

## Case study – 24x7 Ltd

words by Andy Mahoney, Director

24x7 Ltd is a private hire operator which specialises in Special Needs Home to School transport, transporting in excess of 4,500 SEND (Special Education Needs and Disabilities) children daily for 19 authorities. We currently employ in excess of 2,000 people. Over the past few years, we have increased the number of local authorities that we are registered with, and our aim was to expand into these areas in 2021.

Fortunately 24x7 Ltd are in a strong financial position and therefore the directors decided that the correct course of action was to bring our expansion plans forward, and in doing so try to help to drive the economy by creating new jobs, whilst filling a much needed gap in Special Needs and Accessible Home to School and Social Care transport.

To achieve this, we registered with an additional 61 contracting authorities; employed 20 new Area Directors, and an Area Operations Manager. All of these new areas have a mandate to employ a minimum of 20 drivers and 14 assistants by the end of August 2020, creating 700 new jobs.

Our existing operations have also been expanded, employing a further 200 additional new staff. That will lead to a minimum of 900 new jobs for August this year. This amounts to an £11.4m asset purchase and total investment in excess of £18.3m to kickstart this expansion.

The Prime Minister has appealed for people to go back to work. The economy needs people to go back to work. Shops, pubs, restaurants and cafes are now open and are all desperate for businesses to return and workers to purchase their goods and services.

However, against this advice the majority of local authorities are not opening their doors, not allowing people to become licensed and get new jobs, and not allowing us to continue with our plan.

Although there are exceptions, many councils insist on face to face interviews for new applicants for drivers' licences, but they are not conducting these face to face interviews. Many do not seem to know when they will: one has stated January 2021 at the earliest.

This is not acceptable to anyone. It is not acceptable to Central Government; not acceptable to contracting local authorities; not acceptable to the SEND families; not acceptable to 24/7 Ltd and every other private hire and taxi company in the Country; and certainly not advantageous to the economy.

Taxi businesses across the Country are failing due to lack of work since lockdown, and many will not be in a position to operate the school contracts that they hold. This will lead to local authorities failing in their duty to transport SEND children to school due to lack of drivers and operators.

24x7 Ltd should have been in a good position to take on many of these contracts and ensure continuity of transport, and the wellbeing of the children. We will not be, and we are in fact in danger of not being able to service many of our existing contracts due to local authorities failing to licence new drivers and new operators (and we would be considered a new operator in areas in which we have not operated before). Across the Country many existing drivers who usually undertake school contracts are shielding due to Covid-19. Combined with the natural churn of drivers, and an estimated 20% of drivers not returning due to Covid-19 means that school contract operations have already lost many drivers. These drivers cannot be replaced in time due to Licensing Authorities not licensing new drivers.

This is a picture of some of the problems we are facing.

### **XXX Borough Council**

XXX Borough Council are not licensing new drivers or operators. They will not give any date when they will recommence the service. As a result, we have had new contracts terminated by a XXX council as they will only accept local operators and we cannot obtain a local operator's licence. We will not be able to fulfil contracts creating redundancies not employment.

### **XXX Borough Council**

We selected 20 people from 170 Applicants for the first tranche of new drivers to be licensed by XXX Borough Council. All have completed what they can outside of the council. We have an operator's licence but new drivers cannot be licensed as the Council contact centre is closed and the council insists that several requirements of licensing can only be completed at the contact centre. The Council do not know when they will re-open. We will not be able to fulfil all our contracts, creating redundancies not employment.

### **XXX District Council**

XXX District Council are opening their offices on 28<sup>th</sup> July and will start to licence drivers when open. They insist that drivers must use own their GP for medicals which in that area are taking anything from 10 - 90 days to book, With the pandemic GPs are under great pressure at the moment and many are prioritising patients. There are many private medical specialists that are qualified GPs specialising in vocational medicals for example D4 Driver Medicals, Taxi, HGV, PCV and Pilot medicals to name a few. They can often complete a medical within a week of booking an appointment. XXX council will not allow this. Councils should be in a position to licence new drivers. Again, we will not be able to fulfil all contracts, creating redundancies not employment.

### **XXX Council**

We have selected 20 people from 250 Applicants for the first tranche of new drivers to be licensed by XXX Council. They all have the correct paperwork, but because the council offices are closed, we cannot obtain an operator's licence, nor can the drivers be licensed. This will be the case until we can arrange a meeting with the Council. Again, we will not be able to fulfil all contracts, creating redundancies not employment.

### **XXX Borough Council**

XXX Borough Council cannot licence new drivers because they insist on the DBS and Driving test being undertaken only by their own staff. Both of these could be done remotely by professionals, but the Council will not allow this. To compound the problem, at present they have not announced a date when Council staff will to return to work. Again, we will not be able to fulfil contracts, creating redundancies not employment.

### **XXX Council**

At present, XXX Council cannot licence new drivers. They only allow medicals with the applicants own GP, and some GPs are giving appointments for new medicals in 3 months' time. In addition, they are not making any provision for face to face interviews. Again, we will not be able to fulfil all contracts, creating redundancies not employment.

### **XXX Council**

XXX Council are only licensing renewals. They have given no date for a return to processing new applications. Again, we will not be able to fulfil contracts, creating redundancies not employment.

### **XXX Borough Council**

XXX Borough Council have stated that they will be licensing new drivers from early August when their offices are open. Again, we will not be able to fulfil contracts creating redundancies not employment.

In contrast, there are other examples of local authorities using technology and imagination, combined with a pragmatic approach to enable activity to continue, including:

### **Canterbury City Council**

Canterbury City Council are licensing all drivers and we will be able to create employment and fulfil all contracts in Kent.

### **Uttlesford District Council**

Uttlesford District Council are licensing all drivers and we will be able to create employment and fulfil all contracts in Essex, Norfolk, Suffolk and Cambridgeshire.

### **East Lindsey District Council**

East Lindsey are licensing all drivers and we are able to create employment

In continuing the licensing service, these councils are helping to safeguard the public and the most vulnerable and helping the economy to grow. I am sure that there are other local authorities, which we have not had dealings with, who are also going above and beyond to assist applicants and existing licensees.

This is snapshot of the continuing licensing problems that we are faced with at the moment. If we continue with our expansion plans as described, the cost to the company will be unsustainable. If we do not continue with those plans there will be in excess of 600 people that will not be employed. This will be a direct result of local authorities not being flexible enough to ensure that drivers can be licensed. We need help from local authorities; the whole private hire and taxi industry needs help from local authorities.

Taxi and Private Hire Licensing is in place to ensure public safety, and of course there needs to be a robust system to licence drivers. This in an industry where safeguarding is paramount. There will be a desperate shortage of licensed drivers in the years ahead. We conservatively estimate there will be in excess of 140,000 drivers short in England alone. This is based on the average length of a drivers career being seven years (the "churn"), with an additional estimated 5% still shielding and many drivers not returning to the trade due to Covid-19. The SEND and general schools transport service in this country will not be able to cope with this alarming reduction in drivers.

I believe there will be a catastrophic failure in SEND transport and a failure to protect our most venerable children and adults in the areas that are not licensing new drivers and new operators. Existing operators who have suffered financially, with little or no work and have not been fortunate enough to have been supported by councils with the Governments PPN20/20 scheme (the mechanism to allow Councils to continue to pay for contracts during the pandemic) could potentially revert to using unlicensed or out of area drivers illegally as an alternative to going bankrupt. In addition, parents may be tempted to use unlicensed drivers to get their children to school where the local authority cannot supply contracted drivers.

Whilst I appreciate it is not a licensing authority's job to be concerned with unemployment in the Country, they can make a difference. The inaction of many licensing committees, with some being suspended for 4 months and not meeting even by video, and not adapting their licensing policies to accommodate the current difficulties, will potentially increase the number of unlicensed drivers, and this will inevitably including School transport drivers.

Safeguarding is paramount. Please help to ensure that new drivers are able to be licensed expeditiously, and that the licensed community can operate with the knowledge that all involved are fit and proper: drivers and operators alike.