

Committee(s)	Dated:
Residents Consultation Committee – For comment Barbican Residential Committee – For decision	14 June 2021 28 June 2021
Subject: Charging Policy for Car Parking and Stores – Annual Review	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1 and 4
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	£
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain’s Department?	
Report of: Andrew Carter, Director of Community and Children’s Services	For Information/comment
Report author: Michael Bennett, Head of Barbican Estates	

Summary

The context for the review of the Charging Policy for Car Parking and Stores on the Barbican Estate includes the following:

- Expenditure on car parking on the Barbican Estate has for some years exceeded income;
- The Barbican car parks are underused with a large number of vacant car parking spaces that have been put to much better use (such as the provision of storage units for residents);
- The City Corporation has agreed budget envelopes that each of the service committees will use to deliver their services in 2021/22. These budget envelopes will help the City of London Corporation (the Corporation) achieve an average saving in Corporation funding of 12% across the City Fund and City Cash budgets for 2021/22.

At its meeting in June 2020, the BRC received a report on the Charging Policy for Car Parking and Stores on the Barbican Estate. The Committee agreed a number of reviews and that the Member/Officer Working Party consider further, before bringing a report back for an annual review to the BRC. The Working Party has reviewed and made recommendations for the 2021-2022 year and, this report comprises an overview of its considerations and its recommendations.

Recommendation(s)

The Barbican Residential Committee is asked to endorse the work and recommendations of the Member/Officer Working Party and specifically, to:

Car Parking

1. Pause the Barbican car park charge per parking space for the ensuing year at £1,420 per annum and subject to review again in 2022.
2. To increase the miscellaneous charges by 5% for motorcycles (to £255), bicycle lockers (to £96), bicycle pods (to £34), Temporary Car Parking (to £11.00) and subject to review again in 2022.
3. The Barbican car park charge per premium parking space for the ensuing year be £2,130 per annum (based on 1.5 of the current charge for a standard car bay), subject to review in 2022.

Stores

4. Increase the rents for **Stores within Barbican buildings** (that is, Stores not constructed in the car parks which are all classed as small/standard Stores) for the ensuing year to £27.50 per square foot per annum and subject to review again in 2022.
5. To increase rents for the **resident new Stores in the car parks** for the ensuing year by 5% to £21.30 per square foot per annum and subject to review again in 2022.
6. To increase rents for the **non-resident new Stores in the car parks** for the ensuing year by 5% to £42.60 including vat per square foot per annum and subject to review again in 2022.
7. To increase rents for the **original resident Stores in the car parks** for the ensuing year by 5% to £21.00 per square foot per annum and subject to review again in 2022.

Main Report

Background

1. Expenditure on car parking on the Barbican Estate has for some years significantly exceeded income. In 2017 Members also agreed that a Member/Officer Working Party be established to carry out further work on the Charging Policy, bringing reports back to the BRC.
2. At its meeting in June 2020 the BRC approved the following:

Car Parking

- The Barbican car park charge per parking space for the ensuing year be increased to £1,420 per annum, subject to review in 2021.

Stores

- Rents for Stores within Barbican buildings (that is, Stores not constructed in the car parks which are all classed as small/standard Stores) be increased in line

with CPI (based on 22 April CPI of 1.5%) to £331 per annum and subject to review again in 2021.

- Rents for the resident occupiers of new stores in the car parks be increased in line with CPI (based on 22 April CPI of 1.5%) to £873 per annum for large stores, £1,238 for extra-large and £1,746 for extra extra-large stores and subject to review again in 2021.
- Rents for the non-resident occupiers of new stores in the car parks be increased in line with CPI (based on 22 April CPI of 1.5%) to £1,746 per annum for large stores, £2,476 for extra-large and £3,492 for extra extra-large stores and subject to review again in 2021.
- Miscellaneous Charges be increased in line with CPI (based on 22 April CPI of 1.5%) to £243 per annum for motorcycles, £91 per annum for bicycle lockers and £32 per annum for bicycle pods and subject to review again in 2021.

Other Reviews

3. The Working Party also considered the introduction of Premium Car Parking bays.

4. The members of the Working Party are:

- Michael Hudson (Chairman) – Chairman of the BRC
- Mark Wheatley – Deputy Chairman of the BRC
- Randall Anderson – Resident Member of the BRC
- John Tomlinson – Resident Member of the BRC
- David Bradshaw - Resident Member of the BRC
- Paul Murtagh – Assistant Director Barbican & Property Services
- Michael Bennett – Head of Barbican Estates

Current Position

5. This report comprises an overview of the considerations and recommendations of the Working Party.

Options

Car Parking

6. The Working Party took into consideration a number of factors with regards to Car Park charges:

- Occupancy history (see Appendix 1);
- Elasticity of demand (see Appendix 2);
- The reason for the establishment of the Working Party; i.e. the deficit on the car park account and the objective of raising revenue so as to reduce the deficit.

7. There were two options for car park charges:

- Pause the Barbican car park charge per parking space for the ensuing year at £1,420 per annum and subject to review again in 2022;
- Increase Barbican car park charge per parking space for the ensuing year to £1,500 per annum (as originally agreed at BRC in 2018 as the direction of travel to £1,500 over 3 years) and subject to review again in 2022.

Stores

8. The Working Party also took into consideration a number of factors with regards to Store rents:

- Occupancy schedules for current and new stores (see appendices 3 and 4);

9. The **options for Store rents for Stores within Barbican buildings** (that is, Stores not constructed in the car parks which are all classed as small/standard Stores) were:

- Pause at £25.46 per square foot per annum (£331) and subject to review again in 2022;
- Increase for the ensuing year to £27.50 per square foot (£358) as originally proposed at BRC in 2018 and subject to review again in 2022.

10. The **options for rents for the resident occupiers of new stores in the car parks** are:

- Pause at £20.30 per square foot per annum (see appendix 3 for current sizes and charges) and subject to review again in 2022;
- Increase for the ensuing year by 5% to £21.30 per square foot per annum to £916 per annum for large stores, £1,300 for extra large and £1,832 for extra extra large stores and subject to review again in 2022.

11. The **options for rents for the non-resident occupiers of new stores in the car parks** were:

- Pause at £40.60 per square foot per annum including VAT (see appendix 3 for current sizes and charges) and subject to review again in 2022;
- Increase for the ensuing year by 5% to £42.60 per square foot per annum to £1,832 per annum for large stores, £2,600 for extra large and £3,664 for extra extra large stores and subject to review again in 2022.

12. The **options for rents for the resident occupiers of original stores in the car parks** were:

- Pause at £20.00 per square foot per annum (see appendix 4 for current sizes and charges) and subject to review again in 2022;
- Increase for the ensuing year by 5% to £21.00 per square foot per annum to £672 per annum for Transportable stores and £861 for Large stores and subject to review again in 2022.

Miscellaneous Charges

13. The **options for miscellaneous charges in the car parks** are:

- Pause the miscellaneous charges for motorcycles, bicycle lockers and pods and Temporary Car Parking (see appendix 5) and subject to review again in 2022;
- Increase for the ensuing year by 5% for motorcycles (to £255), bicycle lockers (to £96), bicycle pods (to £34), Temporary Car Parking (to £11.00) and subject to review again in 2022.

Premium Car Bays

14. A resident's survey was conducted to ascertain interest and the scope of that survey and key findings are included in Appendix 6.

Proposals from the Working Party

Car Parking

15. Pause the Barbican car park charge per parking space for the ensuing year at £1,420 per annum and subject to review again in 2022.

Stores

16. Increase the rents for **Stores within Barbican buildings** (that is, Stores not constructed in the car parks which are all classed as small/standard Stores) for the ensuing year to £27.50 per square foot per annum to £358 and subject to review again in 2022.

17. Increase rents for the **resident new Stores in the car parks** for the ensuing year by 5% to £21.30 per square foot per annum to £916 per annum for large stores, £1,300 for extra large and £1,832 for extra extra large stores and subject to review again in 2022.

18. Increase rents for **rents for the non-resident occupiers of new stores in the car parks** for the ensuing year by 5% to £42.60 per square foot per annum to £1,832 per annum for large stores, £2,600 for extra large and £3,664 for extra extra large stores and subject to review again in 2022.

19. Increase rents for the **resident occupiers of original stores in the car parks** for the ensuing year by 5% to £21.00 per square foot per annum to £672 per annum for Transportable and £861 for Large stores and subject to review again in 2022.

Miscellaneous Charges

20. Increase for the ensuing year by 5% for motorcycles (to £255), bicycle lockers (to £96), bicycle pods (to £34), Temporary Car Parking (to £11.00) and subject to review again in 2022.

Premium Car Bays

21. A rolling programme for the introduction of new Premium Car Bays into the Car Parks based on demand from the resident's survey.

22. The Barbican car park charge per premium parking space for the ensuing year be £2,130 per annum (based on 1.5 of the current charge for a standard car bay), subject to review in 2022. The residents' consultation produced a suggestion that bays be increased by 25 per cent instead of 50 per cent with a corresponding charge increase. However, the space between the pillars in the car parks means this is not practical.

Conclusions (FOR CONSIDERATION BY THE BRC)

23. The Member/Officer Working Party, set up at the instruction of the Barbican Residential Committee, has carried an annual review of its work and their recommendations are laid out in paragraphs 1-6 of this report.

Appendices (TO FOLLOW)

Report Author:

Michael Bennett, Head of Barbican Estates
Department of Community and Children's Services
E: michael.bennett@cityoflondon.gov.uk
T: 020 70293923