

Option 1

This option is to retain the existing charges to promote increased use of car parks. If usage remains the same this option could result in a negative forecast of £47,000 in the 2014/15 Draft Budget and further impacts on other service areas of the Council and on future year's budgets.

NOTE

Options 2, 3 and 4 are the main income generating options for Cabinet to consider.

Option 2 could be implemented in addition to Option 3 or Option 4. Option 3 and 4 are essentially the same option with the exception of the 2 hour tariff where this increases by 10p under Option 3 and by 20p under Option 4.

Option 2

The forecast for this option is that it will achieve the income levels forecast in the 2014/15 Draft Budget and generate an additional £7,000.

Parking Charge	Current Tariff	Proposed Tariff	Lancaster	Morecambe	Total Income
a) Increase Up to 1 hour	£1.30	£1.40	23,500	24,000	47,500
b) Increase Lancaster evening charge	£1.40	£1.50	6,500	-	6,500
TOTAL					54,000

Option 3

The forecast for this option is that it will generate an additional contribution of £11,700 to the 2014/15 draft budget.

Parking Charge	Current Tariff	Proposed Tariff	Lancaster	Morecambe	Total Income
Short Stay					
Up to 2 hours	£2.20	£2.30	18,000	5,000	23,000
Up to 3 hours	£2.70	£2.80	8,500	1,300	9,800
Up to 4 hours	£3.40	£3.50	3,500	700	4,200
Long Stay					
Up to 3 hours	£2.20	£2.40	10,000	6,500	16,500
Up to 5 hours (L)	£3.70	£3.90	2,500	-	2,500
Up to 10 hours (L)	£6.00	£6.50	2,700	-	2,700
TOTAL			45,200	13,500	58,700

Option 4

The forecast for this option is that it will generate an additional contribution of £34,700 to the 2014/15 draft budget. This option is very similar to Option 3 apart from the up to 2 hour charge on all car parks increasing from £2.20 to £2.40 rather than from £2.20 to £2.30.

Parking Charge	Current Tariff	Proposed Tariff	Lancaster	Morecambe	Total Income
Short Stay					
Up to 2 hours	£2.20	£2.40	36,000	10,000	46,000
Up to 3 hours	£2.70	£2.80	8,500	1,300	9,800
Up to 4 hours	£3.40	£3.50	3,500	700	4,200
Long Stay					
Up to 3 hours	£2.20	£2.40	10,000	6,500	16,500
Up to 5 hours (L)	£3.70	£3.90	2,500	-	2,500
Up to 10 hours (L)	£6.00	£6.50	2,700	-	2,700
TOTAL			63,200	18,500	81,700

IN ADDITION TO THESE FOUR MAIN OPTIONS THERE ARE A NUMBER OF SUB OPTIONS THAT CAN BE CONSIDERED.

Sub - Option 5

This is aimed at introducing an additional 24 hour charge in Lancaster to assist customers who are arriving before the evening charge starts at 6.00pm and want to stay until after the following day's charges have started at 8.00am. This option is for improved customer convenience and is estimated to be cost neutral.

The following charges are suggested having regard to the current all day and overnight charges:-

	Proposed Tariff
Short Stay	
Up to 24 hours	£10.00
Long Stay	
Up to 24 hours	£8.00

Sub - Option 6

This increases car parking charges at the two car parks at Williamson Park and removes the option of an annual permit.

Daily Charges 10.00am to 5.30pm including Sundays and Bank Holidays.

Car Park	Current Tariff	Proposed Tariff	Total Income
Up to 1 hour	0.80p	0.90p)
Full Day	£1.40	£1.50) 500
Evening after 5.30pm	£1.00	No Change	-
Annual Permit	£25.00	REMOVE	-

Sub - Option 7 - Permits

This option is to determine the level of car park permit charges and the levels of potential additional income that could be generated.

As previously shown in the usage data the only increased usage on pay and display tariffs is on Lancaster long stay and this could suggest that both these long stay charges and permit changes should be increased.

However, public permit sales have been reducing in recent years due to the economic downturn and have only now remained the same in 2012/13 compared with 2011/12. Staff, Partner and Member permits have reduced by 6.2%.

The following table shows the potential revenue that could be raised from some % increases with the resistance shown for additional information.

Option/ Heading	a)	b)	c)	d)	e)	f)
Increase Resistance	2.5% 1.25%	5% 2.5%	10% 5%	15% 10%	20% 12.5%	25% 15%
Public	2,494	4,927	9,619	13,772	17,955	21,956
Staff	981	1,939	3,785	5,420	7,066	8,641
TOTAL	3,475	6,866	13,404	19,192	25,021	30,597

Sub - Option 8

Although the Draft Parking Strategy refers to ensuring that parking charges reasonably reflect the shopper and visitor experiences in the various centres, it is equally possible to align the parking charges in Lancaster and Morecambe more closely in general terms.

The following additional sub options are therefore put forward for consideration:-

(a) Introducing parking charges on Bank Holidays in Lancaster.

In recent years retailing in the district and in the rest of the country has changed and shops are open on Bank Holidays on a regular basis. Introducing charges in Lancaster on designated Bank Holidays could raise a potential additional **£5,000 per annum**.

(b) Introducing evening parking charges in Morecambe.

The evening parking charge in Lancaster was introduced in 2005 after extensive consultation and was set at a flat rate of £1.00. Since then this charge has been increased twice and has been £1.40 since 2012/13. The income was originally used to improve the standard and frequency of city centre cleansing although this specific link is no longer made.

Introducing evening parking charges in Morecambe could raise a potential additional **£5,000 per annum**.

(c) Increasing the 1 hour parking charge on the Festival Market Car Park .

When Cabinet increased the 1 hour parking charge on all car parks from £1.00 to £1.20 in 2011/12 it agreed to keep this charge at £1.00 on the Festival Market Car Park following representations made by traders and their employees. This charge has remained at £1.00 although a further price increase up to £1.30 was implemented on all other car parks in 2012/13. The potential additional income that could be generated by increasing this charge by 10p, 20p, or 30p is shown in the following table.

Car Park	Current Tariff	Proposed Tariff	Total Income
(i) Up to 1 hour	£1.00	£1.10	2,850
(ii) Up to 1 hour	£1.00	£1.20	5,700
(iii) Up to 1 hour	£1.00	£1.30	7,850

(d) Increasing all parking charges on some of Morecambe's outer Car Parks.

These parking charges have not been increased since 2004

Car Park	Current Tariff	Proposed Tariff	Total Income
<i>Battery Breakwater Heysham Village Coastal Road</i>			
Up to 4 hours	0.80p	£1.00	3,500
Up to 10 hours	£1.20	£1.40	500
<i>Back Brighton</i>			
Up to 24 hours	0.50p	£1.00	1,350

Increasing these charges in line with the above table could generate potential additional income of **£5,350 per annum**.

Options Analysis

The following risk assessment is based on the general issues of maintaining existing parking charges and increasing parking charges rather than providing a detailed risk assessment of each of the above options and sub options.

Advantages	Disadvantages	Risks
<p>Maintaining existing parking charges could promote greater use of car parks and avoid any negative impacts on businesses and traders.</p>	<p>Usage would have to increase to meet the budget commitments.</p>	<p>The major risk of not increasing parking charges would be that usage would not increase and there would be a substantial negative variance on the car parking budget and this could affect other service areas of the Council.</p>
<p>Increasing parking charges could meet the budgetary target and ensure car parking continues to make a contribution to a balanced budget.</p>	<p>Parking charges have to be carefully balanced with ensuring city and town centre viability and increasing parking charges too high can impact on businesses.</p>	<p>The major risk of increasing parking charges is that greater customer resistance is experienced and the estimated additional income is not achieved.</p>
<p>This option avoids the need for additional savings or income from other functions of the Council.</p>	<p>Increasing parking charges, particularly Option 1, would potentially increase the price differential between on and off street parking charges depending on the County Council's approach to parking charges in 2014/15.</p>	<p>Increasing parking charges particularly long stay parking charges and permit charges could lead to displaced parking in residential areas with no parking restrictions.</p>
<p>Increasing charges either as proposed or selectively can help to achieve some of the objectives outlined in the draft parking strategy.</p>		
<p>Some of the options allow the review of some long term and short term differences between parking charges in Lancaster and Morecambe.</p>		