

REPORT TO EXECUTIVE

Date of Meeting: 15 July 2026

Report of: Strategic Director of Corporate Resources

Title: Cathedral & Quay Multi-Storey Car Park (MSCP) Management Arrangements

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

1.1 This report sets out proposals for the management of the Cathedral and Quay MSCP in order to ensure that the risks of anti-social behaviour are minimised and that any associated issues are dealt with quickly.

2. Recommendations:

2.1 That subject to approval of funding by Full Council, Executive determines the future arrangements for managing the car park to reduce further anti-social behaviour from the two options listed below at (a) and (b), subject to the approval of requisite funding by Full Council.

(a) That a contract is entered into with a third-party organisation to manage the car park at a cost of approximately £140,000 per annum; or

(b) That management is carried out 'in house' by the Council through increased staffing, cleansing and graffiti removal, at a cost of approximately £248,000 per annum.

3. Reasons for the recommendation:

3.1 There are two possible models for managing the car park with associated costs and risks identified at Sections 4 and 10 of this report.

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

4.1 Completing the refurbishment without robustly addressing appropriate management capacity would potentially increase the risk that:

- Income projections are not achieved
- Payback periods are extended
- Negative perceptions persist

4.2 If Executive decide to pursue a third-party management arrangement, it will not affect staffing requirements within the Council's Car Park Service other than to extend their remit to include the direct contract management role with the appointed private operator.

5. Section 151 Officer comments:

5.1 Both management options are expected to deliver sufficient additional income to cover both the costs of borrowing funds and the additional staffing costs or management fee. There is therefore no long-term impact for Councillors to address in either option. However, it should be highlighted that it will take longer to achieve a break-even position if the car park is managed in-house, compared to an external management agreement.

6. What are the legal aspects?

6.1 The provision of car parks by a local authority is a discretionary power pursuant to section 32(1) of the Road Traffic Regulation Act 1984 ('the RTA') and the Council may operate the car parks directly or through arrangements with external service providers.

6.2 External service providers must be appointed in accordance with the Procurement Act 2023 and Exeter City Council's Procurement and Contract Procedures.

6.3 When using external providers, the Council must ensure that robust contract management arrangements are in place to ensure compliance with statutory requirements and the agreed terms and conditions of contract.

7. Monitoring Officer's comments:

7.1 Members of Executive will note the proposals put forward in this report concerning the management of the Cathedral and Quay MSCP. Executive approval of either of the proposals is contingent upon full Council approving the funding of the Executive's preferred management model. Members of Executive will also note that a report concerning the refurbishment of the Cathedral and Quay MSCP will be the subject of a further report to full Council.

8. Equality Act 2010 (The Act)

8.1 This report sets out proposals for the future management of the Cathedral and Quay MSCP, subject to refurbishment. The proposals are intended to have a positive impact on users of the car park generally, and in particular those users who could be more affected by concerns about safety, security, accessibility and anti-social behaviour within the car park. This will include those with protected characteristics under the Equality Act 2010, for example, disabled users and older people, as well as benefitting parents with children and other users whose confidence in using the car park may be affected by the condition, supervision and perceived safety of the car park. The management arrangements are intended to enhance the usability of the car park, particularly through the presence of on-site car parking attendants.

9. Carbon Footprint (Environmental) Implications:

9.1 On the basis that the car park will return to full utilisation we do not consider that there are any direct carbon/environmental impacts arising from the recommendations.

10. Report details:

By way of background the management proposals contained within this report are linked and integral to wider comprehensive refurbishment proposals for Cathedral & Quay MSCP which are focussed upon bringing the asset back into full economic use. The refurbishment proposals (scope and specification) and the associated capital funding arrangement are due to be considered at Council on 21 July 2026.

10.1 Management Options

There are two core management options available to the Council, which are summarised below:

Option 1 – Retain In-House Management

Under this option, the Council would retain responsibility for day-to-day management following refurbishment.

In the light of the additional management requirements and on-site presence needed at Cathedral and Quay MSCP once reopened, the Council's Car Park team have prepared an enhanced resourcing package which details the projected deployment of on-site resource together with associated costs. This is summarised below:

- An additional six Grade G staff (with additional training to SIA standard to issue dispersal notices to regular ASB offenders) required to cover seven days a week;
- Onsite presence – 7am – 10pm (with 2 Officers onsite at any one time (working 2 shift patterns per day).
- The team could be utilised to issue Notices in other car parks through rotation of staff between car parks when required.
- Core services include basic cleansing/cleaning duties - annual cost already funded – the Car Parks service pay £160,000p.a to the Environment and Waste service in this regard.
- Additional salary cost - **approximately £248,000 pa** (including National Insurance & pension contributions)
- Overall approximate Annual Cost to the Council – **£248,000**

[NB – Maintenance/Repair has been treated as a centralised costs]

Whilst car parks currently have an arrangement for cleaning, the Council would have to ensure that this is strictly carried out to deter anti-social behaviour. Additionally, the graffiti cleaning team would have to prioritise any issues to prevent escalation and deter further graffiti in the future.

It is important to note that whilst some local authorities have successfully refurbished and continued to operate car parks in-house, this has typically occurred where robust on-site management arrangements were already in place.

Option 2 – Temporary External Management Arrangement

Utilising third parties to manage elements of service provision is not uncommon within the Council. There are numerous examples of this approach being taken:

- Whilst most of the Council's commercial properties are managed in-house, the Guildhall Shopping Centre operates under a management arrangement with Cushman & Wakefield (C&W). This has been extremely successful with C&W undertaking day to day management, whilst all decisions remain with the Council;
- Many services (Housing, Leisure, Commercial Property) utilise private parking enforcement to protect their own car parks;
- Whilst Services manage and operate their buildings, the security arrangements are operated under a third party management arrangement.

A temporary management arrangement would enable access to experienced staff, management structures and operating systems together with a proven approach to addressing underperforming assets. Importantly, the proposal for Cathedral and Quay MSCP is viewed as a temporary measure extending for a fixed 3-year period (with potential to extend for a further 2 years.)

The introduction of a Base Management Package will have a considerable, positive impact and will incorporate the following:

- On-site staffing and security;
- Structured Facilities Management package (cleaning, graffiti removal, light touch maintenance/repair).

The above services and quality thresholds would be contained in the Operator Agreement and linked to a series of Key Performance Indicators that will be kept under periodic review.

The private sector management arrangement will not include:

- Enforcement action;
- Decisions around tariffs.

A management agreement will have appropriate KPIs and penalty arrangements to ensure delivery against the contract. This will ensure that the car park arrangement is delivered as anticipated.

The commercial arrangement for a Base Management Package for an asset of Cathedral and Quay MSCP size (together with its associated management issues) is likely to comprise the following:

- Four staff members with key duties to include security, customer service, light touch FM repairs (7am-10pm) Total Cost - c. £105k p.a.
- Additional costs - Cleaning materials, Lift maintenance, Other FM maintenance - Total Cost - £15k pa
- Management Fee - £20k pa
- Overall Annual Cost - **£140k pa**

[NB – The above figures are indicative and will need to be confirmed following a competitive tender process].

The contractual relationship formed with the selected private operator will enable the Council to annually review and tailor resourcing arrangements to suit. For example, it could be considered that after year 1-2 it is deemed appropriate that staffing no's can be reduced arising from the car park successfully re-establishing itself and ASB activity declining significantly as a result. Under the in-house option, this would be more challenging unless there are redeployment opportunities within the Service.

Evidence from other local authorities demonstrates that this type of arrangement can be applied selectively to individual, high profile multi storey car parks, while retaining in house delivery across the wider parking estate. Examples include Doncaster Civic MSCP and Manchester City Council's Aquatics Centre and Ancoats MSCP, where single

site management agreements have been adopted due to scale, prominence and operational complexity.

In these cases, authorities retained control over tariffs and enforcement while externalising day-to-day operational delivery - representing a proportionate and established response rather than a wholesale change in service delivery.

A temporary management arrangement is expected to offer an agile and proportionate mechanism to deliver operational transformation, improve safety, support revenue recovery and mitigate the risk that capital investment fails to deliver lasting change.

The key benefit of this approach will be to ensure that Graffiti and Cleansing Services are not diverted from their core service in order to ensure that Cathedral & Quay remains in pristine condition. However, this service is already well funded by car parks and therefore should be built into their cleaning patterns.

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

11.1 The recommendations within this report support the following Corporate Priority:

- A Balanced Budget: car park income enables the City Council to deliver a wide range of services for residents, businesses and visitors to the city.

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

12.1 The key risk relates to the persistence of anti-social behaviour. This can be mitigated through a continuing periodic review of on-site staffing and supervision to ensure that appropriate resource and therefore deterrent, is deployed on a consistent basis.

13. Are there any other options?

13.1 The two options are set out above. The alternative is that no action is taken, but this would not provide for the satisfactory management of the car park.

Director: Strategic Director for Corporate Resources

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

Background papers used in compiling this report:

None

List of Appendices:

- None