

Date:
Direct email: licensing@eastdevon.gov.uk
Our ref: LIC



APPENDIX A

To: Simon Jupp MP / Neil Parish MP / Secretary of State for Transport - Grant Shapps MP / The Rt Hon Rishi Sunak MP - Chancellor of the Exchequer

Dear Sir

Financial Funding for the Taxi and Private Hire Industry

East Devon District Council is aware of the severe financial difficulties experienced by the taxi trade as a result of the pandemic and during two periods of lock down this year, all taxi and private hire proprietors had little or no business as a result of the downturn in use by the public. That situation has been widely reported by the taxi trade nationally over recent months and the Council has explored all options of possible funding that could be available to the local taxi trade in East Devon with regard to the availability of grants or other support that local authorities could provide. Unfortunately there has been no revenue allocated centrally for local authorities to distribute to the taxi and private hire industry.

It was evident that the taxi industry was not an eligible business that qualified for all phases of the Local Authority Discretionary Grant funding, for which the criteria was set by central government regarding businesses that did qualify. Whilst more than 3,600 local businesses in East Devon applied for Schemes 1 and 2 receiving more than £42m in grants, along with a further 230 East Devon businesses that received over £2m in grants through scheme 3, the discretionary grant fund did provide the basis of any financial assistance to the taxi industry.

In May, officers from the council's licensing team circulated detailed information to the taxi and private hire trade across the district regarding the Self-Employed Income Support Scheme highlighting the government payments to self-employed workers adversely affected by Coronavirus for the taxable grant that worth 80 per cent of their average monthly profits over the last three years. In daily contact with members of the trade, officers also learnt that drivers and employees took the opportunity provided by the furlough scheme to further alleviate financial hardship.

Our officers acted to assist the taxi and private hire trade when Covid-19 restrictions began within the limits of what we could do to help and introduced an emergency Covid-19 taxi policy to support drivers and proprietors without any work when their staff were furloughed and taxi vehicles were not being used. Extending compliance test dates, postponing vehicles renewals where requested,

Blackdown House, Border Road, Heathpark Industrial Estate,
Honiton, EX14 1EJ
DX 48808 Honiton

Phone: 01404 515616
Email: csc@eastdevon.gov.uk
eastdevon.gov.uk
[@eastdevon](https://www.facebook.com/eastdevon)

Download the free East Devon App
to access council services at
eastdevon.gov.uk/app

delaying need to get medical appointments and having remote DBS check options were all possible to alleviate costs. These steps were taken to support drivers and businesses with the financial burdens at a time when many drivers had no work.

Therefore, whilst it is not possible for the Council to allocate funding to the taxi trade generated from licensing fees, our staff from a number of services have actively worked to identify potential loans and grants that the taxi trade has not been eligible for to take up the opportunity.

The most recent advice suggests that there are two possible funding paths for the taxi trade to pursue – both are loans rather than grants, and provide no relief in the short term to help this vital trade survive these trying times. As a council we have, as stated above, looked at all possibilities for funding streams for the trade. We have found none, and the latest guidance effectively confirms this.

So, as the Licensing and Enforcement committee, we politely ask that you consider plugging this gap, with a trade specific funding stream accessible to all licensed drivers suffering from hardship, to ensuring the taxi trade remains viable and can continue to function when we emerge from the clutches of the COVID – 19 pandemic.

Yours sincerely

Councillor Joseph Whibley

Chair – Licensing & Enforcement Committee

Councillor Kim Bloxham

Vice Chair – Licensing & Enforcement Committee

(On behalf of the East Devon District Council Licensing and Enforcement Committee)