

Committee: Cabinet – 12nd July 2021

Wards: All

Subject: PARKING INFRASTRUCTURE AND MODERNISATION

Lead officers: Chris Lee, Director of Environment & Regeneration

Lead members: Cllr Rebecca Lanning Cabinet Member for Adult Social Care and Public Health

Martin Whelton, Cabinet Member for Housing, Regeneration and Climate Emergency

Contact officer: Ben Stephens, Head of Parking Services

1. RECOMMENDATIONS

To seek approval for a recommended approach to the modernisation of the existing parking infrastructure within the Borough. The proposed infrastructure is designed to provide additional choice and payment options for residents, and to reflect the changing ways in which people are choosing to make payments for services.

- 1.1. To approve Option 1 as set out in section 5. To replace 78 existing high usage pay and display machines with new Payment Terminals commencing in October 2021.
- 1.2. To remove the remaining 334 low usage, cash (coin) only pay and display machines, and to remove a further 22 machines where an alternative upgraded payment terminal will be available and offer pay by RingGo or cash at local retail outlets.
- 1.3. To agree to the introduction of the use of PayPoint at retail outlets throughout the Borough to allow for cash payments to be taken for pay to park at all on street parking locations. The current network of PayPoint retailers is set out in appendix 1C attached.
- 1.4. To approve the installation of:-
- 1.5. 28 new on street payment terminals with coin, card and contactless payment facilities , 33 new on street payment terminals with card (chip) and contactless payment facilities only as they are considered medium usage machines.
- 1.6. All 14 of the councils car parks will have at least one machine that accepts coins, contactless, and card (chip) payment facilities. These machines will also be able to produce a VAT receipt for customers on request. 3 car parks will have an additional machine with contactless and chip facilities due to high usage.
- 1.7. It is recommended that the cash facilities at new payment terminals in the Borough remain under review. The ability to remove the payment terminal cash boxes in

the future will be determined by means of reviewing usage figures and customer payment patterns as demand for cash payments changes over the coming years.

- 1.8. Members agree to delegate authority to the Director of Environment and Regeneration, in consultation with the Cabinet Members for Regeneration, Housing and the Climate Emergency and Adult Social Care and Public Health, to finalise any operational matters in relation to the implementation of the proposals.

2. BACKGROUND

Future parking infrastructure and delivery models

- 2.1. The age of digital parking is with us and will continue to be more widespread in the coming years. Already 'contactless' parking exists at thousands of payment terminals around the country.
- 2.2. The use of pay by phone and on-line applications has transformed the way in which customers can pay for their parking sessions and permits. Councils have been moving to more digital payment solutions for many years. This scheme affords Merton an opportunity to review the parking payment options and infrastructure available to residents and customers.
- 2.3. Almost all Council's across the UK have chosen to implement different pay options throughout on and off street locations and in private sector locations such as train stations and hotels. The introduction of new payment methods has proven to be popular with a significant shift from cash only to digital and phone based payments. Covid has also seen a further reduction in the use of cash and more emphasis on digital payments.
- 2.4. In reviewing the infrastructure investment going forward, it is worth noting that a number of the major parking payment suppliers are now working with car manufacturers to develop in car payment systems, where a charge can be registered based on the GPS location of the vehicle and payment being made automatically. The proposed infrastructure options that are being suggested in this report strike a balance between current needs and trends and the ability to transition to more intelligent payment systems in the future.
- 2.5. With the development of new payment terminal technology, open data and digital, more accurate data can be used by companies to find drivers a space near to their destination, reducing emissions and travel time required to find a space. Indeed RingGo already do this on their APP in Merton,
- 2.6. Nationally, over 95% of the UK population own at least one mobile phone and 96% have a bank card. Given the requirements to register, insure, and run a vehicle, it is very likely that many motorists within the borough will have access to a bankcard.

Developing a Parking Service for the future

- 2.7. Merton has taken a number of bold decisions in the last two years to put Parking at the heart of its ambition around air quality, active travel, and climate change.
- 2.8. In line with the desire to modernise its parking services the council is keen to ensure that customers are provided with a broad range of payment options.
- The council implemented a pay by phone and on line APP payment service in 2014. Over the years this has become the main payment method for customers and provides the following benefits: Being able to pay by electronic means negating the need to carry and use coins.
 - Being able to pay at your convenience without having to walk to use a payment terminal. When the new on and off street service is introduced there will no longer be any requirement to display a ticket on your vehicle as all customers will purchase a virtual parking session instead.
 - Being able to extend your parking session without having to return to your car.
 - Additional service options are provided where customers can receive reminder texts about the expiry of their session, further negating the likelihood of getting a Penalty Charge Notice.
 - The online App also provides a facility to be able to review your parking history and preferences.
- 2.9. In January 2020, Merton also introduced 'virtual' Residential/Business and other Permits including the very popular e-visitor permit which is quickly replacing scratch cards as the most popular form of visitor parking sessions. In April 2021 63% of all visitor permit parking was through the e-visitor option, from 0% in January 2020 when first introduced.
- 2.10. The upgraded system made it easier for customers to apply online, with 97% of residents registering for online accounts. By logging into your customer account a resident can now manage and make a range of online changes, including the facility to register a different vehicle for a temporary period e.g. a hire car, if for example your vehicle is in the garage.
- 2.11. The recent parking infrastructure review considered a number of future payment infrastructure options including the use of local retail outlets where customers can choose to pay by card or with cash. Covid has also accelerated the need to consider electronic and on line payment methods is due to the pandemic.
- 2.12. At present, approximately 76% of all payments for parking in Merton are made through the RingGo system with only 24% of transactions involving the use of cash at machines.
- 2.13. Over 268 machines across the Borough take less than £2,000 cash and 171 between 0 and £1,000. This equates to usage of less than £5 per day for machines taking less than £2000 and £2.80 per day for machines taking between, £0 - £1000. The uptake in online payments has moved from 43% in 2018/19 to 76% 2021 and we anticipate further take up of approximately 20% percent over the coming years.

- 2.14. Modern Payment Terminals now offer a range of service options and have the ability to link to 'cloud based' services. Such as the ability to look up details of a vehicle and apply the correct charge based on data from the DVLA. Screens are now larger and brighter and have touch screen options. The information does not just need to only display the parking charge, for example, local information could also be displayed.
- 2.15. These Terminals now offer a range of payment methods, including 'contactless', 'chip' and cash (coin) facilities. There is an option to have one or all of these combinations, based on the location, usage and value of transactions at each location.
- 2.16. Other options include the ability to move to the introduction of virtual tickets or parking sessions, where the information from vehicle registrations can link directly to the Civil Enforcement Officers mobile units whilst out on street. Virtual tickets or parking sessions negate the requirement to use old fashioned paper rolls and reduce emissions, by removing the need to drive round and restock the machines.
- 2.17. The RingGo system can accommodate charges based on vehicle type and has been delivered in a number of other authorities and the system is currently being configured to apply the appropriate charge based on the year of manufacture and fuel type which is the basis of the ULEZ Charge.
- 2.18. The move to alternative parking payment systems and the removal of old dumb payment terminals has been taking place across London and nationally for a number of years, with many Central London boroughs providing completely cashless services for a number of years. Whilst this remains an aspiration for Merton, the ability to provide a seamless transition for customers remains a priority.
- 2.19. For example, in LB Richmond, the first phase of their machine removal project will see the removal of 100 parking machines in residential areas before the end of June 2021 - with the first 50 having already being removed by March. In Kingston, recommendations were approved this year to move to RingGo only across the borough, with the exception of a few town centre locations, which will have payment terminals. Kingston have offered an alternative cash option at local retail outlets only.
- 2.20. In light of the levels of card ownership and the shift away from cash during the pandemic, consideration has been given to not having a cash (coin) option at the new payment terminals.
- 2.21. There are already a number of other local authorities who have made a cashless parking transition, including City of London and Westminster, London Borough of Islington, London Borough of Camden, City of London and Tower Hamlets. Kingston and Richmond have Cabinet approval to remove the cash payment option.
- 2.22. It is however recognised that there are still a number of transactions made by cash at some locations, and it is anticipated that some customers will require additional time to familiarise themselves with the new technology and payment options. In order to support this transition Option 1 detailed below, seeks to maintain the

provision of some payment terminals with a cash option, combined with a network of PayPoint locations, to aid this transition.

- 2.23. There is the option to go entirely cashless although we recognise this may not be the right approach at this time as there are some machines that continue to take high volumes of cash, we will replace these with new payment terminals and keep cash as an option, as set out in option 1. However, there is an option that 28 payment terminals in key locations have a cash (coin box) option in the first instance because they are considered high usage (in excess of £5,000 per annum). Usage of cash and the uptake of digital payment at these locations will be monitored and as cash payments reduce in the medium term, the option for cash payments can easily be removed from the machines, due to their modular design, or in fact, the terminal could be removed altogether.

In essence, there are three core options to consider:

- 2.24. Option 1 – To replace the existing high usage terminals with new intelligent payment systems. The remainder of the existing infrastructure will be removed and become RingGo only, supported by a cash option through local retail outlets (PayPoint) and updated signage.
- 2.25. Option 2 – To adopt a machine-less approach for the future where the existing on street payment terminals are removed and replaced with signage directing users to the mobile and on line apps for payment, supported by a network of Paypoint outlets for cash payments
- 2.26. Option 3 – Do nothing - if this option was chosen then the existing on street infrastructure would be unable to accurately identify the user's vehicle and the council would be unable to move to modern, digital parking infrastructure. At this stage, it is recommended that this option be discounted.

3. CURRENT INFRASTRUCTURE

- 3.1. The Council currently operates 434 Pay & Display machines (comprised of 392 on-street, 38 car parks, 4 recreational grounds) located 'on and off street' across the borough, see also appendix 1A. Payment at these machines can be made by cash (coinage) only.
- 3.2. At each pay and display machine location, customers are offered the option to pay using the council's selected pay by phone / app provider RingGo as well as at the machine. Using the RingGo service, the payment can be made by a telephone call to an automated service, by text/SMS or by installing and using a mobile application.
- 3.3. In recent years, there has been a steady growth in payments made by RingGo and a decline in customers paying by cash (coin). In the period, 2019/20 the payment split was 70% pay by phone / app (RingGo).
- 3.4. As at April 2021 the RingGo usage is at 76% and coins at 24%. There has been an approximate 1% movement to RingGo from coins each month for the last 24

months. It is expected that this trend will continue, but may accelerate given the proposals set out in this report.

- 3.5. There are a number of machines in close proximity to each other that serve the same parking area, multiple machines will be removed and not replaced as an alternative machine will remain available.
- 3.6. Many of our current machines are over 10 years old and the cost to repair and maintain the existing estate of machines continues to rise.
- 3.7. The current annual cost to manage and maintain all existing 434 machines including the provision of the RingGo service is in the region of £240k. This includes costs, such as, parts and labour to repair and maintain machines, power and SIM card data charges and costs including pay and display ticket stock and cash collections.

4. PROPOSED INFRASTRUCTURE

- 4.1. In order to determine the required infrastructure, we have undertaken a review that takes into account current and projected RingGo usage and frequency/use of machines. This review has provided the opportunity to offer customer enhancements such as contactless and card payments and bigger brighter screens.
- 4.2. We have analysed the last 2 years of transactions including volumes of cash taken at machines and number of customers. The table below displays this information.

£0 - £1,000	171
£1,000 - £2,000	97
£2,000 - £3,000	65
£3,000 - £5,000	36
£5,000 - £10,000	35
£10,000 - £20,000	15
Over £20,000	15

- 4.3. Our aim is for all customers to be within a reasonable walking distance from either a payment terminal or PayPoint location, although it is envisaged that RingGo will continue to be the main payment option for the vast majority of customers.
- 4.4. In locations where the walking distance is high, we will consider the benefits of installing an additional terminal (based on likely usage, current usage of the terminal and existing RingGo usage at that location).
- 4.5. At machines that currently take over £5,000 we will replace the machine with a terminal that accepts coin as well as chip and contactless. These are considered high volume machines. There are 35 that take between £5,000 and £10,000, 15 that take between £10,000 and £20,000 and 15 that take in excess of £20,000 per

annum. It is for this reason that these machines will be replaced with terminals that have coin functionality.

- 4.6. Based on the data from machines 2019/20, a medium volume machine taking between £3,000 and £5,000 per annum equates to income of approximately £10 per day and based on an average stay of 2 hours this equates to 5 customers using the machine each day. These machines will be upgraded with terminals that accept chip and contactless.
- 4.7. Based on the data from machines 2019/2020, a low volume machine taking under £3,000 per annum equates approximately £3 per day and based an average stay of 2 hours this equates to less than 3 customers using the machine each day. These machines will be removed.
- 4.8. A further piece of work will be undertaken aiding customers with the transition towards cashless parking and the walking distance required to make payment at a terminal or PayPoint location. In cases where a walking distance is high, we will review the area to see whether an additional terminal would be beneficial.

Payment Terminal Options

- 4.9. There are a number of companies who can provide payment terminals, which have keyboards for customers to enter their vehicle registration. A real time look up will take place to present the correct charge to the customer.
- 4.10. The upgraded machines are built on a modular basis. The cost of purchasing and installation of new machines is dependent on the outcome of a procurement process, and following a soft market exercise this is estimated at approximately £523,000.
- 4.11. Benchmarking data suggests that when a contactless option is introduced approximately 30% of customers choose to pay by card as opposed to cash. Covid has seen a further move away from cash over the last 18 month's and the use of cash continues to diminish in day to day use.
- 4.12. Listed below are the different considerations in respect of the functionality of the new payment terminals.
 - a) **Keyboards.** All upgraded payment terminals will have a keyboard which require customers to insert their vehicle registration. This will ensure the correct fee is applied based on vehicle type.
 - b) **No requirement to 'pay and display a ticket'.** It is not proposed for the new machines to dispense pay and display tickets. The payment/session will show up on the Civil Enforcement Officers hand held device after the customer enters their vehicle registration.
 - This works in the same way as the virtual parking permits on the RingGo system. There is no requirement for customers to display a pay and display ticket in the car windscreen, however, some terminals in car parks will still issue receipts for VAT and expenses purposes.

- In effect all parking sessions will now be recorded virtually and customers will see a confirmation on the payment terminal screen. It is envisaged that a communications campaign to explain the new changes will be rolled out in advance of the new changes being implemented to raise customer awareness in good time.
- c) **Cash option at new terminals.** Only 24% of payments are now paid by cash (coin). If cash (coin) was not an option at the new terminal, customers could pay for parking via RingGo phone or APP.
- d) **Chip & insert, and/or contactless payments.** Because of the low transactional value, not all machines require a pin number and card insertion (chip only) is an option. This is a quick and convenient way for the customer to pay for their parking at a payment terminal. Customers who wish to pay by debit or credit card could of course use the RingGo service and would not need to go to the machine and enter the vehicle registration and make payment. However, many customers are now familiar with and would expect to see the option to pay by card at a parking machine.
- As referenced above over 96% of the UK have a bankcard and 95% have a mobile of which 87% are smart phones. However as a number of customers do provide cash, a number of payment terminals will have a cash option in the first instance. The coin option can be removed based on future activity, with the machine becoming contactless only or removed altogether.
 - It should be noted there is a cost for each transaction made by credit or debit card at a payment terminal. These have been taken account of in the financial implications and have been estimated at £98,000 per year based on forecast activity.
- 4.13. With the new payment terminals being able to take card payments, there will be a further significant shift away from cash to card payments at payment terminals. Other authorities who have introduced chip and contactless have seen a shift typically of 30% and above from coin to card payments at terminals within the first month of introduction.
- 4.14. It is therefore recommended that all new terminals purchased have as a minimum a chip and insert and contactless module included, which we believe will further reduce cash payments.
- 4.15. The proposed removal of the majority of pay and display machines will have a number of benefits, including a reduction in repair and maintenance costs, reduced cash collection and banking costs and a reduction in staff travel time to service, repair and collect cash.

5. OPTION 1

- 5.1. During Covid and lockdown, customer's habits have changed. For example, how customers pay for their parking, how often they park, for how long and where. Parking activity remains under close review. The rationale used in determining how many new payment terminals are required included the level of transactions and income taken per machine, geographic considerations to PayPoint locations along with the combined activity of a number of machines serving one area.
- 5.2. The review looked at all locations and machines. Of the 434 payment terminals 333 are proposed to be removed as they currently take less than £3,000 per year (£8 per day) which is considered low activity. Another 22 machines have been identified for removal where an alternative upgraded payment terminal will be available.
- 5.3. It has therefore been determined that in Option 1, 78 new payment terminals are required to serve the majority of customers who do not wish to use the RingGo service in the first instance. This will result in 76% of customers who currently pay at a payment terminal still being able to do so, with a minimum of 39% still being able to pay by cash/coin in the future if they park at the same location.
- 5.4. In all cases where a payment terminal is no longer available and a customer cannot use the RingGo solution, customers will have the ability to pay by cash at one of the 55 PayPoint facilities within the borough. The average distance is 0.22 miles from current machine locations, which will further aid the smooth transition from current payment options to digital parking transactions. The locations of these are shown in appendix 1C.
- 5.5. We are further reviewing geographical information to ascertain whether some areas can be combined so that a single terminal can serve several locations, or whether some locations would benefit from an additional terminal, which may prove convenient for the customer initially and aid the transition to cashless parking, including distance to nearby PayPoint locations.
- 5.6. A meeting has been held with Public Space regarding the payment infrastructure in the 4 recreation grounds, of which only Wimbledon Park would qualify for a new terminal based upon the usage criteria set out above. However, Public Space have agreed to go cashless and not replace this machine as this provides consistency across the recreation grounds.
- 5.7. The detailed financial cost of implementing Option One is set out in appendix 2. The additional ongoing annual revenue equates to c£32,000. The one off cost of capital expenditure to replace the infrastructure including machines, signage and associated costs is £833,000.

5.8. The table below summarises the proposed upgrading of the 79 payment terminals:

Type	Recommendation (Payment Terminal type)	Rationale.	Number of payment terminals
In excess of £5,000 per annum	To be upgraded and have coin, chip, contactless and functionality.	Considered to be high cash volume machines. A coin function at this stage is advised to assist customers with a smooth transition.	28 on street, *14 in Car Parks. Total 42
Between £3,000 and £5,000 per annum	To be upgraded and have contactless, chip and contactless (no coin function).	These are considered to be medium volume machines, but were considered sufficiently busy to warrant a contactless and chip and insert machine to assist with customer's transition. These include a 2 nd payment terminal at some locations.	33 on street, 3 in Car Parks. Total 36
Recreation Grounds	It is proposed that Wimbledon Park will have a chip and contactless payment terminal installed	There are currently 4 payment terminals in our Recreation Ground with paid for parking provision. 3 of which take a minimal amount and 1 terminal could be replaced (Wimbledon Park). However, Public Space have agreed not to replace this machine as it applies consistency across the recreation grounds.	0

* Car park machines will also have a function to dispense a VAT receipt.

6. OPTION 2

- 6.1. Option 2 – To adopt a machineless approach for the future where the existing on and off street payment terminals are removed and replaced with signage directing users to the mobile and on line apps for payment, allied to a network of Paypoint outlets for cash payments
- 6.2. All customers will be required to make payment through either the RingGo phone/ (APP) solution or using a PayPoint location nearby. It is worth noting that currently remains the primary method of payment for customers with 76% of all paid for transactions being made through the RingGo app.
- 6.3. With this option, even though there are no machines, cash and card payments can still be made at local retail outlets. Merton has the highest number of PayPoint locations of all of the London boroughs and is a viable alternative option for customers.

- 6.4. This option would represent a significant change from the existing payment provision, however it is recommended that it remains under review as the further migration away from cash is explored.
- 6.5. Cost savings with Option 2 –
- 6.6. With this RingGo only option there is no requirement to purchase 78 new payment terminals. The cost to remove and dispose of the existing machines and make good the ground is c£104,000, and to sign all areas is £310,000.
- 6.7. The cost of processing a parking session and taking a payment via chip or contact at a payment terminal as described in option 1 will also not be applicable.
- 6.8. The detailed financial cost of implementing Option Two is also set out in appendix 2. There will be a capital saving of £523,000 if option two is implemented rather than option 1. The new signage costing £310,000 would need to be funded leaving a saving of £190,000 from the existing capital programme budget of £500,000.
- 6.9. The existing payment Terminals will be removed in a phased approach between October 2021 and March 2022.
- 6.10. There will be a full communications plan developed setting out the time scales and alternative payment options for customer, this will be implemented in advance of any of the changes occurring.
- 6.11. If a machineless option is selected then it will be critical to ensure that the communications package is delivered well in advance of the physical changes on street to ensure that customers are not confused by the new arrangements. It is currently envisaged that costs will be funded from existing resources but if there are additional costs these will be funded from parking revenue resources.

7. CUSTOMER AND SERVICE DEVELOPMENT

- 7.1. Prior to implementation, Merton will undertake a communication and awareness programme to inform and assist customers with the new charges and technologies being implemented. This will be undertaken through social media, My Merton and Civil Enforcement Officers assisting customers at payment terminals at point of payment. Additional communications would be targeted, where possible, at groups that are likely to be less digitally enabled to ensure they are prepared for these changes.
- 7.2. New and additional signage will be required to ensure customers fully understand the changes. In some cases, there may be no machine option therefore 'pay at machine' signs will need to be updated.
- 7.3. If option 1 is approved, it is proposed that all new payment terminals and signs will be in place and the ULEZ charge will be applicable from 1st October 2021

8. FINANCE

8.1. Financial implications are set out in the body of the report and in Appendix 2

8.2. Revenue Implications

8.2.1. The removal, disposal and making good costs in relation to the existing 434 machines is estimated to cost c£104,000, which is a one-off cost.

8.2.2. Option 1 - There is also an estimated additional ongoing revenue cost to the Parking Section of c£80,000 p.a. relating to the running costs, licence fees, and transactions fees, whilst corporate cash collection costs should reduce by c£48,000 p.a.

8.2.3. Option 2 - There is also an estimated additional ongoing revenue cost to the Parking Section of c£21,000 p.a. relating to the running costs, licence fees, and transactions fees, whilst corporate cash collection costs should reduce by c£74,000 p.a.

8.2.4. The additional costs will be funded from the revenue income.

8.3. Capital

Option 1 – Replace 78 Machines

8.3.1. The approved capital programme includes £500,000 for the emission based charging scheme. The current proposed capital costs for this option are £833,000, leaving a shortfall of £333,000 in funding. The main cause of this variation is the cost of replacing signage, for which only minimal allowance was made in original estimates

8.3.2. Allowing for slippage the approved capital programme includes £978,530 for the Carparks Upgrade. Progression of this scheme has been paused until the long term impact of COVID has been assessed, only £65,000 has been committed from the budget to undertake essential works at St Georges Carpark. Officers have reviewed the proposed scheme and removed costs mainly in relation to ANPR Cameras with some tweaks to other elements of the scheme totalling £333,000. This will leave a budget of £645,530

8.3.3. This £333,000 will be made available to fund the shortfall in the emission based charging scheme. The formal progression and approval of the virement of £333,000 required to fund the proposed scheme are included in the "Financial Report 2021/22 - Period 2, May 2021" elsewhere on this agenda.

Option 2 Remove all Payment Machines and use RingGo Only

8.3.4. The approved capital programme includes £500,000 for the payment infrastructure modernisation scheme. The current proposed capital costs of this option are £310,000 for new signage, this would allow £190,000 from this scheme to be relinquished.

8.3.5. Alternative Option to Replace All Machines

8.3.6. The approved capital programme includes £500,000 for the payment infrastructure upgrade scheme (emissions based charging). Replacement of

all machines is estimated to cost up to £3.25m. There is no provision within the MTFs for the option to replace all machines and progression of this scheme would require significant additional revenue savings or virements within the capital programme to be identified to balance the budget. At present, it is not proposed that this scheme be progressed.

9. ALTERNATIVE OPTIONS

- 9.1. **Do nothing** -. Failure to deliver a modern Parking Service would result in the customer choice and service not improving and lead to customer dissatisfaction.
- 9.2. **RingGo only**. (Option 2 above) An option could be to have RingGo as the only payment option, apart from the option for customers to pay by cash at local retail outlets. This option would result in the removal of all 434 payment terminals. This option would result in customers having to transition to pay by phone/app in a short period and there is a risk of some customers not being able to make payments initially or be inconvenienced. Customers are also familiar with payment terminals in Merton and total removal would be a significant change.
- 9.3. **Replace all machines** – There are currently a very high number of payment terminals that take very little cash on a daily basis. The cost of replacing all 434 machines is c£2.2m - 3.25m based price of purchase of machine and all associated works to replace and make good. Signing cost will remain the same as option 1 and 2 irrespective of whether machines are removed or replaced. Customers are now familiar with alternative payment methods such as RingGo and by phone and in the medium term, there is less of an expectation to continue to pay at static terminals. Paragraphs 2.2 to 2.4 also refer to the modernisation of parking payments and transactions and replacement of machines is not in line with this approach.

9. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. An equalities assessment EA accompanies this report as appendix 3.
- 9.2. The EA sets out the overarching aims objectives and desired outcome of the proposal and their contribution to the council's corporate priorities. It also includes a detailed background on who will be affected by this.
- 9.3. The council believes that in accordance with the equality assessment guidance, the wide-ranging consultation process, the above referenced/linked documentation, and the recent direct consultation with equality groups, that the council has met its statutory requirement.
- 9.4. Public Sector Equality Duty is a duty to have "due regard" to impacts on protected characteristics groups. The EA did identify some limited detrimental impacts for some groups based on age, socio-economic status and pregnancy and maternity.
- 9.5. There are concerns that some older groups may be less likely to have access to a mobile phone and would find the distance to some PayPoint locations too far to

walk. Some distances could also inconvenience those who are pregnant or with buggies, although this group is less likely to be subject to digital exclusion.

- 9.6. However, mobile phone ownership is at approximately 95% of the adult population and given the requirements to register, insure, and run a vehicle, it is unlikely that a motorist does not have access to a bankcard as 96% of the general population have such.
- 9.7. Those that are socio-economically disadvantaged but not also part of any other protected group may not have access to a mobile phone or bank card but can pay in cash at a PayPoint location.
- 9.8. It is however recognised that there is still a significant number of transactions made by cash and customers will require some time to familiarise themselves with the new technologies. It is therefore an option that a number of payment terminals in key locations have a cash (coin) option in the first instance. Usage of cash and the uptake of digital payment at these locations will be monitored and as cash payments reduce in the medium term, the option for cash payments can easily be removed from the machines, due to their modular design, or in fact, the terminal could be removed altogether.
- 9.9. The Council believes that it has met the legal duty imposed by the Public Sector Equality Duty and will continue to seek ways to mitigate any negative impact.
- 9.10. **Consultation with Equalities Groups– Steps Taken**
- 9.11. In advance of the release of the cabinet report, and in order to feed into the equalities assessment, the organisations listed below were e-mailed and called and invited to a series of Webinars held at varying times throughout the day and evening on 17th June 2021. Officers presented on the principle of the removal of a machine and asked for comment on how their members may be affected if a machines was removed and their members had to use RingGo or a Pay Point location.
- 9.12. Equality groups were written to following the publication of this report. Equality groups will invited to attend further webinars and/or comment on the recommendations and detail of this report.

Wimbledon Guild
Age UK Merton
Polish Family Organisation
BAME voice
Carers Support Merton
Ethnic Minority Centre
Mitcham and Morden Guild

Merton CIL
Merton Seniors Forum
Merton Vision
Merton Mencap
Merton CAB
Wimbledon and District NCT Group
South London Tamil Welfare Group :
West Indian Friends and Families Association :
Wimbledon Mosque ,
Shree Ghanapathy Temple -
Morden Islamic Community Centre -

9.13. The Webinars were attended by the Polish Family Organisation (PFO), Merton Citizens Advice Bureau (CAB, the Centre for Independent Living (CIL) and the Chair of Merton Seniors Forum and BAME voice (same representative).

- 9.14. The following positive comments were received;
- It’s good to see the old machines being upgraded
 - We’re glad there is no change for blue badge holders.
 - The following issues were raised;

Issue Raised	Council Response
General walking distance to a PayPoint location – in some instances this may be too far.	76% of customers will continue to be able to make a payment at the same machine location. Customers will continue have the RingGo App.
What will happen if someone receives a Penalty Charge Notice when they have walked to a PayPoint location, will they be allowed more time.	At the moment, a grace period is allowed in which to purchase a parking ticket from the machine. This will continue to be allowed. In the event a PCN is issued we will review by exception and take into account the time the PayPoint transaction was made in relation to the time the PCN was issued.

What happens if the RingGo system is out of order?	This is extremely rare but under the legislation if it is not possible to take a payment then we would not issue a PCN.
How can a motorist extend their parking session via PayPoint?	The motorist would need to return to the PayPoint location. This is no different from the current situation paying at pay and display machines. The only way to top up parking time remotely is via RingGo.
What happens if English is not the motorists first language?	<p>The new payment terminals will have the facility to operate in the most commonly used languages, similar to cash points.</p> <p>RingGo is available in the following languages;</p> <ul style="list-style-type: none"> English -Spanish -Polish -Welsh -Portuguese -Simplified Chinese -Romanian -Italian <p>Google Chrome can be set to read websites in alternative languages</p>

10. CRIME AND DISORDER IMPLICATIONS

The visible presence of Civil Enforcement Officers can deter crime, in particular vehicle crime. Pay and Display machines on street also reduces the risk of vandalism and theft.

11. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

There are no health and safety implications associated with this report at present.

12. LEGAL AND STATUTORY IMPLICATIONS

- 12.1. This Report relates to rationalisation of payment methods provided for in the Borough's Traffic Management Orders, including the provision of machines which forms part of the overall system of payment methods and apparatus.
- 12.2. It is not considered that the rationalisation of on/off-street payment terminals/options gives rise to any statutory duty of public consultation.
- 12.3. The provisions for making traffic management orders are contained in the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996.
- 12.4. The proposals in this Report can be effected by Minor Order under reg.21 of the Regulations, as the proposals fall within Schedule 4 Part 1 Paragraph 9, being the variation of provisions regulating the method of payment and regulating the use of apparatus for paying charges.
- 12.5. Upon making a Minor Order, the Council is obliged to publish notice of the order, in a local newspaper, including a brief statement of the general nature and effect of the Order, and listing the locations where copies of the Order can be inspected and the times at which inspections can take place (including the principal offices of the Council during normal office hours). The Order cannot take effect until 14 days after such publication.

Decision-making: Public Sector Equality Duty (PSED)

- 12.6. In considering this Report and coming to their Decision, Members should have due regard to the need to:
 - (a) *eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this act;*
 - (b) *advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
 - (c) *foster good relations between persons who share a relevant characteristic and persons who do not share it.*

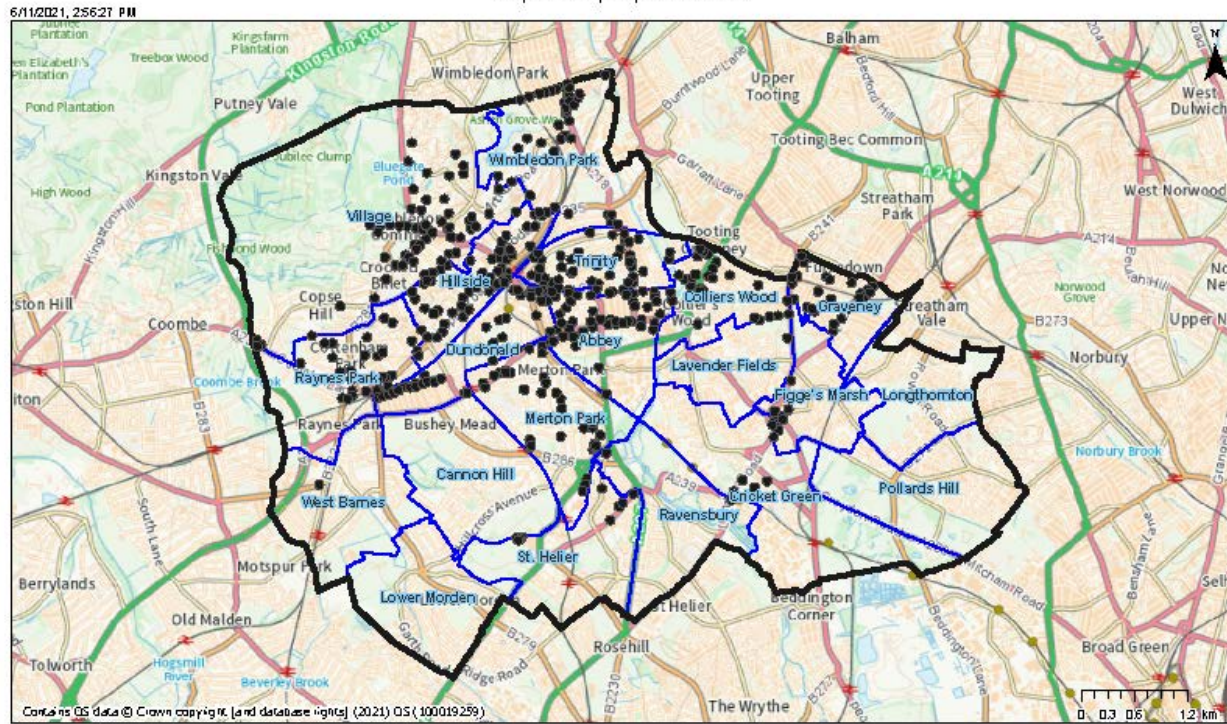
(Public Sector Equality Duty (s.149 Equality Act 2010))

- 12.7. The characteristics protected by the Act are:
 - a. age;
 - b. disability;
 - c. gender reassignment;
 - d. marriage and civil partnership;
 - e. pregnancy and maternity;
 - f. race;
 - g. religion and belief;
 - h. sex; and

i. sexual orientation

- 12.8. Due regard means that the duty has been considered ‘substance, with rigour, and with an open mind’ and requires a proper and conscientious focus on the statutory criteria.
- 12.9. The PSED is a duty to have due regard to the specified issues, and not to achieve a particular outcome.
- 12.10. Members should have due regard to the Council’s Equality Impact Assessment which accompanies this Report.

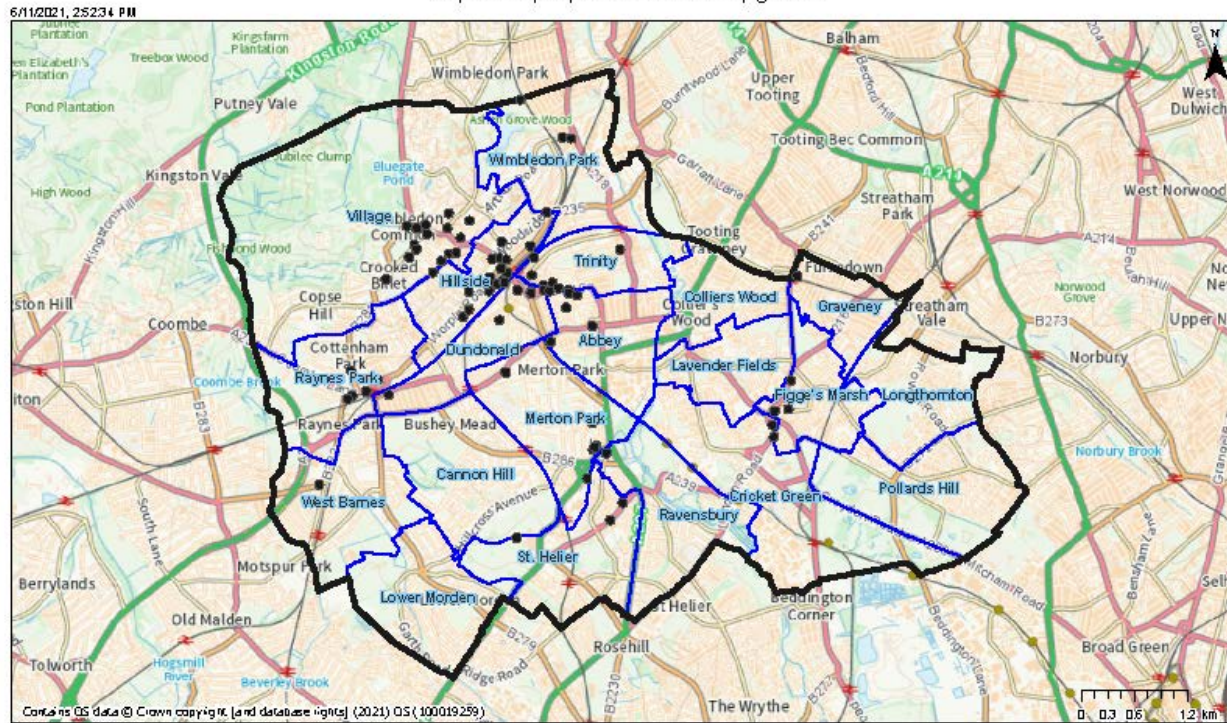
Pay & Display Machines



Scale: 1:150,000



Pay & Display Machines to Upgrade



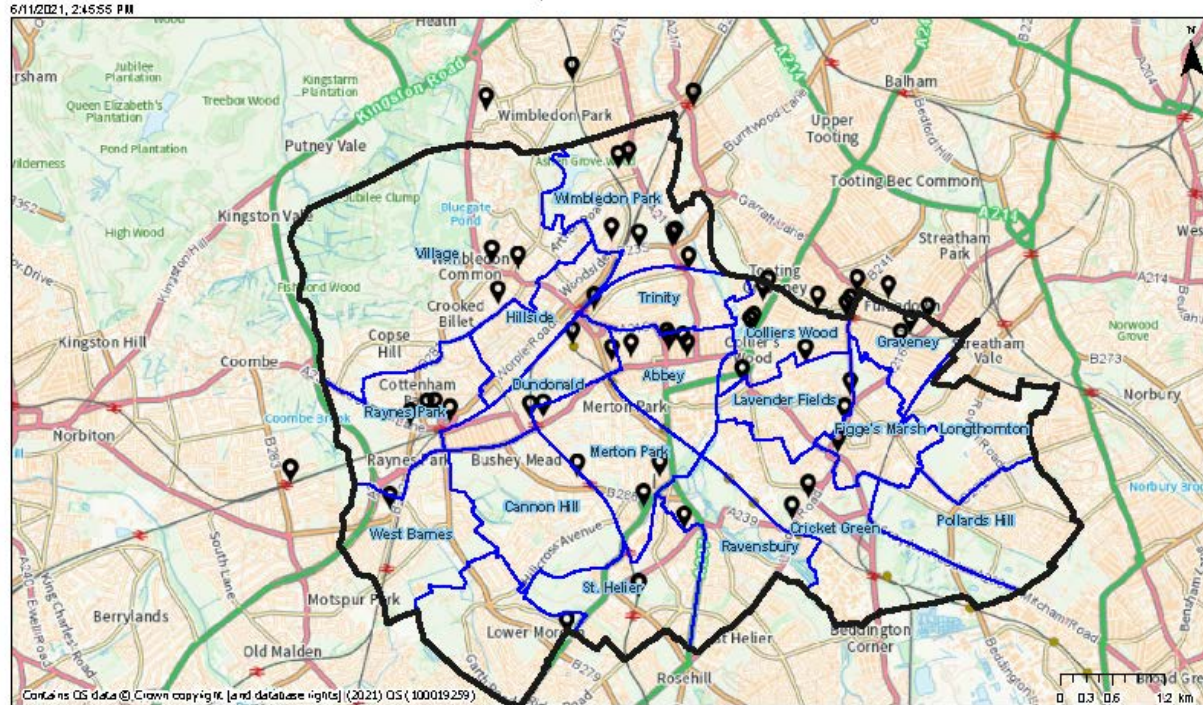
Legend

- Pay Display Machines
- ▭ Merton Borough Boundaries
- ▭ Merton Borough Boundaries

Scale: 1:50,000



PayPoint Locations



Legend

- Merton Borough Boundaries
- Merton Borough Boundaries
- Parking Paypoint Location

Scale: 1:50,000



Financial Detail

Appendix 2

Current			Option 1			Option 2					
			Saving over current cost			Saving over current cost					
				New Machines including installation costs (estimated one of cost)	£523,000.00			New Machines (estimated one of cost)	N/A		
				Signage (estimated)	£310,000.00			Signage (estimated)	£310,000.00		
				A. CAPITAL SUBTOTAL	£833,000.00			A. CAPITAL SUBTOTAL	£310,000.00		
Current Infrastructure - 434 Coinage Pay & Display Machines & RingGo Annual Costs of Managing and Maintenance over the last 3 years	Parts	£35,028.00		Parts	£0.00	-\$35,028.00		Parts	£0.00	-\$35,028.00	
	Staff management & maintenance	£22,931.00		Staff management & maintenance	£8,350.00	-\$14,581.00		Staff management & maintenance	£0.00	-\$22,931.00	
	Pay & Display Ticket stock	£3,360.00		Pay & Display Ticket stock (estimated)	£500.00	-\$2,860.00		Pay & Display Ticket stock	£0.00	-\$3,360.00	
	Power to machines	£90.00		Power (if still required)	£114.00	£24.00		Power (if still required)	£0.00	-\$90.00	
	Cash Collections	£73,624.00		Cash Collections	£25,000.00	-\$48,624.00		Cash Collections	£0.00	-\$73,624.00	
	Pay & Machines Back Office System	£52,000.00		Payment Terminals Back Office System (new provider)	£25,000.00	-\$27,000.00		Payment Terminals Back Office System (new provider)	£0.00	-\$52,000.00	
	Licencing Fee	£53,469.00		Licencing Fee	£53,469.00	£0.00		Licencing Fee	£53,469.00	£0.00	
	B. SUBTOTAL	£240,502.00		B. SUBTOTAL	£112,433.00	-\$128,069.00		B. SUBTOTAL	£53,469.00	-\$187,033.00	
Revenue and system costs.	Transaction and License Costs	£0.00		Revenue and system costs.	Transaction and License Costs	£160,000.00	£160,000.00	Revenue and system costs.	Transaction and License Costs	£134,000.00	£134,000.00
	C. SUBTOTAL	£0.00		C. SUBTOTAL	£160,000.00	£160,000.00		C. SUBTOTAL	£134,000.00	£134,000.00	
	GRAND TOTAL (B+C)	£240,502.00		GRAND TOTAL (B+C)	£272,433.00	£31,931.00		GRAND TOTAL (B+C)	£187,469.00	-\$53,033.00	

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