

## **SOUTH HOLLAND DISTRICT COUNCIL**

**Report of:** Portfolio Holder for Place – Roger Gambba-Jones

**To:** Cabinet 20<sup>th</sup> November 2018

**(Author:** Charlotte Paine Environmental Services Manager)

**Subject** Options for paying parking charges

**Purpose:** To provide Members with the details of the current car parking options available in order to agree the scope of the statutory consultation that will propose changes to the car parking order

### **Recommendation(s):**

- 1) That members consider whether they wish to pursue consultation on card only payment machines (option 1 as set out in the report) or card and cash payment machines (option 2) for the car parks at;
  - Sheep Market - Spalding, PE11 1BE
  - Victoria Street - Spalding PE11 1EA
  - Holland Road - Spalding PE11 1UL
  - Westlode Street - Spalding PE11 2AF (on behalf of Broadgate Homes)
  - Winfrey Avenue - Spalding PE11 1DA
  - The Vista - Spalding PE11 2RA
  - Swimming Pool - Spalding PE11 1QD
- 2) To agree, in principle, that the South Holland District Council (Off Street Parking Places) (Civil Enforcement) Order 2012 be amended so as to allow payment of parking charges by 'any means advertised' such as coin, card and mobile phone;
- 3) That officers be authorised to undertake the necessary consultation and equality impact assessment in relation to the proposed amendments to the car parking order and report back to a future meeting following completion of the consultation process;
- 4) That the draft notice of proposals and the draft statement of reasons attached as Appendices B and C to this report be approved in principle; and
- 5) That if option 2 is agreed, the request for the additional capital costs for altering the machines will be completed and a further report will be submitted to a future meeting proposing amendments to the current car parking charges due to the additional costs associated with this option.

### **1.0 BACKGROUND**

- 1.1 South Holland owns and maintains 13 car parks across Spalding, Long Sutton and Holbeach. In total there are 755 spaces available to park in with an additional 26 disabled spaces.

- 1.2 The car parking charges vary, with two car parks in Long Sutton and one in Holbeach free to park at all times. The charges for the remaining car parks remain low ranging from 20p for 2 hours in Spalding to a maximum charge of £1.50 all day in another of the Spalding sites. Evenings and Sundays are free of charge.
- 1.3 Comparisons with other Local Districts in Lincolnshire and Norfolk show that South Holland offers car parking at the lowest available price on average compared to the other 6 areas reviewed. 2 of the authorities charge for Sundays, Evenings and Bank Holidays.
- 1.4 In December 2017 the car parking machine in Vine Street, Spalding was stolen with an unknown amount inside, though it is likely to have been around £700. The loss of the machine and the costs for replacement, as well as ongoing cost for collection of cash from all other car parking machines in the district, on top of previous audit recommendations which advised an improvement was required to ensure we can account for money in our machines, led to the consideration to replace cash machines with card only machines. It was considered, along with the potential money saving opportunities, that this could be a more convenient way for car park users to pay given the recently reported 15% drop in the use of coins for card payments in national spending statistics.
- 1.5 As part of the transformation funding process, there was an agreed capital spend for the machines and 10 new machines were purchased, with 8 card only and 2 cash and card facility machines originally purchased. Due to the theft of the machine at Vine Street, one of these machines was returned and exchanged for a card and cash machine with a pedestal. The other 2 card and cash machines have now been installed at Victoria Street and Herring Lane, leaving 7 card only machines not currently fitted.
- 1.6 The dual payment machines have been fitted to allow SHDC to analyse use of the machines and gain intelligence as to whether the introduction of card payments will benefit users. The South Holland District Council (Off-Street Parking Places) (Civil Enforcement) Order 2012 will require amendment as it currently only allows for payment with coin. This amendment is also required for the card and cash machines, but owing to the fact that coin is still available in these machines, the order can wait to be amended to allow for the intelligence to be gathered.
- 1.7 In order to amend the Order, consultation with the public is required, once Cabinet has given an informal decision on the proposed recommendations. Full details of the consultation process are set out in paragraph 3 below. Once the consultation has concluded, the responses will need to be considered and returned to Cabinet for a formal decision on changing the order. The consultation is particularly important if members choose to introduce card only payment machines, as this could have an adverse impact on sections of the community, in particular older people who may be less likely to have access to credit and debit cards.
- 1.8 There are potential risks to continuing with the consultation on card only machines which could delay installation of the new machines. Due to the impact of removing the option to pay by cash, responses to the consultation would need to be closely reviewed and understood to ensure that there are suitable alternative options available to those without the ability to pay with card. Without addressing these, the consultation could result in a requirement to add the cash option to the machines and put back the process of installing machines by many months.

1.9 This report provides members with two differing options regarding the proposed changes to the Order and payment methods available in each machine, with potential risks factored into each option. Appendix D provides members with a table of the options and includes time, cost and risk implications of each option.

## 2.0 **OPTIONS**

### 2.1 **Option 1 – Card Only Machines**

2.2 Commence the statutory consultation to change the South Holland District Council (Off-Street Parking Places) (Civil Enforcement) Order 2012 to allow for card payment and install the card only machines, following informal decision at Cabinet. This will be to introduce card only machines at 7 car parks

- Sheep Market - Spalding, PE11 1BE
- Victoria Street - Spalding PE11 1EA
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- Winfrey Avenue - Spalding PE11 1DA
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2.3 The recommendation be implemented by consulting on the altering of paragraph 2 (5) of the order to say “payment method” means any method of payment for use of a parking place as may be required by this Order and as may be advertised by notice at each parking place including but not limited to insertion of appropriate coin or coins into a ticket machine or insertion of an appropriate payment card into a ticket machine or payment by any payment card or mobile phone in accordance with such instructions as may be advertised by notice at the parking place “payment card” means such bank credit or debit card, discount card or pre-payment card as may be used where such facility is advertised by notice at a parking place”.

2.4 The recommendation be implemented by consulting on the altering of paragraph 4 (2) of the order to say “The charge referred to in paragraph (1) of this Article 4 shall be payable by any payment method as may be advertised by notice at such parking place.”

2.5 The recommendation be implemented by consulting on the altering of paragraph 8 (3) of the order to say “No person shall with intent to defraud interfere with a ticket machine or operate or attempt to operate a ticket machine by insertion of objects other than such undamaged or unaltered coins or payment cards as may be validly accepted as a payment method in accordance with the provisions of this Order.”

### 2.6 **Option 2 – Card and Cash Machines**

2.7 The card only car parking machines that have been purchased (7 in total) are converted to include cash and card payments options and that consideration is given to increasing car parking charges to incorporate the additional costs for changing the machines and ongoing collection of the cash.

- 2.8 Agreement be given to pursue the additional capital funding of approximately £7,000 to alter the machines to allow for coin payment, within the appropriate decision making process.
- 2.9 Consultation on the changes as outlined in 2.2 – 2.4 of this report would still be required to introduce card payments, though with the option to pay in cash still available, the risk of objections is reduced. A further report would also be necessary to consider proposed changes to the car parking charges. Section 35C of the Road Traffic Regulation Act 1984 allows the Council to vary charges (but no other part of a Car Parking Order) by notice, without going through the consultation procedure detailed below.

### 2.10 **Option 3 - Do Nothing**

- 2.11 Do nothing, which would put the Council at risk of review of any car parking enforcement and leave the 7 new car parking machines unusable in their current state.

## 3.0 **MAKING THE AMENDING ORDER**

- 3.1 Whether option 1 or option 2 is agreed it is still necessary to amend the Car Parking Order to allow payment by card and future payment methods, such as mobile phone payment. The procedure for amending the Car Parking Order is set out in the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 and includes the following:

- consult the police, county council, road haulage association, freight transport association and any other relevant bodies about the proposed changes
- publish notice of proposed making of order (called "notice of proposals") in local paper and in car parks
- place documents on deposit for inspection by members of the public, including the "notice of proposals", and a statement of reasons setting out why the Council proposes to make the order
- consider all objections and representations received during the consultation process. Note that substantial changes to the initial proposals may result in additional consultation, and where any objection has not been wholly acceded to the Cabinet **must** include reasons why
- if approved, make the order
- publish notice that the order has been made (called the "notice of making") in local paper and on car parks, and notify all objectors. Notification to objectors must include the reasons why any objections have not been wholly acceded to
- the Order, if approved, takes effect on the date contained in the notice of making

- 3.2 Members will appreciate from the above procedure that the Council cannot at this stage make a final decision to amend the Car Parking Order as it must first consult, and take into account any observations and representations received during the consultation process. The Equalities Act 2010 also requires a public authority, in exercising its functions, to have due regard to the need to eliminate discrimination, harassment, victimisation etc; advance equality of opportunity; and foster good relations between persons who come within the terms of the Act and those who don't. It will be necessary to carry out an equality impact assessment before any final decision is made any amendment to the existing Order.

3.3 For this reason the recommendation at this stage is to make a decision, in principle only, to amend the Car Parking Order, and to enable the officers to undertake the necessary consultation and equality assessment. As the Council cannot make a final decision until after the consultation and assessment it should be clearly noted that although the Council has purchased a number of card only machines, these machines can be changed to card and cash machines if this becomes necessary and as explained in this report.

3.4 The draft “notice of proposals” and the draft “statement of reasons” referred to at the third bullet point above are attached as Appendices B and C to this report for approval in principle. The final wording of each will depend on which option members choose.

#### 4.0 **REASONS FOR RECOMMENDATION(S)**

4.1 Members are asked to choose between option 1 or option 2.

4.2 Option 1 may be the cheapest option, should the consultation go ahead and not be contested. Following any approval at Cabinet, the machines could be fitted quicker and provide car park users the opportunity to pay with potentially, a more convenient method, by card. This would reduce the cost of collection where cash is taken by machine, the Council have to pay for a contractor to safely collect and bank this income. The cost was £20,000 in the last financial year.

4.3 Card only machines also reduce the risk of theft of a machine as there is not money stored in them, there is little desire to steal them.

4.4 The risk of this option is that there may be a high number of objections as part of the consultation and, if they cannot be appropriately justified, the machines may need to be converted to cash and card post consultation. This will be at the cost of a lot of time once the consultation has run and been reported back to cabinet, it could be around another 4 months before the machines can be fitted and it will still have attracted the same costs as option 2.

4.5 Option 2 would mitigate the risks associated with option 1 by incorporating cash payments with the new card payment function. With the first option the risk of objections to card only machines is high. The impact of that could be, if the Council are unable to justify why any objections given during the consultation are not heeded, any enforcement action could be challenged at a later date.

4.6 The cost of mitigating the risk is to have the machines altered to allow for card and cash payments and consult on the provision of dual payment machines. The cost of altering the machines to allow for cash payments is approximately £1,000 each machine. This would be a one off cost required from Capital.

4.7 The addition of cash payment options to all machines would mean that proposed £20,000 per year saving for the cash collections would be lost. The current cost for the collection of cash is based upon a percentage charge of the money collected and charge for the number of machines that are visited in a month. A reduction in the number of cash capable machines would reduce the cost to the council as less visits would be required and less cash collected.

- 4.8 The decision to keep cash payment options available would result in the risk of theft of the machines remaining.
- 4.9 Therefore whilst not the cheapest option, option 2 may be the quickest in terms of getting the new machines fitted and in use as there is a lower risk of objections during the consultation, which would cause a delay in fitting the machines.
- 4.10 Regardless of the decision to agree either option 1 or 2. It is recommended that the order is made future proof by consulting on allowing for the provision of 'any payment method as advertised' to allow for changes in technology and include current options such as mobile phone payments for car parking as part of this consultation.

## 5.0 **EXPECTED BENEFITS**

- 5.1 The introduction of card only machines would bring about cost saving benefits of around £20,000 per year as a cash collection service would no longer be required.
- 5.2 The use of dual payment machines could reduce the amount of cash being used at the machines where people opt for card payments and therefore there could be a small saving seen in the current £20,000 yearly charge if collection of cash is still required but not as much cash needs collecting.
- 5.3 Card only machines would reduce the risk of the machines being stolen if there is no cash inside.
- 5.4 Card only machines would enable previous audit recommendation regarding the live reconciliation of money taken by each machine to be satisfied.
- 5.5 The new machines allow for payment by an app so that people can manage their car parking time better and stay longer, as necessary, without fear of car parking enforcement.

## 6.0 **IMPLICATIONS**

In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Transformation Programme; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

### 6.1 **Constitutional & Legal**

- 6.1.1 The legal implications have been considered with the legal team. It is the recommendation of the legal team that the South Holland District Council (Off-Street Parking Places) (Civil Enforcement) Order 2012 be consulted on and the Cabinet to agree informally the consultation recommendation before making a final decision once all response are received.

6.1.2 The legal team have advised the implications of not doing so could be that the Order would be subject to challenge at the point of enforcement.

## 6.2 **Crime and Disorder**

6.2.1 By maintaining use of cash accepting car parking machines, the implications may be that further theft of the machines may occur.

## 6.3 **Equality and Diversity / Human Rights**

6.3.1 When considering the removal of cash as a payment option, consideration is to be given as to whether this would impact on the users who may not have access to a bank card and the options remaining to them if the SHDC car parks were card only. This will be done as part of the Equality Impact Assessment which must be carried out before the Car Parking Order can be amended.

## 6.4 **Financial**

6.4.1 There are a number of financial impacts depending upon the recommendation that is agreed. These have been outlined in the report and include; the cost of cash collection, the cost of changing the machines to cash and card, the cost of delaying the introduction of the machines.

## 6.5 **Reputation**

6.5.1 There are possible reputational impacts depending upon which recommendation is agreed. By ensuring the statutory consultation requirements are met, the reputational risk can be reduced if the decision made is justified by the consultation responses.

## 6.6 **Risk Management**

6.6.1 There are risks associated with the first two recommendations, each recommendation mitigates one risk but introduces new considerations such as whether time or cost is a bigger risk. Further detail of the risk for each option is available in Appendix D.

## 6.7 **Stakeholders / Constitution / Timescales**

6.7.1 There will need to be a statutory consultation period to amend the South Holland District Council (Off-Street Parking Places) (Civil Enforcement) Order 2012. This will be with car park users, advertised in the media and also provided to the Police, County Council, Road Haulage Association, Freight Transport Association.

## 7.0 **WARDS/COMMUNITIES AFFECTED**

7.1 All

## 8.0 **ACRONYMS**

8.1 None

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Background papers:-

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**Key Decision:** Y

**Exempt Decision:** N

**This report refers to a Discretionary Service**

**Appendices attached to this report:**

Appendix A South Holland District Council (Off-Street Parking Places) (Civil Enforcement) Order 2012  
Appendix B Draft Notice of Proposals  
Appendix C Draft Statement of Reasons  
Appendix D Table of Car Parking Options