

REPORT TO PLACE SCRUTINY COMMITTEE, EXECUTIVE and COUNCIL

Date of Meeting: 9 November 2017 (Place Scrutiny), 14 November 2017 (Executive) and 19 December 2017 (Council)

Report of: City Surveyor

Title: Car Park Refurbishment and Development

Is this a Key Decision?

No

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function? Council

1. What is the report about?

1.1 This report brings Members up to date on the condition and structural surveys completed on the Council's multi-storey car parks portfolio in response to the action plan in the New Strategy for Parking 2016-26 and discusses proposed ways forward to delivering a Car Park Investment Strategy for the multi-storey car parks, a Development Potential Feasibility Study for city centre surface car parks and a further piece of work exploring the possibilities and implications of city centre car use reduction. It seeks approval for the procurement of some consultant services in relation to these projects.

2. Recommendations:

That Place Scrutiny Committee notes the report and requests Executive approval of the following:-

- 1) to authorise the City Surveyor to procure a consultant to assist with the production of a Car Park Investment Strategy, subject to further funding approval in due course;
- 2) to authorise the City Surveyor to procure a consultant to assist with the production of a Feasibility Study for the future development of city centre surface car park sites;
- 3) to authorise the City Surveyor to procure a consultant to assist with work on reducing city centre car usage; and
- 4) recommend approval of a budget by Council of up to £100,000 for the consultant costs associated with the feasibility and congestion work.

3. Reasons for the recommendation:

3.1 The approved New Strategy for Parking 2016-26 tasked Corporate Property with carrying out a programme of condition and structural surveys of the multi-storey car park estate and to bring forward proposals for addressing any identified backlog of maintenance together with a Car Park Investment Strategy to bring the estate into an improved condition. It also required Corporate Property to explore the development potential of city centre car park sites. The recommendations in this report are essential next steps towards delivering those objectives. At the same time it is incumbent on us to start to review city centre car park usage as we begin to assess the future of the city.

4. What are the resource implications including non-financial resources.

- 4.1 We are looking to engage a consultant to produce a concept design across the multi-storey portfolio, cost information and a draft programme for approval. This work can be funded from existing budgets, indicatively, assuming an eventual project cost of circa £2.5M, further fees of around £125,000 will be required. This would be subject to a capital funding bid once the initial concept design is completed.
- 4.2 The consultancy related to development potential and city centre car usage are not fundable from existing budgets and are the subject of a funding request for a budget of £100,000.
- 4.3 Clearly, there will be significant internal resource required to work alongside these consultancies in development in the Investment Plan and Feasibility Study and in delivery of the consequent recommendations. At this stage it is anticipated that this can be adequately achieved within the existing establishment but, should a specific resource be required for particular tasks, further funding requests may be forthcoming.

5. Section 151 Officer comments:

- 5.1 If approved, a £100,000 budget will be set aside for consultancy services in relation to the development potential for city centre surface car parks and city centre car use reduction.
- 5.2 There are expected to be significant financial implications in terms of investment in the multi-storey car park estate, the development of city centre surface car park sites and measures to reduce city centre car park usage, which will require a thorough financial appraisal as and when detailed plans are available including the impact on parking fee income.

6. What are the legal aspects?

- 6.1 Please see Monitoring Officer's comments below.

7. Monitoring Officer's comments:

- 7.1 The City Surveyor will be required to follow the Council's Contract Standing Orders when selecting and appointing the consultants identified in 2, 3 and 4 above.

8. Report details:

- 8.1 The action plan from the adopted New Strategy for Parking 2016-26 charged Corporate Property with undertaking a structural and condition survey of all Council multi-storey car parks in the city. Historically, the City Council's approach to multi-storey car park maintenance has been reactive and focussed primarily on seeking to maintain income. To reinforce income protection and to ensure the safety of users through fit for purpose property, condition and structural surveys were commissioned on the multi-storey car park portfolio. These surveys have identified a significant backlog of historic maintenance amounting to an estimated £705,000 and a potential lift replacement cost of up to £375,000. The priority items identified by the surveys are in the process of being delivered within existing budgets. The structural surveys did not indicate significant structural issues and existing budgets are being used to address structural preventative measures to manage immediate decline. However, if the

remaining identified works are left unchecked the ultimate position will be the continued decline of the structure of the multi-storey car parks which, ultimately, would necessitate closure. This full backlog of maintenance is therefore recommended to be funded to repair the assets, maintain health & safety compliance and protect future income.

- 8.2 The New Strategy for Parking 2016-26 detailed evidence of the quality of some of the car parks deterring use, with implications for strategic objectives. The Strategy went on to recommend an investment programme to ensure the critical income stream from these car parks is maintained. John Lewis Multi-Storey Car Park has set a standard in the city and this level of quality should be achieved throughout the multi-storey car park portfolio to ensure all multi-storey car parks are of comparable quality. The Strategy states that achieving comparable quality through the multi-storey car park portfolio would make drivers more likely to park in the car park nearest and most convenient to them, and in so doing reduce congestion.
- 8.3 The take-up of electric vehicle (EV) usage has increased, but the Council's existing provision of EV charge-points is limited and is hampered by electrical installations that were not designed to facilitate the electrical loadings for these charge-points and by limitations of existing utility supplies to the multi-storey car parks. It is therefore recommended that an investigation is undertaken into the likely future requirement for EV electrical capacity and that the Council seeks to implement a level of charge-points that are practicable within the confines of utility restrictions in the city.
- 8.4 The development of St Sidwell's Point necessitates alterations to car parking provision at Princesshay 2 to ensure an adequate supply of disabled user spaces in reasonable proximity to the facilities. Further opportunities exist in improving accessibility to car parks by changing entrance locations and enhancing the image of the facility. Initial discussions are underway with the leaseholders of spaces within the car park. It is recommended that required work to enable these alterations are developed, and potentially delivered, in conjunction with this wider scheme.
- 8.5 To action these recommendations it is proposed that a consultant be procured to ascertain the full scale of works required, liaise with all stakeholders including utilities providers, provide elemental budget estimates of the scheme and develop delivery programmes that minimise disruption to income stream. Once this level of detail is approved further approval will be sought to progress the overall programme. If this further approval is obtained the Consultant would continue to producing full contract documentation and administering the delivery of the scheme to completion.
- 8.6 Given the likely programme to minimise down-time and thereby protect income this exercise will extend to over several years. It is anticipated that a phased approach to delivery will be required to ensure key repairs and enabling works are undertaken ahead of full enhancement.
- 8.7 As the scope of the scheme is varied and extensive it is not feasible to provide an accurate estimate of cost for the required consultancy at this stage. Approval is therefore sought to proceed with the procurement process, whereupon an accurate request for funding will be presented to Committee for approval. The New Strategy for Parking envisaged that Corporate Property bring forward a Car Park Investment Strategy prioritising Mary Arches Street, Cathedral & Quay and King William Street multi-storey car parks. This would form part of the instruction to the Consultant and return to Committee for approval alongside any funding requests.

- 8.8 The New Strategy for Parking also required Corporate Property to undertake an assessment of the development capacity of the city centre surface parking sites. An initial assessment of city centre car parks with development potential (shown numbered on the attached plan) indicates a number of opportunities on a Western Way axis: The Triangle, Magdalen Road, Magdalen Street and the top deck of Cathedral & Quay together with two city centre sites, Howell Road and Mary Arches Street surface. There are known physical and legal constraints on all of these sites to a greater or lesser degree. However, as the demand for intensification for development in city centre locations increases, it is appropriate for the City Council to review which of these sites might be appropriate for the intensification of car parking use and which might be able to be released for appropriate development. There is feeling that the City Council should be prepared to consider either the redevelopment of these sites or airspace development over decked parking so as to help deliver particularly needed developments within the city centre. At least at the outset our focus would be to look to identify sites that would be more appropriate for high quality office, technology hub, build-to-rent/private rented sector (PRS) or, possibly, a multi-purpose arts and entertainment venue.
- 8.9 To establish the economic viability and sustainability of the development potential a feasibility study will be required encompassing each location to determine an overall strategic direction for the realisation of potential opportunities across the city centre car park portfolio.
- 8.10 Delivery of this feasibility study and the congestion work will require diverse expertise from various consultancy sources together with the Corporate Property team. A reasonable estimate for consultant costs is £100,000.
- 8.11 The scope and purpose of the feasibility study would be to:
1. Identify legal, physical and infrastructure constraints;
 2. Evaluate and detail costs and time implications to facilitate development on each site;
 3. Confirm the extent of the development footprint for each site ensuring full consideration of the requirement to retain current car parking provision;
 4. Confirm the scale and density of the potential development opportunity for each site;
 5. Identify the optimum strategic plan to ensure car parking provision can be maintained on each site or provided on alternative nearby sites to ensure no net loss of city centre car parking. This will include a review of multi-storey development over existing surface car parks; incorporating car parking within a larger mixed-used development; and expanding nearby provision with lightweight low-cost metal car park decks to provide the car park capacity required;
 6. Confirm the feasibility of the development opportunities, costs and profit with an estimate of land value for alternative uses; and
 7. Provide analysis of each site in order of most attractive to least attractive proposition for development based on costs to prepare land for disposal as against anticipated net proceeds of land disposal and time required to bring to market.
- 8.12 In essence, we would ultimately be looking for a report confirming optimum proposals for protecting car parking provision whilst releasing sites and/or airspace for alternative development proposition.
- 8.13 We will also be looking to see how these proposals can tie in with our ambitions to tackle city centre traffic congestion. In doing so we will be sure to clarify implications for our parking stock and, indeed, Devon County Council on-street provision. A

consultant will be requested to assist in this work and a funding provision is being requested for this.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 The proposed Investment Strategy for Multi-Storey Car Parks will go a considerable way towards securing city centre car parking provision over the plan period and beyond. The exploration of alternative uses of some or all of the sites should serve to strengthen the range of economic activity in the city centre and maintain its vibrancy into the future. The congestion study will also allow us to begin to formulate an approach to this pressing issue.

10. What risks are there and how can they be reduced?

10.1 A substantial capital programme of works of car park repairs and enhancements will always contain the risk of cost over-runs. However, the appointment of an experienced Consultant under the supervision of the Corporate Property Team should mitigate that risk as well as ensuring that the programme of works minimises impact on income generation over the programme period.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 No direct impact, however bringing the multi-storey car parks up to the John Lewis standard should provide broad community safety and environmental benefits as, indeed, should the redevelopment of surface car park sites.

Working towards a congestion solution will also contribute to broader well-being aims.

12. Are there any other options?

12.1 The City Council could decide not to invest in its car park portfolio and not to explore alternative uses of sites. However, to do so would put future income streams at risk and see a missed opportunity to explore options for urban intensification within the city centre.

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

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