

Executive

Bicester Car Parking

24 May 2010

Report of Head of Safer Communities, Urban and Rural Services

PURPOSE OF REPORT

To identify likely impact on car parks income and the Medium Term Financial Strategy (MTFS) arising from the Bicester town centre and Market Square developments.

To secure approval for changes to car parking arrangements in Bicester as a consequence of these developments to ensure a balanced and viable parking strategy for the town.

This report is public

Recommendations

The Executive is recommended:

- (1) To note the potential effects on car parks income and the MTFS arising from the Bicester town centre and Market Square developments.
- (2) To approve the changes to car parking arrangements for Bicester as set out in the proposals section of this report.
- (3) To authorise the Head of Safer Communities, Urban and Rural Services in conjunction with the Portfolio Holder for Community Safety, Street Scene and Rural to finalise these arrangements.
- (4) To consult, subject to the agreement of the above, on these proposals with Bicester Town Council, Bicester Vision and Bicester Chamber of Commerce.

Executive Summary

- 1.1 There are significant developments planned for Bicester that will have major impact on current car parking arrangements and parking capacity with a total estimated reduction in Council operated pay and display parking spaces of 230 (31%) by 2012. These changes to Bicester town centre require a review of the arrangements currently in place across the Council operated car

parks.

- 1.2 Based on a number of assumptions and sensitivities set out in this report, the effects on the MTFS in 2012/13 could be a reduction in the income from car parks ranging from £5,478 to £307,278. However, there is compensatory rental income from the new shops and commercial premise projected to generate £100,000 in 2012/13 and a further £250,000 per annum in 2013/14 and 2014/15. The annual income is expected to be £600,000 once the scheme is fully let.
- 1.3 This report proposes changes to the parking arrangements in order to provide publicly accessible parking for residents, visitors and town centre workers; minimise the adverse effects on the MTFS; and maximise parking provision and revenue generated whilst remaining competitively priced. It seeks to introduce changes to car park arrangements on completion of the Cattle Market car park extension in order to start impacting on current car park user patterns ahead of the main developments and prior to the opening of the new privately operated parking.
- 1.4 The proposals include promoting the extended Cattle Market car park as the only long stay car park for Bicester and introducing revised short stay tariffs at other car parks. One consequence of this would be that season ticket holders would only be able to park in the Cattle Market whereas currently they can use any long stay car park.

Background Information

- 1.5 **Bicester Developments:** The developments that will affect car parking are:
- Bicester Market Square- proposed removal of all current paid for parking
 - Bicester town centre redevelopment-loss of 263 Council operated short stay pay and display spaces at Crown/Crown Walk; and loss of 85 long stay Council operated pay and display spaces at Franklins Yard.
 - The new Sainsbury's development will be operating a 560 space short stay car park from April 2012 (on current plan).
 - The Cattle Market long stay car park is due to be extended prior to the main works starting and will increase capacity from 117 plus 8 disabled, to 270 plus 8 disabled spaces providing an additional capacity for 153 parking places. This car park is currently very under used.
 - Chapel Street is due to close as part of a land exchange with Sanctuary Housing as part of the Bryan House development. An extension to Chapel Brook is part of the deal with a net loss of 2 parking spaces.
- 1.6 **Financial Effects:** As a consequence of the above, by the start of the 2012/13 financial year there will be an estimated reduction in Council operated pay and display spaces of 230 (31%) and 20 disabled parking spaces. It is expected that there will be displacement to remaining Council car parks but also significant loss of short stay usage to the new privately operated Sainsbury's car park. Long stay parking will not be permitted in this car park. The commercial terms with Sainsbury's require that they price parking as short stay in line with the Council's charges (but not necessarily the same).
- 1.7 These changes could result in significant reduction in revenue generated from both pay and display parking and in Excess Charge Notice (ECN) income. On current development plans this is projected to have an impact from 2012/13.
- 1.8 Based on a number of assumptions/projections as set out in this report, income from car park receipts in 2012/13 could reduce by up to £271,047 and income from ECN's could reduce by up to £36,231.
- 1.9 **Other Considerations:** In planning revised parking arrangements and in determining the affects on the MTFs of these developments, the following should also be considered:
- Increases in demand for long stay provision arising from additional shop/office staff after completion of the Town Centre development.
 - Loss of c 50 private car parking spaces around Bure Place (likely to be being used as long stay) arising from the Sainsbury's development with displacement into other 'public' car parks.
 - Potential displacement of commuter parking into residential roads
 - Civil Parking Enforcement (it has not been possible to factor CPE in to the assumptions used in this report).

- 1.10 **Financial Assumptions:** In determining the affects on the MTFS it has been assumed that fees and charges are at the 2010/11 levels.
- 1.11 It has also been assumed that the budgeted levels of income set in the MTFS from 2010/11 to 2012/13 are achievable. In 2009/10 income from car parks underachieved against budget by £300,000 due to adverse economic climate and poor weather resulting in car park closures. However, ECN's levels achieved £157,868 in excess of the budget.
- 1.12 While developments will affect car parks earlier then 2012, there will only be Council car parks operating in Bicester until the opening of the new Sainsbury's car park, assumed to be in April 2012 and therefore the assumption has been used in 2010/11 and 2011/12 that existing users will be displaced into Council car parks and there will be little if any effect on the MTFS.
- 1.13 If developments are carried out as currently programmed the first impact on the MTFS is projected to see a reduction in car parks income of £10,000 in the fourth quarter of 2011/12 (when the Market Square works commence). This car park is ultra short stay and attracts a higher premium of £1.10/hour. Users will be displaced into other short stay car parks paying the £0.60/hour pay and display fee.
- 1.14 From 2012/13, the financial effects are less clear and a range of scenarios have been modelled to try and forecast the likely effects on the MTFS. These are set out in Appendix 1 of this report. In summary these scenarios are based on the following additional assumptions:
- Scenario 1: That current occupancy level of Council car parks is maintained but with a reduction of available parking spaces this represents a 31% reduction in income and is assumed to be the worst case resulting in a total loss of income and ECN revenue of £307,278.
 - Scenario 2: That there will be a 10% increase in occupancy of Council car parks arising out of displacement from the development works of c 50 privately available long stay places. This projects a lower reduction in income of £240,211.
 - Scenario 3: That in addition to 2 above there will also be a 25% increase in occupancy arising from displacement of current users into remaining Council car park spaces. This projects a lower reduction in income of £72,544.
 - Scenario 4: That in addition to 3 above there will also be a 10% increase in occupancy arising out of new users of Council car parks which could be visitors to Bicester or new employees. This projects a lower reduction in income of £5,478.
- 1.15 **Long stay user survey:** A review has been undertaken of current arrangements in Council operated car parks and a survey of long stay usage undertaken across all Bicester pay and display car parks to provide some information to guide future requirements.
- 1.16 The long stay survey, carried out over the duration of one week in March 2010, identified that long stay users (season tickets and all day pay and display tickets) ranged from 59 to 83 per day. An average figure was 75 per day. This does not take account of the likely effect of the Town centre development increasing the number of long stay required from new shop workers, nor does it take account of the loss of c

50 private parking spaces.

- 1.17 Should the Council decide to implement Civil Parking Enforcement, this is also likely to result in increased demand for parking as commuters used to parking in residential streets may well be displaced into car parks should limited waiting restrictions and/or on-street charging be introduced.
- 1.18 **Review Principles:** As a consequence of these changes and from the assessments and possible future developments, this review has adopted the following principles:
- Seek to displace long stay parking to the extended Cattle Market (which will provide 270 spaces) as soon as practicable after the extension is completed.
 - Chapel Street retained as long stay until the Bryan House development but operated on a cashless basis for season tickets and/or ring-go only to reduce operating costs.
 - Season ticket holders to continue only to be able to park in long stay car parks, and consequently a much more limited choice of season ticket parking than currently available in order to promote the remaining car parks closer to the town centre shops as short stay.
 - Revise short stay tariff from the current maximum stay of 2 hours to a maximum stay of 3 hours.
 - Provide short stay parking closest to the town centre to provide customer choice and competition to the new Sainsbury's car parking.
- 1.19 These changes will require consultation through advertising Car Park Orders, a legal process that will incur costs. There will also be need to amend highways direction signage, notice boards and ticket machines. Ideally fees and charges should be considered at the same time as introducing these changes so that updating of car parking information can be undertaken at the same time. A report on these is planned later this year. It is estimated that these requirements could cost £10,000-£15,000.

Proposals

Car Park	Current Tariff (hours)	Current capacity + disabled	Proposed capacity	Proposals
Market Square	1	33 +2	No pay and display parking, subject to Executive decision -24 May 2010	CLOSED
Crown Walk	2	65 +10	0	CLOSED
Crown	2	198 +10	0	CLOSED
Victoria Road	24	28	28	Change to Short Stay 3 hours
Claremont	24	164 +9	164 +9	Change to Short Stay 3 hours *1 *2

Chapel Street	24	14	12	No Change 24 hours. Cashless parking only (i.e. Ring-go or Season Ticket) Then closes on completion of Chapel Brook extension in conjunction with Sanctuary Housing.
Chapel Brook	24	28 +1	40	Change to Short Stay 3 hours
Franklins Yard	24	85	Temporary reconfiguration to 94. Then 75 Then 0	Initially Short Stay 3 hours Then CLOSED
Cattle Market	24	117 + 8	c270 + 8	No Change 24 hours

*1: Lease of part of the car park which runs out 31 March 2019 with option to renew for further 40 years at open market rental. We currently pay nominal rent.

*2: Lease requires 7 Annual Season tickets (Mon-Fri) to be issued to West Norfolk Tomatoes (an investment company).

Conclusion

Major developments in Bicester town centre and changes to car parking arrangements requires a review of the way the Council operates and delivers its parking services in order to maximise income, minimise the adverse affects on the MTFs, and to provide an effective parking strategy for the town.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The potential reduction in car parks income and the compensating commercial return from the Sainsbury's development.
- 3.2 The scenarios used in projecting the potential effects on the MTFs and projected changes to usage patterns
- 3.3 The concentration of long stay parking in the extended Cattle Market car park.
- 3.4 The increase in length of stay for short stay parking from 2 hours to 3 hours.
- 3.5 The need to review fees and charges at the earliest opportunity and introduce any changes as part of this strategy.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

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| Option One | Do nothing to amend the parking arrangements as a consequence of town centre works. |
| Option Two | Provide public pay and display parking on a different basis to that proposed in this report in all or some of the car parks |
| Option Three | Adopt the proposals set out in this report. |

Consultations

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|-------------------------------------|--|
| Oxfordshire County Council | Oxfordshire County Council are lead on the Market Square project |
| Bicester Town Council | The Town Council have been consulted on the town centre and Market Square proposals. |
| Bicester Chamber of Commerce | Final details will be considered with the Chamber of Commerce. |
| Bicester Vision | Final details will be considered with Bicester Vision. |

Implications

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|-------------------|--|
| Financial: | <p>Whilst income levels over 2010/11 and 2011/12 are anticipated to be broadly in line with current levels (based on existing charges), once the new Sainsbury's parking is open there could be significant reduction in revenue and this will need to be accounted for in the 2012/13 MTFS.</p> <p>Based on a number of assumptions and sensitivities set out in this report, the effects on the MTFS in 2012/13 could be a reduction in the income from car parks ranging from £5,478 to £307,278. Our worst case MTFS scenario includes a reduction of £307,278 in 2012/13, the best case scenario includes a reduction of £5,478 and the realistic scenario includes a reduction of £72,544.</p> <p>However, there is compensatory rental income from the new shops and commercial premise projected to generate £100,000 in 2012/13 and a further £250,000 per annum in 2013/14 and 2014/15. The annual income is expected to be £600,000 once the scheme is fully let.</p> <p>Comments checked by Joanne Kaye, Service Accountant 01295 221545</p> |
| Legal: | <p>Changes to car parking arrangements will require formal notice and amendment of car park Orders.</p> <p>Comments checked by Malcolm Saunders, Senior Legal Assistant 01295 221692.</p> |

Risk Management: There are risks of objections to proposed changes through the Car Park Order making process but these can be dealt with at the time. The significant long term risks are to parking revenue.

Comments checked by Rosemary Watts, Risk and Insurance Manager 01295 221566

Wards Affected

All Bicester Wards

Corporate Plan Themes

An Accessible Value For Money Council

Executive Portfolio

**Councillor Nigel Morris,
Portfolio Holder for Community Safety, Street Scene and Rural**

Document Information

Appendix No	Title
1	<i>Financial Assumptions</i>
Background Papers	
None	
Report Author	Chris Rothwell, Head of Safer Communities, Urban and Rural Services
Contact Information	01295 221712 chris.rothwell@cherwell-dc.gov.uk

Appendix 1 – Income Effect of Bicester Town Centre Redevelopment on MTFS in 2012/13

Income effect 2012/13	Scenario 1			Scenario 2			Scenario 3			Scenario 4		
	Pay & Display	ECN	Total	Pay & Display	ECN	Total	Pay & Display	ECN	Total	Pay & Display	ECN	Total
2012/13 Budget as per MTFS	£862,635	£115,309	£977,945	£862,635	£115,309	£977,945	£862,635	£115,309	£977,945	£862,635	£115,309	£977,945
31% reduction from 732 to 502 spaces	-£271,047	-£36,231	-£307,278	-£271,047	-£36,231	-£307,278	-£271,047	-£36,231	-£307,278	-£271,047	-£36,231	-£307,278
Adjusted 2012/13 Budget	£591,589	£79,078	£670,667	£591,589	£79,078	£670,667	£591,589	£79,078	£670,667	£591,589	£79,078	£670,667
10% increase from displacement of private spaces	-	-	£0	£59,159	£7,908	£67,067	£59,159	£7,908	£67,067	£59,159	£7,908	£67,067
25% increase from displacement of other spaces	-	-	£0	-	-	£0	£147,897	£19,770	£167,667	£147,897	£19,770	£167,667
10% increase from new visitors to Bicester	-	-	£0	-	-	£0	-	-	£0	£59,159	£7,908	£67,067
Total Income	£591,589	£79,078	£670,667	£650,748	£86,986	£737,734	£798,645	£106,756	£905,400	£857,804	£114,663	£972,467
Movement from 2012/13 in MTFS	-£271,047	-£36,231	-£307,278	-£211,888	-£28,323	-£240,211	-£63,991	-£8,554	-£72,544	-£4,832	-£646	-£5,478