

Report to: EXECUTIVE CABINET

Date: 8 February 2023

Executive Member: Councillor Jan Jackson, Executive Member for Planning, Transport & Connectivity

Reporting Officer: Emma Varnam, Assistant Director of Operations & Neighbourhoods

Subject: CAR PARKS REVIEW

Report Summary: The purpose of this report is to provide an update regarding immediate and longer term changes in Tameside Council's car parks.

Recommendations: It is recommended that:

- i. Approval is granted to procure, update and install 27 pay and display machines in town centre car parks. The related cost (£71,450) to be financed via the Council's Vehicle Replacement reserve and repaid over a 4 year period as outlined in section 4.
- ii. Approval is granted to purchase new pay machine management software for the contactless payment system. The related year 1 cost (£4,606) to be to be financed via the Council's Vehicle Replacement reserve and repaid over a 4 year period as outlined in section 4. Future year annual costs to be financed via the Place Directorate revenue budget.
- iii. The phased approach of car park development is noted and that a further report will be received in May 2023 setting out an approach to proposed strategic developments of car parks and estate development.

Corporate Plan: The proposals contained in this report will support the delivery of the Corporate Plan by providing a modern infrastructure and a sustainable environment.

Policy Implications: None arising from this report.

**Financial Implications:
(Authorised by the statutory
Section 151 Officer)** The proposals in this report outline a number of proposals which, when considered together will lead to improvements in the financial position of the service and contribute towards the Place Directorate improvement plan.

Improving Infrastructure & Operating Systems

The associated cost is £71,450. A compliant procurement route has been identified by STAR Procurement for the upgrading / replacement of these 27 machines. This is via an existing ESPO framework agreement for payment machines. It is envisaged that by having contactless payment options the Council will be able to maximise its parking related income. It is proposed that the purchase of new machines and upgrades of existing machines is funded by the Vehicle Replacement Reserve and repaid over a 4 year period as outlined in section 4, table 1.

In order to improve business intelligence and support contactless payment options, it is proposed that the Council purchase a software system called Mi Office. This will improve usage data quality and support future decisions on improvements to service provision. The software also provides functionality for tariffs to be remotely changed. The cost of the software is £4,606 per year. The year 1 cost is also proposed to be funded by the Vehicle Replacement Reserve and repaid over a 4 year period. Future year annual costs to be financed via the Place Directorate revenue budget.

Parking Strategy

Non recurrent funding has been awarded to the Council to procure specialist support for the creation of a Parking Strategy as outlined in Section 5.17. £40,000 has been secured from the UK Shared Prosperity Fund (UKSPF) and £30,000 from Homes England Resource Departmental Expenditure Limits (RDEL). The acceptance of both sources of funding is subject to separate reports.

Legal Implications : (Authorised by the Borough Solicitor)

This report sets out a number of proposals to review and update the current delivery of car parks by the council.

It is understood that the procurement of the new machines and management software will not only improve the service for residents (being able to pay by card) but also provide the necessary data to inform the strategic parking review which is also detailed in the report.

The project officers are engaging with STaR procurement to ensure that compliant procurement exercises are undertaken in relation to the machines, software and external support to develop the strategy.

Risk Management:

If the recommendations are not implemented the lack of investment in the infrastructure and consideration of the wider parking strategy will have a negative financial impact on the Authority and will mean the council risks being unable to effectively manage this service.

Background Information:

The background papers relating to this report can be inspected by contacting Emma Varnam, Assistant Director Operations and Neighbourhoods



Telephone: 0161 342 3777



e-mail: emma.varnam@tameside.gov.uk

1. INTRODUCTION

- 1.1 Car parks provide a critical infrastructure for residents and businesses in the borough. They should be safe, well-maintained, easy to use, accessible and convenient to both facilities and transport links. Action is required to improve the service and effective business management of Council owned car parks.
- 1.2 The Council operates 44 Car Parks across the borough all of which are Pay and Display Car Parks. The exceptions are Dale Street (which currently operates on a contract only basis) and Ward Street (which currently allows permit holders only to park). There are 53 Pay & Display machines in situ across the borough in car parks. All of the machines currently only accept cash. The details of car park locations are showing in **Appendix 1**.
- 1.3 Prior to the pandemic, car parks played an important role in the local economy and the vitality of town centres by providing access to shops and hospitality venues, such as cafes and restaurants. During the pandemic, the lockdown restrictions on movement, inevitably saw a significant drop in the use of car parks and on-street car-parking.
- 1.4 Use of town centres is now returning to pre-pandemic levels. However, our car parks have not kept up-to-date with the needs and expectations of residents and business users. In particular, it is not currently possible to pay for parking with either contactless payment cards or mobile phones. This poor customer experience has a detrimental effect on the Borough's reputation and our ability to run an effective business.
- 1.5 This document lays out the plan in three phases and requests permission to upgrade the existing infrastructure, changes to parking enforcement and a future parking strategy.

2. PHASE 1 – REVIEW PASSES AND CONTRACT PARKING

- 2.1 A report was agreed by the Executive Cabinet in October 2022, to reinstate the Council's staff and member car parking scheme and review contracts let to local organisations so there is cost recovery.
- 2.2 Charges for annual passes range from £120-£250. The charging arrangement for staff, elected members and public sector partners is now place. Individual arrangements for free parking passes have ceased. This first phase of the car parking improvement project is now complete.
- 2.3 It is recommended to include a broad-based review of passes and contract parking as part of the future strategy, with the aim of ensuring Tameside is an attractive place to do business and that the Council optimises its income.

3. PHASE 2 - IMPROVING INFRASTRUCTURE AND OPERATING SYSTEMS

- 3.1 There are 53 Pay & Display machines in situ across the borough in car parks. All of the machines currently only accept cash. Tameside Council is the only Greater Manchester authority that cannot accept card or mobile app payments. In view of the widespread move away from cash in all areas of life in recent years, this makes it less attractive to use our car parking facilities or to visit and do business in Tameside.
- 3.2 It is proposed to prioritise improvements in our town centre car parks for immediate action. This involves 27 machines, 17 of which can be upgraded and 10 of which will need to be replaced as they are too old to be upgraded. (See **Appendix 2** for a detailed breakdown).
- 3.3 It will still be possible to pay by cash at our machines.

- 3.4 The cost of these improvements would be £71,450. A compliant procurement route has been identified by STAR Procurement for the upgrading / replacement of these 27 machines. This is via an existing ESPO framework agreement for payment machines. See section 4 below for a breakdown of costs and offsets.
- 3.5 In order to accept card payments, the Council will need to use a Payment Services Provider (PSP) and will incur transaction fees as a result. There is currently a soft market testing exercise underway to investigate the options available to the Council for all its payment processing needs but it is expected that any transaction fees relating to new income will be covered by the additional income generated. For transaction fees relating to existing customers who are switching from cash to card payments, it is expected these will be covered by reductions in cash collection costs and potential increases in Pay & Display charges.
- 3.6 It is proposed to review the future of the remaining 26 machines in our car parks as part a wider strategic review for medium and longer-term developments. This enables the Council to make urgent high-priority improvements in the most cost-effective manner, and recognises the fact that more substantial changes in land usage may affect the future use of these 26 car parks.
- Purchase pay machine management software**
- 3.7 Currently there is no system to monitor of the usage and income of each individual car park. Data about patterns of usage will be essential for future decisions about changes to estates usage and town centre development.
- 3.8 It is proposed to purchase a software system called Mi Office, which provides:
- Remote gathering of usage data from new and upgraded machines;
 - Remote checking on the status of machines, to enable issues to be identified early;
 - Changing of applicable tariffs remotely.
- 3.9 The cost of this software is £4,606 per year. A compliant route has been identified by STAR Procurement to procure the Mi Office system via an existing ESPO framework agreement.

4. FINANCIAL IMPLICATIONS

- 4.1 The costs of the proposed improvements are £76,056 in 2022/23. It is proposed to fund the cost from the existing vehicle and equipment replacement reserve and to repay this in subsequent years. A detailed analysis is provided in table 1. This is based on the proposal to repay the reserve fund over 4 years.

Table 1

	22/23	23/24	24/25	25/26	26/27
Upgrading 17 newer machines	£ 31,450	£ -	£ -	£ -	£ -
Replacing 10 older machines	£ 40,000	£ -	£ -	£ -	£ -
Purchase of Mi Office software licences & support (27 machines, annual licence)	£ 4,606				
TOTAL from vehicle and equipment replacement reserve	£ 76,056	£ -	£ -	£ -	£ -

Purchase of Mi Office software licences & support (27 machines, annual licence)		£ 4,606	£ 4,606	£ 4,606	£ 4,606
Repayment to vehicle and equipment replacement reserve - over 4 year term		£ 19,014	£ 19,014	£ 19,014	£ 19,014
TOTAL funded by the Place Directorate revenue budget.		£ 23,620	£ 23,620	£ 23,620	£ 23,620
<u>Total cost of proposed improvements</u>	<u>£ 76,056</u>	<u>£ 23,620</u>	<u>£ 23,620</u>	<u>£ 23,620</u>	<u>£ 23,620</u>
(% of annual income at current level)	7%	2%	2%	2%	2%

5. PHASE 3 – LONGER TERM STRATEGY FOR DEVELOPING THE PARKING ESTATE

- 5.1 Tameside's position, with its proximity to key economic growth drivers, leisure and recreation offers makes the borough an ideal location for businesses. In particular, businesses looking for links and ease of access to markets and skills bases across the north, as well as for skilled workers wanting to live within commutable distance of Manchester and Leeds, whilst enjoying an excellent quality of life afforded by its close links with the Peak District.
- 5.2 Tameside Council recognises that its main town centres, Ashton-under-Lyne, Denton, Droylsden, Hattersley, Hyde, Mossley, and Stalybridge are crucial components to the economic, environmental and social wellbeing of the borough. Each town centre provides a unique but complementary offer, where Tameside's residents and visitors can easily access a range of facilities and services; and businesses can grow and reach their full potential.
- 5.3 The pandemic has further exacerbated the change in the way that people interact with their town centres. Out of town shopping centres, the growth in e-commerce and the changing shopping habits of people mean that town centres need to evolve to respond to meet the demands of the local communities that use the centres. There is a significant opportunity for Tameside's town centres to rebuild and reinvent themselves as the heart of their communities with an increased focus on heritage and built form, culture, health, education, housing, leisure, arts and retail.
- 5.4 It is proposed to develop a Car Parking Strategy to ensure parking services are an effective part of the wider developments underway in the borough. There is a two-way synergy between parking services and other areas of development, and this strategy will therefore address the ways in which car parking can change to optimise its own contribution to the Council; and the ways in which it needs to align with other developments.
- 5.5 The strategy will propose actions in the following areas:
- Opportunities for car park rationalisation and consider the role of multi-story/decked car parks in releasing land for potential development opportunities and capital receipts from Council owned sites.
 - Longer term policies regarding, tariff rates, charging for on-street and off-street parking, disabled and family parking.
 - Potential changes to parking management options and operating models.
 - Wayfinding in the borough.
 - Provision for alternative forms of transport and electric vehicle charging.

- 5.6 The strategy will be informed by several key inputs including:
- Details of existing and emerging masterplans in the
 - Parking surveys will be required where no data exists, such as for on-street parking and to provide additional information about the use of other car parks.
 - Analysis of policies, trends and opportunities relating to new modes of travel including electric vehicles.
- 5.7 It is proposed to procure external specialist support for the creation of the parking strategy via STAR Procurement. The budget for the strategy is £70,000 and will be funded through external grants from Homes England Resource Departmental Expenditure Limits (RDEL) and the UK Shared Prosperity Fund (UKSPF); providing a total budget of £70,000, which is believed to be adequate for the full strategy.
- 5.8 It is recommended to commence the phased procurement as soon as possible for the creation of this strategy.

6. NEXT STEPS

- 6.1 The Car Parking department and Improvement team have begun outlining the project plan for phase 2 and 3. Project initiation meetings have begun meeting with stakeholders and delivery partners. Once procurement process has commenced an updated timeline of progress, a communications plan and more detailed installation dates can be provided by the monthly reporting of improvement activity.
- 6.2 Project timeline

Action	Timeline
Upgrade of Machines agreed at Executive Cabinet	February 2023
Procurement commences	March 2023
Update on Car park Strategy	May 2023
Installation of new infrastructure	July/August 2023
Car Park strategy considered by Executive Cabinet	September 2023
Implementation of Phase 3	October 2023

7. RECOMMENDATIONS

- 7.1 As set out at the front of the report.