

EAST HERTS COUNCIL

EXECUTIVE – 3 NOVEMBER 2015

REPORT BY EXECUTIVE MEMBER FOR ECONOMIC DEVELOPMENT

PROCUREMENT OF NEW CAR PARK MANAGEMENT SYSTEM

WARD(S) AFFECTED: ALL

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**Purpose/Summary of Report**

To obtain:

- agreement for the basis of operation of East Herts Council's new car park management system.
- approval to proceed with the procurement of the new car park management system.

**RECOMMENDATIONS FOR EXECUTIVE: That:**

<b>(A)</b>	<b>the comments and recommendations of the Council's Environment Scrutiny Committee be received and noted;</b>
<b>(B)</b>	<b>based on the evidence presented, East Herts Council should continue to manage its car parks on a solely 'pay and display' basis; and</b>
<b>(C)</b>	<b>Officers be authorised to commence procurement, obtaining detailed costing and a recommended preferred supplier for 'pay and display' in all car parks.</b>

1.0 Background

1.1 Most 'pay and display' machines in East Herts Council car parks were purchased in 2004. As they are nearing the end of their operational life and are almost beyond possible repair, it is proposed to replace the system during 2016.

1.2 The Council's adopted Parking and Transport Strategy 2012-2021 presented the community priorities of residents. In relation to car park management their priority outcomes were:

- A service that places no burden on Council Tax payers
- Reduced congestion in our town centres
- Traffic free town centres
- Economic wellbeing of our towns and villages
- Sufficient short term parking for shoppers
- Sufficient long term parking for workers
- 'Pay on exit' parking

1.3 A key outcome sought by businesses and visitors to our towns is a car park management system within the car parks whereby the motorist:

- is able to pay quickly and easily
- bears no risk of being penalised for overstaying
- pays only for the time used

## 2.0 Environment Scrutiny Committee Recommendations

2.1 A report to the Council's Environment Scrutiny Committee on 8 September 2015 set out the rationale behind the Council's 2003/04 decision to implement 'pay and display' and a new assessment of the most appropriate car park management system for the future. This identified 'pay and display' as the most appropriate management solution for most car parks.

2.2 The report advised Gascoyne Way car park in Hertford may be considered for conversion to a 'pay on exit' approach, but that Jackson Square in Bishop's Stortford, should remain 'pay and display'.

2.3 The report presented the government restrictions on local authorities' ability to adopt car park management based on Automatic Number Plate Recognition (ANPR) alone. This is again presented in **Essential Reference Paper 'B'**.

2.4 The Environment Scrutiny Committee recommended that:

- The Council installs new 'pay and display' machines in its surface car parks.
- The Council looks to move to a management approach based on 'pay on exit' in Gascoyne Way car park in Hertford.

- Officers further assess the suitability of moving to a 'pay on exit', approach in Jackson Square car park in Bishop's Stortford.

### 3.0 Delivering Customer Outcomes

#### 3.1 New 'Pay and Display' Machines

3.1.1 Investment in new 'pay and display' machines will include features not available when the current machines were purchased in 2004. Payment by credit and debit card, including contactless payment will be introduced, allowing motorists to pay more easily and quickly, without needing the right change.

3.1.2 The new 'pay and display' machines will deliver:

- quick and easy payment
- easy payment of the exact parking charge, reducing the likelihood of overpayment

#### 3.2 New 'Payment by Phone and Mobile App'

3.2.1 The 'pay by phone' service was established in 2011 to help address the drawback of 'pay and display' which requires the motorist to anticipate how long they wish to park and exposes them to the risk of being penalised should they overstay. Subject to a few conditions motorists may top up an initial parking session without having to return to the car park.

3.2.2 Following a procurement exercise, the Council's 'pay by phone and mobile app' service will introduce a 'start/stop' service in 2016. The motorist may start a parking session using a mobile phone or similar device on arrival in a car park and end the session upon departure. This mimics the key benefit of a 'pay on exit' approach in car parks without the need for any investment in infrastructure or problems (particularly congestion) associated with barrier controlled 'pay on exit' systems. Currently this service is free to use, all costs being absorbed by the Council.

3.2.3 The new 'pay by phone and mobile app' will deliver:

- quick and easy payment
- easy payment of the exact parking charge
- reduced likelihood of a possible penalty for overstaying across all car parks with the service.

### 3.3 Gascoyne Way and Jackson Square Car Parks

- 3.3.1 The report to Environment Scrutiny Committee on 8 September identified Gascoyne Way car park in Hertford as a facility where a 'pay on exit' system could possibly be introduced. Based on the emerging evidence it was put forward that such a system would present dis-benefits in Bishop's Stortford.
- 3.3.2 The Environment Scrutiny Committee recommended that both Gascoyne Way and Jackson Square be considered in more detail for conversion to 'pay on exit' and officers have therefore investigated further the implications of this. An issues list in respect of each car park is offered as **Essential Reference Paper 'C'**.
- 3.3.3 The additional research identifies significant structural impediments to the successful introduction and operation of a 'pay on exit' system in both multi-storey car parks. Both car parks would require significant and costly building works. The Council's Property Manager has identified that these works are unlikely to be technically feasible for Jackson's Square.
- 3.3.4 Informal consultation has been undertaken with the highways authority, Hertfordshire County Council, a statutory consultee in the Traffic Regulation Order process to establish 'pay on exit' operation. It has been stipulated that formal objections would be made on the grounds of impact on traffic management at both sites. The roads around both car parks being identified as key traffic management black spots.
- 3.3.5 A significant concern arising from the establishment of 'pay on exit' within Gascoyne Way is the requirement to alter its designation, currently floors are split for long and short stay. This ensures the lower levels have capacity and are prioritised for visitors and shoppers to the town. To maintain this balance, premium pricing would be required to encourage long stay parkers to use alternative car parks, impacting workers within the town.
- 3.3.6 The retention of 'pay and display' within the multi-storey car parks will deliver:

- the lowest levels of congestion around the car parks, both located centrally in their towns
- a continued delivery of balanced short term parking for shoppers and long term parking for workers
- quick and convenient payment including contactless

### 3.4 Parking Smartcard

3.4.1 In 2006 the Council replaced discounted car park season tickets with its parking Smartcard. The former were available to a limited number of applicants on a 'first come, first served' basis, whereas the latter is available to all.

3.4.2 The new car park management machines will not accommodate the parking Smartcard; however the key benefits of the Smartcard may be achieved by other means, as shown below.

<b>Smartcard</b>	<b>New Approach</b>
Removes the need to carry change.	Credit/debit card facilities available as standard. 'Pay by phone' alternative available as standard.
10% discount on 5hr and all day parking.	'Pay by phone' service may be expanded to create virtual car park season tickets. Season tickets could be discounted – for example if the motorist keeps their account topped up to a minimum level.

Officers will present alternative options within the 'Fees and Charges for Car Parks' report to Environment Scrutiny in February 2016.

### 4.0 Method of Procurement and Procurement Plan

4.1 Officers will use an 'ESPO' (a public sector owned professional buying organisation) Framework Agreement for the procurement of the new management system. The final procurement decision will be based primarily on each supplier's price for a common specification of machine. To inform their decision officers will also take references from current users of each system and will undertake reference site visits.

4.2 Subject to the outcome of this report, a contract is expected to be awarded before the end of the 2015/16 financial year. Although the lead time before implementation would be a matter for agreement with the chosen supplier, it is expected that installation

would take place over summer 2016, the quietest period of car park use.

## 5.0 Capital and Revenue Cost Implications

- 5.1 Outline costs from a single supplier on the ESPO framework are presented. Officers seek authorisation to progress with the procurement to assess detailed costings and establish a preferred supplier.
- 5.2 Estimated capital and revenue costs of installing a new car park management system are set out in **Essential Reference Paper 'D'**. The cost is estimated to be £400,000 for a wholly 'pay and display' based approach, which would include all installation costs. The procurement costs would rise to nearly £500,000 should 'pay on exit' systems be purchased for the Council's two multi-storey car parks, excluding the costs of installation and structural modifications. A full estimate of these additional costs would require detailed technical surveys. However, the structural works for Gascoyne Way are estimated to be £50,000-£60,000.
- 5.3 Additional detailed technical surveys of both building structure and 'pay on exit' traffic modelling would be required to continue progressing 'pay on exit' this is estimated to cost £20,000.

## 6.0 Implications/Consultations

- 6.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

### Background Papers

None

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