

**Executive**

11 February 2016

Report of the Acting Director of City and Environmental Services

Portfolio of the Executive Member for Transport and Planning

## **Parking Review**

### **Purpose**

1. To provide Members with an overview of current car parking provision and operation.
2. Consideration be given to the work to date on the “Pay on Exit” trial undertaken on Marygate car park and determine next steps.
3. To seek Members approval to develop a City wide Parking Management Plan with a private sector partner.

### **Recommendations**

4. The Executive is requested to:
  - I. Approve the development of a City wide Parking Management Plan and priorities to be the subject of approval by a further report to Executive.
  - II. To continue the Marygate Pay on Exit provision and approve the principle of procuring a partner to develop proposals for the development and implementation of the Parking Management Plan in respect of off street parking. This would be subject to a further Executive report.
  - III. To approve the transfer of parking enforcement operations from the Community and Neighbourhoods Directorate to City and Environmental Services.

Reason:

- a) To start the development of a parking policy context and Parking Management Plan for the provision of off street in the future.
- b) To bring more commercial expertise and acumen to bear on the Councils car parking estate.
- c) To seek to better align the City's car parking provision within the Councils policy ambitions.
- d) To start to consolidate the management of parking operations within the council.

## **Background**

### **Current Parking Provision**

5. The City of York Council's Parking Services is responsible for overseeing the management and operation of 13 public car parks providing approximately 2,500 off-street parking spaces and 5,000 linear metres of on-street pay and display parking. It also administers the city's Resident Parking Scheme (ResPark) covering 27,000 linear metres of streets equating to 5,400 parking spaces and generates an income in the order of £7million per annum. At Appendix 1 is a more detailed summary of the Council's current car parking provision and the context in which it operated and managed.

### **Policy Context**

6. Parking management is defined<sup>1</sup> as the strategic application, and use, of existing and planned parking spaces, both on-street and off-street, in a given area. Parking management is a system management tool which addresses how vehicles access, use (length of time) and egress from parking spaces. These tools include the:
  - I. Designation of long term and short term parking.
  - II. Charging strategies.
  - III. Payment technologies.
  - IV. Application of technologies in facilities that optimise use within a limited area.

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<sup>1</sup> Palmer Ferris Transport Research Laboratory 2010

- V. Implementation of parking demand management strategies to encourage multiple use of parking facilities.
7. Implementation of parking management strategies includes parking demand, supply, pricing, safety issues and location issues. It needs to consider economic and financial feasibility issues, site characteristics, locational features and compatibility with surrounding uses as well as market and regional issues.
  8. It is through the application of a York specific Parking Management System that policy objectives could be achieved in the City. The Policy objectives that the Council currently has in this area are however very high level and not well developed when considering the above definition. Starting with the Council Plan it's main focus is on three key priorities:
    - I. a prosperous city for all - where local businesses can thrive and residents have good quality jobs, housing and opportunities.
    - II. a focus on frontline services - to ensure all residents, particularly the least advantaged, can access reliable services and community facilities.
    - III. a council that listens to residents - to ensure it delivers the services they want and works in partnership with local communities.

and specifically the following areas are identified upon which Parking Management could have an influence:

- IV. Cut the city's carbon emissions.
  - V. Steps taken to improve air quality.
  - VI. Efficient and affordable transport links enable residents and businesses to access key services and opportunities.
  - VII. Environmental Sustainability underpins everything we do.
9. The Council's Local Transport Plan 2011-31 identifies that the transfer of inward commuting and visitor trips to the Park and Ride service, combined with restricting the availability of city centre parking, will remain a key strategy for reducing trips in the urban area.

10. Although the Council's Local Plan has yet to be agreed and is therefore subject to change, the latest draft, (as considered by the Council's Executive on 25<sup>th</sup> September 2014), expresses the following view in respect to Parking:

*“The management and control of car parking spaces are essential components of an effective transport strategy. Parking control by both capacity and price has historically been, and will continue to be, used in York, where City Centre charges are used to encourage long-stay parking at Park & Ride sites or other more peripheral car parks and to support the local bus services. The Council will continue to support affordable access for short-term business and personal trips that are essential to the economy of the city. At the same time further work will be initiated to provide more designated spaces for lower emission vehicles in City Centre car parks, to try and improve air quality in the heart of York.”*

11. Therefore in terms of the city's current parking policy, little actually exists other than high level strategic objectives around sustainable transport. This is reflected in the current car parking provision detailed in the synopsis at Appendix 1 and is accompanied by a very rudimentary pricing strategy.
12. Whilst this approach has historically not been unusual for Local Authorities and has served the Council and other Cities well the situation has changed rapidly in the last 10 years. Private sector car parking technologies, competition to the high street from the internet, increasing sustainable transport objectives and the difficult public sector financial position have all led to a position where the Car parking provision in York is now looking out of date and could do far more to meet the Council's policy objectives with the deployment of the right technologies.

### **Marygate car park trial**

13. This policy and operational deficit has also contributed to the perception led by York's business community that the “Pay and Display” system in York's car parks are adversely affecting trade and the economic viability of the city centre, due to users having to “predict and pay” for their length of stay as they arrived at a car park. In view of this and in response to approaches from the city's retail sector the Council has also been trialling Pay on Exit system of operation at Marygate Car Park, one of its off-street car parks. The trial allows users to pay at the end of their stay as they leave the car park, rather

than pay upon arrival when parking their vehicle. The purpose of the trial was to assess what impacts of a Pay on Exit system would have on the day to day operations and usage. This could then be used to inform the wider implications of introducing the system more widely across other off-street city centre car parks. It should be noted that the Pay by Phone system already in operation does facilitate customers to top up any parking charges without having to return to their vehicle.

14. A summary of the Marygate trial including an analysis of options for Marygate are at Appendix 2. The trial commenced in July 2014 and was extended to July 2016 however operating only one car park has proven challenging due to the lack of economies of scale and the complimentary investment in technologies that the private sector use to bring the advantages of Pay on Exit to their operations. With this in mind there are 3 realistic option to consider as the end of the trial approaches:
  - i. Expand the Pay on Exit system across other car parks
  - ii. Continue with the trial for further assessment
  - iii. Remove the Pay on Exit and revert to Pay and Display
15. The analysis of the options in summary concludes that continuation of the Marygate Trial is the preferred option at this time. The evidence base that the Council has from the trial is insufficient to warrant expansion of the Pay on Exit scheme. This is due to the challenges of the trial on a single site with no economies of scale which gave officers a steep learning curve of how to operate a Pay on Exit car park and when combined with a number of events during the trial the results cannot be considered as robust. The contribution of Marygate Pay on Exit will allow further data to be gathered and whilst challenges still exist officers' ability to manage the Marygate Pay on Exit has improved significantly.
16. In light of this position and in order for the Council to continue to explore the development of its car parking estate it is proposed that members consider the need to bring economies of scale, commercial acumen and dedicated management expertise to its car parking assets. Bringing this expertise to bear must not however underestimate the value of the car parking estate and therefore how this expertise is delivered and in what context will be a key consideration for Members.

## **Development of a Parking Management Plan (PMP)**

17. There are a number of ways that the development of the off street parking and back office functions elements of a parking management plan could be made and an analysis of models for delivery has been undertaken at Appendix 3. The following possible models of operation have been considered in this.
  - a. In-house provision
  - b. Contract Out
  - c. Licence arrangement
  - d. Franchise
  - e. Joint Venture (Special Purpose Vehicle)
  - f. Term Maintenance Contract
  
18. *This analysis in summary concludes that in order to capture the opportunities of modernisation whilst sharing risks, expertise and economies of scale that the creation of a Special Purpose Vehicle (SPV) partnership should be explored further including the development of a more detailed business case and if possible governance structures. It is then proposed that the Councils current high level policy objectives are considered by the partnership SPV and brought forward to produce proposals for the elements of the parking management plan as indicated in paragraph 17 above.*
  
19. Whilst this option sees the Council retain risks associated with the car parking operations it would significantly mitigate the risks associated with the necessary transformation and upgrade of the Council's off street parking offer through a high level risk sharing partnership. The opportunity to bring commercial expertise and risk sharing to the development of the Council's car park management plan and sustainable transport objective will ensure that the plan reflects best practice. An SPV partner may also give the opportunity to expand the proportion of the City's car parks subject to the parking management plan.

## **Immediate operational arrangements**

20. The current Car Parking arrangements detailed in Appendix 1 at an organisational level sees the Car Parking function effectively split across three Council Directorates with enforcement falling under Communities and Neighbourhoods, Services (CANS) under City and Environmental Services

(CES) and Customer services under Customer and Business Support Services (CBSS).

21. In order to start the journey towards the development of a city wide parking management plan it is proposed as an initial step that the enforcement and strategic functions are merged into CES and that whilst not moving directorate that the customer services are also considered as part of the requirements of the procurement of an SPV partner.

## **Summary**

22. The Council has developed its practical parking policy and pricing in a piecemeal fashion over a number of years in the context of an overall sustainable transport objectives.
23. In recent years this approach has been recognised as deficient and the Marygate trials have been commissioned to understand next steps. Should Members agree that the Marygate pay on exit continues this will provide more evidence for the development of future options envisaged in this report.
24. The report recommends that the development of a PMP and its implementation for off street parking is developed by exploring the creation of an SPV to bring commercial expertise and risk sharing opportunities to the Councils operations and policy development.
25. That as an immediate operational action the enforcement and strategic elements of parking provision are consolidated into the CES Directorate and that the customer service provision within CBSS is considered as part of the SPV PMP proposals.

## **Council Plan**

26. The proposals in this report are intended to as detailed earlier to take the high-level Corporate Plan objectives and other policy priorities identified and develop them into a more detailed policy and implementation tool as a Parking Management Plan (PMP).
27. The development of a PMP is timely in that when the final details of the Local Plan have been agreed and a greater certainty surround regional devolution it is likely that a review of the existing transport strategy as outlined in the City of York Local Transport Plan 2011-2031 will need also need to be

revised and a developed PMP will contribute significantly to this document and its objectives.

## Implications

28. The following implications have been considered:

- (a) **Financial** – The initial financial implications of this report will be contained within existing budgets based upon the proposed increases in car parking charges for 2016-17 as costs are principally associated with the procurement of an SPV partner and consultation exercises. The costs of these activities can be contained by using existing staff resources however the limited staff resource available will lead to these activities not commencing until later in the 2016/17 financial year. If a more immediate start is required then additional resource will need to be brought to bear and an initial estimate of £75k would be the order of funding necessary to bring in external legal and technical capacity to develop these proposals.
- (b) **Human Resources (HR)** – There are no human resource implications at this stage as the transfer of the enforcement function is intended only to provide a more coherent management approach to the Councils parking function.
- (c) **Equalities** – There are no equality issues to consider at this stage however the development of the PMP will need to include a detailed Equalities Impact Assessment.
- (d) **Legal** – There will be a need for detailed legal input into potential governance structures as well as in relation to the procurement of any partner and the creation of a special purpose vehicle.
- (e) **Crime and Disorder** – There are no Crime & Disorder implications.
- (f) **Information Technology (IT)** – There are no IT implications at this stage.
- (g) **Property** – There are no Property implications at this stage but the appointment of an SPV partner will bring forward proposals for the management of the Councils Car parking estate as part of the SPV proposals.



(h) **Other** – There are no other implications.

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<b>Specialist Implications Officer(s)</b> <i>List information for all</i>			
<b>Wards Affected:</b>	All	✓	
<b>For further information please contact the author of the report</b>			

### Annexes

Appendix 1 – Overview of Parking Service

Appendix 2 – Analysis of Marygate Pay on Exit trial

Appendix 3 – Possible Models for delivery