



The impact of the pandemic on London's taxi trade: Drivers' stories

John, Bexleyheath

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I have been a London taxi driver for 10 years. I love my job and work hard to support my family. As an industry, we are continuing to suffer with every new Covid-19 restriction the government implements, which has a knock-on effect on trade in London. Like many drivers, I have lost most of my income since this crisis began, but I have not been able to get any support from the government.

To be able to claim through the Self-Employment Income Support Scheme (SEISS), you must have shown profits for two out of the last three tax years. Unfortunately, I have purchased two cabs since 2016 and claimed capital allowances, as they were business assets. This means that on my tax self-assessment, I recorded a loss in 2016/17, when I bought a diesel taxi and also in 2018/19, when I bought a new zero emission capable (ZEC) taxi.

I have therefore not been eligible for any support through the SEISS or any other kind of financial support like Universal Credit, despite having always worked hard and done the right thing. I feel like I am being penalised for investing in a clean, green vehicle. We are now struggling to pay the bills and keep our heads above water. I feel like me and my family have been abandoned by the government.

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Abdul, Harlesden

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My dream was to be a London Taxi Driver. I was on the knowledge for four years and got my badge in January 2020. After a few weeks renting a taxi, I purchased a new electric taxi for £57,000, taking out a finance agreement to make this possible.

I did not receive any government grant through the self-employed furlough scheme because I am new to the trade and had not previously filed a tax return. Because of the lack of any real income, we have moved in with my in-laws with our two young children. We have limited space and during lockdown in particular, this caused a lot of stress for the whole family.

Although I got a three-month payment holiday from the finance company, I am currently still unable to make full payments on my cab and have been informed that making reduced payments will put me into arrears and impact my credit rating, which is a huge concern.

I am currently working seven days a week to try and earn enough to support my family.

But with earnings as they are, I am struggling to survive.

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Lisa, Enfield

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I have had my badge for nine years and over that time I have loved being a London taxi driver, it's the best job I have ever had and I was proud to do it every day. The pandemic has had a devastating impact on my livelihood and completely changed my life.

Trade collapsed during lockdown and my income fell to almost nothing. I was one of the lucky one able to get help from the government with the grant for the self-employed, which was a godsend. I wouldn't have been able to survive without it.

It took me five years to pass the knowledge but the time I invested was well worth it and I had thought I would carry on driving a cab until I retired

However, with the costs of keeping the cab on the road and less money coming in, I was worried about the future and needed some security, so with a heavy heart I made the decision to give up the cab trade, at least for the time being. I was able to find a job working for a supermarket warehouse picking deliveries and I am lucky that I did so early on, as I am not sure this would be as easy to do given where we are now, with record levels of unemployment.

I am hoping to be back as soon as possible, hopefully next year if things get back to normal but who knows what will happen.”



Mark, Hertfordshire

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I have been a London Taxi driver for 28 years and drive a gas powered TX4 cab.

The Covid crisis has affected me in a number of ways. Firstly, there is the decrease in passengers. My earnings as a cab driver are down around 60% and I'm one of the lucky ones, as my house and cab are both paid for so I can manage with less coming in. God only knows how drivers with high cab payments are getting by. With pubs and restaurants closing at 10, people working from home, and theatres not open at all, the future looks bleak for the cab trade for the foreseeable future.

The situation is also affecting driver's mental health. We are all under a huge amount of pressure and sometimes going hours in between jobs, which can be very demoralising, and with no end in sight and its tough.

All of these road closures and measures like Low Traffic Neighbourhoods and bus-only corridors excluding taxis such as the bus gates on Bishopsgate are making it harder and harder for us to do our jobs and to deliver a reliable, door-to-door service for passengers. Taxis are a vital part of the transport network and have an important role to play in transporting Londoners in a Covid-secure way and getting London moving again,

but right now it feel like we can't get anywhere.”

Barry, Orpington

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I have had my badge for 15 years and am extremely proud to be a London taxi driver.

I bought a new cab nearly three years ago on a lease agreement, where I made monthly payments for three years and if I intended to keep the cab after that period, I could make a balloon payment.

The balloon payment of £22,000 is now due. I contacted the finance company to arrange a finance agreement to allow me to keep and pay off the vehicle. I was refused due to my current financial situation, as like most drivers my income has fallen significantly. I am now being forced to give the cab back as I do not have the means to make the full payment. Pre-Covid, I never missed a single payment.

My cab is my livelihood, I don't know what I will do next. All the stress and uncertainty has also affected my mental health.

Although I did receive the government grants, as hard as I try, I cannot make ends meet and with the next grant worth just 40% of my usual income, I am now contemplating selling my house.

The lack of real government support taxi drivers have received has been shameful. Our outgoings are a lot higher than most self-employed workers and we also provide an essential form of transport, yet our circumstances have not been considered at all.”



Ellis, Cheam

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I got my badge in May 2017 and after a few years in trade, I decided to purchase a new TXE, zero emission cab in May 2019, taking out a finance agreement. Business was good until the pandemic hit.

I was lucky to get a six-month payment holiday from the finance company, which helped me through the first wave. I was quietly confident that, with day work picking up, I would be ok to cover my monthly finance going forward.

Two days after resuming my monthly instalments, the government announced the new restrictions and the work levels dropped back to around 20% of the norm. I called the finance company to check my options and was told I had three options: pay the monthly instalments, pay a reduced instalment calculated by my household income/expenses (which was negative) but then be in credit arrears until payments are caught up, or return the vehicle and pay off the remainder of my finance in whole.

I tried to earn enough money to pay the next instalment, but it just wasn't possible. The advisor I spoke to suggested I might want to find a new career! I spent a lot of time and money to complete the Knowledge and the idea that I could lose my cab and my career is absolutely devastating. If I had more financial support to help me get through next few months, I know I could pick up where I left off and have a bright future. But at this rate, when restrictions ease, I won't have a cab or a way to make a living.”

