



Subject: Queen Elizabeth Olympic Park Car Parking Charges Update
Meeting date: 20 September 2016
Briefing to: Investment Committee
Report of: Mark Camley, Executive Director of Park Operations and Venues

This report will be considered in public

1. SUMMARY

- 1.1. One of LLDC's key corporate objectives is to become and remain financially sustainable in the long term. The Corporation's Commercial Strategy, which was approved by the Investment Committee on 12 July 2016, sets out a number of ways in which it will seek to achieve this. One element of the approach is to bring forward opportunities to enhance the revenue projection included in the Ten Year Plan.
- 1.2. In this context LLDC has reviewed its car parking policy and charges across the Park, to explore whether there is scope to increase charges to generate additional revenue to contribute to the management and operation of the road network, car parks and other related infrastructure. Given that the planning policy for Queen Elizabeth Olympic Park (QEOP) venues sets out that these should be considered as public transport destinations, an increase in charges would have the added effect of dissuading the use of car transport to venues.
- 1.3. A report is included in Part 2 of the agenda, which contains exempt supplemental information. The information is exempt by virtue of paragraph 3 of Schedule 12A in that it contains information relating to the business affairs of the London Legacy Development Corporation.

2. RECOMMENDATIONS

2.1 The Committee is asked to:

- 2.1.1 Note the background to the proposal to increase parking charges across QEOP.**
- 2.1.2 Agree the car park fees and charges policy set out at section 7.**
- 2.1.3 Agree the same approach as it has for other fees and charges, by delegating authority to the Executive Management Team to amend charges provided they are set within the policy framework.**

3. BACKGROUND AND CURRENT SITUATION

- 3.1. The planning policy for QEOP venues sets out that these should be considered as public transport destinations. Therefore, limited parking is available and it is restricted to 'venue users' only (a punitive £35 flat fee is in place to discourage misuse by non venue users). Blue Badge (BB) parking is free of charge, and the first hour is free of charge for all users.

- 3.2. Car parking space allocation is:
- LAC car park has 111 spaces (including 15 BB).
 - MSCP has allocated spaces for 'general parking' as follows:
 - 121 spaces for the Copper Box Arena customers (with the balance of 13 Blue Badge parking spaces provided at the venue itself). 22 additional spaces are provided for events;
 - 61 spaces for the VeloPark customers (not generally used by VeloPark owing to distance from venue);
 - 50 Blue Badge car parking spaces for use by events only.
- 3.3. Contracted spaces for Here East (currently 180 at £1,000 per space) are not included in any of these numbers. Under planning consents, spaces in the MSCP are not available for 'pay and display' parking for the general public.
- 3.4. Current QEOP tariffs are at Table 1.

Table 1 - Current QEOP tariffs

| | LLDC Current Tariff |
|----------------------------|--------------------------------|
| Stay length (hours) | Fee £ |
| Up to 1 hour | 0.00 |
| Up to 2 hours | 1.50 |
| Up to 3 hours | 3.00 |
| Up to 4 hours | 5.00 |
| Up to 5 hours | 5.00 |
| Up to 6 hours | 8.00 |
| Up to 7 hours | 8.00 |
| Up to 8 hours | 8.00 |
| Up to 9 hours | 15.00 |
| Up to 10 hours | 15.00 |
| Up to 11 hours | 15.00 |
| Up to 12 hours+ | 15.00 |
| Non Venue user charge | 35.00 |

- 3.5. Car Parking charges have been reviewed after operating the car parks for more than a year. The 10yr plan income targets for general car parking for financial year 2016/17 to financial year 2024/25 are static at £225k. financial year 2015/16 actuals were £204k. Of this, the LAC car park contributed £109k, MSCP and CBA £21k (estimated) with the balance from other pre-booked, coach and event support vehicle parking at the MSCP.

4. OVERVIEW OF OPPORTUNITY TO INCREASE CAR PARKING TARIFFS

- 4.1. In considering the options for increasing the tariffs, we have used comparators from the six growth boroughs (including LB Barking and Dagenham) to inform the charging policy. It is noted that leisure centres with their own onsite parking in the neighbouring boroughs typically offer free parking to venue users through member or refund schemes. For example LB Newham provide free parking for venue users at their leisure centre facilities. The tariff comparators are at Table 2.
- 4.2. While there are examples of neighbouring boroughs promoting higher rates for on street parking, the most similar comparator identified is the Abbey Leisure Centre, LB Barking and Dagenham.

- 4.3. It is noted that LVRPA have recently introduced charging. Cyclists at the Velopark and competitors at the Hockey and tennis centre venue have up to four hours free parking. For other users or non users, Velodrome charges are £4 per hour (max two hours) and Hockey and Tennis Centre £3 per hour up to two hours, then £15 for three hours (max stay three hours). The initial impact of this change has been limited, with most issues caused by non venue users parking in the venue car park. Westfield shopping centre charge £2.70 per hour for up to two hours and then a flat rate of £6.50 for up to 24 hours (weekday) and £2.70 per hour for up to three hours and then a flat rate of £9.50 for up to 24 hours (weekend).
- 4.4. The QEOP is established as a public transport destination and the car parks provided are for venue users only; Stadium spectators and other Park users should be dissuaded from the use of them. Pricing for the car parks is designed to reflect and support these objectives through the use of a suitable pricing structure and punitive fees for non-venue users.

Table 2 – Tariff comparators

| | QEOP 2016 | LB Newham* | LB Hackney | LB Barking & Dagenham | LB Tower Hamlets | | | |
|-------------------|--------------------------|---------------------------------------|-----------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Venue | LLDC QEOP Current Tariff | Stratford MSCP (town centre car park) | Brittania Leisure Centre | Abbey Leisure Centre | John Orwell Sports Centre | Tiller Leisure Centre | Whitechapel Sports Centre | York Hall Leisure Centre |
| Stay Length (hrs) | £ | £ | £ | £ | £ | £ | £ | £ |
| Up to 1 hr | 0.00 | 2.00 | 1.20 | 1.60 | 4.40 | 4.40 | 3.80 | 3.80 |
| Up to 2 hrs | 1.50 | 4.00 | 2.40 | 2.70 | 8.80 | 8.80 | 7.60 | 7.60 |
| Up to 3 hrs | 3.00 | 5.00 | 3.60 | 6.50 | 13.20 | 13.20 | 11.40 | 11.40 |
| Up to 4 hrs | 5.00 | 8.00 | - | 6.50 | 17.60 | 17.60 | 15.20 | 15.20 |
| Up to 5 hrs | 5.00 | 8.00 | - | 11.40 | - | - | - | - |
| Up to 6 hrs | 8.00 | 15.00 | - | 11.40 | - | - | - | - |
| Up to 7 hrs | 8.00 | 15.00 | - | 20.70 | - | - | - | - |
| Up to 8 hrs | 8.00 | 15.00 | - | 20.70 | - | - | - | - |
| Up to 9 hrs | 15.00 | 15.00 | - | 20.70 | - | - | - | - |
| Up to 10 hrs | 15.00 | 20.00 | - | 20.70 | - | - | - | - |
| Up to 11 hrs | 15.00 | 25.00 | - | 20.70 | - | - | - | - |
| 12 hrs+ | 15.00 | 25.00 | - | 20.70 | - | - | - | - |
| Comments | | Town centre car park comparator | Members are refunded parking fees | LBBD – Local Pay & Display car park | GLL - On Road Pay/Display (0800-1830) | GLL - On Road Pay/Display (0830-1700) | GLL - On Road Pay/Display (0830-1700) | GLL - On Road Pay/Display (0830-1900) |

LB Newham provides free parking for venue users at their leisure centre facilities.

5. TARIFF OPTIONS - KEY ASSUMPTIONS AND CONSIDERATIONS

- 5.1. The key assumptions and considerations outlined below shape the proposed fee structure and the options presented in the report in Part 2 of the meeting.
- Blue Badge Parking would remain free.

- Provide an 'early bird' opening (0530-0700hrs) and a free period of parking before 0700hrs each day. This ensures early morning venue users unable to use public transport would not be penalised.
- Charging would start immediately at 0700hrs for venue users.
- The first hour of free parking (after 0700hrs) would be abolished.
- The non venue user fee (£35) would continue.

5.2. The key considerations are:

- MSCP has spaces allocated for CBA venue users but owing to distance from the venue this has limited take up;
- The number of spaces available for parking for the CBA is limited by planning conditions;
- If approved by Planning the proposed development of a car park adjacent to CBA should increase usage of CBA parking spaces;
- The revised tariff will apply to the new car park but owing to the better proximity, income is anticipated to increase;
- Proposed introduction during November 2016 following the September 2016 Investment Committee meeting (4 month income uplift FY 2016/17); and
- The agreed changes to the car parking tariffs will be discussed with the GLA prior to the increases being enacted.

5.3. The levels of returns are based on simplifying parameters which include:

- Usage parking patterns for 2015/16 taken from the Automatic Number Plate Recognition system (ANPR) is used to profile parking patterns for 2016/17.
- No elasticity of demand is assumed at this stage so maximum figures indicated. Limited information exists but high demand at peak times suggests utilisation will remain high at LAC with a moderate tariff increase. It is noted that Westfield shopping centre has tried different parking tariff settings since it opened. Currently weekend parking is more expensive than weekdays, suggesting that there is some elasticity of demand for their car parks.
- Revised tariffs would apply to all car parks on QEOP.

6. FINANCIAL IMPLICATIONS

6.1. The options presented in Part 2 forecast a range of potential income increases for LLDC.

7. CAR PARK TARIFF REVIEW POLICY

- 7.1. It is recommended that LLDC adopts the following policy in relation to car parking charges:
- Blue Badge parking is provided free of charge;
 - 'Early Bird' parking between 0530-0700hrs is provided free of charge;
 - Charges should reflect that QEOP is a public transport destination;
 - Charges should discourage use by non-venue users;
 - Charges should take account of parking charges in the local area
 - Charges should be simple to understand and administer
- 7.2. It is further recommended that, in relation to setting car parking tariffs, the Committee delegates authority to the Executive Management Team to amend charges, provided they are in line with this policy; if they are outside the policy, they will be reverted to Investment Committee for a decision.

8. LEGAL IMPLICATIONS

- 8.1. TfL Legal confirms that LLDC may do anything it considers appropriate for the purposes of securing the regeneration of its Mayoral Development Area. The amended parking tariff is intended to generate a surplus to contribute to the management and operation of the road network, car parks and related infrastructure within this area.

9. NEXT STEPS

- 9.1. It is anticipated that, if agreed, the tariff uplift would be instigated during October 2016, with all necessary signage and prior communication in place before this time.

10. APPENDICES

- 10.1. None

List of Background Papers:

Fees & Charges Policy for QEOP Venues

Public papers for Investment Committee 12 July 2016

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