

EXECUTIVE 10 JANUARY 2011

CAR PARKING-SUPPLEMENTARY INFORMATION FOLLOWING CALL-IN ON 5 JANUARY 2011

Report of Head of Safer Communities, Urban and Rural Services

1. Introduction

At the Call-In meeting of the Overview and Scrutiny Committee on 5 January 2011, members received representations from Call-In members in connection with the proposals for car parking fees and charges that were agreed by the Executive at its meeting on 6 December 2010.

The Overview and Scrutiny Committee resolved:

That the proposals of the Executive to increase Car Parking Fees, the extension of car parking hours, the introduction of parking fees for Blue Badge Holders and the decision to begin negotiations with regards to Watts Way, Kidlington be referred back to the Executive and that in reconsidering the decision the Executive take note of the concerns expressed at the Overview and Scrutiny Committee meeting and the following 5 points:

1. Ensure proper consultation on Watts Way
2. Request the Executive investigate alternative ways to find funds (e.g. £39k to offset the introduction of evening charges)
3. Investigate the feasibility of barrier parking/pay on exit
4. Study the economic impact of parking charges
5. Investigate the number of disabled bays across the district, the ratio of short to Long stay spaces and motorcycle parking availability

2. Additional Information

The Overview and Scrutiny Committee received additional information at its meeting in the form of responses to questions members had raised.

Income projections have been based on a range of assumptions around future income potential and the levels of parking provision following (in particular) the Bicester town centre redevelopment.

At section 4 below is an initial commentary on the five additional points raised by Overview and Scrutiny Committee on 5 January 2011.

3. General Information in connection with the car parking proposals

Members may wish to note the following general points in connection with the fees and charges proposals:

- a. The aim is to introduce any changes to fees and charges, and any other Car Park Order changes, on the same date so that formal Order Notices can be properly advertised. The target date for this has been delayed to 4 April 2011 but this date is dependent on a final decision on proposals at Executive on 10 January. Introducing all the amendments on the same date enables clear public information to be produced; one formal Order process; and minimises the costs of implementing changes to ticket machines and backboards etc by doing changes once.

- b. The proposal for blue badge charges require physical works to improve access and there is a lead in time to undertake this work which may require additional time beyond 4 April. It is estimated that costs associated with this works could achieve a pay back, from the additional income generated, in approximately one year.
- c. VAT was increased on 4 January 2011 from 17.5% to 20%. The effect of this is to erode the value of the car parking income by £3,000 to £4,000 for each month that the charges are maintained at the current level. Across a 12 month period this equates to a loss of income of c £40,000.
- d. Fees and charges have not been increased for two years (January 2009). The effects of inflation have eroded the value of the income received over this period by approximately £40,000 in year one and £80,000 in year two. With RPI projected at 4.5% for 2011/12, if charges are maintained at the current level the effect of this will be to erode the value of income received by a further c £150,000 in 2011/12.
- e. In Bicester there will be a significant drop in car park revenue once the Sainsbury's development takes place and additional parking is provided. In terms of MTFS this has been assumed from 2013/14.
- f. As a general approach within its Parking Policy the Council have sought to ensure costs of the service are funded by the service users. This means that non Cherwell District residents also contribute rather than council tax payers having to foot the bill. If the Council was to provide parking free of charge this would result in an increase in council tax of c £27 on a Band D property.

4. Initial Commentary on the five points resolved by the Overview and Scrutiny Committee on 5 January 2011

1. Ensure proper consultation on Watts Way

Unlike all the other proposals, no formal consultation has taken place on introducing paid for parking at Watts Way as this remained a confidential item until the papers for the Executive on 6 December 2010 were issued. At a meeting of the Resources and Performance Scrutiny Board on the 12 October 2010, it was resolved:

- That officers be requested to investigate the legal costs associated with negotiating the covenant and report this to the 23 November 2010 budget scrutiny meeting.
- That Officers be requested to undertake investigations and report back to 23 November 2010 budget scrutiny meeting potential income and costs based on low cost parking with a free of charge period and up to 3 hours £0.20/hr; Over 3 hours cost- say £1.00 up to 4 hours, £2.00 up to 6 hours; £3.00 over 6 hours
- To note that Implementation was likely to be 12-18 months away.

These matters were considered by the Head of Safer Communities, Urban and Rural Services in conjunction with the Head of Regeneration and Estates and the Head of Legal and Democratic Services.

The main part of the car park is subject to a covenant requiring the Council to permit public car parking free of charge unless certain conditions are met. If the owners are willing to cooperate the procedure should be relatively straightforward and the legal costs should not be excessive, however they may require payment of a consideration for the release. However, if the owners are less willing then legal costs could be significant.

It was recommended that the approach taken is to contact the owners of the adjoining shopping precinct to attempt to negotiate a release of the covenant.

Resources and Performance Scrutiny Board at its meeting on 30 November 2010 resolved:

- To request officers to make an initial approach to the owners of Watts Way car park to explore the position with the covenant and to understand the legal costs any negotiations may entail
- That consideration of charging proposals be deferred pending the outcomes of the above and reviewed as part of the 2012/13 budget process
- Request officers to explore the possibility of selling Watts Way car park.

These were agreed by Executive at its meeting on 6 December 2010, but no further actions have been taken in view of the Call-In.

Subject to the Executive's decision a consultation plan will in due course be established with key stakeholders which will of course include Kidlington Parish Council, Kidlington Voice and Kidlington Village Centre Management Board.

2. Request the Executive investigate alternative ways to find funds (e.g. £39k to offset the introduction of evening charges)

The last formal review of fees and charges was in 2008 with parking increases being implemented in January 2009. The 2010/11 review of fees and charges included parking to take account of the change in VAT to 20% from January 2011; the affects of inflation; and as part of the Council's action plan to protect as much as possible front line services in light of the expected government grant funding cuts.

The impact of the VAT based on 2010/11 volumes is approx £40k per year and as a result of the Comprehensive Spending Review and the 2 year settlement, the Council's funding has reduced by £1.4m in 2011/12 and a further £0.9m in 2012/13. It is expected that further budget reductions will be required in 2012/13 and in future years.

In the initial Building Block work as part of developing the Medium Term Financial Strategy (MTFS) income of between £167,000 and £356,000 was initially projected, based on a number of assumptions at that time. Further refinement of the income projections will be required based on more updated car parks performance information and on the decisions of the Executive, as a number of proposals are interlinked.

Draft One of the Budget has a shortfall of £360,000. No additional income has yet been reflected from car parking. Any alternatives to the car parking proposals would need to be identified either from service cuts or income raised from other service areas. In establishing the MTFS 115 separate service areas have already been investigated to achieve a balanced budget.

3. Investigate the feasibility of barrier parking/pay on exit

A number of privately operated car parks in Banbury operate the 'Pay on Exit' system (although it should be noted that the NCP car park on Marlborough Road has in the last year or so changed from 'pay on exit' to pay and display).

'Pay on Exit' management arrangements require barrier controlled entrance and exit. Car parks also need to be enclosed so motorists have to use the controlled entrance/exit and staff would need to be on hand to deal with any barrier faults and pay station issues.

A number of car parks in the District would not be suitable for pay on exit due to their layout. Examples of this would be parking along North Bar and South Bar in Banbury and Market Square in Bicester as these could not be enclosed.

A very initial assessment has been undertaken as to suitability for 'Pay on Exit' and this has identified the following car parks are enclosed and could be suitable:

Banbury: Calthorpe Street (East and West), The Mill, Chamberlaine Court, Riverside, Spiceball North, Windsor Street, Compton Road.

Bicester: Claremont, Cattle Market.

In addition, with boundary enclosure work the following may also be suitable (indicative costs for boundary treatment identified):

Market Place- £10,000-£20,000

Franklins Yard - £5,000-£7,000 - but car park is scheduled to close

An initial assessment of capital costs (in addition to any enclosure works) has also been undertaken with the need for barrier controls and pay stations/ticket machines as well as communication link to the Parking Office being required:

- Barriers - Estimate at £5,000 per car park for the equipment with unknown costs of civil engineering works
- Pay Stations/Ticket machines - Estimate at £12,000-£15,000 per pay station
- Communications link - Estimate of £1,000-£2,000 per car park with unknown costs of civil engineering works

Further detailed assessment would be required and cost benefit analysis undertaken should members wish for this to be explored further.

It should be noted that 'Pay on Exit' parking would need to have an enforcement resource available to manage the car park and there would continue to be a staffing and enforcement requirement in those car parks that remained as Pay and Display. Consequently, the savings from reduction in enforcement staff that were perhaps envisaged are unlikely to be significant.

Anecdotally, the general public seem to prefer pay on exit as it removes the risk of fines for overstay, but it should also be noted that the hourly parking costs in Pay on Exit can be approximately 20% higher than Pay and Display.

4. Study the economic impact of parking charges

No available information on this at present. This would need to be investigated over coming months, and would require the commissioning of specialist consultants.

5. Investigate the number of disabled bays across the district, the ratio of short to long stay spaces and motorcycle parking availability.

The current position on number of spaces and designation is set out below:

Total Number of current parking spaces						
	General Parking			Disabled		
	U/Short	Short	Long	U/Short	Short	Long
Banbury	45	238	571*	10	24	0
Bicester	33	554	298	2	30	9
Kidlington	0	82	60	0	7	0

*Includes Spiceball Temporary

Total Number of proposed spaces 2011/12						
	General Parking			Disabled		
	U/Short	Short	Long	U/Short	Short	Long
Banbury	45	238	571*	10	24	0
Bicester	33**	326***	270	2*	10	9
Kidlington	0	82	60	0	7	0

* Includes Spiceball Temporary

** Assumes Bicester Market Place car parking

*** Assumes 94 spaces at Franklins Yard (then reducing to 74 then possible closures) and closure of Crown, Crown Walk and Chapel Street.

In relation to the ratio of short stay/long stay parking current and anticipated provision is set out in the tables above. Changes to Bicester ratios were agreed at the May 2010 Executive. Further work would need to be undertaken to assess the balance and location of short stay/long stay parking in Banbury and Kidlington and this could be commissioned over the next 2/3 months.

Motorbikes can park free of charge in designated Motorcycle parking spaces. They can also park in general spaces but are required to pay and display.

Designated motorcycle parking is provided in Banbury at: Bridge St, North Bar (East), Calthorpe St (West) and Spiceball (North).

There is also provision in Kidlington and in Bicester at Franklins Yard.