

Cabinet

23 January 2007

Report of Director of City Development and Director of Finance & ICT

Proposed Changes to Car Park Charges

1 Purpose of the Report

- 1.1 This report seeks approval for revised car park charges from 1 June 2007 and informs you of work under way to develop a longer term car parking strategy.

2 Recommendations

- 2.1 Cabinet is recommended to implement the charging structure outlined in this report with effect from 1 June 2007.

3 Information/Background

- 3.1 There are currently 6078 car park spaces available for public use in the city centre. These are made up as follows:

Council Owned Car Parks		Private Sector Car Parks	
Short stay (incl. proportion of Lower Precinct)	1816	Belgrade Plaza	1100
		Skydome	779
Long Stay	1863	Watch Close	16
		Lower Precinct	504
Total	3679	Total	2399

A further 860 spaces will be available following the completion of the Ikea development. However these are designed primarily for serving the expected increased demand from the Ikea store.

- 3.2 The council also operates suburban car parks in Far Gosford Street, Clay Lane, Lincoln Street and Arden Street.
- 3.3 This report provides proposals to ensure that charges for car parking represent good value for money for users whilst optimising the use of the spaces available, minimising undesirable environmental impacts and raising revenue to maintain the car parks infrastructure and city signage.

- 3.4 The proposals aim to ensure that convenient car parking is available to encourage shoppers to use the city centre and that people parking all day use the car parks on the outskirts of the city centre. The council will continue to encourage use of the Park & Ride facilities and other bus services, and will seek to discourage the use of suburban streets and car parks for all day parking by people working or studying in the city centre.
- 3.5 Car park charges have been held at their current level since October 2005. At that time charges were increased by an average of 2.4%, a little below the prevailing rate of inflation of 3.16%. Charges for season tickets were increased by 2.5% and City Council duty passes were increased by 7.2%.
- 3.6 At your meeting on 19 December 2006 you decided to consult as part of the budget setting process on amending your corporate objectives to place greater priority on revitalising the city centre and on seeking to tackle climate change. Both of these issues may have an impact on car parking policy. The views expressed will be considered in developing an overall strategy which will take into account longer term parking provision, including the role of on-street parking in the city centre and suburbs, residents parking schemes and the development of public transport. A report on these issues will be brought back to you in September 2007. That report will also include an examination of the options for the future management of City Council owned car parks.

4 Proposed changes - Short stay car parks

- 4.1 It is proposed to amend charges in the main short stay car parks on Mondays – Saturdays as shown below. These are West Orchards, Barracks, Lower Precinct, Cox St, and, on Saturdays, Christchurch.

No. of hours	1	2	3	4	5	6	6+
Current charge	£1.00	£1.50	£2.00	£3.50	£5.00	£7.00	£9.00
Proposed charge	£1.00	£1.80	£2.30	£3.00	£5.00	£7.00	£9.00
Change	0	+ £0.30	+£0.30	-£0.50	0	0	0

There would therefore be no change in the charge for the first hour, a small increase in charges for parking of 2 or 3 hours and a reduction in charges for four hours parking. The latter reflects advice from CV One that retailers in Coventry should be aiming for visitors to spend 3-4 hours in the city centre.

- 4.2 A separate pricing structure is proposed for Salt Lane car park. This is relatively small with 110 spaces and its popularity means there is often a queue of cars in the adjoining road, waiting with their engines running, for someone to exit the car park. The tariff below aims to regulate demand.

No. of hours	1	2	3	4	5	6	6+
Current charge	£1.00	£1.50	£2.00	£3.50	£5.00	£7.00	£9.00
Proposed charge	£1.20	£2.20	£2.70	£4.40	£5.00	£7.00	£9.00
Change	£0.20	+ £0.70	+£0.70	+£0.90	0	0	0

4.3 No Changes are proposed to Bishop Street Car Park which has historically had the following separate pricing regime:

No. of hours	1	2	3	4	5	6	6+
Current charge	£0.70	£1.60	£2.30	£2.90	£2.90	£2.90	£5.50

4.4 No changes are proposed for parking in White Street Car Park on Saturdays where charges are £0.50 for up to 2 hours and £1.00 for more than two hours.

4.5 No changes are proposed to charges for evening parking where a flat fee of £0.50 is available between 6.00 p.m. and 8.00 a.m. the following day.

4.6 Charges for parking on Sundays currently vary, with parking in Barracks, West Orchards and Lower Precinct being free of charge and other car parks charging a flat fee of £0.50. It is proposed to introduce a flat rate charge of £1 for Sunday parking in the city centre's main 'Shopper Car Parks' ; West Orchards, Lower Precinct and Barracks. The remaining short stay car parks will remain at a flat rate fee of £0.50.

4.7 In all council owned car parks there is free provision for Blue Badge Holders (NB Although the council takes income from West Orchards and Lower Precinct these are in private ownership and therefore the same free provision for Blue badge holders does not apply).

5 Proposed changes – Long stay car parks

5.1 Long stay car parks are provided at Grove St., Gosford St., Lower Ford St., Much Park St., Manor House, New Union St., Cheylesmore, Grosvenor Rd. and Whitefriars. With the exception of the main summer holiday period these frequently operate at capacity and there is a shortage of spaces. There is, however, spare capacity on the park and ride service which could provide a good alternative for some users.

5.2 It is proposed to increase long stay car parking charges as follows.

No. of hours	1	2	3	4	4+
Current charge	£2.00	£2.50	£3.00	£3.50	£4.00
Proposed charge	£2.00	£3.00	£3.50	£4.00	£5.00
Change	0	+ £0.50	+£0.50	+£0.50	+£1.00

5.3 A fixed price of £1.50 per visit currently applies at Moat Street car park. Demand is now high at this car park and it is proposed to increase the charge to £2.00.

5.4 A fixed price of £1.00 per visit currently applies at Leicester Row car park. This is increasingly popular and it is proposed to increase the charge to £1.50.

5.5 No changes are proposed to existing Saturday car parking charges of £0.50 for up to 2 hours and £1.00 for more than two hours in Gosford Street, Grosvenor Road, Grove Street, Lower Ford Street and Whitefriars.

5.6 Evening charges and Sunday charges of £0.50 would also remain unchanged for all long stay car parks.

6 Suburban Shoppers Car parks

- 6.1 A separate report to the Cabinet Member (City Services) on 16th November 2006 proposed a new tariff for the Far Gosford Street Car Parks to encourage short stay parking of up to 2 hours and discourage visitors to the City Centre utilising it for all day parking.
- 6.2 A separate report to the Cabinet Member (Urban Regeneration and Planning) is planned in reference to a new tariff structure at Clay lane car park. This is related to the introduction of a Bus Red route, the proposals to be made in the report will seek to encourage use of the car park by shoppers and discourage parking on the road.
- 6.3 No changes are proposed to charges for parking at Lincoln Street and Arden Street.

7 Season Tickets and duty passes

- 7.1 Season tickets are available quarterly /annually for use in all long stay car parks. The current charge is £650 including VAT for an annual ticket. Reserved parking spaces are available at £800 per year in designated car parks. Both Belgrade Plaza and Skydome are now offering competitively priced alternatives to the council car park season passes. In consideration of this it is not considered appropriate to increase prices at this time.
- 7.2 It is proposed from April 2007 to increase the price of the duty pass provided to some employees of the council and its partner organisations to bring it in line with the cost of a season ticket to a member of the public.

8 Other Parking Charges

- 8.1 In general the City Council seeks to recover the cost of the provision of car parking services it provides from those who use or benefit from the service. There is a high level of demand for residents parking schemes in the City. Where these have been introduced parking permits are supplied to residents at a fee of £20 each, visitor scratch cards are also made available at an additional charge. These charges aim to cover the costs of running and enforcing the schemes.
- 8.2 The City Council has also been considering the introduction of pay and display on-street parking in the City Centre in order to make additional spaces available and increase the vitality of the area. This was a recommendation made to the Cabinet Member (Urban Regeneration and Regional Planning) following consideration of the City Centre Parking Study by a sub-group of Scrutiny Board 3. The Cabinet Member has approved this in principle and agreed that a full consultation exercise should be undertaken. Officers are liaising with CVOne and the Chamber of Commerce with regard to this consultation and any proposals to do so will be brought back following the conclusion of the consultation. Any proposed pricing structure for on-street parking will need to take into account the costs of implementation and operation as well as other factors including the desire to avoid motorists circling the city looking for cut price parking.

9 Proposal and Other Option(s) to be considered

- 9.1 It is proposed that charges should be increased as outlined above.

9.2 Alternatively CV One have proposed that charges should not be changed at the present time in order to encourage visits to the city centre. However it is not considered that this proposal fully takes into account the principles outlined in paragraphs 3.3 and 3.4 of this report.

10 Specific implications

	Implications (See below)	No Implications
Area Co-ordination		✓
Best Value		✓
Comparable Benchmark Data	✓	
Coventry Community Plan		✓
Crime and Disorder		✓
Equal Opportunities		✓
Finance	✓	
Health and Safety		✓
Human Resources		✓
Human Rights Act		✓
Impact on Partner Organisations	✓	
Information and Communications Technology		✓
Legal Implications	✓	
Property Implications		✓
Race Equality Scheme		✓
Risk Management		✓
Sustainable Development		✓
Trade Union Consultation		✓
Voluntary Sector – The Coventry Compact		✓

10.1 Benchmarking Information

Charges for parking in nearby towns are as follows:

	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Over 4 hours	(Average tariff per hour for 4 hours only)
Coventry (current)	£1.00	£1.50	£2.00	£3.50	£5.00+	£0.88
Coventry (proposed)	£1.00	£1.80	£2.30	£3.00	£5.00+	£0.75
Leicester (Shires)	£1.30	£2.20	£3.00	£4.00	£6.00+	£1.00
Stratford	£0.70	£1.30	£2.50	£5.50	£7.50	£1.38
Birmingham (Snow Hill)	£1.00	£2.00	£2.90	£3.80	£5.60+	£0.95
Derby (Chapel Street)	£0.90	£1.60	£2.60	£3.50	£6.50	£0.88
Wolverhampton (Civic Centre)	£1.20	£1.20	£2.10	£3.40	£7.80	£0.85
Solihull (Touchwood)	£0.90	£1.60	£2.40	£3.00	£4.00+	£0.75
Nuneaton	£0.50	£1.10	£1.90	£2.90	£5.00	£0.73
Leamington (Royal Priors)	£0.70	£1.20	£1.90	£2.40	£4.20+	£0.60
Rugby	£0.60	£1.00	£1.00	£3.00	£6.00	£0.75
Warwick (Linen Street)	£0.60	£1.00	£1.70	£2.20	£4.00+	£0.55
Kenilworth	£0.50	£0.80	£1.20	£1.70	£2.70	£0.43

10.2 Finance

- 10.2.1 Car park income for 2006/07 is predicted to fall short of the budget target resulting in a deficit currently estimated at £288,000 for the year. This is partly due to the closure of a number of car parks for redevelopment in recent years including Leigh Mills, Queen Victoria Road, the Belgrade, Bond Street, Greyfriars East and the Co-op in Corporation Street. In addition this figure includes an estimated loss of £16,600 incurred as a result of providing a free parking promotion in the run up to Christmas 2006.
- 10.2.2 In 2007/8 there will be an inflationary increase to the target income that car parks are expected to achieve. This will add an additional £138,000 to the current projected deficit making a target of an additional £426,000 income required to balance the budget.

10.2.3 The following table shows the estimated Income Budget for Car Park Fees, excluding duty passes and PPR decisions, for 2007/08 (based on the latest inflationary information) and the forecast outturn for 2007/08. The forecast outturn for 2007/08 is based on the period 8 2006/07 predicted outturn plus the impact of this report for the period from 1st June onwards.

	£ 000's
Estimated Income Budget 2007/08 (excl PPR and Duty Passes)	
Budget (based on Period 8 2006/07)	4,075
Inflation increase for 2007/08 budget (3.4%)	<u>138</u>
Estimated Budget 2007/08	4,213
Forecast Income for 2007/08	
Forecast Outturn for 2006/07 per BCR Period	3,787
Estimated income increase identified in Report	<u>426</u>
Estimated Outturn 2007/08	4,213

10.2.4 It is not possible to predict the precise impact of the proposed price changes. A degree of resistance by car park users to the new tariffs is expected. Based on previous price reviews the impact, over the year, not the immediate period, can be anything from 1% to 5%. Currently car park demand is near the available capacity, so the impact of the price increase should be nearer 1%. Although the table above predicts a balanced budget, to be prudent the impact of price resistance at 2% would equate to a reduction in expected income of approximately £80,000 in 2007/08. It will therefore be important to closely monitor the actual impact of the proposed changes that are predicted.

10.2.5 The table below shows the estimated additional income from car parking generated by the charges proposed in this report.

	Estimated full Year impact	Estimated Additional Income for 2007/08
	£000	£000
Short Stay	130	108
Salt Lane	64	53
Long Stay	143	119
Moat Street	26	22
Leicester Row	7	6
Sunday Charging	130	108
Duty passes provided for partner organisations	10	10
Total Income	£510	£426

10.3 Charges for duty passes for council employees are not included in the table as these do not represent real additional income for the council.

10.4 Impact on Partner Organisations

10.4.1 Previous discussions with CV One have indicated that they are averse to any increase in car park prices due to their belief that it would have a negative effect on city centre usage.

10.5 Legal implications

10.5.1 The proposed increase in car parking charges will need to be advertised under the off street parking regulations which require a minimum of 21 days notice of the new charges to be given via a press notice and notices in the car parks. The new charges will be inserted into the current Off Street parking Places Order following expiry of the notice period.

11 Monitoring

11.1 The impact on usage and income of the car park charge increases will be monitored on a regular basis.

List of background papers - none

Proper Officer: Director of City Development

Author: Jacqui Staunton CV One Client Manager
Tel 024 7683 1206
(Any enquiries should be directed to the above)

Other contributors:

John McGuigan	Director of City Development	Tel 024 7683 1201
Carl Pearson	Head of Regeneration	Tel 024 7683 2010
Mark Smith	(Legal)	Tel 024 7683 3037
Jon Venn	(HR)	Tel 024 7683 1125
Phil Helm	(Finance)	Tel 024 7683 1301
Paul Beesley	(City Development)	Tel 024 7683 1337
Stella Manzie	Chief Executive	Tel 024 7683 1100

Papers open to Public Inspection

Description of paper

Location

None