



LICENSING AND SAFETY COMMITTEE

7 FEBRUARY 2023

CONTACTLESS PAYMENTS FACILITIES IN TAXIS

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Summary

The purpose of this report is to seek Members' approval to consult on amending the Hackney Carriage and Private Hire Policy to include a mandatory condition for all licensed Hackney Carriage and Private Hire Vehicles to have a functioning cashless payment facility available for fare paying passengers.

1. Budget and Policy Framework

1.1 The Committee's terms of reference state that the Licensing and Safety Committee will make recommendations to Council for approval of any changes to a licensing policy.

2. Background

2.1 Some Members have been approached by their constituents regarding taxi drivers without card payment facilities in their vehicles turning passengers away.

2.2 This could be seen as a Public Safety issue, putting passengers at risk especially for vulnerable passengers late at night.

2.3 At its meeting on 22 April 2022, the Council's Licensing Sub-Committee agreed that a report on contactless payment for fares be considered.

2.4 Contactless technology was introduced in 2007 and by 2017 contactless payments increased by 97%. COVID-19 accelerated the use of card payments during the pandemic and this method of payment has become the norm for most commercial businesses and favoured by a large percentage of the population for even small, single item purchases.

- 2.5 Cashpoint use has decreased nationally resulting in their removal from some locations, including High Streets, due to a lack of demand.
- 2.6 Hackney Carriage and Private Hire drivers could make more money if they had a card payment machine as they would not be turning customers away, and customers would not need to limit the extent of their journey due to the amount of cash they have available.
- 2.7 The costs associated with card payment machines vary; it is dependent on the provider. Attached at Appendix A is a table detailing the most common card machines used by the Hackney Carriage and Private Hire industry and the associated costs.
- 2.8 There are concerns regarding collection of fares where a payment machine fails at the destination due to signal outage or technical fault or if the customer's card is declined due to insufficient funds.
- 2.9 Attached at Appendix B is a submission from the Medway Licensed Taxi Driver Association (MLTDA).

3. Proposed Revisions

- 3.1 Licensing authorities must ensure that a safe hackney carriage and private hire vehicle service is freely available to meet the demand across all sectors of the public, especially those vulnerable groups to whom a taxi or private hire vehicle is often the only means of completing a journey.
- 3.2 Following the increasing number of complaints received by Members of passengers being turned away for wishing to pay by card it is proposed to include the addition of a mandatory condition to Appendix B of the Hackney Carriage and Private Hire Policy:

Card Payment Machines

All licensed Hackney Carriage and Private Hire Vehicles must be equipped with a card payment system in accordance with the attached Guidance for Electronic Payment Devices (see Appendix C).

4. Consultation

- 4.1 It is proposed to consult with the following:
 - Medway Licensed Taxi Drivers Association
 - Taxi and private hire trade
 - Kent Police
 - Medway Council (Schools contracts department)
 - Medway Access Group
 - Medway Town Centre Management
 - Councillors
 - Parish Councils
 - Kent and Medway Regulatory Licensing Steering Group
 - Members of the public through the website

- 4.2 A six-week consultation is proposed. Methods of consultation will be via the Council's website and by direct email and mail shots.
- 4.3 All incoming responses will be collated and entered onto a grid for consideration.
5. **Post-consultation**
 - 5.1 The grid and any further officer recommendations will be put before the Licensing and Safety Committee at a future meeting for post-consultation consideration.
 - 5.2 Any proposed variations by Members of the Licensing and Safety Committee will then be incorporated into a revised Hackney Carriage and Private Hire Licensing Policy to create a final draft for approval by Full Council.
6. **Risk Management**
 - 6.1 There are no risks associated with seeking Members views and those of the trade and public via consultation.
7. **Financial and legal implications**
 - 7.1 The cost of consultation and publishing an updated policy would be met from within existing budgets.
 - 7.2 Revision of the Hackney Carriage and Private Hire Licensing Policy as outlined in this report is not envisaged to place any new financial pressures on the Councils as the cost of providing a contactless payment facility in licensed hackney carriage and private hire vehicles would be borne by the licensee.
 - 7.3 In accordance with sections 47 & 48 of the Local Government (Miscellaneous Provisions) Act 1976, the Council may attach such conditions to vehicle licences as they consider reasonably necessary.
 - 7.4 There is no legal requirement for a policy, however it is best practice. This is different from the Licensing Act 2003 and the Gambling Act 2005 where a written policy is a legal requirement.
 - 7.5 Rights of appeal are granted to all applicants and licensees who are aggrieved by any licensing decisions.
8. **Recommendations**
 - 8.1 That the Committee agree for officers to consult on the proposed revisions and in accordance with the consultation methodology, both as outlined in this report, and present a post-consultation report at a future meeting.

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Background papers

None

Appendices

Appendix A – Card Machines

Appendix B – Submission by the MLTDA

Appendix C – Guidance for Electronic Payment Devices