

## RURAL ECONOMIC AND ENVIRONMENTAL AFFAIRS COMMITTEE

7<sup>th</sup> SEPTEMBER 2011

### REPORT OF THE CORPORATE PROPERTY OFFICER

#### CAR PARKING: UPDATE REPORT

#### 1.0 PURPOSE OF REPORT

- 1.1 To update Members on current car park income and propose a number of changes to the charging policy.
- 1.2 This report sets out a number of proposals to increase the current parking charges and for consideration of a revised charging policy for other car park users.

#### 2.0 RECOMMENDATIONS

##### 2.1 General review of charges

Members are requested to consider an increase in charges to the current hourly rates in short & long stay car parks.

##### 2.2 Season tickets

Members are requested to approve the introduction of season tickets for long stay car parks

##### 2.3 Coach & Bus parking charges

Members are asked to note the current position.

##### 2.4 Charges for blue badge holders

Members are asked to note the results of a recent survey of other local authorities on the question of charging for blue badge holders and to consider whether it wishes to re-introduce such charges.

##### 2.5 Variations to the Melton Borough Council (Off Street Parking Places) Order 2010

Members are asked to approve various changes to the current Car Park Order

##### 2.6 Members views are sought on the publicity proposals set out in Section 11 of this report.

### 3.0 KEY ISSUES

#### 3.1 Financial update

The chart in *Appendix A* shows the level of sales for the first quarter of 2011/12 against budget and sales in previous years.

Ticket Sales for the first quarter of 2011/12 are £8,000 ahead of last year but £1,900 below the anticipated budget. It is currently anticipated that this shortfall will be recovered and there will be no budget shortfall at the end of 2011/12.

#### 3.2 Public consultation

Public views were sought in the “Your Money-Have Your Say “Budget Consultation 2011/12 and car parking featured heavily in the comments and responses. A summary of views from the public are contained in *Appendix B*.

Comments can be categorised into the following main themes:-

1 Abolish the ‘Tuesday’ charge in the short stay car parks.

RESPONSE Members will be aware that this matter has been considered at previous meetings and changes have been made to the tariffs for long stay car parks. The current strategy is designed to encourage visitors to use the long stay car parks on Tuesday rather than the short stay ones thereby reducing congestion in the town centre. The charge also encourages turnover thereby freeing up spaces for all visitors. There is also of course a business aspect in addition to the environmental objectives, of this element of the charging policy, by charging a premium rate for a premium day.

2 Re-introduce the half hour tariff.

RESPONSE There are 103 free ‘on street ‘car spaces in the Town centre suitable for short visits to the town. The cost of policing these spaces falls to the Leicestershire County Council and whilst there is the option for charging for on street parking this is not a route the Council has taken.

3 Reduce charges or introduce free parking on certain days.

RESPONSE A review of charges in comparable market towns revealed that Melton is a cheaper place to park than Loughborough, & Oakham and at comparable levels to Grantham, Stamford and Market Harborough. A copy of this analysis is enclosed in Appendix D for Members consideration.

4 Introduce a reduced rate Parking for businesses

RESPONSE The weekly charge for people working in the town for long stay car parks is only £7. A proposal to introduce season tickets is contained in this report for Members consideration. In addition the Council is trialing free staff car parking at Scalford Road car park on Mondays, and Wednesdays to Fridays. This could be expanded to include other town businesses as previously suggested by the Chamber of Trade. The wider promotion of car sharing is also a possibility.

#### 3.4 General Review of charges

In the Budget Public Consultation the majority view of the public on car parking charges was for them to ‘stay the same’. However, Members should be aware that apart from the increase in the weekly charge last year the current level of charges have not been increased since their introduction in May 2008. Since this date the Consumer Price Index has seen an increase of 10.96% and the Retail Prices Index an increase of 11.02%. VAT which is included in the charge also

increased from 17.5% to 20% in January 2011 meaning the majority of the income generated from the increase to the weekly charge was not retained by the Council

The Council's charging policy does require charges to be increased annually at least in line with inflation. It is recognised that coinage issues can make this problematical in areas such as car parking. However if the opportunity is not taken for the 2012-13 financial year then changes will not have been increased for 4 financial years in a row and therefore they will have decreased in real terms. The public sector is almost certain to see a dramatic reduction in its funding in the coming years and with council tax levels constrained the council needs to look carefully at other income streams in order to maximise income if it wishes to protect existing service levels. The Council is taking part in a benchmarking exercise in partnership with a number of Leicestershire and Lincolnshire districts to compare a full range of discretionary charges across all services with other council's nationally. It is anticipated that the outcome of this review will be available to inform the budget process for 2012/13.

*Appendix C* sets out a schedule of charges and the effect of such increases on overall income levels and projections for future income if revised charges are implemented. *Appendix D* sets out a schedule of charges in other local Councils to enable members to compare the charging rates locally and on a national basis. The potential fall in car park income for the Council and its impact must be carefully balanced against the potential impact of increased charges on the local economy. Members are therefore requested to consider an increase of approximately 10% across all the tariff bands with the exception of the weekly charge which was only revised last year. This would give the following:-

SHORT STAY			LONG STAY & Tuesday charge			
	Current charge	Proposed charge			Current charge	Proposed charge
1 hour	60 p	70p		2 hours	£1	£1.10
2 hours	120p	140 p		4 hours	£2	£ 2.20
3 hours	180p	200p		All day	£3	£3.30
				weekly	£7	£7

To give an indication of the impact this increase would have on overall income the chart in Appendix C sets out the impact of the revised charges making various assumptions on the level of ticket sales per annum.

Whilst any increase will be unpopular, not increasing charges will result in a fall in charges in real terms. Even at the above revised figures Melton parking charges will still be at similar levels to other comparable towns in the East Midlands.

### 3.5 Season Tickets

There have been requests from business representatives on the Town Centre Partnership, i.e. the Chamber of Trade, for the Council to consider discounted season tickets.

Season tickets will improve the service by assisting those customers that currently purchase weekly tickets and require a large amount of change each week to purchase their tickets.

The suggestion is that these are introduced for our Long Stay car parks on the basis of either annual or 6 month permits priced at £300 and £160 respectively. This represents discount levels of some 17.5 % on a full rate charge (£7x52) which is felt to be realistic and an attractive offer to business users without having an adverse impact on the Council's revenue.

### **3.6 Coach/bus charges**

At present buses and coaches make use of the service point at Wilton Road for dropping off/picking up passengers and for parking. Consideration has been given to making a charge for this facility and the matter was considered at REEA last year. Provision has been made in the car park budget for an income of £4400 for this year although due to non implementation this will not be met since to date a scheme for charging has not been developed due to other work commitments.

It is recommended that the coach and bus parking availability and charges is reviewed this year. Further work will be undertaken with a view to reporting back to Members in November with a proposal for charges.

### **3.7 Other items for Members to note:**

#### **Charging for disabled blue badge holders**

As Members will be aware charging for blue badge holders were withdrawn in May 2008 following the advice given in the car park strategy prepared by white Young Green. There is evidence that more Councils are now considering introducing charges and a recent survey of other local authorities has revealed that out of some 112 who responded 38% make a full or partial charge for blue badge holders using Council Car Parks.

It should be noted that in the financial year following the withdrawal of charges for blue badge holders (08/09) overall income fell by some 3%. Whilst there may be a number of factors to explain this, the impact of this withdrawal of charges for this group (understood to represent 10% of drivers) would have been a major contributing factor.

Members are asked for their views on charging with the recommendation that a further consultation exercise be undertaken with a view to reporting back to committee in November.

#### **Proposed variations to the Melton Borough Council (off-street parking places) Order 2010. Changes in pay and display car parking – Nottingham Road sale , Abattoir site & Parkside car park**

Members are asked to note and **approve** a number of variations required to the existing Car Park Order. These are:-

- a) to allow the closure of the Nottingham Road car park following the disposal of the site for development.
- b) The proposed future conversion of part of the cattle market site to a pay & display car park. This site includes part of the abattoir site following its demolition and part of the existing cattle market car park for use as a pay & display facility for the whole week.
- c) Approval is also sought for the use of the new Parkside office car park as a long stay pay & display car park on Saturdays.

### **3.8 Burton street Car Park & contractors compound at Parkside**

The contractors site compound has been made safe by Hallams and it is intended to undertake temporary improvements to bring this area of car park up to a similar standard as the existing Burton Street pay & display car park.

A master planning exercise (from a land owner perspective) will be carried out in the autumn to include public consultation on the future development opportunities for the site. This exercise will assist in deciding on the continued use of the car park and the benefits of investing in a full specification tarmacadam car park and associated lighting.

## **4.0 POLICY AND CORPORATE IMPLICATIONS**

4.1 Car parking levies and charges aim to create a balance between maximising income for the Council (to enable it to pay for the upkeep of the car parks) and tackling traffic congestion and encouraging more sustainable forms of transport whilst also encouraging economic development of the town. Car parks are expensive to manage and maintain, the Car parking income provides a significant proportion of the Councils income and any reduction impacts on the council's corporate priorities.

4.2 Town Centre Car Parking contributes to a number of corporate objectives including the following key priorities:

- Enhance the vitality and viability of Melton Town Centre
- Encourage and support the development of Community Safety initiatives throughout the Borough.
- Encourage sustainable forms of transport, develop an integrated transport plan for the Borough
- Work to improve road safety

4.3 The Council's has an approved charging policy which sets out that fees and charges should be increased at least in line with inflation each year. Due to coinage issues this has not been complied with in respect of car parking and has resulted in a real terms reduction in charges of some 11% since the last increase in May 2008. The charging policy also links the granting of concessions with the ability to pay, which the waiving of the full charge to all blue badge holders is not in accordance with.

## **5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 Any implementation of the suggested increase on a weekly & hour ticket will be monitored as part of the normal budget process.

5.3 When the decision was made to re-open the Wilton Road toilets the suggestion was that the revenue costs for 2010/11 of £5,800 be met from the implementation of policies to secure additional income streams from coach parking and advertising revenue. The advertising sites on the bus shelters are producing an income of £3,500 pa, slightly less than anticipated but not all the initial sites identified proved suitable for adverts. To date no charge has been introduced for coach parking.

5.4 Implementation of increases in the weekly ticket and the short stay tariff in order to gain additional income is very sensitive to actual usage. The last two financial years have seen the income budget not being realised due a number of factors, one of them being the economic downturn. Any increase therefore may not lead to additional income, and this is shown as a risk within the risk table.

## 6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 The power to provide off street parking places is given to the Council under Section 32 of the Road Traffic Regulation Act 1984. Under Section 35 of the Act the Council may make provision for the use of the parking place for a particular type of vehicle and set out any conditions as to the use and the level of charges for the use of the parking place.

6.2 A variation to the current Melton Borough Council (Off Street Parking Places) Order 2010 will be required to implement the changes proposed in this report.

## 7.0 **COMMUNITY SAFETY**

7.1 Car park security of people, vehicle's and property is very important in developing the car park service. Six of our car parks have been awarded the Park Mark award for site safety.

## 8.0 **EQUALITIES**

8.1 None, as part of this report but if charging for blue badge holders is considered its impact will require a detailed equalities impact statement.

## 9.0 **RISKS**

9.1 The risks associated with this report are shown in the table below:

<b>Probability</b>				
↓				
Very High A				
High B				
Significant C		5	1,2,	
Low D		4		
Very Low E			3	
Almost Impossible F				
	IV Neg- ligible	III Marg- inal	II Criti- cal	I Catast- rophic
→ <b>Impact</b>				

Risk No.	Description
1	Failure to keep car parking charges in line with inflation will have an adverse impact on the Council's finances
2	National trends of falling car park income continue to impact on sale of tickets
3	Changes in car parking charges adversely affect traffic congestion in the town or people visiting the town.
4	Season tickets will encourage more car journeys and have an adverse impact on traffic congestion
5	Changes to the charging policy for blue badge holders will have an adverse impact on reputation of MBC

## 10.0 CLIMATE CHANGE

- 10.1 Providing suitable car parking mitigates to some extent the emissions from car exhausts as there is less traveling in obtaining a car park space.
- 10.2 Pricing can have an impact on travelling decisions made by individuals and we should seek to encourage the most 'green' mode of transport.

## 11.0 CONSULTATION

- 11.1 Your Money-Have Your Say Budget Consultation 2011/12 included a number of responses regarding car parking a summary of which are set out above.
- 11.2 It is important that the Council keeps to its commitment made in the Community Consultation Strategy to ask people's views to help shape services and to feedback on the information received and how this was used. This report follows up on the 2011/12 Budget Consultation exercise by addressing the comments received on car parking. The public's majority view on car parking charges was to 'Stay the Same' in the survey feedback however several hundred individual comments were received on many car parking issues and from this, the Council understands that this is an area where the public feel they have important views to offer. In this report consideration has been given to the issues raised by the public and how these can be progressed. Where it is not possible to make

changes from the public's suggestions received, reasons have been given as to why this is the case.

11.3 Due to the high level of public opinion expressed in the 2011/12 Budget Consultation on car parking matters, it is not intended to consult any further on these matters for the time being as the response was so great that to re-consult could be seen as not taking the comments already received seriously. From the comments received, there are some misconceptions as to what the service offers and how it compares to other market towns. Therefore it is suggested that a proactive PR campaign is launched to inform and advise our stakeholders what the Council offers on car parking, especially on the free places, explaining why we have to charge more on market days, how we compare to other market towns as well as how important car parking income is to the Borough and its services.

## 12.0 **WARDS AFFECTED**

12.1 All wards are indirectly affected by the content of this report.

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Contact Officer:	Richard Pearson
Date:	August 2011
Appendices:	A – Chart of car park income against budget B – Public consultation summary C – Analysis of effect of changes to the car park tariffs D – Car park charges in comparable market towns
Background Papers:	None
Reference:	X: Committees/REEA/07.09.10 – Car Parking – Update Report