Open Market overview

Overview
- The National Parking Platform (NPP) is a publicly-owned parking hub funded by the DfT being trialled by Manchester City Council (more below).
- It has been developed to help local authorities and private companies exchange relevant data, and for users to find available parking spaces.
- It enables the exchange of up to date parking data through a single platform which means that multiple operators can offer parking services simultaneously in any given vicinity, creating a competitive market place for parking services, leading to better services for motorists and reducing the cost of procurement.
- The NPP will enable interoperability with connected vehicles and other transport services (e.g. EV charging), and better sustainability and traffic management decisions through strategic data reporting.
- The idea is that local authorities who want to move away from the current tender model can adopt the NPP in their area.
- The NPP initiative aligns with the trend seen in the majority of European markets over the last decade. It has driven greater choice for consumers, increased digital adoption, generated significant savings for local authorities, simplified procurement, offered sustainable and predictable revenue streams for suppliers, and provided a wealth of data points to evidence mobility trends and inform policy decisions.

NPP Pilot
- Since 2021, the Department has funded a pilot NPP. Starting in Manchester, and now spreading to three further areas (Oxfordshire County Council, Coventry City Council and Cheshire West and Chester), it provides a hub linking together parking sites with multiple parking apps.
- This allows drivers paying for parking to use their choice of app, rather than whatever app the local council has signed an exclusive contract with.
- For example, motorists in Manchester can choose to pay for parking with four payment providers, including RingGo.
- This pilot has been a success, and the project is now ready to move forward to the next phase. Development work will start now on a nationwide platform able to join hundreds of parking operators into a single, user-friendly system. **This will end the need for drivers to carry a phone full of parking apps just to park.**
- At least 10 further local authorities are expected to join the pilot NPP in 2024.

Getting the model right
- Market access needs to be based on providers meeting certain service standards and economic/financial standing, and a level playing field for any charges to be made to councils for the provision of items such as banking services.
- Free market forces need to operate whereby cashless providers can set their own fees, (much like TV subscription services) and motorists choose based on the quality of the service and/or price they want to pay.

- Merchant of record/bank collection needs to be with the providers to collect end user fees and longer term to build wider ecosystem packages that could in future include tolling or EV charging packages
- It's vital that the NPP's commercial construct and the business model accompanying the implementation of the NPP is baked in at the start. If each local authority makes its own decisions about the competition elements then it would create a mixed patchwork of parking models across the UK that will be unappealing to phone parking providers.
- A long-term funding model for the NPP is needed as the current annual cycle of investment requests to the DFT will impede the adoption of the hub as local authorities will want to see that the hub is viable long term.

Benefits
- Local authorities will benefit from the **elimination of lengthy and costly procurement** processes, the transfer of costs away from the council and to the user and be able to digitise compliance monitoring without the need for local digital infrastructure.
- It will also **unleash innovation** creating new exciting developments that will further improve the motorist's experience. In a competitive Open Market, providers of services to consumers will be incentivised to continuously develop new features to compete for business.
- If the DfT succeeds in including the optimal commercial construct within the NPP design it will dramatically help improve the customer journey, raise the 'digital visibility' of car parks and on-street parking areas, increase the efficiency of local authority services and reduce the cost of compliance management and enforcement.
- Service providers will be offered the opportunity to create sustainable margins, which will in turn fund the cycle of continuous innovation referred to above.
- The data gathered by the NPP has the potential to greatly improve our understanding of parking in real-time, telling traffic managers and drivers where spaces are available. Linking this information to wider systems means that millions of existing satnavs could tell drivers where they can find somewhere to park, even at the busiest times.
- By creating this payment platform, the government is effectively creating a mechanism to join up other forms of motoring payment. **The NPP could in future develop to handle EV charging and other services**, so drivers can use their app of choice to find and pay for parking, vehicle charging and more.

Next Steps
- The Government has now committed to the **operational model of the NPP being open to local authorities by Autumn 2024.**
- This will also create an open market that encourages innovation, competition and customer service; and automate processes to reduce burdens on local authorities.
- It's vital that the Government spearheads **a communications campaign** to ensure that local government decision-makers know about this new parking model (awareness is low) and are able to make informed decisions about adopting it.