



Report of the Service Manager

General Licensing Committee - 10 January 2025

Proposal to Introduce Mandatory Card Payment Facilities in Hackney Carriage (Taxis) and Private Hire Vehicles

1.0 Purpose of the Report

- 1.1 The purpose of this report is to seek approval for the Licensing Authority to conduct a consultation exercise in relation to a proposal to introduce mandatory card payment facilities in hackney carriages (taxis) and private hire vehicles, licensed by Swansea Council.

2.0 Background

- 2.1 Under the Local Government (Miscellaneous Provisions) Act 1976, the Council may attach any conditions to the grant of hackney carriage and private hire vehicle licences, that they consider reasonably necessary.
- 2.2 At present there are no policies or conditions in place that mandate the use of payment card readers in hackney carriages or private hire vehicles but many proprietors have voluntarily installed this payment provision for passengers.

3.0 Proposal

- 3.1 It is proposed to carry out a consultation on adding the following conditions to the current hackney carriage and private hire vehicle licence conditions.
 - The proprietor shall ensure that passengers are able to make payment for all journeys, via a debit card, credit card and contactless card payment.
 - The proprietor shall ensure that all drivers of the vehicle are trained on how to use the card payment system and are aware that passengers must be able to make payment in this manner.
 - Where a fault in the card payment system is identified, the proprietor must arrange repair/replacement within 48 hours.

4.0 Matters for consideration

- 4.1 There are currently 318 hackney carriages and 636 private hire vehicles, excluding restricted private hire vehicles, licensed by Swansea Council. Historically, cash payments were the preferred payment method for customers, however, in recent years this has shifted and it is now common for people not to carry cash, relying solely on card payments or preferring to use Apple Pay or Google Wallet via their smartphone.
- 4.2 Card payments would lead to an easier and quicker method for customers to pay fares, while stopping the need for customers to ask drivers to stop off at cash machines if they need cash to pay the fare.
- 4.3 Card payment facilities can be incorporated into taxi and private hire booking apps, which facilitate the use of a card payment through a smart phone application, where customers are able to pay fares. This can and is used by customers already, where the private hire operator has a mobile booking platform.
- 4.4 As Members will be aware, most hackney carriages work independently of any operator but will be able to fulfil the proposed conditions, as there are currently a number of certified card payment devices available to proprietors to purchase, to be fitted into the vehicle. Prices of these devices are dependent on the type of machine and provider. Swansea BID are also actively involved in negotiating deals for Swansea proprietors should they need assistance in this area.
- 4.5 It is important to note that transaction fees in respect of debit and credit card fees were abolished by the Government from 13 January 2018. This means that any customers using their debit or credit cards to pay fares in licensed vehicles, will not be charged any fees to use their cards. The customer will only pay the fare displayed on the meter, if travelling in a taxi, or the fare displayed on the meter or quoted by the private hire operator app/office if travelling in a private hire vehicle.
- 4.6 Having a card payment facility for passengers would also improve public safety for customers in Swansea. Customers would not have the need to look for or stop and use cash machines late at night, when potentially vulnerable.
- 4.7 This technology can be beneficial if a customer were to lose their cash and debit cards but have the ability to use their smartphone to pay a fare. This could stop the need for vulnerable people walking home at night and putting themselves in a potentially unsafe situation.
- 4.8 Members may also be aware that there has been a need to provide a 'Safe Space' taxi marshal at Caer Street taxi rank over the past year, in part, to ensure that those waiting for a taxi with a card payment facility, are able to do so safely.

- 4.9 The 'Safe Space' taxi marshal accompanies the two taxi marshals on duty on Wednesday and Saturday nights, the two busiest nights in Swansea, providing, water, a charging port for phones and assistance in a safe space gazebo. Many use this space to finish food before entering the taxis or to wait for friends when separated but most wait for a taxi that accepts card payments. This information is captured by the marshals and reported to Council and Police officers on a monthly basis.

5.0 Consultation

- 5.1 If Members are minded to approve the proposals, a consultation with those likely to be affected by the changes, will take place.

- 5.2 It is proposed that the following groups will be consulted:

- Hackney carriage and private hire vehicle proprietors and drivers
- Representatives from the hackney carriage and private hire trades
- Unite Union
- Representatives of Equality groups
- Members of the public via Swansea Council social media posts

- 5.3 It is proposed that the consultation will be open for a period of 4 weeks, after which a report detailing the outcome of the consultation will be presented to Members for consideration and decision.

6.0 Legislation

6.1 Section 47 – Licensing of Hackney Carriages

Section 47 (1) of the Local Government (Miscellaneous Provisions) Act 1976 provides that a district council may attach to the grant of a licence of a hackney carriage under the Town and Policies Causes Act of 1847 such conditions as the district council may consider reasonably necessary and section 47 (3) provides the safeguard of an appeal for anyone aggrieved by any condition attached to the licence.

6.2 Section 48 - Licensing of private hire vehicles.

Section 48 (1) of the Local Government (Miscellaneous Provisions) Act 1976 provides that a district council may on the receipt of an application from the proprietor of any vehicle for the grant in respect of such vehicle of a licence to use the vehicle as a private hire vehicle, grant in respect thereof a vehicle licence:

(2)A district council may attach to the grant of a licence under this section such conditions as they may consider reasonably necessary including, without prejudice to the generality of the foregoing provisions of this subsection, conditions requiring or prohibiting the display of signs on or from the vehicle to which the licence relates.

(7) Any person aggrieved by the refusal of a district council to grant a vehicle licence under this section, or by any conditions specified in such a licence, may appeal to a magistrates' court.

7.0 Recommendation

It is recommended that:

- 7.1 Members approve a consultation exercise, seeking views on the introduction of a condition requiring mandatory card readers in hackney carriages (taxis) and private hire vehicles, detailed in paragraph 5 of this report.
- 7.2 If approved, a subsequent report will be presented to this committee detailing the outcome of the consultation, for consideration and decision.

The Licensing Committee's instructions are requested.

Background Papers:	None
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