

Portfolio Holder decision record sheet

Name of decision maker:	Councillor Janice Marshall
Portfolio:	Environmental, Sustainability and Regulatory Services
Date of Portfolio Holder decision:	16/01/2018

Title of decision:	Tariff of hackney carriage fares and charges – removal of card payment surcharge
Part II:	No
Part II reason:	

Decision made and reasons:

1. To amend the table of maximum fares and charges payable in connection with the hire of hackney carriages, last fixed by the Council on 6 March 2014, so as to remove the entry relating to a surcharge for payment of fares by credit or debit card. All other fares and charges to remain unchanged.

Reason: To ensure that hackney carriages licensed by the Council comply with new legislative prohibitions on the levy of surcharges for the use of non-commercial payment instruments, under the Payment Services Regulations 2017.

Reports considered: (here reference can be made to specific documents)

HM treasury publications – Implementation of the revised EU Payment Services Directive (PSDII) <https://www.gov.uk/government/consultations/implementation-of-the-revised-eu-payment-services-directive-psdii>

Officers/Councillors/Ward Councillors/Stakeholders consulted:

Verbal notification of this change has been given to the Dacorum Taxi Drivers Association. If approved, public notice of the decision must be given, in a local newspaper.

Monitoring Officer comments:

No comments to add to the report.

Chief Financial Officer comments:

PSDII will apply in the United Kingdom from 13 January 2018. From this date, organisations will not be able levy a surcharge on customers for payment via debit or credit card. The costs associated with removing the card surcharge from the hackney carriage table of fares are minimal and can be met from within existing budgeted resources. There are no other financial implications for the Council.

Implications:

At the present time, the table of maximum fares and charges set by the Council in respect of the hire of hackney carriages allows vehicle proprietors to make a charge of up to 50p when receiving payment for a fare by way of credit or debit card, to help defray the interchange fees levied by the payment service provider on the payee. The Government are changing the law on such surcharges to prohibit them, from 13 January 2018. The table of fares therefore requires amendment to ensure that hackney carriage proprietors do not contravene the new legislative requirements.

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Risk:	Failure to amend the table of fares may leave vehicle proprietors subject to third-party enforcement action for the unlawful charging of payment-related surcharges.
Value for money:	It will be necessary to publish a public notice advising of the amendment to the table of fares in a local newspaper; and to reprint and distribute revised tariff cards to all hackney carriage proprietors. It is envisaged that these costs (~£500 in total) will be met from existing Licensing budgets.
Options considered and reasons for rejection:	
Removal of the existing tariff provision in respect of card payment surcharge is required to ensure that licensed hackney carriages comply with revised legislative requirements.	

Portfolio Holder's signature:
Date:
Details of any interests declared and any dispensations given by the Standards Committee:

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Date decision record sheet received from portfolio holder: 11/01/18	
Date decision published: 16/01/18	Decision no:PH-001-18
Date of expiry of call-in period: 23/01/18	
Date any call-in received or decision implemented:	

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Background


1. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 allows district councils to fix the maximum rates, fares and other charges which are payable in respect of the hire of hackney carriages licensed by that Council, for journeys within their own area, by way of publication of a 'table of fares'. This power was last exercised by Dacorum Borough Council in March 2014.
2. Each hackney carriage licensed by the authority is required to have a taximeter fitted, calibrated and programmed with the maximum fares set by the Council, which will calculate and display the maximum fare payable for a given journey in that vehicle. Drivers may not demand a fare in excess of the amount calculated by the meter for a journey.
3. The table of fares also includes any other charges which may be levied on passengers by drivers. These currently include fees for large groups of passengers, the carriage of luggage, soiling of the vehicle, additional tools, tariffs or congestion charges, and a surcharge for accepting payment by way of credit or debit card. This last item was introduced in 2014 to assist drivers in offsetting the costs of providing card payment equipment, and the financial fees levied upon them by their payment providers.
4. In 2017, the Government consulted on the implementation of the second EU Payment Services Directive (PSDII), which among other items required national authorities to implement measures to ensure the transparency of surcharges payable in connection with the use of particular methods of payments, such as credit or debit cards. The Government's response to the consultation was to go beyond the European requirements on ensuring the transparency of surcharges on retail payment instruments by prohibiting them entirely. This proposal has since been incorporated within the Payment Services Regulations 2017, which will take effect from 13 January 2018.
5. In order to ensure compliance with this new prohibition, it will be necessary to amend the current table of fares to remove the entitlement to levy a surcharge on credit or debit card payments for hackney carriage fares.
6. A revised 'table of fares' is attached below, as Annex A. The removal of the card payment surcharge item is the only change from the current table of fares, all other fares and changes are unchanged.
7. The Council is already amending its own payment processes to remove such surcharges, to comply with the new legislation.
8. In Dacorum, hackney carriage proprietors are under no obligation to provide a capability to accept payment of fares by way of credit or debit cards, and it will be for individual proprietors to decide whether the commercial benefits of doing so outweigh the applicable costs, without the ability to levy a surcharge.

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Annex A: Revised Table of Fares



Licensed Hackney Carriage Table of Maximum Fares

<p>Tariff One</p>	<p>For the whole distance of 440 yards (~402.3 m) or part thereof:- £2.80 For each subsequent 220 yards (~201.2 m) or part thereof:- £0.25 Waiting time for each period of 45 seconds or part thereof:- £0.25</p>	<p>Valid from <u>XX January 2018</u></p> <p>Applies to journeys starting:</p> <ul style="list-style-type: none"> • between 11pm and 7am on any day; • between 7am and 11pm on Sundays; • on any official Bank Holiday; or • between 6pm and midnight on Christmas Eve and New Year's Eve <p>Applies to journeys starting:</p> <ul style="list-style-type: none"> • at any time on Christmas Day • at any time on Boxing Day • at any time on New Year's Day
<p>Tariff Two</p>	<p>For the whole distance of 440 yards (~402.3 m) or part thereof:- £4.20 For each subsequent 220 yards (~201.2 m) or part thereof:- £0.37 Waiting time for each period of 45 seconds or part thereof:- £0.37</p>	
<p>Tariff Three</p>	<p>For the whole distance of 440 yards (~402.3 m) or part thereof:- £5.60 For each subsequent 220 yards (~201.2 m) or part thereof:- £0.50 Waiting time for each period of 45 seconds or part thereof:- £0.50</p>	
<p>Extra Charges</p>	<p>For each passenger carried in excess of two:- £0.30</p> <p>For each item of luggage carried outside of the passenger compartment and/or over two feet long:- £0.10 per item, to a maximum of £0.50</p> <p>Soiling requiring the vehicle to be taken out of service for cleaning:- £55.00</p> <p>The passenger(s) shall be liable for any additional tolls, charges, tariffs, or city centre congestion charges including the Central London congestion charge.</p>	 <p>Scan to go to the Council website</p>

Enquiries regarding any property accidentally left in a hackney carriage should be made to Hertfordshire Constabulary.