

Report to: Cabinet



Date of Meeting 31 March 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Mobile phone tariff payments in car parks

Report summary:

To take the necessary steps to enter into a framework contract with a new provider for delivering pay by mobile phone services for our car parks customers

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet recommends to Council to;

- (a) Enter into a contract provider "RingGo" for a period of four years (extendable by up to two further years) and to give delegated authority to the Strategic Lead Housing, Health and Environment in consultation with the Strategic Lead Governance and Licensing and the Strategic Lead Finance to agree terms and to finalise the contract, and
- (b) Approve an exemption to Contract Standing Orders to enable "RingGo" to be used as the preferred supplier.

Reason for recommendation:

The provider offers the convenience of a single mobile phone app for public parking across the region and the contract provides value for money for both the Council and its car parking customers.

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Portfolio(s) (check which apply):

- Climate Action and Emergencies
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Culture, Tourism, Leisure and Sport
- Democracy and Transparency
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information: None

Link to [Council Plan](#):

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

Report in full

1. Following interest from a number of Devon District Councils along with Devon County Council, Torbay Council recently led a procurement exercise resulting in a framework contract in which a single provider is now able to provide pay by mobile phone services for car park customers throughout the region on terms and conditions that are very favourable to both the Councils and their customers. This procurement was completed in 2020 and most Devon Councils (including Teignbridge District Council, Devon County Council, South Hams / West Devon Councils, Mid Devon District Council, North Devon District Council and Torridge District Council have already signed up.
2. The provider "[RingGo](#)" was the successful bidder. Some of the other authorities have already started working with Ringo and we know that others are now in the process of moving across from their old service provider.
3. EDDC's Officers participated in the joint procurement exercise and are content that the framework agreement with RingGo does represent an outstandingly good deal for both this Council and our customers. It was our intention to follow the lead of our neighbours and to recommend to Members that we should request an exemption to our contract standing orders and to simply enter into a contract with this supplier to provide pay by mobile phone services in East Devon car parks this year. The framework contracts operate for an initial four year period with options to extend for a further one or two years on the agreed terms if required.
4. A more recent development is now that our current service provider "[Parkmobile](#)" with whom we are no longer under long term contract and we have been running on a month-to-month extension, has given Notice that they will be unable to continue to provide a service for UK customers beyond the current financial year. They are within the same ownership as the RingGO brand and Parkmobile will instead be focussing on their European business leaving UK contracts to RingGO so our proposed transition is anticipated to be relatively straight forward.
5. We believe a call-off contract using the recently procured framework agreement will give visitors to the area the benefit of a countywide system and the need to use only one mobile phone app for their visits to the region. The improved ease of use and having a recognised brand across the county will be publicised and should encourage a further move away from the use of cash to pay for parking.
6. Under the terms and conditions set out in the framework the new supplier RingGO now will provide signage for the car parks and publicise the new service, which will be cheaper for the public to use than the current system. They will not be charging a convenience fee,

(currently 20p per transaction) and there will not be a charge for confirmation or reminder texts. This will offer savings for the customer as they currently pay for text reminders.

7. In terms of cash flow, the proposal will mean our budget position remains unchanged. Our finance colleagues are currently in discussion with RingGo and there are broadly two models under consideration, either (a) collect all the revenue, then after deducting their fees they pay us the balance on a monthly basis – or (b) we can collect all transactions ourselves and then pay RingGo their fee for their services. In option (a) they would do everything – we would get all of our parking revenue less their 2.4% fee which is similar to what we do now with Parkmobile. The first 500,000 transactions will be free of charge – thereafter 4p per transaction. Looking at the whole of 2020 there were 146,000 Parkmobile sessions so it would be surprising if usage were to go up beyond 500,000 transactions per year. In either case it is therefore expected that this will have a neutral impact on the budget.

Financial implications:

As detailed within the report the proposal is within existing budgets.

Legal implications:

The contract value falls below the threshold set out in the Public Contracts Regulations 2015 and therefore the EU procurement procedure (which is still currently relevant) does not apply and Cabinet has the power to authorise exemptions from the requirement to seek quotations or invite tenders pursuant to the Council's Contract Standing orders Rule 3.1. The reason for using the exemption in this case appears justified. Legal Services will advise on the terms of the contract with RingGo.