



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 private

Subject to the decision of the Committee under Item 10 on the agenda for this meeting, this report is exempt and is therefore not for publication to the public or press by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial and business affairs of the London Legacy Development Corporation.

1. SUMMARY

- 1.1. This report contains supplementary information relating to car parking at Queen Elizabeth Olympic Park (QEOP).

2. RECOMMENDATIONS

2.1 The Committee is asked to:

- 2.1.1 Note the review of options for a revised tariff structure for QEOP car parks set out in Section 3 and Table 1; and**
- 2.1.2 Agree the revised tariff structure for QEOP car parks as described as Option 2.**

3. TARIFF OPTIONS AND COMMENTARY

- 3.1. The proposed tariff options for consideration listed at Table 1 are defined as:
- **Option 1:** (Abbey Leisure Centre - LB Barking and Dagenham). Most similar comparator significantly more expensive than current QEOP rates. Rises quickly to high daily rate. Adoption of comparator rates across QEOP opening hours would include - No charge 0530-0700 and then venue users to pay for all time parked. Good potential increase in income.
 - **Option 2:** No charge 0530-0700, £2.00 per hour to max £20. No free period. All periods higher than current QEOP tariff. Clear hourly rate to avoid confusion and efficient administration. [REDACTED] A commercial approach that supports QEOP's public transport destination objectives and discourages misuse by non venue users.
 - **Option 3:** No charge 0530-0700, £1.50 per hour to max £15. No free period. Clear hourly rate to avoid confusion and efficient administration. Increases

potential [REDACTED] A moderate approach but creates anomaly against current charges at 8-9 hours.

- **Option 4:** No charge 0530-0700, £1.00 for the first hour, then current QEOP tariff plus £1 applied to max £15. Moderate potential uplift in income.
- **Option 5:** No charge 0530-0700, £1.00 for the first hour then current tariff to max £15. Limited uplift in income.
- **Option 6:** John Orwell Sports Centre - LB Tower Hamlets: High end comparator (on street parking with 4 hour maximum stay with free parking outside of 0830-1900 period). Adoption of comparator rates across QEOP opening hours would include no charge 0530-0700 and then pay for all time parked. Significant forecast uplift in income but possible elasticity of demand issue. This option supports QEOP’s public transport destination objective, but likely to create reputational issues.

Table 1 - Scenarios for revised tariffs

	Current Tariff	Option 1 Tariff	Option 2 Tariff	Option 3 Tariff	Option 4 Tariff	Option 5 Tariff	Option 6 Tariff
Hours parked	Current QEOP parking tariff	Abbey Leisure Centre - LB Barking and Dagenham	No charge 0530-0700, £2.00 per hour to max £20	No charge 0530-0700, £1.50 per hour to max £15	No charge 0530-0700, £1.00 for the first hour, current tariff plus £1 applies to max £15)	No charge 0530-0700, £1.00 for the first hour then current tariff to max £15)	John Orwell Sports Centre - LB Tower Hamlets
0-1hrs	£ -	£ 1.60	£ 2.00	£ 1.50	£ 1.00	£ 1.00	£ 4.40
1-2hrs	£ 1.50	£ 2.70	£ 4.00	£ 3.00	£ 2.50	£ 1.50	£ 8.80
2-3hrs	£ 3.00	£ 6.50	£ 6.00	£ 4.50	£ 4.00	£ 3.00	£ 13.20
3-4hrs	£ 5.00	£ 6.50	£ 8.00	£ 6.00	£ 6.00	£ 5.00	£ 17.60
4-5hrs	£ 5.00	£ 11.40	£ 10.00	£ 7.50	£ 6.00	£ 5.00	£ 17.60
5-6hrs	£ 8.00	£ 11.40	£ 12.00	£ 9.00	£ 9.00	£ 8.00	£ 17.60
6-7hrs	£ 8.00	£ 20.70	£ 14.00	£ 10.50	£ 9.00	£ 8.00	£ 17.60
7-8hrs	£ 8.00	£ 20.70	£ 16.00	£ 12.00	£ 9.00	£ 8.00	£ 17.60
8-9hrs	£ 15.00	£ 20.70	£ 18.00	£ 13.50	£ 15.00	£ 15.00	£ 17.60
9-10hrs	£ 15.00	£ 20.70	£ 18.00	£ 15.00	£ 15.00	£ 15.00	£ 17.60
10-11hrs	£ 15.00	£ 20.70	£ 20.00	£ 15.00	£ 15.00	£ 15.00	£ 17.60
11-12hrs	£ 15.00	£ 20.70	£ 20.00	£ 15.00	£ 15.00	£ 15.00	£ 17.60
12-13hrs	£ 15.00	£ 20.70	£ 20.00	£ 15.00	£ 15.00	£ 15.00	£ 17.60
13-14hrs	£ 15.00	£ 20.70	£ 20.00	£ 15.00	£ 15.00	£ 15.00	£ 17.60
14-15hrs	£ 15.00	£ 20.70	£ 20.00	£ 15.00	£ 15.00	£ 15.00	£ 17.60
16-17hrs +	£ 15.00	£ 20.70	£ 20.00	£ 15.00	£ 15.00	£ 15.00	£ 17.60
Non Venue user charge	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00
[REDACTED]	0	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Example potential £ k increase over LAC full year income FY15/16 (£109k)	0	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Example potential £k increase over CBA/M SCP full year income FY15/16 (£2k)	0	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total Potential income increase £k over £130k	0	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

4. RECOMMENDED OPTION

- 4.1. It is recommended that the current parking tariff for QEOP car parking is revised by adopting **option 2**, charging venue users for each hour after the ‘early bird’ period at a flat rate of £2.00 per hour up to a maximum of £20. This would be easy to administer and easily understood by users. This tariff fits within the range of the comparators found and will generate a potential increase [REDACTED]

over current income (assuming zero elasticity of demand following the tariff increase) demonstrating a positive return and a simple tariff structure promoting the public transport destination concept.

5. FINANCIAL IMPLICATIONS

5.1. The options presented in the paper forecast a range of potential income increases [REDACTED] dependent on the option chosen and assuming no elasticity of demand affecting utilisation. The recommended option delivers a potential additional income of [REDACTED] at the LAC and MSCP/CBA, a [REDACTED] per cent uplift.

6. APPENDICES

6.1. None

List of Background Papers:

Fees & Charges Policy for QEOP Venues

Public papers for Investment Committee 12 July 2016 (exempt information)

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