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**BROMSGROVE DISTRICT COUNCIL CAR PARKS – ADOPTION OF CASHLESS PAYMENTS OPTION AND OPERATIONAL PROCEDURES FOR RECREATION ROAD SOUTH CAR PARK AND CHURCHFIELDS MULTI-STOREY CAR PARK**

Relevant Portfolio Holder	Councillor Karen May
Portfolio Holder Consulted	Yes
Relevant Head of Service	Guy Revans - Head of Environmental and Housing Property Services
Report Author	Job Title: Engineering Team Leader Contact email: <a href="mailto:pete.liddington@bromsgroveandredditch.gov.uk">pete.liddington@bromsgroveandredditch.gov.uk</a> Contact Tel: 534108
Wards Affected	All Wards
Ward Councillor(s) consulted	No
Relevant Strategic Purpose	Communities which are safe, well maintained and green
Key Decision	

**1. RECOMMENDATIONS**

**1.1 The Cabinet RESOLVE that: -**

- 1) A Cashless Payment System (CPS) option be adopted for all Pay & Display car parks within the District, to be operational as soon as possible. Every car park, except Churchfields Multi-storey Car Park, will retain one ticket machine which will accept cash payments;**
- 2) A 'Pay & Display' system be installed in Recreation Road South Car Park, with CPS option, to replace the current outdated and failing 'Pay on Foot' system, again to be operational as soon as possible;**
- 3) Churchfields Multi-storey Car Park be used as a long stay car park only. This will be accessible by a Virtual Permit or Parking app only (refer to 2.4), with no cash payment being acceptable.**

**1.2 The Cabinet RECOMMEND that: -**

**A reduced Budget, as shown in 3.1 - Budget Comparisons Table, to be amended as part of the medium-term financial plan review.**

**2. BACKGROUND**

- 2.1 The implementation of a CPS option for all 'Pay & Display' car parks is considered an important necessary step forward, particularly as these facilities provides the Authority with a significant amount of income. Other Local Authorities, such as Stratford-on-Avon District Council have converted to a total use of a CPS. In a society where people increasingly do not carry cash, the ability to pay for parking by a mobile phone app or direct with a credit/debit card will ensure that we are providing modern payment facilities for users of Council car parks (refer to 4.1).
- 2.2 To assess car park users' views on this Council adopting CPS, a comprehensive survey has recently been undertaken by the Council's Engagement and Equalities Advisor, utilising their knowledge in inviting as many participants as possible to hopefully provide comprehensive reactions. Results of the survey can be found in Appendix 4. In general terms, the results indicate that the majority of car park users, have no objection to the introduction of a CPS, but there are still many users who would wish to see a cash payment facility being retained. Consequently, the retainment of one cash payment ticket machine in every car park, except Churchfields Multi-storey, should produce a satisfactory solution. Obviously, it is envisaged that over time, as the general public relies less on cash transactions, a full CPS will be more acceptable to users.
- 2.3 Members will recall that at Cabinet on 25 November 2020, approval was given to give delegated powers to Head of Environmental and Housing Property Services, Head of Finance and Customer Services and the Portfolio Holder, to explore, negotiate and agree the final lease details with the third party, to take over the running and maintenance of the Recreation Road South Car Park. Regrettably, negotiations have proved unsuccessful, and consequently the car park remains as part of the Council's assets. With the necessity to replace the failing 'Pay on Foot' payment system, Members are requested to approve a normal 'Pay & Display' format with a CPS option. One ticket machine will be made available to accept cash payments.
- 2.4 It is also considered appropriate that the use of Churchfields Multi-storey Car Park be designated as a long stay car park only, which will continue to be our best value for all day parking. This will be accessible by a Virtual Permit or Parking app only, thereby avoiding the need to install 'Pay & Display' machines within the car park, which would

unfortunately present themselves vulnerable to vandalism, despite costly adequate protection measures being provided.

**3. FINANCIAL IMPLICATIONS**

3.1

Capital Budget Comparisons		
Year	Previously approved Budget (Cabinet – 25 November 2020) (£k)	Replacement Budget (£k)
2021/2022	267.0 or 307.0 or 432.0 <i>(depending on accepting or rejecting third party offer)</i>	250.0
2022/2023	136.0	253.0
2023/2024	116.0	96.0
2024/2025	121.0 or 441.0 <i>(depending on accepting or rejecting third party offer)</i>	421.0

3.2

Expected Revenue Budget Savings		
	Existing costs (£k)	Expected costs (£k)
Cash collection from ticket machines	20.0	10.0
Ticket supplies	9.0	4.5

3.3 At present across the District, £20k a year is paid for a cash collection service from ticket machines, which obviously becomes a saving with the introduction of a CPS. Since the introduction of the MiPermit app, less than 12 months ago, already 20% of car parking charges are paid by this method. We believe this would increase exponentially, even if a CPS was not adopted. Cash collection will obviously still be necessary, but for a reduced number of ticket machines, so therefore a saving will still be made on this service (refer to 3.2 – Expected revenue budget savings).

3.4 Cabinet, at their meeting on 25 November 2020, recommended approval of a decrease in the 2020/2021 Capital Programme of £34.5k, to provide a total budget of £85.5k for replacement of parking

machines. This amount of £85.5k included other improvement works to various 'Pay & Display' car parks, in addition to renewal/upgrading existing ticket machines (refer to Appendix 2 for the original Capital Programme spreadsheet presented at the meeting). However, as we discovered when we came to place the appropriate order, the existing ticket machine manufacturer was at that time upgrading their payment transfer software within these machines, and it was therefore considered prudent to delay our renewal/upgrading for the interim period. Consequently, there is a saving of £32.0k from last years' budget, which will be carried forward.

- 3.5 The existing ticket machines when replaced with new CPS machines, have a second-hand value. The disposal can be facilitated via the British Parking Association (BPA).
- 3.6 With CPS, no tickets will be issued if the MiPermit app is used, for display within the vehicle, the Civil Enforcement Officers (CEOs) being able to check vehicles electronically as they undertake their patrols. If the app is not used, payments can be easily made by credit/debit card, but in such cases a ticket will be issued for display. As a consequence, ticket supply requirements are drastically reduced, both for normal 'Pay & Display' and 'Pay on Foot,' the latter requiring significantly more expensive tickets (refer to 3.8 and 3.2 – Expected revenue budget savings).
- 3.7 There is an obvious assumption that a small number of customers when previously paying with cash, would not have on occasions the correct change, and as a consequence, as no change is made available to them, our income is very slightly increased over time. It is impossible to accurately calculate what this increase amounts to, but it is envisaged that it is fairly insignificant. Obviously, with CPS, this 'extra' income ceases.
- 3.8 With the failure of the negotiations with the third party to take over the running and maintenance of the Recreation Road South Car Park, we therefore must quickly resolve the continual problems we have been experiencing with the 'Pay on Foot' payment system. However, with the introduction of the MiPermit app, a normal 'Pay & Display' system can be introduced, as it provides the ability for the customer to extend their stay period from their mobile phone should the need arise, as their shopping experience is taking longer than first anticipated. This being the main reason why a 'Pay on Foot' format was used in the first instance. The cost of replacing the existing 'Pay on Foot' facility was estimated to be £200k, whereas to install a normal 'Pay & Display'

facility with a CPS is estimated to be only £45k. This saving is reflected within the recommendations.

- 3.9 The new 'Pay & Display' machines installed for Recreation Road South Car Park will be solar powered as the first choice, which will not only make a saving on electricity usage but will also reduce the carbon footprint of the Parking Service. Unfortunately, from consultation with other Local Authorities operating solar powered machines, it appears that when card payments are made, power is used quite rapidly for that process, whereas a cash process is more adequately catered for. As a consequence, additional stand-by batteries have to be utilised on occasions and can be readily replaced. Therefore, to avoid the need for new costly electricity connections having to be provided for the new 'Pay & Display' machines in Recreational Road South car park, the provision of solar powered machines is considered acceptable in just such locations. However, when machines are upgraded in this, and all other car parks, they will be located in the same position as the replaced units with the electricity connection merely to be reconnected. Replacement with solar power is obviously a future consideration, but at a time when a more reliable unit is available.
- 3.10 With the demise of 'Pay on Foot' facility there will be no requirement for a CEO to be present all day, until 10.00 pm, within the nearby Office, to cater for incidents involving Pay Station/exit barrier faults, lost tickets etc. The CEO can therefore undertake their normal enforcement duties. Wychavon District Council have confirmed that with this increase in CEO manpower, the change to the inspection operation whereby CEOs refer to their electronic equipment to check on the viability of each vehicles' parking period, rather than visually inspect tickets, the additional patrol of Recreation Road South car park, and the ability to increase evening/late night patrols, will not result in any increased costs being requested from them.
- 3.11 The funding options for either balances or borrowing costs will be addressed going forward into future years in the Authority's budget process.

#### **4. LEGAL IMPLICATIONS**

- 4.1 As owners of the sites, the Authority has a responsibility to ensure that the facilities conform in all respects to current Health & Safety requirements. The recent Covid-19 restrictions has placed a great emphasis on the need for reducing unnecessary contact with facilities

that are used on a continual basis by many individuals, so the introduction of a CPS drastically reduces such a risk.

**5. STRATEGIC PURPOSES - IMPLICATIONS**

**Relevant Strategic Purpose**

- 5.1 *Communities which are Safe, Well Maintained and Green* – with adoption of the proposals included within this report, all ‘Pay & Display’ car parks will be improved and maintained to a high standard, with added modern payment facilities, thereby welcoming to residents and visitors alike, with drivers being happy to leave their vehicles parked and unattended.

**Climate Change Implications**

- 5.2 Refer to 3.9, installation of solar powered ticket machines.
- 5.3 Electronic money transfer will reduce the carbon emissions of the service as the need for physical cash collection reduces.

**6. OTHER IMPLICATIONS**

**Equalities and Diversity Implications**

- 6.1 Following the consultation and completion of the Equality Impact Assessment (Appendix 5), the introduction of the new payment methods and keeping one machine in each car park that accepts cash (except Churchfields Multi-story) will allow patrons the ability to select the method that is beneficial to them for payment and eliminate any potential discrimination for certain groups.

**Operational Implications**

- 6.2 With CPS a cash collection service is reduced (refer to 3.3), and the use of tickets is also drastically reduced. The ‘freeing’ up of a CEO from ‘Pay on Foot’ supervision duties (refer to 3.10), will allow increased patrols to be undertaken.
- 6.3 With the proposed arrangement of having only one cash machine and one cashless machine in the car parks, this obviously will have an impact on income should either machine develop a fault. Unlike existing arrangements where users would utilise the ‘spare’ machine to

make payments, we could not issue Penalty Charge Notices (PCNs), as users would merely appeal, stating that they had used the car park on the basis that it would accept cash/card payments and their preferred facility was unavailable at no fault of their own. However, as all machines will be new, the likelihood of a breakdown is considerably reduced, and they do have a proven track record. The maintenance agreement for the machines, ensures that there is a minimum of 2 No. annual services undertaken, and in the event of a fault, a maximum of 16 hours is allowed to attend and fix the relevant fault. In addition, the CEOs are so familiar with these machines, that they have received training on fixing minor faults, when necessary.

**7. RISK MANAGEMENT**

- 7.1 This 5-year Capital Programme will ensure that the car parks are maintained to a standard which will satisfy all Health & Safety requirements.
- 7.2 The works themselves will be undertaken in a way to minimise inconvenience to users wherever possible.

**8. APPENDICES and BACKGROUND PAPERS**

- i) Appendix 1 - Capital Works Programme spread sheet (revised 30 December 2021).
- ii) Appendix 2 - Capital Works Programme spread sheet (25 November 2020).
- iii) Appendix 3 - Explanatory Notes.
- iv) Appendix 4 - Consultation Survey Results.
- v) Appendix 5 - Equality Assessment Record.
- vi) Cabinet minutes for meeting on 25 November 2020.

**BROMSGROVE DISTRICT COUNCIL**

**CABINET  
2022**

**19 January**

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**9. REPORT SIGN OFF**

<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Portfolio Holder	Cllr Karen May Leader of Bromsgrove District Council	26.11.2021
Lead Director/Head of Service	Guy Revans Head of Environmental and Housing Property Services	29.11.2021
Financial Services	James Howse Executive Director of Resources	07.12.2021
Legal Services	Clare Flanagan Principal Solicitor	01.12.2021
Policy Team (if equalities implications apply)	Emily Payne Engagement and Equalities Advisor	01.12.2021
Climate Change Officer (if climate change implications apply)	Anna Wardell-Hill Environmental Policy and Awareness Officer	29.11.2021