

Report of the Director of City Strategy

Car Parking In York

Summary

1. This report is in response to the request by the Executive to provide options for changes to car parking in York following a meeting of the Retail Forum. It provides information on the number of car parks and their usage as well as commentary on the projected income for the council in this financial year. The report then provides possible options for change and comments on the implications of those changes. It recommends that the Executive considers the content of the report and the possible changes that could be implemented. It is also asked to provide guidance on which changes they wished to see implemented and any further options for development.

Background

2. At its meeting on 14th July 2009 the Executive (calling in) re-considered the decisions taken at the Executive meeting on 7th July 2009 regarding the Annual Risk Management Report. The Executive decisions on this item had been called in by Cllrs Scott, Gunnell and Simpson-Laing and subsequently considered by the Scrutiny Management Committee (SMC) (Calling In) at a meeting on 13 July. The SMC (Calling In) had resolved:

“That Option B be approved and the decisions be referred back to the Executive for reconsideration, with a recommendation that they, or the Executive Member for City Strategy, take a decision on whether to reduce car parking charges, particularly for residents of the City of York.”

3. In reconsidering their original decisions in the light of the advice offered by the SMC (Calling In), Members commented that policy on car parking charges would not normally be raised via a risk management report. However, the Executive Leader and Executive Member for City Strategy had already discussed this matter with City Traders at the Retailers Forum and had agreed to bring forward proposals in respect of car parking charges in September.

4. It was therefore RESOLVED:

That Minute 34 of the Executive meeting held on 7 July 2009 be amended to include the following additional resolution:

“That Officers be requested to report to the next Executive meeting (that is, the meeting on 8 September 2009) on the options available to:

- i. Ensure that the budgeted income from car parking is achieved in the current financial year.
- ii. Market more effectively the car parking opportunities that are available in the City Centre for shoppers and in particular, following consultation with City Centre traders, to consider what reductions in charges might be made on “slack” trading days (e.g. discounts for mobile phone payers after 10:00am).
- iii. Replace existing pay and display machines at some under-used car parks to allow for variable charging levels to be introduced (for example, to enable charges to be reduced during off peak periods).
- iv. Address any other refinements to parking charges which may be suggested, before the end of July, by any of the political Groups on the council.

The report is to explore fully the implications for the council, both in financial terms and in terms of the likely impact of any changes on the City’s transport network.

City Centre Car Parks Performance

5. The following table lists the city centre car parks, their capacity and usage over recent years. Below this is a table showing the number of available spaces at Park & Ride Sites as well as usage figures.

Car Parking in York

Car Park	No. of car park spaces	Avg Max Usage (x% full)	Charges
Bootham	100	85*	Short
Castle	318	95	Short
Piccadilly	287	55	Short
Castle Mills	44	70*	Standard
Esplanade	75	100	Standard
Haymarket	102	60	Standard
Monkbar	243	60	Standard
Marygate	352	60	Standard
Nunnery Lane	193	85	Standard
St Georges Field	276 27- coaches	90	Standard
Peel St	77	90*	Standard
Union Terrace	145 35 - coaches	90	Standard
Fossbank	316	75	Shopper

* There are no traffic counters in these car parks so figures based on comparable income per space data.

Park and Ride in York

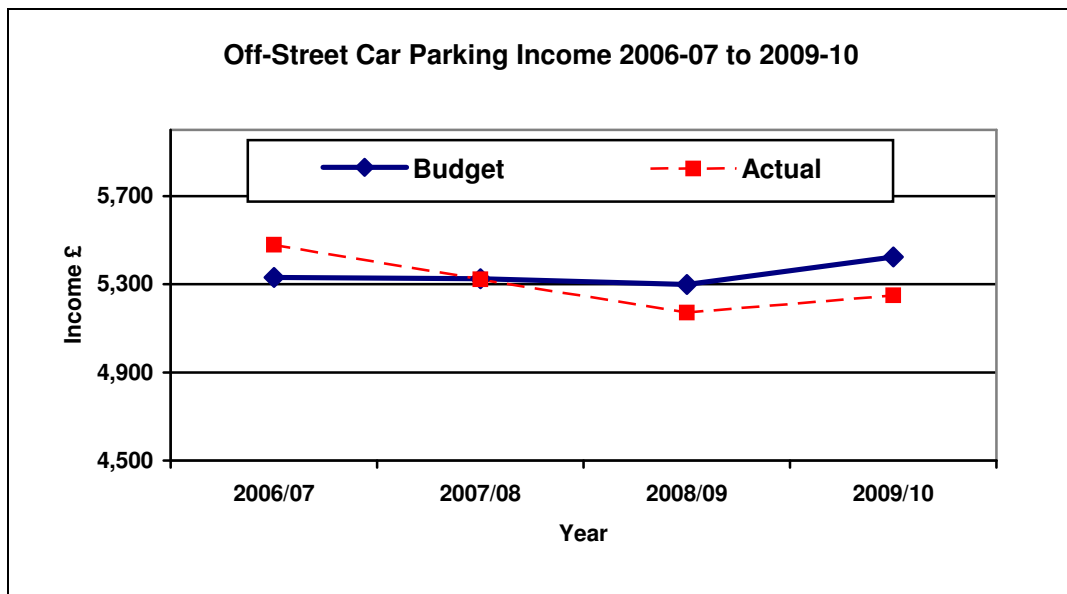
	Spaces
Rawcliffe Bar	1000
Monks Cross	750
Grimston Bar	920
Designer Outlet	300
Askham Bar	540

Park and Ride Performance Data

	06/07	07/08	08/09
Total Passengers	3,137,467	2,857,301	2,982,622

*The way that passengers using concessionary passes were recorded was changed from April 2007 - use of a concessionary pass was recorded as a return journey, rather than two separate journeys, to avoid double-counting. This resulted in the drop in figures from 06/07 to 07/08.

6. In very general terms the current usage levels of the council's car parks across the City demonstrate around a 3% reduction in the number of users for the period from April to August compared to last year. There was a 5% reduction in the period April – June however July and August income has been in line with budget. We can also deduce from this that there is no suppressed demand for car parking due to capacity constraints.



7. From the graph above it can be seen that the forecast for car parking income for this financial year is projected to be an under recovery of £175,000. In reality however it is difficult to predict outturn income with such certainty and more likely to be in the range of £80,000 to £200,000 when compared with budgeted income. The reasons for this under recovery are not easily apportioned as there many factors that influence this such as the number of private car parks offering cheaper tariffs, the number of public holidays falling

in the financial year, the weather and probably more importantly the general state of the economy. However this level of under recovery is only in the region of 1% to 3.5% of the budgeted income of £6m which is normally within manageable limits. If there is a reasonable autumn and Christmas period it is more than likely that the current forecast will be revised upward.

8. It should be noted that because of the economic downturn other income budgets within City Strategy are under pressure (Planning, Building Control, Land Charges) and therefore the council does not have the scope to significantly reduce charges that will reduce overall income received.
9. We will continue with our regular monitoring of income so that we may respond if the likelihood of a significant under recovery becomes more certain. Under those circumstances we would be looking to promote more use of the car parks, encouraging the use of environmentally friendly vehicles, the use of mobile phones for payment and promoting the benefits of security and safety with CCTV and regular patrols.
10. The car parking tariffs are considered as part of the annual budget setting and although there have been some small changes these have not placed any additional burden upon residents.

Possible Changes

11. There have been only small changes to car park prices over the last five years. Short stay prices have remained stable since 2005/06. Whilst non resident charges at standard stay car parks have increased over the last two years the increase in charges for residents in 2009/10 was the first increase since 2004/05. The council also introduced a shoppers car park at Foss Bank in 2006/07 at a price of 70p per hour. This charge has not increased since that date. It is therefore true that the increases for a majority of car park users over this period is significantly below the rate of general inflation.
12. It is 4 years since the pay by mobile phone service was introduced and the use of this service now accounts for approximately 10,000 transactions per month equating to approximately 10% of income collected from the car parks. The benefit of this service is that users can stay in the city without the concern of returning to their cars before their ticket runs out. A promotional campaign for payment by mobile phones is already underway and includes a replacement of the information signs in the car parks to include banners, also a revised leaflet that will be available for use by retailers and businesses in the city and will be distributed to visitor centres, libraries and council offices. The cost of this campaign is £6,000.
13. At a recent meeting of the Retailers Forum there was concern expressed that the economic downturn was affecting businesses in the city centre. To try and offset this retailers were seeking help to encourage more shoppers to come to York and to stay longer. There were a number of suggestions made about how changes to car parking could assist in achieving this. These included an additional shoppers car park (similar to the Foss Bank

arrangement that has cheaper tariffs), promotion of the use of mobile phones as a means to pay and a discounted off peak charge for mobile users.

14. The council currently operates 3 short stay, 9 standard stay and 1 shoppers car parks within the city centre. The council also operates 5 park and ride sites that significantly increase the capacity of parking for the city. These car parks and their tariffs are currently published in York's mini guide which is widely available around the city. However it would be possible for us to prepare and publish a specific guide to car parking in the city centre which as well as giving information about location and tariffs also highlights the benefits of safety and security. It could also compare the tariffs with other similar cities. The cost of preparing and distributing the guide would be in the order of £2,000 to £8,000 dependent on the actual content of the leaflet and the numbers and method of distribution. It should be noted that the last time such a leaflet was prepared there was a disappointing take up from retailers despite leaflets being made available from a city centre location.
15. Other promotional activity would include press releases that promote the benefits of York's car parks and their availability for use.
16. The evidence we have suggests that the city centre car parks cater for a number of users, those who are commuters to the city each day and arrive by 10.00am each working day, shoppers who can arrive at any time but are predominantly through the middle of the day and visitors who, if they do not know the city use the park and ride service or if they do, arrive in mid morning.
17. For the city centre car parks there is potential to attract additional shoppers and visitors by reducing tariffs during the mid day period say from 10.00am to 3.00pm in the standard stay car parks. The maximum charge for a 5 hour stay is currently £9.
18. Two options have been considered for providing discounted car parking and additional shoppers parking that minimises under recovery of income and has the potential to attract new shoppers:
 - i. The quietest day in the car parks is generally Tuesday. The proposal is to offer "Half Price Tuesdays" from 10.00am to 3.00pm during October and November in all standard stay car parks for mobile phone users. This would reduce the maximum cost from £9 to £4.50p.

The implications of this are difficult to estimate because we cannot be sure how many will switch to mobile phone payment and how many may transfer from short stay car parks and park and ride and indeed how many would change their travel habits from bus and cycling to the car. However we judge these to be marginal on the basis that this is one day each week and regular travellers will not necessarily change because of this initiative.

On balance we estimate that there may be an under recovery of between £8,000 up to £20,000 on the budget if this scheme is implemented.

In a similar way it will be difficult to predict exactly what the implications would be for traffic in the city. It is possible that travel habits could change but in our opinion it is unlikely. However it could attract additional journeys by car into the city centre. Given that these additional journeys are outside the peak we do not think that they will have any significant impact.

- ii. The success of the Foss Bank Shoppers Car Park could be replicated at another of our existing sites. Choosing another site it needs to be far enough away not to be in competition with Foss Bank but close enough to the City Centre to be effective. The suggestion is to convert the Kent Street Coach Park, which is not currently in use, into a shoppers car park at £0.70p / hour.

It is estimated that around 80 spaces could be provided. On a 3 months operational basis up to the end of the year this could potentially generate £20,000 of additional income on the assumption that new shoppers was generated and did not result in a redistribution of existing users.

However to convert the coach park would require installing new ticket machines, replacing the CCTV camera, and lining and signing at a cost in the order of £35,000.

Given the size of the car park it is not predicted that this would have an impact on the traffic in the city as a whole but there would an impact locally because of the additional traffic and this would need to be carefully considered to see what measures would be needed to minimise that impact.

19. It is not possible to give the existing ticket machines any further functionality. To achieve a greater functionality such as variable charging and payment by credit card new machines would be needed at a cost of approximately £4,500 each for provision and installation. There are 42 ticket machines in the above car parks so the total cost of replacement would be in the order of £200,000. There would also be additional potential costs necessary in accepting cards such as broadband links that would increase this cost.
20. Members may wish to consider the introduction on a trial basis of new ticket machines at one of the less popular car parks. The most appropriate car park for such an introduction would be Piccadilly as it is currently under utilised and being a multi-story car park would offer additional security for any trial. If Members were to recommend the purchase of these machines the funding could come from the Local Transport Plan (approximately £20,000).
21. Other changes that have been considered is pay on exit. The cost of providing such an arrangement is prohibitively expensive in the capital costs of the equipment at £60,000 per gate and has high revenue costs as each car park would need to be manned to cover for breakdown of the equipment.

Consultation

22. At the time of writing there has been a single response from Cllr D'Agorne to our enquiry with each of the political groups. A copy of Cllr D'Agorne's comments are included in Annex A. In response to the comments provided:
- i. The Local Transport Plan seeks to minimise congestion and improve air quality. These proposals are aimed at increasing the amount of traffic entering the city and therefore does not meet the council's policy.
 - ii. To provide the same discount to Park and Ride users of half fare on Tuesdays throughout October and November between 10.00am and 3.00pm would result in a loss to the operator in the order of £10,000. This would be exceptionally difficult both to implement and manage and it is not recommended.
 - iii. Two return fares on park and ride is £4.60. For city centre car parking charges to be set at the same cost for a two hour stay would mean increasing short stay by £0.30p / hour and in standard stay by £0.60p / hour. This will be most likely to deter any further shoppers from coming to the city centre to park but increase the numbers using park and ride.
 - iv. From the table in paragraph 5 we can see that the most popular car parks are Castle, Esplanade and Union Terrace. If a premium was applied to these car park of say an additional 50p / hour then the maximum charge would be £12.50p. As these car parks are the most popular for shoppers such a proposal would most likely have the impact of reducing the numbers coming to park in the city centre and increasing park and ride patronage. This would also increase the perception that York is an expensive place to visit.
 - v. Providing additional landscaping and larger spaces at Castle car park would reduce the capacity by about 10 spaces. This is not significant in overall numbers but by adding a premium charge it would deter shoppers.
 - vi. The implications of pay on exit have been discussed earlier in the report.

Analysis

23. Any changes to the parking regime will cost the council and increase the under recovery on the income budget for parking services. The level of cost depends upon the extent of any changes and the level of discount provided.
24. Estimating what the suppressed demand is for cheaper parking for shoppers is difficult to predict and would require market testing with customer before forecasts of growth could be made.

25. It is likely that there would be a change of travel habit if these changes are implemented with more people choosing to use their cars on the discounted days which could draw users from park and ride and cycling in the city.
26. The impact upon the traffic network would only be marginal and would not increase journey times or queue lengths to any degree.

Corporate Priorities

27. The changes would support the retail and leisure economies of the city if they attract additional shoppers and visitors. However the use of cars does impact upon the city's environment with more congestion and a reduction in air quality. The promotion of cars for travel also impacts upon our personal health and does not meet our aspirations under the Healthy City agenda.

Implications

28.
 - **Financial** These are as described in the report. There are a number of financial implications arising from alternative actions members may wish to consider. The cost of the promotions suggested are relatively small within the parking account and are likely to be contained within the current projected shortfall. More significant changes such as introducing pay on exit and / or new ticket machines will require a further report to consider how these can be funded.
 - **Human Resources (HR)** None
 - **Equalities** None
 - **Legal** None
 - **Crime and Disorder** None
 - **Information Technology (IT)** None
 - **Property** The use of Kent Street Coach Park could impact upon the disposal of the site and if the initiative was to continue the future provision of a shoppers car park facility.
 - **Other** None

Risk Management

29. The principle risk attached to these changes is that there is no evidence to support how successful or not they may be. It is only through some market testing could be develop any degree of certainty about the outcome.
30. The consideration of this report and any resulting actions will contribute to managing the key corporate risk associated with the Economic Downturn for the council and local businesses.

Recommendations

31. The Executive is asked to note the content of the report and the possible changes that could be implemented.
32. The Executive are asked to provide guidance on which changes they wished to see implemented and any further options for development.

Reason : To progress the support for the retail sector of the city centre at a time of economic downturn.

Contact Details

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Title Chief Executive

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Specialist Implications Officers
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For further information please contact the author of the report

Background Papers :

None

Annexes :

Annex A – Cllr D'Agorne's Comments