

Title: Parking Service Development – Strategy and NPP
 Lead Officer: Neil Bridges (neil.bridges@warwickdc.gov.uk)
 Portfolio Holder: Councillor Will Roberts
 Wards of the District directly affected: All

Approvals required	Date	Name
Portfolio Holder	12/06/24	Will Roberts
Finance	18/06/24	Andrew Rollins
Legal Services		
Chief Executive	11/06/24	Chris Elliott
Director of Climate Change	11/06/24	Dave Barber
Head of Service(s)	11/06/24	Steve Partner
Section 151 Officer	18/06/24	Andrew Rollins
Monitoring Officer	12/06/24	Graham Leach
Leadership Co-ordination Group		
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes 1,442	
Accessibility Checked?	Yes	

Summary

Warwick District Council's Parking Service wishes to continue further improvements to the provision of its car parking services throughout the district. The purpose of the report is to seek funding to support the development of a new Car Parking Strategy and to join the National Parking Platform (NPP).

There is a need for a new Parking Strategy, as car parking is a critically important service the Council provides to residents, businesses, and visitors. A strategy is needed to ensure that future car parking provision takes into account future needs, sustainability, changes in technology, approach to charging and infrastructure.

The report also seeks approval to join the National Parking Platform (NPP), which would offering a wider customer choice of Parking App providers for Council car parks.

Recommendations

- (1)** That Cabinet agrees to create a new Parking Strategy to span 5 years 2025-2030.
- (2)** That Cabinet agrees to the provision and expenditure for a budget of up to £50,000, funded from the Service transformation reserve, to procure a specialist parking consultant to support the development of the Parking Strategy.
- (3)** That Cabinet agrees that WDC should join the NPP, as soon as possible but no later than August 2025, to offer a wider choice of parking payments for our customers, and delegates authority to the Head of Neighbourhood and Assets, in consultation with the Portfolio Holder for Neighbourhood and Head of Finance, to set the joining date and inform all Councillors of this.
- (4)** That Officers undertake a review of the impact of NPP membership after 12 months of operation and report it back to Cabinet, along with necessary actions.

1 Reasons for the Recommendation

- 1.1 This report covers two initiatives: developing a new car parking strategy and joining the NPP. As these two initiatives have a link it has been treated as one report and not two.
- 1.2 The previous car parking strategy expired in 2012. The report seeks approval and funding to develop a new car parking strategy for the district, that will provide a strategic framework to ensure consistent and evidence-based decision making.
- 1.3 The report also seeks permission to become a full member of the NPP, as this will not only make app payments much easier for customers, support the Council's MTFS but also provide opportunities that could be considered as part of the strategy development.
- 1.4 **Develop a new Parking Strategy and agree the budget.**
 - 1.4.1 The current Parking Strategy is twelve years old, and a new strategy is now needed, that will take into account the changes in car usage and demand in this time. To develop good governance and oversight of a new Parking Strategy a

cross-service project team will be needed to oversee its development and take on board the consultant advice. This would be a corporate piece of work, it is proposed that services directly connected with Parking such as Safer Communities, Leisure and Environment, Place, Arts and Economy, Climate Change and Finance are needed to inform the approach regarding the following themes:

- Environmental considerations.
- Infrastructure e.g. transport developments such as the current widespread uptake of EVs
- Future parking provision.
- Modelling of parking patterns and income.
- Investment.
- Charging (fees and tariffs, permits, enforcement, appeals) – in line with the current Commercial Gov consultation to fit in with the wider parking strategy.
- The local town centre economies, Leamington Transformation Board proposals and stakeholder needs.
- Risks.
- Technology.
- Customer service delivery.

1.4.2 To develop a new Parking Strategy a specialist consultant will need to be procured to work alongside the Neighbourhood and Assets team to support this work. It is estimated that the consultancy cost to develop a parking strategy would be up to £50,000. Once a consultant is appointed, the strategy development is anticipated to take between 6 to 12 months to complete.

1.4.3 The broad baseline specification will include:

- To review parking provision from an income generation, climate emergency and active travel perspective.
- To understand, document and provide indicative costings for required car park maintenance.
- To review areas of under and overcapacity in parking provision and analyse the feasibility of additional parking provision or means to achieve modal shift to sustainable modes of travel.
- To undertake stakeholder engagement to understand the views and needs of all stakeholders (including as examples WCC, Town/Parish Council's and BID Leamington) and to develop options for the district's parking strategy which support the town centres economy and sustainability.
- To provide a data driven and evidenced based parking strategy that meets the needs of all stakeholders.

1.5 **The National Parking Platform (NPP)**

- 1.5.1 The NPP is a new national parking pay by phone service supported by the Department of Transport. It is a data hub and open marketplace that can broker parking transactions between numerous payment service providers (e.g. RingGo) and parking providers (WDC).
- 1.5.2 The NPP intention is that if the motorist is charged the convenience fee, it will stimulate competition between the payment (app) providers who will lower their rates to gain more customers. This will drive cheaper rates than the current contract-based system and improve resilience giving more options to pay if one app payment system fails. Those payment providers charging excessive convenience fees will put their market share at risk; whilst cutting costs may give them an edge over their competitors.
- 1.5.3 NPP provide a series of standardised ways to share important data about our parking sites and the vehicles that use them. It is likely to expand and incorporate more features such as parking permits, EV charging, resident parking and possibly permits.
- 1.5.4 Currently 60% of the Council's customers pay through RingGo and by joining the NPP will allow customers that use different car parking payment apps to pay online without the need to download additional other car parking apps. This makes the digital journey for customers easier and quicker.
- 1.5.5 The NPP pilot scheme started in Manchester in September 2021. Standardised contracts were subsequently created, and further authorities joined such as Oxfordshire, Cheshire West, Coventry, and Walsall last year. A full platform private beta is to be trialled with several operators in July 2024 and it is anticipated going fully live in the Autumn 2024. Early access operators will be invited to join from November 2024, which is when the Council would look to join as a full member.
- 1.5.6 The Council is already an associate member and have expressed an interest to becoming a full member and in doing so, as well as complying with other requirements has mitigated the need to pay a £10,000 joining fee. Associate membership allows joining without immediate usage. It is suitable to operate alongside our existing RingGo contract.
- 1.5.7 The membership agreement will be a rolling 12-month contract which renews automatically. There are no annual membership charges other than the proposed 2.5% transaction fees charge that also handles the financial flows and governance communications. This is slightly cheaper than the current contract with RingGo at 3% transaction fees, which will bring forward a small saving to WDC, £13.2k pa based on last year's fees. The Council will be able to leave at any time, with 1 months' notice, which provides WDC with flexibility and de-risks this initiative.
- 1.5.8 Other than a likely cost to replace the car park 'NPP location code' signage in all WDC car parks there should be no further expenditure. This will entail replacing or overlaying the existing RingGo signs and perhaps the further addition of NPP signage for added customer clarity that we offer multi-vendor payments through the NPP.

1.5.9 The RingGo convenience fee (the cost paid by the driver) has been absorbed since March 2022 following an operational decision by the Parking Service falling in line with the on-street provision by WCC who also use RingGo and at a time when the Council went fully cashless in all our car parks. Competition law means this is not possible in a multi-vendor environment, instead, the NPP sets up a competitive market, where each participant makes a choice about the fee, they charge allowing the customer to select the provider they wish to use.

1.5.10 The benefits of NPP to car parking customers are:

- It is intended as a national scheme that will be available in all publicly owned car parks.
- Visitors can use the app of their choice and preferences that best suits their needs. This saves customers from having to enter their vehicle and payment details every time they visit a new area.
- Would introduce multiple payment providers offering a wider choice to our parking customers.
- Competition between suppliers for customers enables customers to choose the supplier that best meets their needs.
- Payment resilience by giving more options to pay if one payment system fails.
- The NPP does not seek to remove existing payment machines, such as pay-and-display machines, they intend to help integrate their systems into the NPP.
- It will provide scope to create new methods of payment such as vouchers to display in a window.
- Develop new services related to parking, road access and other value added. services such as guidance to spaces, frictionless parking, uniting EV charging and parking options,
- It lays the groundwork for future vehicles to handle parking payments for themselves.

1.5.11 The benefits to the Council of joining the NPP are:

- More opportunities to be considered as part of the development of the Car Parking Strategy
- Reduce contract management administration and reduce contract overheads with a lower transaction charge.
- The Council no longer absorb convenience fee charges, and this would be passed onto the customer e.g. £0 to £0.20 per transaction, which is estimated to save up to £76,000 per year and support the Medium-Term Financial Strategy.

1.5.12 Officers have liaised with WCC and Parking colleagues at other District/Borough Councils in Warwickshire. It is anticipated they will all join the NPP at a mutually agreed time within the next two years. However, to get maximum benefit for WDC it is considered more appropriate to join as soon as possible.

1.5.13 This process currently only brokers pay by phone parking payment services and does not include ticket machine charges at present. The NPP does not seek to remove existing payment systems (pay-and-display ticket machines). We will explore our options for our current supplier Metric, to integrate their

systems into the NPP and join up a full picture of occupancy and availability data.

2 Alternative Options

- 2.1 The Cabinet could decide to continue without an up-to-date Parking Strategy, would mean decisions could be made without an evidence base, opportunities missed, resources deployed in an ineffective way as well not meeting expectations of customers.
- 2.2 This is not a recommended as the Council may miss the benefit of additional advice at a time when car parking provision needs to continue to evolve. A strategy provides an opportunity to consider the art of the possible, the evidence base and engagement and consultation with key stakeholders.
- 2.3 The Cabinet could decide not to join the NPP at this time, but the opportunity impact of not doing so would mean:
 - The NPP provides future possibilities to inform the Car Parking Strategy
 - Continuing to procure a sole pay by phone payment provider rather than adhere to a national administration fee that the NPP offer.
 - Miss out on the benefits of DfT backed data standards that may support automation of individual location parking income into the finance system.
 - Future app payment process innovation that the pay by phone providers may implement to compete with each other, which may reduce convenience fee charges to the motorist/customer.
 - The Council would continue to absorb the annual £76,000 convenience fee charges against a sector wide financial pressure.
 - Continue to minimise customer payment choice to one pay by phone provider. This may impact the customer with higher convenience fees that the NPP process would otherwise be able to drive down, with its competitive market between the pay by phone providers themselves in order to retain and gain a larger market share of the parking income.

3 Legal Implications

- 3.1.1 There are no legal implications identified as part of this report in developing a new Car Parking Strategy. Any legal implications around potential changes to car parking provision would be addressed as part of the strategy development.
- 3.1.2 NPP Membership Agreement is a 12-month contract that renews automatically. The Council would not be locked in as it allows members to leave at any time with a short notice period.
- 3.1.3 The current contract with RingGo is due to be replaced by a new contract in August. The new RingGo 1 year plus 1 year contract is anticipated to start 10th August 2024 and this Gcloud contract allows us to end it with 30 days' notice allowing WDC to migrate from a sole vendor to a multi-vendor open-market solution via the NPP.

4 Financial Services

- 4.1 It is estimated that the consultancy cost to develop a car parking strategy would be up to £50,000. This would be funded from Service transformation reserve With better enforcement coverage in all our car parks and despite the

increase in their visibility, the last 12 months has seen a notable increase in the PCN income. Clearly indicating the amount of parking income that would otherwise have been lost had not been for an enforcement presence.

- 4.2 A procurement exercise will be undertaken to procure the specialist consultant in line with the Council's financial procedure rules, it is anticipated this will start once approved, the completion time will vary depending on the most appropriate route chosen and available to use.
- 4.3 With full NPP membership the Council would no longer absorb the convenience fee, which has been in place since March 2022. The payment data indicates this has cost the Council approximately £76.5k over the last financial year and has grown over as more customers use RingGo. This change would provide a financial benefit to support the Council's MTFS under Priority 1 of the Corporate Strategy.

5 Corporate Strategy

- 5.1 The creation of a Car Parking Strategy and joining the NPP supports Priority 1 of the Corporate Strategy: Delivering valued, sustainable services:
 - "Our medium-term financial strategy will set out the steps we will take to ensure we continue to be financially sustainable and can continue to invest across the district. This will include making better use of existing resources and consider how we can increase income generating opportunities".
 - "By reviewing how Council services are delivered and measuring performance will help ensure high quality services are being delivered across the Council".

6 Environmental/Climate Change Implications

- 6.1 The review of the Parking Strategy will take account of the Council's climate change ambitions by exploring the potential for the strategy to encourage alternatives to combustion engine vehicles and by incorporating potential for extended EV charging, car clubs and cycle parking.

7 Analysis of the effects on Equality

- 7.1 An Equality Impact Assessment will be undertaken as part of the development of the Car Parking Strategy. An EQIA was last undertaken when the Council introduced cashless parking for the start in March 2022.

8 Data Protection

- 8.1 There are no Data Protection implications linked to the Car Parking Strategy element of this report.
- 8.2 The NPP will operate by default as a data processor, using numberplates rather than personal data. This is set out in their Membership Agreement. By becoming a member, a service provider or parking provider (WDC) commissions the NPP to process data on its behalf. This will require the Council to enter in to specific agreements with the NPP which will be considered by the Information Governance Team and will be completed as part of the implementation plan.

9 Health and Wellbeing

9.1 There are no health and wellbeing implications as a result of this report.

10 Risk Assessment

10.1 There are no risks identified with the Car Parking Strategy element of this report. A full risk assessment will be undertaken as part of any future draft parking strategy report.

10.2 The NPP is a Department for Transport (DfT) backed service and data hub that brokers parking transactions between numerous payment providers and has Councils already in use as part of the polit. As part of a risk-based consideration around this initiative meant waiting until now to consider joining.

10.3 The NPP is deemed to be low risk for the following reasons.

- The contract term has flexibility, and the Council is tied for 12 months and gives an opportunity to test and review its impact on parking services.
- The impact of the moving the convenience charge back to the customer: Currently, Nuneaton & Bedworth BC, Rugby, Coventry (already in NPP) and Birmingham do not absorb the convenience fee. However, this will not prevent a potential negative public reaction to this change, and we anticipate the size of this fee reducing as payment vendors vie for the market share of our customers.
- A risk has been considered if joining the NPP would impact on the current providers contract, – This is covered through the introduction of a new contract with the current provider as set out in 3.3 above.
- There is an opportunity risk of not taking forward membership of the NPP for the reasons already set out in this report.

11 Consultation

11.1 The development of a new Car Parking strategy will include a consultation and engagement plan to help inform and shape the way forward.

11.2 Regarding joining the NPP, this recommendation will make app payments more accessible and so consultant was not required.

11.3 Car parking charges will be consulted upon as part of the annual planned review of fees and charges.

Background papers:

Supporting documents:

'NPP-decision-makers-guideweb.pdf'

'National-Parking-Platform-introduction-for-LAs.pdf'

'Parking Consultant Pricing comparison – Cabinet Report.pdf'

<https://npp.org.uk/>

<https://npp.org.uk/faq/>

<https://myringgo.co.uk/>