

## Analysis of Marygate Pay on Exit Trial

1. Following concerns raised by City centre businesses and the perception that “Pay and Display” off-street car parks were adversely affecting trade as well as the economic viability of the city centre, the Council agreed to undertake a trial of a Pay on Exit system of operation in Marygate car park. This was intended to allow the Council to be able to fully assess the impacts this could have on the parking service operation if a Pay on Exit operation was extended across other city centre off-street car parks.
2. There were several operational issues that had to be dealt with during the trial such as:
  - I. Significant efforts were needed to set up and commission the system that did initially have reliability issues
  - II. Suitably trained off-site support is required when these systems are in operation.
  - III. Technical Operator support must also be provided to enable quick on-site issues to be addressed. This needs to be able to respond at short notice on a 24 hour basis to avoid revenue loss.
  - IV. There are no specific staff “Enforcement” requirements as entry/ exit were barrier controlled.
  - V. When fully operational this system has the potential to out perform pay and display in terms of parking income, this is thought to be largely due to reduced levels of contravention.
  - VI. Provision for “free” disabled parking is difficult to incorporate as there is no way of identifying disabled driver’s vehicles as badges as are “person” specific. A separate provision outside of the car park was however able to be provided for the Marygate trial.
  - VII. The Pay on Exit ticket machines are more complex and were seen to be less resilient to the elements.
  - VIII. Full control over all the entry/ exit to car parks is required to successfully operate a pay on exit system.
3. To assess the overall performance suitable comparisons were made of the revenue collected before and after the trial. Consideration was taken into account of the general background of falling revenues for parking over recent years. There were a number of other issues that took place during the trial that will have impacted on usage such as the “Three hours free Parking” during

the first four months and the Scarborough Bridge improvements that resulted in Network Rail occupying the car park (partially for three months and wholly for one month) to complete their works.

4. These along with other teething issues were taken into account when comparing performance and adjustments made accordingly. Overall it was able to determine that there is potential for the car park to operate at least as effectively as other car parks but was not definitive. This did not take into consideration a range of other “add-on” facilities that were not suitable for the trial but could be considered for its wider application such as:
  - I. Hotel and contract parking management
  - II. Online “Pay as you go” accounts
  - III. Promotional based discounting
  - IV. Mobile / Web payments
  - V. Reserved Parking
  - VI. Secure overnight Parking
  - VII. Rail Station additional parking provision
  
5. One of the most significant impacts on establishing the trial was altering the existing layout to facilitate barrier control for a secure (hardened) perimeter for entry/ exit. Additionally maintaining the free disabled parking was challenging, whilst it was able to be incorporated for the Marygate trial it had to be separately provided for, outside of the main parking area as blue badge holders are “person specific” not “vehicle specific.
  
6. In light of the experience of the trial, provisional costs have been identified for the possible expansion of the Pay on Exit system. Nine main car parks were provisionally identified as those most suitable for the installation of a Pay on Exit system covering some 1,950 spaces. The provisional cost of converting these was estimated at £1,025,000 which included the cost for replacing the existing pay and display machines of £181,500. It could be argued that this should be a common cost as these machines are likely in need of replacing even if the pay and display car parks remained due to their age. The additional cost for Pay on Exit therefore could be £844,500.
  
7. Apart from the capital investment required a Pay on Exit system would impact on the day to day operating costs and change the

income and expenditure costs. The following four main factors could have cost implication:

- I. Increased parking income
- II. Reduced enforcement costs
- III. Reduced Fixed Penalty Notice income
- IV. Increased technical support requirements

### **Conclusions for Pay on Exit.**

8. During the 15 months of the trial the later stages, once the teething and other issues were no longer impacting on its operation, it demonstrated that there is potential for the Pay on Exit to deliver increased revenue compared to pay and display. Although the overall operating costs are slightly higher this could be offset if the changes were to increase the usage of the car parks.
9. The trial commenced in July 2014 and was extended to July 2016 and so far has not conclusively shown it better of worse than pay and display but has demonstrated its potential to do so. 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
10. The option of continuing with the current trial would allow for further analysis to be undertaken providing more robust data on which to base any future decisions. This assumes that a longer relatively trouble free period of operations would ensue. This would result in a delay to the expansion of a Pay on Exit system being introduced.