

Committee(s):	Date(s):	Item no.
Residents' Consultation Committee Barbican Residential Committee	28 January 2013 11 February 2013	
Subject: Automated Payment System for Temporary Car Parking	Public	
Report of: Director of Community and Children's Services	For Decision by Barbican Residential Committee	
<p><u>Summary</u></p> <p>The Barbican Estate Office has been looking at efficiencies in delivering the temporary car parking service and this report proposes that an Automated Payment System (credit and debit card payment using text, touch-tone, internet and mobile web technology) is introduced in the car parks. The new service provides a convenient way to pay for parking.</p> <p>It is proposed that this be an additional customer benefit and is not yet intended to replace the current ticketing/invoicing system.</p> <p>Recommendations</p> <p>That the Committee agrees:-</p> <ul style="list-style-type: none"> • The introduction of an Automated Payment System for temporary parking which will be reviewed after one year. • That the service costs for implementing this new payment technology payable to the service provider are paid by the Barbican Estate Office by way of a small service charge for each transaction. • That the Barbican Estate Office reduces the current daily temporary car parking charge for those customers that use this service by £1 (from £9.20 to £8.20) as an incentive to use the service. This charge will be reviewed in line with the Car Park Charging Policy (see Car Park Charging report January/February 2013). 		

Main Report

Background

1. The Barbican Estate Office has been reviewing a number of options for the payment of temporary car parking for residents to replace the current ticketing/invoicing system that has been in place for many years. These options include pay on foot, scratch/markings cards, online pre pay, automatic number plate recognition and a voucher system and are briefly outlined in Appendix 2. During the review these options proved to be either costly and/or still a paper based system.

Current Position

2. The current system for temporary car parking is both bureaucratic and time consuming for both residents and officers as payments are mainly made by cash or cheque with costly individual invoices raised by the Chamberlain's Department.
3. Temporary Car Parking for residents' visitors is free for the first 5 hours. After a visiting car has been parked for a period of 5 hours the Estate Concierge will issue a ticket which then allows that particular car to park for a further 24 hours at a current charge of £9.20. This ticket can be paid either at this stage via the Estate Office or later against an invoice raised by the Chamberlains Department.
4. Invoices are raised on a rolling monthly basis and residents receive an invoice at regular intervals. Currently there is no option for residents to pay in advance for Temporary Car Parking and the Car Park Offices do not have the facilities to accept cash payments.
5. Temporary Car Parking at present generates the following income per annum:-

Year	Ticketed Visitors	Total
2010	8,156	£70,494
2011	7,384	£64,837
2012	7,805	£71,806

The number of visitors into the Barbican Estate Car Parks is shown below. “Ticketed Visitors” are for cars that have been parked for more than 5 hours and “5 Hour Free Visitors” will take advantage of the first 5 hours free temporary car parking. The table below shows that there are approximately 5 visiting cars to each car park per day.

Year	Ticketed Visitors	5 Hour Free Visitors	Total Number of Visitors
2012	7,805	5,507	13,312

Break down of the length of stay for the ticketed visitors:-

One Day	Two Days	Three Day	Four + Days	Total
6678	556	227	344	7,805
85%	7%	4%	4%	100%

Proposal

6. The Barbican Estate Office has been continuing to look for efficiencies in delivering the temporary car parking service. Following a review of all of the options for a prepaid temporary car parking system the best option is an Automated Payment System that was introduced by PayByPhone for the City of London’s on-street parking in November 2011. The key benefits of an Automated Payment System are:

- No cash
- Non paper based system
- No set up costs
- Additional customer benefit/methods of payments
- Numerous payment methods
- Monies paid upfront
- Reduced cost and time raising invoices
- Benefit to the car park account of reduced costs (despite the fees and reduced temporary car parking charges)

7. An Automated Payment System using PayByPhone using local rate numbers provides a customer friendly modern 24/7 system for residents and an alternative to using a ticketing/invoicing system.
8. An outline of the resident experience of paying for temporary parking using an Automated Payment System is detailed in Appendix 1 of this report.
9. Residents will be able to use mobile phone/touch-tone/internet/mobile web technology provided by the Automated Payment System to pay for their parking using Visa and Mastercard, and any UK debit cards. A small fee of 30p will be charged by the service provider for each transaction (but no credit/debit charges) which will be paid for by the Barbican Estate Office as an incentive for residents to use the service, which will be reviewed after one year.
10. In addition residents have the option to receive text messages to confirm the beginning of their parking session and or just a reminder text that is sent out 5-10 minutes before the end of the parking session. Both of these texts are optional and a small fee of 10p will be charged to and payable by residents for each of these services by PayByPhone.
11. The provider, PayByPhone, will ensure that the system is fully client-branded with City of London branding applied to: Intelligent Voice Recognition/touchtone prompts; text messages; e-mail receipts; all approved posters/fliers and marketing materials and customer facing website.
12. The core marketing package provided by PayByPhone includes stickers and approved posters in the car parks. In addition, the launch of the new service will be promoted by mailings to residents and via the City of London website, Barbican Estates newsletter and email broadcast service.
13. Not everyone has a mobile phone or access to the internet and to ensure services are accessible to all, it is proposed at this stage to introduce an Automated Payment System parking as an additional resident benefit, with the existing ticketing/invoicing system being retained for those residents without access to mobile phones or the internet.
14. As an incentive for residents to use the service it is recommended that the Barbican Estate Office reduces the current daily temporary car parking charge for those customers that use this service by £1 (from £9.20 to £8.20). This charge will be reviewed in line with the Car Park Charging Policy (see Car Park Charging report January/February 2013). If this

system receives a 100% up take, then it could result in a potential loss of £7,800, this would have to be met by the Barbican Local Risk Budget.

Enforcement

15. The Estate Concierge (Car Park Attendants) will control the first 5 hours free temporary car parking and the car bay arrangements for visitor parking. Both of these benefits and arrangements remain the same. The Estate Concierge will also continue to control the current ticketing and proposed new Automated Payment Systems.
16. The residents on arrival or on site will contact the Estate Concierge regarding any temporary car parking that they require for themselves or their visitors as per the current arrangements. The Estate Concierge will at this stage inform the residents of the benefits of the new Automated Payment System that could be used after the first 5 hours free parking has expired.
17. After the 5 hour free temporary car parking has expired for the vehicle, if payment has not been received via the Automated Payment System, the Estate Concierge will contact the resident and remind them of the new System. If the resident does not wish to use the Automated Payment System or if the resident has not been able to be contacted, the Estate Concierge will use the current ticketing/invoicing system. There will be no refunds if residents do not park for the full 24 hours charging period.
18. The Estate Concierge will enforce the Automated Payment System by logging into a secure webpage and by checking vehicle registration numbers and a unique parking location number for each car park. The 24 hour parking session is identified by either the unique car park location number or vehicle registration number. When entering a car park location number or the vehicle registration number, all valid and recently expired 24 hour parking sessions are displayed. When the vehicle registration number is entered all locations for the matching vehicle number are shown.
19. The information displayed on the web page typically includes: vehicle registration number, start and expiry time of parking session and amount paid. Valid parking is illustrated in one colour and expired parking in another.
20. If the resident has made a minor error in the registering of their vehicle registration number e.g. transposing a number or letter the Estate Concierge will advise them that they should correct their registration details with PayByPhone.

21. There will be no increase in costs for the Estate Concierge to control the new Automated Payment System as it will be provided using existing resources. Full training will be provided. There will not be a reduction in other services provide by the Estate Concierge due to the new Automated Payment System as there are only approximately 5 visiting cars to each car park per day.

Benefits

22. An Automated Payment System will mean a move to an electronic system and through enforcement by the Estate Concierge will deliver 5 hours of free parking and prepayment for additional hours. It will pass the invoicing and billing responsibility to the contractor.
23. An Automated Payment System will allow residents the option of paying for their parking using debit and credit card payments. It is a quick, easy, secure cashless system and there is no subscription fee or installation costs.
24. Residents can receive text reminders 5-10 minutes before their parking session is about to end, they can also view their parking transactions on line and print out receipts. In addition, residents can add or change their vehicle registration details either on-line, by app/mobile web or by touchtone.
25. An Automated Payment System provides a simple system for residents as they can even sign up anywhere on the day and allows residents to top up their parking sessions without having to return to the car park.
26. The introduction of an Automated Payment System for temporary parking is aimed at providing an additional benefit to residents, but the option of removing the ticketing/invoicing system may be considered in future. If this was the case it could eliminate the old paper process entirely.
27. Back-office systems provided by the Automated Payment System will facilitate effective management of resident transactions, for example, signing up new users, starting transactions, editing user accounts. Information will also be available to help the Estate Concierge, customer support and accounting/reporting functions. Although the service is automated, residents will be given the opportunity to be connected to a call centre (usually a 24/7 service) if they encounter difficulties paying for their parking session or have a question about the service.

28. An Automated Payment System will deliver efficiencies in the back office and make more productive use of the Estate Concierge's time.
29. The Barbican Estate Office will utilise the Automated Payment System for temporary car parking which will be in accordance with the City's Procurement Strategy. The system represents good value as the Barbican Estate Office will benefit from the City's current PayByPhone contract price which terminates in November 2013 with an option to extend for 12 months.
30. The new Automated Payment System has been in place for the City's on street car parking for over 12 months and it has been very successful and now over 50% of all payment transactions for on-street parking are being made using this technology. Other authorities where this service is available are: Barnet, Ealing, Enfield, Islington, Tower Hamlets and Westminster.

Financial and Risk Implications

31. Providers of Automated Payment Systems typically charge a small fee for each transaction; which would be 30p. This may either be charged to the customer or paid by the Barbican Estate Office.
32. It is proposed that the Barbican Estate Office pays for the transaction fees. If all customers take up this service there is a potential cost to the Barbican Local Risk Budget of £2,300.
33. All parking payments are pre-authorized and flow directly from the customers' bank to the merchant account of the service provider and then transferred to the City of London's account.
34. All registration data is entered over secured encrypted channels and fully compliant with PCI DSS (Payment Card Industry Data Standards).
35. The potential loss of income if all customers take up the offer of a reduced charge is £7,800. This would have to be met from the Barbican Local Risk Budget.

Legal Implications

36. The Strategic Procurement Unit has been consulted in the preparation of this report and supports this proposal.

Strategic Implications

37. Automated Payment Systems for parking meets the City's Community Strategy vision; the provision of high quality, cost effective and responsive parking service.

Consultees

39. The Town Clerk, the Chamberlain, the Comptroller & City Solicitor, the City Planning Officer, the Department of Built Environment and Estate Concierge have been consulted in the preparation of this report and their comments are included.

Conclusion

40. An Automated Payment System for temporary car parking will provide an additional benefit to residents. The set up costs of the new system will be largely met by PayByPhone. It can be implemented and operational within one month of initiation.

Background Papers:

Car Park Strategy Working Group report 23 February 2005

Car Park Strategy report 18 July 2005

Car Park Strategy report 1 September 2008

Car Park Strategy report Stage 1 26 January 2009

Car Park Strategy update report 08 June 2009

Car Park Update Report 30 November 2009

Streets and Walkways Committee 21 March 2011

Barbican Estate Car Park Efficiency Strategy Working Party 12 September 2011

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