that we are not all minicabs. Two of us here provide guided tours. TfL ought to acknowledge the difference between a minicab company and people who offer a tourist guide service, as we do. For instance, you are talking about people operating outside of the Congestion Zone. We drive into the Congestion Zone because we have no choice. This is where we work. We show people London.

Even if we are not doing a tour inside the Congestion Zone - and we may take people to the Cotswolds or Stratford - we often pick up within the Congestion Zone and there are times when we go only just inside the Congestion Zone. If I am picking up at the Marriott Park Lane, the hotel entrance is about 20 yards inside the Congestion Zone. To go 20 yards for a few minutes to pick up my clients and take them off to Stonehenge will cost me £24.

There should be overview of the work that we do and the impact of the Congestion Charge and the ULEZ charge and also understand there are different people doing trades who have to be licensed under private hire regulations.

Susan Hall AM (Chairman): Thank you for bringing that up because - I am hearing things from my left - the reason you have been included is because we do depend on our tourism trade. You are under very much the same rules as the other ladies and gentlemen. It is absolutely right and proper that you are included in the conversation. Thank you for being here.

Susan Hall AM (Chairman): Steve and Steve, would you like to sum up?

Steve Wright MBE (Chair, Licensed Private Hire Car Association): First of all, Chairman, thank you and Assembly Members for hosting us. There was some trepidation as to whether the minicab industry, as it is rather stereotyped, could come and articulate its point of view succinctly, but my colleagues here today have proven that this whole exercise has been worthwhile. We are very grateful to Assembly Members for giving us the time. It is jaw-jaw, not war-war. There are solutions we need to be engaged with and we can only give back in return. Thank you, Chairman.

Steve Hall (Commercial Director, LCH Industry Vehicle Hire): I have nothing in addition, Chairman.

Susan Hall AM (Chairman): I do most sincerely thank you all for coming and for keeping points succinct. As I said earlier, it does prove that we can have lots of guests and get through things.

We have TfL coming next and a couple of the points that I have picked up I will just clarify in case any of you can think of anything else. There are not enough power points. Loud and clear I am listening to that and I am hoping they will listen. You cannot buy the vehicles that you have to in order to come into London because they do not make them. There is a limited number of electric cars also. I suspect you are also stuck with the same situation that if it is a dual electric engine, very often you are going straight back onto engine as I know the black cabs are having to do because they just cannot get to charging points either. We will end up with electric and motorised vehicles or using their motorised bits anyway, which defeats the object. There are lots of businesses unfortunately going down, for which we are sad. The dyslexia issue has to be picked up on the English-speaking test.

There was an awful lot of work done and thank you for the non-emergency transfer services. You do an incredible amount of work and of course all that extra cost to you will be a cost to everybody sitting around

this table because it is taxpayers going to be paying for the NHS. The services you provide for the disabled are just so vital and so we must be mindful of that situation.

Stopping people coming in without a job is something that really needs to be looked at because it tends to get all of you a bad name and will cause more and more congestion in London. Of course, the situation that it hits our tourism businesses is a real problem for the economy. After all, this is the Economy Committee and we are concerned about the economy and jobs. You have all proved that with all the things that are going wrong, the Mayor has to address this.

Thank you very much on behalf of all of us for coming. We are very grateful for your input. Thank you.