

PE1856/A

Scottish Government submission of 30 March 2021

Thank you for your correspondence of 10 February on PE1856. I have responded to each of the Committee's asks in turn below.

Providing Financial Support to Taxi Drivers

The Coronavirus pandemic has created unprecedented challenges for our economy and we are aware that taxi and private hire drivers are experiencing these challenges particularly acutely. The Cabinet Secretary for Finance announced funding of £57 million specifically to support drivers by providing a £1,500 grant to an estimated 38,000 licensed taxi and private hire vehicle drivers.

During the policy development for the Taxi And Private Hire Vehicle And Driver Support Fund the Scottish Government engaged with Unite Union officials regarding the most appropriate approach that should be taken to deliver funding to the sector.

As of 26 February £29,125,500 has been paid out to 19,417 drivers which accounts for 58% of the total eligible drivers. However we expect this figure to increase due to the late confirmation from the Department of Work and Pensions confirming that a grant from the Fund will not affect any Universal Credit payments taxi or private hire drivers are receiving. We believe that many taxi drivers have been reluctant to come forward and claim this grant because of that. In recognition, we extended the closing date for the Fund to by one week, from 18 – 25 March to encourage more drivers to access the funding available.

Setting up a national stakeholder group with trade union driver representatives

Transport Scotland will explore with trade unions and other stakeholders the best forum for engagement with the taxi trade.

Reviewing low emission standards and implementation dates

The timeline for LEZs to be introduced into Scotland's four biggest cities (Glasgow, Edinburgh, Aberdeen and Dundee) is between February 2022 and May 2022.

Emission standards outlined within the regulations are Euro 6 for diesel vehicles and Euro 4 for petrol vehicles (with motorcycles and mopeds set at Euro 3, however scoped out of designs by default). These have been set based on extensive stakeholder engagement and consultation, and are in line with the UK Government's Clean Air Zones.

Exemptions set for specific vehicle types and uses within the regulations are to be applied nationally across all LEZs. After stakeholder engagement and consultation, the list of exemptions is limited, and does not include taxis. Local authorities do however have the option to introduce time-limited local exemptions to vehicles or groups of vehicles over and above the national exemptions outlined within regulations. Local authorities are responsible for the day to day administration of the taxi and private hire car licensing regime, and therefore are best placed to take local circumstances into account.

It is for local authorities to design their LEZs as they see fit, including the grace periods and enforcement timeline which best fits their own LEZ proposal. Local authorities are currently in the development stage of their LEZ proposals, and will publish details of their plans in due course.

There are two principle funds available from the Scottish Government providing financial support to taxi drivers to upgrade their vehicles in. Interest free loans of up to £120,000 are available via the Energy Saving Trust to enable owners and operators of hackney cabs or private hire taxis to replace their current vehicle with an eligible ultra-low emission model. More information can be found at <https://www.energysavingtrust.org.uk/scotland/grants-loans/switched-taxis-loan>.

Additionally, the Scottish Taxi Retrofit Grant was introduced in October 2019. This offers a grant of up to £10,000 towards the capital costs for retrofitting taxis to Euro 6 standard. This provides a lower cost pathway to meeting Euro 6 standard in LEZ cities. In addition, this allows many of the converted vehicles to use LPG or bioLPG as fuel which is often cheaper to run than diesel. This fund is aimed principally at drivers who would not ordinarily be able to afford new taxis, and has already resulted in the retrofitting to Euro 6 for over 100 taxis in Scotland. The focus of the fund is on wheelchair accessible taxis, however a private hire car owner with such an eligible wheelchair accessible vehicle is also eligible to apply.

Taxi owners who do not currently own an eligible taxi are also able to exchange their taxis to models which can be retrofitted and apply for funding. This accommodation was put in place in consideration of taxi owners who do not have a 'purpose built' taxi. Further information on grants and eligibility is available on the EST website [Low Emission Zone Retrofit Fund - Energy Saving Trust](#).