

CABINET

Date of Meeting	Tuesday, 14 th December 2021
Report Subject	Cashless Payment Solution for Car Parking
Cabinet Member	Cabinet Member for Streetscene and Transportation
Report Author	Chief Officer (Streetscene and Transportation)
Type of Report	Operational

EXECUTIVE SUMMARY

Since the county wide introduction of car parking charges in 2015, the only method of payment for parking in Flintshire is at a pay and display machine located within the car park. These machines only offer a coin payment solution which requires the customer to have the correct amount of money on them to purchase their pay and display tickets as the machines cannot dispense change.

To improve the customer experience, an option is presented within this report to introduce a cashless payment solution as an alternative to pay and display machines and to complement the existing cash payment method.

RECOMMENDATIONS

1	That Cabinet supports the implementation of a cashless payment solution for car parking charges.
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REPORT DETAILS

1.00	EXPLAINING THE BACKGROUND FOR INTRODUCING A PAY BY PHONE PAYMENT SOLUTION FOR PAY AND DISPLAY CAR PARKS
1.01	<p>Civil Parking Enforcement was introduced in Flintshire in October 2013 and, through effective enforcement, many vehicles have been displaced to off-street car parks. In order to maintain the vibrancy and vitality of a community/town it is essential to manage off-street parking usage effectively.</p> <p>Parking measures and enforcement are key tools in managing an effective highway network, in support of the effective movement of traffic. There are numerous conflicts between town centre visitor and residential parking where previously ineffective management of these areas has led to congestion.</p>

	<p>Pay and display parking is a good parking tool, which through the use of appropriate charging, encourages commuters to the car parks on the periphery of town centres, whilst promoting proximity spaces for short stay.</p> <p>The introduction of civil parking enforcement has resulted in more effective management of on-street parking, which has had a positive impact on the movement of traffic in town centres.</p>
1.02	<p>Since their countywide introduction of car parking charges in 2015, the only method of payment for parking is at a pay and display machine located within the car park. These machines only offer a coin payment solution which requires the customer to have the correct amount of money on them to purchase their pay and display tickets as the machines cannot dispense change.</p> <p>Over one million tickets are purchased each year (pre-COVID figures) for a range of tariffs, which are set for each car park.</p> <p>With the Council's commitment towards digital solutions, consideration should be given as to whether a cashless payment solution could be offered at all Council owned pay and display car parks to provide a more convenient and flexible payment option to the customer.</p>
1.03	<p>One cashless payment solution, which is being widely adopted throughout the parking industry is a pay by phone option. This solution has already been introduced in all other North Wales local authorities' car parks and it offers a quick and secure way of paying for parking via the internet, SMS, telephone or by an app on a smartphone.</p> <p>There is a requirement for the customer to register initially with the service provider as a first time user. Registration may take a couple of minutes and then on future uses are easy and quick each time they park. This solution provides a convenient method of payment on the day, but can also extend to longer stay parking options (a week/month) and season tickets.</p> <p>Cash payments through pay and display machines will still be possible, but by using the new pay by phone system, customers will no longer need save up their change or visit a machine nor feed coins into a slot or tap cards in the rain and cold, and they simply use a mobile phone to pay, and the parking fee is charged to a credit or debit card.</p>
1.04	<p>The system can also replace the current annual parking permit option where a customer has to make an application to park once a year. This system will allow for the customer to purchase a permit direct from the system reducing the back office administration demand. This will only be possible for annual, resident and trader permits where the vehicle registration number is required on application.</p>
1.05	<p>Customers won't have to display a parking ticket and can pay to extend their stay without having to return to their car (maximum stay restrictions will still apply) by paying a small fee (10p) to have an SMS reminder sent to their phone to remind them of the expiry of their parking time. They can do this from any location and do not need to be in the car park in which they are parked. This will assist with maintaining compliance with parking rules and reduce the possibility of being issued with Penalty Charge Notices (PCNs).</p>

1.06	This solution would reduce the reliance on the physical pay and display machine, ensuring that there is always an accessible payment option available should the machine be out of order or under maintenance.
1.07	Clear and informative signage will be placed in each car park detailing the relevant information for using the system and will display details on how to register and how to make a payment. The installation, location and positioning of the signage will be important in order to maximise uptake and will make use of the current information and infrastructure. Additionally, detailed information will be made available on the Flintshire website explaining the pay by phone option and how to use the service.
1.08	As a result of the introduction of the new cashless payment solution, there is likely to be a reduction in the requirement for the cash collection company to service the machines as often and a likely reduction in the amount of time taken by the enforcement team to attend the machines for maintenance and replacement of tickets, along with a reduction in the purchase of sundry items to keep the machines operational.
1.09	When using the smartphone app option, service users can be presented with an image of a local landmark or event as a promotional tool. This image can be of the Council's choosing and can be changed at any time. This feature is a way for the authority to 'localise' the app, so when visitors open the app for the first time they will be greeted by an image of their current location within Flintshire. This function can also be used to promote local campaigns that are run by the Council.
1.10	The technology allows the cashless payment system to be linked to the enforcement team's current handheld devices for the monitoring of compliant vehicles. This will work by the handheld system having the registered vehicle registrations numbers downloaded for quick reference and review. This will be required as there will be no ticket visible within the windscreen of the vehicle.
1.11	It is our intention to engage with the provider PayByPhone, which is the existing provider used by Denbighshire, Conwy, Gwynedd and Anglesey Councils. Providing one system across all authorities will offer a consistent service and convenience for those travelling cross boundary and outside of county, again enhancing the customer offer. This solution is also offered in five counties in South Wales as well as by a number of English authorities. PayByPhone is available via direct award on the ESPO framework.
1.12	<p>There is no initial set up fee for the cashless payment solution. The signage and back office system are provided without cost; the charge comes at the point when the customer pays for parking. There is a processing fee per transaction, which can either be paid for by the Council or transferred to the service user and added to the parking tariff.</p> <p>The proposal is to place the transaction fee onto the customer, resulting in no onward cost the authority. The current transaction fee is six pence per payment. The option to have an SMS reminder will be charged at ten pence per message. The revenue from this charge will be split between PayByPhone and the Council, allowing for a small income to be received, which can be invested back into the service.</p>

1.13	<p>To implement this system, there will be a requirement for the off-street Parking Orders to be amended to allow for a 'virtual payment' option to be introduced. At present, the order stipulates that a valid ticket must be physically displayed inside the vehicle.</p> <p>Due to the introduction of electric vehicle (EV) charging points at some of the Council owned car parks, the Orders were already due to be amended and, if approved, it is intended that this will be done at the same time. There is a cost to changing the orders which will equate to £6,000 as there are five Orders to update and amend. This will be funded through existing revenue budgets.</p> <p>All signage will be funded by the provider at no cost to the authority. Existing signage and infrastructure can be utilised to present relevant information.</p>
1.14	<p>It is proposed that, as part of the wider introduction of EV charging points and to encourage take-up, the spaces for parking in EV charging points will be free of charge, as it is accepted that the customer will be paying to charge the vehicle with a small income from the EV charging being returned to the Council.</p>

2.00	RESOURCE IMPLICATIONS
2.01	<p>Locational information signage will be provided without cost by the service provider and the new cashless payment system will be implemented in 35 car parks altogether.</p>
2.02	<p>There will be a reduction in cash collection frequency and cost following the introduction of the new system. There will also be a reduction in sundry items purchased to operate the pay and display machines and a reduction in officer time spent attending machines. This will only be able to be quantified once the system uptake is known.</p>
2.03	<p>Amendments to the off-street car Parking Orders will be required with associated notice advertisement, estimated at approx. £6,000, which will be funded from existing revenue budgets within the service.</p>

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>There will be a reduced reliance on the physical parking infrastructure resulting in a constant method of payment available.</p>
3.02	<p>Not all service users will have the confidence to use the pay by phone solution therefore the physical pay and display machine will stay in situ and customers will continue to be able to pay using cash if required. Additionally, a support service will be provided by the contractor to offer advice and support to those who need it and guide them through the booking process.</p>
3.03	<p>An option to receive reminders on expiry of paid time via SMS will reduce risk of PCNs issued to those who subscribe to the service.</p>
3.04	<p>This more flexible service will assist the Council in meeting our customers digital needs</p>

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	Cabinet Member for Streetscene.
4.02	Streetscene & Transportation Programme Board

5.00	APPENDICES
5.01	N/A

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Parking mobile app & payment solution PayByPhone

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Ruth Cartwright, Regulatory Services Manager Telephone: 01352 704796 E-mail: ruth.cartwright@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	N/A