

Committee	FINANCE COMMITTEE
Date	15 June 2020
Agenda Item	7j

To consider aspects of car parks

Ways of paying

There have been a number of complaints from car park users during lockdown, about having to touch the car park machines in order to pay for car parking. Some people have avoided buying a ticket because of this, and income from car parks is significantly down.

Contactless payment on the pay and display machines can be installed at a cost of £2700, by Parkare, the company from whom we bought the machines, and who manage breakdowns. Customers would still have to touch the buttons on the machine, to select the length of their stay and they would be issued with a ticket. There are associated costs for payment, in order that card payments are transferred to our bank.

Ways of paying through an app have also been explored, and if this is to be done, it would be done in collaboration with Chipside who manage our penalty ticket system for us. They use the Mipermit app, which is widely used by NEPP and SEPP. This requires no contact with the machine. These systems normally charge in the region of 10p per transaction and around 5p for transferring the payment to our bank. The rest of the payment would come to HTC. If we wanted to encourage more people to pay at this time of anxiety about the infection, allowing the use of the app would probably make a lot of difference. We already use Chipside to manage enforcement, and the handheld machine which our car park attendants use already has the Mipermit app on it. Thus the attendants would be able to see immediately if anyone had paid using the app. For those who do not want to use the app there is a phone line which will take payments. Customers would have proof on their phone that they had paid, which could then be scanned in Sainsburys to refund (currently) 70p of the cost of parking.

If we choose to go down this route we would also be able to use it to issue permits in future – this is at present a lengthy paper-printing, sending- out-by-post exercise.

The upfront cost for this is £1500 – as opposed to the £2700 for installing a contactless card feature on the machines. We would also have to pay for signage as a one-off cost. This would appear to be the best route to go down, fairly quickly, as it would encourage people to pay. We would suggest absorbing the 15p per transaction cost at the moment, and then raising the cost of parking as we had planned to do, in March. We would also save in using fewer tickets over the long term.

Cost comparison payment by coin, card or app

	Coin	Card	App

Cost of administration	£6,550 p.a in car park attendant costs Total: £6,550 p.a. £700 p.a. in bank charges. If Lloyds bank is used for paying in cash, there are no bank charges	0.026% payment processing fee and scheme fee per transaction Terminal in each machine £10 per month	15p per payment for customer payment and transfer to HTC bank account
Cost of installation	0	£2700	£1500
Extra benefits		Reduction in employment costs for car park attendants, as fewer cash collections, counting and bank payments	1.Reduction in employment costs for car park attendants, as fewer cash collections, counting and bank payments 2. Reduction in cost of tickets 3.Automated permit issue for £1 per permit for 6monthly permits in all 4 carparks. This would also reduce employment costs at HTC

Free parking for key workers

At the time of lockdown, it was agreed to allow free parking to key workers – NHS/care workers/supermarket workers, all of whom were overworked at that time. This was in line with the action taken by BDC in relation to key workers. However, the key workers are in fact still earning their normal salaries, while others may have no work. In addition, no concessions have been made to those paying for permits in the pay and display car parks, and some permit holders have even had to give up their permits because they are not working. These factors would suggest that HTC should no longer offer free parking to key workers after 1 July 2020.

Recommendation: that HTC

1. approves the use of the MiPermit app on the pay and display machines
2. approves the ending of free parking for key workers from 1 July 2020

Sarah Greatorex

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