

REPORT TO: LICENSING COMMITTEE

DATE: 10 MARCH 2020

TITLE: ELECTRONIC PAYMENT OF FARES IN LICENSED VEHICLES – OUTCOME OF CONSULTATION

LEAD OFFICER: MICHAEL PITT, ENVIRONMENT AND LICENSING MANAGER (01279) 446114

CONTRIBUTING OFFICER: CHRIS BENNETT, PRINCIPAL ENVIRONMENTAL HEALTH (01279) 446113

RECOMMENDED that:

- A** The Licensing Committee recommend to Full Council that a condition be attached to Hackney Carriage Vehicle Licences to require that Hackney Carriage Vehicles be equipped with electronic payment facilities as set out in Proposals at paragraphs 6 to 13.
- B** Subject to A, authority to approve the details of the condition be delegated to the Environment and Licensing Manager, in consultation with the Chair of the Licensing Committee.

BACKGROUND

- 1. Further to a resolution at the Licensing Committee meeting of 19 November 2019 the Licensing Team has carried out a consultation with the Hackney Carriage trade and travelling public regarding the Council requiring that a suitable form of electronic fare payment be available for all journeys. A copy of the committee report from 19 November 2019 is attached as Appendix A to the report.
- 2. The detail of the consultation was agreed by the Environment and Licensing Manager, in consultation with the Chair of Licensing Committee. A copy of the consultation document is attached as Appendix B to the report.

CONSULTATION METHODOLOGY

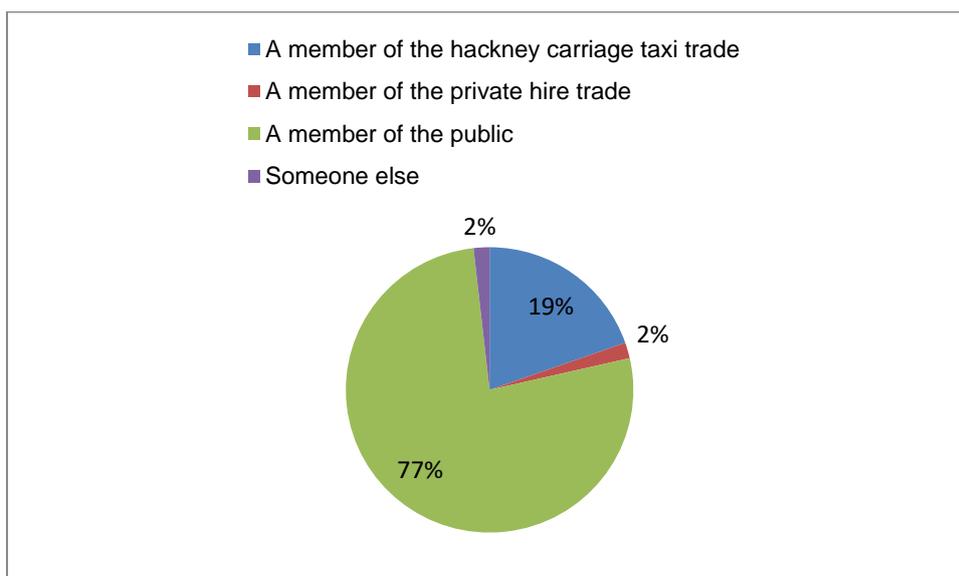
- 3. The consultation ran from 20 January 2020 to 14 February 2020.
- 4. The Council consulted in the following ways:
 - a) On 16 January 2020 the Licensing Team sent a letter to the home address of all of the Hackney Carriage drivers. This letter enclosed a paper copy of the consultation questionnaire.

- b) On 20 January 2020 the consultation went live on the Harlow Council consultation web page. This provided the public and trade with a mechanism to submit responses online.
- c) On 20 January 2020 the consultation went live on the Councils Facebook page.
- d) Twice during the consultation period the Councils Communication Team sent a tweet regarding the consultation.
- e) On 20 January 2020 the Licensing Team sent an email to Rainbow Services who agreed that the consultation questionnaire would be sent on to local community groups.
- f) On 22 January 2020 the Licensing Team sent an email to all Private Hire operators/Private Hire Trade representatives and Unite (the Union that represents some of the Hackney Carriage trade).
- g) On 30 January 2020 'Your Harlow' published an article on the consultation with a link to the online questionnaire.
- h) On 10 February 2020 the Licensing Team sent an email to Hackney Carriage drivers reminding them of the consultation deadline and a link to the Harlow Council web page to submit an online response.

CONSULTATION RESULTS

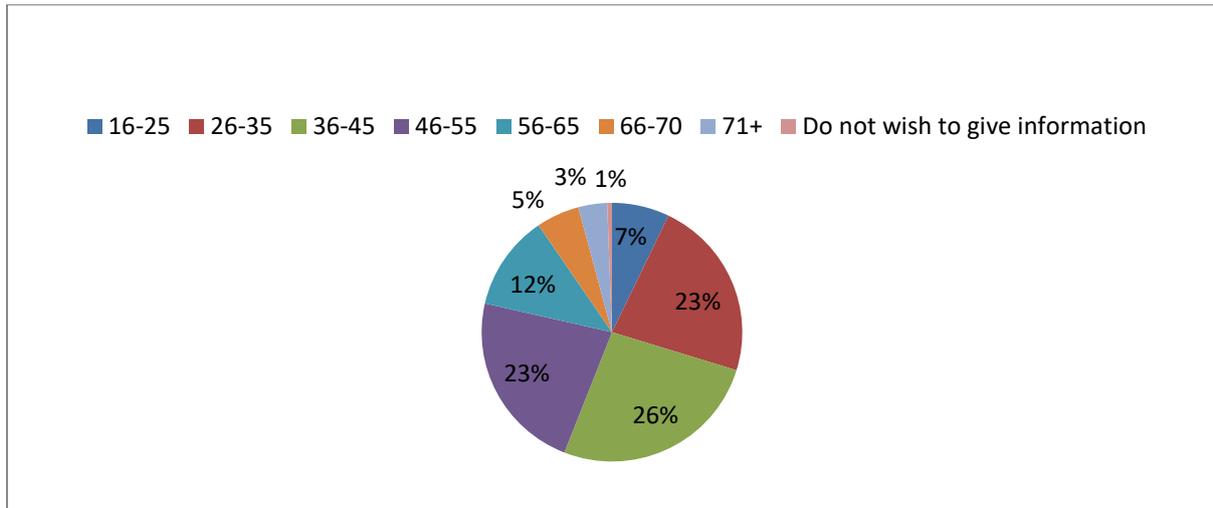
5. There were a total of 168 responses of which 157 were received electronically and 11 were on paper. The responses to each question are set out below.

6. Q1. Are you?



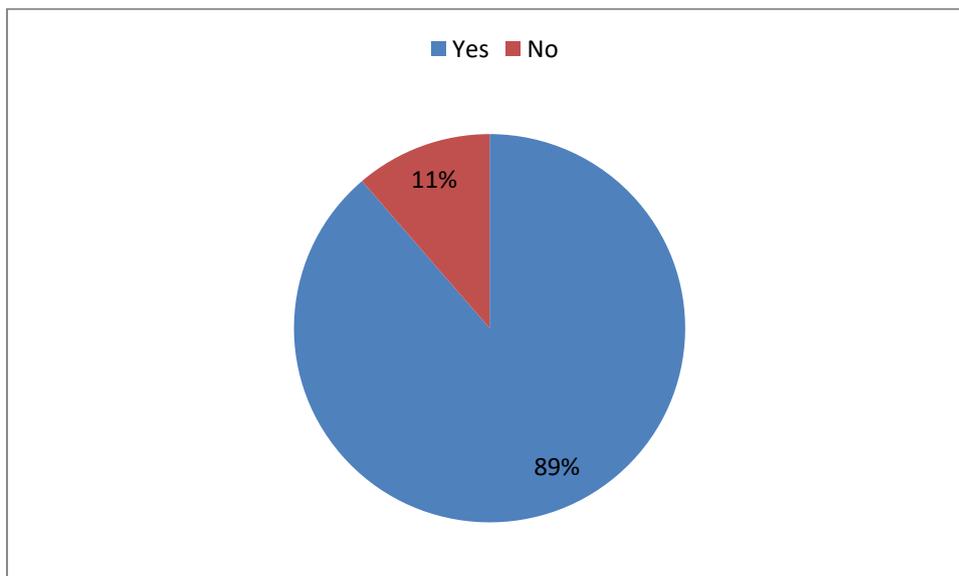
7. A total of 129 (77%) of respondents were members of the public, 33 (19%) responses were from the hackney carriage trade, 3 (2%) from the private hire trade and 3 (2%) from someone else which included a taxi industry support worker.
8. In Harlow there are currently 65 licensed Hackney Carriage vehicles (or drivers). Thus, the 33 responses from the Hackney Carriage trade that were received equates to a 51% response from the trade.

9. **Q2. Please indicate your age category**

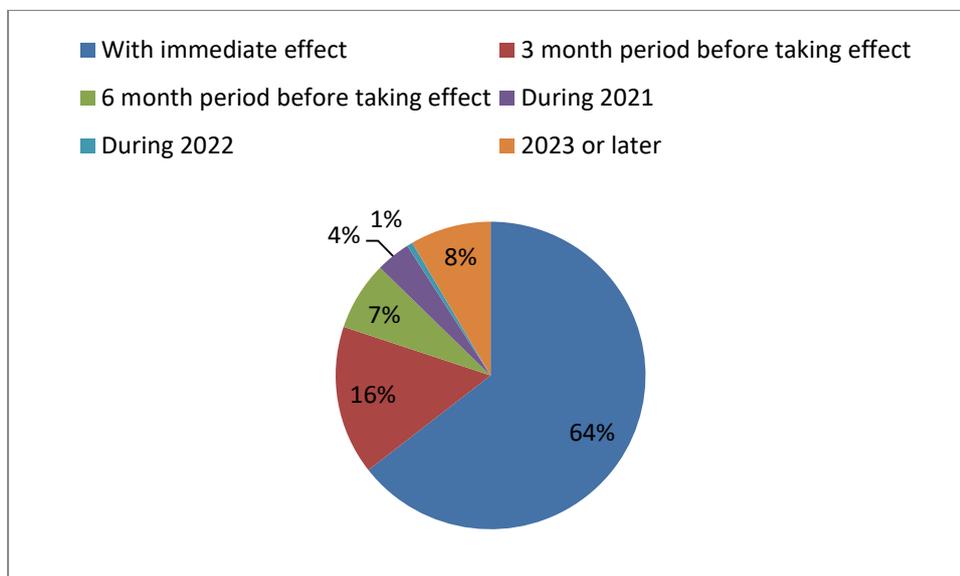


10. The majority (84%) of the respondents were in the 26 to 65 age categories. Representations were received from across all age categories.

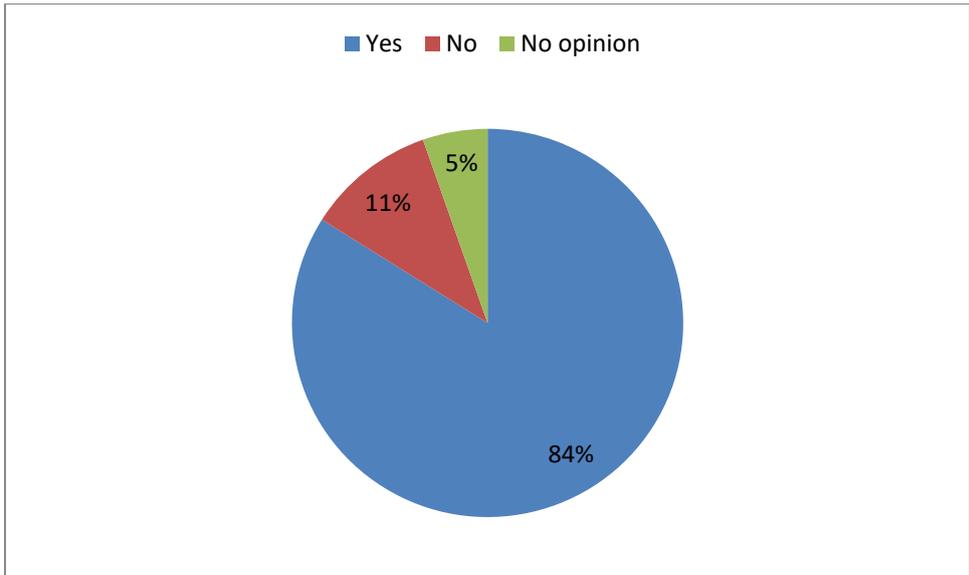
11. **Q3. Do you think that all licensed taxis (London-style black cabs) in Harlow should have to offer passengers the option of paying by credit or debit card?**



12. A total of 149 (89%) of respondents were in favour of Hackney Carriage taxis offering passengers the option to pay by credit or debit card.
13. Of the 33 responses submitted by the Hackney Carriage trade a total of 18 (55%) were in favour and 15 (45%) were not in favour of offering passengers the option to pay by card.
14. The Committee will wish to be aware that a petition opposing any compulsory implementation of electronic fare payment, signed by 36 Hackney Carriage drivers was received on 6 January 2020 from Mr C Holding as lead signatory. The text of the petition was as follows: 'Please find enclosed a list of Hackney Carriage drivers who are opposed to the compulsory implementation of electronic fare payment.'
- 15. Q4. When do you think any potential new requirement should be introduced?**



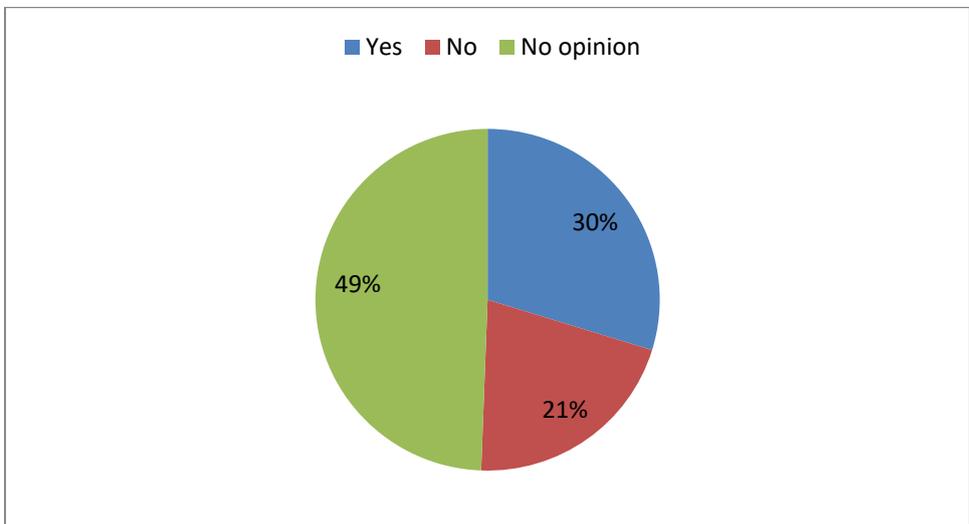
16. The majority of the public responses would like to see any potential new requirement introduced with immediate effect.
17. A total of 14 out of 18 (78%) of the Hackney Carriage drivers that are in favour of introducing such a condition would like it introduced immediately or by a three month period.
- 18. Q5. Should all taxis accept contactless payments in addition to Chip and PIN?**



19. The majority of the responses (84%) would like to see all taxis accept contactless payments in addition to Chip and PIN.

20. A total of 18 (100%) of the Hackney Carriage drivers that are in favour of introducing a card mandate condition agree that taxis should accept contactless payments in addition to chip and pin.

21. **Q6. Should other methods, in addition to Chip and PIN and contactless, of accepting card payments be available in taxis?**

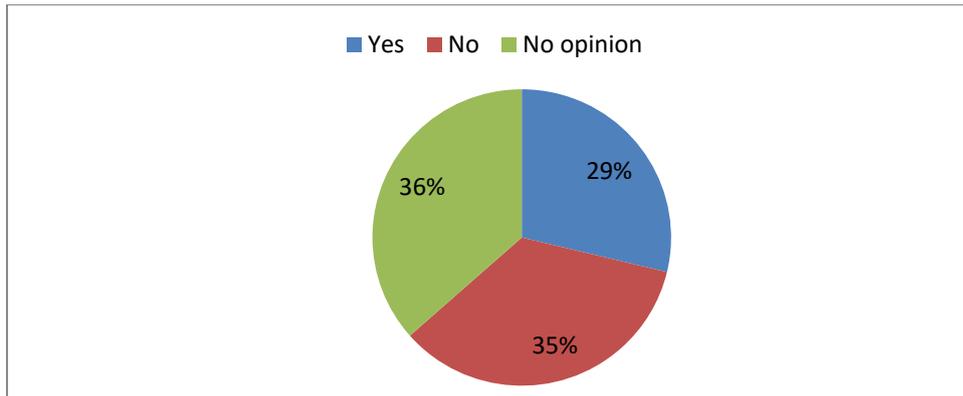


22. Of the 30% of respondents that specified that other methods should be available the majority specified smart phone based methods of payment. The most popular method (17 responses) was apple pay. Other phone based apps that were stated include: google pay, pay pal and android pay.

23. 70% of respondents did not think that other methods should be available or they had no opinion.

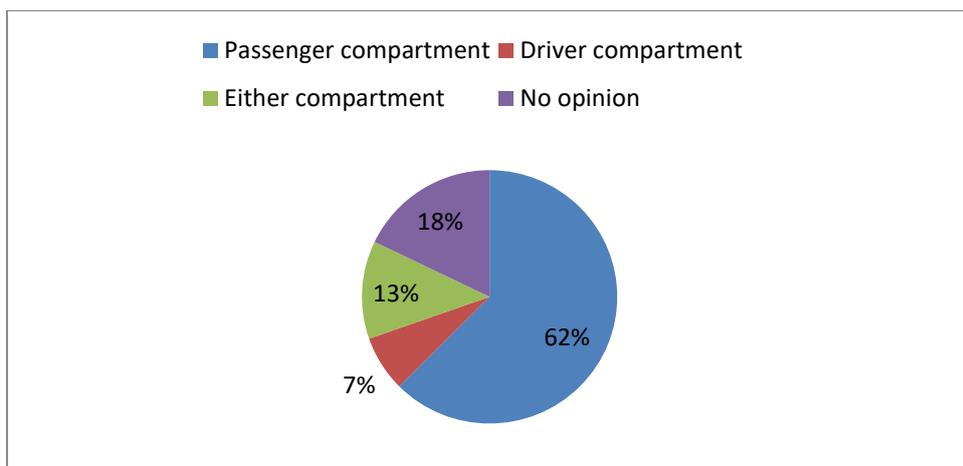
- 24. One respondent mentioned a system called ‘Corporate Telecard Sales’.
- 25. A total of 12 respondents specified that cash should still be a method available. The Council is clear that the proposal to mandate card payment is in addition to paying by cash and not a replacement.
- 26. A copy of all of the responses can be seen at Appendix C to the report.

27. Q7. Should the card payment devices in taxis be fixed in one position in the vehicle?



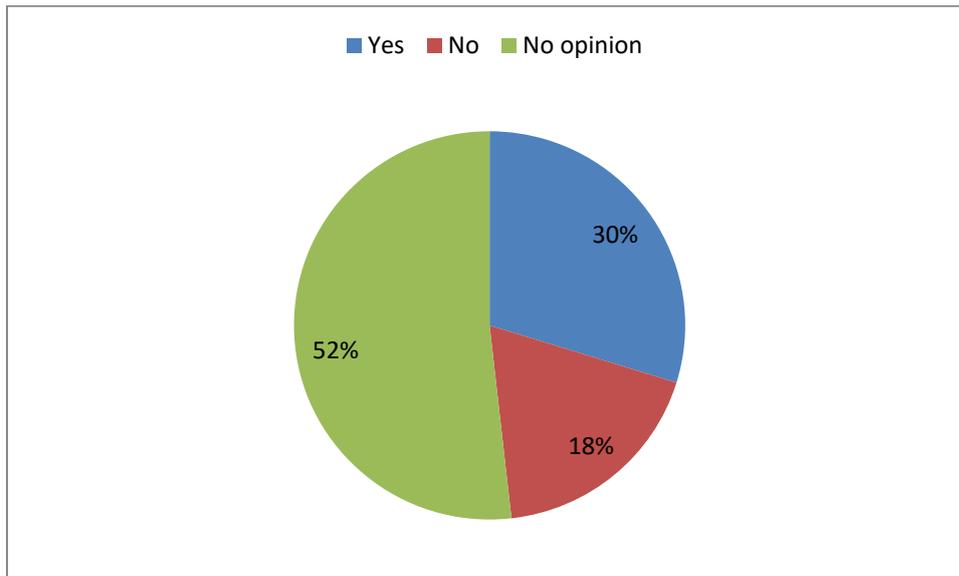
- 28. 29% of respondents (48 responses) believed that card payment devices should be fixed in one position in the vehicle.
- 29. Only 1 (6%) of the Hackney Carriage drivers that are in favour of offering passengers the option to pay by card agreed that the device should be fitted in one position.

30. Q7a. Please specify where using the options below



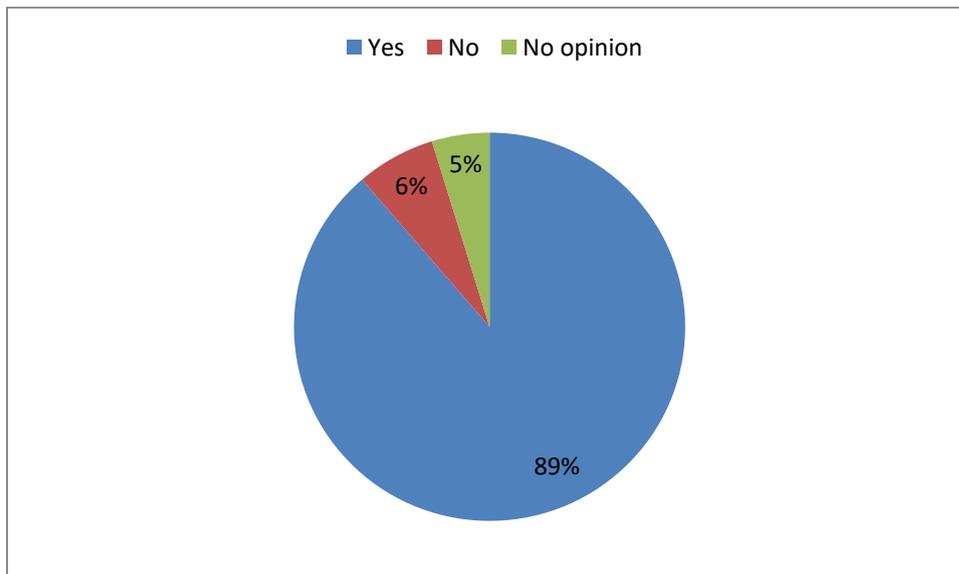
- 31. A total of 35 respondents (21% of all responses received) specified that the card payment device should be fitted in the passenger compartment.

32. Q8. Should other cards, in addition to MasterCard and Visa, be accepted?



33. 30% of respondents (50 responses) specified that alternative cards should be accepted. Details of the responses can be seen at Appendix D to the report. Of the 50 responses a total of 30 (60%) specifically mention American Express (also known as Amex). Other card names such as Monzo / Maestro / travel cash cards were only mentioned once each. A few respondents specified 'all major cards' or something similar.

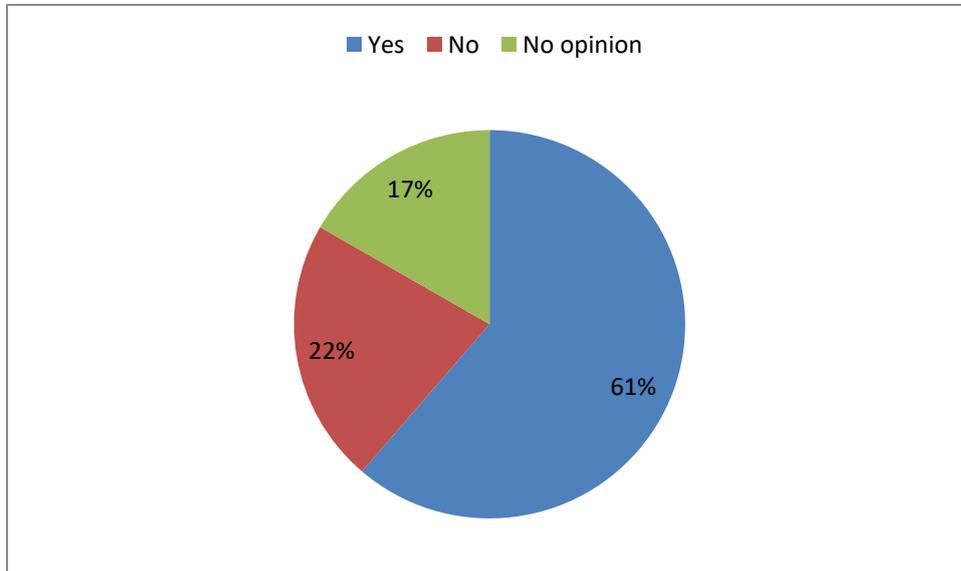
34. Q9. Do you think signs should be displayed on the vehicle that identify that card payments are accepted?



35. 89% of respondents (149 responses) think that signs should be displayed on the vehicle that identify that card payments are accepted.

36. Of the 18 responses from the Hackney Carriage trade that are in favour of introducing such a condition a total of 14 (78%) also think that signs should be displayed on the vehicle that identify that card payments are accepted.

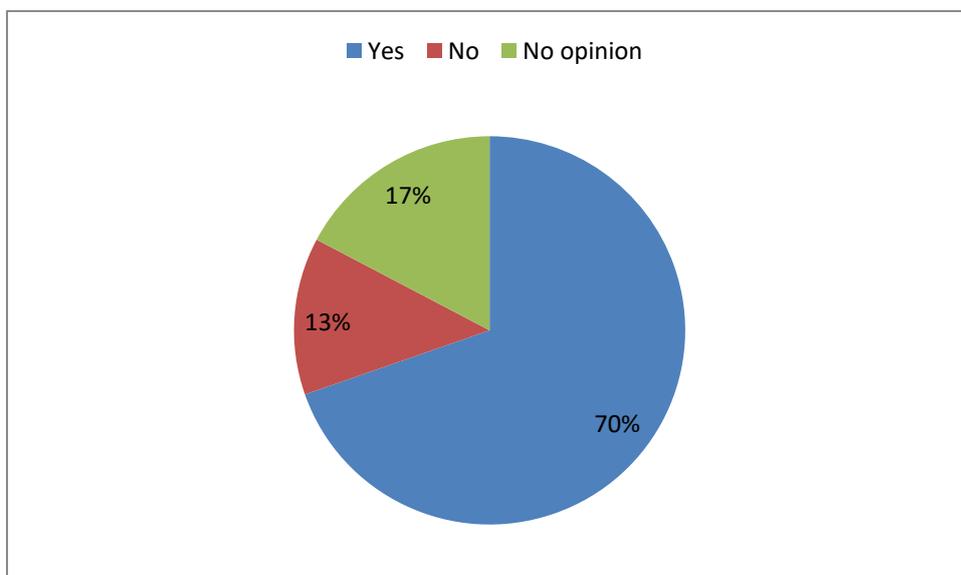
37. Q10. Do you think that electronic printed receipts should be provided?



38. A total of 61% of respondents (103 responses) think that electronic printed receipts should be provided.

39. Of the 18 responses from the Hackney Carriage trade that are in favour of introducing an electronic payment condition only 1 (5.5%) agrees that electronic receipts should be provided, a further 3 (16.5%) had no opinion. The remaining 14 responses (78%) do not think that electronic receipts should be provided.

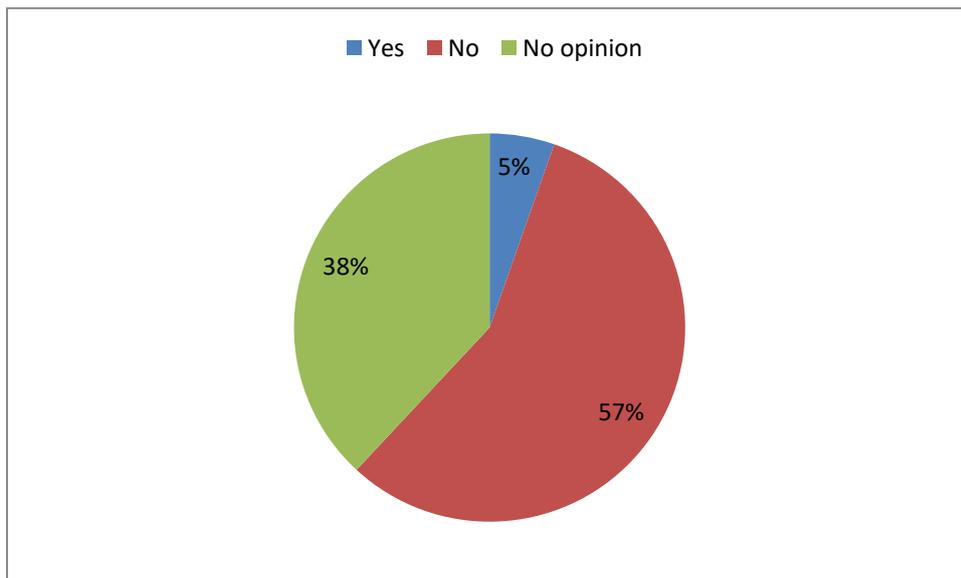
40. Q11. Should other methods of providing a receipt be made available? Such as email receipts or hand written receipts?



41. A total of 70% (117 responses) agree that other methods of providing a receipt should be made available.

42. Of the 18 responses from the Hackney Carriage trade that are in favour of introducing a card payment condition 17 (94%) agree that other methods of providing receipts should be made available. The remaining Hackney Carriage driver had 'no opinion' on this.

43. Q12. Do you think there should be any exemptions from any potential card payment mandate?

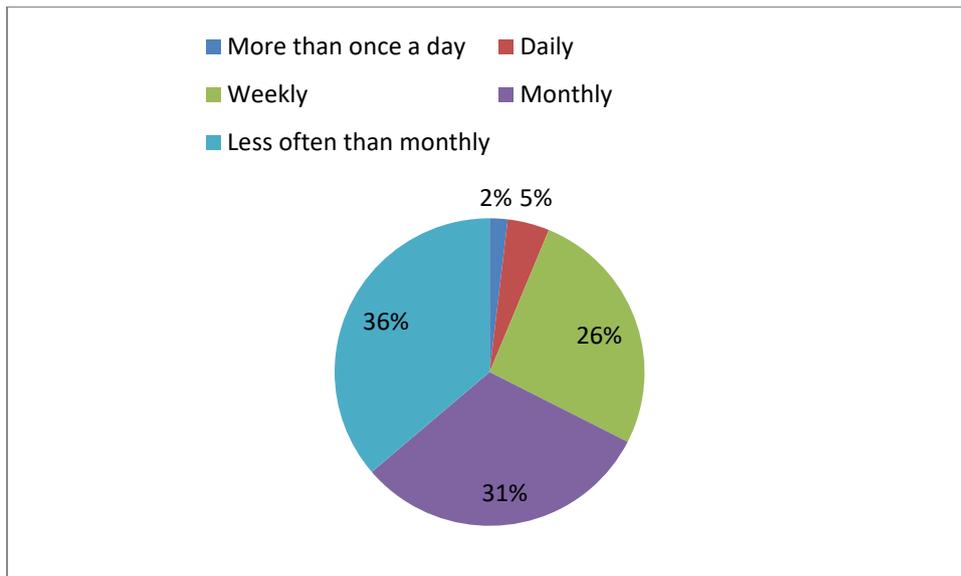


44. Only 5% of respondents (9 people) felt there should be exemptions from the card mandate.

45. Of the 18 responses from the Hackney Carriage trade that are in support of a card condition a total of 15 (83%) believed that there should be no exemptions. 2 of the remaining responses had no opinion and 1 replied 'yes' there should be an exemption.

46. Respondents were asked to specify the reasons why they felt there should be exemptions. The responses can be seen in Appendix E to the report. There are no clear exemptions specified.

47. Q13. Please indicate how often you use taxis (London-style black cabs)



48. A total of 62% (99 respondents) replied that they use taxis on a regular basis i.e. daily / weekly / monthly.

49. **Q14 If you are a licensed driver then it would be useful to know what equipment you currently use?**

50. A copy of all of the responses received can be seen at Appendix E to the report. It is noted that only three different types of card reader were specified by the trade. A few drivers reported that they had more than one device. A total of 12 drivers are using a 'paypal' system, 11 are using a 'sum-up' system and four are using the 'izettle' system.

51. **Q15 Please use the box below to make any relevant comments regarding the proposal.**

52. A copy of all 69 comments received from both the public and the trade can be seen at Appendix F to the report.

PROPOSALS

53. It is proposed that, subject to Committee decision, a requirement for a means of electronic payment for Hackney Carriage fares be made as set out below:

Timescales

54. It is proposed that there be a three month implementation period for the introduction of the new Hackney Carriage vehicle condition. The condition will only apply to new vehicle licences and renewals thus, it will take a full 12 month period for all vehicles to go through a licence renewal. The Licensing Team would write to all Hackney Carriage drivers with any update on vehicle conditions.

Contactless payments / cards accepted / other payment methods

55. It is proposed that the Council will publish a list of approved card readers that the Harlow Hackney Carriage Trade will be permitted to use. Transport for London (TfL) have published a list of 16 different providers that they have approved for their Hackney Carriage trade. This list includes the Paypal, Sum Up and Izettle systems that some of our drivers have already specified that they are using.
56. These three systems offer contactless payment, and in addition to mastercard and visa payments customers can also pay by American Express and phone payment methods such as Apple Pay.
57. It is suggested that these three systems are approved as a minimum and that the Licensing Team will consider the other 13 TfL approved providers and any additional provider that may be proposed by the trade to check their availability for Harlow vehicles and their compatibility with any potential Harlow condition.

Position of card payment equipment

58. It is proposed that there will be no requirement to fix a card reader in one position.

Signage

59. It is proposed that signage will be a requirement and as a minimum stickers are applied to both rear passenger door windows and with at least one further sticker clearly visible within the passenger compartment. It is proposed that the stickers will be provided free of charge to the trade and that the cost of this is met from within existing Council budgets.

Receipts

60. It is proposed that drivers will have to provide a receipt on request. It is proposed that there will be no mandate to provide portable printers and that drivers can chose to offer email, text, printed, hand written or equivalent receipts. The receipt must include date, vehicle registration, vehicle licence number, drivers licence number and the amount (£).

Exemptions

61. No exemptions are proposed. At the annual vehicle licensing inspection a card reader from the approved list must be available and in an operational condition.

CONCLUSIONS

62. It is clear that there is a high level of support from the public in relation to such a mandate. There is a clear split of opinion amongst the trade. The public support, together with the comments provided by the public, might offer encouragement to

the Hackney Carriage drivers that are opposed as in general terms it might benefit business to offer a service or facility that customers value. Making electronic payment a requirement would also offer consistency and a 'level playing field' across the fleet.

63. There are benefits to mandating card payments in terms of public safety, further information was contained within 19 November 2019 Committee report.

64. The approach set out under Proposals above is calculated to offer the benefits of electronic payment whilst minimising the cost and inconvenience to the trade of compliance.

IMPLICATIONS

Environment and Planning (Includes Sustainability)

As set out in the report.

Author: Andrew Bramidge, Head of Environment and Planning

Finance (Includes ICT, and Property and Facilities)

None specific.

Author: Simon Freeman, Head of Finance and Deputy to the Chief Executive

Housing

None specific.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

Knowledge that all Hackney Carriages take cashless payments may increase confidence to travel and reduce the risk that members of the public choose potentially less safe ways of making journeys.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

Due regard should be given to the outcome of the consultation. Any decision should be proportionate, considering the potential cost of implementing the proposal.

Author: Simon Hill, Head of Governance

Appendices

Appendix A - Committee report dated 19 November 2019

Appendix B- Consultation questionnaire

Appendix C- Response to consultation question 6a

Appendix D - Response to consultation question 8a

Appendix E - Response to consultation question 12a

Appendix F - Response to consultation question 14

Appendix G - Response to consultation question 15

Glossary of terms/abbreviations used

TfL – Transport for London