Leeds CITY COUNCIL

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Report of the Director of Resources

Report to Executive Board

Date: 5th September 2012

Subject: A Review of City Centre Parking in Leeds

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	☐ Yes	☒ No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	☒ No
Is the decision eligible for Call-In?	☒ Yes	☐ No
Does the report contain confidential or exempt information?	☐ Yes	☒ No

Summary of main issues

1. This report provides a summary review of Leeds city centre car parking and the outcomes of the review will be subject to a consultation with relevant stakeholders. The full review document is available to members on request.

2. The Council's current car parking policy is influenced by strategic plans which aim to discourage long stay commuter parking, support the economic vitality of the city centre by encouraging short stay parking for shoppers/visitors and encourage the development of more sustainable travel choices, such as Park and Ride facilities.

3. The Council controls around 29% of all chargeable spaces in the city centre. Although occupancy of all car parks has been declining in general, occupancy of the Council operated car parks remains significantly higher than the privately operated car parks. This is partly as a result of Council car parks being, on average, cheaper than private car parks. Nevertheless, car parking income has been falling short of budgeted levels in recent years, both on street and off street.

4. Whilst the Council's current parking strategy is broadly in keeping with the policy objectives, this review highlights the issues which should be taken into account when shaping future car parking strategy.

Recommendations

5. Executive Board is requested to approve the recommendations contained within the report.

1. Purpose of this report

1.1 The purpose of this report is to provide a summary review of city centre car parking in Leeds, highlighting issues which will inform future car parking policy. The full review document is available to members on request.

1.2 The review considers the Council's current approach to city centre parking, having regard to the Council's policy objectives. It considers current and future capacity of car parking spaces within the city centre, provides an analysis of the usage of the city's car parks and examines income trends in recent years at the Council's car parks.

1.3 It highlights the issues which need to be taken into account when shaping future car parking strategy and makes recommendations which are consistent with the Council's objectives.

2. Background information

2.1 Members have previously requested that the Council's strategy for car parking in the city centre is reviewed to ensure that it is meeting the Council's policy objectives and is appropriate for the current economic conditions.

2.2 The population of Leeds is forecast to grow significantly over the coming years which, together with future developments in the city centre, will result in a need to transport greater volumes of people into and out of the city centre. Future transport strategy is focused on providing for increased travel to the city centre by sustainable modes and reducing the impact of traffic within the city centre, and car parking policy has a key role to play in this.

2.3 The operation of car parking also generates a significant amount of income, and although the Council does not operate car parks with the sole intention of generating revenue, income has been falling short of budgeted levels in recent years.

3. Main Issues

3.1 Car parking has an important role to play in supporting the city centre economy. The provision of an appropriately balanced parking supply is considered essential to a thriving city centre. This balance is delicate however, since it needs to complement the provision of public transport and other travel options for the city centre so as to make the most sustainable and efficient use of transport resources and provision.

3.2 Too little car parking provision can discourage visitors and commuters from coming to a city centre, whereas over provision can lead to excessive traffic and have an adverse impact on the viability of public transport services.

3.3 Charging for car parking helps to support local businesses by encouraging the turnover of spaces, and the Council is able to support specific locations through targeted parking provision such as specific short/medium stay parking at the Markets car park.

3.4 The level, distribution and pricing are therefore critical factors in helping to ensure that car parking does not become a deterrent to investors, employers, employees and visitors and that public transport services are not undermined. This balanced approach forms the basis of car parking policy in Leeds.

3.5 Policy Objectives

3.5.1 The Council's car parking policy is shaped by a number of strategic planning documents. These include:

- the West Yorkshire Local Transport Plan (LTP) 2011-2026
- the Leeds Unitary Development Plan Review 2006
- The Local Development Framework Draft Core Strategy

3.5.2 These plans are all supportive of discouraging long stay commuter parking, encouraging short stay shopper/visitor parking in order to support the city centre economy, and developing more sustainable travel choices, such as Park and Ride facilities. The Council is continuing to develop its Park and Ride strategy which has identified a number of potential sites for further development in the short, medium and long term.

3.5.3 The Council's parking charges are broadly structured with the Council's policy objectives in mind, being designed to discourage excess commuter parking and encourage turnover of short/medium stay spaces to maintain the vitality of the city centre. However, whilst the Council's sole objective is not to maximise revenue, charging for car parking does provide a significant income stream for the Council and this aspect cannot be ignored.

3.5.4 Feedback from a city centre Audit in 2007 did raise some concerns around the ease and cost of car parking, whilst comments from the Leeds, York & North Yorkshire Chamber of Commerce suggest that further improvements to the public transport infrastructure are still required.

3.6 Car Parking provision

3.6.1 The number of chargeable spaces available for public use in the city centre has been estimated at 18,890. Of these, 2,407 are on street (13%) and 16,483 off street (87%).

3.6.2 In total, there are 13,822 long stay spaces (on street + off street) and 5,068 short/medium stay spaces. The Council controls only around 29% of the long stay spaces and 31% of the short stay spaces, which equates to just 29% of all spaces in the city centre.

3.6.3 This does limit the Council's influence on the level of charges in the city centre and although some influence can be exerted through planning conditions, this limits the Council's ability to achieve its overall policy objectives.

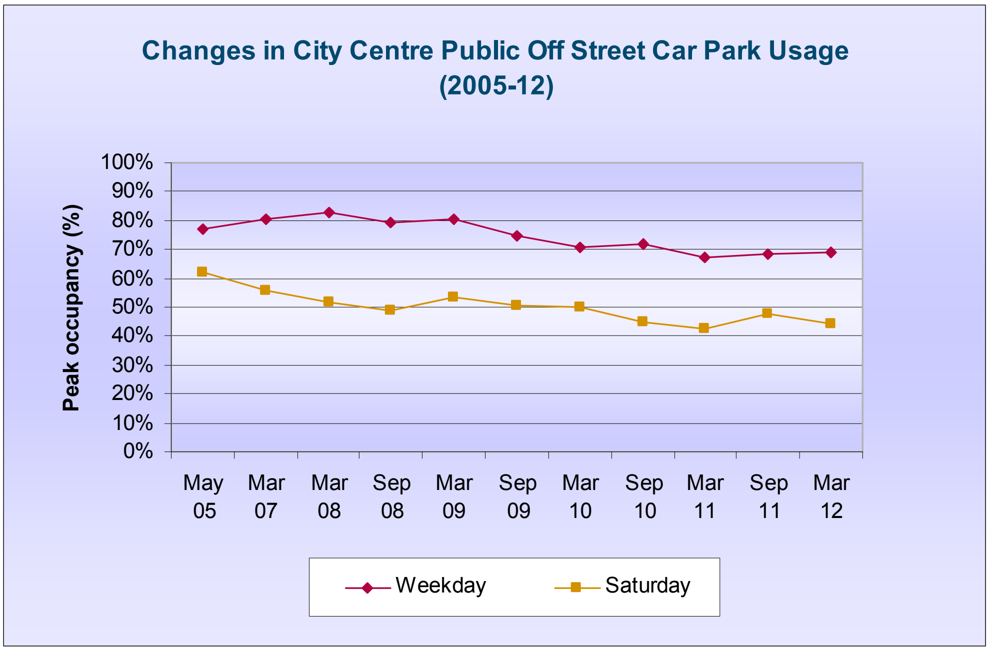
3.6.4 In recent years, the pool of parking controlled by the Council has reduced due to a number of former car parks being used for city centre developments, which reflects the Council's wider objectives in terms of encouraging regeneration and economic growth.

3.6.5 In the immediate future, other developments which will impact on parking demand and supply in the city centre include the Trinity Quarter, the Eastgate Quarter development and the Arena. In addition, a number of Council car parks are earmarked for development including Quarry Hill, Queen's Hall (Sovereign Street), the International Pool site and Portland Crescent D car park, and it is anticipated that much of the temporary cleared site commuter parking to the south of the city will close as the

Council develops its Park and Ride proposals, which could ultimately provide in excess of 4,000 new car parking spaces.

3.7 Car Parks Usage

3.7.1 Overall occupancy levels, as recorded via biannual spot surveys, have fallen in recent years and the graph below plots these trends over time.



3.7.2 The economic downturn has undoubtedly had an impact on the usage of car parks within the city centre, but the development of out of town shopping, growth of internet retailing and changing working patterns will also have had an impact. Monitoring of cars travelling on radial roads approaching the city centre has shown a 9% reduction in car usage between 2004 and 2011 and footfall within the city centre has fallen by around 16% between 2009 and 2011, which is a trend that is mirrored nationally. Motoring costs, especially fuel prices, have also risen significantly in recent years.

3.7.3 Analysis of the occupancy data shows that over time, weekday occupancy of Leeds City Council operated car parks has been, and remains, significantly higher than the privately operated car parks. However, there are some concerns around occupancy of the Woodhouse Lane multi story car park.

3.7.4 Saturday occupancy has shown a clear upward trend in Council operated car parks in the last 18 months, and a significant drop in those privately operated over the last 2 years. Some of the most centrally located private car parks, which were previously operating at near full capacity, have seen occupancy rates decline to around 40% in the most recent surveys.

3.8 Car Parking Charges

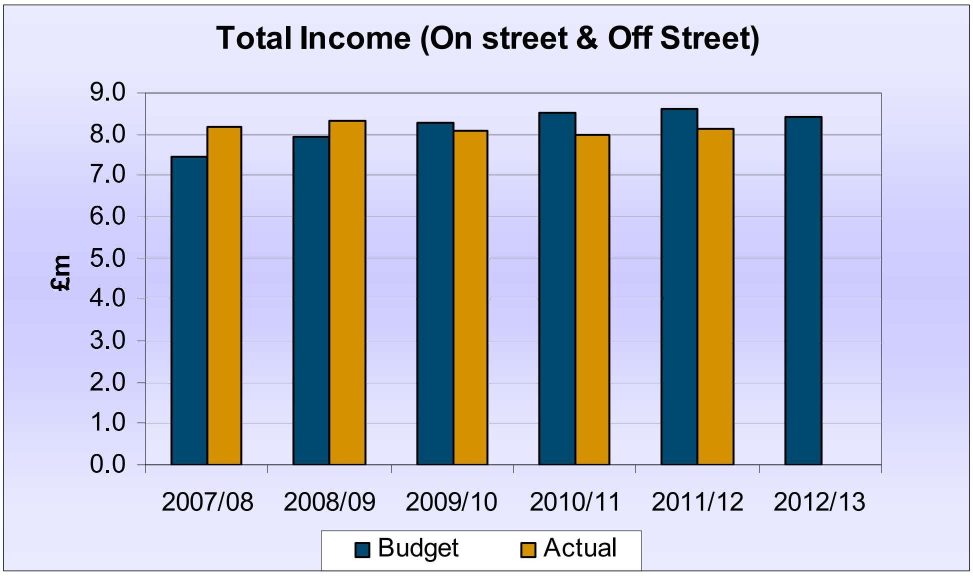
3.8.1 A comparison of prices between the main Council and privately operated car parks demonstrates that the Council is, on average, the cheapest provider of parking in the city for both short and long stay (excluding the temporary commuter car parks). On weekdays, the Council's car parks are generally less than two thirds of the price of a private car park and on Saturdays around 40%, as the Council offers reduced rates in many instances. Most Council car parks are free on a Sunday.

3.8.2 Charges for on street spaces are grouped into zones with prices reflecting the relative popularity of the zones. The charging period for on street parking ends at 18.00 in the evenings and is free on a Sunday. In 2011, an in depth review of prices was undertaken on a street by street basis and a reorganisation of the zones was implemented. Rather than implementing a general increase in tariffs, some were increased whilst others, in less popular locations, were reduced by up to 50%.

3.8.3 A Core City comparison shows that Leeds is less expensive than all but one of the other core cities (Sheffield) for all day off street parking and slightly higher than average for on street parking. Leeds is one of only three core cities to offer free parking on a Sunday. A comparison to other West Yorkshire districts shows that Leeds' charges are the most expensive for both shoppers and commuters but this does need to be seen in the context of Leeds' position as the main economic driver of the Yorkshire and Humber region.

3.9 Income

3.9.1 For 2012/13, parking fee income from city centre parking is budgeted at £8.4m. However, in recent years income has fallen short of budgeted levels as the following graph shows:



3.9.2 With regard to on street parking, there has been a decrease in actual income of 6.4% between 2007/08 and 2011/12, from £3.5m to £3.2m, although the position does now seem to have stabilised, with similar levels of income being achieved in 2011/12 as in 2010/11.

3.9.3 In terms of off street parking, actual income remained relatively stable between 2007/08 and 2010/11, at around £4.7m and there has been a 3.7% increase in income in 2011/12 compared with 2010/11, albeit £0.3m less than the budget assumed.

3.9.4 There are some significant differences between the performance of individual car parks with some performing strongly, such as the Queens Hall and International Pool sites, whilst others such as West Street and Woodhouse Lane have seen income decline significantly, with Woodhouse Lane accounting for £0.4m of the overall car parking income shortfall of £0.5m in 2011/12.

3.9.5 An analysis of changes in prices compared to changes in income levels at Council operated car parks over the last three years found that there is not always a strong correlation between price and income, which suggests that price is not the only driver of usage. The location of individual car parks and the availability of alternative parking in an area will have an impact on usage levels, as will the overall decline in usage of all city centre car parks that has been witnessed in recent years.

3.9.6 A more detailed analysis of Woodhouse Lane found that a price increase could generate additional income but that a reduction in demand could potentially offset this. Conversely, any reduction in prices would require an increase in demand to offset the resulting loss of income. For example a £1 reduction on all price bands over 2 hours would require a 13% increase in demand, and a £2 reduction would require a 31% increase. The latest occupancy figures for Woodhouse Lane do not suggest that this demand exists at present, although it may well do after the current refurbishment works are completed.

3.9.7 In terms of on street parking, any price increases would have to be balanced against a potential drop off in demand, and any reduction in price would need to consider the impact on the Council's revenue stream. For example, a 10% reduction in price in the central zone would, all other things being equal, result in a reduction of income of around £230k. There is limited spare capacity in the central zone due to the convenience of the location and relatively high prices of the premium car parks close by, and therefore it is unlikely that the loss of income could be fully compensated for by increased usage levels. There is also very limited scope for identifying new chargeable spaces in the central area. However, there are spaces outside of the core of the city centre which are not currently charged for, and it may be possible to introduce charges in these areas, although it is arguable whether demand would be sufficient to make this sustainable and traffic/planning rules would need to be satisfied.

3.10 Future Car Parking Strategy

3.10.1 Future car parking policy should continue to make the distinction between short/medium stay parking for shoppers/visitors and long stay parking for commuters to meet the objectives of the strategic transport plans and the need to support the continued growth and prosperity of businesses located in the city centre.

3.10.2 At the request of the government, retailing expert Mary Portas produced an independent review into the future of high streets in December 2011. The report included a recommendation relating to parking, "Local areas should implement free controlled parking schemes that work for their town centres and we should have a new parking league table". However, the report did acknowledge that offering free all day parking is not the solution as it is open to abuse by local workers. Instead, it suggested that more flexible and creative use of tariffs could make the parking offer more attractive to shoppers.

3.10.3 Other authorities have introduced innovative schemes designed to assist local businesses, such as offering free parking after 3pm at key car parks and using the charging structure to encourage specific lengths of stay. At the moment, in Leeds, all on street parking in the central area is restricted to a 2 hour maximum stay period. Some longer stay options, offering up to 4 hours, are to be trialled in the Park Square area to see if this encourages greater take up.

3.10.4 A number of large retailers are beginning to trial extended evening opening hours and the Trinity Quarter development will provide retailing until 8pm. This emerging evening economy could be supported through on street car parking charges, which could be designed to encourage stays of several hours in the evenings. For example, a new lower rate, from say 5pm, could be introduced and the charging period extended beyond 6pm to help achieve this. To encourage customers to stay for both shopping and leisure activities, a flat rate for an extended period over the evening could be introduced.

3.10.5 Leeds is one of only 3 core cities to offer free parking on a Sunday, and charges are already made on a Sunday by privately operated car parks. Some major retailers have informally expressed a view that the introduction of a Sunday charge would be beneficial in discouraging staff from occupying many of the available spaces, thereby increasing availability for shoppers and visitors and helping to alleviate some of the congestion problems experienced. However, any proposal would need to be attractive for shoppers and visitors and would need to be carefully considered.

3.10.6 For long stay parking, in order to meet the policy objective of discouraging commuter parking, the pricing structure should aim to keep the weighted average cost of daily parking higher than the cost of using public transport.

3.10.7 In respect of the Woodhouse Lane car park, the refurbishment works are making the true level of demand difficult to gauge at present, therefore occupancy levels should be closely monitored following completion of the works with a view to re-assessing price levels at that point.

3.10.8 The Council should continue to develop its Park and Ride proposals to meet the estimated future growth in travel demand. A key element of the new Local Government funding regime to be introduced in 2013/14 will be the retention of growth in business rates. On the basis that improvements in transport will help to generate economic growth, which in turn will help to generate additional income from business rates, income from car parking activities should be formally ring-fenced to expenditure on the transport infrastructure, and any additional income generated could provide a source of funding for transport infrastructure improvements, including the development of Park and Ride schemes.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The Council's car parking policy is shaped by a number of strategic planning documents and any consideration of car parking policy objectives should be seen in the context of these plans. The West Yorkshire Local Transport Plan (LTP) was subject to extensive consultation with members, stakeholders, transport users and residents. Feedback has already been received from a city centre Audit survey in 2007, the Leeds, York and North Yorkshire Chamber of Commerce and informally from retailers. The recommendations of this report will be subject to a consultation with relevant stakeholders, which will inform the Council's future car parking strategy.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 This report does not highlight any specific issue regarding equality, diversity, cohesion and integration. Dependent on the outcome of the consultation, further equality and diversity screening and assessment will be undertaken on an individual basis as proposals are developed.

4.3 Council Policies and City Priorities

4.3.1 Car parking policy has a key role to play in delivering the transport strategy which focuses on providing for increased travel to the city centre by sustainable modes and reducing the impact of traffic within the city centre.

4.4 Resources and Value for Money

4.4.1 This review includes making a number of recommendations which are consistent with the Council's objectives. Although the Council does not operate car parks with the sole intention of generating revenue, additional income may well be one of the outcomes. Should there be a reduction in income from car parking this would have to be met from a reduction in other services or an increase in the Council Tax.

4.4.2 This report includes detailed comparators with other local authorities and the private sector.

4.5 Legal Implications, Access to Information and Call In

4.5.1 This report has no specific legal or access to information implications.

4.6 Risk Management

4.6.1 There are no direct risk management implications of this report. Subject to the results of the consultation, further reports will be presented to members and these will include a risk assessment of any recommendations.

5. Conclusions

5.1 The Council has a difficult balancing act to achieve in respect of its car parking strategy. It uses car parking pricing and the availability of short and long stay parking as a mechanism for helping to achieve its policy objectives, despite its influence on the overall market in the city centre being limited. At the same time, individual car parks need to remain viable and help the Council to maintain its income base in order to support other services.

5.2 Commuter parking is managed through the pricing structure of car parks, and surveys have indicated that the majority of people travelling to the city centre do so by public transport. Most privately operated car parks are more expensive than the Council's which is consistent with the Council's policy objectives for commuter parking, and where this has not been the case, for instance with the cheap all day parking on cleared sites, supply has now been limited through the introduction of the City Centre Commuter Car Parking Policy.

5.3 In addition, the Council is developing its strategy for the delivery of Park and Ride facilities within Leeds which will provide an alternative cost effective solution for drivers travelling into the city centre and could ultimately deliver in excess of 4,000 spaces.

5.4 Comparisons to Core Cities, other West Yorkshire centres and feedback from surveys tend to suggest that short/medium stay parking is expensive in Leeds city centre, although Leeds city centre provides an attractive offer for visitors and shoppers and it is not unreasonable for charges to reflect the level of demand for spaces. However, the majority of off street parking in the city centre is privately operated and is significantly more expensive than the Council's car parks which does limit the Council's ability to achieve its policy objectives.

5.5 In the face of declining overall car park usage in the city centre, occupancy levels of the Council's car parks remain on average higher than those of the private operators. Despite this, income has been falling short of budgeted levels in recent years and whilst Leeds' current parking strategy is broadly in keeping with the Council's policy objectives, a number of areas for further consideration have been highlighted.

6 Recommendations

6.1 Executive Board is requested to note the contents of this report and give approval to the review informing a consultation with relevant stakeholders regarding the Council's car parking strategy. It is recommended that:

i) Consideration should be given to reviewing current policies in respect of evening and Sunday car parking.

ii) Occupancy levels at Woodhouse Lane multi-storey car park should be reviewed following the completion of the refurbishment works, with a view to re-assessing prices once a true level of demand can be re-established, taking into account demand from the Arena.

iii) On street parking charges should continue to be reviewed annually on a street by street basis to ensure that charges are more responsive to changes in demand.

iv) Although the Council should review each car park on a site by site basis, it should aim to keep the overall weighted average price of long stay car parking above the cost of public transport.

v) The Council should continue to develop its Park and Ride proposals and income from car parking activities should be ring fenced to expenditure on the transport infrastructure, with additional income generated from parking activities re-invested into improving the transport infrastructure, including Park and Ride schemes.

vi) A parking league table should be published for the permanent car parks in the city centre, showing who operates the car parks and ranked according to how much they charge. A statement demonstrating how the Council re-invests its car parking income should also be published alongside this.

7. Background documents[1]

7.1 "MyJourney West Yorkshire", West Yorkshire Local Transport Plan 2011 – 2026

7.2 Leeds Unitary Development Plan (Review 2006)

7.3 Leeds Development Framework Draft Core Strategy – Publication Document

7.4 Park and Ride Strategy for Leeds – Executive board April 2012

7.5 Leeds City Centre Audit – QA Research 2007

7.6 Implementation of the City Centre Commuter Car Parking Policy – Executive Board February 2012

7.7 Transport Planning – report to Scrutiny Board (Sustainable Economy and Culture) March 2012

7.8 Fees and Charges Policy – Leeds City Council

7.9 The Portas Review "An independent review into the future of our high streets", Mary Portas December 2011

[1] The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.