

**ECONOMY
7 SEPTEMBER 2017**

CAR PARKING UPDATE ON INCOME & VENDS

Cabinet Member Cllr] Karl Busch
Responsible Officer Andrew Jarrett – Director of Finance, Assets & Resources

Reason for Report: To present a car parking outturn position for 2016/17 and an update on the first 3 months of 2017/18.

RECOMMENDATION(S): The Committee note the final position for 2016/17 and the current position on car parking vends and income for 2017/18.

Relationship to the Corporate Plan: The Council must ensure that it maximises the opportunity available from all of its property assets, however, it must also be mindful of the associated economic consequences that can be directly or indirectly related to major changes in any charging policy.

Financial Implications: The current car parking strategy introduced in April 2016 targeted better utilisation of the Councils car parks, introduced a more streamlined tariff system and looked to increase overall income from its 10 Pay & Display car parks by £141k.

Legal Implications: Any changes to car parking pricing must be subject to consultation via a formal Traffic Regulations Order (TRO).

Risk Assessment: Regular financial monitoring information will indicate to Members whether this strategy is achieving its objectives.

1.0 Introduction

1.1 To remind Members during 2015/16 the Managing the Environment Policy Development Group set up an officer and member working group to review our current car park charging policy and then make recommendations on a new one to be implemented on the 1/4/16. This review looked at: usage levels, benchmarked charges against neighbouring Councils, considered more free periods, reviewed concessions, considered economic consequence, etc.

2.0 The new charging strategy introduced in 2016/17

2.1 After an extensive consultation process, reported at all of our 34 car parks and advertised in the local press and at the Council offices, the main changes made to our new charging policy were:

- The removal of the £1 tariff for 5hrs parking in the 3 long stays
- But freezing the £2 tariff for all day parking
- Introducing a 30min free period during the evening and freezing the overnight charge at a £1

- Extending the free period at Westexe and PHouse to 30 mins
 - Introducing a 30 mins free period at William St and Wellbrook St
 - Reducing Sunday and BH charges to £1
- 2.2 It was then estimated that if current (15/16) vends remained at the same level for 2016/17 this new charging policy would generate circa £141k more income, when compared with the 2015/16 budget, from the Council's 10 P&D car parks.
- 2.3 When evaluating the impact of a new charging policy for any product, it is often made harder, as other variables may well have direct/indirect effects/consequences. This is particularly relevant to car parking. Variables such as weather, the economy, fuel prices, provision of alternative parking, availability and range of shops, level of ad hoc concessions granted, road closures, etc. will also affect usage levels and hence income generated.
- 2.4 The Scrutiny Committee was provided information with regard to the first 6 months of 2016/17 relating to both income received and vends purchased. Subsequent to this meeting we have been asked to provide a further update on income and vends and in addition information/data held on footfall and any relevant observations from officers in the Economic Development team. This information is attached as appendices 3 and 4

3.0 Car parking vends and income for 1/4/16 – 31/3/17

- 3.1 Table 1 below shows the total income from our 10 P&D car parks for 2016/17 compared against the income generated in 2015/16. In summary the new pricing strategy resulted in an increased income position of circa £73k.

Table 1 – Income for 2016/17

Month	Income 16/17	Income 15/16	Variance
April	£58,948	£47,349	£11,599
May	£52,273	£48,910	£3,363
June	£56,200	£49,833	£6,367
July	£59,452	£54,616	£4,836
August	£58,514	£51,190	£7,324
September	£56,939	£52,610	£4,329
October	£58,724	£54,509	£4,215
November	£57,595	£50,436	£7,159
December	£60,105	£52,895	£7,210
January	£51,195	£48,508	£2,687
February	£51,184	£47,167	£4,017
March	£58,314	£48,205	£10,109
Total	£679,443	£606,228	£73,215

- 3.2 In addition to the above table, Appendix 1 shows the total income per month per individual car park for 2016/17.
- 3.3 In order to fully evaluate the impact of the new pricing strategy the impact upon the number of vends purchased is also important. Table 2 below shows the total number of vends purchased in 2016/17 compared against the 2015/16 data.

Table 2 – Vends for 2016/17

Month	Vends 16/17	Vends 15/16	Variance
April	48,830	46,042	2,788
May (*)	41,396	46,808	(5,412)
June (*)	39,262	51,411	(12,149)
July	52,983	55,163	(2,180)
August	52,778	50,804	1,974
September	54,166	53,189	977
October	53,786	55,196	(1,410)
November	52,876	52,139	737
December	55,112	55,835	(723)
January	48,951	49,463	(512)
February	48,066	49,869	(1,803)
March	55,241	50,238	5,003
Total	603,447	616,157	(12,710)

Note – in May and June 2016 there were incomplete vend data from the Willian Street P&D machine.

- 3.2 In addition to the above table, Appendix 2 shows the total vends per month per individual car park for 2016/17.

4.0 Car parking vends and income for 1/4/17 – 31/7/17

- 4.1 In order to provide members with an update on the income and vend position for the first 3 months of 2017/18 the following 2 tables are provided.

Table 3 – Income for 1/4/17 – 31/7/17

Month	Income 17/18	Income 16/17	Variance
April	£50,678	£58,948	(£8,270)
May (*)	£56,109	£52,273	£3,836
June (*)	£54,815	£56,200	(£1,385)
July	£59,008	£59,452	(£444)
Total	£220,610	£226,873	(£6,263)

Table 4 – Vends for 1/4/17 – 31/7/17

Month	Vends 17/18	Vends 16/17	Variance
April	48,051	48,830	(779)
May (*)	53,937	41,396	12,541
June (*)	54,086	39,262	14,824
July	54,730	52,983	1,747
Total	210,804	182,471	28,333

Note – an individual breakdown per car park is shown in Appendix 1 & 2.

- 4.2 The above tables for 2017/18 reflect that income is slightly down against the same first 4 months of the financial year at a summary level and it is difficult to make any meaningful commentary around vends levels due to the incomplete data provided from one of the P&D machines.
- 4.3 The Economy PDG will be provided with regular updates on income performance against budget for P&D car parking throughout 2017/18 and will be able to consider changes to the existing pricing strategy as part of the 2018/19 budget setting process.
- 4.4 In early April 2017 the Council introduced new P&D machines in all of its car parks, which now require the customer to enter the last 3 digits of their car registration. It will be interesting to ascertain whether this has any impact on either income or vend numbers during 2017/18.

5.0 Conclusion

- 4.1 The car parking outturn figures for 2016/17 reflect a successful position where income was increased by £73k and the number of vends, notwithstanding the omissions in May and June were maintained broadly at 2015/16 levels. The position for 2017/18 is slightly below 2016/17 levels for income at the current stage.
- 4.2 Officers will continue to provide regular updates on car parking income and vend analysis to members.
- 4.3 Officers and members will review correspondence/feedback on the new charging strategy and consider whether any changes are required to our current strategy for 2018/19 and beyond.

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