

Cabinet report



Report of Head of HR, IT & Technical Services

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To: CABINET

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Review of car park fees and charges 2015/16

Recommendation

That cabinet reviews the current car park fees and charges and considers the options put forward by officers, along with any other options it wishes to consider, and decides what, if any, changes it wishes to make to the current car park fees and charges.

Purpose of report

1. The purpose of this report is to provide cabinet with options to consider so that it can determine the appropriate car park fees and charges from 1 April 2015.
2. Reviewing the car park fees and charges each year is in line with the Vale of White Horse District Council's car park pricing policy.

Strategic objectives

3. The provision of public car parks contributes to the achievement of our strategic objective "building the local economy" by giving access to shops, businesses and services within the towns and some villages. It also contributes towards our strategic objective of "effective management of resources" by providing car parking that is value for money and meets the needs of the users.
4. The economic development team undertakes a number of initiatives to deliver the strategic objective of "building the local economy" and the corporate priority of "continuing to invest to improve the viability and attractiveness of our towns". These include working with joint economic forums in Wantage and Faringdon, supporting the Choose Abingdon Partnership, and the delivery of annual action plans for each town.

Within these action plans there are projects aimed to attract increased footfall to the towns, which can be supported by the provision of free car parking.

Background

5. The council's existing parking policy was last reviewed in 2011 when policy B (1) was removed. This was to reflect the fact that the introduction of the free two hours meant that the income from the service would not meet the expenditure. The other policies are:
 - B (2) Differential pricing may apply between areas in the Vale, including between car parks in the same town
 - B (3) Pricing may be used to regulate and influence usage to achieve a balance between sustainability and environmental objectives, and town centre vitality and viability; hence, short- term and long-term public parking should be differentially priced and located to encourage edge of town parking for commuters, thus freeing town centre parking for shoppers and visitors
 - B (4) Parking will be provided free of charge for disabled badge holders
 - B (5) Parking fees and charges will be reviewed annually.
6. In December 2011 the cabinet agreed to introduce a free period of two hours in the council's car parks. The scrutiny committee reviewed the impact of the free parking period in 2012 and again in September 2013 and made recommendations back to the cabinet for it to consider.
7. In December 2013 the cabinet considered and rejected the following options:
 - reducing the price of parking permits
 - extending the length of free parking to three hours
 - extending the differential pricing policy so that car park fees were varied depending on their location
 - introducing spaces to charge electric vehicles
8. However, the cabinet agreed to
 - reduce the cost of excess charges (parking fines) from £50 to £40 if the fine was paid within 10 working days
 - introducing a pilot cashless payment system in car parks (pay by mobile phone)
9. The current fees and charges and permits for the Vale Council are attached as appendix 1 to this report. As a comparison, fees and charges for other local car parks are attached as appendix 2 to this report. The cost of permits is shown in appendix 3 to this report.
10. In the next section, officers review the main elements of the car park fees and charges. Following this, officers put forward options for the cabinet to consider.

Review of car park fees and charges

11. Officers are required to review the car park fees and charges in accordance with the car park pricing policy B (5) as listed in paragraph 5 above. In addition, officers arranged for a usage survey to be carried out of all Vale car parks this year in order to

identify those car parks with the most and least demand and also to be able to identify how any changes may affect the usage.

12. As part of the review, officers first looked at the financial situation and the expected income and expenditure if no changes are made.

CAR PARK ACCOUNT OVER FIVE YEARS

13. Table 1 below estimates how the net cost of car parks will change over the five-year period 2013/14 to 2017/18 assuming no changes are made. It should be noted that we do not budget for depreciation or support costs – the table is purely a paper exercise, but these elements need to be included to give a full picture. Running costs and support costs are increased by two per cent per year.

14. In 2014/15, if considering just the income and the running costs, then the account shows a small surplus income of £23,810. However, taking into account other costs associated with parking, the table shows that there was a deficit on the account at the end of 2013/14 of £562,815 and the estimated deficit for the current year 2014/15 is £183,714.

15. The table also shows that if no changes are made to the level of fees and charges (and assuming levels of usage stay the same) then the car park account will have an outturn of £56,560 next year but a deficit of £153 180 when all costs are taken into account. The estimated outturn decreases slightly in 2017/18 to £34,400 but will have an accumulated deficit of £1,236,228 over the five-year period when all associated costs are taken into account.

Table 1 Car park account over five years

	2013/14	2014/15	2014/15 Actual to 30 Sept 14	2015/16	2016/17	2017/18
	Actual	Budget		Base budget	Base budget	Base budget
Total Income	441,611	415,300	240,016	415,300	415,300	415,300
Less						
Running costs	417,238	391,490	248,296	355,740	366,410	377,400
* RingGo				3,000	3,500	3,500
Outturn actual / budgeted	24,373	23,810	(8,280)	56,560	45,390	34,400
Depreciation for use of asset	96,684	96,684	48,342	96,684	96,684	96,684
Revaluation (downwards)	372,619					
Support costs	115,329	117,636	58,818	119,988	122,388	124,836
Less costs attributable to South	(25,011)	(25,512)	(12,756)	(26,022)	(26,542)	(27,073)
Add attributable CDC Costs	18,348	18,715	9,358	19,090	19,471	19,861
Support costs and CDC recharge	117,885	110,839	55,420	113,056	115,317	117,624
Total Costs	1,004,426	599,014	352,058	568,480	581,911	595,208
Actual / Projected net income (deficit)	(562,815)	(183,714)		(153,180)	(166,611)	(179,908)
Actual / Projected net income (deficit) cumulative	(562,815)	(746,529)		(899,709)	(1,066,320)	(1,246,228)

*estimate annual cost of RingGo based on 20 per cent of income paid by phone in 15/16 increasing to 25 percent in 16/17 and 17/18

COST OF PERMITS

16. The table in appendix 3 lists the cost of permits currently available. Permits provided an income of just over £100,000 in 2013/14.

Options

17. The current financial position of the car park account does not allow for any reductions in income. If required, officers have considered the following options to increase income.

A. INCREASE ALL FEES BY 10 PENCE

18. An increase of ten pence is the smallest increase that is reasonable as fees are normally given to the nearest ten pence as this is the lowest denomination accepted by the machines.

19. An increase of all fees would mean that the current differential that exists between the cost of short stay parking in the town centre and the cost of edge of town parking would remain the same.

20. Officers estimate that the increase in income would be £6,000 per year.

B. INCREASE IN THE PRICE OF PERMITS

21. An increase in the cost of permits of five per cent would increase the income by £5,000 per year.

22. An increase in the price of permits would reduce the support to town centre businesses and to those businesses who rely on their staff paying for permits themselves.

C. CHARGE IN THE EVENINGS

23. The current charging period is 8am to 6pm Monday to Saturday (although some car parks near the river in Abingdon charge on Sundays also). Anecdotally the car parks in the town centre are quite well used in the evenings. Additional income could be produced by extending the charging time to later in the evening. In Oxford some car parks require a flat fee to park in the evenings. However, officers consider that many users would take advantage of the two hours free and the increase in income would not outweigh the required enforcement costs. This option therefore is not being pursued.

D. CHARGE ON SUNDAYS

24. Currently only three car parks in Abingdon charge on a Sunday (those adjacent to the river Thames i.e. Rye Farm, Hales Meadow and Abbey Close). The current tariffs in all other car parks, including the free two hours, could be extended to cover all days of the week.

25. This would require some enforcement on a Sunday which would be at a cost but the increase in income is likely to outweigh this cost.

26. As a comparison, some town centre car parks to the north in Cherwell district do charge on a Sunday whereas car parks in South Oxfordshire do not. Traditionally people attending religious services have strongly opposed any introduction of charges on a Sunday.

E. SCHOOL PERMITS

27. Special 'school permits' to allow for short periods of parking whilst dropping off school children in the morning or picking up in the afternoon remain chargeable in the current car park schedule. The schedule shows there is a charge of £10.60 for these permits, for example in the car parks in Faringdon, which was introduced before the offer of free two hours parking. However, in practice, since the introduction of the free two hours, we have been issuing them free of charge so that daily users of the car parks do not have to queue to obtain a 'free' ticket at busy times.
28. The car park team has issued only five permits in the past year. Having considered the options, officers do not think it is viable to go to the necessary lengths to advertise and change the schedule for the sake of a small number of these special permits and will continue to offer these school permits at no charge.

Financial Implications

29. In 2013/14, the Vale Council collected £215,000 from 'pay and display' income plus £90,000 from parking permit income. The financial implication for each of the options is summarised in the table below:

Option	Title	Offer	Estimated change in income per year (reduction in brackets)
A	Increase all fees	Increase by ten pence	£6,000
B	Increase price of permits	5 per cent increase	£5,000
C	Charge in the evenings	N/A	Not financially viable
D	Charge on Sundays	Similar fees to other days of the week	£11,250
E	School permits	No change	De minimus

30. Any financial implications of the decisions made as a result of this report will be included in the budget for 2014/15 and the medium term financial plan, which will be agreed by full council in February 2015.
31. Each of the options will have associated initial set up costs for changing signs and adapting software and is likely to be a one off cost of between £5,000 and £10,000.

However, officers have submitted a growth bid of £15,000 to replace all the tariff boards and so any agreed changes can be included on the new boards.

Legal Implications

32. Changes to the price of permits or to the charging periods or days would not require any changes to the car parking order but would require the schedules to be published.
33. These changes that do not require a change to the body of the order, can be introduced by way of notice under section 35C of the Act, given and published in compliance with regulation 25 of the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996.

Risks

34. The council is becoming increasingly dependent on its income-generating services, such as car parking, to cover its significant costs, instead of placing the burden on general council taxpayers. As government grant funding reduces, income streams such as car parking will become critical to enable the council to become more self-sufficient.
35. Given the very low take up of the school permits and as they have no real value in allowing parking when it is already free, officers consider that the 'do nothing' option represents the most sensible approach with very low risk of potential challenge from other users who pay for other types of permit.

Other implications

36. Officers have given due regard to the public sector equality duties of the Equality Act 2010. The proposed changes A-C will not directly or indirectly discriminate users who share a protected characteristic. Option D could disadvantage people attending religious services. Users who display a disabled badge will be unaffected by the changes, as they will continue to get free parking.

Conclusion

37. The report has reviewed the current fees and charges in line with the Vale Council's car parking policy, although the options that have been put forward are far from exhaustive.

Background Papers

- None

Appendix 1 Vale Council - summary of car park fees and charges 2014

<input type="checkbox"/> 1	<input type="checkbox"/> 5	<input type="checkbox"/> 7 SCHEDULE OF CHARGES	
		<input type="checkbox"/> 7a	<input type="checkbox"/> 7b
<input type="checkbox"/> NAME OF <input type="checkbox"/> PARKING PLACE	<input type="checkbox"/> CHARGING/ NON-CHARGING PERIODS AND MAXIMUM PERIOD FOR WHICH VEHICLES MAY WAIT	<input type="checkbox"/> CHARGES FOR PARKING TICKETS <input type="checkbox"/> Footnote 2 <input type="checkbox"/> Footnote 3 <input type="checkbox"/>	<input type="checkbox"/> PERMITS (INC. VAT) <input type="checkbox"/> Footnote 1 <input type="checkbox"/> Footnote 3
<input type="checkbox"/> FARINGDON <input type="checkbox"/> <input type="checkbox"/> Southampton Street	<input type="checkbox"/> Monday to Saturday <input type="checkbox"/> 8am to 6pm <input type="checkbox"/> 10 hours <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> Not exceeding: <input type="checkbox"/> - up to 2 hours no charge <input type="checkbox"/> - up to 3 hours £1.10 <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> School Term Permit (10 mins) £10.60 <input type="checkbox"/>
<input type="checkbox"/> Gloucester Street	<input type="checkbox"/> Monday to Saturday <input type="checkbox"/> 8am to 6pm <input type="checkbox"/> 10 hours <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> Not exceeding: <input type="checkbox"/> - up to 2 hours no charge <input type="checkbox"/> - up to 3 hours £1.00 <input type="checkbox"/> - up to 4 hours £2.40 <input type="checkbox"/> - up to 6 hours £2.60 <input type="checkbox"/> - over 6 hours £2.80 <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> £33 per month (6 or 7 day) <input type="checkbox"/> £98 per quarter (6 or 7 day) <input type="checkbox"/> £324 per annum (6 or 7 day) <input type="checkbox"/> <input type="checkbox"/> Resident permit: <input type="checkbox"/> £119 per annum <input type="checkbox"/> <input type="checkbox"/> Market Traders Permit: <input type="checkbox"/> One day per week £36 per annum <input type="checkbox"/> <input type="checkbox"/> School Term Permit (10 mins) £10.60 <input type="checkbox"/>
<input type="checkbox"/> BOTLEY <input type="checkbox"/> <input type="checkbox"/> West Way Shoppers Car Park, <input type="checkbox"/> (Church Way, Chapel Way, <input type="checkbox"/> Elms Parade)	<input type="checkbox"/> Monday to Sunday <input type="checkbox"/> <input type="checkbox"/> Maximum stay 3 hours <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> No charge	<input type="checkbox"/> No charge
<input type="checkbox"/> Service Area 1 & 2 <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> Monday to Sunday <input type="checkbox"/> 7 days – Permit Holders only <input type="checkbox"/> <input type="checkbox"/> Maximum stay 24 hours <input type="checkbox"/>	<input type="checkbox"/> N/A	<input type="checkbox"/> No charge

Footnote 1: The Council will charge £12 when asked to issue replacement permits.

Footnote 2: No charges apply to motorcycles or vehicles displaying a disabled person's badge at all car parks.

Footnote 3: A valid ticket or parking permit will be required to be displayed during a charging period at those car parks where charges are payable, including those periods when a charge is not payable

All car parks have a 'No Return' period of two hours except the service areas in Botley and the Charter.

1	8 EXCESS CHARGES AND CONCESSIONARY EXCESS CHARGES (not subject to VAT)
NAME OF PARKING PLACE	EXPIRED TICKET; EXPIRED PERMIT; NO PERMIT DISPLAYED; NO VALID TICKET OR PERMIT DISPLAYED; PERMIT OR TICKET NOT VALID FOR PARKING PLACE; WRONG REGISTRATION NUMBER ON TICKET; EXCEEDED MAX 3 HOUR STAY; EXCEEDED MAX STAY; RETURNED WITHIN 2 HOUR TIME LIMIT; NO VALID DISABLED BADGE DISPLAYED; PARKED IN AN UNAUTHORISED AREA; NOT PARKED WITHIN A MARKED BAY; EXCEEDED WEIGHT RESTRICTION; NO OVERNIGHT CAMPING
All car parks	Excess Charge £80 payable within 28 days of the excess charge notice otherwise concessionary excess charge £50 if paid within 10 days.

Appendix 2

Comparison of pay and display car park charges, October 2014

Place	Average Charging periods		up to 1 hour	up to 2 hours	up to 3 hours	up to 4 hours	up to 5 hours	up to 6 hours	up to 8 hours	up to 10 hours	up to 12 hours	ECN
Vale of White Horse DC (Portway, Wantage)	8am - 6pm Mon - Sat		Up to 2 hrs no charge	1.30	3.30		4.30				5.30	Max £80
Vale of White Horse DC (Gloucester St, Faringdon)	8am - 6pm Mon - Sat		Up to 2 hrs no charge	1.00	2.40		2.60				2.80	Max £80
Vale of White Horse DC (Cattlemarket, Abingdon)	8am - 6pm Mon - Sat		Up to 2 hrs no charge	1.50	3.40		4.30				5.30	Max £80
South Oxfordshire District Council	9am to 5pm 8am to 6pm (in Henley on Saturdays)	Free or 50p	80p	1.50		1.80 to 2.10		1.60 to 3.10				Max £70
Train Station, Henley (discounts apply if pay by 'phone)	All day			1.00	1.50		2.50	4.50				Max £80
Dry Leas (Henley rugby club)	9am-5pm Mon to Friday										3.00	unknown
Mill Meadows (Henley Town Council) Mon-Fri Sat and Sun and BHs			1.20 1.50	2.50 3.00		5.00 6.00					7.00 8.00	Max £70
Wycombe DC (High Wycomb) Easton Street	7am – 6pm Mon - Sat	1.00	1.50	2.00	2.50	3.00	3.50				5.00	Max £70
Wycombe DC (High Wycomb) Baker St	7am - 7pm Mon - Sat			1.50				3.00			3.00	Max £70
Wycombe DC (Marlow) Dean St	7am - 7pm Mon – Sat (£1.00 Sunday and Bank Holidays)	60p (40p for up to 30 mins)	1.20	1.50	2.00		3.00				5.50	Max £70
Woking Borough Council (Victoria Way, Brewery Road & Heathside Crescent)	6am - 7pm Mon – Sat (also charges Sunday at reduced rate)	1.30	2.60	3.90	5.20	6.00	6.00	9.00				Max £70
Wargrave, School Lane (short stay)	8am - 6pm Mon - Sat	40p	60p		2.00				4.00			Max £80
Wokingham town centre, Easthampstead Rd (long stay)	8am - 6pm Mon - Sat	70p	1.20	2.00	2.00		3.00		4.00			Max £80
West Berkshire Council (Newbury central library)	8am - 6pm Mon - Sat (*£1 after 6pm)	1.00	2.20	3.40	4.50		6.50	8.50			12.00	Max £80
Aylesbury Vale DC (Upper Hundreds Town centre – short stay)	8am - 6.30pm Mon - Sat	1.00		2.00	3.50	5.00					8.00 up to 24 hrs	Max £70
Aylesbury Vale DC (Hampden House – inner long stay)	8am - 6.30pm Mon - Sat					2.50					4.00 up to 24 hrs (£1 overnight)	Max £70
Aylesbury Vale DC	8am - 6.30pm Mon - Sat										3.00 up to	Max £70

Appendix 3 Vale Council - car park permit prices 2014/15

CAR PARK	DAY PERMIT	ANNUAL 6/7 day	QUARTERLY 6/7 day	MONTHLY 6/7 day	ANNUAL 5 day	QUARTERLY 5 day	MONTHLY 5 day	RESIDENTIAL 12 Month	RESIDENTIAL 6 Month
Abbey Close	£5.80	£779.00	£233.00	£78.00	£650.00	£194.00	£65.00	£287.00	£144.00
Audlett Drive	N/A	£779.00	£233.00	£78.00	£650.00	£194.00	£65.00	£287.00	£144.00
West St Helen Street	N/A	£779.00	£233.00	£78.00	£650.00	£194.00	£65.00	£287.00	£144.00
The Charter	N/A	£779.00	£233.00	£78.00	£650.00	£194.00	£65.00	£287.00	£144.00
Annual AM/PM £390.00			Annual AM/PM £325.00						
Civic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cattle Market	N/A	N/A	N/A	N/A	N/A	N/A	N/A	£287.00	£144.00
Hales Meadow	N/A	£622.00	£190.00	£61.00	£520.00	£157.00	£52.00	£287.00	£144.00
Rye Farm	N/A	£622.00	£190.00	£61.00	£520.00	£157.00	£52.00	£287.00	£144.00
Portway	£5.80	N/A	N/A	N/A	N/A	N/A	N/A	£119.00	N/A
Limborough Road	N/A	£455.00	£136.00	£46.00	N/A	N/A	N/A	£143.00	£72.00
Mill Street	N/A	£455.00	£136.00	£46.00	N/A	N/A	N/A	£143.00	£72.00

Southampton Street	N/A		N/A	N/A	N/A		N/A	N/A	N/A		N/A	N/A
Gloucester Street	N/A		£324.00	£98.00	£33.00		N/A	N/A	N/A		£119.00	N/A

The HGV charges for the Rye Farm car park are:

£77 for one day/week per year

£7.30 for 24 hours

£636 for five days/week per year

£159 for one day/week per year

