

For publication

Car Parks Fees and Charges 2024-25

Meeting:	Cabinet
Date:	16 January 2024
Cabinet portfolio:	Town Centre and Visitor Economy
Directorate:	Leisure, Culture and Community Wellbeing
For publication	

1.0 Purpose of the report

- 1.1 To set new fees and charges for Car Parks for the financial year 2024-25 for implementation from 1 April 2024.

2.0 Recommendations

- 2.1 That the fees and charges for car parks from Monday 1 April 2024 be as detailed in Appendix 1.
- 2.2 That a revision to the current Residents Parking Scheme be made, to introduce a one-off tariff of £1 before 10am (Monday to Saturday) and a one-off tariff of £2 after 3pm (Monday to Saturday) and a one-off tariff of £2 on a Sunday (all day) and £2 on Bank Holidays (all day).
- 2.3 That the Service Director for Leisure, Culture and Community Wellbeing, through delegated authority with the Cabinet Member for Town Centre and Visitor Economy, apply appropriate negotiated fees for new activities and opportunities that are introduced during the period covered by this report.

3.0 Reason for recommendations

- 3.1 The Council continues to face significant financial challenges. The sustained period of austerity since 2010, the ongoing risks and uncertainties over future funding arrangements, the budgetary impacts of the Covid-19 pandemic and a sustained period of exceptionally high inflation, have all impacted on the Council's financial position.
- 3.2 The Council's budget strategy is to deliver a balanced and sustainable budget. Given the forecast budget deficits it is important that all potential increases to income streams are implemented as soon as possible to help mitigate these pressures.
- 3.3 It is therefore prudent to implement an uplift to assist the Council in achieving a balanced budget for 2024-25 and to continue to recover ground on the increasing costs associated with car park operations.

4.0 Report Details

Introduction

- 4.1 Providing appropriate parking is key to ensuring a thriving town centre for Chesterfield. While adequate parking is vital to ensure that those who need to drive to access the town centre are able to do so, income from car parking is a vital source of funds to support public services for local authorities and Chesterfield Borough Council is no different on this point.
- 4.2 Chesterfield faces similar challenges to other United Kingdom town and cities with competition from online shopping and out-of-town retail opportunities for footfall and spend. There have been successes over the last decade in the local economy with the creation of new jobs and new businesses. The town centre continues to attract visitors from across the borough as well as further afield and as a result it is appropriate for fees and charges for car parking to remain relevant and competitive to support local public services.
- 4.3 The charges for parking in council-owned sites are consistent across the whole estate and are currently complimented by our residents parking scheme that offers residents free parking before 10:00 AM and after 15:00 PM. A review of this scheme has been undertaken, as recommended in the Arup Parking Study, in relation to its usage and potential income opportunities to further mitigate parking income pressures.
- 4.8 From 5 September 2023 we successfully moved to the RingGo payment application replacing the previous PaybyPhone application. In making this change customers wishing to park now have enhanced functionality to book parking in seconds, select where they want to park, select the vehicle, select how long they want to stay and confirm their payment method.
- 4.9 Customers using this application will then be able to manage their car parking from the convenience of their mobile device. This includes extending a

session without returning to their car, update their vehicle details, download receipts which can be accessed any time after they make a booking and finally the ability to save the session as a favourite for faster booking next time round.

- 4.10 Utilising technology such as this along with having a clear and logical tariff structure will help to provide greater flexibility for customers to manage their car parking and their payments. Whilst the service continues to offer and accept other means of payment, having a strong and relevant mobile payment solution in place is important given the evolving demand for flexible and mobile payment options. Further technological advances in parking operations and cashless payment methods are being explored as part of the need to be customer focussed and take advantage of the operational savings these can deliver.

Cabinet approved an increase in car parking fees and charges on 19 September 2023 to reflect the challenging in-year budget position, and the fact that the two-year cycle of reviewing charges had fallen at a time of significant inflationary pressure. At that time no change were proposed to the residents parking scheme.

Review of fees and charges tariffs

- 4.4 The new fees and charges policy adopted at Cabinet on 12 December 2023 sets out that fees and charges should be reviewed on an annual basis. It recognises that there are a range of different factors to consider in setting fees and charges including legislative requirements and constraints, the full cost of delivering services, benchmarking with other local authorities and potential impacts upon other policy objectives. As a minimum, where legislation allows, a full cost recovery model will be adopted. The revised fees and charges policy allows for increasing rates on a more frequent basis to ensure that cost pressures can be recovered.
- 4.5 Car parking fees and charges have historically been on a two-yearly cycle of review and implementation. The Council recently commissioned a Car Parking Study to review the current operation and make recommendations to assist in maximising the benefit from our car parks across the Borough. The study and covering report have been presented to Cabinet today and as a result the study recommendation pertaining to an annual review of fees and charges to ensure price increases capture in-year costs and inflation has been reflected within this report and will be the approach going forward in line with the Councils newly adopted fees and charges policy.
- 4.6 The process being followed for the review of income levels has included an assessment of each fee to identify how it meets the Council's strategic purposes, the level of increase that is proposed and a consideration of associated economic conditions.

- 4.7 The proposed fees, set out in Appendix 1, have been based on a robust estimate of the impact of cost increases and demand and the Council's overall financial position. This includes assessing the affordability of any of these increases to our residents and visitors. Cost pressures and changes in demand that have and continue to impact on the overall financial position of the authority include;
- Increase in utility costs.
 - Significant inflationary pressures resulting in increases in supply costs and materials.
 - NJC Pay Claim which has resulted in a higher than budgeted for pay increase for staff.
 - Service specific issues around cost increases and service usage.
- 4.11 Reviewing current tariffs has been sensitive to any impact that changes may have on the town centre visitor and business economy. In presenting the new fees and charges schedule as set out in Appendix 1, assessments have been undertaken of other providers to ensure that the charges are not unrealistic or unsustainable.

Residents parking scheme

- 4.12 The service has reviewed the current free residents parking scheme that provides free parking before 10AM and free parking after 3.00PM, and free all day on Sunday's and Bank Holidays to Borough residents on selected car parks.
- 4.13 Arup Consultancy who undertook the Car Parking Study noted that they "estimate a loss of revenue equal to £287,547 per year through the Residents Parking Scheme" and "there may be an opportunity to release some of this lost revenue should amendments or removal of the parking permit take place".
- 4.14 The removal of the scheme is not recommended as it supports both residents and town centre businesses to make use of the town centre however the introduction of a small charge to use the scheme is viewed as both realistic and sustainable given the extent of the financial pressures facing the Council.
- 4.15 In reviewing the current provision and comparing with other authorities, the service has identified that a series of one-off tariffs would be a sensible, easy to understand, easy to operate and administer scheme for both residents and the council. It would continue the use of the permit that is sent out with resident's council tax bills. In addition, adopting this approach will ensure a

relatively smooth and rapid transition from the current scheme to the new scheme to become live from 1 April 2024.

- 4.16 The recommended charging structure would introduce a one-off tariff session fee of £1 before 10am and £2 after 3pm from Monday to Saturday, £2 on a Sunday (all day) and £2 on Bank Holidays (all day). It is estimated that this could achieve an additional £126,305 of net income. See Appendix 3 option 2.
- 4.17 The Council is committed to providing good quality, well maintained, safe and secure parking facilities with easy payment fulfilment options. The recommendations within this report will positively contribute to maintaining this commitment.

5.0 Alternative options

- 5.1 To not increase the fees and charges for 2024-25, however this would not assist the Council in delivering a balanced budget and place a significant pressure on the Council's medium term financial plan.
- 5.2 To increase the fees later in the 2024-25 financial year, potentially from 1 October 2024. This would potentially deliver a second half increase of £121,680 rather than the anticipated full year effect of £234,000.
- 5.3 A larger increase than proposed could be applied to the current fees and charges. It is felt that the proposed fees are sensitive and realistic, with the variable increases on each hourly tariff being proportionate to the pressures faced by the Council. Any increase above the level recommended is viewed at this moment in time as potentially having a negative impact on the town centre economy.
- 5.4 To retain the Residents Parking Scheme which allows residents of the Borough to park for free before 10am and after 3pm, Monday to Saturday and all day on Sunday's and Bank Holidays. This is not recommended due to the significant budgetary challenges that are currently being experienced.

6.0 Implications for consideration – financial and value for money

- 6.1 A tariff usage survey has been undertaken to establish which tariffs are most popular to inform the overall approach regarding fees and charges. The `up to 2 hours tariff` on Short Stay car parks is the predominant tariff at around 40% of total volume, with the Long Stay car parks indicating a relatively even split of 30% over the 1 hour to 3 hour's tariffs.

- 6.2 Consequently, considering the range of use it would be prudent to increase the rates charged sensitively, across all tariffs, rather than target specific individual tariff periods so as to maintain the current pricing differential across the various tariffs to help the consumer select the tariff most appropriate to their reason for parking.
- 6.3 It is anticipated that if the recommendations within this report are approved then this will raise a potential additional £234,000 of income over a twelve-month period. This figure includes an assumed attrition rate of 5% that would result from the changes to fees and charges.
- 6.4 The review of the Residents Parking Scheme suggests that there is potential to change the scheme to one where residents contribute to their parking session, using the data from a Residents Parking Scheme survey undertaken in April 2023 (and reviewed by Arup in March 2023) average session usage indicates the potential to deliver £126,305 in additional net income if the recommended tariff to use is introduced from 1 April 2024.

7.0 Implications for consideration – Legal

- 7.1 Statutory notices will be required notifying any increase in tariffs.
- 7.2 The National Planning Policy Framework (NPPF) outlines a high-level guidance regarding parking in town centres. It states that “local authorities should seek to improve the quality of parking in town centres so that it is convenient, safe and secure, including appropriate provision for motorcycles. They should set appropriate parking charges that do not undermine the vitality of town centres. Parking enforcement should be proportionate”.
- 7.3 Part 2 of the Traffic Management Act (2004) places a network management duty on Local Highway Authorities to keep all traffic flowing. The Act places a strong emphasis on the local authority taking responsibility for parking enforcement through the development and implementation of Civil Parking Enforcement.
- 7.4 The Derbyshire Parking Board, of which Chesterfield Borough Council is a member, looks to ensure that partners are mindful of the need to operate parking provision that reflects both national and local parking trends, following best practice in setting fees and charges and civil enforcement.

8.0 Implications for consideration – Human resources

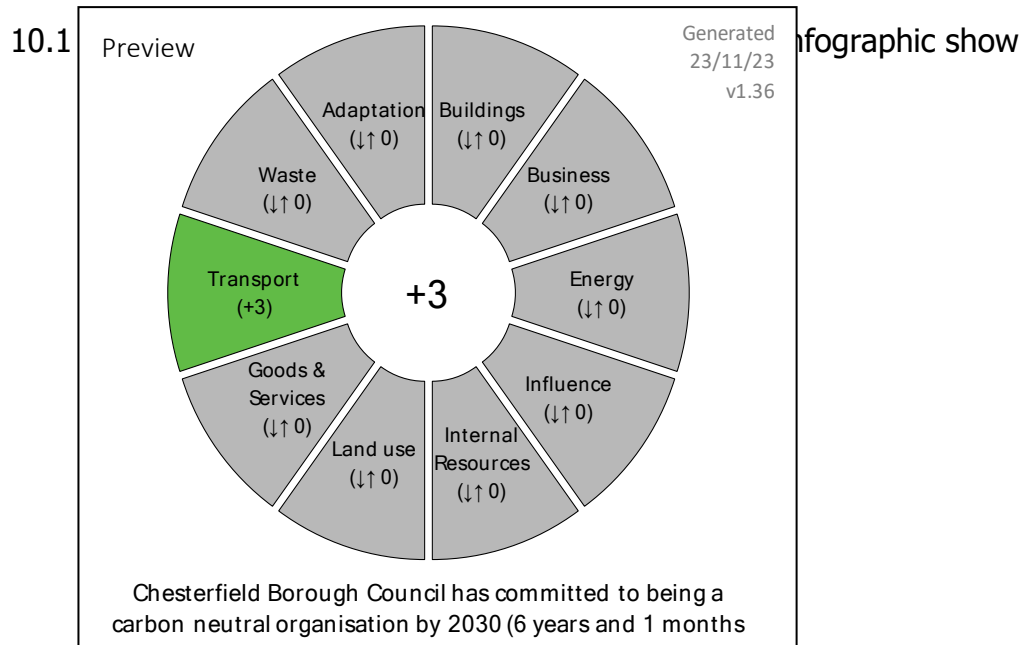
- 8.1 The recommendations have no Human Resources implications.

9.0 Implications for consideration – Council plan

- 9.1 A sensitive increase in fees and charges supports the Council Plan by assisting in the three key objectives, making Chesterfield a thriving Borough,

Improving the quality of life for local people and importantly building a resilient council.

10.0 Implications for consideration – Climate change



11.00 Implications for consideration – Equality and diversity

11.1 An Equalities Impact Assessment has been undertaken and as a result of this it has been identified that there is no disproportionate impact for protected groups. The completed equality impact assessment can be found at Appendix 2.

12.0 Implications for consideration – Risk management

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Increase in charges may result in lower usage and income	High	Medium	Sensitive assessment of proposed increases as referenced within the report. Continued Provision of a Residents Parking Scheme offering good value parking options, Permit scheme offering options for regular users giving reduced parking charges.	Medium	Low

			Communications plan to all users outlining the Council's need to increase tariffs sensitively and further promote the existing parking incentives.		
Damage to Council's reputation	High	Medium	Sensitive assessment of proposed increase. Continued provision of a Residents Parking scheme offering reduced fee continues to enable residents to park at a lower cost than non-residents. Permit options for regular users giving reduced parking. Communications plan to all users outlining the Council's need to increase tariffs sensitively and further promote the existing parking incentives.	Medium	Low

Decision information

Key decision number	<i>All key decisions must be in the Forward Plan at least 28 days in advance. There are constitutional consequences if an item is not in the Forward Plan when it should have been. Contact Democratic Services if in doubt.</i>
Wards affected	All

Document information

Report author

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Background documents

These are unpublished works which have been relied on to a material extent when the report was prepared.

This must be made available to the public for up to 4 years.

Appendices to the report

Appendix 1	Current and Proposed Fees & Charges 2024-25
Appendix 2	Preliminary Equality Impact Assessment
Appendix 3	Resident Parking Scheme options