

## REVIEW OF CAR PARKING CHARGES WHERE CHARGES DO NOT CURRENTLY APPLY

### 1. INTRODUCTION

- 1.1 The Environmental Overview and Scrutiny Panel set up a members Task and Finish Group to carry out the above review. The Panel wished to ensure that there was fairness throughout the District and that all motorists paid for the use of parking facilities. The Panel also wished the Task and Finish Group to consider if additional income could be raised to assist the Council in the present challenging financial climate.
- 1.2 The Portfolio Holder for Planning and Transportation requests that Cabinet endorse the recommendations of the Panel.

### 2. THE TASK AND FINISH GROUP'S REVIEW

- 2.1 The Task and Finish Group on behalf of the Panel reviewed each location currently free of direct charge and if appropriate recommended that charges apply. Where the group felt it was not appropriate to charge, suggestions were put forward for reducing costs including consideration of alternatives uses for sections of some car parks.
- 2.2 Parish and Town Councils were extensively consulted and Totton Town Council came forward with some alternatives to charging.
- 2.3 The report from the Task and Finish Group and the recommendations that have been agreed by Panel are set out in Appendix 1.

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### 3. FINANCIAL IMPLICATIONS

- 3.1 In total, the review should produce additional income and or savings in the region of £57,000 per annum.

### 4. ENVIRONMENTAL IMPLICATIONS

- 4.1 The recommendations have taken into account the need to minimise any displacement of parked vehicles on to the Highway. In the unlikely event of this happening after implementation, consideration will be given to amending/making additional traffic regulation orders should residents be experiencing any substantial problems.

### 5. CRIME AND ORDER IMPLICATIONS

- 5.1 None.

## **6. PORTFOLIO HOLDER COMMENTS**

- 6.1 I wish to thank the Task & Finish Group for the way they have carried out their review and I endorse their recommendations. It is clear that we already have a deficit on the Business Rates related to these car parks of £36k per annum and in addition there is the loss of revenue the Council would receive, were charges to be in place. In the current economic climate this cannot be sustained. Furthermore, it is an important principle that car park charging should be equitable and consistent across the District. It is desirable that any proposed changes be in place for the beginning of the next financial year so that these can be reflected in the Council's plans.

## **7. RECOMMENDATIONS**

- # 7.1 That Cabinet endorses the recommendations set out in Section 9 of Appendix 1 and asks the Portfolio Holder for Planning and Transportation to implement them as quickly as possible.

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FROM THE PARKING TASK & FINISH GROUP

## REVIEW OF CAR PARKS WHERE CHARGES DO NOT CURRENTLY APPLY

### 1. INTRODUCTION AND BACKGROUND

- 1.1 The Panel agreed the terms of reference and scope of the parking review at their last meeting on 15 September 2011. The terms of reference highlight fairness and consistency of approach as two important considerations.
- 1.2 Car parks are not free to provide and cost money to maintain. Business rates alone, which are payable on the vast majority of the Council's car parks, have increased by £150,000 this year and further increases are being phased in.
- 1.3 The Council maintains that users of car parks should normally pay a reasonable amount for their use. Charges currently apply in over forty of the Council's car parks. The presumption is that users should pay for parking, unless there are special reasons not to do so. The task & finish group has now reviewed all the Council's car parks where charges do not currently apply.
- 1.4 The Council has a clock scheme that provides affordable parking for residents and regular users across the district and the pay and display charges generally compare very well with others in the region.

### 2. SUMMARY OF REVIEW PROCESS

- 2.1 The Task & Finish group has undertaken the following process:
  - (a) visited each car park where charges do not currently apply and the adjacent areas
  - (b) met on three occasions to examine the evidence and information
  - (c) held meetings to consult with Totton & Eling Town Council and Hythe & Dibden Parish Council
  - (d) commissioned usage surveys in the car parks where the group felt the introduction of charging might be viable
  - (e) had regard to the location of Traffic Regulation Orders (waiting restrictions) in the vicinity of the car parks

### 3. CONSIDERATION OF INDIVIDUAL CAR PARKS

#### 3.1 **Ashurst car park:** No business rates payable

Ashurst car park comprises some 21 spaces and the land is leased from the Forestry Commission. The lease runs until 2033. There is no option for early termination and the rent is reviewed every 5 years. Although a rent review is in progress and has yet to be agreed it is hoped that this will be set at £345 per annum for the next 5 years. Business rates are not payable on this car park.

From observations made by the working group during their visit, the car park was lightly used and mainly used by:

- Those walking in the forest
- Visiting Ashurst Hospital
- Probably working in local shops

The working group noted that it appeared that the car park was the preferred location for those working in the Hospital because it was more convenient than the Hospital's own car park, which appeared not to be fully utilised.

The car park is surrounded by free on street and off street car parks and, in view of this, if charges were introduced it is likely vehicles would just move to other locations. On balance, the working group felt that, in light of this and the small size of the car park, it would not be economically worthwhile or practical to charge in this car park.

### 3.2 **Bransgore car park:** Business rates payable now £1,227

Bransgore car park comprises of 38 spaces. The land is held freehold by the Council and a public convenience and recycling centre are situated on the site. The car park is well used at peak times by those visiting local shops. When considering charging perhaps the most significant factor is that the car park is surrounded by highway, which has no waiting restrictions. If charges were introduced it is possible that cars would just park in surrounding roads, making charging uneconomic and causing significant problems to local residents.

During informal discussions, representatives of the Parish Council have indicated that they will, working in conjunction with the District Council, take all reasonable steps to avoid the introduction of charges.

### 3.3 **Oak Road car park, Dibden Purlieu:** Business rates payable now £ 5,709

Oak Road car park comprises of 100 spaces. The Council holds the land freehold and there is a recycling centre on the site. The entrance to the car park is via a narrow street. Those attending the adjacent Church and Community facilities mainly use the car park. Survey information indicates that on an ordinary weekday, at the peak period, the car park only reaches 50% of its capacity. It appears that the only time usage is greater than this is on a Sunday or if there is a particular event at the Church. It is estimated that this car park would generate an income in the region of £5300 per annum and the business rates payable for the car park are £5709. There are a number of unprotected residential roads near the car park.

The group met with local members and representatives of the Parish Council. The general feeling of the local representatives was that the car park was generally underused and those attending the Church and its attendant community activities primarily used it. There seemed adequate on street and alternative parking to serve the local shops. However, on Sundays and when there were events at the church, the car park is full. Local members believed that if charges were imposed during these periods, motorists would simply park in nearby narrow residential roads causing an unacceptable encumbrance to

residents. The local Rector is concerned that if charges were introduced the small parking area in front of the Church would be very congested. The Rector also believes that there is a covenant on the car park which prohibits the introduction of charging and this is being investigated further.

During discussions, several options emerged for further consideration including:

- The possibility of granting a lease or licence to the Church as it was mainly used by those attending community/church activities. It is thought likely that the Church would be exempt from paying business rates.
- Given the general underuse of the car park, the possibility of the whole or part of the site being made available for alternative use, for example, social housing. Local Members felt there might be some problems with this concerning drainage/covenants etc but the option could be explored.
- The Parish Council wished to work in partnership with the District and may consider potential ways of compensating the District if charges were not levied.
- The potential additional income is not large but would be sufficient to cover the current cost of business rates. Given the risk of cars being displaced onto the highway, the working group feels that alternative ways of reducing the cost should be sought prior to any final decision being made.

The site overall is of marginal value as a car park and it is recommended that the alternative uses/arrangements for its management be referred to the Asset Management Group for consideration, as the Council is the freeholder.

#### 3.4 **Eling Cemetery car park:** No Business rates payable

Eling Cemetery car park comprises of approximately 40 spaces and is held freehold by the Council. The car park is used by those attending funerals and visiting the Cemetery and Eling Tide Mill. Given the sensitivities of the use of the car park and the support given by the Council to try to maintain the viability of the Tide Mill, it is not felt appropriate that charges be levied at this location.

#### 3.5 **Hordle Village car park:** No Business rates payable

This Council is responsible for 18 spaces within the parish recreation ground/community centre complex. The parish directly manages some spaces on the same site. The Council lease the land for the spaces from the Parish Council at a peppercorn rent and the current lease has expired and is being held over. Given that the Parish Council manages the majority of the site, the working group felt the Parish should manage the whole site. The Parish has informally indicated that they would keep the area as a car park if this Council did not renew the lease.

3.6 **Pennington Bank car park:** Business rates payable now £368

This car park consists of 8 spaces and is located near a busy junction and near to shops and a route to local schools. Although very small, the car park does serve a useful purpose by reducing highway parking at this busy location. Given the size of the car park, the group does not think it is economic to charge at this location but believe the car park should be retained for traffic management/safety reasons.

3.7 **Totton**

This is the only major conurbation where Council car parks are free of direct charge. Set out below is the working group's consideration of each of the Totton car parks.

3.8 **Rumbridge Street car park:** Business rates payable now £11,181

Rumbridge car park is owned freehold by the Council and consists of some 132 spaces. A survey of usage between 8 am and 5 pm was undertaken. A summary of the survey results is set out below.

<b>LENGTH OF STAY</b>	<b>NUMBER OF VEHICLES RECORDED</b>
up to 1 hour	33
1 hour to 2 hours	31
2 hours to 3 hours	13
3 hour to 4 hours	10
4 hours to 5 hours	13
over 5 hours	47

It is apparent from the survey information that a significant number of vehicles park long stay. This, combined with observations made during the visit and anecdotal evidence, has led the working group to believe that the car park is used extensively by commuters, including those working in Southampton. The car park also serves local businesses and at certain times a nearby recreation ground. The main highways in the area of the car park are protected by waiting restrictions. There are some residential roads nearby which are not protected and if charging is introduced these would need to be monitored in case any problems arise.

Overall, the working group believes that that it would be appropriate to recommend charges in this car park because it is well used, serves a wide range of motorists, particularly commuters and is unlikely to cause major problems of displacement. It is estimated that a net income in the region of approximately £19,500 a year could be achieved. This figure has been calculated taking into account use of the clock scheme and the possibility that some motorists may cease to use the car park.

**3.9 Civic Centre car park, Totton: Business rates payable now £6,289**

This car park serves a variety of community and commercial premises, including a library, community centre, doctors' surgery and shops/businesses. The car park comprises of 88 spaces. A survey of usage between 8 am and 5 pm was undertaken. A summary of the survey results is set out below

<b>LENGTH OF STAY</b>	<b>VECHICLES RECORDED</b>
up to 1 hour	70
1 hour to 2 hours	13
2 hours to 3 hours	11
3 hour to 4 hours	6
4 hours to 5 hours	11
over 5 hours	58

The survey clearly indicates this is a busy car park with over half the spaces being used by motorists waiting for more than 5 hours. The main highways in the area of the car park are protected by waiting restrictions. There are some residential roads nearby which are not protected. If charging is introduced these would need to be monitored in case any problems arise, although this is thought unlikely. A key consideration concerning this car park is that it is located opposite a free Town Council Car Park. The Town Council has indicated that they will retain free parking in their car park even if this Council charges. When estimating possible income from the Civic Centre car park it has therefore been assumed that all the spaces in the free Town Council will be utilised prior to this Council's car park being used. Having regard to this and after making an allowance for clock use, it is estimated that the Civic Centre car park could realise a net income of approximately £13,200 per annum.

Given the size, activity and estimated income, the Task and Finish Group recommend that charges be introduced in the Civic Centre Car Park, Totton.

3.10 **Westfield car park:** Business rates payable now £13,184

Westfield Car Park serves a small precinct and parade of shops and consists of 152 spaces. A survey of usage between 8 am and 5 pm has been undertaken. A summary of the survey results is set out below.

<b>LENGTH OF STAY</b>	<b>VEHICLES RECORDED</b>
up to 1 hour	163
1 hour to 2 hours	46
2 hours to 3 hours	9
3 hour to 4 hours	7
4 hours to 5 hours	6
over 5 hours	23

The survey indicates that the car park is extensively used for short stay parking. However, an occupancy count reveals that the maximum number of cars in the car park at any one time was 58. The main highways in the area of the car park are protected by waiting restrictions. There are some residential roads nearby which are not protected and if charging is introduced these would need to be monitored in case any problems arise. Taking all factors into account it is estimated that a net income of approximately £17,400 per year could be derived from this car park. The task and finish group therefore recommend that charges be introduced into this car park. The group also noted that there is some excess capacity in the car park and it appears to be larger than required. The group believes that consideration should be given to using part of the car park for alternative use, such as affordable housing, and that this should be referred to the Asset Management Group for further consideration. Because the Council's Civic Centre car park and Westfield car park are geographically close, for regulation and management purposes they need to be considered as a single identity.

#### **4. DISCUSSIONS WITH TOTTON AND ELING TOWN COUNCIL**

- 4.1 The Task and Finish group held a meeting with members of the Totton and Eling Town Council. The meeting gave the Town Council the opportunity to put forward their views and ideas. The Town Council is opposed to charges, primarily because they believe that Totton is a particularly weak and vulnerable shopping Centre because of its proximity to Southampton and particularly Shirley. Comment was also made about the number of empty shops in Totton and the need to encourage footfall in the Town. The Town Council clearly stated that they would not charge in their own car parks, namely the War Memorial car park and Testvale car park.



- 4.2 The Town Council understood the reasons why the District felt it should charge in Totton Town Centre car parks. During the discussions, the Town Council indicated that they would be prepared to consider compensating this Council for loss of income.

## **5. TASK AND FINISH GROUP'S CONSIDERATION OF TOWN COUNCIL'S VIEWS**

- 5.1 The group believes that Totton's situation is not materially different than other towns and that users of the car parks should pay for the use of the facility in the same way as in the rest of the District. Information recently published by the Council's planning officers indicates that vacant shop levels in Totton are not any greater than other parts of the District. Charges were introduced throughout the rest of the District in 2004. This did not result in any noticeable adverse parking patterns as predicted by certain groups. A key reason for this is the Council's parking clock scheme, which provides convenient parking at a cost far lower than available from our neighbouring Councils. This scheme will of course operate in Totton should charges be introduced.
- 5.2 The Town Council wishes to consider financially compensating this Council to avoid charges being levied. Informal discussions have taken place between officers of the two Councils and it would seem that an acceptable agreement between the two Councils could be reached. Any compensation would need to be based on the amount of potential income lost and should be for a period of 4 years. Although the Town Council may not be in a position to consider all 3 car parks, the Civic Centre car park and Westfield car park for management purposes need to be considered together.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 In order to try and gauge potential income from the car parks concerned surveys of existing use have been carried out and allowances made for clock use and possible reductions in use. The estimated net income figures for the car parks, which are considered suitable for charging, are:

Civic Centre	£13,500 per annum
Westfield	£17,400 per annum
Rumbridge	£19,500 per annum

- 6.2 As a minimum, the group would hope that further discussions concerning Oak Road car park and Bransgore car park would lead to a saving equivalent to the cost of the Business rates, currently nearly £7,000.
- 6.3 In total, the review should therefore produce additional income and or savings exceeding £57,000 per annum.

## 7. HIGHWAY AUTHORITY

- 7.1 The Council's Parking Order will need to be amended if charges are introduced into car parks that are presently free of direct charge. It is likely that any consent would be conditional on this Council agreeing to meet the cost of any new on street regulations should displacement be a problem. The cost of processing a new order is between £2,000 and £4,000.

## 8. ENVIRONMENTAL IMPLICATIONS

- 8.1 It is not expected that charges will cause any significant displacement, as this is not the experience elsewhere. The major roads in Totton are protected by Traffic Regulation Orders. If charges are introduced residential roads in the vicinity of the car parks will be monitored.

## 9. RECOMMENDATIONS

- 9.1 **Ashurst car park** - the group does not recommend charging because of its small size and the likelihood of displacement to adjacent free car parks. The anticipated net income of £1552 is very volatile because of the amount of free underused parking near to the car park. An added complication is that if charges were levied it is likely that the rent payable by the Council would increase.
- 9.2 **Bransgore car park** - the group does not recommend charging at this time, as it may be uneconomic because of the surrounding free on street parking. The group recommends that alternative solutions be progressed by the Asset Management Group, working in conjunction with Bransgore Parish Council.
- 9.3 **Oak Road car park, Dibden Purlieu** - the potential additional income is marginal and the group therefore recommends that the Asset Management Group should review the site as a whole to consider alternatives. These might include leasing/licensing the site to the Church or the Parish Council and considering all or part of the site for alternative uses.
- 9.4 **Eling Cemetery car park** – the group does not recommend charging given the sensitivities of the use of the car park and the support given by the Council to try to maintain the viability of the Tide Mill.
- 9.5 **Hordle Village car park** - as the Council only manages 18 spaces in this parking area and the lease has now expired, the group recommends that the lease should not be renewed and the area should be returned to the Parish Council.
- 9.6 **Pennington Bank car park** - the group recommends that this very small car park should be retained but does not recommend charging, as it would be uneconomic to do so.
- 9.7 **Totton car parks** – the group recommends that charges be levied in the Rumbridge, Westfield and the Civic Centre car parks for the reasons set out in this report except if:

A four-year agreement can be reached with Totton Town Council to the effect that the Town Council pays the District an appropriate sum in lieu of the anticipated parking charges for the respective car parks.

The group also recommends that the Asset Management Group should consider using some of the Westfield site for alternative use, such as affordable housing.

Recommendations agreed by the Panel will be submitted to the Portfolio Holder and Cabinet for approval.

**FOR FURTHER INFORMATION CONTACT:**

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