

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning and Infrastructure
DATE	19 March 2013
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Car Parking Charges 2013/14
REPORT NUMBER:	EPI/13/055

1. PURPOSE OF REPORT

The purpose of this report is to obtain approval to implement revised car parking charges for 2013 – 2014 to deliver the budgeted income identified within the Council's 5 year business plan.

2. RECOMMENDATION(S)

It is recommended that the Committee:

- a) Approves the revised car parking charges for:
 - i) short stay car parks, set out in Appendix A,
 - ii) for monthly off street permits to be increased to £210
 - iii) and for Residents Permits as set out in Option 3 Appendix Bwith all revised charges to take effect from as early as possible in the financial year 2013/14 taking into account the need to advertise these changes.
- b) Agrees to the re-designation of Jacks Brae Car Park to a maximum stay of 2 hours (other than for designated other users e.g. residents) with its hourly charges remaining at current levels

3. FINANCIAL IMPLICATIONS

The five year business plan identifies specific additional income targets from car parking; increases to charges every two years amounting to £635k for 2013/14 – 14/15. In addition, as part of the overall efficiencies to be developed within Asset Management and Operations services an additional income source is identified from having consistency of charging, amounting to £200k.

The proposals set out in this report are aimed at delivering the baseline budget approved by the Council taking account of the risks associated with delivering parking income targets.

4. OTHER IMPLICATIONS

Revised car parking charges can be implemented following advertisement by a Statutory Notice which will require input from a number of services.

The overall review of parking charges, their relationship with other transport policies and economic activity is being progressed as part of the Local Transport Strategy update. As parking income can be influenced by competing facilities, local economic factors and the levels of enforcement the ability to ensure delivery of the target income carries risks which tend to be managed and monitored through the course of the financial year.

5. BACKGROUND/MAIN ISSUES

At its meeting on 15 December 2010 the Council accepted recommendations on its 5 year business plan that includes an action to increase car parking trading account income by £1.9M over the 5 year period. The Council decision on 14 February 2013 confirmed a revenue budget which assumed additional revenue income from car parking of £635k.

In addition the Enterprise, Planning and Infrastructure Committee on 6 November 2012 considered a report entitle '*Delivering Transformational Change in Asset*' which identified a saving of £200k from the Car Parking budget associated with '*Consistency of Charging*' to contribute to achieving the level of savings of £4.481M in 2013/14.

Officers have undertaken a full review of income and expenditure across the various car parking operations and how they are currently performing. This review has identified that some operational charges are performing above expectations and others less so. What is clear from the evidence is the limited opportunity to increase charges for both on and off street at a time when the usage of car parking has been affected by the overall economic position of the UK and citizens are being careful about spending. Overall adjustments to income baselines, without increasing any charges, are estimated to generate positive variances of £245k, leaving a balance of £590k to balance the baseline budget position. We continue to roll out and encourage take up on 'Pay By Phone' which reduces cash collections etc.

The Committee at recent meetings has agreed to bring the Garthdee Zone into line with other parts of the City and to introduce a charge for resident permits. This, in conjunction with changes to the current costs for parking on-street at Garthdee and Foresterhill makes a large contribution, estimated to be £300k, leaving a shortfall of £290k.

In order to have a balanced budget a number of options were considered for on-street, off-street, resident permits and other permits.

Given the current take up of parking on-street and the range of charges currently in place officers do not believe that increasing charges at this time would generate any additional income. Indeed the negative publicity from such an action would likely have a negative effect and result in a reduction in income.

Similarly our larger off street car parks are facing strong competition for patronage from the various car parks built over the past 4 years. The Council no longer provides the majority of parking in the city centre and our car parks are managed in line with our various transportation policies. We also have limited scope to dramatically change our charging operations as they are based around 'Pay and Display' and to invest in 'Automatic Number-plate Recognition Systems' or indeed 'Pay on Foot' would have consequences which have not been established to date through our Capital programmes. This is a piece of work that needs to be undertaken to establish if there are financial benefits from introducing such systems to allow greater variation and flexibility in how we operate our car parks.

Our short stay off-street car parks continue to perform well and have potential to increase income from a marginal increase in charges. The level of current and proposed charges in Appendix A are estimated to increase income by £45k. This is the only increase that officers would recommend for off street car park hourly charges.

Currently Jacks Brae car park would fall into this category. However officers believe that this car park, by its nature, location and usage by many residents, should operate in a similar way to the car parks at Fonthill Road and Broomhill Road with a maximum stay of 2 hours and charges remaining at current levels of £1/hour.

Currently we have high demand for monthly off street permits for our multi-storey car parks as more and more business locate to the city and limited parking spaces are available. The Committee agreed at its meeting on 11 September 2012 to introduce a cap on the number of such permits for individual car parks. Officers believe that the current level of charge could be increased by 5% to £210/month, with a projected increase in income by £40k/annum.

All other permits have been reviewed and changes in charging levels at this stage, e.g. business permit on-street, which were increased in 2012 and therefore are re-establishing a level of take up given the increase approved last year, will likely result in a reduced take up and no noticeable increase in income. The changes to eligibility approved in 2012 are also taking effect as businesses attempt to renew permits.

Residents' permits are the only remaining category of charge to be reviewed. The last increase in charge came into force in 2009 and there has been no increase since that time. With an income generation target of £205k, officers have considered a range of charging options, based on current take up of the different permits available within each zone. The range of options is set out in Appendix B with Option 1 being the Status Quo/Do Nothing. Further options have been developed which start to differentiate by area and the level of charging. These have not been included in the option table for ease of presentation and given the decision of the committee to create parity of charging these options have been omitted.

Members will note Option 7 would introduce a different charge for flexible permits from fixed permits. This committee has a report which raises the specific problems experienced in enforcing the use of flexible permits given the opportunity to 'sell on' and by increasing the cost of this specific type of permit, it may provide some form of discouragement.

Based on the options presented and the level of income to be achieved the preferred option is Option 3.

6. IMPACT

These proposals 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.

The Nestrans Regional Transport Strategy (RTS) recognises that parking is a key element of managing demand and that parking policy will be an important element in influencing modal choice and achieving the RTS objectives. The RTS Car Parking Strategy outlines a number of objectives that both City and Shire should meet when setting car parking charges/policies. The report reflects the policy that "parking charges should reflect the need to support economic vitality but also be set in the context of the costs associated with using other modes of transport in order that it does not dis-incentivise use of more sustainable modes."

7. BACKGROUND PAPERS

None

8. REPORT AUTHOR DETAILS

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APPENDIX A

Short Stay Off Street Car Parking Charges

Car Parks included within this category:

Greyfriars Car Park

Summer Street

Golden Square

Frederick Street

Marischal College (Thursday evenings, Sat and Sun only)

Maximum Stay	Current Charge	Proposed Charge
2 hours	£2	£2.20
2 to 3 hours	£3	£3.30
3 to 4 hours	£4	£4.40

APPENDIX B**Resident Permit Charges Options**

OPTION	Fixed 1 st Permit (£)			Flexible 1 st Permit (£)			Fixed 2 nd Permit* (£)			Flexible 2 nd Permit* (£)			Income £000
	12 mth	6 mth	3 mth	12 mth	6 mth	3 mth	12 mth	6 mth	3 mth	12 mth	6 mth	3 mth	
1	80	42	22	80	42	22	120	63	36	120	63	36	939
2	90	47	25	90	47	25	135	71	38	135	71	38	1055
3	100	53	28	100	53	28	150	79	42	150	79	42	1175
4	120	63	33	120	63	33	200	105	55	200	105	55	1229
5	50	27	14	50	27	14	120	62	32	120	62	32	682
6	50	27	14	50	27	14	200	105	55	200	105	55	843
7	50	27	14	120	63	36	150	79	42	180	95	50	1156
8	50	30	20	50	30	20	150	85	50	150	85	50	771

* Only one permit permitted in Zones A to G