



**Author/Lead Officer of Report:** Ben Brailsford,  
Interim Head of City Centre Management, Parking  
and CCTV

**Tel:** 0114 2053006

**Report of:** Michael Crofts  
**Report to:** Douglas Johnson  
**Date of Decision:** Monday 20 September  
**Subject:** Procurement of a new cashless parking service for  
the City Council's Pay and Display parking

Is this a Key Decision? If Yes, reason Key Decision:- Yes  No   
- Expenditure and/or savings over £500,000   
- Affects 2 or more Wards

Which Cabinet Member Portfolio does this relate to? **Executive Member for Climate Change, Environment and Transport**

Which Scrutiny and Policy Development Committee does this relate to? : **Economic and Environmental Wellbeing Scrutiny and Policy Development Committee**

Has an Equality Impact Assessment (EIA) been undertaken? Yes  No

If YES, what EIA reference number has it been given? 913

Does the report contain confidential or exempt information? Yes  No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."*

**Purpose of Report:**

The report seeks approval to tender a four year contract to provide a cashless payment service that will be used in all city council pay and display locations. The current cashless payment contract has come to the end of its term

**Recommendations:**

That a competitive procurement process is tendered for a 4-year contract to supply cashless parking payment services through telephone, web, smartphone application and text platforms with appropriate break points for review.

**Background Papers:**

*(Insert details of any background papers used in the compilation of the report.)*

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: Steven Scott
	Legal: Richard Cannon
	Equalities: Annemarie Johnston
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>EMT member who approved submission:</b> Michael Crofts
3	<b>Cabinet Member consulted:</b> Douglas Johnson
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	<b>Lead Officer Name:</b> Ben Brailsford
	<b>Job Title:</b> Interim Head of City Centre Management, Parking and CCTV
<b>Date</b> 9 September 2021	

## **1. PROPOSAL**

- 1.1 The council has provided alternates to cash payment for parking in the spaces it operates since 2011. The most recent contract to provide that service on behalf of the council ends 30 October 2021. To be compliant with procurement rules, and to ensure that we are providing the best value service for our customers, we need to invite tenders to supply this service.
- 1.2 The service provider will provide payment options through phone, text, smart phone application and online.

## **2. HOW DOES THIS DECISION CONTRIBUTE ?**

- 2.1 Alternative methods to cash to pay for parking are continuing to prove popular with customers using the council's pay and display spaces. The total amount of payments made by alternate means to cash payments has increased from 11% of total transactions in 2016 to approximately 67% of all payments currently.
- 2.2 The popularity of none-cash payments relates to having a better experience for our customers. Where the maximum time limit hasn't already been purchased, it allows people to extend their parking session remotely without returning to their vehicle. It reduces the need for customers to overpay for session where they are not sure how much time they need, as sessions can be simply extended remotely. The text or app reminders help customers be aware when their session is coming to an end, and help prevent overstays which might result in a Penalty Charge Notice being received. The cost of parking for customers is the same through using cash or a cashless alternative. This service compliments the ability to pay cash at physical pay and display machines. It's not designed to replace all cash payment options.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 There hasn't been any consultation, however soft market testing has been completed with three suppliers to inform the tender process.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality of Opportunity Implications**

- 4.1.1 Overall there are no significant differential, positive or negative, equality impacts from this proposal. There are potential impacts on older people, disabled people and those who do not speak English as a first language. The Helpdesk, support services and range of ways to make the cashless payment should mitigate any potential negative impacts.

## 4.2 Financial and Commercial Implications

- 4.2.1 The value of the contract is potentially £304,000 over the 4 year term being offered. The cost to collect this value in cash from a pay and display meter at current cash collection rates, would be in excess of £359,000. It's better value for money to provide this service, as well as the benefit in reducing the risk of theft from pay and display machines.

## 4.3 Legal Implications

- 4.3.1 Section 122 of the Road Traffic Regulation Act 1984 ("the Act") imposes a general duty on the Council to exercise its function under the act to "secure the expeditious, convenient and safe movement of vehicular and other traffic (including pedestrians) and the provision of suitable and adequate parking facilities on and off the highway". Collectively, these criteria may be referred to as "traffic management purposes".

The Council has the power under section 32 of the Act to provide parking places in its area where it appears necessary for the purposes of relieving or preventing congestion of traffic and may, by order made under section 35 of the Act, regulate the use of those parking places. This includes setting charges to be paid in connection with their use and the method by which those charges are to be paid. The Council has further powers under section 45 of the Act to designate parking places on a highway and may make charges for vehicles left in a parking place so designated. Section 46 of the Act enables the Council to make an order for regulating the time at which and the method by which any charge is to be paid.

The Council therefore has the authority to impose parking charges in connection with the provision of on street parking and off street parking and the means by which those charges are to be paid.

Section 55 of the Act requires that the Local Authority keep an account of their income and expenditure in respect of designated parking places. This includes 'pay and display' income. The ring-fenced account is referred to as the Specialist Parking Account. Section 55(4) of the Act sets out the purposes for which any surplus income in respect of designated parking places can be used. These purposes include:

- Provision and maintenance of off street parking
- Meeting costs incurred in the provision or operation of public transport
- Highway and road improvements and maintenance
- Reducing environmental pollution
- Improvement and maintenance of public open space
- Provision of outdoor recreational facilities open to the public without charge

All of these functions are carried out by the Council's Place Directorate, which includes Transport, Traffic and Parking Services and the Highways Maintenance Divisions. Any surplus in income in respect of designated parking places is currently utilised in accordance with Section 55(4) of the Act to underpin the activities of these two service areas.

#### 4.4 Other Implications

4.4.1 *None*

### **5. ALTERNATIVE OPTIONS CONSIDERED**

5.1 We have considered whether we need to continue to offer this service, but the popularity demonstrated by the take up in non-cash payments shows it's popularity with customers.

5.2 We've considered whether cashless payments could be offered just on contactless card readers at pay and display machines alone, but the additional costs of purchase, installation and ongoing maintenance of physical machines would treble the value of the contact. The tender for service provided by phone, text, application, and web is far more cost effective.

### **6. REASONS FOR RECOMMENDATIONS**

6.1 A service that allows customers to pay by phone, web, smartphone application and online is clearly a popular service that is the preferred method of payment and needs to be maintained.

6.2 By inviting tenders for this service we will ensure our customers are getting the latest benefits and innovation from the service, while ensuring we receive that service at the best commercial value.