

CALDERDALE MBC

WARDS AFFECTED: ALL

CABINET

6 August 2012

Item 10

PARKING INCOME GENERATION STUDY

Report of the Director, Economy and Environment

1. Issue

- 1.1 To agree implementation of the options set out in the Parking Income Generation Study (attached at Appendix 1) to generate additional revenue from parking.

2. Need for a decision

- 2.1 This is a key decision given the capital expenditure required to implement the proposed options.

3. Recommendation

- 3.1 That Cabinet review and agree implementation of all the income generating options set out in Appendix 1.

4. Background and/or details

- 4.1 Following a request from Cabinet in 2007/08 and 2009 by the former Regeneration and Development Scrutiny Panel, Cabinet agreed to undertake a Parking Review. The findings of this comprehensive review were presented to Cabinet on 24 August 2009.
- 4.2 Cabinet resolved that (Min B31/39):
- (a) Cabinet notes the content of the Parking Review and the work undertaken for detailed consideration at a future meeting of Cabinet;
 - (b) officers be requested to provide details of cost implications of implementing the action plan, contained in the report, cross Council; and
 - (c) details of the parking budget deficit be provided to each of the Party Groups for consideration as part of their annual budget considerations.
- 4.3 A further report to the Cabinet meeting on 26 October 2009 outlined the revised potential costs and savings resulting from the recommendations of the Review. Cabinet agreed at the meeting that the financial implications of the Parking Review recommendations be referred to Party Groups for consideration as part of the 2010/2011 budget process.
- 4.4 Subsequent Council budget meetings were held in Spring 2011 and 2012, resulting in income targets being set as outlined in section 1.4 of Appendix 1 attached.
- 4.5 The Parking Income Generation Study report outlines how work could be undertaken to partially achieve these income targets.

5. Options considered

- 5.1 A total of 8 options have been considered in Appendix 1. In summary these are:
- 5.1.1 Review of the parking charge and stay period in Halifax;
 - 5.1.2 Changes to the Council's Essential User car parking permits;
 - 5.1.3 Removal of free parking on Saturdays;
 - 5.1.4 Introduction of an evening parking charge in Halifax;
 - 5.1.5 Conversion of free car parks to pay and display;
 - 5.1.6 Review of parking at Skircoat;
 - 5.1.7 Introduction of an administration charge for the processing of residents' parking permits;
 - 5.1.8 Introduction of pay and display on Skircoat Road.
- 5.2 It should be noted that option 5.1.2 is not considered to require approval by Cabinet, but it is included for completeness.

6. Consultation

- 6.1 Some consultation has been carried out for the options proposed. The Equality Impact Assessment in Appendix 1 details the public consultation carried out as part of the Parking Review in 2008 and 2009. Preliminary consultation has been carried out in the Skircoat ward by letter/questionnaire to 1700 properties about the proposals for on street parking and resident permit bays through the Ward Forum.
- 6.2 An officer project team has been established to carry out the income study, with representation from Parking Services, Finance and Highways. Vinci Park Ltd have also had some input in relation to operational issues.

7. Financial implications

- 7.1 The financial considerations/costs for implementation of all 9 options are detailed in Section 6 of Appendix 1 and are summarised in the table below:

Financial implications of implementation of the review proposals									
	Charge and stay review	Essential user permits	Saturday parking	Evening charges	Conversion of free car parks	Skircoat review	Residents permits	Pay & display Skircoat Rd	Total
	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	Option 8	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Capital:									
Capital cost	52	2	9	47	194	164	5	30	503
Revenue:									
Projected income	-82	-70	-11	-71	-163	-346	-80	-18	-841
Estimated running cost	1	1	0	7	45	60	5	3	122
Prudential borrowing cost	7	0	1	6	25	21	0	4	64
Net income	-74	-69	-10	-58	-93	-265	-75	-11	-655

- 7.2 Implementation of all these options would require prudential borrowing of around £503,000 but would result in additional net annual income of around £655,000 in a full year. It would still leave, however, a shortfall against the budget targets of £289,000 in 2012/13, £356,000 in 2013/14 and £431,000 in 2014/15 as shown below:

Financial implications compared with budget targets			
	2012/13	2013/14	2014/15
	£000	£000	£000
Projected income	-70	-638	-841
Estimated running cost	1	91	122
Prudential borrowing cost		43	64
	-69	-504	-655
Increase in parking charges 2011	-245	-245	-245
Increase in parking charges 2014			-245
Net additional income	-314	-749	-1,145
Income target	-603	-1,106	-1,606
Budget Shortfall	289	357	461

7.3 Additional options or alternative savings will be required from the directorate to meet the budget shortfall each year.

7.4 The financial forecasts are based on a number of assumptions and income levels will need to be closely monitored following implementation. This presents a number of risks, in particular the assumption that a reduction in the charge for all day parking in Council car parks will result in a significant increase in occupancy.

8. Equality and Diversity

8.1 An Equality Impact Assessment was carried out in June 2012 – see Appendix 3 of the Parking Income Generation Study report. This was approved by the Economy and Environment Departmental Management Team on 4 July 2012.

9. Contribution to Delivering Population Outcomes

9.1 The proposed options have been developed to support the Economy and Environment Budget Growth and Savings Plan 2011-2014.

10. Corporate implications

10.1 The potential impact of the proposed options on the economy of Calderdale has been a key consideration. Free parking in Halifax will be retained during the Christmas period.

11. Conclusion

11.1 If all eight options set out in Appendix 1 are implemented then a significant percentage of the income targets set for Parking Services can be achieved. However, there will be a shortfall of income from the targets set. This is estimated to be £289,000 in 2012/13; £357,000 in 2013/14 and £461,000 in 2014/15 and subsequent years.

11.2 The proposed options will address a number of longstanding issues relating to parking in Calderdale including: rationalisation of different parking tariffs and stay periods, problems with availability of parking, potential road safety issues, balancing parking charges against parking supply and demand and inconsistencies between free and pay and display on and off street parking.

For further information on this report, contact:

Carolyn Walton	Highway Network Manager, Economy & Environment
Telephone	01422 392167
E-mail	Carolyn.walton@calderdale.gov.uk

Appendices:

Appendix 1 – Parking Income Generation Study 2012

The documents used in the preparation of this report are:

1. Parking Review – Report of the Regeneration and Development Scrutiny Panel July 2009.

The documents are available for inspection at:

Northgate House, Halifax