

Chichester District Council

THE CABINET

5 December 2017

Parking Payment Machines

1. Contacts

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2. Recommendation

- 2.1 That existing asset replacement budget allocation of £97,000 be brought forward from 2021-2022 to be used in 2017-2018 for the replacement of parking payment machines in the rural car parks, to enable coin, card and contactless payment.**

3. Background

- 3.1 Cabinet resolved in April 2016 that debit, credit and contactless payment machines for all car parks in the city would be introduced, with at least one machine accepting card and contactless to be available in each rural car park by 2018. All machines within the city car parks have been replaced with machines accepting coin, card and contactless. It is now the intention to cover the installation of payment option into the rural car parks, and whilst this work has started at Bracklesham, due to the machines being at the end of their life, there is a need for additional funding to cover the replacement of machines in the remaining rural car parks.
- 3.2 The new machines are all solar powered and are linked to a back office system which assists with income reconciliation, audit processes and the remote overview of any machine faults which can then be rectified at the earliest opportunity.
- 3.3 Following the introduction of these machines in the city, there has been a significant reduction in the number of machine faults being reported to our contact centre. For September 2017 the number of machine faults being reported was 27 compared with 94 in September 2016. There has also been a channel shift from coin payment to card and contactless payment, with very positive feedback having been received from customers. To complement our parking payment methods, the MiPermit payment by phone / app was introduced to all district car parks in January 2017. This has also proven extremely popular.

4. Outcomes to be Achieved

- 4.1 To provide parking payment options which are modern, innovative and meet the requirements of our customers. Also to enhance solar powered technology which will

result in potential savings across the council's parking stock. It is anticipated that these electricity savings will be approximately £10,000 per year.

- 4.2 It has been ten years since contactless payment cards were introduced in the UK. It is predicted that by 2021 there will be an increase of 317% in contactless payments. Since the introduction of card and contactless payment facilities across all car parks in the city during March 2017, there has been a steady increase in the level of payment made by non-coin methods (20% in the first quarter and 23% in the second quarter. It is anticipated that this will increase to 25% by the end of the third quarter and is anticipated that payment by non-cash means should be around 30% by the end of financial year 2018). Customer satisfaction has risen significantly. The allocation of funding to assist with further improvements to the council's rural car parks will continue to support the parking service provided in order that customers have a number of payment options.

5. Proposal

- 5.1 It is proposed that a wholesale review of all rural car park machines is undertaken, There will be some consolidation of machines to reflect the anticipated reduction of cash and channel shift to card / contactless / phone / app within car parks and therefore a reduction in the total number of machines required. Given the current tariff in some of the rural car parks where a 'free' period of parking is permitted, the new machines will require keypads for customers to insert the vehicle registration mark which is displayed on the ticket. This is an additional cost to those machines. The preferred approach is that £97,000 should be allocated from the existing asset replacement budget to cover the replacement of all remaining rural parking payment machines.

6. Alternatives Considered

- 6.1 Whilst the initial resolution from Cabinet suggested that one machine in each rural and coastal car park should have card and contactless payment by 2018, evidence has shown that customers do not walk from one car park machine to another looking for different payment methods (despite signage having been installed). This is not therefore the proposed option.

7. Resource and Legal Implications

- 7.1 The ESPO 509 Framework agreement for parking Management Solutions will be used to purchase the machines, which will require some assistance from the Procurement and Legal teams. It is anticipated that the funds required to achieve this outcome will be covered within existing asset replacement budget. There is likely to be continued savings from electrical costs within the car parks which are estimated to be in the region of £10,000 per annum.
- 7.2 In addition, with the increase in level of payments made by card / contact, rather than coin, there will be a reduction in the number of cash collections required by G4S which will result in a saving to the G4S contract. Budget to cover ongoing replacement of parking payment machines will be considered as part of the review of the Asset Replacement Programme which is due to take place shortly.

8. Consultation

- 8.1 Formal consultation is not required for the replacement of parking payment machines, although discussions have been held at the Chichester District Parking Forum relating to parking payment options which are in place across the district. The Parking Forum is very supportive of improving and developing our services to customers.

9. Community impact and corporate risks

- 9.1 Improved parking payment machines will further assist the modernisation of the Council's parking service and will enhance the visitor experience within the district. Reducing cash within machines reduces the risks associated with machine break-ins and cash in transit.

10. Other Implications

Are there any implications for the following?		
	Yes	No
Crime and Disorder		X
Climate Change Solar powered parking payment machines will reduce the electrical demands across our 29 car parks and thus have a positive impact on our environmental footprint.	X	
Human Rights and Equality Impact		X
Safeguarding and Early Help		X
Other (please specify) e.g. biodiversity		X

11. Appendices

- 11.1 None

12. Background Papers

- 12.1 None