CHESHIRE EAST COUNCIL

REPORT TO:ENVIRONMENT AND PROSPERITY SCRUTINY COMMITTEE

| Date of Meeting: Report of: Subject/Title: | 20 December 2011 Head of Community Services Car Park Income: Response to Corporate Scrutiny Committee Question. Sept 2011 |
|--|--|
| Portfolio Holder: | Cllr Rod Menlove |

1.0 Report Summary

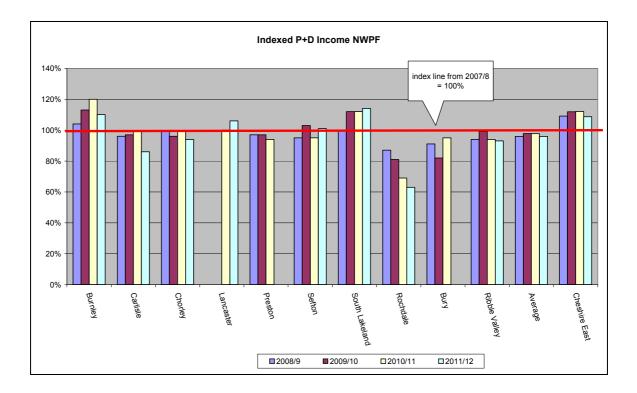
1.1 Income from car parking and parking enforcement continues to fall short of budgeted levels although still close to last year's figure. The report seeks to set this in context.

2.0 Decision Required

2.1 The Committee is asked to note the report and is invited to make any recommendations it may have, to the Cabinet Member for Environmental Services.

3.0 Pay and Display Income

- 3.1 Car Park Income is struggling nationally in response to reduced customer spending power. Authorities are experiencing shortfalls of between 5 and 15% against parking income budgets, undoubtedly linked to the pressures in the economy. Growth in use of the internet for shopping has also affected high street trade and vehicle use to park in towns.
- 3.2 A regional comparison is shown, from returns by members of the North West Parking Forum. Taking year 2007/8 as 100%, pay and display income in following years is shown as a % against that base. Most authorities in the region show declines with Cheshire East maintaining a reasonable position against the average.



- 3.3 Cheshire East Car Park income has shown a 5% increase against months prior to the recent tariff rise of August 19th 2011 and analysis shows that parking demand was more price sensitive in some towns compared with others and supports other indications of the difficulties in these towns. Income from Congleton car parks fell in this recent period against last year in spite of not having any price increase applied.
- 3.4 Some authorities have imposed larger % increases in fees than CEC and have seen smaller % increases in income. Research for 'Yorkshire Forward' (Regional Economic Development Forum) suggested that the major factor in determining the level of footfall and customer stay was the retail and visitor offer of a Town Centre rather than the cost of parking.

4.0 Fines

4.1Income from fines (see table below) has been steadily increasing as patrol teams have returned nearly to full strength (25 officers) following earlier difficulties including a death in service and long term sickness absence at the end of last year.

| Mth | LY | TY |
|-----|---------|---------|
| А | £51,315 | £57,787 |
| М | £56,791 | £61,386 |
| J | £52,606 | £74,461 |
| J | £56,691 | £62,076 |
| Α | £51,041 | £65,717 |
| S | £47,738 | £72,463 |
| 0 | £51,340 | £62,705 |

Penalty Income to date: Budget to date:

- £456.5K £605.4k
- 4.2 Performance has approached the average one would expect over the last 3 months, leading us to have confidence that we are picking up the bulk of the contraventions in most of the "black spots". Observations of on street parking "contraventions" can be misleading and many of those often seen in town centres are blue-badge holders who do have the right to park on some restrictions for up to 3 hours. This may contribute to "anecdotal evidence" of contraventions going unenforced.
- 4.3 There are some exceptions in streets which are unenforceable due to poor lines or missing signs; work is now in progress with the new Highways contractor to bring these areas up to standard.
- 4.4 With improvements to signs & lines and the enforcement team's recent performance improvement, it is estimated that around £800k income will be achieved this year.
- 4.5 The purpose of parking enforcement is *to deter the motorist from contravening* (Traffic Management Act DfT guidance); the aspiration is to bring down the level of PCN issue by ensuring that motorists are encouraged to park properly and safely. The PCN income figure is considered to be "derived" from previous experience and not a target. The budget figure is set as an estimate of the basic level of contravention expected.

5.0 Wards Affected : All

- 6.0 Local Ward Members : All
- 7.0 Policy Implications including Carbon reduction: N/A - Health: N/A
- 8.0 Financial Implications (Authorised by the Director of Finance and Business Services)

8.1 Reported at MYR, despite improvements in the latter half of the year, a shortfall against budget of £572k was anticipated due to continuing economic recessionary pressures and a corresponding reduction in customer demand compared to 2010-11. Pay and Display (£403K) or 8% shortfall on budget, Car Parking Fines (£169k) or 16% shortfall on budget.

9.0 Legal Implications (Authorised by the Borough Solicitor)

9.1

10.0 Risk Management

- 10.1 Further risk to parking income due to customers' choices is unavoidable other than to ensure all car parks and meters are well maintained and fit for purpose.
- 10.2 Penalty income is derived to some extent; however continued efforts are being made to improve the effectiveness of the enforcement team based on evidence of contravention and risk to road safety and congestion.

Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

Name: Paul Burns Designation: Parking Services Manager Tel No: 01270 537805 Email: Paul.Burns@cheshireeast.gov.uk