



Report to Cabinet

Subject Introduction of Charging for Car Parking

Date 7 October 2004

Author Head of Engineering & Property on behalf of the Chief Executive

1. Purpose

- 1.1 To advise the Cabinet of the current position concerning the introduction of charges for car parking, particularly in respect of the outcomes of the consultation process, and to consider the next steps.

2. Background

- 2.1 The Cabinet considered a report on 6 May 2004 regarding the introduction of charging for car parking. It was resolved –
- 1) to adopt the objectives and the project scoping detailed in the report.
 - 2) to introduce charges with effect from 1 January 2005.
 - 3) that the policy apply to car parks in Arnold, Carlton, Mapperley (subject to the agreement of landowners) and Netherfield.
 - 4) that there should be a bias in the tariff structure towards short-stay, that there should be no concessions and that the same tariff should apply to all car parks.
 - 5) to engage consultants to advise on operational and implementation issues.

- 2.2 The report to the last meeting of the Cabinet advised Members that the consultation process had been delayed whilst meetings were arranged with the larger stores. Initially they were reluctant to meet until the tariff structures had been agreed, however, meetings with ASDA and Wilkinsons have now taken place but, despite further approaches, the other stores have not responded. The details and analysis of the consultation are covered in the next section of this report.
- 2.3 Tenders were sought for the engagement of consultants to advise on operational and implementation issues. The lowest tender was received in the sum of £13,260, which was felt by the Portfolio Holder to be unacceptable. Accordingly, the Head of Engineering & Property has been asked to produce a range of tariff structures for further consideration. It is recognised that figures produced by this will be based on information in the previous Consultant's study, which will have certain limitations.
- 2.4 At the last meeting, Cabinet was also informed that the Severn Trent Water (STW) flood alleviation scheme in Arnold Town Centre was approximately 2 months behind programme. Members have been mindful of the effects of the flood alleviation scheme, particularly in respect of the vitality of the shopping centre. The original programme for these works indicated a completion during autumn but it is now expected that completion will be towards the end of November. In addition, comments were made at the Arnold breakfast meeting that consideration should be given to a later implementation date. A recent letter from the Arnold Business Forum has requested consideration to a deferment of charging for a year after the completion of the STW works.

3. Consultation

The project scoping identified the need for community involvement and that extensive consultation should take place. The consultation focused on 'how and what' all users of the car parks would like to see introduced. Bearing in mind the prior approval to the 2004/05 Budget, which included car park charging, it did not examine users' opinions on whether charging should be imposed. The process, results and outcomes are explained below -

3.1 The process –

The process was divided into four groupings for concurrent stages -
Gedling residents and users,
businesses,
other car park owners & operators and
community groups & partner organisations.

- **Businesses:-** 575 invitations to attend two breakfast meetings or otherwise make comments were hand delivered to all businesses in Arnold, Carlton, Mapperley and Netherfield Town Centres. The two breakfast meetings were held in separate locations – the Millennium Suite for the businesses based in Mapperley, Carlton and Netherfield; and the Civic Centre for the Arnold businesses. Both attendance and written responses were surprisingly low. One of the main concerns was more about staff parking needs than their customer requirements.
- **Gedling Residents and Users:-** 47,000 copies of the Contacts Magazine were delivered to households throughout the Borough. A response rate of 4.5% was achieved with 2,092 questionnaires returned. This is a very good response rate, the highest so far for a survey through Contacts. Gender balance of respondents is representative of the Borough population, but age balance is not, with a significantly disproportionate response from older residents (aged 60+). It is not clear how this affects the validity of the results though.

Posters were also placed in all of the car parks where charges are proposed to ensure contact with and the gathering of views of users not living in the Borough. A total of 195 responses were received through the Council's online website questionnaire.

Several letters have also been received. Anyone phoning in has been encouraged to put their views in writing to ensure that they are properly recorded.

- **Car Park Owners & Operators:-** major car park owners such as Asda, Sainsburys and Wilkinsons in Arnold and Tesco at Carlton were identified and separate meetings arranged. The only two meetings held, with Asda and Wilkinsons in Arnold, have been very successful and both have indicated that they will support follow the final scheme adopted.

- **Community Groups and Partner Organisations:-** one response has been received, that being from the Gedling Primary Care Trust.

3.2 Usage

- 62% use the High Street and Asda car parks, the most popular in the Borough. This vindicates the inclusion of related privately managed car parks in the process, and shows the importance of their involvement.
- Other well-used car parks include Haywood Road rear of the Co-op, Mapperley (46%) and Carlton Square (42%).
- Main usage is for shopping (93%), as might be expected – no other usage is of such significance.
- Overall, 46% of users in Arnold stay for less than 1 hour – this figure is higher for Mapperley, Carlton and Netherfield Car parks. Stays for 1 to 2 hours are achieved by 42%, after which length of stay falls significantly. The preponderance of less than 1-hour stay therefore has implications for the charging structure.
- Being close to facilities to be used is the most important criteria when choosing to use a car park - 68% say this is the most important feature, four times the number of the next most important aspect of those offered, low charges.

3.3 Charging

- Of the options offered, not surprisingly the most favoured charge was 50p for a 2-hour stay, the lowest offered. Perversely, the charge of £1.00 was more popular than 75p.
- Comment has been made in all parts of the consultation for a free 15 to 30 minute period for shopper and visitors just 'popping in'. There are, however, concerns about how workable this would be in practice as, to avoid wide abuse, enforcement would have to be extensive and probably mean full-time attendance in each car park.
- The high proportion of stays of less than one hour suggests that the charging structure should include a tariff for stays of up to that period, rather than starting with a minimum two-hour

charge. This is especially the case in Mapperley, Netherfield and Carlton, perhaps less so in Arnold.

- Some businesses have raised concerns about longer stay parking for staff and customers that need to remain in the area for over 3hours. Views were also expressed that the permit system, currently only available in Arnold, should be extended to all charged areas.
- The level of charges introduced needs to minimise displacement of shopping trade to nearby centres, such as Sherwood and Bulwell, as there is a fear expressed that the smaller independent traders will suffer.

3.4 Usage patterns

- Concerns have been raised regarding displacement of parking from car parks to residential streets for extended periods. The findings of consultation indicate this is a real issue, with a large proportion (37%) indicating they would try to do this. While their efforts might be restricted by the availability of spaces at these locations, it emphasises that liaison with the County Council as the local Highway Authority needs to progress to establish a suitable 'Residents Only' parking scheme in the areas most likely to be affected.
- 40% stated they would continue to use the car parks and make fewer journeys to the Borough's shopping centre. The effect of this, if practised, depends on spend levels – if, for example, those customers spent as much while making fewer journeys, this would be a positive outcome in sustainability terms, with the number of car journeys reduced.
- 75% wanted cheaper rates for short stay with only 6% wanting cheaper rates for long stay parking.

3.5 Improvements

40% wanted 'more spaces' to be created from the money raised through charges. 37% would like to see 'improved security features'.

If it is possible for funds generated to be used to contribute to car park improvements, including security measures, these are the improvements that should be borne in mind.

3.6 Enforcement

Anecdotal evidence shows that there is currently abuse of the short stay parking with a number of replies stating they currently park for more the 3hour limit. Meetings with businesses and other operators has emphasised the need for thorough and extensive enforcement of the regulations. Without this, any charging regime will be open to abuse, with target income not being secured.

3.7 Petitions

A petition of 780 signatures has been forwarded by the traders in Carlton Square. The Arnold Business Forum has delivered a petition containing approximately 5000 signatures against the introduction of charges.

3.8 Feedback

A summary article is to be included in the next edition of the Contacts Magazine and on the web site to inform all users of the results. Letters are to be sent to those that made written representation.

If Members are minded to defer the introduction of charging, this needs to be carefully built-in to the article.

4. Considerations in formulating the charging tariff

- It has been agreed in the project scoping that there should be a bias in the tariff structure towards short-stay and that long-stay parking should be discouraged. Essentially, this is no different to the current regime, which has been shown to work well – particularly in Arnold where all spaces are subject to the 3 hour short-stay limit. It is acknowledged that this adversely impacts on full-time employees, however the permit system helps to minimise the effects. It is important to remember that the vitality of shopping centres is directly related to turnover of spaces, which cannot be achieved without some restrictions on the length of stay.
- The consultation results indicate high turnover levels within the first hour. There are also high turnover levels between 1 and 2 hours. Given that enforcement of any initial “free” period would be virtually impossible and therefore open to abuse, there is the opportunity to set a relatively low charge for the first hour. Escalating hourly charges

thereafter would govern the stay pattern and steeply rising rates after, say, 4 hours would deter long-stay parking.

- Though the consultation did not look at levels of charging in great detail, it is likely that public expectations will be for charges to be at levels similar to those in similar district and local shopping centres elsewhere in Nottinghamshire. Comparative research suggests that a charge around 20p or 30p/hour would be similar to the levels of charging in similar areas in Rushcliffe, Bassetlaw and Ashfield. Comparisons with Mansfield (which is more of a sub-regional shopping centre) and Newark (which has more tourist-related facilities) are less realistic, and charging at their levels, or at Nottingham City rates, are likely to generate customer resistance.
- Research also indicates that, across Nottinghamshire, differential charges are levied within many district areas according to local circumstances. As already mentioned, charging at a level of sub-regional centres like Nottingham City Centre and Mansfield would be inappropriate for the Borough, but it may be reasonable for charges to vary between different parts of the Borough according to the proximity to local shops, amenities and attractions. On this basis, given the relatively lower vitality of Netherfield and Carlton compared to Arnold and Mapperley, it may be appropriate for Members to give further consideration to their earlier decision to introduce the same tariff structure across the whole of the Borough.
- The level of charges introduced needs to minimise the potential for displacement to nearby shopping centres in Sherwood and Bulwell. This picks up the fear expressed that the smaller independent traders will suffer if this occurs. Talks are being held with the City Council to determine their intentions for extending charging beyond the City Centre.
- The current car parking management regime covers restrictions between 8 a.m. and 6p.m., Monday – Saturday inclusive. Though not part of the consultation, comparisons with other areas suggest this to be the norm. No charge on Sundays and after 6 p.m. reduces the need for enforcement at that time, and also has the potential to encourage the evening economy and Sunday trading in the area.
- Further improvements to car parks including the introduction of security measures such as fixed CCTV or uniformed patrols, particularly out of normal shopping hours, could be funded by the charging structure.

- The success of the tariff structure to meet the financial objectives will primarily be dependent on two main factors. The level of charges that users are prepared to pay for the service and the effectiveness of the enforcement regime. The current enforcement regime will not be at all sufficient to cater for the high turnover rates indicated by the consultation. No increase in the current level of enforcement staff would therefore increase the risk that income rates would not be achieved.

It is apparent that the formulation of the tariff structure requires very detailed consideration if it is to adequately balance the budgetary expectations of the Council with the various comments through the consultation process. This will inevitably mean that the introduction of charging cannot commence on 1st January 2005 as originally intended.

5. Proposals

- 5.1 As mentioned above, further consideration needs to be given to the tariff structure and that will result in delaying the introduction of charging. Members might wish to consider delaying the introduction of charging by 6 months, giving a revised commencement date of 1st July 2005. This would particularly benefit the traders in Arnold Town Centre as it would both accommodate the delay in the completion of the STW works and also go a long way to meeting the request from the Arnold Business Forum for a postponement of one year from the completion of the STW works.
- 5.2 In order to dispel conjecture and unrest surrounding the levels of charges Members might also feel it appropriate to indicate the magnitude of the charging for the first hour. Taking into account the factors outlined in this report, officers would suggest a charge for the first hour of 20p, with increased rates for longer stays in order to encourage high turnover with low levels of long-stay parking.

6. Resource Implications

The expenditure and the income profiles within the Budget will be affected if the introduction of charging is deferred. The net budgeted income position is £30,000 in current year and £60,000 p.a. thereafter, although this will also depend on the tariff structure adopted.

7. Recommendations

- 7.1 Cabinet is requested to note the contents of the report and indicate their views on the revised timetable for the introduction of charging for car parking, the suggested commencement being 1st July 2005. The target date in Forward Plan Decision No. 456 will require appropriate revision.

- 7.2 Cabinet is requested to indicate their preference for the first hour charge, suggested at 20p, the remaining tariff structure to be determined at a later date.

**C W Groves, Head of Engineering & Property,
on behalf of Councillor R. J. Nicholson, Direct Services & Property Portfolio
Holder
24 September 2004**