

REPORT TO PORTFOLIO HOLDER FOR ENTERPRISE

REPORT FROM ASSISTANT DIRECTOR – ENVIRONMENT

SUBJECT: COMMERCIAL USE OF CAR PARKS CHARGING POLICY

1 DECISION BEING RECOMMENDED

- 1.1 That the Portfolio Holder approves the policy for commercial use of a parking bay and hire of car parks.
- 1.2 That car parking charges in all Council car parks be suspended on the Saturdays during December, prior to Christmas – the dates are 5, 12 and 19 December 2015.

2 KEY DECISIONS DOCUMENT REFERENCE No: 1/15

3 REASON/S FOR RECOMMENDATION

- 3.1 The Council occasionally receives requests from commercial organisations for the use of one or more parking spaces within the car parks. This might be for the siting of a skip, promotions and road-shows, vehicular access to adjacent property for building works, etc. The Council also receives regular requests from the NHS for space to provide breast screening services or health checks for residents of the District.
- 3.2 The fixed charges for commercial use of a bay are contained within the Council's fees and charges pages of the budget book. However, the facility for the NHS breast screening services has, historically, been offered on a reduced cost basis (as agreed by the previous Head of Service) by calculating a fee based on the pro-rata price of an annual parking permit (£800.00).
- 3.3 The purpose of this report is to ensure a consistent and equitable approach to all applications dependent on the type of organisation.
- 3.4 The suspension of parking charges for the 5, 12 and 19 December, is perceived by local business to encourage shoppers to visit the town centres, and is a gesture of support by Rochford District Council for our local businesses.

4 SALIENT INFORMATION

- 4.1 The decision made by the Portfolio Holder for Enterprise on 1 May 2015, relating to the Use of Car Parks Charging Policy report, was called in for scrutiny by the Chairman of the Review Committee. Consequently, on 9 June, the Review Committee made recommendations to: provide clarification upon the basis for charging; determine whether the NHS should be considered a charity; consider if free all-day parking could be offered on Saturdays in January to encourage trade. These recommendations are discussed below.

- 4.2 The NHS is not a charity and has not requested that such a policy be applied to the NHS; this is reflected in the on-going use of the car parks during the previous 15 years and the willingness of the NHS to pay. There has been no inference that the schedule of mobile NHS health checks has ever been affected by the charging policy.
- 4.3 The table displayed in Appendix 1 outlines the proposed application of the charges. In the case of the NHS Breast Screening Services Unit, which may be in the car park for up to 10 months, the standard commercial charges would be excessive (10 months using 5 bays would cost over £11,000). It is therefore recommended that requests from organisations that provide a service to the community should be given a discount of 75%. This cost will provide a near equivalent charge to the historic charges, but allows the charging to be formalised, and to reflect any future possible changes in the wider charging structure of the car parks. A worked example, as set out in Appendix 2, demonstrates the typical use by the NHS over a 4 month period. Previously, this would have cost £1,066.72, whereas with the proposed charging regime the cost will be reduced to £909.13.
- 4.4 The offer of free car-parking for the weekends leading up to Christmas is a gesture of support and good-will to high street businesses and shoppers, although it does not necessarily generate greater trade. Therefore, the provision of free parking in January may have no positive effect, and would not represent the seasonal gesture of goodwill that the pre-Christmas parking offer would. Consultation with local businesses and interested parties will be undertaken to determine what free parking, if any, should be offered in future years.
- 4.5 Requests are also received from organisations wishing to close car parks on **non-charging** days for functions/fetes/festivals etc. As unencumbered freeholder, the Council has the discretion to close part or all of any of its car parks. The merits and operational implications of each application should be considered by the Assistant Director in consultation with the Portfolio Holder.
- 4.6 This type of request is normally from Parish/Town Councils, charitable organisations or our own departments within the Council. In these cases a charge would not apply. Requests of a commercial nature should be charged at the full rate.
- 4.7 If the request is for use on a **charging** day, i.e. Monday to Saturday, then the charges as described below would apply, which also covers the loss of Pay and Display revenue. There would be no concessions offered to any organisation. However, it may be prudent to allow the Portfolio Holder discretion to reduce or waive charges for a request from a charitable organisation if the circumstances are exceptional.
- 4.8 This Policy would apply to all Council-owned car parks (i.e. Council Offices, Open Spaces, Leisure Centres, etc). In most cases, these car parks offer free parking and, therefore, there would be no additional charge for loss of income if hiring the whole car park.

4.9 Normal commercial activity should be charged as per the table outlined in Appendix 1.

4.10 The Council reserves the right to refuse any application.

5 ALTERNATIVE OPTIONS CONSIDERED

5.1 To not adopt the above proposed policy.

6 RISK IMPLICATIONS

6.1 The Council would not wish to discourage applications from an organisation such as the NHS Breast Screening by setting charges too high. This scenario would reduce potential income and could also present a reputational risk to the Council.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

LT Lead Officer Signature: _____



Date: 10 November 2015

Background Papers:

None

For further information please contact Jonathan Desmond (Assistant Transportation Manager) on:-

Phone: 01268 798605

Email: jonathan.desmond@rochford.gov.uk

Commercial use of car parks - charges

Commercial		
<u>Use of a Parking Bay</u>	<u>Hire of Whole Car Park – Mon - Sat</u>	<u>Hire of Whole Car Park – Sundays & Bank Holidays</u>
<p>Day 1 - £20.00 for the first bay (to cover administrative costs), £7.50 for any further bays (To cover loss of income).</p> <p>Day 2 onwards - £7.50 per bay, per day.</p> <p>If the unit/vehicle/skip is situated in an area of a car park where there are no bay markings – divide the length of the unit/vehicle by the width of a bay (2.3m) to calculate how many bays would have been used.</p>	<p>Number of parking bays multiplied by £7.50.</p> <p>plus</p> <p>Number of parking bays multiplied by £5.00 for loss of Pay & Display income.</p> <p>(exc. The Approach Car Park)</p>	<p>Number of parking bays multiplied by £7.50.</p>
Concessions		
<u>Use of a Parking Bay</u>	<u>Hire of Whole Car Park – Mon - Sat</u>	<u>Hire of Whole Car Park – Sundays & Bank Holidays</u>
<p>For organisations offering benefits/services to the community – 75% discount.</p> <p>For charitable organisations the fee may be waived at the discretion of the Portfolio Holder.</p>	<p>None.</p>	<p>For organisations offering benefits/services to the community – 75% discount.</p> <p>For charitable organisations the fee may be waived at the discretion of the Portfolio Holder.</p>

Example of the typical use by the NHS of Parking Bays in a Council Car Park

Currently –

Annual Permit £800.00 ÷ 12 months = £66.67per month.

£66.67 x number of bays used and number of months resident.

For example – 4 months using 4 bays in a car park would be - £66.67 x 4 x 4 = £1,066.72

Proposed –

Day 1 - £20.00 for the first bay, £7.50 for any further bays.

Day 2 onwards - £7.50 per bay, per day.

75% discount for organisations providing medical checks providing in period exceeds 30 days.

For example – 4 months using 4 bays in a car park would be - First day - £42.50, 119 days - £3,570.00. Total - £3,612.50 (less 75% discount) = £903.13