

EXECUTIVE

Report title	Car Parking Review	
Executive Member*	Councillor Lewis Young - Executive Member for Economic Development and Infrastructure	
Chief Executive or Director	Kevin Parkes, Executive Director of Growth & Place	
Date	12 June 2018	
Purpose of the report	To update the Executive on a review of car parking, and seek Executive endorsement to implement a series of improvements to car parking, that would contribute to Middlesbrough Council's city-scale aspirations.	
Summary of the report	The report provides an overview of the changes required to facilitate an efficient car parking offer in the city centre, drawing on a detailed review undertaken by Fore Consulting. Recommendations are made to reflect changes in parking policy in the pricing associated with individual car parks.	
If this is a key decision, which key decision test applies?*	Over the financial threshold (£150,000)	√
	Amends the Council's policy framework	
	Affects two or more wards	
	Non-key	
For the purposes of scrutiny call in procedure this report is*	Exempt under s.12a Local Government Act 1972	
	Urgent (NB this must be approved by the Chair of OSB)	
	Non-urgent	√
If this is a confidential report, which exemption(s) from the Schedule 12a of the Local Government Act 1972 applies?	Not applicable	
Decision(s) asked for	<p>That the Executive approves following improvements and changes to the operation of the car parking service in the short term;</p> <ul style="list-style-type: none"> a. Implement 'pay on exit' at Zetland MSCP b. Retain two hours free parking for shoppers at Captain Cook Square c. Remove two hours free parking in commuter car parks (Zetland MSCP & Station Street) d. Increase charging by 40p per day in cheaper commuter car parks to align pricing (Zetland MSCP, Amber Street and Station Street) e. Increase tariffs by 20p in all other car parks f. Put parking restrictions in place at Middlehaven and Gresham g. Apply charge of £10 for lost parking permits 	

<p>Impact of decision(s)</p>	<p>The Council will provide an improved car parking offer for all users of the service in the city centre in the short-term; allowing time to review the effectiveness of the recommendations to inform both the medium and long-term offer. This will complement the capital investment in the wider public realm improvements across the city centre, providing an improved experience for commuters and visitors.</p> <p>Car park users will see an increase in tariffs in the identified locations. The increased revenue enables the Council to ensure that the car parking service receives appropriate investment to sustain the current service levels, along with being well positioned to further invest in the service as the local economy develops and the availability of car parking decreases. This will result in a greater demand on both the public and private sector car parking in the city centre.</p>
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What is the purpose of this report?

1. To update the Executive on a review of car parking, and seek Executive endorsement to implement a series of improvements to car parking, that would contribute to Middlesbrough Council's city-scale aspirations.

Why is this report necessary?

Context

2. Middlesbrough Council recognises the vital role that car parking plays in the transformation of the local area. It is therefore vitally important that the Council utilises its current provision effectively to manage demand, and support both the current and future growth aspirations set out in the Investment Prospectus.
3. In supporting these aspirations, it is recognised that high quality, fit for purpose car parking provision is an important factor in the decision making around locating major investments. The availability of car parking has been a critical factor in attracting major employers in to the town, and the overall parking offer remains critical in terms of attracting individuals – whether commuting or visiting.
4. In order to ensure that the car parking provision in Middlesbrough continues to be a positive factor in investment decisions, a review was commissioned to look at how the current offer could be packaged to reflect city centre aspirations, and identify the investments that would be required to grow the positive impact of parking on the success of the area. A key consideration for the commission was to look at how Middlesbrough's central role in the Tees Valley can be supported.
5. As a result, Fore Consulting were appointed in Autumn 2017 to evaluate parking provision against current industry practices, and to identify areas of improvement and innovation that would be beneficial to support the growth aspirations of the town.

Parking Review

6. The commission was to provide a two stage review, covering both strategic issues, and the operational effectiveness of the current provision. The review looked at what the Council could implement to address the short, medium and long-term challenges/opportunities.

Strategic Review

7. The review looked at using the town's economic vision for a vibrant and ambitious city centre and examining how parking can best be used to address the increasing external challenges to the economy, as well as reviewing evidence on the characteristics of commuting and shopping in Middlesbrough.
8. The outcomes were a recommended strategic approach that informs parking standards; identifies what is required to support the city centre economy; and maximises its role in terms of managing congestion. The work also provided initial advice on car park pricing and customer experience.

Operational Review

9. In light of the findings from the strategic review and emerging overall strategy, the commission also specified that three concurrent workstreams formed part of the operational review:

Parking Demand

- a. Identifying off and on-street parking demands from private, non-residential parking; Residential parking; Shoppers, commuters and visitors; and Blue badge parking.

Parking Supply

- b. Covering occupancy and length of stay; User friendliness and customer experience; Links to pedestrian areas and city centre; Network implications of different car parks; Access for all; Public and private provision; Links to both economic and housing developments, with a clear focus on the 'predict and provide' element of sustainable modes of travel in and around the city centre.

Parking Management

- c. A comprehensive review of the charging regimes and scenarios of changes in demand; Introduction of Pay on foot; Potential for 24/7 provision and strategic partnerships with local businesses and providers for zoning and space designation; Customer care, staffing and enforcement approaches reviewed against best practice; Review of the marketing of car parking provision; and Maintenance standards and ongoing management.
10. The outputs of the review have produced quantitative and qualitative assessment of the location and type of parking, identification of additional requirements and potential areas of surplus car parking provision across the city centre in the short, medium and long-term, along with how inward investment opportunities can impact on levels of provision.

11. The study reviewed the existing assets in terms of the physical car park environment / equipment needed to operate facilities, such as parking machines, as well as and the current methods used to receive payments in the form of cash collection and using different technologies, such as telephone / digital applications and identifying development opportunities.
12. Implementing the outcomes of the review would ensure that the Council adopts firm and fair enforcement practices, with an evidence based pricing approach and clear operational management for future car parking provision within the city centre.
13. A review of the current charges and fee structure has therefore been undertaken, with suggested proposals for implementation, specifically addressing value for money and customer improvements. This aspect included benchmarking against other comparable local authority and regional centre areas.

Proposals – Short Term

14. Although the review identified a number of proposals for longer term adoption, such as implementing 'pay on exit' at all major car parks, and a gradual move towards the option of 'cashless' parking, these would require significant capital investment and are likely to be considered for implementation much further down the line. A number of principles guiding shorter term proposals are however worthy of immediate consideration, and can be summarised as follows:
 - a. Move to clearer 'zoning' in the city centre
 - b. Have clearer distinction between commuter and shopper car parking
 - c. Change pricing strategy to reflect the above
 - d. Apply price increases
 - e. Retain two hours free parking for shoppers
 - f. Prevent uncontrolled parking at Middlehaven at Gresham to ensure areas are viewed as development sites
 - g. Trial 'pay on exit' in a commuter car park
15. Implementing these principles in line with the research undertaken would therefore require the following specific proposals:
 - a. Implement 'pay on exit' at Zetland MSCP
 - b. Retain two hours free parking for shoppers at Captain Cook Square
 - c. Remove two hours free parking in commuter car parks (Zetland MSCP & Station Street)
 - d. Increase charging by 40p per day in cheaper commuter car parks to align pricing (Zetland MSCP, Amber Street and Station Street)
 - e. Increase all tariffs by 20p in other car parks
 - f. Put parking restrictions in place at Middlehaven and Gresham
 - g. Retain a free parking permit scheme, but apply a charge of £10 for lost parking permits

16. The only major recommendations of the review that are not being proposed for implementation are those around charging for residential parking permits. These recommendations have been dismissed on the basis that they would unfairly penalise those living in potentially lower value areas where residents parking schemes are required due to their proximity to attractions such as Teesside University.

What decision(s) are being asked for?

17. That the Executive approves following improvements and changes to the operation of the car parking service in the short term;

- a. Implement 'pay on exit' at Zetland MSCP
- b. Retain two hours free parking for shoppers at Captain Cook Square
- c. Remove two hours free parking in commuter car parks (Zetland MSCP & Station Street)
- d. Increase charging by 40p per day in cheaper commuter car parks to align pricing (Zetland MSCP, Amber Street and Station Street)
- e. Increase all tariffs by 20p in other car parks
- f. Put parking restrictions in place at Middlehaven and Gresham
- g. Retain a free parking permit scheme, but apply a charge of £10 for lost parking permits

Why is this being recommended?

18. The recommendations are considered to be the most appropriate course of action for the Council, to ensure that car park users are experiencing the highest quality customer experience as possible in terms of modern practices befitting regional, city centre aspirations and to attract further inward investment.

19. The recommendations would align with the capital investment of the 'pay on exit' system to be implemented in Zetland MSCP this year. Implementing 'pay on exit' would also be used as an evidence based intervention, assessing the customer experience and demand associated with the offering this service to customers. The recommendations would also ensure that investment in maintenance and development of the parking service can be sustained in future years; so the standard remains that of a successful city centre.

20. The changes to the tariffs allow the Council to begin to assess how a zoning approach for car parking could work in the longer term in the city centre, as the promotion of Zetland MSCP as 'commuter car park' is expected to release capacity within car parks located closer to the retail sector. This ensures that the management of traffic is more contained within the centre; allowing shoppers to have greater access to the parking offer in the retail centre, where evidence demonstrates a higher turnover of car parking spaces.

21. The recommendations also align and complement the work being undertaken on a series of city centre improvements, which is developing the public realm at key locations to create enhancements to the environment and improve accessibility, connectivity and perceptions around the pedestrian experience. This investment has been key in attracting many new and exciting restaurants, bars and retailers and has also been pivotal in the support of Middlesbrough's emerging independent quarter. It is essential that the car parking offer complements this investment; supporting both day and night time economies and creating an accessible and safe environment for visitors and residents alike.

Other potential decisions and why these have not been recommended

22. Do nothing. This option is not recommended because the car parking service is one of the first services commuters, shoppers and visitors use when arriving in the city centre. As a result, having modern and flexible provision demonstrates additionality and ambition to be at the heart of the city region and being in line with other comparable city regions, outlined in the Fore Consulting Review.

23. This approach would have been a dis-benefit to the Council as it does not provide the improvements required to provide a flexible and responsive service befitting an ambitious city centre, while supporting both the medium and long-term aspirations outlined in the Council's Investment Prospectus.

24. As car park pricing changes tend to be applied every few years, rather than on an annual basis, they can appear significant at first glance. Applying a smaller annual price increase would potentially appear less significant to customers, but would potentially be more costly in terms of changing signage and machine programming. The actual impact on customers would be largely the same.

Impact(s) of recommended decision(s)

25. The Council will provide an improved car parking offer for all users of the service in the city centre in the short-term; allowing time to review the effectiveness of the recommendations to inform both the medium and long-term offer.

26. The users of the car parking service will see an increase in tariffs in the identified locations. Increased revenue enables the Council to ensure that the car parking service receives appropriate investment to sustain current service levels, along with being positioned to invest as the local economy develops and the availability of car parking decreases, resulting in a greater demand on both the public and private sector car parking in the city centre.

27. There may also be some displacement into private car parks, which may result in a loss in income for the service. However, this enables the Council to fully assess the implications of the recommendations and approach to the 'zoning' of certain car parks as identified by Fore Consulting. Assumptions around this have already been factored into the work undertaken by Fore.

Legal

28. The legal implications for the Council associated with the report's recommendations, are the requisite amendments to the traffic regulation orders in relation to the recommended change in charging.

Financial

29. The financial implications of implementing the proposals would be an increase in the income received by the Council of around £200,000 per annum. This income would be used to contribute towards the overall costs of facilitating an effective city centre parking offer.

30. The effects of price increases on parking numbers has already been factored in to the work by Fore Consulting, reflecting national and local trends around 'elasticity' – the amount of displacement caused by pricing changes (detailed in the Risk section below).

31. The capital investment required to facilitate the implementation of 'pay on exit' at Zetland MSCP is already identified within existing service funding plans.

The Mayor's Vision for Middlesbrough

32. The recommendations provide a contribution to the Mayor's Vision for Middlesbrough, through: transforming Local Transport Links with improved services.

Policy Framework

33. Approval of the recommendations will not affect any part of the Council's Policy Framework.

Wards

34. Although car parking applies to all areas of the city, the recommendations contained in this report would take place in the Central ward.

Equality and Diversity

35. There will be no negative, differential impact on diverse groups and communities within Middlesbrough associated with this report.

Risk

36. The main risk associated with the recommendations is displacement of customers into privately operated car parks across the city centre. As a result, Fore Consulting utilised the 'Konsult' electronic model, hosted by the Institute of Transport Studies at the University of Leeds, to demonstrate the elasticity of their recommendations.

37. Utilising this model, the parking activity price elasticity for a 10% increase in tariff, ranges between 1% - 4 % reduction in parking activity. Research also supports that price elasticities are greater for long stay parking (commuters) than for short stay parking (shoppers). Recommending to retain the 2-hour free parking offer at

Captain Cook MSCP, reduces the potential risk for displacement from short stay tariff amendments to other private car park providers.

Actions to be taken to implement the decision(s)

38. If endorsed, the Council will amend the traffic orders to ensure that the Council has the legal power to make changes to the pricing structure across the long stay car parks within the town centre.

39. The Transport & Infrastructure Service will ensure that all the capital improvement recommendations for Zetland MSCP are taken forward in accordance with the Council's procurement framework and capital programme processes. Progress against implementation would be monitored and reported to the dedicated Programme Management Office.

Appendices

None

Background papers

Body	Report title	Date
Fore Consulting	Middlesbrough Council Car Parking Review	27 April 2018