

Report of the Deputy Chief Executive

CAR PARK CHARGES1. Purpose of report

To provide Committee with various options regarding increased car park charges in the Borough's off-street car parks for recommendation to Full Council.

2. Background

Car park charges were re-introduced to Broxtowe's town centre car parks in 2010 on the basis of one hour free, 2 hours £1, 3 hours £1.50 and £3 all day. Charges were *not* introduced at 3 small car parks in Kimberley and 1 small car park in Eastwood on the basis that low usage would be unlikely to justify the cost of installing pay and display machines.

It was found that few people paid £3 and so in 2012/13 the £3 all day charge was reduced to £1 (peripheral long stay) and £2 (more central long stay). This boosted long stay usage so much that income significantly increased at long stay car parks (for example, at Cliffe Hill Avenue, Stapleford usage increased 12-fold leading to a 4-fold increase in income despite a two-thirds reduction in the all-day charge).

In October 2015 the following was agreed and implemented: -

- No ticket be required for any of the Borough Council's car parks after 4pm Monday to Friday (creating "free after 3" for those arriving after 3pm and taking a 1-hour free ticket) or after 12 noon Saturday.
- Free Saturday parking at Devonshire Avenue, Beeston, Oxford Street, Eastwood, Victoria Street, Kimberley and Halls Road, Stapleford.

3. Options

The appendix contains information on the following options: -

1. Retain 30 minutes free but charge 50p for 1 hour
2. Retain one hour free but add 20p to all other charges
3. Retain one hour free but add 50p to all other charges
4. Combination of options

4. Financial implications

The financial implications are set out in the appendix.

Recommendation

The Committee is asked to CONSIDER the options given in the appendix and to RECOMMEND to Full Council accordingly.

Background papers

Nil

APPENDIX

Option background

In 2018/19 usage recorded by pay and display car park ticket issue was as follows: -

Total 746,087 Visitors in 2018/19	No of Visitors	Gross	Net
76.3% using free hour	569293	£0.00	£0.00
17.0% paying £1	126608	£126,608.00	£105,506.67
2.7% paying £1.50	20217	£30,325.50	£25,271.25
3.5% paying £2	26132	£52,264.00	£43,553.33
0.5% paying £3 plus	3837	Not included as only at 2 CP's	
	Total	£209,197.50	£174,331.25

Note: In the options below some minor rounding up/down has been undertaken in the final figures

Option 1**Retain 30 minutes free but charge 50p for 1 hour**

NOTE: There is no available data for how many visitors using the free one-hour facility currently stay for less than 30 minutes; or how the behaviour of those staying 30-60 minutes might change if a 50p charge was introduced.

If only 25% of the current 569,293 non-paying users pay 50p then the extra income would be £76,160 gross **£59,300** net.

If 50% of the 569,293 current users pay 50p then the extra income would be £152,320 gross **£126,930** net.

The judgement of officers is that it's more likely to be closer to the 25% figure and therefore the more realistic extra income figure is £59,300.

Option 2**Retain one hour free but add 20p to all other charges**

Assuming 90% of the current paying users continue to use the car parks and pay the extra 20p charge then the gross income would be (£209,167.50 x 90%; plus 176,794 users x 90% x 20p) = £217,373 – an increase of £8,205 gross **£6,840** net

Assuming 95% of the current paying users continue to use the car parks and pay the extra 20p charge then the gross income would be (£209,167.50 x 95%; plus 176,794 users x 95% x 20p) = £229,450 – an increase of £20,250 gross **£16,875** net

The judgement of officers is that it's more likely to be closer to 95% - especially as pay by phone is being rolled out which makes finding coins for "odd" amounts such as £1.20, £1.70 etc less problematical.

Option 3**Retain one hour free but add 50p to all other charges**

Assuming 80% of the current paying users continue to use the car parks and pay the extra 50p charge then the gross income would be (£209,167.50 x 80%; plus 176,794 users x 80% x 50p) = £238,052 – an increase of £28,885 gross **£24,070** net

Assuming 90% of the current users continue to use the car parks and pay the extra 50p charge then the gross income would be (£209,167.50 x 90%; plus 176,794 users x 90% x 50p) = £267,808 – an increase of £58,640 gross **£48,865** net

The judgement of officers is that it's more likely to be closer to 80% in the short term but recovering to 90% longer term. For medium term financial planning a figure of £35,000 could be used.

Option 4

Best estimate of 1 and 2 combined – an extra **£76,175** net

Best estimate of 1 and 3 combined - an extra **£94,300** net

Options *not* considered

- Reintroduce charges after 4 pm Monday to Friday
- Reintroduce charges after 12 noon Saturday
- Reintroduce Saturday charges at Devonshire Avenue, Beeston, Oxford Street, Eastwood, Victoria Street, Kimberley and Halls Road, Stapleford
- Introduce charges at the 4 currently free car parks in Kimberley and Eastwood

Electric Vehicles

To further incentivise the use of electric vehicles it is proposed to waive all charges for electric vehicles parked in electric vehicle charging bays and actively engaged in charging. The locations of the charging bays are as follows: -

Portland Street car park, BEESTON - 8 charging points (NG9 2LQ)

Cliffe Hill Avenue car park, STAPLEFORD - 8 charging points (NG9 7HD)

Victoria Street car park, EASTWOOD – 8 charging points (NG16 3AW)

Victoria Street car park, KIMBERLEY – 4 charging points (NG16 2NH)

At present, the usage of these charging points is very low and so the estimated loss of income over the next 12 months would be around **£1,000**. However, the cost of this concession is expected to rise over the next few years as take-up of electric vehicles increases.

Procedure for making changes to charges

Amendments to car parking charges may be implemented by the publication of a 'Notice of Variation' in a local newspaper giving full details of the changes and when they will be brought into force. This must be accompanied by notices displayed in and around the

relevant off-street parking places, which must be legibly displayed throughout the notice period.

The notice of variation must: -

- Identify the date when it is to come into force;
- Identify every parking place to which the notice relates;
- Specify in each such parking place:
 - the charges payable for the use of the parking place at the date the notice is given'
 - the charges that will be payable when the notice comes into force.

A minimum notice period of 21 days is required. The estimated cost of changing car park charges is **£5,000** dues to the cost of the required notices, adverts and tariff board overlays.

REFERENCE