

## OPEN FOR GENERAL RELEASE

COMMITTEE : TRANSPORT AND ENVIRONMENT  
 DATE : 25<sup>th</sup> APRIL 2000  
 REPORT OF : THE HEAD OF FORWARD PLANNING  
 AND TRANSPORTATION  
 SUBJECT : CAR PARKING CHARGES WITH  
 PARK AND RIDE

## 1.0 Purpose of report

- 1.1 To invite the Committee to determine the car parking charges that will apply following the introduction of the Beehive Park and Ride service.
- 1.2 A version of this report was withdrawn from the meeting of 13<sup>th</sup> March 2000. The report now has amended figures in paragraph 3.3. Paragraph 3.4 has been added.

## 2.0 Background

- 2.1 At its meeting of 29<sup>th</sup> September 1999, the Policy and Resources Committee received a report on the revenue implications of Park and Ride. This report was based upon results obtained from a sophisticated financial model of the car parking revenue account. The computer based model, which utilises an array of interlinked spreadsheets, will be available at today's meeting.
- 2.2 The Policy and Resources Committee resolved that *"the principles set out in part 4 of the report be endorsed and that, subject to final agreement of an appropriate charging structure, the revenue implications of Park and Ride be accepted within the context of the Car Parking Revenue Account and the overall financial objectives of the Council"*. It was further resolved that no specific car parking charges should be set at that stage, this decision being left to the Transport and Environment Committee. For the convenience of Members, a copy of the report considered by the Policy and Resources Committee is attached.
- 2.3 On 31<sup>st</sup> January 2000, the Transport and Environment Committee endorsed, with amendments, recommendations about the Council's car parking strategy. The agreed changes to the strategy have some bearing on the revenue implications of Park and Ride and have been incorporated into the model.

## 3.0 Consideration

- 3.1 With the assistance of the model, Members will be asked at the meeting to agree the charging structure for both the Park and Ride operation and city centre car parks. In doing so, it may be of assistance to consider the following points:
- By the earliest projected date of introducing the Beehive service (Christmas 2000), car parking charges will not have risen for more than 30 months (since May 1998). The value of car parking income will have been eroded by inflation during this period.
  - Demand for car parking space in Salisbury frequently exceeds supply. The manipulation of price is the only mechanism available to the Council in the short term to regulate this imbalance. The effect of Park and Ride will however be to increase the overall number of car parking spaces serving Salisbury and, by the conversion of long-stay spaces to short-term use, to increase the amount of

- short-term, shoppers' car parking available in the city centre<sup>1</sup>.
- Using the price mechanism to regulate car parking demand, and therefore traffic levels, would be in line with Government policy.
- The movement of long-stay car parking to Park and Ride sites will need to be supported by a charging structure that creates an adequate cost differential between Park and Ride and city centre long-stay car parking.
- There is some relationship between car parking prices and retail activity in the city centre, although this is likely to be elastic (ie a 10% increase in car parking charges will not result in a 10% reduction in car borne visits to Salisbury). A draft report prepared for the Council by Hillier Parker in the context of the Government Office for the South West Study of Traffic in Salisbury states that:

*According to research the key issues with car parking appear to be availability and quality rather than cost. However, in Salisbury whilst it will be necessary to increase long stay parking charges over and above Park and Ride charges to encourage modal transfer, it will be essential that short stay charges are not increased to such an extent that shoppers are discouraged. In addition it will also be necessary to consider charges relatively to competing centres such as Southampton, where the West Quay development will provide plentiful car parking facilities. [Free car parking facilities on Southampton Road are also mentioned in this context.]*

*Increased parking charges and possible increased enforcement by virtue of decriminalisation of parking are more likely to be accepted by shoppers in Salisbury if they are aware that the revenue is being spent on improving alternative transport measures. Increased enforcement should also increase the turnover of spaces and hence capacity.*

- 3.2 In the light of these conclusions it is recommended that the burden of any city centre price increases should fall on long-stay, rather than short-stay, car parking, and that Park and Ride should be significantly cheaper. The report considered by the Policy and Resources Committee in September 1999 put forward a number of possible charging scenarios. The option preferred by officers suggested a flat rate charge of £1.50 for parking at the Park and Ride site, a 10% increase in city centre short-term car parking charges and a 40% increase in city centre long-term charges. The effect of these proposals may be seen in Table 1.
- 3.3 It is recommended that the scenario shown in Table 1 represents a good starting point for the Committee's deliberations. The computerised financial model will be available at the meeting and Trevor Clark, the consultant responsible for its construction, the Head of Forward Planning and Transportation, and the Group Management Accountant, Financial Services, will be on hand to model alternative scenarios and answer Members' questions. It will be demonstrated how the model can be used predictively to assess the financial implications of Park and Ride, and thus what consequences might be anticipated for the Council's overall revenue position. In coming to a conclusion on the issue of car

<sup>1</sup> The expressions 'long-stay' and 'short-stay' car parking are used in this report to differentiate between the two types of car parking spaces available within the Council's off-street car parks. Long-stay car parking is aimed at drivers seeking to park their cars for substantial periods, in excess of 5 hours. These drivers will generally be commuters wishing to leave their cars for most or all of the working day. Short-stay car parking spaces are available for shorter periods of use, generally of less than 5 hours duration. The occupants of these spaces will tend to be shoppers, or tourists or visitors to Salisbury. As Table 1 in this report indicates, the two types or spaces are charged at different rates, with long-stay spaces being cheaper on an hour-by-hour basis.

parking charges, the Committee will be required to agree a solution that maintains the current contribution of car parking income to the Council's General Fund. In the 1999/2000 budget this contribution is projected to be £698,860, net of expenditure. In 2000/2001 the figure is estimated to be £669,210, rising to £763,510 in 2001/2002.

TABLE 1

| CITY CENTRE OFF-STREET CAR PARKING CHARGES |       |                                            |      |
|--------------------------------------------|-------|--------------------------------------------|------|
| AT PRESENT                                 |       | POSSIBLE LEVELS WITH BEEHIVE PARK AND RIDE |      |
| SHORT STAY                                 |       |                                            | %    |
| 0-1hr                                      | £0.50 | £0.60 }                                    |      |
| 0-2hrs                                     | £1.00 | £1.10 }                                    |      |
| 0-3hrs                                     | £1.40 | £1.50 }                                    |      |
| 0-4hrs                                     | £1.70 | £1.90 }                                    |      |
| 0-5hrs                                     | £2.00 | £2.20 }                                    |      |
| MARKET PLACE                               |       |                                            | +10% |
| 0-1/2hr                                    | £1.00 | £1.10 }                                    |      |
| 0-1hr                                      | £2.00 | £2.20 }                                    |      |
| 0-1 1/2hr                                  | £3.00 | £3.30 }                                    |      |
| 0-2hr                                      | £4.00 | £4.40 }                                    |      |
| LONG STAY                                  |       |                                            |      |
| 0-1hr                                      | £0.50 | £0.60 }                                    | +10% |
| 1-2hrs                                     | £1.00 | £1.10 }                                    |      |
| All day                                    | £1.80 | £2.50 }                                    | +40% |

3.4 In addition to the possible price rises mentioned in this report, Members will recall that in setting the budgets for 2000/2001, Policy and Resources Committee was informed on 16<sup>th</sup> February 2000 that a rise of 3% had been assumed on all fees and charges. This increase represents £63,750 in additional income to be raised from the car parking account in 2000/2001.

#### 4.0 Recommendation

4.1 It is recommended that the Committee agrees the car parking charges to be introduced with the commencement of the Beehive Park and Ride service and that:

- a) the greater proportion of any increase should fall on long-stay car parking;
- b) parking at the Park and Ride site should be appreciably cheaper than parking long-term in the city centre;
- c) the currently projected level of net income from car parking to the Council's General Fund should be maintained.

**5.0 Implications**

**5.1 Legal Implications: There are none other than necessary amendments to be made to the Off Street Parking Order at the appropriate time.**

**5.2 Environmental Implications: None**

**5.3 Staffing Implications: None.**

**5.4 Human Rights Implications: None**

**5.5 Financial Implications: As set out in the report.**

**5.6 Community Safety Implications: None**

**6. Core Values**

**6.1 Excellent service; Thriving economy; Protecting the environment.**