

CABINET

Lancaster City Centre Parking Strategy

7 March 2024

Report of Chief Officer Sustainable Growth

| PURPOSE OF REPORT | | | | |
|--|---------------|------------------|------------------------------|--|
| To consider the draft Lancaster City Centre Car Parking Strategy and Action Plan and the implications on achieving the city council's objectives as set out in the recently approved Council Plan 2024-27. | | | | |
| Key Decision | X | Non-Key Decision | Referral from Cabinet Member | |
| Date of notice of forthcoming key decision | February 2024 | | | |
| This report is public | | | | |

RECOMMENDATIONS OF Councillor Jean Parr

- (1) The draft Lancaster City Centre Car Parking Strategy and Action Plan is approved for consultation with statutory and community stakeholders and a report on consultation / final version is presented to Cabinet at a future meeting.
- (2) Maintaining an optimal and efficiently managed quantity of public car parking provision in and around Lancaster city centre is a key priority for the city council, and its long-term provision, location and typology should form an explicit part of the sustainable travel and transport policy agenda for the city.
- (3) The draft strategy provides Cabinet with sufficient comfort, in terms of the ongoing maintenance of city centre economic health, city centre accessibility and car user utility, for the release of the Nelson street car park for housing to be considered under the current live preferred developer tender process (refer to separate Cabinet agenda item).
- (4) The following specific outcomes and actions contained in the draft Strategy document are noted:
 - The ongoing maintenance of between 1300 and 1400 physical council operated and publicly available off-street

parking spaces is considered optimal in order to continue to meet general and peak demand periods for the immediate future.

- The feasibility and implementation of temporary additional parking provision is undertaken at specific city council owned sites, including within the Canal Quarter and Kingsway, to mitigate any short to medium term impacts arising from the potential disposal of the Nelson Street car park.

- (5) A request to utilise £15,000 of unallocated reserves is approved to fund the feasibility, design development and implementation of temporary car park provision and other short to medium term actions referred to in the Parking Strategy Action Plan.
- (6) Future proposed development/disposal of surface car parks for other use / development is considered against the objectives of the wider city council policy framework as well as the following specific matters:
 - The aims and objectives of the Lancaster Parking Strategy and Action Plan.
 - The outcomes from the proposed Lancaster City Centre Strategy and district Sustainable Travel Strategy.
 - Ongoing and improved monitoring of car park usage.
 - Progress in design development and delivery of temporary and permanent parking provision.
- (7) Officers prepare a business case for the introduction of Automatic Number Plate Recognition across the city council's parking portfolio to assist in developing the information base for future management and decisions.
- (8) Officers prepare a report on actions required and timescale for the earliest possible reopening of the city council's Castle car park to be considered at a future Cabinet meeting

1.0 Introduction

1.1 The council has recently agreed its Council Plan 2024-2027 which identifies a range of aims and objectives centred on the following themes:

- *A Sustainable District* – centred on the theme of taking action to meet the challenges of the climate emergency.
- *An Inclusive and Prosperous Local Economy* – building a sustainable and just local economy that benefits people and organisations
- *Healthy and Happy Communities* – empowering and supporting healthy ways of living, and tackling the causes of inequality
- *A Co-Operative, Kind and Responsible Council* - bringing people together to achieve the best outcomes for our communities, in tandem with running efficient quality public services.

- 1.2 A number of policy strategies, initiatives and actions delivering against these objectives are either already agreed and ongoing or are subject to further strategy and policy work. Ongoing work includes actions agreed to progress the Canal Quarter Masterplan (adopted by Full Council in July 2023), intended to enhance Lancaster's role in the local economy and boosting its housing, commercial, cultural and leisure offer.
- 1.3 Over the next 10 to 15 years, it is envisaged that key under-utilised sites and dereliction across the Canal Quarter area will be addressed, and development progressed for a mix of uses that will complement the existing town centre and provide for balanced place-making. Crucially, it was agreed that the council's preference was to put selected surface car parking assets to housing development, with a focus on the provision of affordable and social housing. The council has progressed early phase housing initiatives for specific surface car parks under this policy direction.
- 1.4 The Canal Quarter Masterplan (and its underpinning Canal Quarter Supplementary Planning Document) were subject to wide stakeholder and community consultation and Member scrutiny. However, in late 2023 Members responded to concerns raised by Lancaster's business community on potential implications of the progression of the Canal Quarter regeneration plan, which implies a long-term net loss of car parking in the area in favour of housing delivery.
- 1.5 The local business concerns were both strategic and specific:
- Concerns were raised on the potential negative impact on the city economy and implications for city centre accessibility for those individuals/populations underserved by public transport and who depend on their car for business and leisure purposes.
 - The needs and customer base of specific businesses, particularly cultural sector and evening economy, whose customer base tend to rely on private car in the absence of other alternatives.
- 1.6 Balancing the need and demand for accessible parking with the city's goals for sustainable transportation is a complex and multifaceted challenge. The Lancaster City Centre Parking Strategy and Action Plan (**Appendix 1**) is a document which seeks to both address business concerns, enable progress on and facilitate city council and wider public policy objectives, and to move the issue of car parking provision to the centre of the sustainable transport and travel discussion.
- 1.7 In preparing the Strategy officers have referred to a wide range of current policy documents. Reference has also been made to best practice including:
- Local Government Association – Travel Parking and Access toolkit
 - Department for Transport – Active Travel: local authority toolkit

2.0 Background

- 2.1 The city council's public off-street commercial parking portfolio is one element of total publicly available car parking provision in the city centre. This includes private commercial provision, and both on-street parking and the Park & Ride (P&R) at the M6 junction 34 operated by Lancashire County Council.
- 2.2 The city's parking provision – and the city council's own role in it - has generally developed in an unplanned and ad hoc fashion. Multi-storey car parks (MSCPs), both private and publicly owned, are located centrally, being built alongside and to service major retail and commercial developments in the late 20th century. Public surface car parking provision is scattered in and

around the edge of the city as a result of patchwork building demolition and, on the Canal Quarter, the mid-century public acquisition of buildings/land and clearance for an intra-urban highway scheme which never materialised. The P&R itself was initiated as part of the Bay Gateway plan to service Lancaster from the motorway but came with no supporting bus priority infrastructure along Caton Road.

- 2.3 City council provision is generally low to medium quality and structural repair requirements and maintenance issues are present in the council's existing MSCPs and surface car parking portfolio. The Castle car park is currently closed due to falling concrete. Major capital investment in the existing portfolio or new provision has not been considered in decades and the portfolio provides insufficient amenity for low emission modes such as electric vehicle charging or secure cycle storage.
- 2.4 The MSCPs offer poor customer experience, suboptimal vehicle ingress/egress, and confusing pedestrian circulation routes. The portfolio can be characterised as being in the wrong place – as it encourages polluting vehicle movement around the gyratory and city centre generally. However, from the point of view of pure accessibility and utility for the private car user – both for commuting and leisure purposes – the provision broadly functions well in spite of its quality shortcomings.
- 2.5 From an asset management perspective, the city council has mainly viewed the parking portfolio through a commercial lens, prioritising its role as a source of net income to support the range of city council statutory and non-statutory services. The role of car parking and public sector involvement in its provision, has not generally been considered against the wider objectives of either city council or any other public policy agenda. Perhaps surprisingly, approved sustainable transport and travel policy is relatively silent on where and how parking fits in with the district's future sustainable travel and transport vision.
- 2.6 The draft Strategy and Action Plan takes a view that car parking assets and the city council's role in provision should be treated the same as any publicly provided resource and considered for its role in meeting overall policy objectives under the remit of the ongoing Outcome Based Resource planning.
- 2.7 The Strategy does not consider income / revenue implications on the council's budget for 2 reasons (refer to **Financial Implications**):
 - Where additional capacity exists in the current portfolio, a decision to remove a car park can – up to a point and where there is capacity - be viewed as broadly neutral to the council's overall budget. Users (and their payment) can substitute to those underutilised car park spaces remaining in the portfolio. Surface car parking assets put to productive development will generate, to a lesser or greater extent, direct income (such as capital receipt) and enable efficiency savings in management of the remaining portfolio mitigating any "leakage." Removal of a car parking asset is therefore not a "zero sum game" for the council's budget when considered against the wider portfolio of council commercial provision available
 - In providing new car parking, it is assumed that (permanent or temporary) provision would be broadly viable from a commercial business case perspective – that is, borrowing costs for capital build and ongoing running costs would be covered by gross income and potentially deliver a net surplus. There would be nuances and other considerations depending on the scale and type of provision envisaged, the proposed lifetime of the new asset provided, city council borrowing headroom and other cost/income variables.

- 2.8 However, accepting these general principles can allow Members to better consider the role of car parking in terms of its impact and contribution to wider objectives rather than having to focus solely on the city council's budget and income imperatives.

3.0 Draft Lancaster City Centre Parking Strategy and Action Plan

- 3.1 The headline matters considered in the draft document in **Appendix 1** can be summarised as follows.

Existing Capacity

There is good availability and surplus capacity observed at most times of the day / week / year enabling the majority of drivers to find a free parking space both at their convenience and for most times. It is recognised however that officers are working with imprecise variables and information against an unplanned, poor-quality provision which is difficult to manage efficiently. Specific seasonal, school holiday and festival peaks put pressure on the portfolio, although little is done to mitigate or promote alternatives which could ease demand at these times. Some parts of the city centre portfolio are unpopular and underutilised (and vice versa), and the existing P&R and lack of bus priority and availability provides little incentive for its use in the face of broadly ample car parking provision for most car users.

Policy Context

Sub-regional and local policy is visionary in its consideration of the future direction of travel and transport for the city. There is broad agreement and encouragement in policy for: reducing car use and penetration into and around the city centre; fewer city centre vehicle trips and substitution to public transport and sustainable modes; improving air quality, pedestrian amenity, and reducing accidents. However, the practical resources and a funded action plan to deliver against this policy agenda – and, crucially, what specific actions to be implemented and when they will be done – is less clear. The levers and resources to deliver against the sustainable travel aims are generally outside of the control of the city council. Responsibility for strategy and major investment lies with Lancashire County Council as the local highway and transport authority with a major future role for improving public transport defined for the emerging Lancashire Combined County Authority.

Specific reference to car parking provision and its current/future role in the economy and sustainable transport and travel agenda is largely absent. However, it is implied in policy that the current location and ease of availability and location of Lancaster city centre parking is a major factor in facilitating congestion, harmful vehicle circulation, and does little to support alternative and lower emission travel modes.

Demand Factors

Car parking plays an important role in the city economy and accessibility particularly for less mobile/rural users and into the evenings where public transport options are limited or largely unavailable. Peak demand and use is broadly manageable with turnover largely allowing accommodation of vehicles without overt highway impact or impositions on driver utility. The role of car borne city users is important but can be overstated given the majority of city visitors arrive by foot or public transport and, on average, visit more often and spend more money (Lancaster city centre shopper survey 2019). However,

studies on city centre commuting and leisure use need to be updated to reflect the post-Covid pandemic world.

Accounting for future demand is complex due to the range of strategic, policy and local drivers in play. Increasing proportion of electric vehicles, use of mobile technology, adoption of autonomous vehicles sit alongside the broad policy agenda to “unclog” city centres and increase the number of trips made by low emission modes.

Most vehicle trips to Lancaster (and therefore parking demand) are local in nature, originating from the LA1, LA2 and LA4 postcodes. The majority of car trips are also single occupancy with low vehicle passenger numbers (source: Datashine and GPS data). While this suggests there are opportunities for modal shift, strategic public transport improvements are likely to be achieved over the long-term rather than short/medium term. With the current state of public transport, it feels quicker, easier, and cheaper for an individual to “default to car use” rather than consider alternative modes.

Ultimately, the continuing need for, and reliance, on private vehicles for many city visits into the immediate future must be accepted. As the various demand push and pull factors play out demand for city car parking is therefore expected to be relatively consistent and needs to be accommodated.

Supply Factors

It is acknowledged that existing council provision is an important, albeit not sole, element of wider city centre parking provision. The council has also taken on the role of parking provider more by accident than design. There are specific issues / costs associated with maintaining the existing MSCPs and surface car parking portfolio developing which need to be addressed for the long-term. The strategy acknowledges the need for a reasonable and optimal quantum of parking provision for the city’s needs but also notes that developing future permanent, higher quality, more sustainable parking solutions in better locations will be challenging.

3.2 In moving towards a pragmatic and balanced way forward in the short term (up to 2 years) medium term (up to 7 years) and long term (10 years) the Strategy aims to ensure:

- Provision is in the right locations reducing need for circulation/penetration into, through and around the city centre by private vehicles
- Sufficient parking options are available to service the needs of the evening and cultural economy
- Provision is high quality, safe and attractive to customers
- Sufficient provision in good locations for blue badge holders with a target of 6% as per Department for Transport recommendation.
- Promotion of the optimum use of land in support of the broad aims and objectives of city, county council, and other public policy objectives
- Transport strategy, development decisions, and planning applications are informed by and recognise the continuing and necessary role of car parking provision for the city centre.
- Peak car park use is better managed and mitigated through practical action.

- The permanent car park offer is fit for the future; particularly for the use of electric vehicles and provision for alternative modes (cycle parking/car share hubs) and active / low emission travel amenity.

3.3 In all actions it is essential that the city council works closely with Lancashire County Council as the highways and transport authority on the long-term approach to improving transport conditions/public transport options locally and to explicitly bring the long term role, location and provision of car parking provision into the sustainable travel and action plan agenda. There is an intention to undertake work with the county council across 2024/25 on a Lancaster City Centre and Transport Vision strategy and this will be subject to approval of a future bid to use reserves. This will also inform the wider district Sustainable Travel Strategy being taken forward under the review of Lancaster's Local Plan.

3.4 The specific actions the draft Strategy and Action Plan advocates are as follows:

Short to Medium Term

- The city council aims to provide a portfolio of 1300 to 1400 publicly operated off-street spaces to meet to provide sufficient capacity for current identified peak demand.
- Fixing/changing utility of parts of the council's existing MSCPs and bringing back on-stream provision which is currently off-line (Castle car park)
- Temporary provision/replacement options developed and implemented while reflecting the aspiration for longer-term transport strategy improvements and permanent / better located car parking / transport hub provision planning
- Temporary edge of centre parking/movement solutions looked at to meet peak demands (e.g. for Festivals) and to encourage increased use of the existing P&R as "overflow"
- More efficient use of spaces by encouraging turnover and increased non-peak use to avoid "circulating" congestion on roads and waiting in car parks.
- Promotion of the use of modern technology for car parking payments

It is requested that an amount of £15,000 from unallocated reserves is made available to support the above, immediate short to medium term actions.

Long Term Focus

- Long term strategy for improved car parking provision and locations for city centre is agreed as part of wider public transport/alternative mode improvements and a strategic Lancaster Transport Vision
- Consider locations/business planning for replacement transport hubs/MSCPs at edge of centre locations
- Resolving strategic demand implications e.g. Eden Project Morecambe use of Park & Ride
- Implementing contingency plans for any economic/accessibility/ neighbourhood consequences of parking space loss
- Clarification of what role Canal Quarter land/uses to play in the

strategic provision of car parking spaces (either in retention of land in current use for parking and/or as an area to locate new/replacement transport hub/MSCP provision)

- Ongoing and improved monitoring of car park usage to inform future decisions

3.5 The Strategy and Action Plan does not impact on the continued availability of private parking provision, nor the availability of on-street parking provided by Lancashire County Council.

4.0 Details of Consultation

4.1 The draft Strategy and Action Plan will be issued for comment and discussion with business and community stakeholders and a report on the consultation responses and a final version of the Strategy and Action Plan will be presented to Cabinet at a future Cabinet meeting.

5.0 Options and Options Analysis (including risk assessment)

5.1 A summary of the options and analysis is presented below:

| | Option 1: The draft Lancaster City Centre Car Parking Strategy and Action Plan is approved for consultation with statutory and community stakeholders. | Option 2: The draft Lancaster City Centre Car Parking Strategy and Action Plan is not approved for consultation with statutory and community stakeholders. |
|-------------------|--|---|
| Advantages | <p>Ensures that city centre parking and its long-term provision, location and typology forms an explicit part of the sustainable travel and transport policy discussion for the city as well as the council's OBR agenda.</p> <p>Provides comfort, in terms of the ongoing maintenance of city centre economic health, city centre accessibility and car user utility, for the release of the Nelson street car park for housing to be considered under the current live preferred developer tender process.</p> <p>Provides a benchmark and additional specific policy considerations to inform all future decisions regarding the city council's car parking portfolio.</p> <p>Provides a reasoned justification for the optimal number of city centre parking spaces provided by the city council to continue to meet general and peak demand periods for the immediate future.</p> <p>Provides comfort to business and community stakeholders that the council can mitigate any potential short-to medium impacts from any current and future proposed surface</p> | No advantages identified. |

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| | <p>car park disposal policies.</p> <p>Provides impetus to improve and develop the council's asset management strategy around its current and future car parking portfolio within the OBR process.</p> | |
| Disadvantages | <p>Commits the city council to engaging in assessing the feasibility of and delivering new temporary parking provision and other actions which have future staff and budget implications.</p> <p>Requires the development and assessment of business cases, budget commitment to capital and revenue project development, particularly the investigation of temporary parking provision and car parking portfolio asset and other actions such as information improvements</p> | <p>Leaves the role of city council car parking assets, and car parking generally, in future travel and transport policy discussions both ambiguous and underserved.</p> <p>Provides no comfort to business and community stakeholders that accessibility and car user utility can be maintained under current and wider public policy imperatives.</p> <p>No agreed policy benchmark for decisions regarding the city council's car parking portfolio.</p> <p>No justification for the city council's role in car parking provision other than in consideration of its income providing imperative.</p> <p>Provides no comfort to business and community stakeholders that the council can mitigate any potential short-to medium impacts from any current proposed surface car park disposal policies.</p> |
| Risks/ Mitigation | <p>Officers are dealing with imperfect information and future demand and supply variables are hard to predict.</p> <p>Ongoing and improved monitoring of car park usage to inform future decisions is essential to mitigate and review any impacts on car parking portfolio decisions</p> <p>Officers are experienced in the delivery of capital and revenue projects and will procure and manage the contract for abnormal works to the terms of the council's statutory procurement and project management requirements.</p> | <p>The issue of city centre car parking continues to be considered only in terms of its income and council budget imperative.</p> <p>No impetus to further consider current and future implications and issues arising within the council's car parking asset portfolio and as part of the council's OBR process.</p> |

6.0 Officer Preferred Option (and comments)

6.1 Following Members' consideration and confirmation the Strategy meets the council's objectives and its wider policy aspirations, **Option 1** is preferred.

7.0 Conclusion

7.1 Concerns from the business community, about the long-term provision of public parking, and general parking are understood. Through the draft

Lancaster City Centre Car Parking Strategy and Action Plan, alongside ongoing work with county council, the issue will be addressed at a strategic city-wide level, with appreciation of the statutory strategic policy imperatives the city council is working within.

- 7.2 Principally these are: its declared Climate Emergency, the Lancaster Highways and Transport Masterplan 2016, and the need to promote modal shift towards sustainable forms of transport such as cycling, walking and public transport. All of these matters have to be balanced pragmatically with the need to maintain sufficient car parking for general city centre economic health and accessibility.
- 7.3 The council recognises that having an appropriate level of car parking in the city is important to support the economy and provide a range and choice of transport options and to ensure accessibility for the less mobile and populations underserved by public transport. The draft Strategy and Action Plan is one element of the council's effort to continue to provide an appropriate number of parking spaces to support the local economy. This will include making best use of the spare capacity that already exists in other car parks within the city to reduce any potential impacts.

RELATIONSHIP TO POLICY FRAMEWORK

A Sustainable District – car parking provision and car use is a vital consideration in meeting the challenges of the council's declared Climate Emergency.

An Inclusive and Prosperous Local Economy – building a sustainable and just local economy that benefits people and organisations needs to consider car parking provision as a key feature of accessibility for certain groups and communities.

Healthy and Happy Communities – tackling car parking provision and some of the negative consequences inherent in the current portfolio will contribute to healthy and happy community objectives

A Co-Operative, Kind and Responsible Council – further consultation and ongoing discussion with stakeholders will achieve the best outcomes for in tandem with running efficient quality public services, of which car parking provision is a key service provision.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

Asset health and safety and community safety should be improved with progression of the draft strategy Action Plan in the short, medium, and long-term. There are clear equity, sustainability, and rural proofing considerations when discussing elements of car park provision and the council's own car parking assets in particular given the intersection with public transport policy and issues with public transport availability and the sustainable travel and transport / Climate Emergency discussion. Business and community stakeholder consultation will further highlight issues and views for consideration in the final Strategy version to be considered at a future Cabinet meeting.

LEGAL IMPLICATIONS

No specific legal implications or legal risk arising from the report.

FINANCIAL IMPLICATIONS

The specific financial implication arising from the report is that an amount of £15K for

temporary parking feasibility design / planning / delivery from unallocated reserves is being requested.

There are no other specific financial considerations arising from adoption of the Strategy at this stage except that it should be noted that there is an intention to undertake work with the county council across 2024/25 on a Lancaster City Centre and Transport Vision strategy which will be subject to approval of a future bid to use reserves.

The main future financial implications lie in managing the cost/income impacts of the potential reduction in income arising from any decision to remove of city council car park assets across the area over the next 15 years and balancing these against the capital and revenue implications of any planned new temporary or permanent provision.

The assumption in the report is that any potential negative impact on the General Fund of removing car parking assets will not be a short to medium term concern given that enough capacity is believed to exist in the council car parking portfolio to absorb current car park users for most periods of time across the year. This would mean broadly that net income would be maintained against fewer physical spaces. When combined with the impact of potential capital receipts and potential efficiency savings the General Fund position is likely to be cost neutral with some car parking space loss.

The longer-term net income position may, however, be affected as other car parks may be brought forward under development over the next 7 to 15 years. The financial impact of any future decisions within this timeframe will need to be considered on a case-by-case basis and this will be assisted by better information on use and turnover within the car parking asset portfolio.

The assumption in the report is that for any new (permanent or temporary) car parking provision a commercial business case would be put forward demonstrating that borrowing costs for capital expenditure and ongoing revenue running costs would be covered by gross income with the potential to also deliver a net surplus. Such future business cases would be a matter for consideration as part of the development of the Council's future capital programme.

OTHER RESOURCE IMPLICATIONS

Human resources: Procurement and delivery of any project or work packages arising from the Strategy Action Plan will be led by officers from Sustainable Growth Regeneration Service services. Support will be required, including input from Property, Legal, and Financial Services,

Information Services: There may be Information Service implications arising from the review of improving car parking use /demand information.

Property: Feasibility and project development work will be undertaken to improve council parking assets.

Open Space Implications: No open space implications.

SECTION 151 OFFICER'S COMMENTS

Within the 2024/25 General Fund Revenue Budget car parking income amounts to approximately £3.89M and represents the largest single item of council, excluding Core Funding at around 20% of the council's total Fees & Charges income. In addition, there would also be a reasonable expectation that this would increase as the charges are reviewed. Whilst noted within the financial implications in the short term it is thought that

there will be a minimal impact on this income stream care does need to be taken when considering car parking across the district in the longer term.

New or revised proposals will need to be carefully considered, not only from a financial perspective to maximise any future opportunities as they arise but also how it balances the various Council priorities.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments to add

BACKGROUND PAPERS

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