

For publication

Car Parks Fees and Charges 2023-24

Meeting:	Cabinet
Date:	19 September 2023
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 remainder of the financial year 2023-24 for implementation from 1 November 2023.

2.0 Recommendations

- 2.1 That the fees and charges for car parks from Wednesday 1 November 2023 be as detailed in Appendix 1.
- 2.2 That the thirty-minute car parking charge be removed so that all charges reflect hourly rates.
- 2.3 That all residents of the Borough will continue to benefit from free parking in the 2023-24 financial year before 10am and after 3pm Monday to Saturday and all-day Sunday, and Bank Holidays, at selected surface car parks using the Resident Parking Scheme.
- 2.4 That the Service Director for Leisure, Culture and Community Wellbeing, through delegated authority, in consultation 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 in-year uplift now, to assist the Council in achieving a balanced budget for 2023-24 and to recover ground on the increasing costs associated with car park operations as a result of the previous fees and charges increase being from 4 April 2022.

4.0 Report Details

- 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 complimented by our residents parking scheme that offer residents free parking before 10:00 AM and after 15:00 PM, in selected surface car parks.
- 4.4 In accordance with the Medium-Term Financial Strategy, fees and charges should be reviewed on an annual basis to ensure that the cost of providing the service is recovered. Car parking fees and charges have historically been changed on a two-yearly cycle.
- 4.5 The Council has commissioned a wide-ranging car parking study to set out a range of options which seek to maximise the benefit from our car parks across the Borough. The study reviews, not only the current operational arrangements for the car parks, but also the long-term capacity requirements for car parking to support the town centre, the potential to use any spare capacity for regeneration opportunities and to identify any opportunities to support the climate change agenda. This study and recommendations will be

presented to cabinet later in this financial year to inform future approaches on all aspects of car parking including our approach to fees and charges from April 2024 onwards.

- 4.6 However, budget monitoring activity in this financial year has confirmed a significant shortfall in the achieved income to date, which in turn has led to a significant forecast shortfall projection for income to the end of the financial year; it is recommended that action is taken to increase car parking charges at this time to seek to improve this position. The financial implications section of this report sets out the figures in more detail. Whilst a range of actions are being implemented to reduce the car parking service operational costs, these will not be sufficient to offset the full loss of income.
- 4.7 The proposed fees as set out in Appendix one, 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 for 2022-23 which has resulted in a higher than budgeted for pay increase for staff and a higher than anticipated budget for the 2023-24 Pay Claim.
 - Service specific issues around cost increases and service usage.
- 4.8 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 one, assessments have been undertaken of other providers to ensure that the charges are not unrealistic and are unsustainable.
- 4.9 A review of other authorities' fees and charges would indicate that the proposed increase in fees is relevant to type and range of parking that the Council operates in support of the town centre. A benchmarking exercise can be found at Appendix 2.
- 4.10 In addition to the work undertaken as outlined above, the service has reviewed the current thirty-minute car park tariff in terms of its relevance and how as a service it operates this tariff.
- 4.11 The result of this work has identified that to support clear messaging regarding tariffs; to enable effective enforcement; to enhance the potential to mitigate lost income from overstays (linked to enforcement) and as a result maximise the income potential from the one hour tariff, it is recommended

that the thirty minute tariff is removed. This will result in all car parks offering an up to one hour tariff as the minimum available paid for car parking fee.

- 4.12 In addition to the operational benefits outlined above in relation to the removal of the thirty-minute tariff, the service will, from 5 September 2023 move to the RingGo payment application replacing the current PaybyPhone application. In making this change customers wishing to park will 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.
- 4.13 Once using this application customers 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.
- 4.14 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.
- 4.15 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 2023-24, 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 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.
- 5.3 To remove 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. It is a popular scheme with around 70% of residents making use of their permit. An estimated monetary value on this free parking scheme is between £300,000 and £500,000 per

annum. The removal of this scheme is not recommended as part of this report.

6.0 Implications for consideration – financial and value for money

- 6.1 The original fees and charges income budget for 2023-24 is £ 2,360,240. The forecast position for income as of Period 3 based on current demand trends is £1,878,808 which shows a forecast shortfall on income of £481,432. This shortfall is reflected in the comments made in section 4.7 of this report in terms of user demand. The forecast position is placing the Council under a significant budget pressure and necessitates the implementation of these revised charges from November 2023.
- 6.2 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.
- 6.3 Consequently, in light of 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.
- 6.4 It is anticipated that if the recommendations within this report are approved then this will raise an additional £279,000 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.
- 6.5 This equates to a weekly figure of circa £5,000 and as such the effect for the financial year 2023/2024 would be circa £112,000 over and above the forecast position referenced above in relation to period 3.
- 6.6 Whilst this does represent an income uplift based on current forecast, it should be noted that this still represents an in-year forecast budget pressure at period three of £369,432 which the councils Corporate Leadership Team will seek to mitigate as part of its 2023/2024 budget strategy. This will include cost control measures in addition to the recommendations contained within this report and the potential additional positive impact from the activities described in section 6.7 below.
- 6.7 Whilst not currently in operation an additional £20,000 in new income (full year effect and net of all costs associated with the site) is forecast for the Station Approach all day car park which if progressed will temporarily occupy the former Chesterfield Hotel site. The car park will have an all-day tariff of £3.00. This is competitive with the existing privately operated car parks in that area. It is anticipated there will be some migration from these car parks.

It is likely there will be some attrition from our own Long Stay car parks in that area which informs the net income estimate of £20,000 based on a full financial year or circa £1,666 per calendar month. The car park will operate solely on the RingGo platform, removing the need for staffed cash collection. This anticipated income will be in addition to that referenced above in the service forecasts once it is operational.

7.0 Implications for consideration – Legal

- 7.1 Statutory notices will be required notifying any increase in tariffs.
- 7.2 In accordance with the Road Traffic Regulations Act 1984, Section 32, the surplus income generated by off-street parking can only be invested in either environmental or transport improvements.
- 7.3 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”.
- 7.4 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.
- 7.5 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

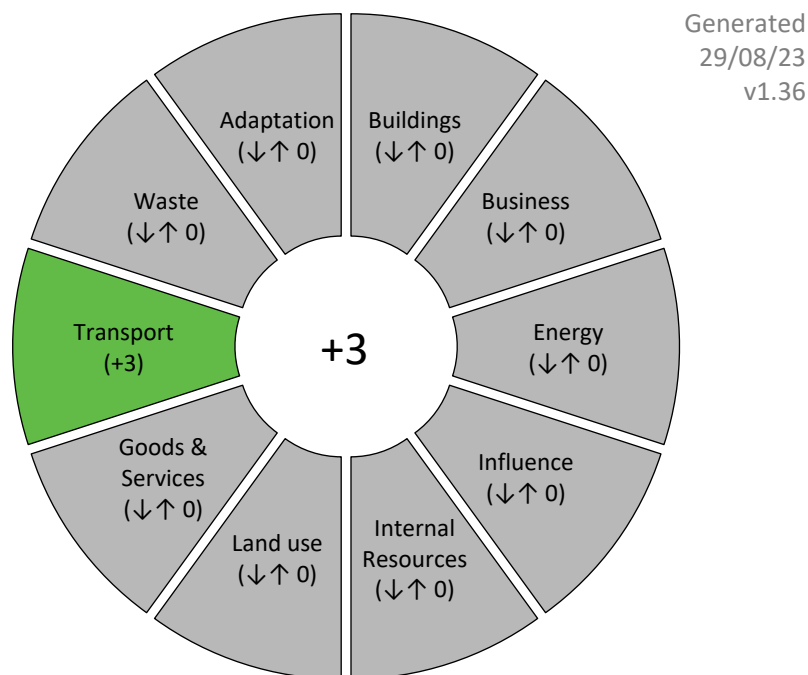
- 8.1 The recommendations have no Human Resources implications.

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

10.1 Implications can be seen in the climate change infographic show below.



Chesterfield Borough Council has committed to being a carbon neutral organisation by 2030 (6 years and 4 months away).

11.0 Implications for consideration – Equality and diversity

11.1 A Preliminary 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. Existing protocols regarding Blue Badge scheme remains unchanged. The completed equality impact assessment can be found at Appendix 3.

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. Provision of a Residents Parking Scheme	Medium	Low

			<p>offering free parking, Permit options for regular users giving reduced parking charges. Communications plan to all users outlining the Council's need to increase tariffs sensitively and further promote the existing parking incentives.</p>		
<p>Damage to Council's reputation</p>	<p>High</p>	<p>Medium</p>	<p>Sensitive assessment of proposed increase. Provision of a Residents Parking Scheme offering free parking, 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.</p>	<p>Medium</p>	<p>Low</p>

Decision information

<p>Key decision number</p>	<p><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></p>
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Wards affected	All
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Document information

Report author	
Andy Bond, Town Centre Operations Manager, Leisure, Culture and Community Wellbeing.	
Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>This must be made available to the public for up to 4 years.</i>	
Appendices to the report	
Appendix 1	Current and Proposed Fees & Charges 2023-24
Appendix 2	Benchmarking Exercise
Appendix 3	Preliminary Equality Impact Assessment