

RESPONSES FROM CONSULATION

1. Dual Hackney Carriage Driver:

“Hi Rachel. Thank you for your recent communications regarding email acceptance in Epsom and Ewell Hackney Carriages. As you know all TFL Taxis including Epsom Dual plated vehicle will have to stop charging a surcharge to passengers who wish to pay by Credit/Debit etc. Any charges will be covered by the Driver/operator. To cover the costs involved we have been granted a 20p increase in the flag fall on every fare. This will of course mean the E/E Taxis receive the increase as well as they are on the same TFL tariff as the Dual Plated Taxis for a very good reason because both Types of Taxi work the same ranks taking the same regular passengers in the same area. I understand from your letter that you don't see why E/E taxis should be made to accept card payments as quite clearly after speaking to passengers I feel they would welcome this payment option and would use it more due to the welcome news that surcharges are going to be stopped from 2/04/16. I and other Drivers have seen passengers being passed down the line of taxis at Epsom Station trying to find one that takes cards and losing their place in the queue or being left stranded. This is not good as Epsom Station is not the best place to wait late at night and even worse if you are a lone female. Exactly why TFL are making these changes that I support.

Regarding the 20p increase. As you cannot have two different Tariffs in operation as it would clearly cause confusion for the Public and be a potential flashpoint between Driver and passenger. And this is very important you will also find that E/E drivers will start telling passengers not to use TFL Taxis as they charge more. There have always been tensions between E/E and TFL Drivers due to historical reasons and a increasing shortage of work when we should all try and get along in these difficult times.

For these reasons as E/E taxis will be getting the 20p increase I hope that you will agree with me that it is best all round to follow the same rules.

As installing the equipment won't be mandatory until October we have plenty of time to sort out what type of terminals can be approved including any cost to operators. If you need any advice on this Rachel I will gladly help.”

2. Dual Hackney Carriage Driver:

“It is totally unacceptable to have cabs in Epsom with different tariffs this would could course arguments with customers and drivers. Regular customers will notice the difference and pass by London plated cabs As far as credit cards are concerned why not make them mandaty as there are companies who fit the machines free of charge the 3 percent charge should be covered by the 20 pence increase in flag .Also it costs money to bank cash in time and bank charges When Epsom is in zone 6 it would great for customers to get off the train and use the same card for their taxi contactless as they have for their train this would encourage more customers which I am sure all drivers would want WE MUST EMBRACE MODERN TECHNOLOGY OR THE TAXI TRADE WILL BE DEAD”

3. Dual Hackney Carriage Driver:

"Hi, my views on card payments, are I think it would be best to keep in line with T.F.L..so all the tariffs are the same(people don't know the difference between London taxi and Epsom Hackney carriage) In the near future most people will be paying with a credit card's (All the shops have card payment machines in them) we must move with the times..It would also leave a paper trail,which would help stop fraud... I hope I have been of help to you."

4. Dual Hackney Carriage Driver:

"To keep everything in line, level playing field, with the rest, TFL, dual platers. We all should have credit card machines.

The public would not have to put up with, of do they or don't they, take credit card. We have to move with the times.

Maybe a deal could be done with a supplier, to come round and fit the cabs up."

5. Epsom & Ewell Licensed Hackney Carriage Driver:

"In answer to your letter, from a personal view I agree with you not to recommend a mandatory card payment facility In Epsom and Ewell."

6. Epsom & Ewell Licensed Hackney Carriage Driver:

"There's only about 4 dual plates ? So if they have machines they can charge 20p extra,Epsom and Ewell without card machines deduct 20p If at later stage we get machines then we can charge 20p extra if they pay by card?"

7. Joint response from 3 Dual Hackney Carriage Drivers and 1 Epsom & Ewell Licensed Hackney Carriage Driver:

"Firstly, thank you for involving the drivers in the decision regarding whether to mandate card payments in Epsom Hackney carriages. This is a refreshing approach that TFL could learn a lot from. The following response is a joint response on behalf of myself (*Dual HCD and 3 other Drivers*).

What would the cost be?

It ought to be noted that for obvious reasons the earnings of an Epsom Driver are often significantly lower than that of a London driver, and installing card machines will not come cheap. TFL have decided that, despite many drivers using handheld devices such as IZETTLE and CABAPP, the card machines must be fitted into the rear compartment with one of their 'registered partners.' TFL have also decided, after promising drivers a cap of 3% on commission fees, that it would be better to let the free market decide. The result of this is that all current providers who are able to fit card machines into the rear compartment currently charge a rental fee of approx 200-300 pounds per year and charge a commission fee of between 5 and 10%, plus 20p per transaction (rendering the extra 20p on the meter

pointless). In a further brainwave by TFL, it has been decided that the current printers that taxi's have installed and linked to the meter would not suffice, and an extra printer which is linked to the card machine will need to be added, at a cost of £100-200 per year. It is fair to say, therefore, that the extra 20p on the meter would nowhere near cover the £1000+ per year expenses that would be suffered by the driver. TFL have used the logic that it would create extra work which would cover these costs, however it is extremely unlikely, for the following reasons, that this would be the case in Epsom

Is there a huge demand?

The situation in Epsom is very different to that of central London. Ninety nine percent of journeys in Epsom begin from a taxi rank, and approximately fifty percent of the current drivers have a means of taking a card payment. For this reason, whenever there has been a passenger who has needed to pay by card, if the front taxi is unable to accept this means of payment the customer has always been able to go to the second or third cab in the queue and the problem has been solved. In four years of taxi driving I have never once come across a passenger who has been stranded at the station unable to find a driver who will accept their card; this is also partly due to the fact that people's journey home are very rarely covered under work expenses (company cards) and therefore they are easily able to draw the cash out at the cashpoint ten metres away. Thus the demand for this sort of service is almost non existent in comparison to the situation in central London.

To Conclude

If common sense is therefore allowed to prevail, it would make most sense to allow the current fifty percent of drivers to continue using handheld devices which do not charge a rental fee and have transaction fees of around 2%; this is cheaper for the driver and, in the long run (given the meter rises are calculated using a cost index to the driver), cheaper for the customer. There will also be some dual-plated drivers, who did not previously offer card payments, that will now have such a service and therefore the amount of drivers accepting card will increase further. It must also be noted that currently three out of the four taxi unions are saying that to force sole traders to accept non legal tender and technically 'give credit' is illegal, and thus the matter looks highly likely to head for the courts before October; a situation which will not leave taxi drivers or TFL looking particularly favourable. TFL are also currently under scrutiny regarding the Muslim law RIBA, which to my understanding means that Muslim drivers would be disregarding their faith to accept a credit card.

<http://www.inter-islam.org/Prohibitions/intrst.htm>

Again, TFL are undecided on whether to fight this in court or give Muslim drivers an exemption. It is worth noting that the percentage of Muslim drivers in Epsom is relatively high and thus if exemptions were granted it would render the entire principal pointless. It may well be that the end result is all taxi drivers having to have a card machine fitted in the rear, at great cost, but not mandated to accept them. This would be a ridiculous situation that, in my opinion, Epsom council would do well to avoid.

However, I would agree that to leave a situation where a quarter of the taxis in epsom are charging a different base fare (with different card payment charges) is not ideal. It would seem to me that the easier solution would be to find a justifiable means to increase the fare to £2.60, without mandating card payments. As I mentioned earlier, meter prices are calculated using a cost index to the driver, a link to which can be found here:

<http://taxileaks.blogspot.co.uk/2016/02/annex-b-projected-licensed-taxi-cost.html?m=1>

As you can see, one of the costs that is calculated is that of licensing. The current licensing costs in London are £192 (three year badge) and £102 (1 year vehicle plate). In Epsom these costs are £265 and £270 respectively. This would mean that over each three year period an Epsom driver is incurring much higher licensing costs, especially when incorporating the extra dead mileage an Epsom driver would suffer having to consistently return to a rank. In my opinion, this would justify an increase of 20p on the base fare, and bring consistency to the fares amongst drivers. To add to this consistency, I would suggest ending the 10% surcharge being passed on to the customer. This has, over the years, led to drivers being lazy, as they are not incurring the costs and several providers such as verifone have at times offered up to £500 cashback to install their device. This is not in the best interests of customers, however if the fee was not allowed to be passed on it would mean drivers choosing the best option in the market; Hailopay is currently free to use, whilst PayPal handheld devices are rent free and charge 1.75%. By using the cost index to justify raising the base fare by twenty pence and ending the card surcharge being passed on, Epsom drivers and Dual plated drivers would have complete consistency in fares and the customers who wish to pay by card will easily be able to without incurring any costs.”