

# Regulatory Committee Report



## Hackney Carriage Vehicles and Cashless Payments

Report author                      Jason Agar  
  Taxi Licensing Manager  
  01908 253357

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### Executive Summary

Milton Keynes Taxi Association requested that Milton Keynes Council place a condition on all hackney carriage vehicle licences that they must provide debit/credit card (cashless) payment facilities within their vehicles. As a result the Council consulted all hackney carriage proprietors of which 68% of those who responded supported this condition. Council officers believe that the imposition of this condition, plus an advertising condition, will improve customer service and driver safety.

### 1. Purpose

- 1.1 That the Regulatory Committee place the following conditions on all hackney carriage vehicle licences:
- (a) no Milton Keynes hackney carriage vehicle shall be used to carry passengers on a hire and reward basis unless the means to process credit, debit and pre-loaded payment card transactions (cashless) is carried on board and provided as a service; and
  - (b) all hackney carriage vehicles must display signage on the passenger and driver doors or windows stating that they can provide cashless payment services.

These conditions will be placed immediately on all new hackney carriage vehicle applications (if applicable) and on all existing hackney carriage licences at the time of their renewal. Each vehicle proprietor will have 21 days to appeal these conditions to the Magistrates' Court. Once the appeal period has lapsed should a vehicle licence be in breach of these conditions then the vehicle will be suspended under Section 60 of the Local Government (Miscellaneous Provisions) Act 1976 until the breach is rectified. The

advertising signage will be provided by the Council (2 stickers only for each vehicle per year) and will be placed on the driver and passenger doors or windows.

- 1.2 That the Head of Transport (or the Director for Environment and Property) be permitted to make appropriate short / medium changes to these conditions should market forces or technological advances require such a change. Any changes to these conditions are to be reported to the next available Regulatory Committee.

## 2. Issues

- 2.1 On 17 July 2019 the Milton Keynes Taxi Association (MKTA) wrote to Milton Keynes Council and requested that a condition be placed on all hackney carriage vehicle licences that they must provide debit / credit card (cashless) payment facilities within their vehicles. The MKTA made this request because in their view some hackney carriage drivers were unlawfully refusing short journeys with the excuse that they could not provide cashless payment services. On 10 October 2019 this request was formally confirmed by the MKTA at the Taxi Licensing Panel meeting. The Taxi Licensing Service was requested to commence a consultation exercise with all Hackney Carriage proprietors.
- 2.2 On 10 January 2020 187 Hackney Carriage proprietors<sup>1</sup> were consulted on the MKTA proposal. 114 proprietors responded (61%) with 77 in support of this condition (68%) and 37 against it (32%). 75 proprietors confirmed that they already provided cashless payment services.
- 2.3 Cambridge, Coventry and Birmingham City Councils have recently adopted this condition. They advised that whilst it was early days it had gone relatively well with some concerns raised about poor signal areas and broken machines. Neighbouring Local Authorities Northampton, Aylesbury Vale District Council and South Northants Council advised that they did not have a vehicle condition on cashless payments.
- 2.4 In regard to areas of Milton Keynes that have a poor signal it would be up to the driver to either:
  - (a) advise the customer at the beginning of the journey that they may need to pay in cash if a signal is not possible; or
  - (b) advise the customer that they may need to move their vehicle from the destination point until they receive a signal.

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<sup>1</sup> 187 proprietors currently control/own 206 hackney carriage vehicle licenses

- 2.5 In regard to payment machines not working properly all licensed vehicles are tested twice a year by the Council's vehicle examiners. Taxi Enforcement will also conduct checks on equipment during enforcement exercises.
- 2.6 Section 47(1) of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to attach conditions to hackney carriage licences that it may consider reasonably necessary. Council officers believe that these conditions are reasonable necessary as they would:
- (a) make it more convenient for customers to use hackney carriage services as they would have greater payment options;
  - (b) improve driver safety by reducing the amount of cash carried by hackney carriage drivers and therefore reducing the risk of robbery; and
  - (c) reduce the likelihood of drivers refusing short journeys as cashless payment services would be advertised on their vehicle.

### 3. Options

#### 3.1 That the Committee:

- (a) attaches conditions requiring all Hackney Carriage vehicles to provide cashless payment services and they must advertise this service on their vehicles (recommended option); or
- (b) does not attach such conditions and allows hackney carriage proprietors to determine whether or not they provide cashless payment services (not recommended option as only 40% of hackney carriages proprietors provide this service).

### 4. Implications

#### 4.1 Policy

The Council's Hackney Carriage and Private Hire (Taxi) Licensing Procedure document will need to be updated as follows:

- (a) Section A - Licensed Vehicle Specifications:

#### **Payments**

A6.1 Hackney Carriage vehicles must be fitted with a cashless payment facility and display advertising of this service.

- (b) Section C - Conditions to be attached to private hire and hackney carriage vehicles:

**Payments**

C19.1 No Milton Keynes hackney carriage vehicle shall be used to carry passengers on a hire and reward basis unless the means to process credit, debit and pre-loaded payment card transactions (cashless) is carried on board and provided as a service.

C19.2 All hackney carriage vehicles must display signage on the passenger and driver doors or windows stating that they can provide cashless payment services.

- (c) Section K - Penalty Point Warning and Education System:

**Proprietors**

P24	Failure to provide a cashless payment facility in a hackney carriage vehicle	C	6
P25	Failure to advertise a cashless payment service on a hackney carriage vehicle	C	3

**Drivers**

D46	Failure to provide a cashless payment service in a hackney carriage vehicle	C	6
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4.2 Resource and Risk

N	Capital	N	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

None.

4.4 Legal

Section 47(1) of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to attach conditions to hackney carriage licences that it may consider reasonably necessary. How this function is delegated is set out in the Local Authorities (Functions and Responsibilities) (England) Regulations 2000. Schedule 1 of the Regulations makes it clear that the imposition of conditions cannot be carried out by the Executive. Milton Keynes Council has therefore delegated this authority to the Regulatory Committee and its officers.

#### 4.5 Other Implications

N	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	Y	The stakeholders are the taxi drivers who have been consulted and support this proposal	N	Crime and Disorder