

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	LICENSING APPLICATIONS SUB-COMMITTEE 3		
DATE:	6 JUNE 2018	AGENDA ITEM:	4
TITLE:	ELECTRONIC PAYMENT FACILITIES IN HACKNEY CARRIAGE		
LEAD COUNCILLOR:	COUNCILLOR TONY PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT PLANNING AND TRANSPORT
SERVICE:	PLANNING DEVELOPMENT & REGULATORY SERVICES	WARDS:	BOROUGHWIDE
LEAD OFFICER:	J S CHAMPEAU	TEL:	0118 9372239
JOB TITLE:	SENIOR LICENSING & ENFORCEMENT OFFICER	E-MAIL:	jean.champeau@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 A limited number of hackney carriage vehicles currently provide facilities for customers to make payment by electronic payment devices via credit or debit card. Until now the Council has not sought to require all licensed hackney carriages to have such facilities. However, a number of customers have contacted the council asking why only some hackney carriages have card facilities. Officers believe that it is necessary for the Council to consider this matter and determine what constitutes an appropriate policy for Reading.

2. RECOMMENDED ACTION

- 2.1 Members approve the Guidelines for Electronic Payment Devices and that all Hackney Carriages Vehicles' have approved electronic payment device facilities as at Appendix I by 1 December 2018.
- 2.2 Members delegate authority to the Director of Environment and Neighbourhood Services:
- a) to approve electronic payment device facilities for use in hackney carriage vehicles in line with the guidelines in Appendix I
 - b) to approve the signage to be used in hackney carriages in association with the electronic payment facilities.
 - c) to vary the hackney carriage licence conditions to only permit the use of Council approved electronic payment device facilities.

3. POLICY CONTEXT

- 3.1 The Director of Environment and Neighbourhood Services has delegated authority to approve and implement hackney carriage conditions and fare rises, having taken into account any recommendations expressed by the Licensing Applications Committee or Licensing Applications Sub3 -Committee.

4 THE PROPOSAL

4.1 Current Position

- 4.1.1 In February 2013 the licensing committee approved the use of electronic payments facilities (card facilities) in Hackney carriage vehicles. Owners of Hackney carriage vehicles could if they wished install an approved device. A number of hackney carriages have made available such devices.
- 4.1.2 In the past year there have been a number of complaints from Hackney Carriage vehicle driver's stating that other drivers with card facilities have been refusing short journeys stating that their card facility is broken or they do not have card facilities. This is causing friction between drivers on the rank. See Appendix II to this report.
- 4.1.3 A number of customers have complained to the council regarding the lack of card facilities, younger customers tend to use cashless payment systems in their day to day activities and see cash as outdated. In a recent complaint a mother who had a disabled son tried to use the taxi fleet to get home and was unable due to lack of card facilities. See Appendix III to the report.
- 4.1.2 The Reading Taxi Association do not wish compulsory card facilities and have proposed an alternative to have a registration of all hackney carriages that have card facilities and that these vehicles are required to display signage advertising the card facilities front and back of the vehicle. See Appendix IV to this report.

4.2 Option Proposed

- 4.2.1 It is proposed that all Hackney Carriage Vehicles have approved electronic card facilities installed by 1 December 2018.
- It is proposed that signage, approved in writing by the Director of Environment and Neighbourhood Services, is required to be prominently displayed in the vehicle.
 - It is proposed that members delegate authority to the Director of Environment and Neighbourhood Services to vary the conditions of hackney carriage vehicle licences to reflect the requirement for and content of this signage.
 - It is proposed that members delegate to the Director of Environment and Neighbourhood Services to vary the hackney carriage licence conditions to require only electronic payment devices approved by the Council to be used.

4.3 Other Options Considered

- 4.3.1 Adopt the proposal made by the Reading Taxi Association detailing a list of Hackney Carriage Vehicles that offer card facilities and better signage.

5 CONTRIBUTION TO STRATEGIC AIMS

5.1 The hackney carriage trade provide a valuable service to the public by being available to transport customers throughout the borough on a 24-hour basis. The use of card facilities in everyday life has grown significantly in recent years mainly by younger customers. Having modern payment options is necessary to keep step with a modern society.

5.2 Equal Opportunities

The hackney carriage and private hire trades provide a valuable service to disabled members of the community, particularly wheel chair users. The regulation of hackney carriage fares is one control, which the Council exercises over the use of hackney carriages in Reading. Such controls benefit all sections of the community.

5.3 Sustainable Implications

The provision of adequate payment facilities within hackney carriages vehicles will encourage their use and contribute to a reduced need for private motor vehicles, thereby contributing to an improved environment.

5.4 Community Safety Implications

The provision of high quality equipment used in hackney carriages and private hire vehicles allows the public to pay for travel safely and reduces both the opportunity for crime and the fear of crime.

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 Discussions have taken place with representatives of the Reading Taxi Association

7. EQUALITY IMPACT ASSESSMENT

7.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7.2 An Equality Impact Assessment (EIA) is not relevant to the decision, as it will not have a differential impact on: racial groups; gender; people with disabilities; people of a particular sexual orientation; people due to their age; people due to their religious belief.

8. LEGAL IMPLICATIONS

8.1 Section 47 of the Local Government (Miscellaneous Provisions) Act 1976 states;

(1) A district council may attach to the grant of a licence of a hackney carriage under the Act of 1847 such conditions as the district council may consider reasonably necessary.

(2) Without prejudice to the generality of the foregoing sub-section, a district council may require any hackney carriage licensed by them under the Act of 1847 to be of such design or appearance or bear such distinguishing marks as shall clearly identify it as a hackney carriage.

(3) Any person aggrieved by any conditions attached to such a licence may appeal to a magistrates' court.

9. FINANCIAL IMPLICATIONS

9.1 The cost of purchasing an approved card device is about £200 if purchased or card devices can be rented for about £16 per month, however the costs involved in purchasing or renting could be significantly reduced by a collective purchase or rental agreement from the trade. Transport for London currently has 15 types of device approved for use. This cost would be borne by the owners of the hackney carriage.

10. BACKGROUND PAPERS

None

11. APPENDIX

Appendix I Guidelines for Electronic Payment Devices used in Licensed Hackney Carriages and Private Hire Vehicles

Appendix II Complaint from a Hackney carriage driver regarding the use of card facilities by other Hackney carriage drivers

Appendix III Complaint from members of the public regarding the lack of card facilities

Appendix IV Letter from the Reading Taxi Association detailing an alternative solution



GUIDELINES FOR ELECTRONIC PAYMENT DEVICES USED IN LICENSED HACKNEY CARRIAGE AND PRIVATE HIRE VEHICLES

Introduction

These guidelines are set out to ensure that electronic payment devices such as pin entry devices, contactless payment systems and mobile phones used in Reading Borough Council hackney carriages and private hire vehicles, meet the current banking security standards, payment transactions processes and protocols. This is in the interests of the both the driver and customer.

General Requirements

- 1 Only payment devices on the Transport for London card payment providers list may be used in licensed vehicles.
- 2 Signage approved by the Council must be displayed in licensed hackney carriage vehicles.
- 3 The payment device:
 - a. must comply with current banking industry standards;
 - b. be checked regularly and maintained to operational standards;
 - c. be installed in such a manner so as not to present a danger to passenger or drivers, including impact with the equipment in the event of an accident;
 - d. be free from interfering with the operation of other equipment in the vehicle;
 - e. must have the ability to produce printed or electronic receipts;
 - f. must comply with any requirements of Motor Vehicle (Construction & Use) Regulations 1986.

Payment Device Approval/Certification

- 4 The payment device must:
 - a. comply with the current Payment Card Industry Data Security Standards (PCI DSS);
 - b. have type approval as set by Europay/Mastercard/Visa Chipcard Standard (EMVCo);
 - c. on the approved Transport for London Card payment providers list

- d. comply with UK Payments Association APACS (Association for Payment Clearance Services) Common Criteria Evaluation EAL4 (products that have been evaluated under the Common Criteria against the APACS PIN Entry Device Protection Profile)

Payment Transactions

- 5 All payment transaction processes must operate in accordance with:
 - a. the UK Payments Association;
 - b. Payment Card Industry Data Security Standards (PCI DSS);
 - c. the Acquirer Bank regulations and standards. (An Acquirer Bank is a financial institution that processes payments for products or services for a merchant who is signed up with the acquiring bank)

Data Protection

- 6 All transactions processes, data management and storage must operate in accordance with the Data Protection Act 1998.

Documentation Required

PCI DSS certification

APACS Common Criteria Evaluation (EAL4) certification

EMVCo certification

Good morning,

I hope you are well, there is still a lot of concerns at the Taxi ranks over driver's not advertising that they accept credit and debit card payments clearly or indeed at all.

I have personally also noticed some drivers who were advertising previously have now removed advertising material from the vehicles but are still accepting card payments.

The concern here is that drivers are picking and choosing whether or not they wish to accept credit card payments; based on the length of the journey, which is clearly a breach of the Cab Rank Rule and Licensing conditions.

Not to mention the fact that it is unfair on those of us who are ethical and therefore following the rules by advertising.

Advertising on taxis for card payments must be clearly visible to members of the public and therefore not just a small sticker in one corner of the windscreen.

Stickers must be placed on both sides of the vehicle so there is no dispute in this regard.

Also I have noticed that some cab drivers are misleading customers that no cab in reading accepts credit card payments, this clearly is incorrect and is wholly unfair to customers and other drivers equally.

I would like this email to remain confidential between the Council and myself.

If you would like to discuss this situation any further please contact me at your earliest convenience.

Best wishes

From: [REDACTED]
Date: 12 April 2018 at 07:56:01 BST
To: "licenseing@reading.gov.uk" <licenseing@reading.gov.uk>
Subject: Black Cab Chip & Pin services

Good morning

I am writing to you regarding the lack of facilities to use chip and pin in the black cabs licensed by R.B.C.

My son is disabled and has a PEG feeding tube inserted so a black cab is ideal for him and his carer to use as there is no need for him to transfer out of his wheelchair, however now on several occasions Sam has been unable to get a cab as it seems those who are willing to accept chip and pin are very few and far between.

Sam has waited at the taxi rank in , both the station and in friar street only to have quite a few cabs turn him down as they do not have this facility.

On Saturday my husband and myself took Sam to the town centre as he has not been at all well over the last 2-3 months so we decided to take him as a treat. We got the bus to the town but decided to see just how difficult hailing a black cab in the town centre would be, as we had been informed by Sam's carer that it was near impossible. We tried hailing a 8 cabs in West Street all of whom stopped but did not take chip and pin, we then walked to the rank in Friar Street and again were turned down by 3 can drivers. This totals 11 attempts to get a black cab. In the end we all 3 got the bus back home, which was fine as Sam's Dad was able to push him up the hill to our home when we got off the bus, I an unable to get Sam up the hill to our home and neither are the majority of his carers. I do hope

This really is unacceptable in a town like Reading. In London Sam has no problem at all travelling in a black cab with his carer as the drivers in London all seem to have the facility to accept most major debit cards.

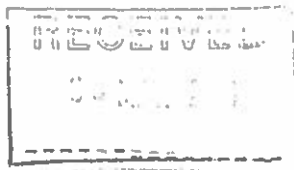
I look forward to hearing your comments in the near future

With thanks

Debbie Marshall

Sent from Windows Mail

Click [here](#) to report this email as spam.



J S Champeau
Licensing Enforcement
Regulatory Services
Reading Borough Council
Civic Offices
Bridge Street
Reading, RG1 2LU

[REDACTED]
[REDACTED] Reading Road
Wokingham
RG41 1LH

07 March 2018

Dear Mr Champeau,

Re Complaint 614283 Reading Licenced Taxis Refusing to take Cashless Payments

Thank you for your written response to my complaint, this is much appreciated – as is the care and time in composing your reply.

It is my firm view that Reading Borough Council should make it compulsory that all its licensed taxi drivers offer customers the guaranteed and certain choice of cash or cashless payment. This would be a significant benefit to Reading's 300,000 residents and its many thousands of international business and pleasure visitors.

My complaint has absolutely nothing to do with 'government requirements to force society into a cashless payment system'. I'm puzzled as to why you would refer to such a policy – but reassured to hear that Reading Borough Council will continue to obey the law of the land. Thank you.

You state in your letter that 'a number of' Reading taxi drivers do take card payments'. I have not met a single one in 10 years of taking weekly taxis from the station, hence my iron certainty that this number is very tiny and my motivation to write to you.

Drawing from my personal experience, and that of my young daughters, there is not a realistic opportunity to negotiate the method of payment when standing in a taxi queue late at night and wanting a safe and quick journey home.

In 2016, TFL introduced cashless payments as a certain and guaranteed right for all licensed black cab passengers – TFL press release attached. It's worth reading as it sets out the clear case, for convenience and modernity, for safety and for passenger comfort, that all should have the legal right to choose whether to pay cash or cashless.

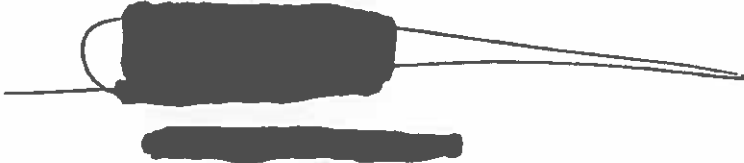
I cannot think of a single practical, moral or legal reason for defending the current status quo, for Reading, a growing international City, here today in 2018.

So I ask of you and Reading Borough Council, why not get whole heartedly behind this leap to modernity? There is surely the desire and necessary regulatory powers?

I have taken liberty of copying this letter to the local MP and your chiefs at RBC as I am confident they will be fully behind this initiative.

I'm with you all the way on this. Let's go!

Kind regards

A large black rectangular redaction covers the signature and name of the sender. A thin line extends from the right side of the redaction, suggesting a signature or a pointer.

Attachments

1. TFL Press Release
2. Typical sign in a Reading licensed taxi from the Reading station taxi rank - I can log a collection of these and related taxi numbers in the coming months -if this would be helpful?
3. J S Champeau letter 19.02.18

Cc Alison Bell - Director of Environment and Neighbourhood Services
Peter Sloman - Chief Executive
Alok Sharma MP - Reading West
Matt Rhoda MP - Reading East

RTA — READING TAXI ASSOCIATION

Jean Champeau
Senior Licensing & Enforcement Officer
Reading Borough Council
Civic Offices
Bridge Street
Reading
RG1 2LU

Dear Mr Champeau

CASHLESS PAYMENT SYSTEMS

I write to you to set out the Reading Taxi Association's (RTA) position in respect of the proposal whereby all licensed Hackney Carriage Vehicles (HCV's) will be required to have facilities to accept cash less payments.


We, the trade accept that this facility should be available to the travelling public however we are not in favour this being forced upon all drivers. At present, a good number of drivers already offer this facility, and to us the real problem seems to be drivers who have card payment systems but are picking and choosing which jobs they do i.e. refusing small jobs where the customers want to pay by card.

The RTA would like to offer an alternative solution to this problem;

- 1) All drivers who have this facility should be registered with you, the Licensing Department.
- 2) Stickers are put in the front and rear windcreens of all HCV's either stating "CARD PAYMENTS ACCEPTED" or "CARD PAYMENTS NOT ACCEPTED". In practice every driver and customer will know which HCV's accept cash less payments, thereby eliminating this issue of refusing jobs. The stickers can be or 6"x6" or 8"x8", and I attach something similar that I have seen in the rear windscreen of a HCV.

I hope that you will consider the above as a real alternative. The RTA is prepared to organise the purchase of these stickers and to put them in all HCV's.

Yours Sincerely,



Asif Rashid
RTA Chairman



Champeau, Jean

From: Licensing
Sent: 28 March 2018 15:05
To: Champeau, Jean
Subject: FW: Card payments / Taxis

From: [REDACTED]
Sent: 28 March 2018 15:00
To: Licensing
Subject: Card payments / Taxis

This is an EXTERNAL EMAIL. STOP. THINK before you CLICK links or OPEN attachments.

Hi

Re: card payments in taxis

I wish to express my view on the above matter.

Please do not force drivers to take card payments and please find some other solution to solve this problem .

I would like to suggest that the RTA opinion is also considered in this matter .

Badge number 819.

Many Thanks

Mirza Ishfaq

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