

Subject:	Phone parking contract tender		
Date of Meeting:	26 June 2018		
Report of:	Executive Director Economy, Environment and Culture		
Contact Officer:	Name:	Paul Nicholls	Tel: 01273 293287
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The report seeks approval and authorisation from the Environment Transport and Sustainability Committee regarding the recommendations in Section 2 to undertake competitive tendering for the provision of an on-street parking by phone system.
- 1.2 The option of paying for on street parking by phone or at a PayPoint shop in cash, was introduced in September 2013. Before that date all on street parking was paid in cash at pay and display machines.
- 1.3 The framework agreement led by Lambeth Borough Council, was awarded to PaybyPhone, and called off by the city council to provide the phone parking service. This contract expires in September 2018 and the framework agreement is no longer available.
- 1.4 The value of the proposed contract over a potential 5 years is estimated at £3m to the service provider.

2. RECOMMENDATIONS:

- 2.1 That the Environment Transport & Sustainability Committee grant delegated authority to the Executive Director for Economy Environment and Culture to take all steps necessary to :
- 2.2 Procure and award a new phone parking contract for a term of two years
- 2.3 Approve an extension to the contract referred to in 2.2 above for a period of up to three years following the initial two year term, subject to satisfactory performance by the provider

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Since the introduction of the service it has grown steadily year on year in popularity and it is now responsible for over 200,000 transactions every month or

over 55% of all on street parking transactions. Over 300,000 unique users have also used the service in the city at least once in the last 5 years. 82% of the pay by phone transactions are through the parking application (app).

- 3.2 Once registered drivers can review all their parking transactions online. They can also top up their parking sessions remotely up to the maximum stay for that location. The cost of the service when introduced was 15p but as the number of transactions has increased the cost per transaction has reduced and Environment Transport & Sustainability Committee agreed to reduce the charge to 10p. The 10p covers the cost of providing the service including data security and the development of the app and service.
- 3.3 Although this contract does not require Procurement Advisory Board approval we have fully liaised with the Procurement Section

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The option of not re-letting the pay by phone service was considered but the service is now responsible for the majority of parking transactions and is popular with the section of the community which uses it as their preferred method of payment. The removal of the service would lead to additional demands on pay and display machines, and additional maintenance and cash collection costs for these machines.
- 4.2 Options for suitable frameworks are being considered and if none are identified this contract will go out to full tender.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Citywide Parking Review in 2012 asked whether people would use their mobile phone to pay for parking and overall 45% of people said they would use this system at least sometimes. Amongst the under 44 year age group this figure increased to 67% of those surveyed who would use their mobile phone or a smart phone application at least sometimes to pay for their parking. Overall 78% of residents said they wanted to use credit and debit cards for parking. After 5 years nearly 55% of parking transactions are now made by phone.

6. CONCLUSION

- 6.1 The system of paying for parking by phone is now well-established in the city and responsible for most on street parking transactions. Not renewing this contract would mean that additional cash collection and maintenance costs as well as reducing the options available to residents and visitors to pay for their parking.
- 6.2 Therefore it is recommended that Committee agrees to all the recommendations outlined in this report.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The 2018/19 revenue budget has been set based on the current contract with PaybyPhone. The budget will be reviewed as part of the Targeted Budget Monitoring (TBM) process following the award of a new contract.
- 7.2 The procurement of a contractor is subject to the council's Contract Standing Orders policy.

Finance Officer Consulted: Gemma Jackson

Date: 17/05/18

Legal Implications:

- 7.3 In accordance with Part 4 of the council's constitution, the Environment, Transport and Sustainability Committee is the appropriate decision making body in respect of the recommendations set out in paragraph 2 above. In addition, in order to comply with the Contract Standing Order 3.1 authority to enter into contracts in excess of £500,000 must be obtained from the relevant Committee.
- 7.4 The procurement of the contract must comply with all relevant public procurement legislation as well as the council's Contract Standing Orders

Lawyer Consulted: Wendy McRae-Smith

Date: 08/06/18

Equalities Implications:

- 7.5 Blue Badge holders benefit from concessions which allow them to park for free throughout Brighton and Hove in any Pay and Display or Shared use parking bay. As such they would not need to use this service provided that their badge is correctly displayed. For other disabled groups the pay by mobile tender will include the ability to pay for parking by cash at retail locations in Brighton and Hove. Almost all of these are fully accessible to disabled drivers, whether or not they are blue badge holders. For hard of hearing and deaf groups, there is the option to register online or via text and carry out each subsequent transaction by text. The service provider is also required to ensure that suitable customer service channels are available for this group.
- 7.4 A full Equalities Impact Assessment (EIA) has been carried out for this service and included for regular review within the Parking Services EIA

Sustainability Implications:

- 7.5 The pay by mobile system has reduced the number of cash collection rounds carried out by van which has in turn reduced carbon emissions. The system has also helped reduce the maintenance costs and extend the life of our stock of Pay and Display machines reducing the need to buy replacement parts, visit and repair faulty equipment or replenish tickets as they are used less frequently, which is also good for the environment.

Crime and disorder implications

- 7.6 The Service Providers are required to store and manage payment card information to Payment Card Industry Data Security Standards. Under the previous cash based system, every year there were a number of attempts to extract money from Pay and Display machines resulting in the machines being damaged. By reducing the amount of cash held in Pay and Display machines the risk of damage and theft will be reduced.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents in Members' Rooms

1. None

Background Documents

1. None