

Subject:	Parking Payment Systems - Extract from the proceedings of the Environment, Transport & Sustainability Committee Meeting held on the 28 June 2016		
Date of Meeting:	14 July 2016		
Report of:	Executive Lead Officer for Strategy, Governance & Law (Monitoring Officer)		
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Wards Affected:	All		

FOR GENERAL RELEASE

Action Required of the Policy, Resources & Growth Committee:

To receive the item referred from the Environment, Transport & Sustainability Committee for decision:

Recommendation:

That the Policy, Resources & Growth Committee:

- 1) Approves the procurement of 320 card-only Pay and Display machines, upgrades to the existing 330 Pay and Display machines to accept card payments only, and additional upgrades to 150 newer cash machines to allow them to accept the new £1 coin and card payments;
- 2) Grants delegated authority to the Executive Director Economy, Environment and Culture to award the contract(s) following the procurement.
- 3) Approves that the upgrade and purchase of parking machines is included into the council's Capital Investment Programme 2016/17 funded through prudential borrowing. .

BRIGHTON & HOVE CITY COUNCIL

ENVIRONMENT, TRANSPORT & SUSTAINABILITY COMMITTEE

4.00pm 28 JUNE 2016

THE RONUK HALL, PORTSLADE TOWN HALL

MINUTES

Present: Councillor Mitchell (Chair) Atkinson, Deane, Greenbaum (Group Spokesperson), Janio (Opposition Spokesperson), Miller, Moonan, Robins, G Theobald and Wares

PART ONE**17 PARKING PAYMENT SYSTEMS**

- 17.1 The Committee considered a report of the Acting Executive Director for Economy, Environment & Culture that set out evaluated procurement options for the procurement of Pay & Display machines and requested the committee to recommend to Policy, Resources & Growth Committee to approve the preferred option for the reasons set out in the report.
- 17.2 Councillor Janio noted his long-running concerns regarding new and differing methods of parking payment systems and the speed of that change. Councillor Janio stated his concern that the new systems were a detriment on the basis of equality for some residents, particularly the elderly who may not own a mobile phone or could not adapt to the rapid change in new systems.
- 17.3 Councillor Miller stated that there were serious flaws with the financial case made for the preferred option (Option 3). Councillor Miller noted that there was a £1.6m one-off capital cost between Option 1 that would upgrade existing machines to accept the new £1 coin and Option 3 that would replace existing machines with 330 card-only Pay and Display machines and upgrade 150 machines to accept the new £1 coin and card payments. Councillor Miller stated that a £1.6 million one-off cost was not a justifiable expenditure for a new system that he felt many residents would find an inconvenience. Furthermore, Councillor Miller noted that Option 3 would only realise a £25,000 annual operational revenue cost saving compared to Option 1. On that basis, he could not see a justifiable reason to support the recommendation of the report.
- 17.4 The Policy & Development Manager stated that the report stressed the age of the current stock of Pay & Display machines. Much of the council's stock of Pay & Display machines were now 15 years old and required replacement. The existing machines had an expected life-span of 7-10 years. Furthermore, there had been 51 thefts of cash Pay & Display machines in the first three months of the year so replacing cash machines with card only machines would represent a reduction of risk and expense in cash collection operationally. The Policy & Development Manager also referred to the impact

of the recent loss of significant revenue due to the collapse of the council's cash collection contractor.

- 17.5 Councillor Miller noted that the risk of theft, operational cost and cost of replacement was also factored into Option 1 that did not include capital costs of £1.6 million. Councillor Miller reiterated his view that a card payment system would be an inconvenience to a large portion of residents and visitors using the machines.
- 17.6 The Chair stated that card payment was a very common form of payment noting that 95% of the population now owned a bank card and car drivers would need a bank account for insurance and tax purposes.
- 17.7 Councillor Atkinson stated that Option 3 was compelling firstly because it would improve and consolidate the council stock of Pay & Display machines and secondly, it provided residents and visitors the option to pay using a bank card or cash in more locations. Councillor Atkinson noted that the consultation results demonstrated that 78% of people wanted a card payment option to pay for parking, and there would be no extra fee or charge to users paying by card. Furthermore, there had been a loss to the council of £150,000 since 2008 due to theft from Pay and Display machines and increasing the number of card-only machines and reducing the cash amounts stored in card and cash Pay and Display machines would help reduce risk to the council in lost income.
- 17.8 Councillor Theobald stated that he had not received justification on why £1.6 million of capital expenditure was required particularly in light of the council's financial position.
- 17.9 The Head of Transport stated the benefits of recommended Option 3 were clearly set out in the table and that that some of the Pay & Display machines would have to be replaced anyway due to age and poor condition and the capital investment would provide opportunity to upgrade the council's stock to incorporate a more modern form of payment.
- 17.10 Councillor Robins stated he refuted the assertion that card payment would be an inconvenience particularly as significant amounts of change was required to pay at certain locations, which would be an inconvenience in itself.
- 17.11 Councillor Miller stated that he agreed with the observations made by Councillor Robins but the report was clear that the annual machine replacement was included in the report under Option 1.
- 17.12 The Chair cautioned that the new £1 coin would be in circulation very soon and there would be significant risk to the council if it did not make arrangements for that in the short-term.
- 17.13 Councillor Janio stated that officers should be tasked with presenting the financial information detailed in the report in a clearer manner and an urgency sub-committee could be convened to re-consider the report once that was complete.
- 17.14 In view of the debate, the Chair proposed deferring a decision on the preferred option of procurement on the basis that clearer and more detailed financial information be

presented to Policy, Resources & Growth Committee for their scheduled consideration of the report on 14 July 2016.

17.15 The Committee agreed to the proposal made by the Chair.

17.16 **RESOLVED-** That the Environment Transport and Sustainability Committee:

- 1) Notes the procurement options evaluated in this report and recommends that Policy, Resources & Growth Committee considers the report's recommendations for the procurement of Pay and Display machines, for the reasons explained in the report.