

**Report of Parking Manager**

**Report to** Director of Environment and Housing

**Date:** 1st December 2014

**Subject:** Woodhouse Lane multi-storey Car Park – Price Increase

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|--|---|--|
| Are specific electoral Wards affected?<br>If relevant, name(s) of Ward(s): Hyde Park and Woodhouse   | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| Are there implications for equality and diversity and cohesion and integration?  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Is the decision eligible for Call-In?  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Does the report contain confidential or exempt information?<br>If relevant, Access to Information Procedure Rule number:<br>Appendix number: | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |

**Summary of main issues**

1. The daily charge at Woodhouse Lane multi-storey car park has been set at £5.50 since 1<sup>st</sup> September 2014.
2. The car park is currently extremely busy, often filled to capacity, and has been so for several months.
3. Competitor pricing is all significantly higher and it is recommended to increase the current daily charge at Woodhouse Lane from £5.50 to £6.
4. In line with this change it is also recommend to increase some longer stay prices and the price of quarterly permits, from £300 to £330.

**Recommendations**

5. The Director of Environment and Housing is recommended to approve an increase in the daily charge at Woodhouse Lane multi-storey car park from £5.50 to £6.00. The increased charge to apply from 5<sup>th</sup> January 2015.
6. The Director of Environment and Housing is recommended to approve a corresponding rise in the price charged when Leeds Arena events are being held, also to £6.
7. The Director of Environment and Housing is also recommended to approve an increase in some longer stay prices and the price of a quarterly permit from £300 to £330.

## **1 Purpose of this report**

- 1.1 To seek the Director's approval to increase some charges at Woodhouse Lane multi-storey car park including a rise in the daily rate from £5.50 to £6. The increased charge to apply from 5th January 2014.
- 1.2 To confirm that the price charged for using the car park on Arena event nights will also change to £6.

## **2 Background information**

- 2.1 Woodhouse Lane multi-storey car park is the main multi-storey car park operated by the Council and the income derived is a significant part of the service and Directorate budget; current year estimate approximately £1.7 million. During the week the main business is derived from daily commuters; evening and weekend trade is growing but still forms the minority of the overall patronage.
- 2.2 The car park has many advantages having recently been refurbished to coincide with the opening of the Leeds Arena. At the same time the car park is on the very edge of the main city centre core and so needs to be competitively priced to maintain trade and income levels.

## **3 Main issues**

- 3.1 In April 2013 the daily charge was reduced from £8 to £5 to increase trade, this formed part of a package of measures that also looked at better marketing, improved web presence etc.
- 3.2 The impact of the charge reduction in April last year plus the other measures has been dramatic. The car park is now regularly full to capacity and income levels have increased correspondingly.
- 3.3 The price was increased from £5 to £5.50 in September, however this has had no impact on numbers and the car park is still full on weekdays.
- 3.4 There are problems with internal congestion at the car park and also issues with congestion on the road network caused by vehicles queuing to get in.
- 3.5 It is believed that the daily charge can be increased without having a detrimental effect on user numbers and so further improving income. Whilst a price rise may see some patronage reduction it is believed that this will be more than offset by the income derived from each user who remains.
- 3.6 The proposed charge of £6 is still cheaper than the competition and is thought to be sustainable.
- 3.7 The income from Arena events is ring fenced to the Arena budget. A review of income from Arena events suggests that an increase would be appropriate and £6 is also proposed.

- 3.8 Quarterly permits were not increased when the prices went up in September and have been held at £300. As the daily price has risen 20% since the permit price was set a 10% increase to £330 is considered reasonable.
- 3.9 Some other changes are proposed to the longer stay tariff bands. The complete proposal is :

|                  | <b>Existing</b> | <b>Proposed</b> |
|------------------|-----------------|-----------------|
| Up to 2 hours    | £2              | £2              |
| Up to 3 hours    | £3              | £3              |
| Up to 4 hours    | £4              | £4              |
| Up to 6 hours    | £5              | -               |
| ARENA event      | £5              | £6              |
| Up to 12 hours   | £5.50           | £6              |
| Up to 14 hours   | £6              | £7              |
| Up to 24 hours   | £10             | £11             |
| Up to 7 days     | £40             | £44             |
| Quarterly permit | £300            | £330            |

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 The Executive Board Member for Environment and Parks has been consulted on this proposal and given his support for the proposed price increase.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 An Equality Screening Document has been completed for this proposal and is attached. The conclusion of the assessment is that there are no impacts for Equality, Diversity or Integration. Currently the car park has a number of spaces specifically identified for disabled users and also provides free parking for blue badge holders, both these issues are unaffected by the proposed price rise.

### **4.3 Council policies and City Priorities**

- 4.3.1 The proposed price rise will help the service and the Directorate meet the budget challenges faced in the current year.

### **4.4 Resources and value for money**

- 4.4.1 It is difficult to predict the exact financial impact of the proposed price rise but the view of managers within Parking Services is that a 50p rise in the daily charge is a sensible one as it still keeps the price charged competitive when compared to other operators. It is estimated that approximately £50k additional revenue in a full year will be generated by the proposed price increase.

### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 The decision to increase the daily charge is an Administrative Decision that can be made by the Director under the Scheme of Delegation; the decision is not eligible for call-in.

## **4.6 Risk Management**

- 4.6.1 The main risk is introducing a price regime at the car park that makes it uncompetitive alongside other providers. The effect of the increased charge will be closely monitored following its introduction.

## **5 Conclusions**

- 5.1 Woodhouse Lane multi-storey car park is currently operating at or near to capacity throughout the day on weekdays. The current price is lower than all other competitor providers and it is believed that an increase in the daily charge from £5.50 to £6 will have no significant detrimental impact on patronage and at the same time result in additional income to the Council. Other increases are proposed as at 3.8 above.

## **6 Recommendations**

- 6.2 The Director of Environment and Housing is recommended to approve an increase in the daily charge at Woodhouse Lane multi-storey car park from £5.50 to £6.00. The increased charge to apply from 5th January 2015.
- 6.3 The Director of Environment and Housing is recommended to approve a corresponding rise in the price charged when Leeds Arena events are being held, also to £6.
- 6.4 The Director of Environment and Housing is also recommended to approve an increase in some longer stay prices and the price of a quarterly permit from £300 to £330.

## **7 Background documents<sup>1</sup>**

- 7.1 Equality Impact screening document.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.