CABINET 1 June 2005 - PORTFOLIO HOLDER ECONOMY AND PLANNING

REPORT ON REVIEW OF CAR PARK CHARGES IN BURLEY CAR PARK

1. INTRODUCTION

1.1 On 5 January 2005 Council set the current level of charges in Burley Car Park. Since their introduction the Parish Council and Local Traders have made representations because they feel the charges are set at a level that is detrimental to the economy of the village. It has also been possible to gauge the effect of the new tariff on the use of the car park.

2. THE CURRENT TARIFF

- 2.1 The current tariff was set after the following considerations,
- 2.2 The Car Park at Burley is at capacity during peak summer periods and the meter takings indicate that it is used extensively by visitors not holding a parking clock. It was believed that the demand for parking was sufficiently strong that the price increase would not deter motorists from using the car park.
- 2.3 During consultations concerning the impact of charging and the clock scheme the Parish Council commented that they would support an increase in charges. They quoted the example of a local landowner charging a flat rate of one pound per visit. The Parish believed that the car park was dominated by "long stay" parking and wish consideration to be given to Long and Short stay parking areas being set up.
- 2.4 Set out below is the present tariff structure.

| £1 | 1hr |
|----|-----------|
| £2 | 2hr |
| £3 | 3 hr |
| £4 | 4 hr |
| £5 | Over 5 Hr |

3. CONCERNS OF PARISH COUNCIL AND LOCAL BUSINESSES ABOUT THE TARIFF STRUCTURE

- 3.1 The Parish Council and Local Businesses have written and spoken to local members and the portfolio holder and their major concerns are set out below.
 - The tariff is twice that of other Towns/Villages in the District and this puts Burley at an unfair disadvantage.
 - The tariff itself is at a level that will dissuade visitors from visiting the village.
 - Those customers coming to a single shop will cease from doing so because of the high cost for parking for a short period.
 - The percentage increase is unwarranted.

4. EFFECTS ON PATTERNS OF USAGE SINCE NEW TARIFFS WERE INTRODUCED

4.1 The only full month of income figures available for comparison is for April 04 and April 05. Comparisons are complicated by the fact that in 04 Easter fell in April and it did not in 05.

However a comparison of ticket sales clearly demonstrates that there has been an increase of 38% in sales of I hour tickets balanced against a decrease in the sales of two hour tickets. It is reasonable to assume this change has taken place because of consumer resistance to paying the £2 charge. There has been a 40% reduction in those purchasing tickets for 5 hours and over.

In management terms the present tariff is having a desirable effect by discouraging long stay parking (over 5 hours) but appears to be encouraging visitors to stay for a short period of one hour instead of two, this could be to the detriment of local businesses.

4.2 Long Stay Parking

Local Residents and Businesses can purchase a clock if they require regular long stay parking. On average 15 vehicles park long stay, displaying a clock in Burley, with only some 3% of tickets being sold for a period of 5 hours and over. Given the small numbers involved and the variable nature of parking in Burley (seasonal and weather dependant) it would appear to be more practical to manage the waiting restriction by price than creating and patrolling a short stay parking area.

5. SUGGESTED REVISED TARIFF FOR BURLEY CAR PARK

5.1 In order to take account of the concerns of local traders and adjust the tariffs to make parking for two hours more attractive whilst discouraging long stay parking, the following tariff is suggested.

| 50p | 1 Hr |
|--------|----------------|
| £1.10p | 2 Hr |
| £1.70p | 3 Hr |
| £2.40p | 4 Hr |
| £5.00p | 5 hrs and over |

5.2 The above tariff for up to 4 hours is the same as for the majority of Council town car parks. The £5 charge for 5 hours and over is recommended to discourage long stay parking.

6. FINANCIAL IMPLICATIONS

6.1 In the worst case the projected loss of income if the tariff set out in 5 above was adopted would be £28,000. However this loss may be recouped within the car park income account during normal trading. It is very early in the financial year and not thought necessary to make any adjustments to the overall budget at this early stage. However, this will be kept under review and any request for adjustments made later in the year.

7. CRIME AND DISORDER IMPLICATIONS

7.1 None.

8. ENVIRONMENTAL IMPLICATIONS

8.1 None.

9. CONCLUSION

9.1 Changing the tariff to that set out in Section 5 of this report will assist local businesses to maintain the commercial vitality of Burley by encouraging visitors to stay for a reasonable period of time and at the same time discourage long stay parking. Given the size of the parking budget it is likely that the loss of income from the revised tariff will be absorbed. It is too early in the financial year to consider making adjustments to the base budget. The overall financial effect of the proposed change will be carefully monitored and Cabinet informed should any adjustments be necessary.

10. **RECOMMENDATION**

10.1 That Council agree that the tariff of charges for Burley car park as set out in section 5 of this report be adopted once the appropriate notices as laid down in the Regulations have been given.

For Further Information:

Background:

John Bull Parking Manager Tel: 023 8028 5949