

Agenda Item	12
Report No	SR/17/21

HIGHLAND COUNCIL

Committee: Isle of Skye & Raasay

Date: 30 August 2021

Report Title: Update on Parking Revenue

Report By: Executive Chief Officer Infrastructure, Environment & Economy

1 Purpose/Executive Summary

- 1.1 To update Members on the Income generated from Car Park management and indicate the ongoing work to determine the final cost out-turns and link with the overall Council policy on car parking income.

2 Recommendations

- 2.1 Members are asked to note the report.

3 Implications

- 3.1 **Resource** – A clearer understanding of the revenue levels achievable from widespread rollout of parking charges to assist in traffic management and increased potential investment opportunities for infrastructure and service delivery is essential for local communities and Members.
- 3.2 **Legal** – The use of all car parking income must be considered within the overall legal framework and adopted policy.
- 3.3 **Community (Equality, Poverty and Rural)** – The roll-out of additional car parking capacity is a positive outcome for the community, especially as it has helped to address the growing pressures at our key tourist locations.
- 3.4 **Climate Change / Carbon Clever** - No implications.
- 3.5 **Risk** – There is a risk that income levels do not reach the levels required to ensure capital borrowing and other costs are met.
- 3.6 **Gaelic** - No implications.

4 Changes on Skye

4.1 Members will be aware that since the creation of Parking Services in 2016 and the introduction of Decriminalised Parking Enforcement (DPE) a greater focus has been applied to both service delivery and management of parking infrastructure in Skye and Raasay. Regular updates on activities have been provided to Members who have worked closely with Council Services and Partner Organisations to develop the parking infrastructure.

4.2 Recent Multi Agency investment in projects include:-

- Development of The Storr Phase II, On Street & Off-Street Visitor Parking, £450k + project;
- Development of the Quiraing, The Highland Council & SGRPID, Visitor Parking, £200k+ project; and
- The expansion of the Bayfield Car Park in Portree delivered by P&BCT & The Highland Council, £600k+ project

4.3 With the successful rollout of these projects further multi agency investment is already planned for:-

- THC & SGRPID Quiraing Phase 2, doubling of Car Parking provision (2021);
- THC & SGRPID Coral Beach, increase in car parking provision and visitor facilities (2021/22); and
- THC & P&BCT Preliminary discussions on further expansion of the visitor facilities for the Bayfield area and foreshore.

5 Income levels

5.1 With the expansion of pay & display parking across Skye, the income illustrated in 5.2 has been generated to support service delivery, visitor management and infrastructure investment. The figures illustrate the overall income generated after VAT, but it should be noted that a sizeable proportion of the income is returned directly to Portree and Braes Community Trust (P&BCT) as the partners in expanding the Bayfield car park and a sizeable proportion is returned to SGRPID as the agency owners of the car parks at Quiraing and Fairy Glen. In addition, capital borrowing repayments are extracted annually from the income (see paragraph 5.3). All On-Street income is retained by the Service as part of the service delivery budget.

5.2	Net Income before costs	£40,469	£59,714	£93,283	£163,037	£196,929	£204,367
	OFF STREET	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 (4mths)
	Somerled Square	£22,154	£31,660	£46,742	£43,302	£42,486	£18,472
	The Green	£18,315	£27,266	£44,291	£40,935	£30,809	£15,457
	Quiraing (SGRPID)	£0	£0	£0	£15,699	£16,900	£17,338
	The Storr	£0	£0	£0	£0	£32,433	£42,210
	Fairy Glen (SGRPID)	£0	£0	£0	£0	£0	£15,578
	Bayfield	£0	£0	£0	£0	£0	£34,577
	Cashless Parking	£0	£788	£2,250	£3,823	£6,692	£23,631

ON STREET	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 (4mths)
The Storr	£0	£0	£0	£58,063	£46,526	£22,267
Ford Road	£0	£0	£0	£0	£0	£533
Quiriang	£0	£0	£0	£1,215	£21,083	£12,087
Fairy Glen	£0	£0	£0	£0	£0	£229
Lisigarry Court	£0	£0	£0	£0	£0	£1,988

- 5.3 As Members will note, this report reflects not just the very positive impact that Council and partner investment has had in the provision of visitor management facilities, but also the income that has been received. As set out in paragraph 5.1, the gross income will need to be adjusted to reflect the agreed split of income with partner organisations as part of the arrangements for the development of the facilities.
- 5.4 Given the stage we are at in the financial year, and the fact that practical completion has not been achieved at some sites, the overall net income figures are not yet available. This net figure is reached by subtracting the annualised maintenance costs, the relevant costs of capital borrowing, lease payments and agreed partner split (at Bayfield, Fairy Glen and Quiraing) from the income figures. As the payment of any agreed local split of income will be retrospective, the position will not be finally available until the end of the financial year. It is encouraging however, that income levels have been positive and demonstrate the value of the significant investment the Council and partners have put in place
- 5.5 As per the Council policy agreed by the Environment, Development and Infrastructure Committee in 2019, it was agreed that any surplus would be split between the Service and the local Area Committee. An update report will be brought to the next Economy and Infrastructure Committee in December, setting out the mechanism that will be employed, taking into account the impact that the last year has had on the wider roll out of car parking charges.

Designation: Executive Chief Officer Infrastructure, Environment & Economy

Date: 11 August 2021

Author: Shane Manning, Principal Traffic Officer

Background Papers: Corporate Capital Monitoring [Report](#)