

Executive Report



Report of head of economy leisure and property

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To: EXECUTIVE

DATE: 7 January 2011

Report No. 84/10

Review of car park fees and charges for 2011/12

Recommendation

That the Executive agrees the recommendations A to E as set out in paragraphs 10 to 17 of the report of the head of economy, leisure and property to the executive on 7 January 2011.

Purpose of Report

1. The report gives information to enable the executive to determine the appropriate car park fees and charges from 1 April 2011.

Strategic Objectives

2. The recommendation in this report supports the council's strategic objectives to support the local economy by working in partnership to sustain vibrant market towns and managing our business effectively by providing efficient and value for money services.

Background

3. The council's existing parking policy was revised in July 2005 and reviewed in December 2009 and says that:

B (1) Income from the service as a whole must at least cover the operating, maintenance and management costs of the car park provision

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

4. The car park fees and charges were last reviewed by the executive on 4 December 2009. It agreed to make recommendations to council to increase the medium and long stay fees as below:

- up to 3 hours from £1.00 to £1.20
- 3 to 4 hours from £2.60 to £3.10
- 4 to 6 hours from £3.50 to £4.00
- more than 6 hours £4.50 to £5.00.

5. The executive also agreed to recommend reducing the charging period from 9am to 6.30pm to 9am to 4pm (Monday to Saturday). The council agreed these changes on 25 February 2010 as part of its review of the council's budget and implemented the changes on 1 April 2010.

6. Table 1 below is a 'memorandum' account that shows the actual income and expenditure for last financial year and the forecast for this year. It includes the support costs and depreciation, which are not shown in the budget but are used here to give a clear reflection of all the associated running costs. It also shows estimations as to how the net cost of car parks will change over the next three years until 2013/14. Looking at income and expenditure over a five year period provides a better overall view in order to plan over the medium term.

Table 1 Car park income and expenditure over a five year period

	2009/10	2010/11	2011/12	2012/13	2013/14
	actual	forecast	Base budget	Base budget	Base budget
Total Income	(738,670)	(700,444)	(705,280)	(705,280)	(705,280)
less:					
running costs	538,992	534,804	463,001	476,891	491,197
depreciation *	98,100	98,100	98,100	98,100	98,100
support costs	226,900	159,000	140,000	144,200	148,526
NET COST	125,322	91,460	(4,179)	13,911	32,543

2009/10 actuals to 31st March 2010

2010/11 forecast based on predicted outturn in 2nd quarter, plus an adjustment for the VAT increase in January 2011. (income loss of £12,700pa / 4qtrs = £3,175)

2011/12 expenditure budget is based on 2010/11 working budget plus 4.7% cost increase in security contract

2011/12 income budget is based on a revised forecast, less £12,700 adjustment for absorbing the VAT increase

2012/13 expenditure includes inflation at 3%

* Not in revenue budget

7. The table shows that the car park 'account' made a net loss of £125,000 in 2009/10. The increase in fees has not resulted in the increase of income of £70,000 that was forecast. However, the 'account' is expected to break even in 2011/12 with a small 'profit' of £4,179. This is a marked change from previous years. The new shared arrangement with South Oxfordshire and the below fourth tier staffing changes have meant a large reduction in the anticipated running costs for 2011/12. Looking longer term, assuming no changes to the fees and charges, the expenditure is expected to exceed the income by £32,543 in 2013/14.
8. Appendix 1 attached to this report compares the main pay and display car parking fees at the Vale to other neighbouring authorities. The table shows that the Vale continues to offer good value for money in its car parks. Appendices 2 and 3 attached to this report show the current fees and permit charges and the recommended changes. Appendix 4 attached to this report shows how the total number of vehicles using the car parks in a typical month (October 2010 in this case) has decreased over the past eight years. Unfortunately the changes made in 2009, such as introducing the free parking after 4pm, have not managed to reverse this trend.

Options

9. The recommended options for amending the council's car park fees and charges are set out below.

A Make no changes to the daily fees or level of excess charges (fines) but review in December 2011

10. In order to make sure that income at least matches expenditure (in line with the policy), officers would normally recommend increasing the daily fees. However, some reductions in expenditure are expected over the next year as the shared service with South Oxfordshire District Council becomes more streamlined. Therefore, any major changes involving the daily tariffs or the excess charges should be postponed until the fees and charges are next reviewed in December 2011 when a more accurate long term picture of car park income and expenditure will be available.

B Increase the cost of residents, annual and monthly permits in line with the VAT increase from 1 April 2011 (as shown in appendix 3).

11. For residents, annual and monthly permits, officers recommend that the increase in VAT on 4 January 2011 be delayed until 1 April 2011 and then be passed on to customers.

C Increase the cost of business permits from £12 to £25 plus VAT per day per space minimum two spaces (for example for reserving an area for a skip) and the cost of having wheely bins in the car park from £200 to £204 per bin per year plus VAT.

12. Officers consider that £25 per day is good value to have rights of access to the car park and reservation of a car parking space for a day. A minimum of two spaces are required to provide enough clearance to load material and keep any adjacent vehicles far enough away to reduce risk of damage to them.

13. Where businesses request an area of the car park to put a wheeled bin, the cost will increase from £200 to £204 plus VAT per space per year.
14. No changes are recommended to the price for replacing a permit (£12.00) or the cost to refund a permit (£10.00). Both of these costs currently include VAT.

D Increase the cost of permits allowing vehicles associated with the fair to park for the duration.

15. The council agreed in 2003 to charge the Michaelmas Fair and Runaway Fair the following daily fee for the use of the car parks at Rye Farm and Hales Meadow:

Car/vehicles (under 30 cwt)	£1.50
Trade vehicle (under 30 cwt)	£4.00
Lorry	£6.00
Living Trailer Van	£6.00
Sleeping van	£3.00
Trailer	£3.00
Generator	£3.00

16. In recent years, most of the fair operators have used a field in Drayton and would only use the council car parks if the field becomes waterlogged. The collection of these fees is made by council staff and in 2010 only £117.00 was collected. Officers wish to simplify this arrangement by agreeing with the fair operators (the Showman's Guild) a one-off payment of £100 plus VAT for all vehicles for the duration of the fair.

E To provide special permits for school pick up and drop off in all car parks

17. The council currently supplies special permits for parking for short periods of ten minutes in the morning and afternoon if dropping off or picking up school children in Portway, Wantage, and Gloucester St car park, Faringdon, at a cost of £10 per term. Officers recommend that these permits be made available for all car parks.

Financial Implications

18. The council will absorb the cost of the VAT increase on the daily fees and permits for the last quarter of 2010/11, at a cost of approximately £3,200. The cost of the increase in VAT for annual and monthly permits will be passed on to the users from 1 April 2011.
19. The additional income from the increase in the general skip permit and wheely bin permit is minimal. On average a dozen skip permits are sold per year and there is only one current agreement for a wheely bin in a car park.

Legal Implications

20. There is no statutory consultation required to implement these changes and they can be done by placing notices in the car parks.

Risks

21. The type of risk associated with this review of car park fees and charges is the need to have car parking prices that are competitive and that car parks are

financially self sufficient. The risk is that car parks are either too cheap, (and so busy that users cannot find spaces) or too expensive and under used (and become a burden on the council tax payer to maintain them).

22. The risk rating is C3 (significant/marginal) but by having an agreed pricing policy and by reviewing the fees and charges every year, this risk is reduced to E4 (very low/marginal).

23. The council has been challenged recently on the validity of the car park order. Therefore, an update to the order is timely to be able to consider any changes.

Other implications

24. None

Conclusion

25. The shared arrangement with South Oxfordshire District Council for the processing of the parking tickets has had a large beneficial impact on reducing the costs associated with the car park 'account'. Reducing the support costs and the overheads in 2011/12 means that the car park account just about breaks even, which is in line with the car park pricing policy

Background Papers

none

Appendix 1

Comparison of pay and display car park fees, October 2010

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 - 4pm Mon - Sat	50p		1.00	3.10		4.00			5.00	Max £80
Vale of White Horse DC (Gloucester St, Faringdon)	8am - 4pm Mon - Sat	40p		70p	2.10		2.30	2.50			Max £80
Vale of White Horse DC (Cattlemarket, Abingdon)	8am - 4pm Mon - Sat	60p		1.20	3.10		4.00			5.00	
South Oxfordshire District Council	9am to 5pm 8am to 6pm (in Henley on Saturdays)	Free/50p	80p	1.50		1.80		2.30/3.30			Max £70
Henley train station (run by APCOA on behalf of First Great Western)	Daily fee (from 1 Jan 2010)			1.00	1.50		2.50		3.00	4.50	
Wycombe DC (High Wycomb, Bellfield)	7am - 10pm Mon - Sat	60p		1.00	2.50						Max £70 Dedicated coach bays
Wycombe DC (High Wycomb) Baker St	7am - 7pm Mon - Sat		1.50				3.50			5.00	Max £70
Wycombe DC (Marlow) Dean St	7am - 7pm Mon - Sat	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 - Sun	1.10 (60p ½ hr)	2.20	3.30	4.40	5.00	5.00	8.00 (24 hrs)			Max £70
Wargrave, Denmark St (short stay)	8am - 6pm Mon - Sat	70p (50p for up to 30 mins)	1.20	2.00	2.00 (max stay)					4.00	Max £80
Wokingham town centre, Easthampstead Rd (long stay)	8am - 6pm Mon - Sat	70p (70p for ½ hour)	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	2.00	3.00	4.00	5.00	6.00	8.00	10.00	10.00	Max £80
Aylesbury Vale DC (Upper Hundreds Town centre – short stay)	8am - 6.30pm Mon - Sat	70p	1.40	2.30	3.40					8.00 up to 24 hrs	Max £70
Aylesbury Vale DC (Exchange St – inner long stay)	8am - 6.30pm Mon - Sat					2.50				4.00 up to 24 hrs	
Aylesbury Vale DC (Friarscroft – outer long stay)	8am - 6.30pm Mon - Sat									3.00 up to 24 hrs	
Bicester (Market Sq, ultra short stay)	8am - 6pm Mon – Sat and Sunday charging	£1.10 (60p up to ½ hr)									Max £70

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
Bicester (Cattlemarket)	as above	60p	1.20	1.70	2.20			2.50			
Banbury Calthorpe St (Short stay)	8am to 6pm and Sunday charging	70p	1.40	1.90							
Banbury Windsor St (Long Stay)	as above	70p	1.40	1.90	2.40					3.00	
West Oxfordshire e.g Burford, Carterton, Chipping Norton		All car parks in West Oxfordshire are free of charge although some have limited waiting of three hours									
Cirencester (Forum)	Mon to Sun	50p for up to 30 mins and 1.20/hour	2.10	2.60							
Cirencester (Beeches Road)	Mon to Sun	50p for up to 30 mins and 1.20/hour	2.10	2.60						3.20	

Appendix 2 Vale of White Horse District Council, car park fees and charges from 1 April 2010 (no change recommended for 2011/12)

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	
Abbey Close, Abingdon	8am to 4pm Mon – Sun	0.60		1.20	3.10	4.00		5.00	
Audlett Drive, Abingdon	8am to 4pm Mon – Sun	0.60		1.20	3.10	4.00		5.00	
Charter m/s, Abingdon	8am to 4pm Mon – Sun	0.60		1.20	3.10	4.00		5.00	
West St Helen St, Abingdon	8am to 4pm Mon – Sun	0.60		1.20	3.10	4.00		5.00	
Civic, Abingdon	8am to 4pm Mon – Sun	0.60		1.20	3.10	4.00		5.00	
Cattlemarket, Abingdon	8am to 4pm Mon – Sun	0.60		1.20	3.10	4.00		5.00	
Hales Meadow, Abingdon	8am to 4pm Mon – Sun	0.60		1.20	3.10	4.00		5.00	
Rye Farm, Abingdon	8am to 4pm Mon – Sun	0.60		1.20	3.10	4.00		5.00	
Portway, Wantage	8am to 4pm Mon – Sat	0.50		1.00	3.10	4.00		5.00	
Limborough Road A and B, Wantage	8am to 4pm Mon – Sat	0.50		1.00	2.60		3.00	3.50	
Mill St, Wantage	8am to 4pm Mon – Sat	0.50		1.00	2.60		3.00	3.50	
Southampton St, Faringdon	8am to 4pm Mon – Sat	0.40		0.80					
Gloucester St, Faringdon	8am to 4pm Mon – Sat	0.40		0.70	2.10		2.30	2.50	
Botley car parks		No charge							
Market Place, Queen St, Old Abbey House, Guildhall, Abingdon	Permits only (see table in appendix 3)								

All car park excess charges: £80 reduced to £50 if paid within 10 days

Appendix 3 Vale of White Horse District Council, permits from 1 April 2011 proposed changes* to residents, annual and monthly tickets only

(*shows increase in VAT to 20% rounded up to nearest £1 not including daily or school term permits)

Place	Daily (24 hrs in advance) NO CHANGE £	Residents annual £	Residents 6 month £	6 or 7 day Annual £	6 or 7 day 3 months £	6 or 7 day 1 month £	5 day Annual £	5 day 3 months £	5 day 1 month £	School term (10 mins) to be available for all car parks £	Other permits £
Abbey Close, Abingdon Audlett Drive, Abingdon Charter m/s, Abingdon West St Helen St, Abingdon Hales Meadow, Abingdon Rye Farm, Abingdon	5.50	265.00 271.00*		720.00 735.00*	215.00 220.00*	72.00 74.00*	600.00 613.00*	180.00 183.00*	60.00 61.00*	10.00	
Market Place, Queen St, Abingdon	5.50			550.00						10.00	20 min (book of 100) 3.50
Old Abbey House, Abingdon	5.50						135.00 138.00*			10.00	
Portway, Wantage	5.50	110.00 112.00*								10.00	
Limborough Road A and B, Wantage		132.00 135.00*	66.00 67.00*	420.00 429.00*	125.00 128.00*	42.00 43.00*				10.00	
Mill St, Wantage		132.00 135.00*	66.00 67.00*	420.00 429.00*	125.00 128.00*	42.00 43.00*				10.00	
Gloucester St, Faringdon		110.00 112.00*		300.00 306.00*	90.00 92.00*	30.00 31.00*				10.00	One day/week annual 33.00 34.00*

General

- skips (per space used, min two spaces), increase from £12.00 to £25.00 plus VAT per space from 1 April 2011
- wheely bins (per space used), increase from £200 to £204 plus VAT per year from 1 April 2011
- permit replacements, no change at £12.00 including VAT
- permit refunds (admin cost), no change at £10.00 including VAT

Appendix 4

COMPARISON OF A TYPICAL MONTHLY USAGE FOR ALL CAR PARKS (OCTOBER)

