



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	Review of Parking services	To be marked with an 'X' by Democratic Services after report has been presented
Meeting of:	Corporate Management Team [September 17 th 2019]	X
	Leader and Deputy Leaders [September 23 rd 2019]	X
	Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group [October 2 nd and 3 rd 2019]	
	Cabinet [October 7 th 2019]	
	Scrutiny Audit and Value for Money Council Services Committee [TBC] / Scrutiny Economic Growth Communities and Health Committee [TBC]	



Is this an Executive Decision:	YES	Is this a Key Decision:	YES
Is this in the Forward Plan:	YES	Is the Report Confidential:	No
If so, please state relevant paragraph from Schedule 12A LGA 1972:	n/a		

Essential Signatories:

ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE

Deputy Monitoring Officer: **Chris Ebberley**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 7th October 2019

REPORT TITLE: Review of Parking Services

PORTFOLIO: Cllr B Peters

HEAD OF SERVICE: Mark Rizk

CONTACT OFFICER: Michael Hovers Ext. No. x1776

WARD(S) AFFECTED: All

1. Purpose of the Report

1.1. East Staffordshire Borough Council (ESBC) has operated car parks and related services for a number of years. Presently, the car parking industry is experiencing a period of unprecedented technological advancement. This report seeks to set out a potential pathway for ESBC to embrace these technological improvements; ensuring parking within East Staffordshire addresses the needs of the 21st century commuter or visitor.

2. Executive Summary

2.1. This report examines various aspects of the car parking service and seeks to make recommendations for enhancing the provision and modernisation of that service. In 2018, ESBC took the step of introducing contactless card payments into car parks. Building on that first step, this report recommends the introduction of an app based parking payment option, initially as a trial period, across all ESBC owned car parks.

2.2. Since 2007, Community & Civil Enforcement (CCE) Officers have worked with the same handheld device for the issuing of parking fines. These are now antiquated and becoming increasingly obsolete. Subsequently, it is recommended that the latest devices and technological software is purchased to improve efficiency and enhance operational delivery.

- 2.3. Connected to the delivery of parking services is the current schedule of parking charges. **Presently, whilst these charges are competitively priced, the pricing structure does not enable the Council to reach its Medium Term Financial Strategy (MTFS) objectives. Consequently, it is recommended that the minimum pricing tariff is increased to £1.40. This change will also adhere to the agreed policy for price increases, as set out in the Fees & Charges Policy.** Finally, the report highlights the ongoing cost of operating the FA3 scheme and resultant ongoing pressures on the MTFS. Other potential future options for the running of car parks are acknowledged in the concluding section and help to illustrate possible choices available to the Council in forthcoming years.

3. Background

- 3.1. Car parks in East Staffordshire, until recently, consisted of the traditional pay and display system, with users only being offered coin payment options. In 2018, ESBC introduced contactless payment machines on three primary car parks (Coopers Square-Burton, Burton Place-Burton, and The Maltings-Uttoxeter) in response to the increased use of contactless card payments. Prior to the introduction of contactless machines, the Council launched the “free after 3” scheme, which when reviewed in 2017 appeared to have helped boost the late afternoon/evening economy, but had made little impact on levels of footfall with it merely shifting to later in the day. This 2017 review examined the marketing that had taken place around FA3, the financial impact of the scheme, incorporated stakeholder views, assessed changes to ticket purchasing patterns and contrasted FA3 with other potential free parking options.
- 3.2. Since the introduction of contactless payments the council has embarked upon two “flagship” projects to raise the profile of Burton town centre. The town centre regeneration project and Washlands project. Both of these aim to increase footfall into Burton town centre, and in the case of the Washlands scheme; drive up visitor numbers. Consequently, any review of parking will need to be cognisant of the council’s broader strategic intentions for Burton town centre, and both technology and tariffs must be sufficiently aligned to meet these aspirations. This approach is equally true for Uttoxeter town centre which is encompassed in the scope of this review.
- 3.3. The Medium Term Financial Strategy 2019/20 – 2023/24 was approved by Council in February 2019 and incorporates an increase in parking fees in line with inflation. This is consistent with the Corporate Fees and Charges Policy adopted by Cabinet in December 2016. Comparison of our off street parking income levels with our nearest neighbour comparison group indicates income levels 29% below the average for the group.

4. Contribution to Corporate Priorities

- 4.1. Value for Money Council

5. Parking services review

5.1 Introduction

5.1.1 The following report is broken down into a number of distinct sections and subsequent recommendations. Section 1 examines a range of potential technological improvements available to the Council and presents the possible advantages/disadvantages of each. Following this, options for the possible future delivery of parking services are considered in section 2. This is then followed by an examination of the current car parking tariffs, and draws benchmarking comparisons with competitor car parks in East Staffordshire, tariff charges of neighbouring authorities and those in the ‘nearest neighbour’ most similar group. The fourth section, recognises the ongoing cost of “free after 3”. Finally, the report concludes with potential future options for the delivery of car parking services.

5.2 Technology and the future of car parks

5.2.1 Technology connected with the running and operating of car parks is advancing at a rapid pace. The advent of autonomous vehicles is close, within some parts of the UK, but is somewhat off for East Staffordshire. Smart parking has also risen to prominence. However, Smart parking is aimed at urban centres where parking spaces are at a premium. East Staffordshire drivers are fortunate that both ESBC and private operators provide a significant number of parking spaces across the borough, reducing some of the need for such a service. Previous reviews have looked at barrier controlled parking (2012). This was considered too expensive and the failure of barriers can adversely affect operations and visitor experience. Strong opposition to such a move was also forthcoming from Staffordshire County Council Highways.

5.2.2 Automatic Number Plate Recognition (ANPR) has been a preeminent and popular form of car parking enforcement over recent years. However, introducing such a function has a number of important considerations. Firstly, to run an ANPR system would require the replacement of the new parking machines purchased in 2017, as these are not compatible with ANPR. The need for enforcement is merely reduced and not eradicated completely with ANPR, offences such as parking out of a bay will remain, for example. Of greater concern is the requirement for significant upfront capital costs for installation. Ongoing maintenance costs, which will require a separate specialist maintenance contract and result in a further annual revenue outlay, which would offset any potential saving in reduced enforcement. Confusingly, local authorities can use ANPR for “pay as you leave” services which incorporate a barrier alongside a camera to capture number plate details. Furthermore, barrier and ANPR controlled parking are often portrayed in the media as a method to extract more money from the public, and as consequence, has the potential to cause reputational damage.

5.2.3 Consequently, this review of technological options focuses on contactless payments (card and app based), also examines electric vehicle charging

points and the upgrading of hand held devices for Community & Civil Enforcement Officers (CCE Officers). Please see appendix A for a more detailed breakdown on the strengths and weaknesses of each potential technological option.

Option 1: Do nothing

5.2.4 In 2017, ESBC undertook the decision to replace 16 (50% of the fleet) of all cash only pay and display machines with cash/card/contactless options. These machines were installed in the three prime car parks in the borough at a cost of circa £80,000. Furthermore, an additional ongoing revenue cost of £6,000 is incurred to process card payments. Presently, card payments account for 17% of transactions from these three car parks. Consequently, there is an argument that ESBC has already embraced the advance of technology. However, the remaining 16 machines on outlying car parks are becoming increasingly obsolete and difficult to repair. The machines removed in 2018 remain in the ownership of ESBC and the parts from these can be cannibalised to prolong the life of those that remain, although this is only a short/medium-term solution and merely postpones the eventual need to modernise, as these older machines become increasingly redundant.

Option 2: Further roll out of card/contactless payments methods

5.2.5 This option could be considered as “phase 2” of the 2018 capital outlay with the remaining 16 machines upgraded to the newer versions. This could be achieved with a single capital expenditure as in 2018, or be part of phased replacement programme stretching over a number of years. The latter approach does, however, run the risk of those car parks that had new meters installed first becoming obsolete, as the cycle of replacement is completed thereby, requiring the process to start again. This is currently estimated to require an additional £6,000 in revenue expenditure on an annual basis with a one off additional £87,000 of capital expenditure.

Option 3: App based parking

5.2.6 App based parking has risen to prominence in the past decade and particularly over the last 2-3 years with heavy investment from leading motor industry players such as BMW and Volkswagen. Utilising app based parking has a number of tangible benefits for the Borough Council. Indeed, many local authorities are replacing pay and display machines with app based solutions. Lichfield and Stafford, who have all options, have seen cashless transactions increase by 46% and 43% respectively. Furthermore, London Boroughs - that have moved to similar technology throughout- have seen rates exceed 90%. Adopting app based parking solutions removes or reduces the need for machine maintenance, cash collection and officer time stocking up tickets. Within Staffordshire there has been a recent spate of parking machine thefts by organised crime gangs targeting older models that are susceptible to attack. This echoes a trend that first appeared in London boroughs, and has moved across the country. Costs for loss of income, officer time, disruption to

service, replacement parts and reputational damage are hard to measure, but ultimately impact upon the quality of the parking offer.

- 5.2.7 However, app based solutions do lead to an increase in transactional revenue costs, as identified with the advent of contactless card payment. Conversely, ESBC currently budget annually £79,200 for machine repairs and cash collection. The reduction of cash in storage and/or transit is also an additional security benefit.
- 5.2.8 Providers of app based parking solutions have a number of payment platforms (e.g. App, text, phone or speak with an adviser) for users that do not have a Smart phone or do not want to use an app, ensuring that all customer preferences are catered for. The business model for app based solutions centres on a % return per contactless transaction, this is either absorbed by the authority or passed onto the customer. As seen above, contactless app based payments have some tangible benefits to the Council. However, these benefits can also be experienced by customers, which is an important factor when considering the future development of the Washlands for example. App based solutions enable customers to top up their payment remotely, preventing them from having to curtail their visit or forcing them to overpay when estimating visiting time.
- 5.2.9 Consequently, should this option be adopted it is recommended that an 18-24 month trial period is adopted with app based parking payment solutions introduced across all fee paying car parks. Such a move, would enable the Council to monitor, review and evaluate the impact of app based payments on other traditional forms of payment such as cash. Retaining cash payment options across all car parks also ensures that all visitors are catered for. Subsequently, this proposal would require the undertaking of a procurement exercise with the support of the Procurement Team. This would cost the council an additional £6,000 of revenue on an annual basis (based on 20% take-up and assuming charges from the payment provider are met by the customer) plus one off additional capital expenditure of £16,000 for the relevant notices.

Recommendation: Introduce an app based trial of parking payment options across all ESBC car parks

Other technological considerations Part 1: Electric vehicle charging points

- 5.2.10 Electric vehicles (EV) and the supporting infrastructure have featured heavily in the national media recently and the motor vehicle industry is making a very definite move towards EV. However, there are number of contextual factors when considering electric vehicle charging points (EV points) and their introduction into car parks in East Staffordshire.
- 5.2.11 Limited data is available for EV vehicle ownership in East Staffordshire, but 78% (RAC) of homes own a motor vehicle. Equally, price points for EV vehicles tend to be higher than petrol or diesel versions. Consequently, whilst

the majority of East Staffs residents may want to convert to electric vehicles, they may not have the financial capacity to do so. Furthermore, Highways England has identified Uttoxeter (Trinity Road) as a viable site for their Strategic Road Network and the installation of an EV charging point.

5.2.12 Technological advancements in the EV industry are seeing new vehicles produced that can run for hundreds of miles without needing a recharge, mimicking the capacity of their petrol and diesel brethren. The forthcoming, fast charging, Volkswagen ID claims to have a range of 341 miles per charge; which will remove/reduce the need for publicly available charging. Infrastructure adaptations are also taking place with petrol stations now setting aside part of their forecourt to EV. As the infrastructure adapts and grows and the technology improves, the need for EV charging at every stop is either reduced or removed. Other important factors are the installation and maintenance costs associated with each charging point.

5.2.13 However, set against these contextual factors are levels of poor air quality in parts of East Staffordshire. Introducing EV points would provide a tangible illustration of ESBC's efforts to improve air quality and support sustainability. Potential options exist for a Section 106 (S106) Planning agreements to be created with each new approved development, to help offset air quality and sustainability considerations. Consequently, the recommendation is that an S106 agreement is formalised, and that any EV points are funded by these agreements, negating the need for any direct capital outlay by the Council. The user would still need to pay for the parking space and it is anticipated that the car park will still have the same number of spaces but some for exclusive use by electric vehicles.

Recommendation: Explore the introduction of S106 funding towards the introduction of EV Charging points and infrastructure within Council owned car parks.

Other technological considerations: Part 2 Handheld devices for CCE Officers

5.2.14 CCE officers have been operating with the same handheld device since 2007, and in the intervening years, these large bulky pieces of equipment have become obsolete, with parts increasingly difficult to acquire and replace. Those that are available have a significant financial cost attached to them. Furthermore, these old bulky devices do not have a functional camera, forcing officers to carry an additional camera. Having a separate PCN device and camera requires officers to download both devices upon return to the office. This is time consuming and inefficient use of officer time. Modern devices, equipped with an app, allow parking enforcement PCN's to be processed in real time, reducing the need for office time. Additional functionality can include ANPR technology to recognise vehicles with a valid permit. This software will reduce officer time inspecting vehicles and enable the council to adopt a paperless permit system, which will remove the need to pay for a separate annual software licence with another provider, which costs £2,200. Presently, the paper based system is resource intensive for back office teams.

Subsequently, it is recommended that the CCE team upgrade their existing handhelds and software at a cost of £17,386, with annual ongoing software costs of £3,672 as at August 2019. These figures are based on the team remaining with the current configuration as in 5.3.2 below.

Recommendation: New handheld devices and accompanying software are procured for the CCE team

5.3 Parking services delivery options

5.3.1 Traditionally, ESBC have delivered parking services and enforcement via in-house teams. These in-house teams have either been separate parking civil enforcement teams or have had these parking duties amalgamated with community enforcement tackling, litter, dog fouling and fly tipping. This combined service is the current format with officers entitled: Community & Civil Enforcement. However, since the loss of on street parking, the role dynamic has changed creating opportunity to review how the team functions and car parks are managed. Subsequently, this section presents two options for consideration: no change or establish a separate parking team.

Do nothing, maintain the status quo and continue with a Community and Civil Enforcement service

5.3.2 Since July 2013, delivery of parking enforcement has been achieved through the joint CCE team. Officer time is split between community enforcement and civil enforcement, with officers deployed to particular locations and areas to carry out one or both of these duties. Community activities include acting as the eyes and ears for other council services such as Open Spaces, investigating incidents of fly tipping, environmental education and identifying contaminated waste bins; to give but a few examples. Whilst this joined up role has created efficiencies there have been a number of challenges, such as the deployment of officers and juggling community and civil enforcement responsibilities. The former, such as dog fouling and fly tipping, are often considered by residents to be some of the biggest issues in neighbourhoods. Whereas, the latter is essential to ensure parking is not abused, and that the turnover of parking spaces supports town centres and local businesses. Recent amendments to CCEO working patterns has provided the opportunity to extend the community related work the officers undertake and the present position represents a good balance between the two aspects of the role. Members are updated on a monthly basis of the work undertaken by the team.

5.3.3 Aside from the potential technological recommendations set out in the previous section, this approach incurs no additional costs and ensures that ESBC retain complete control of parking services.

Create a separate Parking Team and Community Enforcement Team

5.3.4 Up until July 2013, ESBC operated a separate parking team, along with Community Wardens and Park Rangers. Each of these teams had the ability

to issue enforcement fines for certain offences. However, having these distinct teams created an inefficiency of service with Community Wardens often walking past illegally parked cars; and Parking officers witnessing dog fouling and not being empowered to take action.

5.3.5 With the loss of on street parking in April 2016, this requirement for an officer to issue both civil and community fines was reduced. ESBC parking enforcement activity became confined solely to car parks where very little littering, dog fouling and fly tipping takes place. Consequently, there is an opportunity to resurrect a small stand-alone parking team, focused on managing car parks and its associated enforcement. This move has the positive benefits of providing a concentration of resource on parking, and will free up time for community enforcement activity for the remaining team members. Conversely, there are also some drawbacks to this position. Creating distinct teams has previously created a “silo mentality” amongst officers, with members from one team not willing to help or support colleagues from another service. Other problematic issues are that Parking Wardens are often graded less in pay scales, which can cause resentment towards colleagues in other teams. Additionally, roles with singular functions reduce job satisfaction due to a lack of variety.

5.3.6 Moving to a standalone parking team would require the recruitment of two officers, who would in turn be managed by the Community and Civil Enforcement Team Leader. Two additional posts would cost circa £44-£49,000 including on costs based on the current salary scale within the team. Alternatively, the team could be restructured with these two roles created from the pool of existing officers. Other options are, that with natural wastage, new recruits are hired as solely Civil Enforcement Officers, rather than the current combined community and civil enforcement role.

Recommendation: Maintain the current team structure

5.4 Parking tariffs

5.4.1 Parking tariffs were last examined in 2017 with a review of the “Free after 3” (FA3) scheme. This review led to the adoption of the following tariff system.

Fig 1: ESBC tariff (all car parks excluding Market Place) from September 2017.

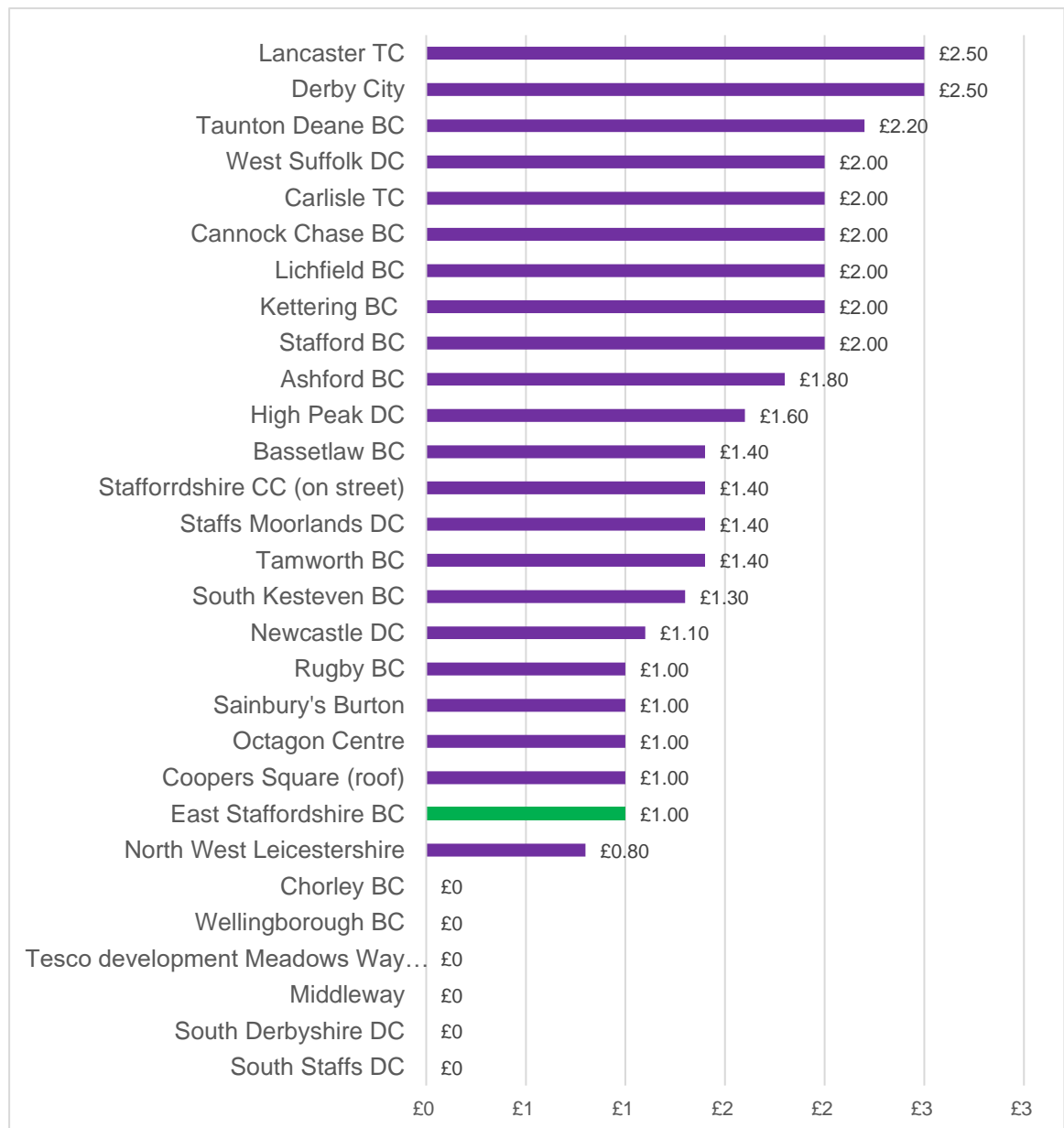
Length of stay	Tariff
Up to 2 hours	£1.00
Up to 3 hours	£2.00
Over 3 hours	£5.00

5.4.2 Under this tariff regime, income in 2018/19 (the first full financial year since the tariff was introduced) fell short by £9,610 of budgetary expectations with the FA3 car parks generating the most income. Operating a FA3 scheme impacts upon the type and length of tariff, for example a visitor arriving at 1pm only needs to pay a £1 to park for 7 hours. Consequently, with the right timed

visit, ESBC parking tariffs already represent extremely good value. Conversely, providing a tariff system that enables a longer length of stay could be considered harmful to local businesses, as there is limited turnover of spaces.

5.4.3 When set against the pricing regimes of other Staffordshire councils, East Staffordshire’s current tariff of £1 for 2 hours is the best value for those that operate charging systems. The graph below illustrates the charge for 2 hours, ESBC’s most commonly purchased ticket, for council ran car parks across Staffordshire, nearest neighbour comparator councils, competitor car parks in Burton or Uttoxeter and a selection of neighbouring authorities. Where authorities implement a varied tariff for car parks of different sizes and locations, the price comparison has been drawn with larger sized car parks.

Fig 2: Price comparisons for up to 2 hours of parking



5.4.4 Given the already good value there is an option to retain the existing pricing structure. Equally, the tariff for 2 hours could be upped to £2.00. What is apparent from the graph is that competitor car parks, by and large, mimic the tariff structure adopted by the Borough Council. A pricing programme of £1 for every hour or similar is operated by Stafford, Lichfield, Cannock Chase, Newcastle, Kettering, Carlisle and West Sussex councils. Consequently, this report presents five potential options for tariff charges; no change, introduce a short stay tariff (80p for 1 hour), adopt a minimum charge of £2 for 2 hours, align an increase with RPI over a five year cycle (consistent with the Fees & Charging Policy) or match the maximum tariff set by our nearest neighbour group of £2.50 (Derby & Lancaster).

Option 1: No change

5.4.5 A 'no change' position preserves the current parking tariff in the borough and delivered alongside FA3, provides visitors with significant dwell time, which could be perceived as a negative in terms of visitor churn. Furthermore, the paucity of comparable year on year data for this tariff makes analysis of impact difficult. 2018/19 is the only full financial year available at present. Changing the parking order, a legal requirement with any tariff changes, costs £4,500.

5.4.6 The approved Medium Term Financial Strategy (MTFS) 2019/20 – 2023/24 was based on the requirements set out in the Corporate Fees and Charges Policy. Adopting this proposed pricing structure would lead to a shortfall of £73,658 against the MTFS in 2019/20. Over subsequent years this shortfall will rise to £200,674 by 2023/24. There is already a shortfall of £37,415 relating to 2019/20.

Option 2: Introduce a shorter 80p charge for 1 hour

5.4.7 Introducing a shorter 1 hour tariff at 80p encourages shorter visits to the town centre. Whilst churn of spaces are high, visitors are not encouraged to dwell in the Town Centre and potentially spend more. Increasing the number of vehicle visits also has potential ramifications for air quality in and around town centres and could increase congestion. Furthermore, this tariff option has the potential to draw more officer time towards car parks, thereby reducing the time spent on community activity. In addition, ESBC already operate a short stay option outside Burton Market Hall with an 80p for 1 hour charge. A tariff structure with a minimum stay of 80p for 1 hour is out below.

Fig 3: Potential ESBC tariff Option 2 (all car parks excluding Market Place)

Length of stay	Tariff
Up to 1 hour	80p
Up to 2 hours	£1.60
Up to 3 hours	£3.00
Over 3 hours	£5.00

5.4.8 Introducing such a tariff structure would increase income by an estimated £103,610, and lead to estimated additional income against the MTFS from

2021/22 of £30,000 but a shortfall against the budget of £97,000 by 2023/24 (assuming no further increases).

Option 3: Increase in line with expected inflation over the next 5 year cycle (in line with Corporate Fees and Charges Policy).

5.4.9 As discussed in paragraph 5.4.6, the Council's Corporate Fees & Charges Policy stipulates that fees should rise in line with inflation, projections for which were built into the current MTFS 2019/20 – 2023/24. To offset the anticipated rise over the next 5 years there is an option to consider a proposed lower increase to a £1.40 tariff for up to 2 hours.

Fig 4: Potential ESBC tariff Option 3 (all car parks excluding Market Place)

Length of stay	Tariff
Up to 2 hours	£1.40
Up to 3 hours	£2.40
Over 3 hours	£5.00

5.4.10 Implementing such a tariff would increase estimated income by a minimum £200,000, based on the expected number and type of tickets sold.

Option 4: increase the minimum charge to £2 for 2 hours

5.4.11 From the benchmarking exercise it can be seen that charging £1 for every hour is a popular and straight forward tariff. Subsequently, there is an opportunity to increase the minimum tariff to £2 for a 2 hour stay, with the ensuing tariffs increasing accordingly. Such a move would see the revised pricing structure below.

Fig 5: Potential ESBC tariff Option 4 (all car parks excluding Market Place)

Length of stay	Tariff
Up to 2 hours	£2.00
Up to 3 hours	£3.00
Over 3 hours	£5.00

5.4.12 Implementing such a tariff, it is estimated, would increase estimated income by a minimum £423,000, based on the expected number and type of tickets sold - placing the council's tariffs on a par with counterparts in Staffordshire and those in the neighbour comparator group.

Option 5: Introduce a minimum charge of £2.50 for 2 hours

5.4.13 Based on the nearest neighbour analysis £2.50 is at the upper echelons of charges applied for 2 hours. Creating a tariff structure (details below in figure 6) of this nature would see income increase by an estimated £650,000.

Fig 6: Potential ESBC tariff Option 5 (all car parks excluding Market Place)

Length of stay	Tariff
Up to 2 hours	£2.50
Up to 3 hours	£3.50
Over 3 hours	£5.00

Recommendation: Introduce a £1.40 minimum tariff in line with the Fees & Charges Policy

5.5 Free after 3

5.5.1 In 2017, a review report of the FA3 scheme highlighted that the Council were incurring an annual loss of £167,000 to run the scheme. Continuing to operate the scheme means that there are fewer resources available to meet other priorities. FA3 operates on ESBC's most used car parks; Coopers Square, Burton Place and the Maltings Uttoxeter. The 2017 report highlighted that FA3 hasn't increased traffic/footfall into the town centre, rather, it has shifted parking space take up to later in the day.

Recommendation: To note the ongoing costs relating to FA3

5.6 Possible future delivery options for car parks

5.6.1 Whereas ESBC have traditionally delivered car parking services "in-house", there are potential options in forthcoming years to consider other delivery types, which are connected to outsourcing to another local authority or a private sector provider. A brief overview of these options is set out below.

Outsource parking to another third party private provider

5.6.2 Alternatives to the current provision include the complete outsourcing of car parks to a private sector provider. This can take various forms, such as the private sector provider retaining income from fines for enforcing the car parks. Different options include a half or full lease version. The half lease version would see the Council paid a fixed fee per annum for the provider's services and the operator retaining income from ticket sales and fines. Under this arrangement all operating expenses, such as machine repairs, remain with ESBC. A full lease option is the same as the above but all costs and operations rest with the private company. Finally, rather than lease there is a further option to sell the car parks for a capital sum. Clearly, such a move would have to be weighed up against the potential amount of lost annual revenue for the Council.

Information only no further recommendation

6. Financial Considerations

This section has been written and approved by the following member of the Financial Management Unit: Lisa Turner/Anya Murray

- 6.1 The paragraphs below set out the financial implications of the recommendations being made:

Procurement of an App based Solution

- 6.2 The tables below sets out the estimated costs and savings associated with implementing an app based solution alongside existing payment methods. This assumes that those charges made by the payment provider are met directly by the customer and not ESBC (estimated at 5p to 10p per transaction).

	Para.	2020/21	2021/22	2022/23
		£	£	£
Revenue				
Merchant Card Costs (based on 20% take-up)	5.2.6 to 5.2.9	6,000	6,000	6,000
Capital				
Additional Car Park Notices Cost (estimated)		16,000	0	0
(to be met from income generated following fees and charges review)				

Electrical Vehicle Charging points

- 6.3 The report proposes the introduction of EV charging points and infrastructure funded from potential future S106 monies. The user would still need to pay for the parking space and it is anticipated that the car park will still have the same number of spaces but some for exclusive use by electric vehicles

Community & Civil Enforcement Team Structure and Investment

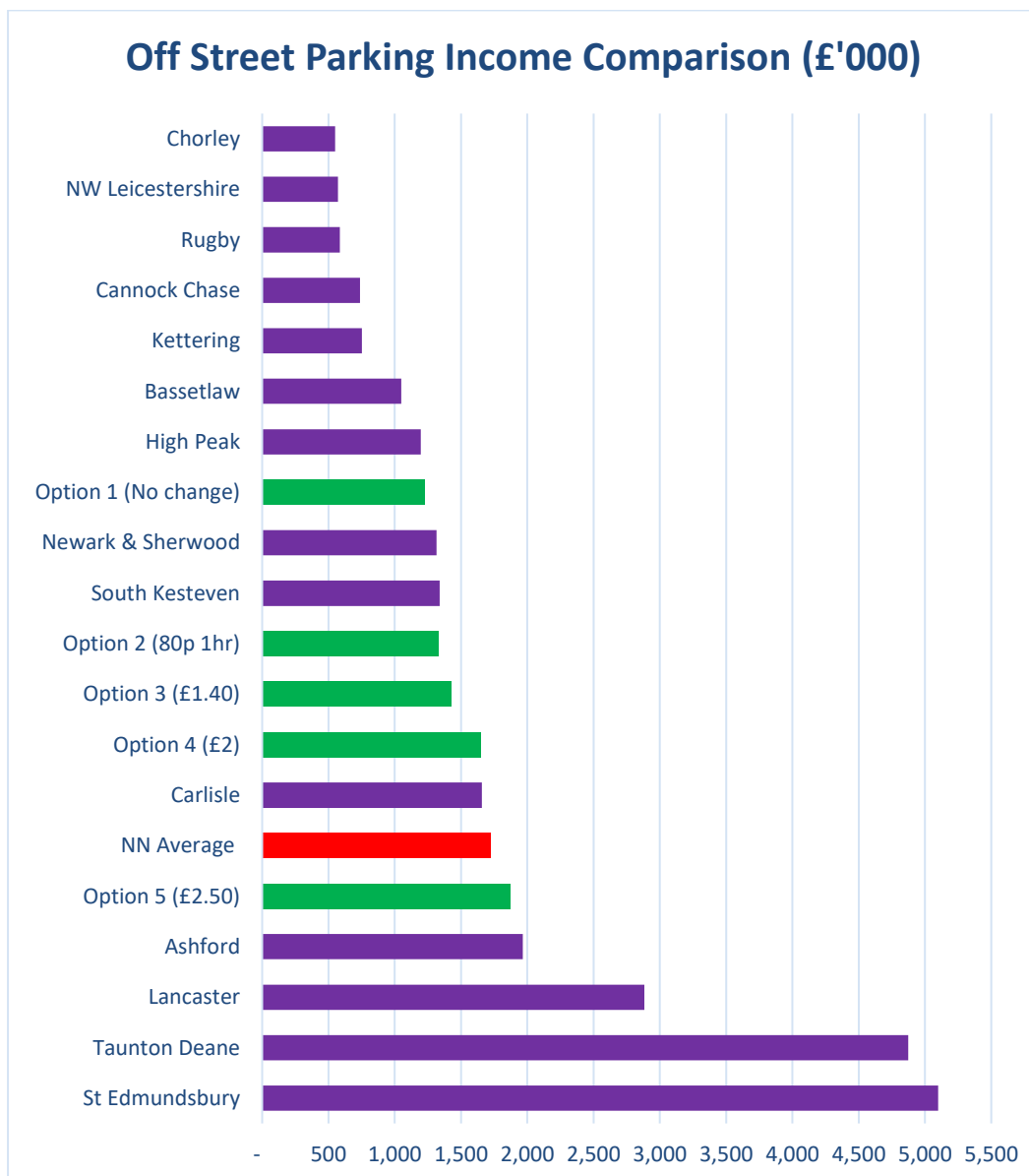
- 6.4 The table below sets out the revenue and capital implications of the recommendation in the report to invest in new technology in the form of handheld devices.

	Para.	2020/21	2021/22	2022/23
		£	£	£
Revenue				
Handheld devices CCE officers (net impact) ¹	5.2.13	1,472	1,472	1,472
Capital				
Handheld devices CCE officers		17,386	0	0
(to be met from income generated following fees and charges review)				

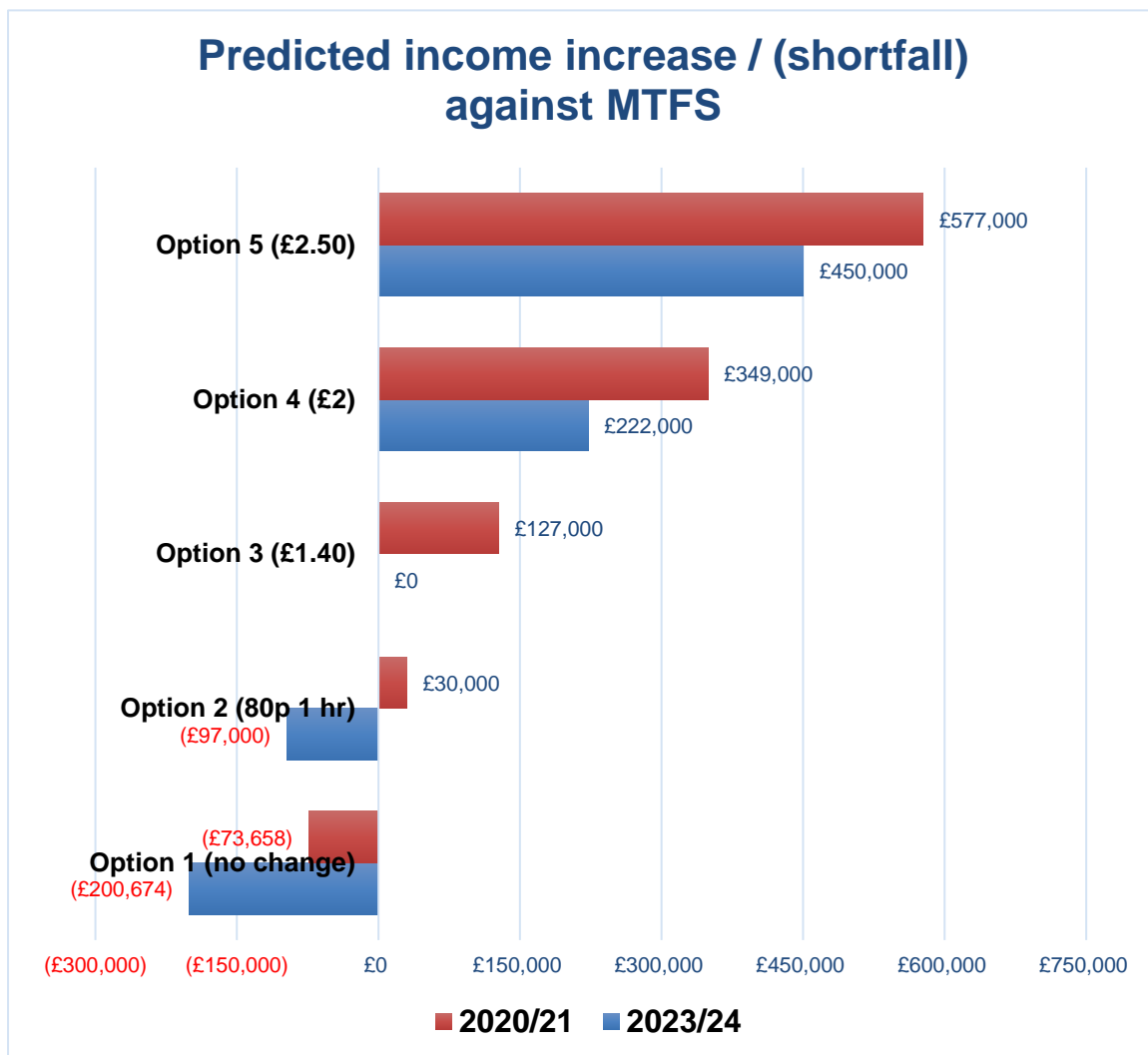
¹ This is in addition to the £2,200 currently expended as set out in paragraph 5.2.14

Pricing Considerations

- 6.4 The graph below compares the various pricing options outlined within section 5.4 with the income generated by our nearest neighbour (NN) comparator authorities. This demonstrates that most of the pricing options under consideration would mean that our income levels are still below the nearest neighbour average.
- 6.5 The estimated income levels from each pricing option have been modelled based on the 2018/19 tickets issued against the various pricing tariffs and takes into account a level of contingency for potential changes in usage. For Option 2 (80p 1 hr) data from 2008 to 2011 has been utilised to estimate take up of the 1 hour tariff.



- 6.5 However, the approved Medium Term Financial Strategy assumes the fees would increase annually by RPI in line with the Fees and Charges policy adopted by Cabinet. On this basis, two of the options (Options 1 & 2) set out within the report would leave a shortfall against the budget and mean that additional ongoing savings would need to be identified from elsewhere.
- 6.6 The impact on the current approved MTFs of the pricing options is set out in the graph below:



Free after 3 (Para 5.5.1)

- 6.7 It is estimated that the three after free scheme is costing in the region of £167,000 per annum in lost revenue income. This is based on the current pricing tariffs and the cost would increase if the tariffs are revised, for option 3 (£1.40 minimum - as recommended) to an annual cost estimated to be £192,000.

7. **Risk Assessment and Management**

7.1. The main risks to this Report and the Council achieving its objectives are as follows:

7.2. **Positive** (Opportunities/Benefits):

7.2.1. MTFS requirements are reached

7.2.2. The Parking Service is modernised and efficiency increased

7.2.3. Latest technology is introduced into ESBC car parks

7.2.4. Residents have a wider choice of payment options

7.2.5. App based parking enables people to pay remotely.

7.3. **Negative** (Threats):

7.3.1. Minimum parking tariffs may increase which could dissuade visitors

7.3.2. Changes in user behaviour as a result of a revised pricing tariff exceed the contingency allowance.

7.3.3. Ongoing shortfall from FA3

7.3.4. Revenue costs for running alternative cashless payment options

The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

8. **Legal Considerations**

*This section has been approved by the following member of the Legal Team:
Linda J Durham*

8.1. The main legal issues arising from this Report are as follows. The existing Parking order will need to be amended to reflect any subsequent tariff changes

9. **Equalities and Health**

9.1. **Equality impacts:** The subject of this Report is a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is attached as Appendix B.

9.2. **Health impacts:** The outcome of the health screening question does not require a full Health Impact Assessment to be completed. An equality and health impact assessment is not required.

9.3. The equality and health impact assessment identified no actions to be carried out.

10. Human Rights

10.1. There are no Human Rights issues arising from this report

11. Sustainability (including climate change and change adaptation measures)

11.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/A

12. Background papers

12.1 Free After Car Park Review (2017)

13. Recommendation(s)

13.1 Introduce an app based trial of parking payment options across all ESBC car parks; based on additional associated costs with payment provision being met by customer.

13.2 Explore the introduction of S106 funding towards the introduction of EV Charging points and infrastructure within Council owned car parks.

13.3 New handheld devices and accompanying software are procured for the CCE team, with the existing team structure retained to deliver the service.

13.4 Introduce a £1.40 minimum tariff in line with the Fees & Charges Policy (effective from April 2020)

14. Appendices

14.1 Appendix A- Parking Technology options.

14.2 Appendix B- Equalities Impact Assessment