

28 September 2022

Report of	Assistant Director of Communities	Author	Jon Ruder ☎ 282840
Title	Card Machines in Licensed Vehicles		
Wards affected	Not applicable		

## 1. Executive Summary

- 1.1 This report seeks the approval of the Committee, for the purposes of consultation, to a change to the Council's Hackney Carriage and Private Hire Licensing Policy to require licensed vehicles to be fitted with the means to accept electronic payments in addition to cash.

## 2. Recommended Decision

- 2.1 To approve for the purposes of consultation a change to the Hackney Carriage and Private Hire Licensing Policy to include the requirement that vehicles must be fitted with the means to accept electronic payments in addition to cash.
- 2.2 That this matter be the subject of a six-week consultation with the trade.

## 3. Reason for Recommended Decision

- 3.1 The Council has committed to keeping the Hackney Carriage and Private Hire Licensing Policy under review to ensure that it remains fit for purpose and is responsive to the changing licensing environment.
- 3.2 Card payments have become the norm for a large percentage of the population, and it is considered that the requirement to have card facilities should be included within the Policy, subject to the outcome of the consultation.

## 4. Alternative Options

- 4.1 To leave the Hackney Carriage and Private Hire Licensing Policy unaltered.

## **5. Background Information**

- 5.1 The Council's Hackney Carriage and Private Hire Licensing Policy came into effect in January 2019 and has been revised in subsequent years to ensure it remains up to date and relevant.
- 5.2 The Council has received complaints that licensed vehicles have not been able to take electronic payments and these complaints have become more frequent recently following the general move to card payments across society occasioned by the pandemic.
- 5.3 Many drivers/operators already make provision for electronic payments but there is disparity across the trade which is causing problems for some customers and in the case of hackney carriage vehicles, compromises the principle that the taxi at the head of the rank, takes the next fare. The refusal of fares by the driver at the head of the rank because they are unable to take card payments is another source of complaint to the Council.

## **6. Current provision**

- 6.1 The Council's current policy deals only with the operation of a card payment device if it is fitted/carried and states –

### **21. Card Payment Devices**

21.1 Where the vehicle is fitted with or carries a card payment device, the Council considers this to be part of the vehicle and as such it must be working at all times.

21.2 If the card payment device is not working this must be reported immediately to the Council. The Council must be notified when any problems have been resolved and the card machine is again operational.

21.3 If there is concern that the card payment device may not work at the destination point, a fare may be agreed and paid in advance for the journey. This is permitted on condition that the meter is used, and in the event that the metered charge is less than the agreed payment for the journey, the overpayment is refunded.

## **7. Proposed amendments**

- 7.1 To address the complaints that are being received and to ensure the Policy remains current, it is proposed to consult with the trade on the following change to Paragraph 21 of the Policy to read -

21.1 Vehicles must be fitted with the means to accept electronic payments in addition to cash. The vehicle must have a Colchester Borough Council approved card payment terminal (see 21.2 below) which can accept payment by credit and debit card.

21.2 Approved Card Payment methods

[Cab:app Ltd](#) (Miura M010)  
[Cabvision Network Ltd](#) (Ingenico)  
[Farepay Ltd](#) (Miura M010)  
[Ingenico](#)  
[iZettle](#) (Miura M010)  
[Payataxi](#) (Miura M010)

[PayPal](#) (Miura M010)  
[SumUp](#) (Miura M010)  
[Viva Wallet](#)  
[Worldpay](#)

21.3 The Council considers the card payment facility to be part of the vehicle and as such it must be working at all times.

21.4 The vehicle must display the Colchester Borough Council approved stickers on both the rear passenger window and inside the vehicles indicating that debit and credit card payments are now taken.

21.5 If the means of making electronic payments is not working this must be reported immediately to the Council. The Council must be notified when any problems have been resolved and the payment facility is again operational.

21.6 If there is concern that the electronic payment facility may not work at the destination point, a fare may be agreed and paid in advance for the journey. This is permitted on condition that the meter is used, and if the metered charge is less than the agreed payment for the journey, the overpayment is refunded.

## 8. Financial implications

- 8.1 There will be a cost to the Council in relation to the production of stickers for the vehicles which can be recovered through the annual fee. This cost is estimated to be £1000.
- 8.2 It is not possible to give the exact costs to be met by the licence holders as these will depend on the device used and the transaction charges levied. However, it is anticipated that the cost of the payment device will be in the region of £100. A small charge of around 1.6% is then made for each transaction. The monthly cost will depend on the amount of business transacted.

## 9. Suggested implementation programme

- 9.1 The timetable for implementation will form part of the proposed consultation. It is suggested that, in the event the decision is taken to proceed with the change, a 3 month period would be given for compliance from the date of final approval.

## 10. Changes to the Penalty Point Scheme

- 10.1 The penalty point scheme would need to be revised to carry a penalty for failing to comply with the requirements of Section 21.

113	Failure to comply with the requirements relating to the provision and/or operation of a card payment device		x	x	x
	1 <sup>st</sup> offence	4			
	2 <sup>nd</sup> offence	8			
	3 <sup>rd</sup> offence	12			

## **11. Equality, Diversity and Human Rights implications**

- 11.1 There are no equality and diversity considerations or human rights implications of the decision to consult on requiring electronic payment means in licensed vehicles.

## **12. Standard References**

- 12.1 There are no particular references to the Strategic Plan; consultation or publicity considerations or financial; community safety; health and safety or risk management implications.