



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	Contactless Parking machines
Meeting of:	Cabinet
Date:	17 th July 2017
Is this an Executive Decision:	NO
Is this a Key Decision:	NO
Is the Report Confidential:	NO
If so, please state relevant paragraph from Schedule 12A LGA 1972:	n/a
<p>Essential Signatories:</p> <p>ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE</p> <p>Monitoring Officer: Angela Wakefield</p> <p>Date Signature</p> <p>Chief Finance Officer: Sal Khan</p> <p>Date Signature</p>	

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 17th July 2017

REPORT TITLE: Contactless Parking Machines

PORTFOLIO: Cllr Greg Hall

HEAD OF SERVICE: Mark Rizk

CONTACT OFFICER: Mike Hovers Ext. No. x1776

WARD(S) AFFECTED: Burton

1. Purpose of the Report

- 1.1. This report presents options for the installation of contactless/cash ticket machines on Council managed car parks, specifically those included in the “Free after 3” scheme (Burton Place, Cooper’s Square, and the Maltings (Uttoxeter).

2. Executive Summary

- 2.1. Introducing contactless/card payments on Council managed “Free after 3” car parks would increase the range of payment options available to users and increase the quality of service by increasing the range of payment options. Furthermore, having a variety of payment options will reduce the amount of time that machines are out of action due to faults.
- 2.2. Contactless/card machines would bring ESBC managed car parks in line with competitor car parks which already offer such services. Potential costs for installing contactless machines are £87,040 with annual running costs exceeding £6,700.

3. Background

- 3.1 The Council currently operate and run 11 car parks across the Borough. These car parks contain 32 ‘cash only’ paying machines. With the increasing use of contactless card payments the occasions when residents/visitors carry

cash or change is dwindling. Furthermore, having to get cash/change is inconvenient and a review of competitor car parks shows many are converting to cash/card and contactless machines.

- 3.2 Converting the three main car parks covered under the “Free after 3” scheme (Coopers Square, Burton Place and The Maltings) to provide a contactless/cash payment option would commence the modernisation process of Council ran car parks.

4. Contribution to Corporate Priorities

- 4.1. Value for money council services- protecting your money

5. Contactless ticket machines

- 5.1. The prevalence of card and particularly contactless cards for smaller payments (under £30) is increasing. Nearby competitor car parks such Sainsbury’s and the Octagon Centre already offer card and/or contactless payments. Given that competitors have already embraced this technology and the low individual cash sums involved, car parking is a service that would benefit from the option of contactless payment. Furthermore, many Councils both locally and nationally already operate contactless or similar payment options.
- 5.2 Presently, all 11 Council owned (32 cash machines) and managed car parks have cash only payment options. This can be restrictive from a resident/visitor perspective as there is a requirement to have change before visiting or to get some whilst in the Town Centre. Having or getting change can therefore become a laborious process.
- 5.3 Additionally, having a single type of payment option is restrictive to the quality of service the Council can provide. Once a machine develops a coin jam fault it cannot be used, leading to machines being out of action and frustration for visitors. Since February 1st there have been 36 coin faults on “Free after 3” Car Parks (which account for 50% of all the payment machines) alone. Each incident of a coin jam also requires an officer to visit the machine to inspect the fault and if possible conduct a repair.
- 5.4 Dual or multiple payment options would prevent the machines from being inoperable due to a coin fault and would provide visitors with an alternative of payment option in the event of the failure of one payment method.
- 5.5. Furthermore, installing new contactless machine will enable the Council to link this new equipment to parking barriers once negotiations have been finalised around the Burton Town Centre regeneration plan.
- 5.6 Those machines that have been removed from Cooper’s Square, Burton Place and the Maltings can be recycled to use in other outlying Council managed car parks prolonging the effective life of these pieces of equipment.

6. Financial Considerations

This section has been approved by the following member of the Financial Management Unit: Lisa Turner

- 6.1. The main financial issues arising from this Report are as follows:
- 6.2. Installation costs per machine amounts to £5,440 and across the respective car parks there are 16 pay machines. Replacing all 16 would require a capital expenditure of £87,040. Running costs of these new machines are £420 each per year (£6,720).

Revenue	2017/18	2018/19	2019/20
Revenue Budget Growth: 16 x contactless machine running costs	£6,720	£6,902	£7,109.06

Capital	2017/18	2018/19	2019/20
16 x £5440 contactless machines	£87,040	£0	£0

- 6.3. There may be additional costs associated with connectivity and the operation with the council's financial and income collection systems which cannot yet be determined.
- 6.4. As this proposal includes a requirement for ongoing budget growth and Capital Expenditure that is not part of the approved Capital Programme, financial regulations establish that this is a Cabinet decision.

7. Risk Assessment and Management

- 7.1. The main risks to this Report and the Council achieving its objectives are as follows:
- 7.2. **Positive** (Opportunities/Benefits):
- 7.2.1. Visitors/residents have multiple payment options
 - 7.2.2. Future proofs the three largest and most prominent Council car parks
 - 7.2.3. Modernises the "Free after 3" car parks in line with competitor capabilities and those of other Councils.
- 7.3. **Negative** (Threats):
- 7.3.1. Initial financial outlay and ongoing maintenance costs

7.3.2. Potential reputational loss if pay machines are not modernised in line with those of competitor car parks or the practice of other Councils.

7.4. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

8. **Legal Considerations**

*This section has been approved by the following member of the Legal Team:
Angela Wakefield*

8.1. There are no significant legal issues arising from this Report.

9. **Equalities and Health**

9.1. **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required.

9.2. **Health impacts:** The outcome of the health screening question does not require a full Health Impact Assessment to be completed. An equality and health impact assessment is not required.

10. **Human Rights**

10.1. There are no Human Rights issues arising from this report

11. **Sustainability** (including climate change and change adaptation measures)

11.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/A

12. **Recommendation(s)**

12.1. Approval is given for the financing, procurement and installation of 16 contactless/cash machines at the three "Free after 3" car parks.