



**Cabinet Member for the Environment
3 March 2014**

**Decision to be taken on or after
11 March 2014**

Ward: All

Key Decision: No

Budget for Marketing campaign for introduction of new car parking tariffs

Report by Strategic Director – Andrew Gardiner

1. Summary

- 1.1 This report outlines proposals to conduct a marketing campaign in the run-up to Worthing Borough Council taking back the running of the town's car parks from NCP with effect from the 1st April 2014.
- 1.2 The report sets out a proposal to appoint a specialist company to prepare and conduct a marketing campaign and seeks the Cabinet Member's approval to vire sufficient funds to create a budget of £25,000 for this purpose.

2. Introduction and Background

- 2.1 In 2004, a ten year management agreement was awarded to NCP Limited for the management of Worthing Borough Council's (WBC) four public Multi-Storey car parks (1,766 spaces) and 23 public surface car parks (1,132 spaces). All multi-storey car parks are located in the town centre, along with five of the surface sites – the others are located outside of the on-street controlled parking zone.
- 2.2 The management agreement included a requirement for NCP to invest £4million in the infrastructure of the car parks, which meant they were given the right to set the car park charges (in consultation with WBC) in order to recoup the money invested. Unfortunately, this led to Worthing Borough Council having minimal control of charges and there was a public perception that the NCP charges in the town's car parks were excessive.
- 2.3 In March 2013, Worthing Borough Council agreed that the service should be brought back in-house in April 2014 when the agreement with NCP Limited comes to an end. The Council has agreed (Joint Strategic Committee on the 3rd December 2013) to reduce the parking charges in the three main multi-storey car parks (MSCP) of High Street, Buckingham Road and Grafton, on a three month trial basis from 1 April 2014 – 30 June 2014, as follows:

- 1 Hour = £1
- 2 Hours = £2
- 3 Hours = £3
- 4 Hours = £4
- 5 Hours = £5
- Up to 24 hours = £10
- A Nightly rate between 6pm and 8am of £1 per hour up to a maximum of £3, plus the same rate from 8am to 6pm on a Sunday.

- 2.4 Worthing Borough Council wants to promote this reduction in charges in the three aforementioned MSCPs through a fully integrated marketing campaign. To enable this to be achieved work has already started on a procurement process to appoint a suitably experienced company or organisation to work with the Council in promoting the use of the Council's own off-street multi-storey car parks.
- 2.5 Members have agreed for the reduction to take place for a trial 3-month period commencing on the 1st April 2014 with a review programmed to take place after the first two months of the trial. A report on the review is likely to be presented to the Joint Strategic Committee on the 24th June 2014.
- 2.6 Members agreed at the Joint Strategic Committee on the 3rd December 2013 to set aside a sum of £118,733 to cover any potential losses in the operational revenues for that trial period, but hope that usage increases to such a point that no subsidy will be called upon. This was approved by Worthing Borough Council on the 17th December 2013. Ultimately, if usage in these car parks does not increase then the cost per hour is likely to have to increase again.
- 2.7 Alongside this the Council plans to install new equipment – i.e. new pay machines, barriers, staff uniforms and vehicles, which will help to improve the look and feel of these MSCPs. Looking ahead there are also plans to update the parking web pages on the Adur and Worthing Council website (www.adur-worthing.gov.uk), produce a new parking leaflet to include the whole parking offer in Worthing, introduce easier ways to pay across digital platforms, and offer parking deals to residents, visitors and the business community.
- 2.7 In addition, the Worthing Town Centre Initiative is placing advertising with Heart FM for the whole of April. The message – along the lines of “Come to Worthing and Park for only £1 an hour in...three MSCP” – will be run just before each travel update.

3. Proposals

- 3.1 Worthing Borough Council has invited several organisations to tender for a contract to manage and deliver a fully integrated marketing campaign designed to increase (to the maximum extent) the number of people parking in three specific multi-storey car parks (Grafton, High Street and Buckingham Road) in Worthing town centre.

3.2 The aim of the campaign, to start mid-March 2014, to cover the three month trial period from 1st April 2014 to 30th June 2014, is to drive the usage of the car parks up to the point where the £1 per hour charge continues after the trial. Should the campaign not be successful, i.e. usage isn't increased; the parking charges will be reviewed and are likely to increase again.

4. Financial Implications

4.1 The Council has agreed to provide some initial funding for officers to progress the matters required to transfer the service back to the Council on the 1st April 2014. However, when these budgets were being worked up it was not proposed to conduct a marketing campaign but to deal with any publicity around the new tariffs and service provision in-house.

4.2 A brief has been prepared for a Marketing Campaign to be run from mid-March to the end of June 2014, which it is estimated to cost in the region of £25,000 to implement.

4.3 There are no resources available to fund this marketing campaign within the Car Parking budgets. However, the Leisure Services operation elsewhere within the Cabinet Member of Environment's portfolio is substantially underspending by over £300,000. It is proposed that the Cabinet Member approves a virement of £25,000 from Leisure Services to Car Parking to fund the cost of the marketing campaign.

5. Legal Implications

5.1 Section 93 Local Government Act 2000 provides a general power to charge for any discretionary service, and therefore enables the Council to impose charges in their car parks.

5.2 Paragraph A.26(b) of the Council's Financial Procedure Rules provides that a Cabinet Member may vire up to £40,000 between any heads of income or expenditure within their approved budget.

5.3 Paragraph 8.5.1(a) of the Contract Standing Orders provides that where the estimated value of a Contract exceeds £10,000 but does not exceed £25,000 at least two written quotations shall be obtained, unless impractical to do so due to the specialist nature of supply or the nature of any warranty.

6. Conclusion

6.1 The Council has agreed to a reduction in the car parking tariffs at the 3 town centre multi-storey car parks for a trial 3-month period commencing on the 1st April 2014 with a review programmed to take place after the first two months of the trial. Members have agreed to set aside a sum to cover any potential losses in the operational revenues for that trial period, but hope that usage increases to such a point that no subsidy will be called upon. Ultimately, if usage in these car parks does

not increase then the cost per hour is likely to have to increase again.

- 6.2** To provide a co-ordinated approach to the implementation of these tariff changes the Council wishes to appoint a company or organisation to manage and deliver a fully integrated marketing campaign designed to increase (to the maximum extent) the number of people parking in three specific multi-storey car parks (Grafton, High Street and Buckingham Road) in Worthing town centre.
- 6.3** It is anticipated that the marketing campaign will be instrumental in achieving the following:
- Resident and visitors including tourists and visitors from neighbouring East and West Sussex area, will perceive parking in the three main MSCP's to be cheap parking in Worthing
 - A positive off-street parking experience in the three main MSCP; High Street, Buckingham Road and Grafton, will boost public perception and increase satisfaction resulting in increased usage and encourage more footfall in the Town Centre
 - By lowering the parking charge to just £1 per hour for the first five hours visitors will reduce their on-street parking preference
 - To make parking a good news story for Worthing
 - To create a better parking experience
 - Assist with better traffic management in the Town Centre
 - Support local and tourism economies
 - To help promote Worthing as a lovely place for all to come to whatever their reason

7. Recommendations

7.1 The Cabinet Member for the Environment is recommended to:

- (a) Note the proposals contained in this report; and
- (b) Agree to the virement of £25,000 within the Cabinet Member's portfolio as set out in paragraph 4.3 of the report.

Local Government Act 1972

Background Papers:

Reports to Joint Strategic Committee on 3rd December 2013: Worthing Borough Council
Off-Street Parking Charges

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28th February 2014

Schedule of other matters

1.0 Council Priority

- 1.1 The provision of cheap, reliable and a safe means of car parking is a priority of the council as is the impact on the local economy and the usage of the town centre shops.

2.0 Specific Action Plans

- 2.1 Matter considered and no issues identified.

3.0 Sustainability Issues

- 3.1 Matter considered and no issues identified.

4.0 Equality Issues

- 4.1 Matter considered and no issues identified.

5.0 Community Safety issues (Section 17)

- 5.1 Matter considered and no issues identified.

6.0 Human Rights Issues

- 6.1 Matter considered and no issues identified.

7.0 Reputation

- 7.1 The successful running of the town's car parks and the cost of parking is a major factor affecting the reputation of the council.

8.0 Consultations

- 8.1(A) Matter considered and no issues identified.

- 8.2(B) Matter considered and no issues identified.

9.0 Risk assessment

- 9.1 Matter considered and no issues identified.

10.0 Health & Safety Issues

- 10.1 Matter considered and no issues identified.

11.0 Procurement Strategy

11.1 The Marketing Company selected to run the proposed marketing campaign will be awarded the contract following a selection process in accordance with the Council's agreed procurement processes.

12.0 Partnership working

12.1 Matter considered and no issues identified.