

ABERDEEN CITY COUNCIL

COMMITTEE Housing and Environment
DATE 25 August 2011
DIRECTOR Pete Leonard
TITLE OF REPORT Housing Service Car Parking Charges
REPORT NUMBER: H&E/11/195

1. PURPOSE OF REPORT

The report provides comparison of Housing service car parking space charges with relevant Car Parking service charges and makes recommendations to increase some charges for renting of Housing service spaces.

2. RECOMMENDATIONS

It is recommended that the Committee:

- a) Agrees the proposed increased car parking charges at Option A within the report to be applied as soon as practicable.
- b) Refers recommendation (a) to the next meeting of the Finance and Resources Committee for approval
- c) Instructs a review of Housing service car parking waiting lists to identify any instances of local residents waiting for spaces where Non-Local Residents are renting spaces.

3 FINANCIAL IMPLICATIONS

Implementation of the recommendations to introduce revised car parking charges is projected to result in additional income to the Housing Revenue Account. Adoption of Option A could result in £135k per year additional income. Adoption of Option B could result in £210k per year additional income.

Anticipated user resistance due to the increased charges has been considered and income projections take account of potential reductions in customer demand. There is risk that due to increases applied that user demand reduces further than anticipated and therefore increased income projections may not be achieved.

4. OTHER IMPLICATIONS

The addresses of all people renting Housing service car parking spaces will be required to be checked to assess the correct charge to be paid. Past experience of undertaking a similar type of exercise is that it will be problematic to check all details and take a substantial amount of housing assistant time to complete. It may be required to undertake this work incrementally with priority given to the most central car parks. Following the address checks written notice shall be given of increased charges when relevant.

Increased charges may encourage people to use more environmentally friendly modes of transport.

Increasing charges is likely to result in some complaints and negative publicity. However, the publicity should raise public awareness of the availability of Housing service car parking spaces and increase demand from local residents. More local residents using off-street car parking spaces is desirable because it would potentially create increased on-street parking availability in parking zones where demand is currently greater than availability.

5. BACKGROUND/MAIN ISSUES

The Council budget setting meeting on 10 December 2010 instructed the Director of Housing and Environment to report on pricing differential in relation to car parking charges. This report also supports an instruction made at the Enterprise, Planning and Infrastructure Committee on 15 March 2011 requesting a review of all Council services parking charges. This report compares relevant charges applying in Housing service car parks with selected charges made by the Car Parking service.

Housing Service Car Parking Provision

The Housing service lets 898 parking spaces in the City. Appendix A details the locations, number of spaces in each car park, whether located within a controlled parking area and current charges. People wishing to rent a space may apply and allocation of spaces is prioritised in accordance with the approved scheme of allocations. Local tenants get highest priority. Individual agreements are signed giving an exclusive parking space for one specified vehicle. Residents of the City, regardless of whether they live nearby or are Council house tenants, are charged at £4.40 per week (£211.20 per year¹) in Denburn and West North Street multistorey car parks and £3.40 (£163.20 per year) in all other surface car parks. People who rent spaces and live outside the City are charged £10.90 per week (£523.20 per year).

¹ The housing service has 48 charging weeks per year.

Controlled Parking Areas

Controlled parking areas have been introduced extensively mainly in the heart of the City to manage supply and demand of parking spaces. Parking charges are a critical factor supporting parking control in these areas.

Residents in controlled parking areas may purchase a maximum of one or two Residents Permits allowing parking on-street only in restricted areas in the controlled parking area where they reside. Residents do not get an exclusive parking space and parking is on a 'first come first served' type arrangement. A Fixed Permit which can only be used by the specific vehicle it was issued to is charged at £80 per year. A Flexible Permit is also available which may be used by any vehicle and the cost is £120 per year. Non-residents cannot obtain parking permits for on-street parking in controlled parking areas. Businesses in controlled parking areas may purchase a permit which costs £200 per year.

Local Residents

The first comparison to be made relates to charges for people who rent a Housing service car parking space and live in the letting area or a letting area immediately adjacent to where their car parking space is located. This category of service users is defined as 'Local Residents'. Housing service charges made to Local Residents will be compared with Resident Permit charges.

Comparing the charges made by the Housing service to Local Residents with Resident Permit charges we can see that the Housing service charges are significantly greater. However, this differential is justified because the Housing service offers an exclusive parking space. It is recommended that no change is made to the charge for Local Residents renting Housing service parking spaces.

It should also be noted that Enterprise, Planning and Infrastructure colleagues are currently progressing a Committee instruction to allow Resident Permit holders to park in certain off-street car parks within their permit area at night.

There are currently 230 applicants on the waiting list for Housing service car parking spaces. Their addresses indicate that the majority would be Non-Local Residents. However, it is possible that a small number are seeking to rent spaces close to their homes. An exercise is required to ascertain if Local Residents are being denied spaces due to lets to Non-Local Residents. When this occurs, in accordance with existing policy, notice shall be given to Non-Local Residents to end agreements so that Local Resident demands can be met.

Non-Local Residents

A further comparison can be between people renting Housing service car parking spaces who are not 'Local Residents'. The charges currently applying for them can be compared with Car Parking service off-street car parking charges.

Analysis of the home addresses of people renting Housing service car parking spaces indicates that approximately 22% are used by people who do not live nearby.

The Car Parking service offers monthly season tickets which allow parking in all off-street car parks in the City. These cost £200 per month (£2,400 per year), they do not give exclusive use spaces and there are no restrictions on who may apply and obtain these. The pay and display charge for 6 – 10 hours parking in a long stay off-street car park is £14.

While the parking options offered by respective services are not identical the charges made by the Housing service are comparatively very low and do not sufficiently support the objectives of controlled parking areas. It is therefore recommended that people renting Housing service spaces who are not Local Residents (i.e. they do not reside in the housing letting area where the car park is situated or in an adjacent letting area) pay an increased charge.

Option A: Increase charges for Non-Local Residents to £25 per week (£1,200 per year). Based on a 30% reduction in Non-Local Resident patronage due to the price increase it is projected that £135k increased income would be received for the housing revenue account. This income would be increased further should more Local Residents rent spaces vacated by Non-Local Residents.

A charge of £25 per week is substantially lower than the monthly season ticket charge and daily pay and display rates. It may be justified to charge a lower rate because the monthly season ticket and pay and display charges are far more flexible in terms of enabling parking in various car parks rather than being restricted to one.

Option B: Increase charges for Non-Local Residents to £50 per week (£2,400 per year). Based on a 50% reduction in Non-Local Resident patronage due to the price increase it is projected that £210k increased income would be received for the housing revenue account. This income would be increased further should more Local Residents rent spaces vacated by Non-Local Residents.

A £50 per charge aligns with the monthly season ticket charge however there are significant risks that custom would be drastically reduced even greater than the 50% indicative figure used in the above calculation. It is also

considered that the monthly season tickets should cost more given their flexibility of use.

It is being recommended that Option A is applied. In addition, it is being recommended that for surface car parks outwith controlled parking zones people renting spaces who do not live in the letting area or a letting area adjacent to where the car park is situated be charged the same rate as people who reside outside the City. This would affect a relatively low number of people whose weekly rent charge would increase from £3.40 to £10.90.

In addition to the traffic, environmental and financial objectives in proposing these charges consideration has also been given to keeping to a minimum the number of different charging bands.

Housing service car parking charges will be subject to further review in accordance with the instruction made at the Enterprise, Planning and Infrastructure Committee on 15 March 2011 and routinely each year.

Elected members also asked for information about unauthorised use of spaces in Housing service car parking spaces. Statistics on the number of complaints received about unauthorised parking in spaces rented by the Housing service is not collected. Housing officers confirm that complaints are received about this problem which usually arise due to gates/barriers being left open. When there is a recurring problem in a car park the usual course of action is writing to all people renting parking spaces reminding them to close the gates/barrier to prevent unauthorised use of parking spaces. In order for City Wardens to enforce unauthorised parking in Housing service spaces it would be necessary to introduce a traffic order supported by a permit system. Such a system would end exclusive use spaces and it is anticipated that this would be undesirable to current service users. It is considered that the work involved exploring such fundamental changes to the Housing service managed car parks would be disproportionate to the problem that it would be setting out to resolve.

6. IMPACT

These proposal accord with National Outcomes 12 and 14 and especially the local outcome to minimise the global impact of transport within the Single Outcome Agreement 2009/10.

The pertinent policies within the Local Transport Strategy are as follows:

MAN CP1 ACC is committed to implementing a more comprehensive parking policy and charging regimes aimed at discouraging parking for non-priority users and providing an adequate supply of short stay parking to satisfy the needs of business, shoppers and visitors.

MAN CP2 ACC will undertake a review of parking policy, charges and systems. This will include reviewing charges with respect to both inflation and

comparison with bus fares. On-street parking which reduces network capacity along major corridors will also be reviewed.

This report is likely to attract interest from the public and media.

7. BACKGROUND PAPERS

Enterprise, Planning and Infrastructure Committee Minute 15 March 2011

8. REPORT AUTHOR DETAILS

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