



Northern Ireland
Assembly

Committee for Infrastructure

OFFICIAL REPORT (Hansard)

Financial Assistance for Taxi Operators:
Taxi Operator Representatives

9 December 2020

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Miss Michelle McIlveen (Chairperson)
Mr David Hilditch (Deputy Chairperson)
Ms Martina Anderson
Mr Roy Beggs
Mr Cathal Boylan
Mr Keith Buchanan
Mrs Dolores Kelly
Ms Liz Kimmins
Mr Andrew Muir

Witnesses:

Mrs Cathy Mallie	Clanrye Taxis
Mr Stephen Anton	Fonacab
Mr Eamonn O'Donnell	North West Taxi Proprietors
Mr Eamonn Corrigan	Regency Taxis
Mr Christopher McCausland	Value Cabs

The Chairperson (Miss McIlveen): Representatives from the Northern Ireland Taxi Operators have made a request to brief the Committee. Hansard will record the meeting. In attendance, we have Stephen Anton, communication manager, Fonacab; Christopher McCausland, managing director, Value Cabs; Eamonn Corrigan, depot owner, Regency Taxis; Eamonn O'Donnell, manager, North West Taxi Proprietors, and Cathy Mallie, depot owner, Clanrye Taxis, who is presenting via StarLeaf. You are all welcome to the Committee this morning. I understand that Stephen will make a statement and anything additional that is pertinent to the discussion can be added afterwards.

Mr Stephen Anton (Fonacab): I have a short oral presentation that, I hope, informs our position as described. If you will indulge me, I will rattle through it.

Madam Chair, members of the Committee, thank you for the opportunity to present today. We appreciate the pressures on your time and the difficult issues the Committee is dealing with.

While I am a part of the management team at Fonacab, I present today on behalf of a growing number of more than 40 taxi operators who are responsible for a majority of drivers across Northern Ireland. While we do not claim to represent the entire taxi sector, we are representative of the operators in the sector.

Thank you for introducing my colleagues who are here today, and they are from across Northern Ireland: Derry, Belfast, Antrim and Newry. However, we have gathered opinion and examples from

operators in your constituencies across the country. We are grateful that you have indulged us by allowing four of us to attend today and one to appear on StarLeaf. However, due to the geographical spread of the operators, we wanted to be about to answer questions if you had them, so thank you.

We were invited by the Department to be part of the discussions around the implementation of financial support schemes for the sector. We thank the Committee and the Department for supporting taxi drivers, but they are only one half of the sector. Today, we are asking for your help in encouraging the Department to introduce a financial support package for taxi operators. For your information, operators in the private hire sector may be different sizes and have slightly different business models, but, ultimately, we all work in the same way. We all provide a range of services to enable self-employed drivers to carry out their business, and we charge the driver a depot rent for doing so. These services include managing bookings, dispatch, accounts and payments, driver administration, lost property, customer services and functions such as IT and telephony. We also support the work of DFI by keeping the licence obligations correct and up to date for drivers who are older or less computer-literate. In Fonacab's case, that all required around 100 permanent employees before coronavirus. Many of these functions are legal requirements under the terms of our taxi operators' licences. Whether we have one or 100,000 customers a week, we must still resource these positions, and we cannot furlough the staff.

At the start of the pandemic in March, which is when many businesses closed, taxi operators stayed open to continue to support the communities that we serve. When bookings vanished with the introduction of lockdown, we stopped charging drivers in order to enable them to continue to work. Indeed, free or discounted rents are still in place today. In the absence of official guidance, operators took the lead on driver and passenger safety. We complied when requirements came in for home working and adapting offices to make them COVID compliant. As I hope that you can appreciate, with taxi companies running many depots for 24 hours a day, seven days a week, the costs were comparatively higher than in many other sectors.

Before COVID, the taxi industry was already suffering from a decline in driver numbers, and it had already an older and ageing driver population. When COVID hit, many of those drivers chose to self-isolate and not to work, whereas others initially continued before stopping. That was due to lower earning potential, despite operators subsidising their depot costs. A significant number of drivers will never return to taxiing, and many will take more stable job options or retire from the industry altogether. This is a problem now, and it will only get worse with concerns being raised about our ability to continue to serve our communities and to sustain the industry into the future without financial help.

With a reduced number of drivers working and the cost of subsidising those who do, operators have had to cut staff by, we believe, on average, over 30%. Some operators can no longer operate 24/7, which denies their, in many cases, socially disadvantaged communities the access to services and society which are not met by other forms of transport. It is not the affluent who want to travel that suffer but those who must travel and have no alternative: the elderly, those who must make the trip to the hospital, those away from a bus or train route, those who work the night shift or the essential worker in the small hours.

As an example, last week at this Committee, you heard from representatives of Belfast International Airport. As part of their presentation, they talked about the 5,000 medical flights that they handle every year, along with the over 6 million passenger journeys that are undertaken from the airport by easyJet. To illustrate the value that the taxi sector brings to our communities, I will offer some figures of our own. In 2019, Fonacab completed more than 5,000 journeys in taking customers to the renal unit at Belfast City Hospital for dialysis. We transported blood supplies between hospitals in specifically equipped vehicles more than 4,000 times. These are just a couple of examples from one business that was on target to get 14 million passengers to work, schools, shops, hospitals and many more destinations in the year.

However, every operator, regardless of its size, can tell a similar story of the irreplaceable value that they bring to our communities across the country. Whether it is equipping cars to safely bring members of the public for COVID testing, more than 60 cars carrying throw ropes in case of river emergencies, others carrying defibrillators to help the emergency services in the north-west, operators organising hot meals to be delivered to the community when no other option was available or working with the Housing Executive and the National Society for the Prevention of Cruelty to Children (NSPCC) to help vulnerable adults and children, these are all times that taxi operators have stepped up with their drivers.

Just this week, it was reported in the news that, when the PSNI broke up an illegal party, they called the taxi companies to get the offenders home. If the sector is to sustain this support into the future, it needs help. With the recent increase in lockdown restrictions, even fewer drivers are working. The limited opportunity to work in the next two weeks leading up to Christmas may encourage some to return temporarily, but it is little comfort before the longer, quieter months ahead. That is made worse by the prospect of new lockdowns in the new year. We are not, by any means, out of the woods. Some smaller depots have closed, and others have admitted that they will not make it through the next quarter. The bigger operators may have greater resources, but they come with equally large running costs that must be met.

We are confident that we can demonstrate exceptional circumstances and meet similar eligibility criteria to those published in the recently announced DFI coach operators' grant scheme. That is a sector that has many similarities with ours and a scheme that demonstrates precedence by the Department in offering same. Some of those are detailed in our submission to the Committee. They include our licence obligations and our considerable demonstrable financial loss. Additionally, we believe that taxi operators are the only businesses that have subsidised others to continue to work while suffering all of the associated losses.

If our efforts to obtain support are unsuccessful, what happens next? As we have said, some depots have closed already. Others are close to closing, and some have delayed further redundancies in the hope that things will improve. There is very little positivity in the sector for the future. Services will be curtailed; sponsorship in local communities will be cut; charitable activity will be culled; there will be fewer taxis to welcome tourists when the market returns; and there will be more pressure on our health service to provide secondary services. Who provides transport for wheelchair users and passengers with sight difficulties and guide dogs? Who services rural areas that other transport operators cannot service? One commentator on social media went so far as to suggest that there would be an increase in drink-driving when there is no one to get you home from the pub.

Over the years, operators have worked closely with the Committee and Department. We believe that the good work that you have done in regulating the industry through the Taxi Act — mostly in making it self-regulating by empowering the operators — is under threat. If you excuse the pun, you have been on this journey with us, and we hope that you know the value. Not supporting the operators will lead to a rise in unregulated taxis and the many associated issues that, we had hoped, had been left in the past. They will not contribute to and invest in our communities, and, ultimately, it will mean that when we have a return to normality, there may not be a taxi sector.

When we were told that taxi operators were being excluded from grant support, we questioned the rationale behind the decision, especially considering the support offered by the Department to the similar coach sector. We provided evidence to demonstrate why the direction that the Department had taken was misguided. In a follow-up meeting, when we met Department officials, the response, "That is a political decision" was most common in their answers.

We hope that we have illustrated to you, our politicians, the issues and concerns that our operators are experiencing. We respectfully ask for your support in addressing them through the implementation of a meaningful financial support scheme for the operators. Thank you.

The Chairperson (Miss McIlveen): Thank you. Eamonn, would you like to say anything at this stage?

Mr Eamonn O'Donnell (North West Taxi Proprietors): I would like to read off the Executive's website, if you do not mind. The First Minister, Arlene Foster, was the Minister responsible when we were getting the regulations going, as you know, Cathal. She is quoted on the website as saying:

"Covid-19 has had an enormously damaging impact on all sectors of business and services. The operators of taxis, private buses and coaches have faced a significant reduction in demand for their services, yet their overheads have continued. It is absolutely right that they should be able to avail of financial assistance to sustain them through this difficult time and I hope they will take some comfort in the knowledge that support will be forthcoming."

On the same page, Michelle O'Neill is quoted as saying:

"The Executive is committed to providing all possible support to businesses and workers affected by the Covid-19 pandemic. The taxi, private bus and coach sectors have been negatively impacted through loss of earnings, and many have shouldered the cost of implementing safety measures to

ensure the safety of their customers. I'm pleased that the Executive's support schemes will soon include a bespoke funding package to alleviate the hardship being faced by workers in these sectors."

The final paragraph on that page states that:

"The First Minister and deputy First Minister have written to the Infrastructure Minister setting out the Determination and Designation under the Financial Assistance (Northern Ireland) Act 2009, which enables the Department for Infrastructure to take forward a scheme to provide assistance. They have also requested that the Infrastructure Minister provides further detail in relation to her consideration of the impacts of the pandemic on the road haulage sector."

Basically, we engaged with the Department in good faith and we highlighted the desperation of taxi drivers because the poverty issues are there. To be fair, the taxi operators put the drivers' interests ahead of their own because of some of the stories about poverty. The taxi operators were crystal clear: small businesses, especially local ones, need support. One company in Derry has closed during the pandemic and we have had to get the drivers under other operator licences, which was hard to do, considering that the Coleraine office emptied on 18 March, and we had to make phone calls and work with people at home.

There are other operators out there, and, as Michelle O'Neill said — Stephen has said the same thing — they have used their own resources to keep the operation rolling in the absence of support. The coffers are empty. Most of the small operators that I have spoken to are in the red and are running at a loss. Most taxi companies are running at a loss, and we have lost one company so far. Taxi drivers are on the front line, and, in Derry, we lost Seamus Loughrey, who has died. We are being asked to go out on the front lines. The taxi operators are managing things. They have managed all sorts of supports in their communities. The operator licence — you were a part of setting it up, Cathal — is set up as a self-regulatory tier in local communities. That whole network and set-up, which came about through 20 years of work with the Committee and the relevant Departments, stands to go to the wall. Once we lose operators — especially small operators — they are gone. Some of those people have their houses hanging on this situation.

Our request is based on the First Minister saying that support will be forthcoming and on the deputy First Minister saying that it is understood that we have used our own money. People have gone too far now, and there are going to be job losses and taxi companies will go to the wall. The loss of the service that we supply will have a massive impact on local communities.

Mr Christopher McCausland (Value Cabs): Thank you for allowing me to come to speak to you today. I will give you a bit of background as to what our company is doing at the moment. We believe that the taxi industry is one industry, made up of drivers and operators, both of whom work very well together to make sure that the industry survives. Our company wrote a letter to the Department, on 16 October, in reference to the scheme to say that we felt that it must support both sides of the industry and should not split it in two. We are very much in support of the drivers' scheme, but we also feel that the operators' scheme should have come in at the same time.

During the pandemic, in order to support our drivers, our company reduced driver rents by around £1.2 million. We started off with no depot rents at all when the scheme came out. We had about 780 taxis on our licence when it started, and we went back to about 150 drivers working within a very short time. Those numbers built up again, to about 450 drivers, when the economy opened in the middle of August and there were quite a few tourists in the city again. We are now currently running below 300 again with the latest lockdowns and so on.

One of the important factors for taxi operators is that we employ a lot of people in our depots. At the start of the pandemic, Value Cabs had 85 staff working in our call centre and in accounts, marketing, IT, sales, driver management and operator licensing management. We are now down to 55 staff, so we have had to let go about 35% of our workforce through payoffs and redundancies. Generally, those were people who had worked for our company for a long time, and we did not want to let even one of those people go. We had to do it to bring costs down. From our original driver numbers, as I said, we dropped to 150 and we are now running with about 300.

The introduction of the coach operators' scheme is very important as well. The Department looked at the coach operators and, having determined that they had financial losses, supported them. For some reason, the Department has decided not to support taxi operators. We are an important part of ongoing vital services. During the COVID period, our company did 35,300 jobs for the hospital trusts,

picked up 17,500 members of the public from hospital sites and supported the Northern Ireland Housing Executive homeless with 1,240 jobs. We hold the Belfast City Airport contract, so we have supplied taxis that have to be there for flights arriving from the GB, encouraging connectivity with the rest of the UK. We have contracts with Translink's Central Station for all the Dublin trains and the like. We have contracts with hotels and restaurants. We must provide these services; we are contracted to do so. Therefore, we have had to remain open, at a very large financial loss.

Mr Eamonn Corrigan (Regency Taxis): Good morning. From day one, we were led to believe by the Department that we were working with them. I have a letter, of the sort that would be sent out to coach operators, taxi drivers and taxi operators. It keeps us all within the one industry. The heading on this letter from the Department is:

"Assessment of financial support needed for the taxi industry due to COVID-19".

During the presentation that the Committee received from the Department on 4 November, the Department led you to believe that taxi operators were happy and that as long as taxi drivers got that support in their grant scheme, they were content. They called it direct intervention. That is not the case. No taxi operator made that point to the Department.

There is another point arising from the letter. The Department made it clear that it was not supporting taxi operators, because we had availed ourselves of other grants. It states in the letter that:

"Taxi operators availed of a £25,000 retail hospitality tourism grant and taxi depots were listed on that."

I can categorically tell you that that is not the case. We did not avail ourselves of that. No operator availed themselves of it, anywhere across the Province.

Mrs Cathy Mallie (Clanrye Taxis): My firm is in Newry. On a personal level, I can tell you that, from the very start of the pandemic, a number of drivers in our firm and others came to us for advice and for help to get the grant. Unfortunately, many of them were impatient and left to claim universal credit or for other jobs. They have not come back into the industry. We have been so stressed, but we had to stay open to try to help them and ourselves throughout all this. This is not just in Newry, but in Warrenpoint, Hilltown, Newcastle and Castlewellsan. A couple of companies in Camlough have had to close. A company in Warrenpoint also had to close, and the owner is now working freelance, trying to help other companies. They cannot afford to take him on, but they are offering him a few jobs here and there.

I can explain, the same as all the rest, the drop in our wages and the drop in the number of drivers. We do not need to go over all that. At the minute, there seems to be no light at the end of the tunnel for us. We have suffered financially throughout all this and tried our best to keep going, because it is what we know, what we are good at and what we do best.

At the minute, the problem is that an awful lot of us, and the guys there, feel that we need help to be able to sustain this and keep it going and get to the other end of Christmas. In March and April, we can try our best to get our businesses back up and running again, probably similar to what they were at this time last year. We are running at full cost, but with half the revenue that was coming in. It is really difficult.

One of the local restaurants put out an advert to the effect that, "We will be open at the weekend, but you must ring taxis early because they are very understaffed, and we need you to leave by 11.00 pm". So, even from the perspective of trying to make sure that the regulations are right and proper for COVID, we do not have enough drivers. Businesses are aware that we do not have enough drivers, so the implications of that will be catastrophic over the couple of weeks, from what I can see.

Like the other guys, we are continuing to help NHS staff, patients, and vulnerable adults. We do school runs and are even doing a few runs for pharmacies. We do not want to close. This is what the drivers know best; it is the only thing they know. So many drivers were not making even the minimum wage while COVID was here. We are trying to help them through that, and we are suffering from that.

We just want a wee bit of help to keep this business going, and be able to say, "Look, this is what we know best". A lot of the drivers are over the age of 50. They are not computer-literate with the way things are. They do not know what else to do. So, the problem we have is that there are so many

drivers, and they cannot get another job, such as stacking shelves in Tesco or Sainsbury's, and they do not know how to learn something else, so we really need to help the businesses to be able to support those drivers as well and try to get it all back to where it was.

There are quite frightening times ahead of us. We need all the help we can get at the minute.

The Chairperson (Miss McIlveen): Thank you, Cathy, and thank you to all of you for presenting.

Early this morning, I got a response to a priority question for written answer that I put to the Minister. It is not dissimilar from what Eamonn read out from the letter that he received. Basically, the response was that because drivers did not have premises, they could not qualify for other support that other businesses could.

The response goes on to state:

"However, taxi business operators did have premises and could have availed of one or other of the business support grants or loan schemes available. For those reasons, the scheme I put in place is designed to assist taxi drivers who could not avail of the existing schemes but still incurred overhead costs from March until September of this year. Taxi operators advised that providing financial support to drivers would also provide indirect support to them by helping taxi drivers remain in business."

You would, obviously, have an issue with that response.

Mr Anton: If I may answer that. That is a misunderstanding of something that Fonacab said as part of our submission. What I mean by "our submission" is that the Department asked each operator in the group to come back with, "How has the pandemic affected you? What costs have you incurred?". We put forward suggestions as to how we thought the Department could implement the scheme.

One thing we said was that we welcomed any support that we would get as operators. We also said that we thought that the best benefit that drivers would have would be the reopening of the economy so that drivers could go out and continue to earn and work so that they could contribute to their depot costs themselves.

We then made a suggestion on the basis of trying to benefit everyone involved. An example of that might be to grant aid the drivers by supporting their depot rent through the operators. That had the benefit of making the administration and auditing easier for the Department because it would be dealing with fewer operators than the mass of drivers. It would make the situation better for operators because that cash flow would be travelling through our businesses. The depot rents that we were subsidising would be subsidised through a grant scheme.

It would have the biggest benefit for the drivers because it would mean that they would have all their costs covered as far as allowing them to work. On top of that, as we have heard, a lot of drivers are not computer-literate. They did not get to hear about the scheme, and from what I understand, no more than about 60% of drivers applied for the scheme. If the scheme had been put through operators, we could have made sure that every driver was aware of it, every driver applied and every driver had the same opportunity.

The economy has not reopened. Since that statement was made, the situation has, if anything, worsened with the recent lockdown. I was reading on the news this morning that, with even the lifting of the lockdown this week, many of the bigger pubs around Belfast, such as the Limelight, the Pavilion and Lavery's, have chosen not to open before Christmas. That will cause a lot of drivers to say, "Well, what's the point in coming out?" So, the economy has not opened.

The suggestion of filtering driver aid through the depots, which would have helped all of us, did not happen. The suggestion that funding the drivers would help us has been taken out of context. Every other aspect of our submission has not happened or has been ignored.

The Chairperson (Miss McIlveen): You have met the Minister and departmental officials on a number of occasions. At what point were you made aware that you would not receive any support? Since the announcement of the support package and through subsequent discussions that you have had with officials, what indication have you been given that something may be put in place to help you?

Mr Anton: The last meeting that we had with the Minister was when she was advising — sorry, perhaps I will take it back one step.

All of us in this group have worked with the Department over the years, and specifically on coronavirus since March. We asked the Department for everything from guidance on screens, PPE, how many people can get into a taxi and whether we should continue to operate. We asked so many questions, and, in many cases, we had to make the decisions ourselves.

When we asked about financial support for the sector, the Department drew together us, as operators, and representatives from the driver groups, who had been asking for specific support for drivers. They handled us all as one group or sector. We went forward on the basis that we were trying to get support for the sector as a whole and, at the last meeting at the end of October, we were told, "Sorry, we will support the drivers but exclude the operators". Since then, the drivers have chosen to engage directly with the Department and have not wanted us to be involved. That is their prerogative. We still welcome any benefits that drivers get, but, as operators, we have had to engage with the Department separately.

We requested a meeting with the Department and met a number of senior officials. To be honest, we were disappointed with the response that we received. As I said, the line, "That would be a political decision" came out more often than not, and it was very much left to us to go back and try to get political support if we were to have any success in moving it forward. That is the position in which we find ourselves.

The Chairperson (Miss McIlveen): The key is exceptional circumstances. If the Department is stating that you have been able to access other assistance, that will be seen as an exemption, particularly for premises. I know that some of you will have multiple premises but will have only received one grant for the business rather than for each of the premises. Will you expand on that with regard to exceptional circumstances and how the other assistance excludes you from that?

Mr Anton: The support schemes were not designed for the taxi sector; they were designed for business. Speaking on behalf of Fonacab, we were able to avail ourselves of one rate grant of £10,000 for the business. We did not get any hospitality grants. We availed ourselves of furlough, but, under the terms of a taxi operator licence, you have to continue to operate and provide services such as lost property, customer services, driver management and complaints. You also have to be able to track your vehicles and your drivers and audit what is going on in your business. None of those functions could be furloughed, and they all still had to be funded. Even if we had only one customer, we would still have had to pay for those functions every week. There was an obligation under exceptional circumstances for complying with our licences.

Other benefits that were discussed were VAT and rate deferrals. They were deferrals and have now been paid in most cases. Many of us have had to take out a business loan. A loan is just that. Although it gives a much-needed cash injection to the business, it must be paid back, and that will impact on every operator's cash flow over the next number of years.

What made it even more disappointing was when we were told that those were some of the reasons that we could not avail ourselves of grant funding. It came as a huge shock to find that furlough, grants and business support loans were all eligible under the coach operators' scheme and were considered as income. Provided you could demonstrate a net loss to your income, even taking all those things into account, you were eligible. We questioned the discrimination between coach operators and taxi operators and why we were being told one thing when operators in the coach sector were being told something else.

The Chairperson (Miss McIlveen): May I ask one final question? When you say that you are asking for meaningful support, what does that mean?

Mr Anton: We are all operators of different sizes. Fonacab is the biggest. Before the pandemic, we had 100 staff and 1,400 drivers. We probably have around 60 staff after two rounds of redundancy and 850 active drivers, but a big company requires big financial resources to keep it going and provide the services.

In terms of specifics and pound notes, I do not think that I would like to put a figure on that. I am talking about Fonacab, but we represent the industry, and anything that may be suitable for us may unfairly push down the amount that a smaller operator may be entitled to. To be just and fair for the

industry, the smaller operators should get a good starting point and a meaningful amount to let them support their businesses. We realise that, as larger operators, we may fall foul of European funding caps, but we do not think that that should be a reason to penalise us at the top end or penalise smaller operators at the bottom end.

Mr McCausland: On a similar note to Stephen, the scheme that we looked at and discussed is similar to the coach operators' scheme, which has an amount for the first bus and then an amount for each bus thereafter. Our thoughts were that it would be based on the number of drivers who were on the licences at the start of the pandemic, with a large amount for the first driver and then a smaller amount for the drivers thereafter, so that the smaller operators rather than the larger operators got a good benefit from the scheme. As Stephen said, there would be a ceiling to it all. We are here to speak for all the operators in Northern Ireland, whether large or small, and we think that everybody should benefit from it.

Mr Boylan: You are all welcome back. Eamonn, it is good to see you after all these years. Christopher, I think that you were there at the start, and, Cathy, we have not forgotten you over there in Newry. I want to tease out some things. We understand that the whole industry and the whole of society have been impacted, but I want to get round to the point of exactly how we can assist you. It is up to this Committee to give everybody a voice and assist where we can. You are talking about a support package. Is it different from the coach operators' package? Is it on hardship grounds? What are you asking us for?

Mr Corrigan: It is similar to the coach operators' scheme. We both operate a similar type of transport business. Taxi operators comprise a big range of companies. Some have their own fleets and some have owner-drivers. There are different mechanisms of doing it, but we all operate services in the industry. The way in which the scheme was set up for the coach drivers was good, in that they got so much for the first coach and so much for each one thereafter. It covered their continuing losses and overheads. There are certain things in their licences that they have to do, and there are things in our licences that we have to do. We have had the expense of running those things right through the pandemic. That is the important part. The two things should not have been separated, and neither should the two ends of the taxi industry. In the industry, there are drivers and operators, and the industry will not work without the two sections.

Mr O'Donnell: A lot of the structure in the industry came from the former Department of the Environment and the Environment Committee, and the issues that we thrashed out whereby the structure was self-regulation through the operators and all that. All that was done. People felt the pain over the years, taking on the training and all the different aspects, and it moved the taxi industry forward. What does it all mean? It means hardship, frustration, desperation and a whole lot of things.

As Stephen said, some of the bigger operators may be able to take a bit more pain than the smaller ones. In areas such as Strabane and Derry, smaller operators have bought into the whole concept of taking the taxi industry and bringing it into the 21st century and really moving forward. We have invested heavily in booking dispatch systems. For a small operation in the likes of Strabane to invest, it costs about £40,000. That covers the Strabane area with 24/7 services and all that. That guy up in Strabane has now taken out his booking dispatch system and is back on radios. He is back to where we were 15 or 20 years ago. Is that hardship? It is hardship. It is also about operator licensing. All the regulation that is easily covered in a computerised system now has to go on to paperwork. As well as that, for the smaller operator, there is hardship in that I could lose my business and lose my home, and there are all the issues that come with that. There is hardship and loss of income. When the pandemic hit, it was a cliff edge. As you know, it was cliff edge for everybody, but, for the taxi industry, it was a cliff edge downwards. We made a gradual comeback, but it has gone off the edge again. They cannot charge depot rents and stuff like that. All that has been covered, so I will not go over it.

Mr Boylan: I appreciate that. I asked in that context. People like you, Cathy, are out there in the good area of Newry and Armagh. The real question is: are you looking at a carbon copy of the coach operators' scheme?

Mr Anton: A similar scheme to the one from which the coach operators benefited, yes.

Mr Boylan: I have two other quick points; I know that other members want to come in. The vaccination programme will be rolled out. You have said that the loss of recruitment has been a big hit to the industry. How can we assist with that? I will tie in the other topic, because there are issues with the new theory test and support for it. Can the Department do any more on that?

Mr Anton: I will say something first. We would value the Committee's support in looking at all aspects of driver licensing, driver training, the costs involved in getting drivers into the industry and keeping drivers in the industry. Anything that we can get will be of benefit in trying to keep these guys on the road and in encouraging more drivers back into the industry. We are conscious that, even with the lockdown, drivers still have to complete their certificate of professional competence (CPC) and still have to worry about PSV licences. After Christmas, a lot of them will have to worry about finding the money for their insurance, their annual tax return and all those things, so support with the administration involved in being a taxi driver would absolutely be welcomed. However, at this stage, we do not want to muddy the waters because, if we do not get the direct financial support that we are asking for, I do not think that many of us will be around to do these things with our drivers.

Mr Boylan: I appreciate that. I am mindful of what Cathy said about some drivers whom she knows and there being no option for them other than to stack shelves in Tesco. Certainly, the support package is the key element of what you are saying to the Committee today, but there are other issues that we can throw in. There will be a recovery programme, and I ask in that context. Cathy, do you want to say anything?

Mrs Mallie: The only thing that I will say, Cathal, is that we have had three drivers come into the industry this year. That is it. As you know, coming in and out of Newry, there are a lot of older men in the industry. My father and another guy are over 70, and I have had to pull the two of them back into work to try to help out on Saturdays and Sundays. A lot of them will not go through the CPC. They are not sufficiently computer-literate to do the theory test. A lot of our drivers are in their 50s, and they do not particularly want to do the theory test. They maybe would have done that in their 20s but not now. It is so much more difficult to get into the industry. Our part-time staff number is down to zero, not only because of COVID but because of the implications of the changes a couple of years ago. The industry is in a slump at the minute without COVID, and we really need to get things back on track and start trying to get people into the industry and help them as best we can.

Mr Boylan: Eamonn, my hair was jet black when I started on the issue of taxiing *[Laughter.]* Do you want to make a final comment?

Mr O'Donnell: As Stephen said, we do not want to muddy the waters. We are here for a support package to get us through this situation. In the event that we are talking about a recovery package as well, we will be happy to look at how we recover. As was mentioned, the vehicle test has been suspended and the temporary exemption certificate (TEC) has been extended. All those exemptions were brilliant. We have lost, I would say, easily 30% of the taxi industry, given the age profile and all that. If the vaccine does what it should do and we are able to bounce back, a lot of older guys will have to be replaced. We are the people who went through all this and we were happy to go along with the stuff that you introduced in the past, but we ask for a further exemption: the suspension of the entry procedures for people who are coming into the taxi industry. That will make up the 30% whom we have lost and do so quickly so that we can support the hospitals and the statutory services and can supply the night-time and daytime economy.

If we are to bounce back in line, we will need further help from you. To bring it back to why we are here today, it is about a support package. If we do not get a support package, there will not be an industry to come back to, especially for the smaller operators out there.

Mr Boylan: Fair enough. I just wanted to raise those points.

Mr Muir: Thank you for coming today. I think that, throughout all this, we are starting to understand the word "excluded" and about people who have not received support, and you probably fall into that category. From my perspective, it is important that you get that support, not just so that you can see yourselves through the pandemic but for the other side of that in the recovery, where you will be particularly important. I have particular concerns around the night-time economy and drink-driving. People will want bars and pubs to be open again next summer, hopefully, if the vaccine works out, and you are a key part of that in that you get people home safely. You estimate that you have lost around 30% of drivers. Do you feel that that is accurate?

Mr O'Donnell: It is about 30% across the board. We ask locally in Derry what we have lost, and the issue is that that 30% was just before we went into the last dip. We are losing and haemorrhaging drivers, and that figure could become a lot worse as we go through. We are going into the period when taxi drivers make their money, which would get them through our leanest period in January and February. I do not think that a vaccine will come quick enough to stop a further lockdown in January.

These guys are self-employed, and the operators depend on them. The coffers are empty. The operators whom we represent have done everything that they can to help the drivers, and now they need assistance to keep the operations open.

People should bear in mind the absence of taxis. Think about life without taxis. Think about coming out of the pub and having to walk home or the option of people getting into a vehicle and driving while they are under the influence of drink. Think about all of the hospital appointments that will be missed. Think about all the various things, such as families who are moved in the middle of the night when the Housing Executive and child services need people to be moved. Those are all the gaps. The police phone up and say that they need people taken away from this or that, or cars break down on the motorways. We do all those things as statutory service backup, over and above what we do for the economy. What we do for the economy is that we bring people into our city centres. If there is a collapse of the industry, all that will be absent.

Mr Muir: There is also the issue of investment in the fleet, particularly for people with a disability. Throughout the past number of months, a lot of people have stayed at home. That has been government guidance, but people will need to get back to hospital appointments and so on, so they will need taxis.

Mr O'Donnell: The guy in Strabane has to pull the plug on his computerised booking dispatch. A lot of the smaller operators have invested, as you asked us to do, in wheelchair-accessible vehicles. The dearest vehicles will be the first to go. We want to provide the services, and we want to do the things that we said that we would do. We have spent a lot of time working with you to develop the industry to where it is at, and now we are facing a situation in which we will be completely set back by 15 years.

Mr Muir: I have two questions. Are you aware of anything in particular that has been done in England, Scotland, Wales or the Republic of Ireland to assist taxi operators and taxi drivers? I am conscious that the £1,500 for taxi drivers is to be welcomed, but it is a paltry sum in the greater context. It is important for you, and it is important to give that support for taxi drivers. Also, what engagement has the Department for the Economy had with you on support?

Mr Anton: The schemes have varied across the four countries, and I think that the Department was proud to announce that the £1,500 for drivers was the biggest amount and the only scheme in place for taxi drivers across the UK at the time. A scheme was announced yesterday to support drivers in Wales, but no specific schemes have been announced for operators. We have written to the Minister for the Economy on a number of occasions, and we have yet to receive, I suppose, a meaningful response. Anything formal that has been published on part B of the recent — I always get this wrong — COVID restrictions business support scheme (CRBSS) specifically said in the paperwork that it excluded the taxi sector. That came on the back of the Minister for Infrastructure saying that a scheme would be forthcoming from the Department for the Economy that would help us. We have one saying that the other will help, and the other, unfortunately, saying, "No. It is not my problem". That is part of the reason that we are back here today.

Mr Muir: If you were able to qualify for part B, what effect would that have?

Mr Anton: Some drivers may qualify for part B if they are not eligible for the taxi drivers' support scheme, but the criteria are not very clear. It is an option if taxi operators were able to qualify. However, given the size of the businesses and the amounts that we have invested in our drivers and our businesses, the figures would not even start to cover our losses.

Mr McCausland: The Department for Infrastructure, having already taken on the coach operators' scheme, should be the Department to handle the taxi operators' scheme. It has already been given powers by the Executive Office to handle those schemes, yet, for some reason, it decided to exclude half the industry. The Department for Infrastructure should be the Department that handles the scheme. Again, we just want a scheme; we do not care who handles it, at the end of the day.

Mr O'Donnell: The former Department of the Environment and the Committee worked to structure the taxi industry in the way that it is structured. The benefits of that are self-regulation and all the stuff that Stephen pointed out. You structured it in that way. It is specific. We need what is stated in the Executive paper: a bespoke scheme. We need a bespoke scheme that deals with taxi operators, because you structured us the way that we are structured.

Mr Corrigan: Michelle, I have to respond to the Department's response about the grants that taxi operators got in the £10,000 rate relief. Number one: every business in the country got the same. Number two: about 200 coach operators are going to avail themselves of the current grant. At least 100 of those operators did not avail themselves of any rate grants because they have only one coach and that coach is parked at their house or in a driveway. They did not avail themselves because they are not ratepayers. That has to be put on the record. The £10,000 rate relief that we got was very welcome, but every business in the country got that £10,000, or £25,000 if the case for that was there. However, other businesses then availed themselves of other grants, and we have not. Bring us into line with coach operators. There are about 200 of those people, and it is welcome that they get whatever help there is; we support that. However, we have to ask why we have been excluded; we do not know. We are speaking today about probably 60 or 70 operators. There are 1,300 taxi operators in Northern Ireland. Most of them operate on a small licence that allows only two cars. We are the larger operators. Our businesses have running expenses of at least £3,000 a week to stay open: that is for wages, rent, rates, telephones or whatever. That is very important. Coach operators operate a slightly different business model, yes, but our weekly running expenditure will be comparable with that of any coach operator.

Mr K Buchanan: Thank you, gentlemen and Cathy. Some of my questions have been covered. You gentlemen and ladies cover 40 operators, if I am correct, and there are roughly 1,300 operators in total. You referred to the "implied assumption". Did the Department for Infrastructure ask 1,300 operators or 40 operators for feedback on how they would develop the scheme?

Mr O'Donnell: Four operators.

Mr Anton: Sorry for cutting across you, Eamonn. We were the four operators who were originally represented and worked with DFI.

Mr K Buchanan: As the face of the taxi industry to DFI.

Mr Anton: At the time. Initially, we made a case in order to ask questions and then for financial support. We were brought forward as representatives of the sector, but we did not claim to represent the sector. After the rebuttal from the Minister and officials, we started to expand the group and ask whether everyone else was feeling the same financial pressures.

Mr K Buchanan: At that point, did your four businesses have roughly 70% of the taxis operated by drivers?

Mr Anton: No, the 40 businesses listed have 70% of drivers.

Mr K Buchanan: Sorry, so it was only the four. Fair enough. Go ahead.

Mr Anton: Many operators know many other operators in the business, so we each spoke to other operators and asked, "What problems are you experiencing? Are you going through the same issues as we are? Would you like to be part of an initiative that we are bringing forward to try to get support?" The answer from everyone was "Absolutely".

Some operators in the group also sent letters outlining the hardship that they are going through. I have redacted the names and am happy to send those to the Committee afterwards. Eamonn quoted a letter from an operator in Strabane. There is a very high level of stress out there and a very real fear among operators of losing their business and their home. This affects everyone across the Province. Although we do not represent the industry, between the 40 of us and the number of drivers we have — Fonacab and Value Cab are the two biggest operators — we make up over 70% of the overall number of drivers in Northern Ireland.

The Chairperson (Miss McIlveen): Christopher, do you want to come in on that?

Mr McCausland: No. I just wanted to say that we had letters from other operators that we would like to leave with the Committee.

Mr K Buchanan: How many of the 40 businesses received the £10,000 support grant?

Mr Anton: We do not have a specific figure. In the time that we had available, we did not have the chance to get to that granular level. We asked operators whether they had received any grant funding outside of what some of the bigger operators in this group had received. Many of them were smaller operators, and some, because they were operating from home, had not received anything.

Mr K Buchanan: Is your understanding of the negotiations that took place with DFI that this was going to be for operators and taxi businesses.

Mr Anton: Absolutely. We engaged as a sector because, while we are operators, as Christopher said, we are two sides of the one coin. Anything that benefits the drivers will benefit the operators, if it is done correctly. We engaged as a sector, expecting there to be support for the sector, drivers and operators.

Mr K Buchanan: Thank you.

Mr Hilditch: Gentlemen, you are very welcome this morning. I appreciate your presentation. I learned something about this last week when I had a meeting with Mahoods Taxis in Carrickfergus.

Mr Corrigan: Simon?

Mr Hilditch: Yes. Simon filled me in on what was happening with your campaign. I do not have too many questions, but I will say that I certainly support your quest to be treated in the same way as others in the transport industry. Simon and I talked about his business being in a provincial town, and he reckoned that his business was probably down to about 20% to 30% of what it would usually be. I suppose that that is a fair reflection of what is happening across the board.

Mr Anton: It has ebbed and flowed. The week before the lockdown in March, Fonacab had 119,000 bookings. The week after lockdown, we had 19,000. In one week, we were down to less than 20%. Over the summer, bookings grew to about 65% or 70% as a result of schemes such as Eat Out to Help Out. However, with the return of lockdowns, we are back to about 40%. Averaged out over the year, I doubt that we will have hit 50%.

Mr Hilditch: I appreciate that. I also learnt about what that operator was doing for his drivers. It is even more disappointing to find that the sector has been annexed from the support schemes.

Stephen, you mentioned that the industry had subsidised "others" to remain operational. Will you expand on that?

Mr Anton: There is a strange relationship between the driver and operator, in that the drivers are all self-employed. Effectively, the driver pays the operator to provide bookings; car signage; customer services such as lost property, credit card and account payments and the many other different functions that we resource. So, when the drivers were not getting a sustainable level of business, we, like many others, cut the amount that we were charging drivers to zero or, in some cases, to 50% or 60%.

Mr Hilditch: When you mentioned "others", you were referring to the drivers.

Mr Anton: Absolutely.

Mr Hilditch: I wondered who the others were.

Mr Anton: There is perhaps another way to look at this. Fonacab is a name that you will see on the arms of many football teams around Northern Ireland. We support the Irish Football Association (IFA), Antrim Gaelic club and St Paul's GAC. We were the main sponsor of the North West 200. Last year, we paid for Christmas dinners for hospice inpatients. Now, we are not in a position to do much of this. We are doing it to a much lesser extent. The support that we all give to our communities extends well beyond subsidising the drivers' depot rent.

Mr Hilditch: I appreciate that, and good luck with it. You are not the only ones. There are other sectors —

Mr Anton: Absolutely.

Mr Hilditch: — where there are grey areas. There is a big row brewing between pubs and clubs about the disparity of funding, which, at the end of the day, will affect you guys too. The rest of my questions have been asked.

Ms Anderson: Go raibh maith agat to all of you for the presentation. I will pick up on Christopher's point. He described you as an industry. The taxi drivers presented to the Committee, and they also gave heartfelt and sore testimonies. Given that the Department for Infrastructure regulates the industry in its totality, I am at a loss. I have to say that I am baffled. I am not the only MLA who has received heartfelt testimonies from taxi drivers whose partners have been diagnosed with cancer or whose children have ended up in hospital. They had to choose between paying their insurance or suspending it temporarily, and they are now told that they are locked out of a scheme.

I am listening to you in the knowledge that, on 23 October, the Minister asked for powers under the Financial Assistance Act. The next day, Saturday 24 October, she received those powers. A statement was released by the Executive Office, and Minister Foster said that the powers would give financial support to the operators of taxis, private buses and coaches. When I read the statement that day, I was under the assumption, as was, I believe, everyone else, that you were being covered. Two days later, on 26 October, the Minister received £19 million of the £25 million that she had asked for. She asked for £6 million of the £25 million to be set aside and for £19 million to put a scheme in place. It is somewhat offensive to hear that you have received £10 million or £25 million. The economy —

Mr Anton: Thousand. We would not be sitting here if it was millions.

Ms Anderson: Sorry, thousand. If only it was million — chance would be a fine thing. Way back in the first lockdown, all businesses that were eligible at that time received either £10,000 or £25,000. Chair, I am at a loss as to what else we can do. We have asked the Minister to review the criteria that prevent, for instance, taxi drivers who temporarily suspended their insurance, from accessing the scheme. I have had emails from one taxi driver who had received cancer treatment for four days. He was released from hospital, and by the time he got his insurance, there was a four-day gap, and he has been refused. Another driver said to me yesterday that, "I feel like a beggar. My son is recovering from cancer treatment, and I do not feel I that have to put this on display. Please don't name me".

It is outrageous, and I do not understand, Chair. I have no questions because I do not know what to say to you. We have asked for you to be included in the same way as bus and coach operators. I do not understand the exclusion. I had to say to the drivers that I did not understand why they were excluded from the Department for the Economy's part B COVID support scheme.

The Department for Infrastructure is the Department that regulates you. I have listened to you talk about some of the actions that you take and the services that you provide. On Friday, we are opening up the economy in the North. People will be going out to pubs and clubs, but we do not want them to take their cars. We want them to get home safely and for enough drivers to be on the roads. I do not know about other cities but, in Derry, when everyone gets out of the pubs and clubs at the same time, it can be hard to get a taxi to get home safely. At that time, taxi drivers are the people who are the most popular and most in demand. I can just give you my, and our, absolute support. We are in the mouth of Christmas, and you, the operators, need support. You need support for yourselves and your businesses, and the drivers need support. I give you my support. I do not know whether you have any other comments on anything else that we could do in the few days and weeks before recess.

Christopher wants to come in at this point.

Mr McCausland: In relation to what you were saying about the drivers' situation, at the meeting with the Department, we fully supported the drivers' scheme. We also suggested that, as long as drivers had insurance at the start of COVID, they should be included, and we still support that.

Ms Anderson: This is my understanding, but do the taxi drivers still have a taxi policy?

Mr McCausland: Yes, that is right.

Ms Anderson: So there are designated taxis —.

Mr McCausland: Our company's rent reductions come out at around £2,300 per driver, which is more than the Government have given to the drivers. Therefore, we are supporting the drivers, and we will fully support the drivers all the way through this.

Ms Kimmins: Thank you all. This has certainly been an eye-opener for me. As my colleagues said, we have met with the taxi drivers. Unless you are in the sector, you do not always realise the wider implications, so I really appreciate you coming to meet the Committee today. As with other members, many of the questions that I had have been answered throughout the discussion this morning.

I cannot understand why you have been excluded. Cathy mentioned local bars. I am in Newry, and I have seen the adverts advising people to make sure that they have transport prearranged for this weekend's reopening. For me, the bottom line is that, throughout the pandemic, taxi drivers and operators have been deemed an essential service, because that is what you are. You complement all of the other sectors, such as hospitality, the health service and so on. As Stephen said at the start, people need your service. Often, people do not have another option, so they are heavily reliant on it. When you are unable to sustain the provision of that service because of the financial difficulties that you are facing, we need to step up and make sure that the support is there to get you to the other side of this. We are entering a relaxation of restrictions for the Christmas period, which will see restaurants, shops and so on reopening. However, without sufficient transport, as Martina said, people will be gathering in certain areas to wait for taxis and other transport to get them home safely. We will face another spike of the virus. We have to make sure that there is a steady flow of people so that people are not caught up in areas with big crowds. To me, that is a basic element of this whole thing.

Apologies if I have missed this in the discussion, but I have one question on engagement with the Department. Stephen said that the repeated response that he is getting is that it is a political decision. Since the decision to exclude operators came to light, has there been any response from the Department to explain why it had done that? As other members said, we have been fighting very hard for taxi drivers, taxi operators and coach operators, as well as the haulage sector, which is still excluded. Like you, the haulage sector needs a bespoke package. For many of the issues that you and they have outlined, one size does not fit all, so we will continue to highlight that until support is made available. Was any detail provided on why you have been excluded?

Mr Anton: Chair, this morning's response from the Minister detailing the reasons why support was not given to the operators is remarkably similar to the last formal response to the operators. We tried to refute that with the officials, and that is when we got the response, "That would be a political decision".

The Chairperson (Miss McIlveen): Have any other meetings been scheduled?

Mr Anton: We did not come today with a proposal because we appreciate that that is not the responsibility of the Committee. We hope that the Committee will give us its support and, for want of a better term, apply pressure to allow us to engage again with the officials to try to put a scheme in place. We are also very conscious that we are in the run-up to Christmas. The panel will rest over Christmas, as will much of the activity of government, so we are conscious of the need to move this forward quickly. Any support that we can get for a meaningful discussion with officials about how to introduce a support package urgently would be very welcome.

Mr Boylan: In your engagement, Stephen, there has not yet been any provision of facts or figures to the Department.

Mr Anton: When we engaged as a sector before the driver scheme was introduced, the Department asked us to detail the grants that we had received and the financial losses that we had incurred. We detailed those at the time. We gave our answers in different ways, but Fonacab was quite detailed in its response about the amount of money and so on. A lot of that groundwork has been done. However, since the driver scheme was announced, we have not had any engagement on facts or figures.

Mrs D Kelly: Thanks very much for your presentation. It is good to see you all again. To my mind, there are a number of issues. We have very detailed correspondence from Minister Mallon to the Minister for the Economy in relation to part B restrictions of the new regulations. It states that financial assistance from the Department for the Economy is very much in support of the sectors that might not have had to close down as a consequence of the regulations but whose service provision relied on those that were. I cannot for the life of me understand why the taxi industry is excluded from that section. We should refer that to the Economy Committee. It may well be something that could be legally challenged by your group. It falls far short.

In October, when the Executive conferred the vires on the Infrastructure Minister to assist with financial assistance packages, that was to do with overhead costs. I had undertaken to find out about that. We could explore that further with the Department for Infrastructure. I understand that taxi operators have been able to avail themselves of rate relief and furlough. However, you have certain obligations to adhere to in order to retain your licence and operate legally, so, arguably, there are some overhead costs that could be looked at in a financial assistance overhead package. That is how I see it. That seems to be where some of the discrepancy lies. We need to explore further with the Department the differential for coaches. What about the fleet of the coach industry does not apply to the taxi operator sector? That is where I have questions. I can see two or three courses of action.

Mr McCausland: As I said, it depends on the size of the operation; there are different models. We have a rent-to-own scheme in our company, and 300 taxis are provided to drivers through rent-to-own schemes. We have a very large capital outlay on cars, many of which are now sitting in our yards. We have 60 or 70 used cars sitting in storage at the moment. These are cars that drivers have returned and are not making any payments on. We as a company have all of those vehicles on finance. All are being paid for by us, but there is no mirror income coming in against them. We are very like the coach industry. The powers came to the Minister to operate these schemes. We cannot see where the difference between coach operators and taxi operators came from. The powers were given to her to operate a scheme for both, but she decided not to operate a scheme for taxi operators while operating one for coach operators. I cannot see where the difference is.

Mr Corrigan: I am conscious of time. Out towards Antrim and Ballymena, there are taxi operators such as mine, TC Bros and E-Cabs in Ballymena. There are about 10 operators across the country who operate like us. We have a mix of owner-drivers and cars that we buy, own and insure. I have looked at this to try to find some answers. The biggest injustice that I can see is the insurance that is being paid for most taxis Ballymena and Antrim. Some guys are paying £3,000 per car for insurance. Some coach operators are paying only £1,800 per bus. That is unreal. Our overheads are as big as, or more than, those of coach operators.

Mr O'Donnell: At the start, everyone was bunged in together. I am here from North West Taxi Proprietors to represent both drivers and operators, because that is how the operators wanted it to go. We were probably top-heavy on the difficulty and desperation that was out there for drivers, but there needed to be a separation of the drivers and operators in order to deal with it, which is what we found down the years when carrying out the different aspects. That is where part of the confusion comes in. We talked about the overheads of drivers and offices, but, maybe, some of the officials did not fully grasp everything that was going on in a meeting at which people were almost competing for time. The Department of the Environment structured the industry in the way that it structured it. It structured us similarly to coach and haulage, with the operator licences, and we went with it. We need a bespoke scheme from the Department for Infrastructure, and it needs to address the issues that it created. I am not accusing anybody.

Mr Boylan: Absolutely.

Mr O'Donnell: Nichola Mallon might not have been in the Department then. Arlene Foster was the Minister when the structures were set up, if my memory serves me well. Maybe it moved on to some of the other Ministers, Cathal. The structure of the industry was set up here, and the operator licensing is similar to that of coach operators. We should have a bespoke scheme similar to theirs, and it should come through the Department for Infrastructure. Our understanding from the Executive statement was that, "support will be forthcoming", and we took it that it would be coming. Possibly, some of the Department's misunderstanding, if I can put it that way, came about because people were competing for different aspects of support. It should have been separated out. They need to listen to us. They need to listen to the hardship and loss that we have experienced and to how we went over the cliff edge. We believe that we should get a bespoke operator scheme from the Department for Infrastructure.

Mrs D Kelly: May I come back on a point that I am not clear about? It relates to the Department for the Economy's part B restrictions. Where is the better fit for you? The Infrastructure Minister's limited power in respect of the financial hardship package is one thing, but what difference does your exclusion from part B of the current COVID support make? If you were eligible to apply for that, what difference would it make to the situation that you find yourselves in?

Mr Anton: There are a couple of things. Part B of the current scheme is to address the current lockdown only; it does not address most of the losses and costs incurred over the first six months.

When we started this process, part B did not exist. Yes, if we were eligible for part B, we would seriously look at it as an addendum to any scheme put in place by DFI. As a stand-alone scheme, however, it would not be sufficient.

Mrs D Kelly: Thank you, that is helpful.

Mr O'Donnell: As we said, it is not a case of one size fits all. We noticed that, and we structured it. Everything is filtered through the operator and the operator numbers. The way in which we pay our fees to the Department is based on the operator, and the grant scheme is based on operator numbers. Any bespoke scheme that comes about should have something for the operator and, as is the case with the grant scheme, that should come from the numbers. That is where we are coming from.

Mrs D Kelly: That is very helpful. Thank you.

Mr Beggs: Thanks for your presentation. I am alarmed by the financial picture that you are painting. You mentioned living off loans and the fact that some operators, particularly the smaller operators, but perhaps larger ones too, might be approaching the cliff edge.

Cathy, you indicated that drivers have been leaving. Did you lose most drivers during the larger lockdown?

Mrs Mallie: Yes. Around 40% of our drivers left. About 35% of the drivers whom I talked to said that they were not sure that they will come back to the industry. They have found alternative work and are, perhaps, doing that on a part-time basis. They are just not sure about the stability of the industry. They have families to look after, and we are coming up to Christmas. My problem is that I cannot see them coming back, because they are moving on in life.

Mr Beggs: You estimated that only between 60% and 70% of drivers applied for the driver grant.

Mr Anton: Those are DFI figures. We believe that DFI said that 5,500 drivers had applied for the grant. There are around 9,000 licensed taxi drivers in Northern Ireland.

Mr Beggs: Are there any reasons why so many did not apply? Is it because people have left the industry or because they are not capable of doing the paperwork?

Mr Anton: It is for both those reasons and many more. The average age of our taxi drivers is around 55. Many, unfortunately, are not computer literate. They are not following the news on the NI Direct website, nor are they following social media chatter. Invariably, having heard what other drivers are saying, many will ask, "What's the point in me applying?". There is a bit of that as well. There is no single reason why they have not applied; it is just that many of them have felt excluded.

Mr Beggs: Do you know how many of your drivers took the insurance holiday? I understand that that was one of the conditions that excluded them. Do you know how many of your drivers were excluded because of that?

Mr Anton: We probably could get that figure for Fonacab. By and large, the drivers arrange their own insurance, and they must give us a copy of their certificate. In the early days, like many operators, if a driver chose not to work, we did not charge them anything for holding on to their car. However, we asked them to maintain some form of insurance because, without it, they could not have one of our vehicles. That did not apply to owner-drivers; it applied to those who were on a rent-to-buy scheme. We told them that, if they wanted to hold on to their car but not pay for it, they needed to have some sort of insurance just to cover any liability. Many kept their taxi insurance in place, and some chose to move to social, domestic and pleasure cover. We could probably get that information, and we could probably give you an idea of how many of our drivers have applied for the scheme as well.

Mr Beggs: In your presentation, helpfully, you painted the picture that you are providing a key service. Your drivers have been taking patients to hospitals and transporting blood and organs and so on. We should all be listening to that to make sure that there is a viable service going forward.

You also said that you have incurred significant costs in maintaining your depots and your operator's licence.

Mr Anton: The maintenance of the depot and the maintenance of the operator's licence are two slightly different things. By that, I mean that we are headquartered at Knock Road, and, like many businesses, our offices are full of Perspex, face masks and social-distancing stickers. We operate three contact centres: one in Belfast, one in Lisburn and one in Newry. On the very first day of lockdown, we moved everyone to working from home, which, for a 9 to 5 job, means one computer for one member of staff. However, because we work 24 hours a day, seven days a week, to continue our operation, we needed to buy three computers to facilitate three shifts being worked from home. We incurred significant expense making all the changes to our offices and enabling our staff to move to homeworking, which included things like Microsoft licences and all the rest of it.

That accounted for a lot of the costs that were incurred, but homeworking is nothing to do with our operator's licence. The functions that we need to maintain include providing dispatch for drivers and a booking service for passengers. In full flight, Fonacab gets up to 10,000 items of lost property every year, everything from wheelchairs to false teeth, glasses and mobile phones, with the mobile phone being a popular one. You need to have a system to reunite people with their lost property, and that requires IT and a secure storage area. It requires somebody to take all the enquiries, match up the item with the owner and return it to them. Under the terms of the operator's licence, just with regard to lost property, we have to provide that service.

Mr Beggs: I am thinking about some of the smaller operators. Would you have lost your licence if you had just closed your doors because you so little trade at one point?

Mr Anton: In many ways, closing our doors would have been the easy option. However, in our case, that would have let down all our drivers, customers and corporate customers. We have talked about the impact on drink-driving, potentially. Can you imagine Belfast with the pubs emptying out on a Saturday night without a Value Cabs or Fonacab being there? Not only would there be drink-driving but there would be antisocial behaviour and police on the streets. Dare I say, every week, you see on social media: "Is anyone doing lifts?". The unregulated sector is out there. It would have stepped in and you would have problems with uninsured drivers all over the place. We could not close. We had to stay open. We had to stay open for the benefit of our drivers and for the Blood Transfusion Service, the dialysis unit, and all our customers. We had to stay open. We are all exactly the same.

Mr Beggs: I fully appreciate that you all provide a vital service to the community. I am trying to understand what would happen if you were not supported and more operators went out of business. How long does it take? You mentioned that it takes time for even an individual driver to go through the process. How long does it take a driver to get a taxi driver's licence? How long does it take to get an operator's licence? I assume that it would take considerable time and *[Inaudible]* to fill that void.

Mr Anton: He will probably hate me for saying it, but our training manager is a qualified teacher and has a master's degree. He failed his theory test the first time. No one tell him that *[Laughter.]* You have to do a theory test, pass a medical, be cleared by Access NI and have a number of years' experience on your own licence. There are five hurdles to get over in order to become a taxi driver.

Regardless of the requirements of the operator's licence, we have to manage all our drivers to ensure that they have all that and are equipped to go out and do their job. We also have to manage everything from helping them to apply to Access NI to doing a lot of the paperwork that enables them to register with the DVA in the first place. There is a big requirement on a taxi driver to get into the industry, regardless of the cost. For a start-up taxi driver, insurance will be big for the first few years. He will have to incur the costs of a car, and all the rest of it.

Mr O'Donnell: We run a bespoke training course for bringing people into the taxi industry. A quick licence will take four months, although it can take longer. You have to remember that people have different educational abilities. In the past, you were able to just get a licence. Some people need a lot of help because they have issues with literacy, numeracy, and so on. In some cases, you have to help them with other things before you get them a taxi licence. A quick licence takes four months; an average licence probably takes five or six months.

Mr Beggs: In some of the more isolated rural towns, there would not, perhaps, be the same competition that there is in Belfast. There might be one or two taxi operators. I am very conscious that, should they go out of business, there would be a complete dearth —

Mr Anton: Disaster.

Mr Beggs: — of taxis being provided at all. How long would it take someone new to step forward to provide a service to get the operator's licence? I have not heard an answer to that question.

Mr Anton: If the market does not recover, who would want to go in and provide that service?

Mr Beggs: I appreciate that. However, at some point, we will come through it. My question is this: how many taxi operators will still be around when we get through this thing? That is my concern. With the vaccine, I am hopeful that things will get much better at some point, but there is still some time to go. I am trying to see how long it would take a new operator, perhaps, next summer, to come on the scene.

Mr Corrigan: Before a new operator would even start, and he wanted to open up a premises as a taxi depot, say, for argument's sake, in Larne, because I know your constituency, first of all, he would have to get planning permission to open it. Planning could take a few months. After that, he has to go through the other processes, such as Access NI and employers' liability insurance and things like that. It would probably take three or four months minimum.

Mr Beggs: I am just highlighting that we all should be concerned that there could be a complete dearth of this key service in many areas if some sort of support is not provided.

Mr O'Donnell: Some smaller operators have gone out of business and that has left a gap in communities. At the beginning of the pandemic, we were immediately deemed an essential service. We asked whether we were allowed to work and were told that we were an emergency service. The disappearance of the smaller operators has left a gap in personal contact, as they take people to the supermarket and pick them up and provide transport for vulnerable people. All the safeguards that the Committee put in place over the years have gone out the window. Martina will be aware that, when we did not have regulated offices, we had incidents where people were picked up, and we were dealing with rape cases and all sorts of antisocial behaviour. Predators could come in and people just jumped into the cars. You are opening the door to all that.

The Chairperson (Miss McIlveen): OK. Thank you. We have gone well over our time, but thank you very much for coming this morning. Members are interested in what you said, and I hope that you felt that you had the opportunity to put your case to us. The Committee will relay that to the Department.