# **Decent and Good Work in the Platform Economy:**

# Private Hire and Taxi Work in Nottingham LA Briefing Paper

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### Work Futures Research Group and full report - <u>https://bit.ly/NTUWorkFutures</u> July 2020

During 2018 and 2019 a research team at Nottingham Trent University conducted research concerning working conditions for private hire and Hackney taxi drivers in Nottingham, England. We identified a complex set of insecurities and vulnerabilities facing drivers, and a lack of protection.

Local authorities (LAs) play a pivotal role via licencing for drivers, vehicles and operators, and we recommend they can make a difference to drivers' experiences, by:

- Exploring measures by which the LA could promote better practices by operators concerning drivers' pay, security and working conditions for example, through a single local app on the model of UniTaxi, with conditions operators must meet in order to sign up;
- Reviewing LA enforcement practices for perceived bias and enforcement, and addressing any shortcomings through increased resourcing and oversight of CPOs and ensuring an accountable panel to hear first-stage appeals for any sanctions against drivers;
- Assessing the need for targeted employment support for private hire drivers who might consider moving out of the sector and into alternative work, to address over-supply;
- Establishing a regular forum, if one does not already exist, to bring together hackney and private hire drivers' organisations, operators, and relevant departments of the LA, with a strategic vision to develop the sector in concert with other forms of local transport;
- Conducting further research into drivers' experiences and operators' perspectives, to build a more comprehensive picture.

Since this research was conducted, the Covid-19 pandemic has dramatically affected every aspect of society. Yet while much has changed, private hire and Hackney drivers continue to play a vital role, and in the first stage of the pandemic drivers died at three times the rate for the general adult population. The authors hope the longer-standing issues covered in this report will be helpful for understanding the implications of the pandemic for drivers, and for thinking creatively about how to improve their working conditions in the future.

## **Key Findings**

 Private hire and Hackney drivers in Nottingham enjoy some forms of independence, for example regarding their hours of work; yet economic insecurity, unpredictable incomes, and a weak correspondence between hours worked and money earned, places drivers under considerable pressure and requires them to navigate between the competing demands of operators or platforms, customers and the City Council, as they try to earn enough to survive;





- Drivers' formal designation as self-employed gives them few legal protections, and England's regulatory framework accounts only for passengers' safety and wellbeing, not drivers';
- Despite their many differences, the private hire and Hackney taxi sectors operate in the same market, and in Nottingham this has led to perceived competition; however, examples from other countries show that cooperation between different types of drivers is also possible and can be mutually beneficial;
- There was widespread agreement among interviewees that there is an oversupply of private hire drivers in Nottingham, and that this is making it difficult for both private hire and Hackney drivers to find enough work; it was suggested that the introduction of Uber's platform-based model has made this situation much worse in recent years;
- High vehicle running costs, low fares and operators' fees combine with over supply to result in low incomes for some private hire drivers; this situation encourages them to break the law by plying for hire and, in consequence, increases further the degree of competition with Hackney drivers for business;
- The wider economic and labour market context channels new drivers into the sector and offers few alternatives for those wanting to change jobs; this helps to sustain an oversupply of drivers, despite low pay and job insecurity; this suggests that enforcementled responses may be ineffective;
- National legislation prevents the City Council from capping the number of licences issued to private hire cars, and allows cars registered by other councils to operate in Nottingham; this creates many problems for enforcement and allows the oversupply of cars to continue;
- Inflexible Council rules combine with a reliance on the subjective judgements of individual CPOs and Council officers, creating risks for bias, while some drivers described appeal mechanisms as inaccessible or obscure:
- Trade unions and other drivers' organisations play a range of important roles, but interviews suggested that communication between drivers' organisations and the City Council is often experienced as difficult by all parties;
- Although we found examples of successful drivers' cooperatives in other cities, the cooperative model of organisation does not seem to have been attempted in Nottingham so far; however, there were suggestions that the Council might be able to assist with this;
- Working conditions in the private hire and Hackney sectors are influenced by a combination of factors, including wider conditions in the local and regional labour market, transport infrastructure, patterns of work and consumption, local and national regulatory environments, and institutional arrangements of operators, drivers and regulators; this complex situation calls for further research.

The research team is keen to discuss our findings with LA councillors, officers, and other concerned parties.

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