

For publication

Car Parks Fees and Charges 2020/21

Meeting: Cabinet

Date: 3 December 2019

Cabinet portfolio: Town Centre and Visitor Economy

Report by: Assistant Director - Commercial Services

For publication

1.0 Purpose of report

1.1 To set the fees and charges for Car Parks for implementation from 1 April 2020.

2.0 Recommendations

2.1 That from the 1 April 2020 it will cost 80p to park up to 30 minutes, £1.60 up to 1 hour, £2.80 for up to 2 hours, £3.00 up to 3 hours and £4.50 up to 4 hours in all town centre car parks.

2.2 In all short stay/shopper's car parks, as listed in paragraph 4.1 of this report, it will cost £1.60 for each subsequent hour over 4 hours to park. In all long stay car parks (except Saltergate MSCP) the price over 4 hours will be £5.00 (up to 12 hours).

2.3 That the price to park at Saltergate multi storey car park will be £6 over 5 hours and up to 24 hours from 1 April 2020. This is a stand-

alone tariff with Saltergate being the only 24 hour charging car park. All other tariffs fall in line with all other long stay car parks.

- 2.4 That all residents of the borough will continue to benefit from free parking in 2020/21 before 10am and after 3pm Monday to Saturday and all day Sunday, and Bank Holidays at selected surface car parks using the Residents Parking Permit.
- 2.5 That if the income target is achieved in 2020/21 there will be no increase in tariffs in 2021/22 but the prices will be reviewed for 2022/23.
- 2.6 That the Town Centre Operations Manager has authority to negotiate monthly and annual permit prices as necessary to attract new business and be competitive with competitor offers, this is a recommendation from the July 2019 Car Park audit.

3.0 **Background**

3.1 A review of town centre off-street parking charges was undertaken in 2015/16. This recommended various tariff changes creating a more coherent and simplistic pricing structure across both short and long stay car parks. These changes were successfully implemented on 1 April 2016.

3.2 The two most popular tariffs are the 1 hour and 3 hour's tariffs, both at around 25.5% uptake. The 2 hour tariff is at 21.4% and the 30 minute tariff at 17.7% utilisation.

3.3 It was recommended that no price increase should take place in 2019/20 however prices should be reviewed for 2020/21.

4.0 **Current Situation**

4.1 Short stay car parks are:

| Location | Number of bays | Spaces for blue badges |
|-----------------|-----------------------|-------------------------------|
| Albion Road | 30 | 1 |

| | | |
|----------------|-------|----|
| Holywell Cross | 165 * | 16 |
| Rose Hill | 242 | 9 |
| Soresby Street | 208 | 14 |
| St Mary's Gate | 66 | 2 |

* reduction of around 90 spaces for Innovation Centre

4.2 Long stay car parks are:

| Location | Number of bays | Spaces for blue badges |
|----------------------|-----------------------|-------------------------------|
| Beetwell Street MSCP | 465 | 29 |
| Derbyshire Times | 55 | 0 |
| Devonshire Street | 73 | 0 |
| Durrant Road | 69 | 0 |
| Hollis Lane | 38 | 0 |
| Queen's Park Annexe | 43 | 2 |
| Queen's Park (north) | 120 | 3 |
| Queen's Park (south) | 43 | 0 |
| Saltergate MSCP | 526 | 32 |
| Spa Lane | 56 | 0 |
| Station Road | 59 | 0 |
| Theatre Lane | 50 | 0 |

5.0 **Proposed Charges for 2020/21**

5.1 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.

5.2 It is part of this strategy to seek a minimum inflationary increase of 3% on all income streams in 2020/21 or greater, but only if the market will bear it.

5.3 The existing tariffs for short stay/shoppers car parks are as follows:

- Up to 30 mins - 70p
- Up to 1 hour - £1.40
- Up to 2 hours - £2.70

- Up to 3 hours - £3.00
- Up to 4 hours - £4.40
- Each subsequent hour - £1.40

5.4 The proposed tariffs for short stay/shopper car parks are as follows, changes in bold:

- **Up to 30 mins - 80p**
- **Up to 1 hour - £1.60**
- **Up to 2 hours - £2.80**
- Up to 3 hours - £3.00
- **Up to 4 hours - £4.50**
- **Each subsequent hour - £1.60**

5.5 The existing tariffs for long stay/commuter car parks are as follows:

- Up to 30 mins - 70p
- Up to 1 hour - £1.40
- Up to 2 hours - £2.70
- Up to 3 hours - £3.00
- Up to 4 hours - £4.40
- 4 hours plus - £5.00

5.6 The proposed tariffs for long stay/commuter car parks are as follows, changes in bold:

- **Up to 30 mins - 80p**
- **Up to 1 hour - £1.60**
- **Up to 2 hours - £2.80**
- Up to 3 hours - £3.00
- **Up to 4 hours - £4.50**
- 4 hours plus - £5.00

5.7 There are no proposed changes to permits:

| | Current Prices |
|---------------|----------------|
| Annual Permit | £620 |

| | |
|----------------|-------------------------|
| Monthly Permit | £62 |
| Scratchcards | £3.60 |
| Market Trader | £2.00 |
| Blue Badge | £5 monthly/£50 annually |

- 5.8 It is not practical to alter tariffs by anything other than increments of 10p; this is because of change handling and storage within the pay stations.
- 5.9 The above tariff changes represent an average overall increase in parking tariffs of 3% taking into account the changes recommended.
- 5.10 The incentive tariffs agreed in 2016 remain unchanged. These have been created to target shoppers to dwell more in the town centre on the 3 hour tariff and to be competitive for people who work or travel, in and from Chesterfield and park all day.
- 5.11 There are a number of existing schemes currently in use that provides free or reduced cost parking in the town centre. In particular the residents parking permit which allows free parking to Borough residents before 10am and after 3pm, Monday to Saturday, and all day on Sunday's and Bank Holidays. This is available on the majority of surface car parks in the town centre and uptake of this offer ranges from 40% to 70% on these car parks during hours of permitted use, proving its popularity. Both the scratchcard offer and monthly/annual permit offers again show continued uptake and ensure all day parking can be accessed from as little as £2.50 per day. No changes to this scheme is recommended.

- 5.12 The Council is committed to providing good quality, well maintained, safe and secure parking facilities. The uplift in charges ensures these standards are maintained and future investment in our sites continues.
- 5.13 The replacement Saltergate MSCP scheme and Beetwell Street MSCP repair scheme are evidence of this commitment.
- 5.14 The council is currently procuring replacement parking equipment at Beetwell Street MSCP, Rose Hill car park and Soresby Street car park. This will replace end of life parking equipment with new equipment that reflects the same standard of equipment in Saltergate, accepting all payment methods including card, contactless and Apple pay. Alongside this we are procuring a “pay by phone” solution at all out Pay and Display car parks. This adds value to the customer experience and expectation of modern car parks, overcoming not giving change and enabling customers to pay electronically, but still retaining the pay by cash option.
- 5.15 Electric Vehicle chargepoints have been fitted to 17 surface car parks in 2019, with a further 6 going live in Saltergate MSCP by the end of October 2019. These have a value of around £100,000, funded by Government grant schemes through the D2N2 partnership.

6.0 **Financial and Legal Considerations**

- 6.1 The anticipated income for 2019/20 is £2,718,200; This includes an additional £100,000 expected increased income generated by the Northern Gateway completed projects.
- 6.2 It is anticipated the proposed tariff increases will generate an additional £50,000 in income; as such the revised potential income for 2020/21 will be £2,768,360. This again includes £100,000 in income generated from the Northern Gateway completed projects.

6.3 It should be noted in both 6.2 and 6.3 that the Northern Gateway project has not been completed in line with the original timescales and as such the potential to uplift income by the £100,000 should be considered a risk and monitored.

6.4 Parking fee increases are notified by public notice under Section 35 of the Road Traffic Regulation Act 1984 (as amended) at the parking places affected and in the Derbyshire Times.

7.0 Risk Management

7.1 Income from car parks is reasonably stable under the existing tariff structure; the proposed changes are sensitive to this as any significant changes could result in loss of custom and negative publicity. The downturn in footfall on the High Street, both locally and nationally, remains a challenge and is often blamed on car parking fees.

| Description of Risk | Likelihood | Impact | Mitigating Action | Resultant Likelihood | Resultant Impact |
|--|------------|--------|---|----------------------|------------------|
| Increase in charges may result in lower usage and income | M | H | Not all prices have been increased, with incentive tariffs and resident offers changed sensitively | L | M |
| Damage to Council's reputation | M | M | Proposals remain in accordance with providing competitively priced car parks and will be explained in external communications | L | L |

| | | | | | |
|--|---|---|--|---|---|
| Competitor activity | L | M | Prices reflect core location and facilities offered. | L | L |
| Delayed completion of Northern Gateway project | H | H | Reduction in anticipated budget | H | M |

8.0 Equalities Impact Assessment (EIA)

8.1 The proposals have no negative impacts on any of the equalities groups.

9.0 Alternative Options to be Considered

9.1 That no increase in parking fees is introduced.

9.2 An increase of greater than 3% is introduced. It is felt that this might undermine the stable income being generated currently.

10.0 Recommendations

10.1 That from the 1 April 2020 it will cost 80p to park up to 30 minutes, £1.60 up to 1 hour, £2.80 for up to 2 hours, £3.00 up to 3 hours and £4.50 up to 4 hours in all town centre car parks.

10.2 In all short stay/shoppers car parks, as listed in paragraph 4.1 of this report, it will cost £1.60 for each subsequent hour over 4 hours to park. In all long stay car parks (except Saltergate MSCP) the price over 4 hours will be £5.00 (up to 12 hours).

10.3 That the price to park at Saltergate multi storey car park will be £6 over 5 hours and up to 24 hours from 1 April 2020. This is a stand-alone tariff with Saltergate being the only 24 hour charging car park. All other tariffs fall in line with all other long stay car parks.

- 10.4 That the price to park at Saltergate multi storey car park will be £6 over 5 hours and up to 24 hours from 1 April 2020.
- 10.5 That all residents of the borough will continue to benefit from free parking in 2020/21 before 10am and after 3pm Monday to Saturday and all day Sunday (subject to terms and conditions).
- 10.6 That if the income target is achieved in 2020/21 there will be no increase in tariffs in 2021/22 but the prices will be reviewed for 2022/23.
- 10.7 That the Town Centre Operations Manager has authority to negotiate monthly and annual permit prices as necessary to attract new business and be competitive with competitor offers, this is a recommendation from the July 2019 Car Park audit.

11.0 **Reasons for Recommendations**

- 11.1 To continue to support the town centre economy, providing competitively priced car parks with simple charging structures and convenient payment methods and tariffs.
- 11.2 To ensure that the council continues to receive an acceptable return on a valuable town centre asset.

Decision information

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|---|-------------------------------------|
| Key decision number | 910 |
| Wards affected | All |
| Links to Council Plan priorities | To provide value for money services |

Document information

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|----------------------|-----------------------------|
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