

Capital Programme Review 2019-20 Project Appraisal Form

COMMITTEE & BID NUMBER

Environment & Safe Communities Bid 2

PROJECT TITLE

Pay and Display Machines – Ewell and Town Hall

ACCOUNTABLE OFFICER

Officer responsible for project planning and delivery of the scheme. Accountable officers are also responsible for post project review.

Richard Chevalier

DETAILS OF PROJECT

Project scope, what is included/excluded in the scheme

The proposal is to replace six old and existing pay and display machines with new machines which will also offer the benefit of card and contactless payment options. The project will also include the introduction of security lighting adjacent to each pay machine to aid car park users in twilight hours.

Project outcomes and benefits

The existing pay machines are now approximately 12 years old and becoming increasingly unreliable. This has increased officer time in inspecting and repairing machines but has also leads to customer dissatisfaction if they are unable to purchase a ticket and then fear that they may receive a penalty charge notice. In Bourne Hall car park a pay machine was recently replaced following an act of vandalism and the increase in customer satisfaction has been noticed by the staff at the centre with the machine being more reliable and also not dependent on the car park user having the correct change as a card option is now provided. The six machines identified, the visitor numbers and the gross revenue generated by each in 2017/18 is listed below:

Location	Visitor Numbers	Revenue (net of VAT)
00003T - Town Hall (The Parade)	10,462	£14,618
00012E - Bourne Hall(OS Door)	71,826	£48,131
00015E - Dorset House(2nd Right)	53,575	£39,336
00016E - Dorset House(1st Right)	32,451	£23,672
00017E - High Street Ewell(1st Left)	24,936	£16,036
00018E - High Street Ewell (2nd Right)	26,329	£17,596
Total	219,579	£159,392

Visitor numbers to the machine in the Parade can also be expected to increase from late 2018 once the nearby Premier Inn is completed.

If Members did wish to reduce the bid by approximately £5k there is the option to introduce the card payment element on only one machine in each of the Ewell car parks with the other machine remaining available for coin payment only. However with an increasing number of payments now being made by card it will future proof the machines if they did all offer a card payment option whilst continuing to give the residents of Ewell the option to pay by cash if

Capital Programme Review 2019-20 Project Appraisal Form

	<p>they so choose.</p> <p>One benefit added in Depot Road and Upper High Street last year when new pay stations were installed was security lighting behind each pay station. With the introduction of the evening charge in Ewell car parks in 2017 there is increased usage of the machines after dark and with this in mind the second part of this Capital project would see the same security lighting added in the Ewell car parks, adjacent to each of the six pay stations. As the lighting is on a motion sensor it would also enhance security measures within the car parks at night.</p>
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FINANCIAL SUMMARY

		Cost of Project £	Comments and detail where necessary. Provide appendices where relevant. Examples of business cases spreadsheets can be found in the Finance Handbook
a	Estimated cost of purchase, works and/or equipment	£43k	£38,500 for six new pay and display machines which include payment by card feature. £4,500 for security lights to be installed (within the Ewell car parks including behind the existing machine in Bourne Hall).
b	Consultancy or other fees	0	
c	Total Scheme Capital Costs (a+b)	£43k	
d	External Funding Identified (e.g. s106, grants etc.) Please give details, including any unsuccessful funding enquiries you may have made.	0	
e	Net Costs to Council (c-d)	£43k	
f	Internal Sources of Capital Funds Identified (e.g. repairs & renewals reserve etc.)	0	
g	Capital Reserves Needed to Finance Bid (e-f)	£43k	
h	Annual Ongoing Revenue Additional Savings as a Direct Result of the Project	£4.8k	Saving on maintenance costs of machines during warranty period. Currently approximately £400 per machine per year.
i	Annual Ongoing Revenue Additional Costs as a Direct Result of the Project	£7.8k	Additional £50 per year per machine, after the warranty period, for card machine maintenance. The loss of overpayments estimated to be £4k per year. Card charges to payment service providers for card payments could potentially equate to £3.5k per year.

Capital Programme Review 2019-20 Project Appraisal Form

Year	2019/20 £	2020/21 £	2021/22 £
Spend Profile of Scheme – please identify which year (s) the scheme spend will fall into	43k	0	0

REVENUE IMPACT

Can revenue implications be funded from the Committee Base Budget? – Please give details	A budget is granted each year for car park equipment and maintenance. The impact of card payments are being calculated by Finance for forthcoming budget reports.
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CORPORATE PLAN 2016/20

Is this investment linked to EEBC's Key Priorities? If so, say which ones and evidence how. How does project fit within service objectives?	Managing Resources. Car parks are an important revenue stream for the Council.
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TIMESCALES

What is the proposed timetable for completion of the project? Give estimated start and finish dates for each stage of the project. These dates will be used as milestones during quarterly budget monitoring to assess performance of project delivery.

		Target Start Date	Target Finish Date
1	Design & Planning	Q1 2019/20	Q1 2019/20
2	Further Approvals Needed	N/A	N/A
3	Tendering (if necessary)	Q1 2019/20	Q1 2019/20
4	Project start date	Q2 2019/20	
5	Project Finish Date		End of Q2 2019/20

BASELINE CRITERIA

Capital Programme Review 2019-20 Project Appraisal Form

All capital schemes are assessed against criteria set by the Capital Member Group annually. Bids should meet at least one of these criteria. State which capital criteria(s) for assessing bids are met and why. Leave blank any which are not met.

Spend to Save schemes should meet the following criteria;

- Payback of the amount capital invested within the project within 5 years (7 years for renewable energy projects).
- The return required on capital employed should be linked to the potential cost of borrowing (MRP) rather than potential loss of investment income.
- Risk of not achieving return on investment is low.
- Clear definition of financial cost/benefits of the scheme.

Members may consider schemes with longer paybacks on major spend to save projects going forward, especially those that incur borrowing.

Is there a guarantee of the scheme being fully externally funded and is it classed as a high priority? Please give details of funding streams, including any restrictions on the funding.	No
Is the Scheme a Spend to Save Project? Will investment improve service efficiency including cost savings or income generation? What is the payback in years?	No, although an increase in machine failure would impact Council revenue.
It is mandatory for the Council to provide the scheme? Is investment required to meet Health and Safety or other legislative requirements? If so, state which requirements.	No
Is this project the minimum scheme required to continue to deliver the services of the Council? - Is investment required for the business continuity of the Council? If so, say how.	Yes. Pay machines are reaching the end of their life cycle and faults will increase. Parts for repair are becoming harder and more expensive to resource. New pay machines are required to continue to deliver the necessary service for the Council.

ASSET MANAGEMENT PLAN

Is investment identified in the Council's Asset Management Plan?	No
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PRIORITISATION

State which one of the four prioritisation categories are met and why.

Capital Programme Review 2019-20 Project Appraisal Form

1	Investment essential to meet statutory obligation.	
2	Investment Important to achieve Key Priorities.	
3	Investment important to secure service continuity and improvement.	Pay machines are required to continue to deliver the necessary service for the Council and maintain revenue levels. The introduction of card payments will improve the parking options currently offered to car park users and ensure continuity of a main council income stream.
4	Investment will assist but is not required to meet one of the baseline criteria.	

RISKS ASSOCIATED WITH SCHEME

1	Outline the risks of delivering this project to timetable and budget. (Please do not include risks to the service or asset if project is not approved.)	There is the possibility that on removal of the machines that issues are found with mains connections. There may be a small loss of income in the period when a machine is removed and the new one fitted. This is likely to only impact the front of the Town Hall machine which does not have an alternative pay machine within the car park.
2	Are there any risks relating to the availability of resources internally to deliver this project	
3	Consequences of not undertaking this project	<ul style="list-style-type: none"> • The age of the current machines increases the likelihood of failure and also increases the time and cost to source parts for the existing machines. • Revenue for the council will be affected if machines are out of action • Civil Enforcement Officer's time will be taken up with attending faults which means they will not be out patrolling streets and car parks. • Reputation of the council may be affected if machines fail
4	Alternative Solutions (Other solutions considered – cost and implications)	

Is consultation required for this project? Please give details of who with and when by.	No. Planning department have confirmed that permission would not need to be sought.
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Capital Programme Review 2019-20 Project Appraisal Form

Ward(s) affected by the scheme	Ewell, Town
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Accountable Officer Responsible for Delivery of the Scheme

Name and Signature ...R. Chevalier..... Date ...20.9.2018.....