

Case Study

Analysing and Maximising Ancillary Revenue Generation within the MSCP

Client: University of Leeds



Context

The University of Leeds is a Red Brick university located in Leeds, West Yorkshire, England.

There are a total of 33,000 students, 7,500 staff and only 1,622 remaining parking spaces on campus. Students are generally not allowed to apply for a permit other than for medical, disabled or extenuating circumstances.

The University built a new 680 space multi-storey car park in 2016 to accommodate planned losses in car parking capacity associated with the University's Estates' Masterplan.

The MSCP was funded through an external loan with capital and interest repayments over 30 years.

The University needs to recover a significant amount of ancillary

revenue from public parking outside of core hours (7am-5pm) to be on target to meet forecasts within the original business case and repay the investment in the MSCP.

The University is currently below target on revenue generation from public parking, which is mostly earned from visitors to Leeds General Infirmary and the O2 Arena which is only a short walk away (10 mins).

There are planning restrictions on the MSCP which prohibit public parking outside of core hours of operation.

The MSCP also lacks any directional highway wayfinding signage and promotion of the MSCP externally has been minimal.

Client Issues

- To ensure the MSCP provides the required payback on investment;
- A growing University population and user types, with a diminishing supply of parking;
- A 'one size fits all' policy on parking and pricing for staff permits and internal visitors, which may not be robust going forward with the progression of the Estates' Masterplan;

- A need to adhere to planning conditions placed on the MSCP;
- To ensure maximum space utilisation within the MSCP both in and out of core hours; and
- To manage large events parking and generate ancillary parking revenue.

Solutions and Added Value

- ◆ To increase revenue from public parking within the MSCP outside of core hours of operation;
- ◆ To research and benchmark parking charges of other car parking facilities in the vicinity of the campus (both daily and season ticket prices);
- ◆ To provide case studies of how other HEIs manage parking for large scale events and whether they charge attendees for parking and at what rate;
- ◆ To examine and present possible options to increase revenue from the MSCP from internal staff/visitor use;
- ◆ To engage local major trip generators to examine the potential to offer contract/visitor parking outside of core hours;
- ◆ To examine space utilisation to ensure maximum revenue generation from internal staff and visitors;
- ◆ To model potential usage from all identified user

groups and forecast revenue to achieve investment payback;

- ◆ To propose and recommend practical and cost-effective measures to attract public parking outside of core hours;
- ◆ To understand what elements of operation the University would want a third party to manage and operate under a management agreement;
- ◆ To develop an outline specification for the management of the MSCP outside of core hours; and
- ◆ To engage major operators to understand the revenue potential and commercial cost models on offer, if the operation of the MSCP (outside of core hours) is decided to be outsourced.

Services Provided

- Benchmarked parking charges against local facilities and national HE sector averages;
- Undertook an operational review of the MSCP;
- Reviewed operating costs of the MSCP;
- Engaged major trip generators in the vicinity of the campus to see if ancillary revenue could be generated outside of core hours of operation through lease agreements and general promotion of the parking facility;
- Carried out an option appraisal of innovative and cost-effective advertising options;



- Reviewed the financial model of the MSCP and variances of various predicted revenue streams against the original business case;
- Undertook occupancy surveys;
- Reviewed planning conditions associated with the MSCP and provided recommendations on areas of discussion with the Planning Authority;



- Carried out a review of highway wayfinding signage to other MSCPs in the vicinity of the campus;
- Proposed changes to bay allocation within the MSCP including car share and disabled bays;
- Reviewed and proposed ways to maximise revenue from staff, contractor and internal visitor parking whilst balancing the needs of all users;
- Provided key recommendations on financial accounting associated with the MSCP;
- Engaged major operators to understand the appetite for providing a management, marketing and promotional service of the MSCP outside of core hours of operation; and
- Attended regular client meetings to inform the Senior Management Team of project progress.

Key Benefits and Success Factors

- Proposed an equitable needs-based assessment of permit eligibility;
- Recommended changes to the way staff and students with mobility impairments/medical conditions are assessed;
- Proposed further permit allocation using sector average ratios;
- Recommended ways to increase both external and internal ancillary revenue from the MSCP;
- Engaged major trip generators in the vicinity of the campus;
- Proposed changes to financial accounting and revisions of the MSCP business case; and
- Provided key recommendations on a range of car parking operational improvements including permit allocation, signage, payment machines, zoning, customer information and PCN administration and appeals.



Contract Data

Duration: 12 months

Contact: Ian Goodwin, Stacey Chaplin and David White

theparkingconsultancy@outlook.com

Tel: 01430 650343

Mobile: 07410 117113