

Report to the Cabinet

Report reference: C-027-2013/14
Date of meeting: 9 September 2013



**Epping Forest
District Council**

Portfolio: Safer, Greener and Transport

Subject: Capital Budget Allocation for the Replacement of Pay and Display Machines

Responsible Officer: Qasim Durrani (01992 564055)

Democratic Services Officer: Gary Woodhall (01992 564470)

Recommendations:

- (1) To agree to replace off street Pay and Display charging machines in Council owned car parks that have reached the end of their design life and are beyond economic repair; and**
- (2) That, subject to adoption of recommendation (1) above, to recommend inclusion in the Capital Programme of a capital allocation of £40,000 for 2014/15 and £50,000 for 2015/16.**

Executive Summary:

There are 41 pay and display machines in the 22 car parks owned by the Council. Whilst machines are normally replaced when a car park enhancement and improvement scheme is undertaken, or if a machine is damaged or vandalised, there is currently no budget allocation for the replacement of machines which have reached the end of their operational life. A number of machines have now reached this stage and are proving difficult and expensive to repair and maintain.

The Council entered into an agreement with North Essex Parking Partnership (NEPP) in October 2012 for cash collection and maintenance of pay and display machines in all Council owned car parks. For this NEPP receives a set management fee. NEPP is finding it increasingly difficult to keep the pay and display machines operational. There are frequent faults and machines are out of operation for longer.

It is not easy to find spare parts for the older and dated machines. If old machines are not replaced then NEPP could ask for an increase in fee to recover the costs resulting from additional officer time and purchase of parts.

Newer modern machines will allow better management control and monitoring. For example diagnostic checks and amount of cash collected can be checked remotely via the internet.

Reasons for Proposed Decision:

To replace end of life and unsustainable pay and display machines.

Other Options for Action:

To continue to operate the old and dated machines by allocating additional revenue budgets to cover the increased cost of maintenance and upkeep. This can not be recommended as effective asset management requires replacement of those assets that are beyond economic repair.

Report:

1. There are a total of 22 car parks owned by the Council and users pay varying charges for their use. The Council is responsible for maintenance and upkeep of these car parks. There are 41 pay and display machines across all the car parks. Although users have the ability to make cash less payments, for example by using mobile phones, pay and display remains the preferred method of payment for most users.

2. It has been the practice to replace pay and display machines at the time when improvement and enhancement schemes are implemented. This principle has worked well and in recent years new machines have been installed for example in the Burton Road and Vere Road Car Parks at Loughton Broadway.

3. Previously the Council had a contract with Vinci Parks Limited, which ended in 2012, and included provision for maintenance and upkeep of all pay and display machines in Council car parks. At the end of the agreement in October 2012 the Council entered into an agreement with North Essex Parking Partnership (NEPP) for enforcement, cash collection and maintenance of pay and display machines. This enabled the Council to benefit from the larger economies of scale offered by NEPP operations.

4. NEPP are responsible for all maintenance costs associated with the pay and display machines. Following concerns over escalating maintenance costs NEPP commissioned a survey of all machines across this District. It became evident that a large number of machines are dated, suffer from mechanical problems/breakdowns, sourcing spare parts is difficult and technical support by manufacturer is costly. Other members of NEPP have more modern varieties of machines that are more reliable and cost effective to maintain.

5. The Council pays NEPP for carrying out enforcement activities, collecting cash or paperless payments and maintaining pay and display machines in its car parks. The costs for maintenance of machines are based on reasonable and routine maintenance activities. For example the servicing of mechanical parts, diagnostics of software and general maintenance. Like any contractor, NEPP can accommodate some additional work, however if the nature of additional work becomes excessive then it is not unreasonable to ask for adequate supplementary payment. It is for this reason and in light of the excessive maintenance costs it is suggested that the Council should replace old and dated machines with new ones **(Recommendation (1))**

6. Not all of the 41 pay and display machines would require replacement. Some have been installed recently, due to improvement and enhancement works or as a result of damage caused due to accident or act of vandalism. All machines will be checked to confirm their state of repair and only those which cannot be economically repaired or have surpassed the manufacturers recommended life expectancy will be replaced. **(Recommendation (2))**

Resource Implications:

Procurement options will be explored in due course. It is likely that NEPP could attract preferential rates from suppliers, due to their larger purchasing power. However the Council has access to some large framework contracts through the Essex Procurement Hub. Once

budget is approved the most suitable procurement route will be adopted. It is currently estimated that a sum of £90,000 will cover the cost of purchase and installation of circa 30 pay and display machines.

Procurement and installation of new machines will be supervised by existing staffing resources within the Environment and Street Scene Directorate.

Legal and Governance Implications:

The Council charges for the use of car parks and this is a source of income. The Council has a responsibility to its customers to maintain the quality of its car parks and to ensure the reliability of pay and display machines.

Safer, Cleaner and Greener Implications:

Ensuring optimum utilisation of available car parking spaces in the Council owned car parks. Provision of modern up to date pay and display machines that allow remote access will send warnings and prompt early inspections and cash collection. New machines are more resistant to breakages and attempts of theft of cash.

New machines will be solar powered and result in smaller carbon foot print especially when they replace some of the existing machines powered by mains electric supply.

Consultation Undertaken:

North Essex Parking Partnership.

Background Papers:

None.

Impact Assessments:

Risk Management

If funding is not allocated then NEPP can rightly ask for increase in yearly management fee to recover the additional cost of maintenance and upkeep of the old and dated machines.

Some of the older machines are susceptible to theft. Installation of modern machines will reduce that risk.

Cash from existing machines is collected at a regular frequency. Similarly maintenance is carried out at a set interval or when a problem is reported by users or Civil Enforcement Officers. Car park users are unable to use the machine during down periods; this causes inconvenience to users and loss of revenue to the Council. New machines will have the ability to be accessed remotely, to run diagnostics, and send message to officers when cash levels are high.

Equality and Diversity

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No

What equality implications were identified through the Equality Impact Assessment process?
None.

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
N/A.