

This Report will be made public on 6 December 2017.

Report Number **C/17/65**

To: Cabinet
Date: 14th December 2017
Status: Key Decision
Head of service: Andy Blaszkowicz, Head of Commercial and Technical Services
Cabinet Member: Councillor Ann Berry, Cabinet Member for Transport and Commercial

SUBJECT: CAR PARKING REVIEW

SUMMARY: This report considers the use of the free parks and the current charging structure of car parking fees and permits. It puts forward proposals for car park charges and permits to be increased in some car parks and for the introduction of charges in three of the nine free car parks.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because:

- a) The car parking fees and charges have remained static since 2011
- b) A review of the fees and charges and charging in free car parks will assist with the budget challenge
- c) There are increasing costs to maintain and operate car parks and those using such facilities should pay to do so

RECOMMENDATIONS:

1. To receive and note report C/17/65.
2. To agree to proposals to introduce charges from the 1st April 2018 in three of the nine free car parks (Stripes Club, The Lade, Wilberforce Road)
3. To agree capital funding of £7,800 to cover the costs of installing machines and signs in the three free car parks where charging is proposed.
4. To agree to proposals to increase residents and business permits by £10 per year for the next three financial years and hotel guest vouchers by 50p from 1st April 2018.
5. To agree to proposals to increase charges in some of the chargeable car parks from 1 April 2018 as detailed in the report

1. INTRODUCTION AND BACKGROUND

1.1 The council's medium term financial strategy sets out the financial position over the next five years. With the central government grant for local authorities ending and uncertainty about business rates, it is imperative that all Council services and assets (including car parks) are managed efficiently.

1.2 The table below shows the budget pressures the council faces moving forward:

Accounting Year	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£
Revised Shortfall					
In year deficit	0	574,791	1,151,439	1,742,126	3,057,398
(cumulative)	0	574,791	1,726,230	3,468,352	6,525,755

1.3 The Council owns and/or operates 34 car parks throughout the district. 22 of the car parks are already pay and display; the remaining 12 are free (three of the free car parks are in the ownership of the Folkestone Parks and Pleasure Grounds Charity and will be considered in a separate report).

1.4 Income receipts generated over the past three years from each car park are shown in appendix 1. As can be seen, the figures suggest an upward trend for the vast majority of the chargeable car parks. Very few car parks recorded a downward income trend.

1.5 The total income receipts from parking charges from all car parks are summarised in table below.

Total income receipts from all car parks

2014/15	£922,031
2015/16	£964,191
2016/17	£1,041,831

2. Chargeable car parks

2.1 The current charges in chargeable car parks range from 60p per hour (New Romney car parks) to £1.20 per hour. Two car parks- Sandgate Road, Folkestone and Castle Road, Sandgate have both had charges reduced to a lower rate to encourage more usage.

2.2 Officers carried out benchmarking exercise on car parks fees and charges recently. The table below shows the current car park charges in districts across Kent.

District	Hourly Charges
	2017
Ashford	90p-£1.10
Canterbury	£1.50-£1.70
Dartford	50p
Dover	60p-£1.30
Gravesham	£1.10
Maidstone	£1.00-£1.50
Sevenoaks	£1.00-£1.50
Shepway	60p-£1.20
Swale	80p
Thanet	80p-£1.30
Tonbridge & Malling	60p-£1.20
Tunbridge Wells	50p-£1.30

2.3 Officers are now proposing a more standardised approach with the maximum charge remaining at £1.20 per hour. The special discounted rate will continue to apply to Sandgate Road car park and Castle Road car park to encourage usage. However, an increase is recommended for Sandgate Road car park, which is now on many occasions used to capacity and also has significant maintenance costs (£45k in last 18 months).

2.4 Officers are also proposing linear per minute charging in the majority of the car parks. This will allow customers to pay for the proportion of time spent (per minute) rather than fixed hourly rates. The table below shows the proposals and the additional income expected from the changes. Appendix 2 provides full details of current and proposed charges for each car park.

CAR PARK / AREA	POTENTIAL INCOME
Folkestone Car parks: Removal of 30 min tariff (minimum charge 1 hour)	£2,900
Increase charges in Sandgate Rd car park, Folkestone. £1– 2hrs, £2- 4hrs, £3-5hrs, £4 – all day	£61,000
New Romney short stay Car park, removal of reduced 1 st hour tariff of 60p to be replaced by £1.00	£16,000
Long stay car parks across district. 10p increase in all day charge to accommodate linear charging	-
Folkestone car parks £1.00 per hour charge to increase to £1.20	£34,516
TOTAL	£114,416

3. FREE CAR PARKS

3.1 The 9 non-chargeable car parks are shown below. Officers recommend that charges shown below are introduced in three of the nine car parks (highlighted) to help cover some of the costs for maintaining them.

SDC CAR PARK LOCATION	PROPOSED CHARGE	CAPITAL COST OF INSTALLATION	ANTICIPATED INCOME
Broomfield Road, Cheriton	Un-made not suitable for charging.	£0	£0
Folkestone Sports Ground, Cheriton	Land leased to Shepway Sports Trust who are not supportive of charging	£0	£0
Stripes Club, Cheriton Rd, Folkestone	£1 4 hours £2 5 hours £3 All day	£3,500	£5,400
Golden Valley, Digby Rd, Folkestone	Low occupancy rates even though free. Charging would have detrimental effect on shop owners.	£0	£0
Wilberforce Rd, Sandgate	Recommended to make permit holders only. Residents / business / season ticket <i>(there is possibility to make this shared use with pay and display)</i>	£300	£5,000
Gough Road, Sandgate	Small size – non viable for charging	£0	£0
Station Road Lyminge	Not deemed suitable for charging due to Village location.	£0	£0

The Lade, Coast Drive Lydd	£1.20 first hour then linear charging	£4,000	£21,600
Pound Lane, Elham	Not deemed suitable for charging due to Village location.	£0	£0
TOTAL		£7,800	£32,000

FPPG CHARITY – East Cliff Pavilion, East Cliff Bowls and the Rotunda Car Park, Lower Sandgate Road - Subject to separate report

4. PERMITS AND SEASON TICKETS

4.1 The council offers discounted season tickets for workers in the towns to use in car parks. A five day season ticket cost £468 and allows all-day parking in long stay car parks. This is very competitive and works out at around £1.80 per day.

4.2 Sales of season tickets have been declining over the years as fewer organisations and businesses are cutting back on buying such permits for staff. The budget has been reduced by around £20k to reflect this trend. It is therefore recommended that season ticket charges remain unchanged and that further publicity be given to this discounted parking.

4.3 Residents and business permits for controlled parking zones (CPZ's) were increased by £5 this financial year. However, when compared with permit charges in other districts they are still relatively low. The table below shows the permit charges for some of the Kent districts.

Ashford		
Resident	Varying Zones	£30-£100
Visitor Permit	Single	£1.00
Canterbury		
Business	Canterbury	£390.00
	Herne Bay	£132.00
Resident	Canterbury	£40-£138
Visitor Permit	All varying zones	£1.80-£4.00
Dover		
Business	Snargate Street	£155.00
Resident	Varying Zones	£60-£90
Visitor Permit	Single	£1.00

Medway		
Business	All Zones	£136.00
Resident	All Zones	£27.00
Visitor Permit	Single	£0.80
Shepway		
Business	All Zones	£60
Residents	All Zones	£30
Visitor permits	All Zones	£5.20 for 5 sessions
Swale		
Business	All Zones	£40.00
Resident	All Zones	£40.00
Thanet		
Business	All zones	£350.00
Resident	All Zones	£60.00
Visitor Permit	Single	£3.00

4.4 Officers recommend that Shepway CPZ permit charges (resident and business) are increased by £10 each year for 3 years. It is also proposed that resident visitors' permit charges are increased to £6 for 5 parking sessions.

4.5 Officers also recommend that hotel guest permits be increased by 50p to £2. It should be noted that even with the increases, Shepway permit charges will remain one of the lowest in Kent as can be seen in the above table. The table below shows the potential additional income for such increases.

PERMIT TYPE	POTENTIAL ADDITIONAL INCOME PER YEAR
CPZ RESIDENT PERMIT £10 increase per year for 3 years	£17,500
CPZ BUSINESS PERMIT £10 increase per year for 3 years	£2,500
Hotel Guest Vouchers 50p increase	£5,000
TOTAL	£25,000

5. CONCLUSION

- 5.1 The report has considered our car parks charging structure, whether some or our free car parks are suitable for charging and our CPZ and visitor vouchers and benchmarked these against other Kent authorities. Officers recommend the increases in charges and permit prices and that charging is implemented in 3 of the 9 free car parks from 1st April 2018. Minimum capital funding will be required to cover the costs of implementation. These proposals will create the potential additional income of £171,416 which will go some way in easing the budget pressures the council will face in the coming years.

6. RISK MANAGEMENT ISSUES

- 6.1 The risks associated with the proposed changes are considered to be minimal. The small element of risk is as follows:

Perceived risk	Seriousness	Likelihood	Preventative action
The non-chargeable car parks historically have been free and if they became chargeable there is likely to be some opposition from residents in the areas concerned and users of the facility. There will also be some objections from residents and businesses on the proposed increases in permit charges.	Medium	Medium	Residents need to be well informed about the reasons behind the Council's decision.
There is a close relationship between parking enforcement, car park charges and other available parking. Officers have attempted to consider these issues in a	High	Low	Civil Enforcement Officers to frequently patrol surrounding roads to dissuade motorists from breaking parking restrictions. Officers will seek to introduce further on-street restrictions in locations where

holistic way, but there is a risk that income will not be achieved.			parking is unsuitable.
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7. LEGAL/FINANCIAL IMPLICATIONS

7.1 Legal Officer's Comments (DK)

There are legal implications arising directly out of this report. Members must be aware that charges for car parking and penalties imposed in the event of failure to pay must be fair and not excessive.

7.2 **Finance Officer's Comments (RH)** – finance implications are covered in the body of the report. By introducing charging to 3 car parks and increasing permit and season tickets, additional income of £171,416 per annum could be achieved. Please note the Parking Fees & Schedule for 2018/19 has been updated, see Appendix 2.

7.3 **Diversities and Equalities Implications:** There are no implications arising directly from this report.

8. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

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The following background documents have been relied upon in the preparation of this report:

None

Appendices:

Appendix 1: Income receipts per car park
Appendix 2: Fees and charges spreadsheet