

DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	COUNCIL	5 DECEMBER 2016	16
PROPOSED INCREASE TO CAR PARK PAY AND DISPLAY FEES			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

On 13th September 2016 The Operational Management Committee considered a report on the outcomes of the Member Car Park Working Group. One of the issues reviewed by the Working Group was to consider whether there should be an increase in car park fees and what any increase should be. The Working Group, supported by the Operational Management Committee, resolved to recommend to Council a 5% increase in car park fees.

RECOMMENDATIONS

1. To increase car park tariffs by an average of 5% with effect from 1st April 2017 as set out in Appendix 1 of this report.

SUMMARY OF PREVIOUS DECISIONS

The Operational Management Committee at the meeting of 13th September 2016 resolved to recommend to Council an increase in car park tariffs by an average of 5% with effect from 1st April 2017.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

1. The Operational Management Committee met on 13th September 2016 to consider the outcomes of the Member's Car Park Working Group. The Committee considering following information:
2. In April 2010 the car park fees structure was significantly altered and increased. In January 2011, to take into account the increase in VAT rates from 15% to 20%, the fees were further raised. In April 2014 slight amendments were made to tariffs including the introduction of a cheaper shorter time tariff and multi-day tariffs at Lytham Station Car Park and for motorhome parking on St Annes Swimming Pool Car Park. All other fees have remained the same. Members noted that Fylde Council's parking fees are at the higher end of the scale in Western/Central Lancashire with Blackpool being highest. Details of the current fees and a comparison with other districts can be found in the Appendices of the committee report of 13th September 2016.
3. Working Group Members were asked to consider whether the Council should consider increasing current tariffs on pay and display car parks. Members were advised that any changes to fees would incur costs associated with changing legal orders and advertising public notices, changes to all tariff board signs and updates to the pay and display machine software.
4. The Working Group resolved to recommend that current pay and display car parks should have an increase in tariffs, though the initial parking period for each tariff type should remain the same. Calculations were provided for an average 5% and 10% increase in parking tariffs, apart from the initial parking period, details of which are set out in Appendix 6 of the committee report of 13th September 2016. Tariffs were rounded to the nearest 10p due to operational requirements. The Working Group concluded to recommend an increase of 5% for all parking tariffs apart from the initial period.
5. Appendix 1 sets out the calculations for an average 5% increase while the initial period remains the same. Baseline figures using the amount of income and ticket sales supplied by each pay and display machine for 2014/15 were used (the more recent 2015/16 data has incomplete information as a result of the machine replacement programme). Income figures shown are inclusive of VAT as charged to the customer. The information provided shows the actual income collected against assumed income calculated from tickets sold. These figures slightly vary due to some people overpaying for different tariffs (e.g. paying £1 for an £0.80 tariff). For comparison purposes the assumed income has been used to calculate the changes in tariffs.
6. The table below shows the total annual fee income exclusive of VAT for a 5% increase

Assumed total Income at current fee levels	Assumed total income at 5% Increase in fee levels	Additional income at 5% Increase in fee levels
£519,400	£545,849	£26,449

An average 5% tariff increase would result in an estimated £26,449 increase in annual income. This has been calculated based on the same number of users as in 2014/15. However it is likely, perhaps just for a short period, that some customers' current habits will change as a result of any price increase; people may decide not to use Council-owned car parks at all, some may use them less often and others may choose a lower tariff. This is likely to lead to a reduction in the number of users and a subsequent impact on potential income. This potential impact has been calculated as a 2.5%, 5% or 7.5% drop as shown in Appendix 1. This potential reduction needs to be considered as part of the decision making process.

7. Although Fylde Council operates Lowther Gardens Car Park, the area is owned by the Lowther Gardens Trust with an income and cost sharing arrangement in place. The Trust has been asked to consider a 5% increase in line with other pay and display car parks operated by Fylde Council. They have responded stating that they do not wish to implement such an increase at this time and are currently reviewing the management arrangements for the car park. As such, Lowther Car Park has not been included in the calculations in Appendix 1.
8. The Operational Management Committee at the meeting of 13th September 2016 resolved to recommend to Council an increase in car park tariffs by an average of 5% with effect from 1st April 2017.

Consultation

9. As is set out in Fylde Council's Car Park Strategy the Council aims to consult with local Chambers of Trade and Business Groups with changes to car park operations. St Annes Chamber of Trade and the Lytham Business Group were asked for their opinions on the proposed 5% increase in tariffs. No formal response has been received from either. As part of the changes to the Car Park's legal orders Lancashire Police and Lancashire County Council (as the Local Highways Authority) are required to be consulted as well. The Police have no objections with no response yet received from Lancashire County Council.

IMPLICATIONS	
Finance	This report requests that the Council approve an increase in car park tariffs of an average of 5% (as detailed in Appendix 1 of the report) with effect from 1 st April 2017 which would generate an estimated increase in income of £26,449 per annum assuming no reduction in user numbers.
Legal	Any permanent change to car park tariffs will require an amendment to the Car Park legal order (Traffic Regulation Order) which will be publically advertised prior to amendments being made.
Community Safety	None
Human Rights and Equalities	None
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	None

LEAD AUTHOR	TEL	DATE	DOC ID
Andrew Loynd	01253 658527	21 November 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Car Parking Working Group Report	13/09/2016	https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/913/Committee/16/SelectedTab/Documents/Default.aspx

Attached documents

1. Appendix 1 – Calculations for a proposed 5% increase in Car Park Fees