

CABINET (TRAFFIC AND PARKING) COMMITTEE

3 November 2005

PAYMENT OF PARKING CHARGES BY MOBILE PHONE

REPORT OF DIRECTOR OF DEVELOPMENT

Contact Officer: Alan Jowsey Tel No: 01962 848 583

RECENT REFERENCES:

None.

EXECUTIVE SUMMARY:

There have been technology developments that now enable payment to be made by credit card and/or mobile phone in pay and display car parks. Officers have had discussions with four companies regarding the possibility of accepting payment of parking charges by mobile phone within pay and display car parks. This report reviews the options and recommends that a trial be carried out within four long stay car parks in Winchester in conjunction with one of the companies.

RECOMMENDATIONS:

- 1 That a trial be carried out of accepting payment of parking charges by mobile phone within the Gladstone Street, Cattle Market, Worthy Lane and Coach Park long stay pay and display car parks.
- 2 That the City Secretary & Solicitor be authorised to give public notice by advertisement of the proposed amendment to the Winchester City (Off Street) Parking Places Order 2003 and subject to no objections being received to amend the Order.
- 3 That a Direction be made under Contract Procedure Rule 3.3(A) to authorise the Directors of Development and Finance to approve the implementation of a trial with the company specified in paragraph 1.8 of the exempt appendix, subject to the agreement of details as set out in the report.

CABINET (TRAFFIC AND PARKING) COMMITTEE3 November 2005PAYMENT OF PARKING CHARGES BY MOBILE PHONEREPORT OF DIRECTOR OF DEVELOPMENTDETAIL:1 Introduction

- 1.1 There have been technology developments within the last 12 months that have enabled systems to be introduced for accepting payment of parking charges by mobile phone or credit cards where there is pay and display parking. The main benefit of all these systems is that customers no longer have to rely on having the exact amount of change to pay for their parking. Three different options have been considered.
- 1.2 The first option is for credit/debit card readers to be installed within pay and display machines. This follows on from changes to the way that credit and debit card payments are processed. Traditionally credit and debit card payment has only been used for high value parking transactions, for example airport parking, since equipment had to be installed to process and authorise payments through a directly linked server. It is now possible for low power pay and display machines to process live card transactions using radio data networks to transmit secure data to a remote central server which authorises a transaction. However customers still have to go to the pay and display machine, the system is dependant on the pay and display equipment, and the costs of converting each pay and display machine are significant.
- 1.3 The second option is to allow payment by mobile phone where the phone call generates a signal to a specified pay and display machine which then issues a ticket, and payment is taken from the customer's credit or debit card. This is convenient for enforcement in that each vehicle can be inspected to check whether it has a valid ticket, but the customer still has to find a pay and display machine, the system is dependant on the pay and display equipment, and the costs of converting each pay and display machine are significant. This system has been adopted in Edinburgh and is also being considered by Southampton City Council. There do not however appear to be any significant benefits for this option compared to the previous option.
- 1.4 The third option is to allow payment by mobile phone, where the payment is then registered electronically and the parking attendant can access details of that payment while patrolling the car park. This is convenient for customers in that they do not have to go to a pay and display machine to purchase a ticket, they may not have to predetermine their length of stay, and they can receive text reminders when their length of stay is about to expire. From the Council's point of view, the system is not dependant on having operational pay and display machines, and there are relatively low costs in implementing a scheme. However the disadvantage is that the parking attendant has to carry additional equipment in order to identify whether an electronic payment has been made.

- 1.5 Of the above three options, the third option has the most benefits for car park users and is the lowest cost option as far as the Council is concerned. It is therefore only this option that has been investigated further. Details of discussions with possible suppliers are contained in the exempt appendix.

#### OTHER CONSIDERATIONS:

#### 2 CORPORATE STRATEGY (RELEVANCE TO):

- 2.1 Ensuring that our public car parks are operating efficiently contributes to achieving a strong and diverse urban economy. Providing for payment of parking charges by mobile phone will improve the service to many of our customers and be compatible with e-government initiatives.

#### 3 RESOURCE IMPLICATIONS:

- 3.1 Start-up costs for leaflets and metal signs would be about £500 and this can be funded from the existing car parks capital budget. There would be a cost of £15 per month for rental of the BlackBerry unit from O2 including unlimited internet access, and there would be a loss of 2.25% of the relevant income to cover credit card charges. These costs would be funded from existing parking revenue budgets.
- 3.2 Due to the nature of the payment and the fact that a ticket need not always be displayed the Off Street Parking Order will require minor amendments. This will require public notice by advertisement at an approximate cost of £700 which would be funded from existing parking budget. The proposed amendment to the Order is unlikely to attract objections.
- 3.3 If the mobile phone payment option is popular, there could in the longer term be a reduction in the number of pay and display machines within the car parks and a reduction in the costs of cash collection and ticket purchasing.
- 3.4 The Director will report at the meeting on the estimated value of the contract for the trial period.

#### BACKGROUND DOCUMENTS:

Publicity information about the four systems under consideration.

#### APPENDICES:

Appendix 1 – Details of four companies under consideration (exempt)