

13.21 – Reinstatement of parking fees

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Reporting Service Unit and Alliance	Parking Services, Infrastructure and Operations Alliance
Report author disclosure of interest	Nil
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Nature of Council's role	Executive
Voting requirement	Simple Majority
Attachment/s	Attachment 13.21A - Proposed parking fees for each off-street carpark

Purpose

The purpose of this report is to recommend changes to the fees and charges associated with the City of Perth's parking business in response to the continued lifting of COVID-19 restrictions, increased road congestion and low uptake of public transport.

Background

On 31 March 2020, Council approved a range of COVID-19 stimulus measures for the period April to June 2020. The measures were introduced to support local businesses and from a parking perspective included:

- Free one hour on-street parking; and
- Discontinuation of issuing infringements.

Council's decision was in addition to the one hour free parking trial in Royal Street, Hay Street East Perth and Hay Street West Perth and the three hour free parking trial at selected car parks on weekends and public holidays.

In March 2020, the State Government announced a reduction to public transport services, as the pandemic had heavily impacted patronage across the public transport network. The reduction in service levels included the operation of Saturday timetables for all Transperth trains.

In response to the State Government's announcement and to provide a cost-effective alternative for workers travelling to the Central Business District (CBD), the City implemented \$10 all day off-street parking (24 hours).

The City has been in regular contact with Main Roads WA (MRWA) and the Department of Transport (DoT) throughout the COVID-19 period to share data and provide insight into the way Western Australians are moving throughout the city and metropolitan area.

The City has been advised that:

1. Freeway traffic volumes are reaching pre COVID-19 levels, with congestion returning to the road network.
2. There are approximately 150,000 less SmartRider transactions on the public transport system each day when compared to the corresponding period from the previous year. This information is captured across both the bus and train systems.

The data available would suggest that commuters previously utilising public transport are now opting to travel to the city by car. This is despite public transport services returning to pre-pandemic levels and the Premier announcing that public transport is safe for travel.

The data suggests that the City's current fee structure is encouraging commuters to travel by car.

This item seeks to reinstate on-street parking fees from mid July 2020 and phase in off-street parking fees to pre COVID-19 levels by December 2020 to reduce congestion and encourage the use of public transport.

Details

The data available suggests that freeway traffic is returning to pre COVID-19 levels and that the utilisation of public transport remains low.

The two graphs below suggest that freeway traffic volume is only 5.6% below pre COVID-19 levels and that there is 150,000 less SmartRider transactions each day when compared to the same period in 2019.

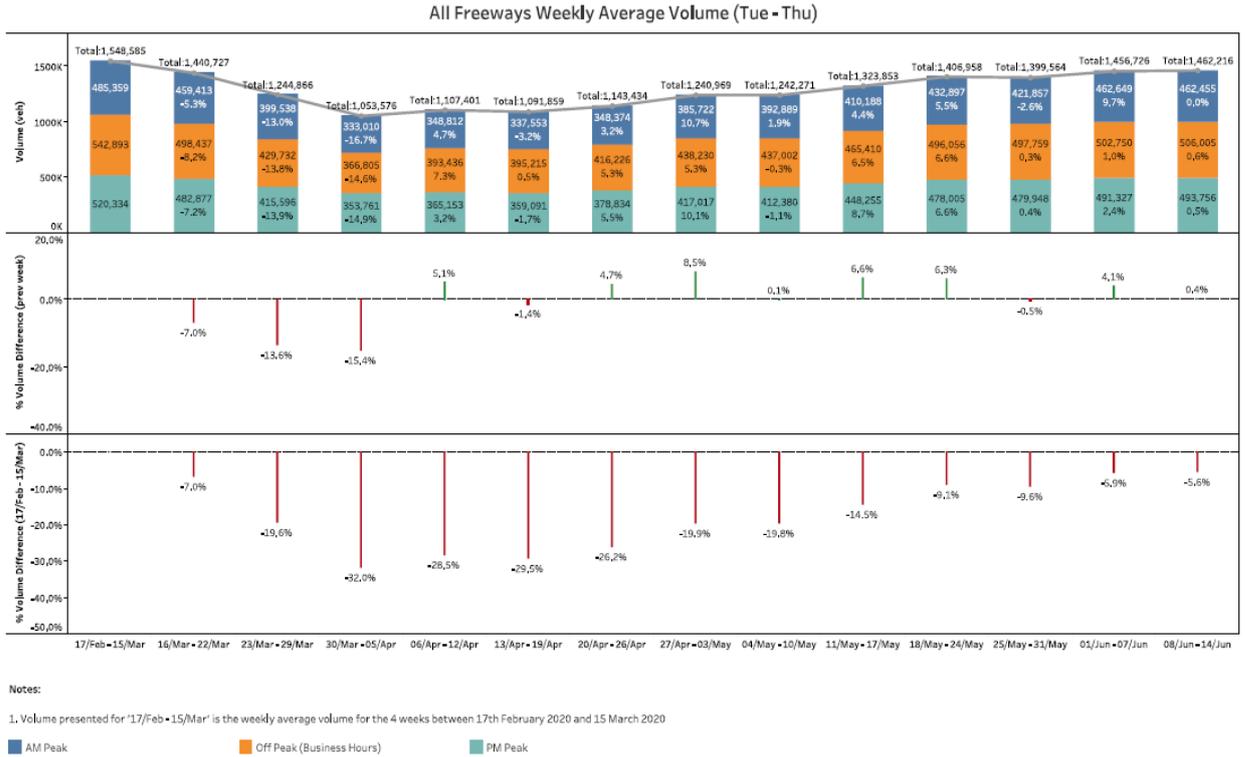


Figure 1: All freeways weekly average data suggesting that traffic volume is only 5.6% below pre COVID-19 levels

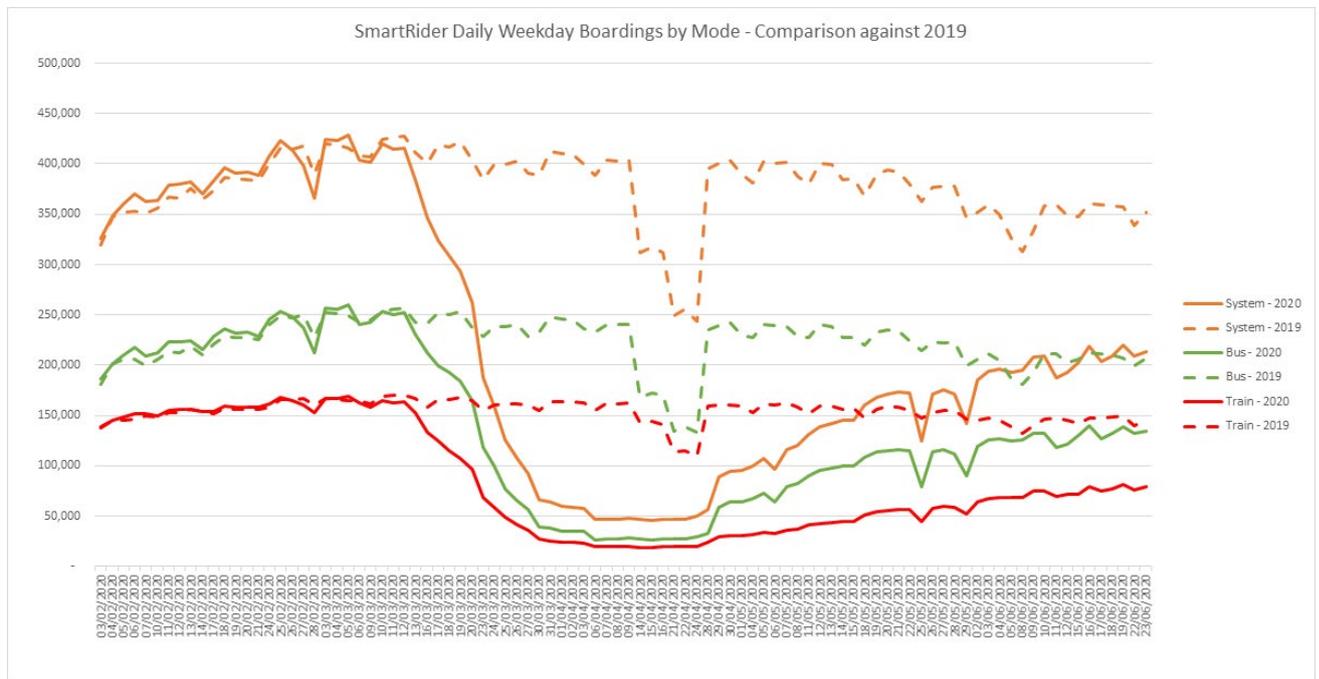


Figure 2: Public transport data suggests that there is 150,000 less SmartRider transactions each day when compared to the same period in 2019.

The City's parking data also suggests that volumes are returning to pre COVID-19 levels. The data indicates that a majority of the City's off-street car parks are currently being used by commuters as opposed to shoppers, with the carparks reaching capacity by 8am – 9am every weekday.

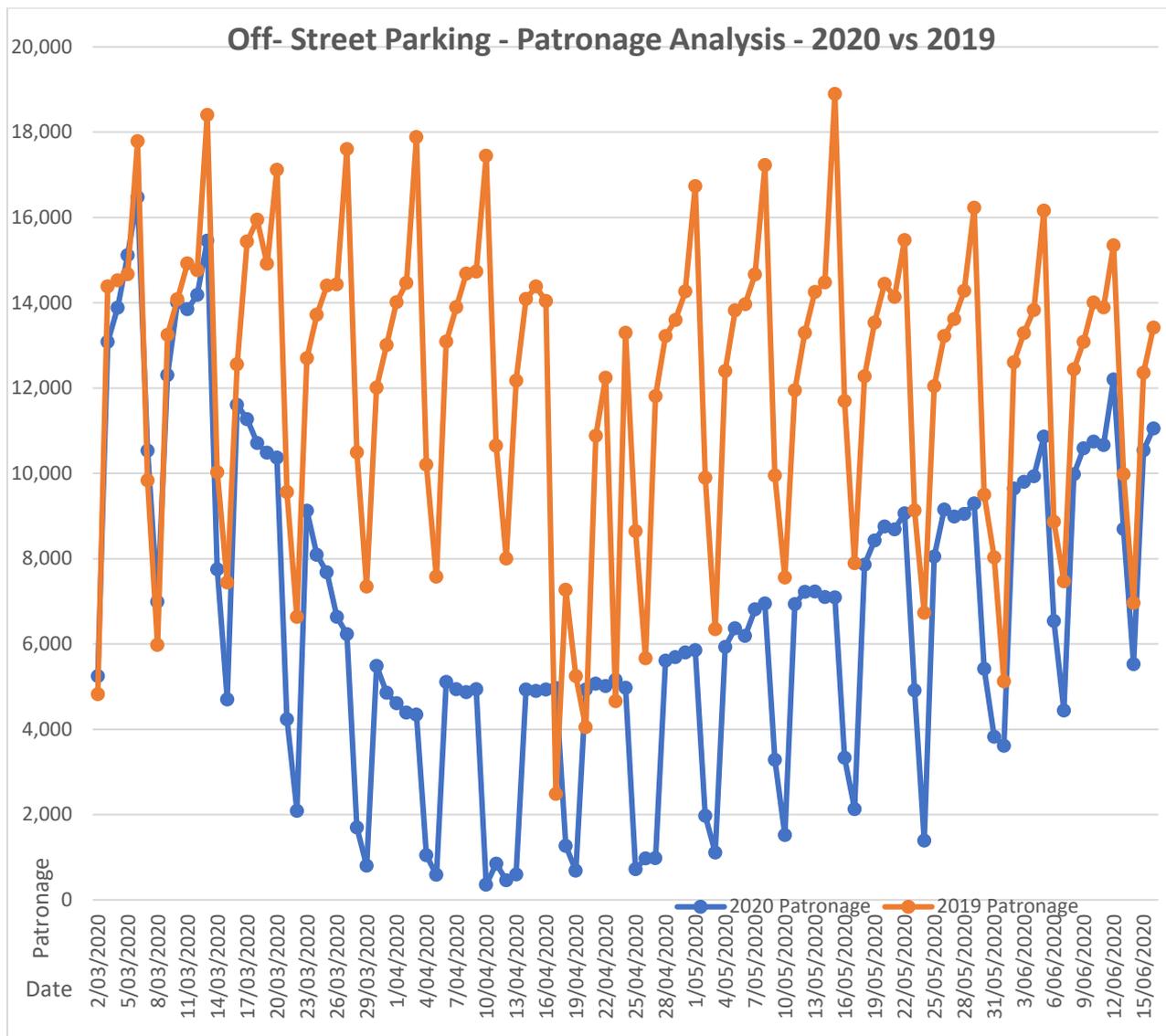


Figure 3: The City's off-street parking data suggests a consistent return to pre COVID-19 levels

When the freeway traffic and public transport data is combined with the City's parking data, it would suggest that consumer behaviour has changed significantly post COVID-19. It would appear that a large number of commuters are now choosing to drive to the city as opposed to taking public transport.

The proportion of commuters currently driving to the CBD is not sustainable. The City has observed increasing levels of congestion with each announcement by the Premier on the lifting of restrictions, with the next announcement to occur after the July school holidays.

The City is also aware that large volumes of city workers are still working from home and at some stage will return to working in the city. Should this be the case, commuters will need to be encouraged back onto the public transport system to ensure that the transport network is optimised.

The data suggests that the City's current fee structure is encouraging commuters to travel by car. To encourage commuters back onto public transport, the following initiatives are recommended:

1. Off Street Parking

In terms of the carparks with facilities (security and amenity) it is recommended that the fees are increased from \$10 to pre COVID-19 levels by December 2020. It is proposed that the fees incrementally increase on 20 July, 5 October and then to pre COVID-19 levels on 30 November 2020. The proposed increases are outlined in Attachment 13.21A.

In terms of the remaining carparks without facilities, it is recommended that these carparks remain at \$10 into the foreseeable future.

The fees above reflect the rate from 6am to 6pm. A nightly rate will apply beyond these hours.

2. On-Street Parking

On-street parking bays support the movement of city visitors by providing convenient short-term access throughout the City. Given the current fee structure, the City is observing all day parking habits where people are moving their vehicles at the expiry of the free parking period to another free bay.

The use of these parking bays by commuters is restricting access to the city for short term activities such as shopping, running errands or picking up a package.

It is recommended that the fees associated with on-street parking recommence from Monday 20 July 2020 to coincide with the commencement of Phase 5 of the state government roadmap.

In addition to reinstating the fees and charges associated with the City's off-street and on-street parking, it is also recommended that the one-hour free parking trial and three-hour free parking trial continue throughout the 2020/21 financial year.

It was originally intended to collect extensive data on the trials, however the impact of COVID-19 has provided insufficient data to make a recommendation to Council on the success or otherwise of the trial.

One Hour Free Parking Trial

The 12-month one-hour free parking trials on Hay Street in East Perth, West Perth and Royal Street in East Perth commenced after a Notice of Motion from Commissioner Hammond on 25 June 2019.

The trials commenced in a staged process across July, August and September in 2019.

Anecdotal feedback and surveys from parkers and businesses demonstrated that the initiative was welcomed and provided support for the surrounding businesses and local area.

Three Hour Free Parking Trial

The three-hour free parking trials at the three shopper car parks of His Majesty’s, Pier Street and Cultural Centre car parks commenced on 16 November 2019 after a Notice of Motion from Commissioner Hammond on 30 July 2019.

Car parking patronage data for the first 18 weeks of the trial before the impact of COVID-19 produced a net gain of 27,892 extra cars visiting the City.

Retailers throughout the city were provided with promotional materials to place in their windows and shops to promote the free parking. This initiative was well received by businesses. Overall, the feedback has been positive.

Stakeholder engagement

Both MRWA and DoT have been consulted and endorse the City’s changes to parking fees as a strategy to encourage the use of public transport and reduce congestion.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	Place
Strategic Objective:	2.4 A connected and accessible city with well utilised and sustainable non-car transport options.
	2.5 A parking service model that meets community needs from a best value for money perspective, and allows for additional community benefits
Aspiration:	Partnership
Strategic Objective:	6.2 Genuine collaboration between the City and State on major projects that add considerable value to the city’s economic, social and environmental fabric.

Legal and statutory implications

The proposed changes to the fees and charges associated with the City’s parking business are accommodated within the draft 2020/21 budget.

Connection with mandates in the *City of Perth Act 2016*

8(1)(i) - to develop and maintain collaborative inter-governmental relationships with a view to improve the City of Perth

Risk implications

Impact of decision	
Organisation	Medium
Community	Medium

Risk domain	Consequence	Likelihood	Risk rating
Reputation and External Stakeholders	Moderate	Almost certain	High

It is highly likely that any decision to reinstate fees and charges will be met with some community opposition. This needs to be considered in the broader context of returning to 'normal' by encouraging commuters back on to public transport to reduce congestion and optimise the transport network.

Approval implications

Should Council support the officer recommendation, it is anticipated that the number of commuters driving to the City each day will decrease and the number of commuters utilising public transport will increase. Congestion will therefore ease.

If the recommendation is not supported, the network may experience more congestion with the commencement of Phase 5 of the state government roadmap.

Financial implications

In developing the Long Term Financial Plan, the City included the forecast impacts of COVID-19. Applicable to this item, the impacts included:

1. Significant reductions in the City's parking revenue for the period April – December 2020;
2. Staged improvement over the July to December period to around 70% of the annual yield pre-COVID levels; and
3. Incremental returns to pre COVID-19 parking revenue levels (reduced by the free parking impact) by 2022/23.

The recommendation contained within this report to reintroduce on-street parking fees and phase in off-street parking fees from mid July 2020 is slightly ahead of the assumptions contained in the Long Term Financial Plan and therefore the 2020/21 budget.

Without understanding the 'price elasticity' between the proposed reintroduction of fees and parking patronage, it is difficult to forecast the impact on 2020/21 budget revenue.

It is possible that:

- Higher fees and slightly reduced patronage may result in a positive budget variance;
- Higher fees and reduced patronage may result in a negligible budget variance; and
- Higher fees and highly reduced patronage may result in a negative budget variance.

Given the uncertainty, the City will monitor income levels and proactively report any significant variances back to Council, and where appropriate, propose a budget amendment to recognise that variance.

Policy references

Nil

Comments

There has been some media coverage whereby the City has been encouraged to continue free on-street parking and reduced off-street parking fees to support local businesses. Given the data available and the observations of the City's parking staff, a large proportion of people currently parking in the City's car parks are commuters, not shoppers.

The City has received feedback from some retailers that shoppers are finding it very difficult to find parking.

In addition to reducing congestion by encouraging commuters back on to public transport, it is also envisaged that this initiative will provide shoppers with better access to parking therefore supporting local business.

Office Recommendation

That Council:

1. EXTENDS the free on-street parking initiative until Sunday 19 July 2020;
2. APPROVES the phased approach to reinstating off-street parking fees to pre COVID-19 levels from 20 July 2020 to 30 November 2020 as outlined in attachment 13.21A;
3. APPROVES the continuation of the one hour on-street parking trials (Royal Street, Hay Street East Perth and Hay Street West Perth precincts) for 2020/21 financial year; and
4. APPROVES the continuation of the three hour off-street parking trial on weekends and public holidays (His Majesty's, Pier Street and Cultural Centre car parks) for the 2020/21 financial year.

Appendix 1

City of Perth Carparks with Boom Gate Entry

Carpark	Pre COVID-19 All Day Rate	COVID-19 Rate	20th Jul 2020 Rate	5th Oct 2020 Rate	30th Nov 2020 Rate
Mayfair Street	\$15	\$10	\$14	\$15	\$15
Convention Centre	\$23	\$10	\$14	\$18	\$23
Concert Hall	\$16	\$10	\$14	\$16	\$16
Terrace Road	\$16	\$10	\$14	\$16	\$16
Elder Street	\$17	\$10	\$14	\$17	\$17
His Majesty's	\$21	\$10	\$14	\$18	\$21
Pier Street	\$16	\$10	\$14	\$16	\$16
Council House	No day rate	\$10	No day rate	No day rate	No day rate
Roe Street	\$16	\$10	\$14	\$16	\$16
State Library	\$16	\$10	\$14	\$16	\$16
Cultural Centre	\$16	\$10	\$14	\$16	\$16
Citiplace	\$20`	\$10	\$14	\$18	\$20
Goderich Street	\$15	\$10	\$14	\$15	\$15
Regal Place	\$12	\$10	\$12	\$12	\$12

Carparks without Boom Gate Entry

Carpark	Pre COVID-19 All-Day Rate	COVID-19 Rate	20th Jul 2020 Rate	5th Oct 2020 Rate	30th Nov 2020 Rate
Wellington Street	\$13	\$10	\$10	\$10	\$10
Coolgardie Street	\$13	\$10	\$10	\$10	\$10
Mounts Bay Road	No day rate	\$10	\$10	\$10	\$10
John Oldham Park	No day rate	\$10	\$10	\$10	\$10
Plain Street	\$13	\$10	\$10	\$10	\$10
Point Fraser	No day rate	\$10	\$10	\$10	\$10
Heirisson Island	No Fee	No Fee	No Fee	No Fee	No Fee
The Garage	Permit Only	Permit Only	Permit Only	Permit Only	Permit Only
Fire Station	No day rate	\$10	\$10	\$10	\$10
James Street	\$14	\$10	\$10	\$10	\$10
Aberdeen Street	\$14	\$10	\$10	\$10	\$10
Newcastle Street	\$13	\$10	\$10	\$10	\$10
Aberdeen Garage	Permit Only	Permit Only	Permit Only	Permit Only	Permit Only
Royal Street	\$12	\$10	\$10	\$10	\$10
Saunders Street	\$12	\$10	\$10	\$10	\$10
Hay Street East	No day rate	\$10	\$10	\$10	\$10
Queens Gardens	\$10	\$10	\$10	\$10	\$10
Victoria Gardens	No day rate	\$10	No day rate	No day rate	No day rate
Mardalup Park	No day rate	\$10	\$10	\$10	\$10
J.H. Abrahams Reserve	No day rate	\$10	No day rate	No day rate	No day rate