

Community, Economic Growth and Property Committee:

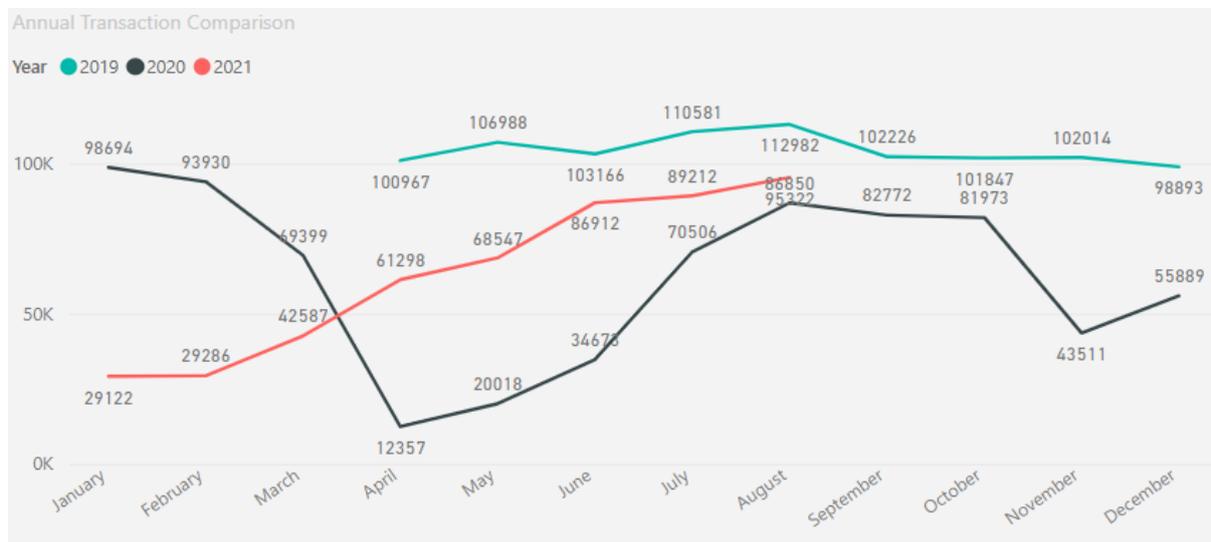
Car Parking Services and Pay Machine replacement

Background

Swale Borough Council is responsible for 38 car parks across the Borough made up of free to use and paid for services.

The COVID-19 pandemic has changed the landscape of the Town Centre, impacting both leisure visits to Town Centres (due to public lockdowns and increases in online services) as well as a decreasing commuting due to teleworking / remote working, subsequently changing how people use car parks. This translated to a financial downturn in financial year (2019-20); the Council received £1,888,312.92 of income from pay and display machines against a projected budget of £2,026,970. In 2020-21 this was further compounded with figures of £734,964 against a budget of £2,001,940.

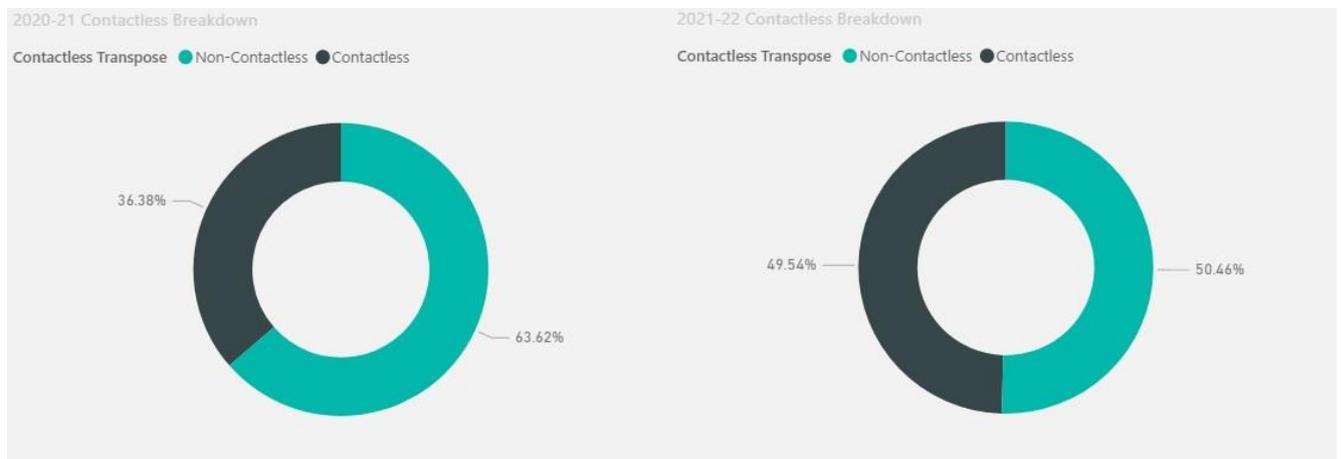
The recovery has started this year. As you can see from the graph below (*Graph 1*), the number of transactions is steadily increasing but has yet to reach pre-pandemic levels.



Graph 1

We currently offer three core payment options within these car parks: cash, card/contactless (being trialled on six units) and Cashless Parking (RingGo). There are 40 pay and display machines, 34 of these units only take cash. RingGo is used across every paid location.

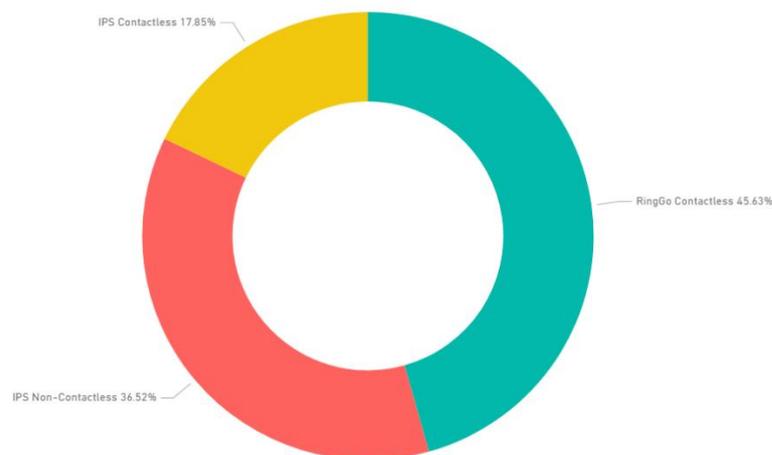
Transaction data over the past two years has identified a consistent growth in the use of cashless payments (*Graph 2*), this is without any large marketing campaigns and without any large rollout of new services. The majority of growth is natural growth caused by the RingGo service, with a small boost after the first pay units accepting contactless payments went live.



Graph 2

Trialling Pay and Display Machines

In Central Car Park where we have the larger body of data for our trial units which allow both cash and cashless payment options, the data has shown that the cashless option on the pay unit has been popular, accounting for 17.85% of total transactions in Central Car Park (*Graph 3*).



Graph 3

In addition to the three trial units supplied by IPS in Central Car Park, we have an additional three trial units supplied by Metric in Central Avenue and Albany Road car

parkers to allow us to compare the user experience between both suppliers so we can bring a more informed offer to market should we choose to replace our existing units.

One of the most impressive features when it comes to the popularity of cashless services in Swale, is that the huge levels of growth we have seen are natural and consumer led, and not a result of any extensive marketing campaign by the Council. It's fair to say that this shift to cashless then is being led by consumers and not by the Council. The Bourne Place MSCP already offers this option and cashless payments make up approx. 80% of transactions.

The proposal to replace our existing units for pay units which accept card/contactless/smartphone payments as well as cash would offer the following benefits:

- Reduction in unit faults
- Improved customer experience
- Staff time savings
- Cost savings for replacement parts
- Reduced reliance on cash collection services
- Cost savings for cash collection services

[Pay and Display Machine replacement](#)

We are embarking on a replacement of all machines in the Borough over the next two years. This proposal will generate a number of changes to the service which should have a positive impact on overall service performance.

[Solar vs Mains Power](#)

All current pay units are solar powered, and whilst this has been a positive scheme for environmental goals, it has caused some operational issues, particularly in winter months when the units (especially those in shade) do not receive enough sunlight and require our operations team to drive across the borough swapping machine batteries (effectively nullifying the impact of the solar panels).

By switching half of our units to mains powered units, we will still be able to maintain a lower reliance on the grid, whilst having a more stable option for customers should there be a fault with a solar only unit.

[Improved Resilience](#)

By converting to units utilising cash/contactless payments, we are also reducing the wear and tear on the mechanical components required for cash transaction.

Over time, this will improve the customer experience as there will be less unit downtime and have a net positive impact on the cost of maintaining machines due to a lower turnover of replacement parts.

Improved Accessibility

By broadening the number of payment options available to the public we create a far more accessible service. Customers wishing to pay using a pay unit will be able to pay by cash or using card/contactless if they do not have the correct change on them which will reduce customer frustration.

Additionally, RingGo remains an accessible option for customers with visual impairment and people without English as their first language, due to the phone-in audio payment options and the variety of languages available to the end user.

As each of these has a simple user experience, rather than creating a confusing experience, we have streamlined the ease of use, whilst keeping the variety for the customer.

Environmental Impact

Finally, by introducing card/contactless payments and reducing the chance of machine faults, we also reduce the number of times that second and third-line maintenance (our operations team and our supplier) will need to attend the machines.

This leads to a reduction in mileage for both our operations team and our suppliers, which in turn will reduce harmful emissions. Whilst they utilise an EV which already removes several harmful emissions, further reducing mileage will reduce other air pollutants such as VOCs (Volatile Organic Compounds).

Additionally, for our suppliers who don't necessarily utilise EVs yet, the reduction in mileage will lead to significant reductions in CO2 annually.

Questions for committee

1. We are undertaking a review of fees and charges in order to try and recover the income we receive from car parking that helps to support other Council services. What alternative charges would members feel would be appropriate?
2. Electric vehicles form a small part of our total transactions, but this is a steep growth area. Should we charge a parking and electricity fee, electricity only fee or a parking only fee?
3. Pay and display replacement – what are your views on the benefits of alternative payment options?