

The Cabinet

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REPORT

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Cllr D Brown Cabinet Member for Environment & Transport

PROPOSED CAR PARKING CHARGE ADJUSTMENTS, 2005/2006

1. Purpose of the report

- 1.1 To recommend adjustments to car parking charges in May 2005, to coincide with the opening of the Britford park and ride site. The Environment and Transport Scrutiny Panel considered the proposals on 10th January 2005 and their views will be reported separately.

2. Background

- 2.1 It is normal practice to review annually the charges made by the District Council for car parking. The need for this review stems from the following factors:
- The requirement of the Salisbury Transportation Plan to raise car parking prices annually by 10% plus inflation as one means of mitigating the growth in local traffic. Both the District and County Councils agreed to this requirement, subject to the caveat that no increase would be likely to impact adversely on the economic wellbeing of Salisbury.
 - The need to ensure that an agreed level of contribution is made by the car parking revenue account to the District Council's General Fund. Income from car parking is a major contributor to the Council's overall finances and significantly moderates the level of the authority's Council Tax demand. Members may recall that the Cabinet has determined that the Parking Revenue Account should make increased contributions to the General Fund, rising from an additional £170,000 in 2003/2004 to an additional £400,000 in 2007/2008 (ie an additional £57,500 per annum). More recently, Cabinet has also decided that a further contribution of £57,500 should be made in 2005/2006 (total for 2005/2006 of £1,395,900).
 - The increasing cost burden on the car parking revenue account arising from the introduction of elements of the Salisbury Transportation Plan, most notably park and ride sites and the Intelligent Transport System (ITS).
 - The need to ensure consistency and balance in the charges levied for different components of the car parking operation.

3. Principles

- 3.1 The car parking operation is complex and it is necessary to use the financial model, developed by consultants, to predict the impact that projected additional costs will have and the charge

increases that will be necessary to meet them. The current five-year projection has been based on the following principles:

- Whilst allowing for nominal increases of 10% plus inflation, price rises should be no greater than will be required to meet additional costs over the five year period.
- Income and expenditure is split between on-street and off-street sources. Net on-street income is required statutorily to be ring-fenced and used solely for transportation expenditure. A separate report to the Salisbury Joint Transport Committee will recommend that the on-street surplus for 2004/2005 should be spent on meeting the costs of ITS and park and ride before any off-street surpluses are used.
- A differential of at least 50% should be maintained between the prices charged for all day parking at park and ride sites and in the city centre.
- Any surpluses generated in the off-street parking revenue account (ie once all costs, including the agreed contribution to the General Fund, have been met) should be placed in a transportation reserve account and used to defray future parking costs or deficits. The cost burden once several park and ride sites are operating will be significant and the ability to carry forward any surpluses is necessary to ensure the parking account balances in the medium term.
- In the longer term, all elements of the parking operation should be self-financing, as far as possible. Thus, for example, the intention is to move to the point where the park and ride operation at least breaks even. It is also suggested that, ultimately, residents' car parking should be operated without loss to the Council.
- It is unlikely that Local Transport Plan funding would be available to pay for the future enlargement of any of the park and ride sites. Provision should therefore be made in the longer term to meet this possible requirement from within the parking revenue account.

3.2 A thorough review of the car parking operation has been carried out, with all elements currently charged being examined. In addition, the possibility of introducing charges for activities that are currently not charged has also been considered. Based on these analyses, a five-year projection of the car parking revenue account has been produced, using the parking financial model. A summary of this projection, showing end of year balances and the major changes in the pricing structure, is attached as Schedule 2. It should be noted, however, that the recommendations made in this report relate to adjustments to parking charges in the financial year 2005/2006 only. Schedule 3 gives details of projected pricing levels over the five year period (tariffs LS1, LS2 and LS3 are for all long-stay car parks apart from Southampton Road (given at LS5 and LS6). Short-stay rates are shown at SS1 – SS7. The Market Place tariffs are at MS1 – MS4).

3.3 Car parking prices were increased in April 2003 in anticipation of the opening of the Wilton park and ride site. In the event, the construction of this park and ride site and the Britford site were delayed by the temporary withdrawal of LTP funding by the Government. The increase in income to the parking revenue account was therefore not matched by an increase in costs. As a result, a surplus balance has been achieved, which has been taken into a reserve account and will be used to mitigate the short-term impact of future costs, mainly associated with the introduction of new park and ride sites. The use of this surplus reduces the need for very large increases in car parking prices in any one year and makes the difference between being able to afford future transportation developments, like park and ride, or not.

4. **Proposed charges for 2005/2006**

4.1 The changes to car parking prices proposed for 2005/2006 are set out in Schedule 1.

5. **Recommendations**

5.1 It is recommended that:

- (a) The car parking charge adjustments described in Schedules 1 and 3 to this report be approved for introduction in May 2005;
- (b) The on-street surplus for 2004/2005 be spent on meeting the costs of ITS and park and ride before any off-street surpluses are used;
- (c) The Salisbury Joint Transportation Committee be requested to endorse these recommendations at its meeting of 14th February 2005.

6. **Implications:**

- **Financial:** As set out in the report.
- **Legal:** Any proposed increases in parking charges will be advertised in the usual way and representations considered by the Council. The agreement of the Salisbury Joint Transport Committee is also required.
- **Human Rights:** None in relation to this report.
- **Personnel:** None in relation to this report.
- **Community Safety:** None in relation to this report.
- **Environmental implications:** The proposed car parking price increases are a component of the Salisbury Transportation Plan and are intended to mitigate the rate of growth of car use.
- **Council's Core Values:** Excellent service, Thriving economy, Protecting the environment.
- **Wards Affected:** All

Schedule I:

Summary of Proposed Car Parking Charge Adjustments 2005/2006

All price changes to be from May 2005, to coincide with the opening of the Britford Park and Ride Site.

Off-street car parks – short-stay

- 10% increase:

	0-1 hour	1-2 hours	2-3 hours	3-4 hours	4-5 hours
Existing	£0.90	£1.60	£2.00	£2.60	£3.00
+10%	£1.00	£1.80	£2.20	£2.90	£3.30

Off-street car parks – long-stay

- 39% increase:

	0-1 hour	1-2 hours	All day
Existing	£0.90	£1.60	£3.60
+39%	£1.00	£1.80	£5.00

Season tickets

Currently £730 (12 months), £400 (6 months), £210 (3 months).

Annual calculation based nominally on:

Current daily long-stay charge (£3.60) x 5 days x 46 weeks = £828.

The implied discount to be retained to assist with marketing of city centre long-stay car parking. Therefore, increase season ticket prices to:

- £1000 (12 months), £550 (6 months), £290 (3 months) (37% increase).

Annex season tickets

These are 14 dedicated spaces located to the rear of the Playhouse, which are currently charged at £950 (12 months).

- Change to current contract parking rate (see below) (21% increase).

Contract parking

- Leave at current rate of £1150. Review in 2006.

On-street parking

- Leave at current rates (0 – 15 minutes 20p, 15 – 30 minutes 50p, 30 – 45 minutes £1.00). Review in 2006.

Market Place car park

Current tariff: £1.40 (1/2 hour), £2.70 (1 hour), £4.00 (1 1/2 hours), £5.30 (2 hours max stay).

These amounts are awkward and appear to have affected patronage levels. Income from the Market Place is also reduced by the high number of disabled users, who currently park free of charge. Therefore:

- Reduce tariff to £1 per half hour period, retaining 2 hour maximum stay (average of 30% reduction). Mark out 8 disabled bays and continue to allow free parking in these, but charge for all other bays, irrespective of the type of occupier.

Park and ride

Current charge £1.50.

- Introduce Wilton at £1.50 but increase to £2.20 at all sites on opening of Britford.

Residents' permits

- As per the recent Joint Committee resolution (a new annual charge of £10 in limited waiting zones, an increase from £25 to £30 in residents' only zones).

Replacement of residents' permits (when lost)

Currently £5/permit

- Increase to £10.

Visitors' permits

- As per the recent Joint Committee resolution (households in residents' only zones will be entitled to purchase 100 permits at 20p per permit. Households in limited waiting zones will be able to purchase 50 permits at 20p per permit. Additional visitor permits in both types of zone may be purchased at the daily rate applying in a city centre car park (proposed to be £5.00)).

Tradesmen's daily waivers

- Increase to new daily rate in long-stay car park (£5.00).

Coach parking (Millstream)

Currently £4.00 up to two hours, £8.00 over two hours.

- No change.

Market coaches (New Canal)

Currently £2.00 charge on Tuesdays and Saturdays. Rest of the week charged as Millstream coach park (see above).

- No change.

Coach parking at Britford Park and Ride site

- Introduce charge equivalent to Millstream coach park.

Market traders' vehicles

These are vehicles that remain on the Market Place during the market. Currently £8.00 for the first vehicle, £16 for the second and £35.00 for the third.

- No change.

Amesbury Centre car park season tickets

Currently £150/year.

- Increase to £200.

The absence of any other income from the Amesbury, Tisbury, Wilton and Mere car parks means that the costs arising from these sites are being met by users of Salisbury's car parks.

Areas not currently charged.

On-street bay suspensions

Involves putting up an advance notice, coning off bay for the required period, and removing signs at the end of the period.

- Introduce charge of £30.00 for the first week or part thereof and £10.00 for each succeeding week or part thereof.

Business permits

- Introduce charge equivalent to residents' charge (£30.00 or £10.00) (but not in zones B and E, where there are no business spaces).

Sunday and evening charges

Charges are currently levied Mondays to Saturdays, between the hours of 8.00am and 6.00 pm (earlier and later at park and ride). There has been noticeable growth in the evening economy and in trading on Sundays. These changes are manifest in the large numbers of cars now parked in public car parks at these times.

It has recently been necessary to deploy enforcement staff on-street during evening hours and it has become routine to do this at other busy periods, such as on Sundays during the run up to Christmas. However, car parking in car parks in the evening and on Sundays is unsupervised and potentially unsafe, and a potential source of income is being forgone.

Charging during these periods should be considered. The following arrangements might be appropriate:

Sundays – charging between 10.00am and 4.00pm at the flat rate of £1.00.

Evenings – charging applied between 6.00 pm and 8.00 am, again at the flat rate of £1.00.

Motorists displaying a Salisbury resident's parking permit would be exempt from both charges.

- A further report on the subject of Sunday and evening charging will be prepared as part of the 2006/2007 corporate planning process.

SCHEDULE 2: Total Parking Revenue Account Balance.								
Parking Reserves		2004/05	2005/06	2006/07	2007/08	2008/09	Any Parking Reserve Account balance represents the provision made for planned future expenses carried forward at the end of each financial year. This balance is arrived at after charging the General Fund Contributions requested as follows:	
Parking Reserve Opening Bal:		(£718,957)	(£912,019)	(£449,236)	(£178,940)	(£84,416)		
Off Street Operational		(£1,802,425)	(£1,613,046)	(£1,632,373)	(£1,828,126)	(£1,471,574)		
Park and Ride		£268,361	£463,906	£234,466	£201,681	(£175,699)		
On Street Charging		(£68,508)	(£20,586)	(£36,410)	(£49,942)	(£62,115)		
On Street Residential		£83,609	£110,534	£121,987	£127,553	£140,453		
Less: Gen. Fund Contributions		£1,280,900	£1,395,900	£1,453,400	£1,510,900	£1,510,900		
Less: Intelligent Transport System		£45,000	£126,075	£129,227	£132,458	£135,769		
Parking Reserve Closing Bal:		(£912,019)	(£449,236)	(£178,940)	(£84,416)	(£6,682)		
Account (Surplus) / Deficit =						(£1,000) £1,000	2004/05	£1,280,900
PCN Face Value 1/04/2003:		£60.00	Sunday Charging Start Mth			£0.00	2005/06	£1,395,900
Off Street Charges		1	14	25	37	49	2006/07	£1,453,400
Tariff Change Mth		Apr-04	May-05	Apr-06	Apr-07	Apr-08	2007/08	£1,510,900
Short Stay % Price Inc.		10%	10%	10%	5%	5%	2008/09	£1,510,900
Market Place % Price Inc		0%	-26%	5%	5%	5%	General Fund Contributions increase by £170,000 in 2002/03 plus an additional £57,500 pa through to 2007/08, making an additional contribution of £400,000pa. Plus a one-off additional £57,500 in 2005/06	
Long Stay % Price Inc.		10%	39%	10%	5%	5%		
Season Ticket A % Price Inc.		6%	21%	10%	5%	5%		
Season Ticket B/C % Price Inc.		12%	36%	10%	5%	5%		
Season Ticket E % Price Inc.		10%	33%	10%	5%	5%		
Contract % Price Inc.		0%	0%	10%	5%	5%		
Coaches % Inc.		0%	0%	10%	5%	5%		
On Street and Permit Charging in							1st15 Mins	£0.20
Resident Zones		1	14	25	37	49	Next 15 Mins	£0.30
Tariff Change Mth		Apr-04	May-05	Apr-06	Apr-07	Apr-08	Next 15 Mins	£0.50
On Street % Increase			0%	10%	5%	5%	Next 15 Mins	£0.50
Residents Permit % Increase			20%				Residents City	£25.00
Business Permit % Increase			20%				Business	£25.00
Day Visitor % Increase							Residents Outer	£10.00
Park & Ride		Beehive	Revision 1	Revision 2	Revision 3	Revision 4	Revision 5	Note: It is assumed a significant percentage of the new P&R capacity is a transfer from current City Centre Long and Short Stay Car Parks
		Wilton	Start	Revision 1	Revision 2	Revision 3	Revision 4	
		Britford		Start	Revision 1	Revision 2	Revision 3	
		London Road			Start	Revision 1	Revision 2	
		Petersfinger				Start	Revision 1	
Park & Ride			12	14	25	49		
Start Month		Mar-05	May-05	Apr-06	Apr-08		Charge for Bus Journey	
Percentage Increase		0%	45%	25%	20%		Yes / No	No
Car Park Charge		£1.50	£2.20	£2.80	£3.40	£3.40	Car Park	£1.50
Bus Journey		£0.00	£0.00	£0.00	£0.00	£0.00	Bus Journey	£0.00
General Fund Cont'n		Inflation Factor:	0	Fund	Rentals (New	Contributions	Contribution	
2004/05		0.00%	£1,053,400	£1,053,400	£0	£227,500	£1,280,900	
2005/06		0.00%		£1,053,400	£0	£342,500	£1,395,900	
2006/07		0.00%		£1,053,400	£0	£400,000	£1,453,400	
2007/08		0.00%		£1,053,400	£0	£457,500	£1,510,900	
2008/09		0.00%		£1,053,400	£0	£457,500	£1,510,900	

PARKING INCOME ASSUMPTIONS

1 Tariff Table - Off Street Parking Charges

Tariff	Description	Period	Max Stay Minutes	Current Charges	Revised Charges	Revised Charges	Revised Charges	Revised Charges	Revised Charges	Actual % Increases over previous Tariff				
										% Inc	% Inc	% Inc	% Inc	% Inc
	Charge Effective From: Mth No.			0	1	14	25	37	49	1	14	25	37	49
					Apr-04	May-05	Apr-06	Apr-07	Apr-08	Apr-04	May-05	Apr-06	Apr-07	Apr-08
LS,1	Long Stay 1 - 1 Hour	0 - 1	60	£0.80	£0.90	£1.00	£1.10	£1.20	£1.30	113%	111%	110%	109%	108%
LS,2	Long Stay 1 - 2 Hours	1 - 2	120	£1.40	£1.60	£1.80	£2.00	£2.10	£2.30	114%	113%	111%	105%	110%
LS,3	Long Stay 1 - All Day	10 Hrs	600	£3.20	£3.60	£5.00	£5.50	£5.80	£6.10	113%	139%	110%	105%	105%
LS,4														
LS,5	Long Stay 0 - 2 Hours	0 - 2	120	£0.80	£0.90	£1.00	£1.10	£1.20	£1.30	113%	111%	110%	109%	108%
LS,6	Long Stay 2 - All Day	10 Hrs	600	£1.40	£1.60	£2.30	£2.60	£2.80	£3.00	114%	144%	113%	108%	107%
LS,7														
LS,8														
LS,9	Permits Only	n/a	600	£3.00	£3.30	£3.70	£4.10	£4.40	£4.70	110%	112%	111%	107%	107%
LS,10	Disabled Parking	Free			£0.00	£0.00	£0.00	£0.00	£0.00	0%	0%	0%	0%	0%
CP,1	Coach Park 1 Hour	0 - 1	60	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0%	0%	0%	0%	0%
CP,2	Coach Park 2 Hours	1 - 2	120	£4.00	£4.00	£4.00	£5.00	£6.00	£7.00	100%	100%	125%	120%	117%
CP,3	Coach Park - All day	10hrs	600	£8.00	£8.00	£8.00	£9.00	£10.00	£11.00	100%	100%	113%	111%	110%
CP,4														
SS,Free	Free Car Park	30mins	30	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0%	0%	0%	0%	0%
SS,1	Short Stay 1 - 1 Hour	0 - 1	60	£0.80	£0.90	£1.00	£1.10	£1.20	£1.30	113%	111%	110%	109%	108%
SS,2	Short Stay 1 - 2 Hours	0 - 2	120	£1.40	£1.60	£1.80	£2.00	£2.10	£2.30	114%	113%	111%	105%	110%
SS,3	Short Stay 1 - 3 Hours	0 - 3	180	£1.80	£2.00	£2.20	£2.50	£2.70	£2.90	111%	110%	114%	108%	107%
SS,4	Short Stay 1 - 4 Hours	0 - 4	240	£2.30	£2.60	£2.90	£3.20	£3.40	£3.60	113%	112%	110%	106%	106%
SS,5	Short Stay 1 - 5 Hours	0 - 5	300	£2.70	£3.00	£3.30	£3.70	£3.90	£4.10	111%	110%	112%	105%	105%
SS,6	Short Stay >5 Hours	> 5	720	£5.30	£5.90	£6.50	£7.20	£7.60	£8.00	111%	110%	111%	106%	105%
SS,7	Disabled Parking	Free	720	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0%	0%	0%	0%	0%
SS,8														
PSS,10	Premium Short Stay 1 - 1 Hour	0 - 1	60	£0.80	£0.90	£1.00	£1.10	£1.20	£1.30	113%	111%	110%	109%	108%
PSS,11	Premium Short Stay 1 - 2 Hours	0 - 2	120	£1.40	£1.60	£1.80	£2.00	£2.10	£2.30	114%	113%	111%	105%	110%
PSS,12	Premium Short Stay 1 - 3 Hours	0 - 3	180	£1.80	£2.00	£2.20	£2.50	£2.70	£2.90	111%	110%	114%	108%	107%
PSS,13	Premium Short Stay 1 - 4 Hours	0 - 4	240	£2.30	£2.60	£2.90	£3.20	£3.40	£3.60	113%	112%	110%	106%	106%
PSS,14	Premium Short Stay 1 - 5 Hours	0 - 5	300	£2.70	£3.00	£3.30	£3.70	£3.90	£4.10	111%	110%	112%	105%	105%
PSS,15	Premium Short Stay >5 Hours	> 5	720	£5.30	£5.90	£6.50	£7.20	£7.60	£8.00	111%	110%	111%	106%	105%
PSS,16														
MS,1	Short Stay 2 - 30mins	0 - 30	30	£1.40	£1.40	£1.00	£1.10	£1.20	£1.30	100%	71%	110%	109%	108%
MS,2	Short Stay 2 - 60mins	0 - 60	60	£2.70	£2.70	£2.00	£2.10	£2.30	£2.50	100%	74%	105%	110%	109%
MS,3	Short Stay 2 - 90mins	0 - 90	90	£4.00	£4.00	£3.00	£3.20	£3.40	£3.60	100%	75%	107%	106%	106%
MS,4	Short Stay 2 - 120mins	0 - 120	120	£5.30	£5.30	£4.00	£4.20	£4.50	£4.80	100%	75%	105%	107%	107%
Sun,1	Sunday Charging	10hrs	600	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0%	0%	0%	0%	0%
										Approx. %	103%	100%	105%	102%
										Cumm %	3%	2%	7%	12%