

163. Card Machines in Licensed Vehicles – Consultation responses

Peyman Oyar Hossein attended the meeting and addressed the Committee in accordance with Colchester City Council (the Council)'s Have Your Say! arrangements. Mr Hossein was the Chair of Colchester's Hackney Carriage Association. He has used a card machine for over 12 years, but strongly felt that the Council should not be dictating that card machines in all licensed vehicles were mandatory. The reason for this was the poor internet signal in and around Colchester, and in areas of poor signal it was extremely difficult to receive payment for a fare. Asking passengers to pay for a journey up front did not look professional, and until the network could provide drivers with perfect reception, then the provision of card machines in licensed vehicle should not be compulsory. It was considered that other business which were licensed by the Council did not have to provide card payment machines, so why were licensed vehicles being made the exception? Although it was still possible to accept cash as payment, many people did not carry cash anymore and a request for payment up front could cause offence and arguments, and the taxi trade felt that it was vulnerable to disputes and passengers making off without payment.

Councillor Goss, Portfolio Holder for Neighbourhood Services and Waste, attended the meeting remotely and addressed the Committee in accordance with the Council's Have Your Say! arrangements. Councillor Goss voiced his support for the proposal, noting that he had heard from residents who had been caught out late at night when taxis were unable to accept card payments, leading to longer journeys to get cash out from a cash point. It was therefore right that the Council mandated card machines in licensed vehicles, however the option to pay by cash should remain. The majority of businesses were able to accept payment by both card and cash, and he noted that the proposed Policy allowed for payments of any form to be accepted. He considered that it should be down to the individual proprietor to choose the type of card machine that they employed, although did accept that network connectivity problems were a legitimate concern. Although there was the possibility for fraudulent payments to be made, this was a risk accepted by any business, and the presence of closed circuit television in many taxis would go some way to protecting the drivers against this activity. On balance, he offered his support for the proposals, and considered that the vast majority of his constituents would also welcome the scheme.

David Daniel attended the meeting and addressed the Committee in accordance with the Council's Have Your Say! arrangements. He had been a taxi driver for over 40 years and did not think that the provision of card reader machines should be compulsory. He noted that the majority of comments which had been received in response to the consultation were from mini-cab drivers who had the support of their employer and who had no idea of the aggression which hackney carriage drivers had to deal with. He did not have a card machine in his vehicle, and noted that there were very many hackney carriages equipped with card machines, who were able to take jobs paid by card which he could not. He was happy to wait longer for a job

which would be paid by cash, and it was his right to run his business as he saw fit in this regard.

Stewart Beer attended the meeting and addressed the Committee in accordance with the Council's Have Your Say! arrangements. He had been a hackney carriage driver for over 20 years, and had been taking card payments for the past 6 years. He did not understand how the method of payment used in licensed vehicles was a licensing concern. He advised the committee that in November 2022 an official government response to a survey had stated that businesses were entitled to accept payment by whichever method they wished. He was happy to accept card payments, but noted that there were licensed establishments in the town centre who accepted cash only, and questioned why licensed vehicles were treated differently. He was aware that it was possible to ask for payment for a journey up front, but did not like to do this as he felt that this questioned his customer's integrity. He was very concerned about the proposed penalties for failure to provide a card machine listed under the Council's Penalty Point Scheme, and considered these to be draconian. Although it had been suggested that larger private hire companies did take payment up front, Mr Beer reminded the Committee that drivers for these companies were in receipt of protection from their employers which sole proprietors were not.

Jon Ruder, Licensing and Food Safety Manager, attended the meeting to present the report and assist the Committee with its deliberations. The Committee heard that there had been 48 responses to the consultation, with 36 of these in favour of introducing the requirement for card payment machines to be made available in licensed vehicles, with 6 against and 6 uncertain. In response to the comments which the Committee had received, it was clarified that the proposed Policy would not require all payments to be made via card, and there would always be the option for cash payments to be received. Although a detailed list of complaints received in relation to the refusal to accept card payments was not available at the meeting, it was confirmed to the Committee that anecdotally, the number of complaints associated with failure to accept card payments from both the public and the licensed trade itself had increased since the end of lockdown as people now preferred to pay by card.

Although other types of businesses were licensed by the Council, these were not regulated in the same way that hackney carriages and private hire vehicles were, and the Policy which was applied to these vehicles was not implemented by Officers, but rather the Licensing Committee. It was possible to request a cash payment up front, however, if the meter in a hackney carriage showed a fare which was less than the amount which had been paid up front, the difference must be refunded to the customer. The costs associated with taking a journey in a private hire vehicle were managed via the private hire operator.

A Committee member noted the concerns which had been raised by drivers in relation to the proposal, however, considered that when a destination was requested by a passenger, the driver would know whether or not it was likely to be in a bad signal area, and then could ask for a card payment up front or cash on arrival. Provided there was clarity from the start in this manner, it was suggested that most

problems could be avoided. In response to questioning, it was clarified to the Committee by Jon Ruder that to refuse to take a passenger from a taxi rank could constitute an offence, and there were only certain circumstances where such a refusal would be lawful, even if the journey requested was a short one. Issues could be caused by drivers not adhering to rank etiquette with regard to accepting fares, and any complaints which were generated as a result of this would be investigated on their own merits.

A Committee member voiced surprise that not all licensed vehicles were already equipped with card machines, considering that most people did not carry cash routinely these days, particularly the younger generation. They had considered the points which had been raised very carefully, but recognised that when policy was changed, it was not possible to please everybody. On balance, they considered that the benefits offered by the provision of card machines outweighed the stated disadvantages, and would further serve to increase the safety of drivers and passengers alike, noting the recent press reports of a spate of robberies of licensed vehicles. It was considered unlikely that the introduction of mandatory card machines in licensed vehicles would make drivers worse off, but it could very well make them better off and better able to offer a more attractive service to customers.

In further discussion, a member of the Committee was uneasy with the enforced introduction of card payment machines, noting that of the responses which had been received to the consultation, 33% were against the proposal or were undecided, which was a significant amount. They considered that the trade should have the choice on whether or not to use card machines, and further thought that the proposed level of penalty points for failure to make a card machine available was far too high. Jon Ruder advised the Committee that the amount of penalty points which would be applied for failure to comply with the policy could be revisited by Officers.

The Committee wondered whether it was appropriate to delay the introduction of the proposed policy until the network provision across the city had been improved to allow card payment to be taken in more areas, and some concern was raised that the proposed policy would potentially negatively impact on the income of taxi drivers. The Committee was advised that it was considered that it would be dangerous for licensed drivers to advertise that they only took cash on their vehicles, as this could make them more likely to be targets for robbery.

Christine, the owner of Panther Cabs, attended the meeting, and with the permission of the Chair, addressed the Committee. She said that of the 196 which her company used, only 3 did not have a card machine in their vehicle, which was their choice. Although she personally would choose to make card machines available, she did not consider that this should be made compulsory, and should be the driver's choice.

David Daniel raised further concerns that he would receive points on his licence for advising customers that he preferred to be paid in cash, even if he did provide a card machine, and did not think that this was fair. Jon Ruder assured the Committee that penalty points under the Council's policy were not issued without a full investigation, including making reference to CCTV and other sources of evidence where available,

and interviewing the driver concerned. It was already an offence to refuse a fare for any reason, and all complaints would be investigated.

The Committee, and those in attendance, were advised that the Committee was being requested to refer the adoption of the new policy on to Full Council for a final decision, where the matter would again be the subject of debate prior to implementation, providing another opportunity for concerns to be raised.

RESOLVED that:

- it be recommend to full Council that the Council's Hackney Carriage and Private Hire Licensing Policy be amended to require licensed vehicles to be fitted with the means to accept electronic payments in addition to cash.