

ABERDEEN CITY COUNCIL

COMMITTEE Enterprise, Planning and Infrastructure

DATE 26 Nov 2009

DIRECTOR Gordon McIntosh

TITLE OF REPORT Golden Square Car Park

REPORT NUMBER: **EPI/09/117**

1. PURPOSE OF REPORT

This report seeks Members agreement to the City Council promoting traffic legislation to operate, manage and maintain the car park in the centre of Golden Square in the same way as other Council owned car parks in and around the City Centre

2. RECOMMENDATION(S)

It is recommended that the committee:

- a) instruct officers to promote the appropriate traffic legislation to enable the City Council to operate manage and maintain the car parking area in the centre of Golden Square with a charging regime of off street short stay between the hours of 8am and 8pm, Monday to Saturday and 1pm to 5pm on a Sunday and a flat rate of £1.50 for any amount of time outwith these hours
- b) instruct officers to continue discussions with Royal British Legion (Aberdeen Branch) in regard to the funding agreement and to report back on progress and to quantify any issues relating to possible State Aid.
- c) instruct officers to prepare a bid for Capital funding from the 2010/11 Capital Plan on the basis of a spend to save to cover the cost of the works to the car park.

3. FINANCIAL IMPLICATIONS

There will be a setting up cost of £20,000 which could be funded from the Non-Housing Capital programme for machines, signing etc. The anticipated revenue income from the car park over the period of a full year is estimated at £160,000.

As a means of providing a financial safety net (equivalent to a charitable contribution in terms of the Local Government (Scotland) Act 1973 and to compensate for the loss of use of the property) for the Royal British Legion

Aberdeen Branch (RBL) it would be intended that a legal agreement be developed which would provide a graduated reduction in a percentage share of income from the car park. The full details of this will be developed with the RBL and will be reported on in due course to members

4. SERVICE & COMMUNITY IMPACT

This proposal accords 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 contained within the report.

5. OTHER IMPLICATIONS

The Council has title to the land on which the current car park operates. In early discussion with RBL they have indicated that a small number of staff are currently employed by them to manage the car parks operation. The details of this employment and whether some form of transfer of undertakings for their employment is required will have to be explored in more detail with RBL in due course.

One further legal aspect which will have to be fully explored is the possibility that any funding may be caught by the rules on state aid. Depending on the legal status of the eventual funding arrangement, the proposed payments to RBL may or may not be state aid. This will need to be assessed once details of the legal agreements are known.

If it is state aid, the proposed funding could be lawful state aid. It would be lawful if it is covered by an exemption or if it falls below the *de minimis* state aid threshold. The *de minimis* rule permits a single recipient to lawfully receive funding of a maximum of EURO 200,000 over a 3 year period. Any aid granted by the Council to RBL would have to be aggregated with any other *de minimis* state aid that RBL may have received from any other source during the three years prior to the date of award of the proposed funding in order to determine whether it could lawfully be awarded.

There will be other legal aspects that will require to be addressed but these can be addressed during the progress of the traffic order.

An Equalities and Human Rights Impact Assessment has been prepared and is attached to this report.

6. REPORT

On 2nd September 2008 the Policy and Strategy Committee instructed officers to review the car parking arrangements at Golden Square and to negotiate with the Royal British Legion with regard to their interest.

As members will be aware the Corporation of Aberdeen acquired the land at Golden Square in 1950 by virtue of a Blench Charter from the Aberdeen Hammerman Incorporation. When the purchase was agreed, the Corporation minuted that it would tolerate parking within the inner circle and would allow the Royal British Legion to administer a scheme of parking at their discretion, and to retain any monies collected.

There has been no formal written agreement between the City Council, the Royal British Legion or indeed any other of the property owners in the Golden Square area. The RBL have traditionally used the facility to provide the opportunity for some form of employment to servicemen returning from military service who are unable to undertake conventional employment.

Currently the RBL operates the car park and asks users if they would like to make a donation to their charitable funds. The current level of donation sought is £3 which covers the cost of all day parking.

This compares with the on and off street parking in the area.

On-street (Golden Sq)		Off-street (Summer Street)	
20 min	£0.75	Up to 2 hours	£1.60
40 min	£1.50	2 – 3 hours	£2.40
1 hour	£2.30	3 – 4 hours	£3.20

N.B The charge for all day car parking off street in Chapel Street is currently £8 and this is lower than that for all day parking in either the Mall or Bonn Accord Centre.

The provision of a car park in this location on land owned by the City Council gives rise for concern. Not only are the charges out of balance with the Council and other public car parks in the city centre they are counter to the policies contained within the Local transport Strategy. Policies which are relevant 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.

MAN CP5 ACC will continue to support and promote the national Blue Badge Scheme and will ensure an adequate supply of blue badge spaces is provided at the most convenient locations.

MAN CP6 ACC will continue to support and promote the local Green Badge Aberdeen Close Proximity Parking Scheme.

Preliminary discussions have been held with the Royal British Legion as to what their income and running costs are for the site. The car park has an attendant who tends to operate in the morning and into the early afternoon. It has a small hut used for shelter. There are a number of long term challenges for the RBL in the continued operation of the site.

- They have recently undertaken resurfacing work in the past few years although the car park is not laid out so they occasionally get vehicles taking up excessive space.
- It tends to have regular customers and so although it is available for public parking it is predominantly the same people using it on a daily basis as a private car park
- When spaces are available members of the public can get turned away.
- Occasionally users will not make the donation.
- Some of the adjacent property owners have previously claimed to have rights to park which the Council has successfully challenged.

RBL (Aberdeen Branch) uses the monies received from the car parking donations towards charitable contributions to other organisation and to support local ex-servicemen and their families. Recent examples of supported organisations are: Erskine Homes, Gurkha Welfare Trust, local Salvation Army, Air, Army and Sea Cadets, local RNLI, Gordon Highlander Association. The RBL also provide assistance to local ex-servicemen and women, make home and hospital visits and provide a small bereavement grant to families on the death of one of its members.

As part of the initial negotiation representatives of RBL have indicated that while they are appreciative of the circumstances they would wish to take the proposal to their AGM in January. The proposal as it stands would be to offset the loss of income they receive through a part share of the Council's income from the car park and to phase this payment out over a period of approximately 5 years. If this was kept below the 200,000 EURO *de minimis* funding level, this could potentially avoid State Aid implications for the Council but there would be a need to clarify detailed funding sources with the RBL at a national level before this is progressed. As it would be possible to progress the initial stage of the consultation process for the traffic order in the lead up to their AGM and gathering details for state aid considerations, this would not result in potential delays to the process overall.

In terms of the operating regime for the car park it is proposed that the central parking area in Golden Square be managed and maintained as a short stay off-street car park operated by Aberdeen City Council. The car park would operate on a charging regime of off-street short stay (maximum stay of 4 hours) between the hours of 8am and 8pm, Monday to Saturday and 1pm to 5pm on a Sunday and a flat rate of £1.50 for any amount of time outwith these hours.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

Refer to any sources used in the writing of your report. Please note that it is a statutory requirement that any papers that are listed must be made available to the public on request.