

CYNGOR SIR POWYS COUNTY COUNCIL.

**CABINET EXECUTIVE
April 2015**

**REPORT AUTHOR: Tony Caine
Road Safety and Traffic Systems Manager**

SUBJECT: Car Park Charges

REPORT FOR: Decision

1. Summary

Following the decision of the Executive Leader on the 15 April 2015, Under Section B of Table 9 of Section 1 of Part 3 of the Constitution the Executive Leader has delegated decisions for issuing Notices and granting Traffic Regulation Orders (TRO), pursuant to the Road Traffic Regulation Act 1984 for off street car parking matters, to the Cabinet and /or the portfolio holder.

Following the meeting of Powys County Council on the 11th February 2015 where the 2015-20 Medium Term Financial Strategy [MTFS] was approved, the efficiency saving from reviewing car park charges to increase income for the Authority needs consideration.

The MTFS outlined additional minimum income of £50k in 2015-16 and £75k for 2016-17 and 2017-18 financial years must be achieved through increasing charges.

This report outlines the proposals to increase the pay and display tariffs and the cost of annual/seasonal permits. Additionally this report considers the proposal to standardise the charging methodology for holding events etc within the county's car parks.

Car park charges can be changed by Notice of Variation in pursuant of Section 35C of the Road Traffic Regulation Act, thereby only requiring notice of the changes to be advertised in the local paper and within the individual car parks.

2. Background

2.1 Pay and Display Charges

Charges have not increased since 2009 and also within that time VAT has increased by 5%. The Retail Price index combined with the VAT increase has

effectively resulted in reduction of income in real terms of 21% from car parking charges since 2009.

The advertisement costs of the Notice of Variation within the local papers and the costs of changing the tariff boards and updating the pay and display machines will cost of the order of £15 - 20k therefore it is not considered appropriate to regularly update charges, say on an annual basis. Therefore this proposal is recommending an uplift of 25%, with rounding up to the nearest 10p, to cater for inflationary effects, which will protect the real term value of income for at least the period 2015-2018.

Given the Authority operates 2 types of car park, long and short stays, it is appropriate to distinguish between the two. Therefore it is proposed to increase the charges in the Shot Stay car parks to a greater extent to take account of their convenience.

Existing Parking charges

Short Stay

Type of Vehicle	Up to 1 Hour	1 – 2 Hours
Motor car	£0.50	£1.00

Long Stay

Type of Vehicle	Up to 1 Hour	1 - 2 Hours	2 – 4 Hours	Over 4 Hours	Overnight
Motor car	£0.50	£1.00	£2.00	£2.50	£0.00
Vehicle & Trailer	£1.50	£1.50	£3.00	£3.00	£5.00
Goods to 3t	£1.70	£2.30	£3.20	£3.20	£5.00
Goods >3t	£1.90	£2.70	£3.50	£4.20	£5.00

Proposed New Charges

Short Stay Car Parks

Type of Vehicle	Up to 1 Hour	1 – 2 Hours
Motor car	£1.00	£1.50

Long Stay Car Parks

Type of Vehicle	Up to 1 Hour	1 - 2 Hours	2 – 4 Hours	Over 4 Hours	Overnight
Motor car	£0.70	£1.30	£2.50	£3.20	£0.00
Vehicle & Trailer	£1.90	£1.90	£3.80	£3.80	£6.30
Goods to 3t	£2.20	£2.90	£4.00	£4.00	£6.30
Goods >3t	£2.40	£3.40	£4.40	£5.30	£6.30

Note: Overnight charges apply to car parks where vehicles other than motorcars are permitted.

2.2 Car Park Annual/Season Permits

Car park permits are currently available for regular users of the Council's long stay car parks. These currently offer substantial savings with a 12 month permit for a standard car equating to just £4.33 per week which is less than paying for 2 daily pay and display charges. Permits were increased in April 2014 from an equivalent £2.88 per week.

There is currently no fixed correlation between the daily rate chargeable and the discounted permit fee. An equivalent 12 month permit for a standard car during the 2014-15 financial year equates to an equivalent saving of 61% when compared to paying 5 days for 46 weeks of daily charges. This reduction is more significant for the differing types of vehicles and therefore the discounts are not consistently and fairly applied. Standardising the discounts would therefore ensure a consistent approach is applied across the different users of the Council's car parks.

It is therefore proposed to standardise the discounts across the range of differential users, aligning the cost to the daily rate for that class of vehicle. Any future changes in car park charges would then be automatically reflected within the permit charges.

The costs of the permits will still offer excellent value for regular users who are typically those accessing their regular place of employment. The proposal is therefore to provide annual permits which offer up to a 50% reduction for an average person working 46 weeks per year 5 days per week. This discount will be reduced for season tickets to take account of the level of administration of the permit system. A 6 month permit will be reduced by 45%, a 3 month permit by 40% and 1 month permit by 35%. Nonetheless offering 35% discount for a month's permit is still considered to offer good value.

Incorporating the increase in the daily charge together with the reduction in discount being proposed would result in a significant increase in the cost of the permit. It is therefore considered appropriate to phase in this change over the next 3 years.

It is also proposed to offer permits for a single month, which has not been available previously. Permits will now be made available for 12, 6, 3 or 1 months for any of the classes available. The calculations below show the discounts applied before rounding up to the nearest £5.

Existing Permit Charges

	12m	6m	3m
Motorcars	225	125	75
Car and trailers	270	150	
<3T	270		
>3T	330		
Bus/Coach	330		
Bus/Coach overnight	225		

Proposed Permit Charges 2015/16

	12m	6m	3m	1m
<i>Discount %</i>	<i>63</i>	<i>57</i>	<i>53</i>	<i>47</i>
Motorcars	275	160	90	35
Car and trailers	310	180	100	40
<3T	410	240	130	50
>3T	455	265	145	55
Bus/Coach	455	265	145	55
Bus/Coach overnight	515	300	165	65

Proposed Permit Charges 2016/17

	12m	6m	3m	1m
<i>Discount %</i>	<i>56</i>	<i>51</i>	<i>46</i>	<i>41</i>
Motorcars	325	185	100	40
Car and trailers	365	205	115	45
<3T	490	275	150	55
>3T	540	300	165	60
Bus/Coach	540	300	165	60
Bus/Coach overnight	610	340	190	70

Proposed Permit Charges 2017/18

	Permit length			
	12m	6m	3m	1m
<i>Discount %</i>	<i>50</i>	<i>45</i>	<i>40</i>	<i>35</i>
Motorcars	370	205	115	40
Car and trailers	415	230	125	45
<3T	555	305	170	60
>3T	610	340	185	70
Bus/Coach	610	340	185	70
Bus/Coach overnight	690	380	210	75

2.3 Use of Car Parks for Events etc.

Various events are held within the Council's car parks because they offer a good facility in convenient locations for event organisers to hold their events. The Council has hosted events such as motorsport rallies, various fairs and other sporting or community type events.

Currently there is no specific policy for charging event organisers for the use of the car parks apart from travelling funfairs within the Montgomeryshire area and therefore it is considered appropriate to standardise charging across the county to ensure consistency.

In December 2004, the Montgomeryshire Committee resolved to levy a £200 daily charge for funfairs. Subsequent consideration was given to Radnorshire and Brecknockshire areas however due to the smaller scale of the fairs visiting these former Shires, it funfairs would not return should the charging be mirrored across the Authority. The proposal drafted in July 2005 was to charge differing rates for differing car parks across the Brecon and Radnor areas.

Differential charging results in some paying more for the use of our car parks than others leading to a level of unfairness. It is therefore proposed to create a consistent approach in charging by levying a charge equivalent to the average daily income in the individual car park plus an administration fee of £75. Any pre-existing arrangements would cease with the new charging regime commencing on the decision effective date. A pro-rata charge will be made when a proportion of the car park is used for an event.

Whilst charging an average daily income for the use of a car park will mean that car parks will cost more in some places than others, it will ensure there is no effective loss to the Authority. Consistency is derived from utilising the same methodology in determining the levy to charge.

The administration will include the drafting of a formal agreement which will ensure terms and conditions in the use of the car park are signed up to by both parties thus protecting the Council from any liability from the use of the car park and any damage/loss as a result.

The daily charge will only be payable for the day(s) the event is running. In some instances the event organisers may require use of the car park before and/or after the event to set up or dismantle any structures etc. as necessary to hold the agreed event. The use of the car park before/after the event will be subject to specific approval and no charges will be imposed. In addition no charges will apply should events be restricted from trading/operating on any day they are in occupation of the car park by the conditions imposed by this Authority.

Where requests are made from charitable organisations, these will be considered on an individual basis with the Portfolio Holder being able to waive or reduce charges for national or regionally based charitable organisations.

Requests to utilise the car parks for NHS health screening and the like will be permitted to use the car parks free of charge.

Car parks are also convenient locations for Contractors working nearby and need an area for a site compound. Where it is considered appropriate to do so and where it would not unduly displace normal users of a car park, a compound will be permitted under specified terms and conditions with a charge levied at an equivalent daily charge per space per day as for a motor car plus the administration charge of £75.

3. One Powys Plan

Increasing charges should assist in supporting the Council's functions to ensure it is financially balanced.

There may be risk to the Council as raising charges may be criticised by communities who consider the proposal do not support economically viable communities as the increased charges may result in less visitors to the area.

4. Options Considered/Available

4.1 Pay and Display Charges

Option 1 – To incrementally increase charges over the next 3 financial years by 25% rounded up to the nearest 10p in year 3.

Option 2 – To increase charges in long stay car parks now by 25%, rounded up to the nearest 10p and to increase charges in short stay car park so the rates are higher than those in the long stay car parks to take their convenience into account.

4.2 Parking Permits

Option 1 - To incrementally increase charges over the next 3 financial years so that by year 3 the charges offer a discount to a maximum of 50% [for an average users utilising a permit for 46 weeks, 5 days per week], aligning the annual/seasonal permits to a standard rate of discount when compared with daily charges.

Option 2 – To increase the permits charges now by reducing the discount to a maximum of 50% [for an average users utilising a permit for 46 weeks, 5 days per week], aligning the annual/seasonal permits to a standard rate of discount when compared with daily charges.

4.3 Events within Car Parks

Option 1 – Maintain the current policy and local practices

Option 2 – Levy a constant charge for all car parks

Option 3 – Levy a charge equivalent to the average daily income to cover any potential loss of income plus an administrative charge to cover costs.

5. Preferred Choice and Reasons

To issue a notice on the following:-

5.1 Pay and Display Charges

Option 2 is the preferred option as it raises charges to reflect the increase of the price index and VAT changes since charges were last increased.

Subject to the legal procedure it is proposed to make the changes to the charges as soon as practical within the new financial year to ensure the target increase in revenue is met.

5.2 Parking Permits

Option 1 is the preferred option since parking permits were increased significantly in April 2014 it is considered appropriate to phase the proposed increase over the next 3 financial years.

5.3 Events within Car Parks

Option 3 is the preferred choice as it is unsustainable to maintain the status quo with inconsistent charging regimes and charging a standard fee would not be practical across the Authority area. Option 3 ensures the council recoups any potential losses.

6. Sustainability and Environmental Issues/Equalities/Crime and Disorder,/Welsh Language/Other Policies etc

Not Applicable

7. Children and Young People's Impact Statement - Safeguarding and Wellbeing

Not Applicable

8. Local Member(s)

Not Applicable

9. Other Front Line Services

Not Applicable

10. Support Services (Legal, Finance, Corporate Property, HR, ICT, Business Services)

Legal services support the recommended options proposed

Finance support the increases outlined in the report which is in line with the MTFS 2015-18.

11. Local Service Board/Partnerships/Stakeholders etc

Not applicable

12. Corporate Communications

The report is of public interest and requires a proactive news release and use of social media to publicise the decision.

13. Statutory Officers

The Strategic Director Resources (S151 Officer) notes the comments made by finance and the contribution the savings will make to the Medium Term Financial Strategy.

The Solicitor to the Council (Monitoring Officer) has commented: " I have nothing to add to the report".

14. Members' Interests

The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest they should declare it at the start of the meeting and complete the relevant notification form.

Recommendation:		Reason for Recommendation:
1	To issue a Notice of Variation in accordance with The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 on the proposals set out in paragraphs 5.1 and 5.2 of the report.	To meet income target increase identified in the Medium term financial strategy 2015-18 and to ensure a consistent approach is adopted across the county
2	To introduce a consistent method for charging event organisers and Contractors for the use of the Councils off street car parks.	

Relevant Policy (ies):			
Within Policy:	Y	Within Budget:	Y

Relevant Local Member(s):	n/a
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Person(s) To Implement Decision:	Tony Caine
Date By When Decision To Be Implemented:	As soon as practical

Contact Officer Name:	Tel:	Email:
Tony Caine	01597 826652	tony.caine@powys.gov.uk

Background Papers used to prepare Report:

Medium term financial

CABINET REPORT TEMPLATE VERSION 3