

1 Background

Off-Street Car Parking Charges

The Council recognises the contribution effective management of off street car parking makes to the overall management of the public realm, including wider traffic management issues. Effective management is underpinned by a parking strategy which recognises the importance of an effective pricing policy. This in turn supports the wider delivery of the Council's aims and objectives as outlined in the Corporate Plan.

Last year Cabinet Members approved the following arrangements:

That Cabinet approves to increase the Up to 1 hour charge by 10p across all car parks in Lancaster and Morecambe and the Up to 1 hour and Full Day charges by 10p at Williamson Park, Lancaster.

That Cabinet approves making the mobile phone cashless parking option permanent and includes the necessary growth item in the 2016/17 draft budget and subsequent years.

That Cabinet approves extending the facility for resident permit holders to use various off street car parks as indicated in the report.

Usage Position

Pay and Display Usage

Usage during 2015/16 was affected by the floods in December 2015 following which additional free parking was offered on all car parks on the two Saturdays leading up to Christmas. In recent years there has been a general trend of the overall usage of car parks reducing but usage has been encouraging, particularly in recent months, resulting in usage during the 2016 calendar year being 0.65% over 2014/15 levels. Usage in Lancaster increased by 0.25% and in Morecambe by 1.3%.

Financial Position

The 2017/18 draft revenue budget outlined in the table below assumes that income from fees (pay and display and cashless parking) for day time and evenings will be similar to 2016/17 and in line with the original budget. This is due to the positive recovery of usage following the floods in late 2015. Inflationary increases of 2% have then been added to the base budgets in line with the Council's existing policy on fees and charges.

	2016/17 Estimate	2016/17 Revised	2017/18 Estimate	Inflation Included
Fees	2,360,200	2,360,200	2,407,100	46,900
Permits	146,400	151,400	154,400	3,000
TOTAL	2,506,600	2,511,600	2,561,500	49,900

The annual review needs to consider options for covering additional inflationary increases of £49,900 across the above headings.

Permit Sales

Permit sales were last increased in 2014/15 by 5% but this led to a 5% reduction in sales. Although sales remained similar in 2015/16 they have improved in 2016/17 and to maintain this position there are no proposals to increase permit charges for 2017/18.

Update on Mobile Phone Parking

Last year Cabinet approved making the mobile phone cashless parking option permanent and the necessary growth item was included in the 2016/17 budget and subsequent years. The service is now being provided through a framework contract negotiated by the County Council's parking enforcement contractor which has allowed a reduced service charge to be paid from September 2016 until the contract expires in September 2019.

This optional service continues to be extremely popular and 60,000 parking transactions have been purchased since it was introduced in June 2015.

The feasibility of converting St Nicholas Arcades to Pay on Foot (Pay on Exit) is also being considered, the outcome of which will be fed into the budget proposals for 2018/19.

Introduction of Park and Ride

The M6 Link Road from Junction 34 to Morecambe and Heysham named the Bay Gateway opened at the end of October. The Park and Ride site providing 650 car parking spaces opened in early December and is managed by Lancashire County Council.

The site is open 24 hours, 7 days per week with Park and Ride operating Monday to Saturday with buses running every 30 minutes via George Street to Lancaster Bus Station. Bus services start at 6.50 am at the Park and Ride site and the last return service leaves Lancaster Bus Station at 6.35pm and a return ticket is £1.50. Initially parking is free of charge until pay and display and mobile phone parking is introduced in February 2017. All-day parking will then be £1.00 and weekly tickets for £6.00 will also be offered.

The Parking Strategy includes a number of aims to assist the development of the use of the new facility including monitoring the use of long stay car parks in Lancaster and considering reducing the number of long stay parking spaces. Usage of the facility will be monitored throughout the year and this will inform

the review of car parking charges for 2018/19. The Park and Ride site also allows the Council to evaluate its approach in the longer-term to long stay parking provision. It will also potentially provide alternative parking for the Canal Corridor Development if this goes ahead which would see a reduction in car park capacity during the construction phase.

Wider Review of Parking Strategy

Key projects e.g. the Bay Gateway, Canal Corridor Development, Morecambe Area Action Plan (MAAP) will have a significant impact on the parking strategy for the District as will strategies such as the Transport Masterplan. Work is taking place to develop plans that will best manage the expected impacts of this and ensure that the Council strategy for off street car parking supports the wider plans for the District.

Kingsway Car Park

This car park is situated on Kingsway opposite The Bus Depot residential development and the Kingsway Retail Park. It provides 19 parking spaces and is currently not managed in the same way as other public car parks. There have been some problems with businesses using the car park for the long-term parking of vehicles and this report includes proposals for introducing formal management and parking charges. Some improvements to the car park would also be provided. Introducing managed parking arrangements would allow customers to use the cycleway network for leisure purposes and customers could also walk into the city centre. A 4-hour maximum stay is recommended to avoid commuters using the car park and to allow the turnover of spaces.

This initiative will require an Amendment to the Off Street Parking Places Order to formalise the management arrangements, the approximate cost of which is £5,000 and can be managed from existing budgets.

Other Issues relating to Off-Street Car Parks

Friars Passage Car Park at the rear of Palatine Hall is again managed by the City Council and is currently used for the Council's pool car parking. Proposals are also being developed for potential electric vehicle charging points for this car park and specific proposals will be reported to Cabinet in due course.

The City Council owns a car park at the rear of St George's Quay which is currently not managed as a public car park. The car park is used by residents and businesses from the area and commuter parking is also taking place. Some works have recently been carried out in conjunction with the County Council to improve the condition of this car park and officers are developing proposals for the formal management of the car park. Residents and businesses in the area will be consulted before any proposals are finalised and presented to Cabinet or the Portfolio holder.

Both these initiatives if approved will require a further Amendment to the Off-Street Parking Places Order to allow enforcement of the agreed parking

restrictions, again estimated to cost in the region of £5,000 and can be managed from existing budgets.

On-Street Parking

Pay and Display Charges

Maintaining synchronised parking charges in Lancaster for 1 and 2 hour tariffs for both on-street and off-street parking is an important part of managing the demand and usage of parking and also contributes to wider traffic management objectives.

It has previously been agreed with Lancashire County Council that both Council's would synchronise their charges so that higher charges are in place for on-street than in off-street car parks. This is to encourage greater use of car parks and to discourage customers from driving around the limited number of on-street parking spaces and adding to traffic congestion.

It is understood the County Council has no proposals to increase 1 and 2 hour charges for 2017/18 and there are no proposals in this report to increase the City Council's charges for these tariffs. This being the case the following charges will apply throughout 2017/18:-

Parking Charge	On-Street	Car Parks
Up to 1 hour	£1.50	£1.40
Up to 2 hours	£2.60	£2.40

2 Proposal Details

2.1 Off Street Parking Charges (Generally)

Parking charges are a useful mechanism for assisting in the control of demand for parking space and contributing to wider traffic management objectives. Similarly it is also important that parking charges reasonably reflect the shopper and visitor experiences in the various centres and achieve a greater visitor dwell time. The current parking strategy therefore supports the principal of differential charging between Lancaster and Morecambe and the options included in this report maintain these arrangements.

In terms of overall usage nearly 62% of all parking transactions are for the 1 and 2 hour tariffs. The 1 hour tariff was increased in 2016/17 and the 2 hour tariff was increased in 2014/15. Maintaining these tariffs at their current levels for as long as possible is important for city and town centre viability. Proposals for increased charges contained in this report therefore freeze the prices of these most popular tariffs.

Free car parking on Sundays leading up to Christmas has been in existence since 2001 to encourage residents and visitors to shop locally. It was extended in 2005 to include Thursday evenings in Lancaster when evening charges were

introduced and in 2008 to include all the main city and town centre in Lancaster and Morecambe. The Christmas Lights Switch On in Lancaster is the first Sunday of free parking and this is followed by Sundays and Thursday evenings until Christmas (the number of days varying each year according to the date of the Lancaster Lights Switch On and which day of the week Christmas Day falls on). These arrangements are only for the City Council's car parks as the County Council does not offer similar free parking arrangements for on-street pay and display parking.

Some initial discussions have been held with Lancaster BID over the dates for 2017 and it has been agreed the traditional Sunday free parking will continue but the Thursday evenings will potentially be reviewed as the early Thursday evening dates are less busy for late night shopping. Lancaster BID may submit some revised suggestions for alternative late shopping and free parking arrangements for the Council to consider.

Pay and Display

Option 1

To introduce a range of options for car parking fees and charges for 2017/18 that support the ongoing management of car parks and the wider objectives of the Council:-

Option 1A

That the most popular 1 and 2 hour tariffs are frozen for 2017/18

Option 1B

To increase the following charges on all main car parks in Lancaster and Morecambe and increasing the Full Day charge at Williamson Park:-

TABLE A

Tariff	Current Charge	Proposed Charge
<u>Main Short Stay Car Parks -</u>		
Up to 3 hours	£2.80	£3.00
Up to 4 hours	£3.50	£3.60
<u>Main Long Stay Car Parks -</u>		
Up to 3 hours	£2.40	£2.50
Up to 5 hours (Lancaster)	£3.90	£4.20
Up to 10 hours (Lancaster)	£6.50	£7.00

<u>Evening Charge</u> - Lancaster	£1.40	£1.50
<u>Williamson Park</u> -		
Full Day	£1.60	£1.80

Option 1C

That free parking over Christmas is provided on the following dates:-
Sundays - 26th November, 3rd, 10th, 17th and 24th December 2017
Thursday evenings – 30th November, 7th, 14th and 21st December 2017
(Thursdays subject to further discussion with Lancaster BID and any alternative proposals not leading to an overall greater loss of income)

Option 1D

To introduce formal management and the following parking charges at Kingsway Car Park, Lancaster that reflect the car park's location in relation to Lancaster's main car parks and the proposed use :-

TABLE B

Charges to apply 8.00am to 6.00pm, 7 days per week (excluding Bank Holidays)	Proposed Charge
Up to 1 hour	£1.20
Up to 2 hours	£2.00
Up to 3 hours	£2.50
Up to 4 hours (Maximum Stay 4 hours no return in 4 hours)	£3.00

It is estimated the car park will generate approximately £10,000 p.a. but this could be displacement from other car parks and this will be monitored through corporate monitoring arrangements.

Option 2

To investigate an alternative range of options for car parking fees and charges for 2017/18 that support the ongoing management of car parks and the wider objectives of the Council

3 Details of Consultation

The local Chambers of Commerce and of Trade, the Federation of Small

Businesses, Lancaster BID, Friends of Williamson Park, Morecambe BID and Morecambe Town Council have been consulted over the off-street pay and display options included in the report and their comments will be made available at the meeting. Ward Members have been consulted over the proposals for the Kingsway Car Park.

4 Options and Options Appraisal

4.1 Off Street Pay and Display Charges

Option 1

To introduce a range of options for car parking fees and charges for 2017/18 that support the ongoing management of car parks and the wider objectives of the Council:-

Advantages	Disadvantages	Risks
<p><u>Option 1A</u></p> <p>This option freezes the most popular parking tariffs of 1 and 2 hours that account for 71% of short stay transactions and nearly 62% of overall parking transactions</p> <p>The 1 and 2 hour parking tariffs often provide a guide or perception of the overall level of charging and maintaining these tariffs at their current levels for as long as possible is beneficial</p> <p>By not increasing the 1 hour tariff the differential charge is maintained in Lancaster with on-street parking charges as agreed with the County Council</p>	<p>The 2 hour tariff car park tariff could be increased without affecting the differential charge for the limited number of 2 hour on-street spaces</p>	<p>The only risk is the greater need to increase the 1 and 2 hour tariffs in future years</p>
<p><u>Option 1B</u></p> <p>This option limits the increases to stays of 3 hours and longer and avoids the most popular tariffs of 1 and 2 hours that affect a large proportion of customers as previously reported</p>	<p>Although this option avoids the most popular tariffs 33% of parking transactions would still be affected by the increased charges</p>	<p>Introducing increases that affect 33% of all transactions could have a negative impact on overall car park usage</p> <p>Increasing charges at Williamson Park could reduce</p>

<p>Again, by not increasing the 1 hour tariff the differential charge is maintained in Lancaster with on-street parking charges as agreed with the County Council.</p> <p>This option maintains the current cost of all-day long stay parking in Morecambe</p> <p>Increased charges at Williamson Park are broadly in line with the main proposals</p>		<p>the number of visitors to the Park / lead to displacement onto surrounding streets</p>
<p><u>Option 1C</u></p> <p>This option maintains the traditional free off street parking in the Council's car parks and supports local shops and businesses leading up to Christmas</p> <p>This option encourages residents and visitors to shop locally and to improve the viability of the city and town centres at Christmas</p>	<p>This does lead to the loss of income but this has been factored into previous year's budgets and the current draft budget for 2017/18 and subsequent years</p>	<p>The greater risk is associated with discontinuing this option and the impact this would have on city and town centre viability at Christmas</p>
<p><u>Option 1D</u></p> <p>This option introduces formal management of the car park and allows leisure users and shoppers to use the car park</p> <p>This option prevents the long-term parking of vehicles on the car park and commuter parking</p> <p>The 4 hour maximum stay allows for the turnover of spaces and gives leisure users and shoppers greater opportunity to use the car park</p>	<p>The formal arrangements remove the informal regular long-term parking arrangements that some users and residents have become used to</p>	<p>Formal management and parking charges could reduce usage of the car park</p> <p>The income generated from parking charges could be minimal</p>

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Option 2

To investigate an alternative range of options for car parking fees and charges for 2017/18 that support the ongoing management of car parks and the wider objectives of the Council.

Advantages	Disadvantages	Risks
This would potentially allow alternative options to be considered	Alternative proposals may not provide the same range of support for the ongoing management of car parks and the wider objectives of the Council	Alternative proposals may not be introduced for the start of 2017/18 and have operational and financial implications

5 Officer Preferred Option

The Officer Preferred Option is **Option 1** - To introduce the following range of sub-options (i.e. 1A to 1D) for car parking fees and charges for 2017/18 that support the ongoing management of car parks and the wider objectives of the Council (further summarised in budgetary terms in the table below):-

- That the most popular 1 and 2 hour tariffs are frozen for 2017/18
- To increase the tariffs outlined in **TABLE A** of this report on all main car parks in Lancaster and Morecambe and increasing the Full Day charge at Williamson Park
- That free parking over Christmas is provided on the following dates:-
Sundays - 26th November, 3rd, 10th, 17th and 24th December 2017
Thursday evenings – 30th November, 7th, 14th and 21st December 2017
(Thursdays subject to further discussion with Lancaster BID and any alternative proposals not leading to an overall greater loss of income)
- To introduce formal management of the Kingsway Car Park in Lancaster and the parking charges outlined in **TABLE B** and Officers amend the Off Street Parking Places Order at the earliest opportunity to implement the changes

Option 1	Additional Income £
1A – 1 and 2 hour Tariffs Frozen	0
1B – Increase Tariffs as per Table A	49,900
1C – Sunday Free Parking (Christmas Period)	0
Total	49,900
1D – Formal Management of Kingsway Car Park (Subject to outcome of the 2017/18 Budget Process)	<p style="text-align: right;">8,000 (increasing to £10,200 from 2018/19)</p>