

DECISION TITLE: Joining the National Parking Platform
Councillor Gavin Elsey – Cabinet Member for Infrastructure, Environment and Climate Change.
November 2023
Deadline date: November 2023

Cabinet portfolio holder: Responsible Director:	<i>Councillor Gavin Elsey – Cabinet Member for Infrastructure, Environment and Climate Change</i> <i>Adrian Chapman – Executive Director of Place and Economy</i>
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: YES Unique Key decision Reference from Forward Plan: KEY/9OCT2023/01
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO

RECOMMENDATIONS

The Cabinet Member is recommended to approve the decision to:

1. Join the National Parking Platform (NPP) to give parking customers the choice of which cashless parking provider they use to pay for their parking by either phone or app.
2. Enter a contract with the parking providers (currently Pay by Phone, RingGo (EasyPark), APCOA Connect and JustPark) for an initial period of 2 years with an option to automatically extend, after the initial period, for successive periods of 12 months for the purpose of receiving payments from the parking providers, made by Peterborough City Council's parking customers. The annual value of the overall contracts is anticipated to be £24,000 per year, being 2.5% of the transaction. However, this cannot be broken down per provider because it is the motorist who chooses which provider to use to pay for their parking in a Council car park.
3. Enter into contracts with further parking providers as and when they join the NPP for a term to coincide with the contract period stated at paragraph 2 above.

1. PURPOSE OF THIS REPORT

- 1.1 This report is for the Cabinet Member for Infrastructure, Environment and Climate Change to consider exercising delegated authority under paragraph 3.4.3 of Part 3 of the constitution in accordance with the terms of their portfolio.

2. **TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	NA
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3. **BACKGROUND AND KEY ISSUES**

- 3.1 The Council currently offers payment by cash, card or via a phone/app (known as cashless) across its on and off-street parking locations. Cashless parking is available through a sole provider agreement with our current provider. Customers wishing to pay by phone must have an account with our current provider and sign up to their terms, conditions and fees. They have no choice to use a different provider who they may already have an account with, who may offer more favourable fees or who might offer a more desirable customer experience or interface.
- 3.2 Cashless parking providers charge fees for use of their service, including but not limited to;
- A convenience fee – a fee for the convenience of not having to visit a physical payment terminal, display a physical ticket or carry cash or card to pay for parking.
 - Fees for optional extra services such as a reminder text when parking sessions are about to expire.
 - Card transaction fees – a percentage of the total transaction value to cover the card processing and handling of payment on behalf of the Council.
- 3.3 The Council currently pays the convenience fee on behalf of the end user. This means the customer pays the same price as they would by paying by cash or card at a payment machine. The Council chose to absorb this fee to promote and encourage the take up of this service, but only because in some locations card payment is currently only available via the cashless provider and not at the machines. The convenience fee charged by our current provider is £0.05 per transaction. Absorbing this fee costs the Council approximately £1,000 a month.
- 3.4 The card transaction fee via our current supplier is 5% of the transaction value. The Council currently pays the card transaction fee in addition to the convenience fee. This equates to a cost to the Council of approximately £4,500 a month. This fee is fixed by the terms of our sole provider agreement.
- 3.5 There are on average 25,000 cashless parking transactions a month via our current provider. There are also on average 51,000 parking transactions that are made at a payment machine each month – so cashless parking equates to approximately 33% of our total parking transactions.
- 3.6 Our agreement with our current provider expires on the 1st December 2023 and local authorities are being encouraged by the Department for Transport and Roads and the Local Transport minister to join a multi provider platform called the National Parking Platform (NPP). The NPP is a ‘parking hub’ that allows multiple parking providers to operate alongside each other in an open market. The parking hub is a working prototype system allowing parking customers to choose their provider and the solution is based on a standard specification issued by the Alliance for Parking Data Standards (APDS).

The NPP creates an open marketplace for cashless parking – end users get less frustration and more choice where app providers compete based on quality of service and value of offer. A cashless parking provider can join the platform if they are data controllers for their customers' data, hold personal data in the UK or EEA, manage data within the scope of in a compliant manner with the data protection legislation, are under contract with the Councils and sign the data sharing agreement with Manchester City Council. and then an end user can choose to use that parking provider to make parking payment in any local authority area, who are also signed up to the platform. In addition, the provider must also undertake a technical due diligence process whereby each service provider has to check the interface, tariff configuration etc. for the NPP software and, more importantly, comply with the Payment Card Industry Data Security Standards (PCI DSS), published by the PCI Security Standards Council. There are twelve standards:

1. Install and maintain a firewall configuration to protect cardholder data.
2. Do not use vendor-supplied defaults for system passwords and other security parameters.
3. Protect stored cardholder data.
4. Encrypt transmission of cardholder data across open, public networks.
5. Use and regularly update anti-virus software or programs.
6. Develop and maintain secure systems and applications.
7. Restrict access to cardholder data by business need-to-know.
8. Assign a unique ID to each person with computer access.
9. Restrict physical access to cardholder data.
10. Track and monitor all access to network resources and cardholder data.
11. Regularly test security systems and processes.
12. Maintain a policy that addresses information security for employees and contractors

The NPP is currently still in a pilot stage and as such there are no joining fees for local authorities. This will be reviewed around April 2024, therefore, if the Council does not join now, it may have to pay a joining fee if it has not joined by April 2024. There is no cost to the Council for the use of the parking platform system.

- 3.7 The terms of the NPP set the card transaction fees for all providers at 2.5%, however the providers are free to vary their convenience fees to create competition. For operational reasons, it is appropriate to require that convenience fee to be paid by the end user, as it is now their choice which provider to use.

The Council will receive the parking income from the parking providers, and the 2.5% transaction fee will be deducted from the remittance. The current approximate income via cashless is £80,000 a month, £960,000 a year, so the 2.5% transaction fees will total £24,000 annually.

- 3.8 The NPP currently has the four biggest cashless parking providers signed up to its platform, which includes our current provider, so there will be no impact on our current end users who can continue to use the same provider they are currently signed up to, if they wish. The only difference will be the end user would now pay the convenience fee. If the end user does not wish to pay a fee for the convenience of using a cashless payment app, they will be free to make payment at the payment machine. In the next three months a parking payment machine replacement project will see machines upgraded in all locations so that cash, card or cashless is available to all locations – giving the end user maximum choice of who and how to pay for their parking.

4. CORPORATE PRIORITIES

4.1 This decision links directly to the following Corporate Priorities:

Our Places & Communities - Places and Safety – increasing the choices for those living, working or visiting Peterborough to pay for their parking in our parking places by a means of their choosing. The experience of parking in our city will be enhanced by giving the customer choice of which cashless parking provider they can use.

Sustainable Future City Council – How we Work – Joining a pilot scheme will see the Council at the forefront of future technology and Innovation, creating a sustainable way to pay for parking in the future.

Carbon Impact Assessment summary - It is not anticipated that this project will have an impact on carbon emissions as cashless parking is a digital service. The project outcome will be choice and flexibility for the end user, with hopefully an increased up take in cashless payments and a reduction in waste paper production.

5. CONSULTATION

5.1 *Internal consultation with;*

Legal

Finance

Procurement

Service Director – Housing and Communities

Executive Director: Place and Economy

Leader of the Council

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 The Council will join the National Parking Platform when it's current cashless parking agreement ends.

7. REASON FOR THE RECOMMENDATION

7.1 It will connect our authority to all participating cashless parking providers at once without the need for complex procurement, giving more choice to the end user. It will allow the Council to provide a better, modern and future proof service at no additional cost.

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 Extend/renew the sole provider agreement with our current provider – this does not offer our end users a choice nor does it promote competition in the market.

8.2 Procure a new sole provider agreement with another provider – this also does not offer our end users a choice or promote competition.

8.3 Join the NPP at a later date – a joining fee expected to be around £10,000 will be applicable to local authorities joining after the pilot stage is complete. As our current agreement expires 1st Dec, this is the perfect opportunity to join.

9. IMPLICATIONS

Financial Implications

- 9.1 Any costs associated with the provision of a cashless parking option are deducted from the income generated. These costs are already being met as part of our agreement with our current provider. Switching to the NPP where transaction fees are fixed at a lower rate and convenience fees are not absorbed, the Council could save approximately £40,000 a year if usage of cashless parking remains the same.

9.2 **Legal Implications**

There are no procurement implications for the Council by joining the NPP scheme. The motorist chooses which provider to make its cashless payment for parking and therefore, the Public Contract Regulations 2015 (PCR) do not apply. The Council is not awarding a contract for the service to a provider under the PCR, it is the motorist who chooses to enter into the contractual relationship with the cashless parking service provider. Due diligence is carried out before a cashless parking service provider is awarded onto the scheme by Manchester City Council. A provider is only eligible to join the scheme if it has already been selected and qualifies as a provider for on an independent framework (ie CSS or ESPO, meaning financial due diligence has been undertaken) and where the providers warrant compliance with the data protection legislation, including complying with the Payment Card Industry Data Security Standards, thus the Council does not need to carry out its own due diligence.

The motorist will consent to their data being collected, stored and shared by the service provider meaning the provider is the controller in accordance with the data protection legislation. The cashless parking service providers share only the permitted and required parking data with the Council via the NPP software. The sharing of the data is in accordance with the data protection legislation.

The Council will enter into an agreement with all of the cashless parking service providers to govern how the Council receives the parking fees, collected by the provider, based on the Council's parking tariffs/charges. The agreement will be for an initial period of two years and will automatically be extended for 12 months, following expiry of the initial period and subsequent periods thereafter.

The Council will not rely on the personal data received from the parking providers to take any necessary enforcement action, any data collected by the Council to enable such enforcement action to be taken will be retrieved by the Council in the usual way, i.e. by a Civil Enforcement Officer, this is in accordance with the Council's agreement with the DVLA.

Equalities Implications

- 9.3 None – Cashless parking will be a choice and other payment options will be available for those who do not have a mobile phone, or wish to pay by cash.

Other Relevant Implications

- 9.4 Motorists using cashless parking will have to pay slightly more than they would paying at the payment machines because we are proposing that the convenience fee charged by providers will be payable by the customer and not absorbed by the Council.

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

- 10.1 None

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

11.1 National Parking Platform Introductory Pack - [231013 NPP introductory pack.pdf](#)

Letter from Minister for Roads and Transport - [231013 NPP - letter to LAs post launch Chief Exec.pdf](#)

12. APPENDICES

12.1 None