

On-Street Parking Payment Mechanism Review

2021 Consultation Survey Report

Background

Parking Services are responsible for the management and maintenance of on-street parking facilities and undertakes regular reviews to ensure it continues to provide a fit for purpose service, which accommodates the needs of its customers and local businesses and supports the economic growth and environmental well-being of the city.

When looking at new pay and display machine replacements there are now significant external factors that could affect the use of on-street parking, such as Covid-19, the economic downturn and changes to working and consumer shopping habits. This, along with the long-term austerity measures affecting Council funding, means the options for replacing the current facilities need to be carefully considered for best value into the future.

As the current stock of pay and display machines are nearing their end of life, proposals were put forward which, together, will continue to provide options for customer payments but also provide savings for the Council with reduced maintenance costs, cash collection costs and the costs associated with theft of cash from machines.

Survey Method and Demographics

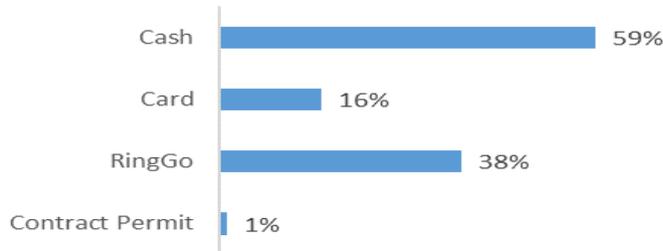
A consultation survey was published on the Council's website between December 18 – January 31. Methods used to advertise the consultation for responses included social media (Twitter and Facebook), Nottingham City Council's Transport Strategy e-newsletter, BID communications to businesses in Nottingham, direct mailing to local businesses in pay and display locations, stakeholder emails, Nottingham City Council's staff intranet and signs/notices displayed on all pay and display payment machines located around the city.

A total of 189 online responses were received. This is a very small number of responses compared to the total number of customer transactions made during the period of the consultation of some 35,000. Therefore, the survey results do not accurately reflect the views of most users.

This is also reflected in the higher percentage of cash users responding to the survey than those using other payment methods as these are the customers who would be most directly affected by the proposed changes. Those already using cashless methods to pay for their parking (65% during the consultation period) would most likely be less inclined to respond to the survey as the proposed changes would not really affect them.

55% of respondents were aged 55 years or over and 7% of respondents were aged 16-34 years. Again this could have a significant impact on the results of the consultation survey as it would be expected that the older generation would be happier with more traditional payment methods while the younger generation would be more accepting of newer technologies.

Respondents were asked to indicate how they usually paid for their on-street parking.



*percentages total over 100% as respondents were able to choose more than 1 option. Some obviously use a variety of options to suit.

A higher percentage of respondents to the consultation stated they paid by cash compared to evidenced data over the same period, which indicates that more respondents who prefer to pay by cash responded to the consultation. This perhaps ties in with the older age group demographic who may be more comfortable with the traditional cash payment systems over the newer technologies.

Data	Cash Payments	Card Payments	RingGo Payments
January 2020	29%	24%	47%
January 2021	29%	6%	65%
This consultation*	59%	16%	38%

*percentages total over 100% as respondents were able to choose more than 1 option. Some obviously use a variety of options to suit.

A lower percentage of respondents to the consultation stated they used RingGo compared to evidenced data over the same period, which supports the indication that those less affected by the proposed changes did not complete the consultation survey.

It should also be noted that there has been a significant increase of 38% in the number of RingGo transactions between January 2020 and January 2021. This confirms that customers using on-street parking are using the technology well and using it in increasing numbers.

Responses were obtained from a total of 44 different locations throughout the city covering all areas where changes have been proposed.

All respondents completed the consultation survey online, indicating that across all age groups and abilities, all were able to use and navigate the internet and submit their responses accordingly.

Consultation Results Summary

1. Proposed removal of on street payment machines

Respondents were given the information that 48 'pay and display' machines are proposed to be removed from the city centre on-street parking bays. In place of these machines, signage will be installed to guide customers to either use RingGo; go to the next nearest cash or card machine or go to the nearest Pay Point outlet.

Machines were chosen for removal based on their use and location. So those which took fewer cash transactions and were in closer proximity to other machines (which would remain) were highlighted as suitable for removal.

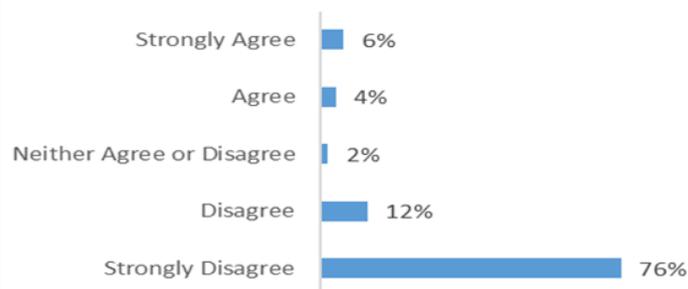
This proposal helps support the Council's ambition to move towards a more cashless solution for parking payments; to reduce high maintenance costs; cash collection costs and costs associated with theft from machines.

Respondents were asked how they normally paid for their parking and this was compared against the actual method of payments recorded during the same period of the consultation.

A higher percentage of respondents to the consultation stated they paid by cash compared to evidenced data over the same period, indicating that more respondents who prefer to pay by cash responded to the consultation. The 65% of customers already paying by RingGo during the consultation period would be less affected by the proposals and may not have been inclined to take part in the consultation for this reason.

1.1 RingGo

Respondents were asked how strongly they agree or disagree that they would be willing to change from using cash payments to RingGo (pay by phone) payments.



While 88% of respondents would be unwilling to switch to RingGo from cash payments it should be noted that a higher percentage of cash users responded to the survey compared to those who already use this method anyway.

Comments received seem to indicate a high level of misconception relating to the RingGo service. Some said they do not have a mobile phone or a suitable mobile phone and this would disadvantage

them, the elderly and disabled, including those with loss of hearing. However, the RingGo service does not require the use of smartphone technology. A standard voice and text phone will suffice - having an application installed on a phone is not a requirement to use the service.

The Ofcom 'Adults media use and attitudes report 2018' indicates that 78% of 65-74 year olds use a mobile phone with 72% of the over 74's and one of the UK's largest hearing loss charities 'Action on Hearing Loss' states that *"The increasing availability of smartphone apps for parking payments has been beneficial and helps to avoid situations where people with hearing loss are disadvantaged by not being able to make use of voice call payment systems."*

There was also an assumption that it would cost more to use the service, however Parking Services pay all fees for using the service and while other services are provided for a small charge, such as reminders that parking sessions are due to end, these are completely optional services. There are no extra charges for using RingGo compared to cash or card payments.

There are those who consider the use of any new technology difficult to master but there are also new advantages which may not have been considered, such as the fact payments can be made from the safety and security of a vehicle, without the need of a walk to find a payment machine and the ability to 'top-up' parking sessions when unexpectedly delayed returning to a vehicle.

Parking Services recently re-tendered to secure a pay by phone provider, ParkNow (RingGo) were successful and as part of this new contract there will be a relaunch of the pay by phone option to mitigate/negate the concerns raised by responders to the survey in particular confirming that there will be no extra charges to the customer when using RingGo.

1.2 Other Concerns

Comments were raised that disabled and/or elderly people may have difficulty walking to/from the proposed reduced number of payment machines or Pay Point locations.

Parking will remain free of charge for Blue Badge Holders who have mobility difficulties and payment machines offering cash and card/contactless payment options would still be available for those who prefer or can only pay for parking this way. Customers would just need to check online or call the parking team for details of the location of payment machines or a Pay Point outlet prior to starting their journey, to help plan their parking needs. On street signage will also help provide clear guidance to the nearest cash machine.

2. Proposal to provide new machines with card/contactless payments only.

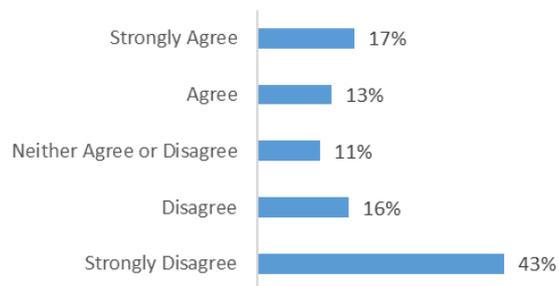
Respondents were given the information that 50 'pay and display' machines are proposed to be replaced with a new retrofit design offering card and contactless payments only. Signage will be installed to guide customers to the nearest cash machine or the nearest Pay Point outlet for those who prefer to continue to pay with cash. Customers will still also be able to pay by phone (RingGo).

Machines were chosen for this proposal based on their use and location. So those which took fewer cash transactions were highlighted as suitable for the switch to card/contactless only.

This proposal will help reduce the costs associated with cash collections and risk of theft of cash from machines and subsequent customer inconvenience from machines being out of order whilst waiting for repair, which supports the Council's overall aim of moving towards more cashless facilities for parking payments.

2.1 Card Payments

Respondents were asked how strongly they agree or disagree that they would be willing to change from using cash payments to making card payments.



While 59% of respondents stated they would be unwilling to switch to card payments from cash payments it should be remembered that a high percentage of cash users responded to the survey.

Respondents who supported the move to card only payments stated they would be particularly pleased to have a contactless option which is currently available on the existing pay and display machines, especially in Covid-19 times, which they thought would be safer and quicker than cash payments.

Concerns were mainly raised about access to bank accounts and cards and that this would disadvantage the elderly, disabled and those on low incomes. However, it should be noted that the UK government has helped launch fee-free bank accounts for people on low incomes, including the elderly. Most wages and state benefits are now paid directly into recipients' bank accounts which makes living without one and also being able to run a vehicle most unlikely.

For those concerned about security of their card data, prepaid cards can be used in pay and display machines. These are reloadable money cards which can be preloaded and topped up as funds run out and then used in the same way as a debit or credit card but are not linked to a bank account. They can be purchased from the post office, some banks and local newsagents or ordered online. Ongoing communications following the changes will help support customers to alternative ways to pay for parking.

2.2 Retrofit Machines

Parking Services have undertaken a review of on-street pay and display parking machines and developed a programme to move towards a predominantly cashless parking operation. This forms part of the Budget Proposals for 2020/21 and brings the on-street provision in line with the cashless approach in other parts of the city. The aim is to streamline the customer payment process, minimise security risks and provide monetary savings through reduced machine maintenance and cash collection costs.

Machines will be upgraded using new retrofit technology to the existing machine columns. This reduces the overall hardware and groundwork costs and disruption to service. This is a new concept in the progression of the design of pay and display payment equipment. It involves the removal of the core hardware of the existing cabinet replaced with new and better hardware and software technology. There is no need to remove and replace cabinets or undertake any civil works. It also offers considerable savings and disruption to services as work can be completed in a much shorter timeframe.

Although retrofits are a new concept to the pay and display parking machine market, other Councils have implemented the retrofit pay and display machines as opposed to full replace. Nottingham City Council have, through the British Parking Association, had feedback on these retrofits from Rotherham, Doncaster and Cambridgeshire County Council who have purchased the retrofit kits to their Metric Elite cabinets (same as Nottingham City Council current stock) and all comments received were positive.

3. Proposal to continue to provide cash payment facilities at a limited number of machines.

Respondents were given the information that 17 'pay and display' machines are proposed to be replaced with a new retrofit design **offering cash**, card and contactless payments. Customers will still also be able to pay by phone (RingGo).

Machines were chosen for this proposal based on their use and location. So those machines which took the most cash transactions or were located closest to facilities such as medical care were highlighted as most appropriate to maintain a cash payment facility but at the same time providing newer machines which would also offer a new contactless facility alongside traditional card to add further choice and convenience for our customers.

With a high percentage of respondents to this consultation preferring to pay by cash - 59% (87no) and a higher age category of over 55yrs - 55% (100no) this is why we have retained 17 cash across the P&D portfolio to address the concerns raised as part of the consultation, this will enable a phased migration to a cashless parking operation. In most cases this has been reflected in the locations for these machines, taking into account the nearby facilities which could conceivably be most used by people from these higher demographics.

65% of parking transactions within the city centre are now being made with a pay by phone service. Customers are appreciating the added benefits of being able to pay for their parking from the safety and security of their vehicle, without having to find and walk to a machine, especially if they are alone, in the dark or in bad weather. Also, being able to extend parking periods when delayed in a meeting, appointment or a queue in a shop, prevents the issue of penalty charge notices.

4. Conclusion

On street parking cashless payment (card and RingGo) pre COVID was at 71%, with the investment in contactless and pay point options which is part of the relaunch of RingGo will see cashless payments increase further, but we will still cater for those customers that wish to pay by cash to help assist in the phased migration of our customer base to a cashless parking operation.

From the actual payment data analysed, we know that from all transactions made during the consultation period that 65% (14,629) were cashless payments; this is in stark contrast to the results from the survey. It is strongly suspected that many citizens who are happy with cashless options were not incentivised to take the survey as opposed to those who are resistant to the change and used the survey to voice their objections.

Ongoing provision will continue to reflect customers' choice and preferences within the city. The demand for cashless payments is increasing and is now starting to outweigh the expensively administrative cash alternative. Customers will continue to be supported to meet their needs and preferences.

It is recommended that the Council proceeds with the current proposals.