

**ECONOMY PDG
16 MARCH 2023**

Car Parking and Permit Tariffs; Review and Way Forwards

Cabinet Member(s): Cllr Barry Warren, Leader and Cabinet Member for Finance
Responsible Officer: Luke Howard, Environment and Enforcement Manager

Reason for Report: This report provides options for Economy PDG to determine pay and display and permit tariff increases for the financial year 2023-2024.

Recommendation:

1. The PDG review the options in this report for both pay and display and permit tariffs
2. Recommend to Cabinet the preferred option for:
 - a) Pay and display tariffs
 - b) Permit tariffs

Financial Implications: The report highlights varying impacts on additional financial income determined by each option. Vend predictions are estimated and have the potential to have a higher or lesser effect.

Budget and Policy Framework: The Council has an annual legal requirement to set a balanced budget. The options provided assist in the Council being able to achieve this in relation to the Medium Term Financial Plan.

Legal Implications: The Authority is required to comply with regulations set out in Section 35C Road Traffic Regulation Act 1984. These regulations include guidance from the secretary of state set out in The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 (Regulation 25). There are also legal obligations for the Authority to set a balanced budget.

Risk Assessment: The options provided make several financial assumptions based on previous data and specialist knowledge on likely impacts of each option.

Equality Impact Assessment: There are no equality issues identified in this report.

Relationship to Corporate Plan: In order to set a balanced budget by 11 March 2023 a decision on the options will be forthcoming. Parking provides financial resources, which are made available to deliver the Council's ongoing Corporate Plan priorities.

Impact on Climate Change: Decisions surrounding parking can be identified as having an impact on carbon footprint. Identifying car parks specifically used for long stay and short stay help members of the public decide which is more appropriate based on their activity. In turn, this will reduce CO₂ emissions through prevention of reduced journey times and movement.

1.0 Introduction/Background

- 1.1 On the 10 November 2022, Economy PDG recommended a set of charges to be introduced and identified Option 3 (Appendix 1 – Car Parking Pay and Display Options, Economy PDG Nov 22) and Option 1 (Appendix 2 – Car Parking Permits Options, Economy PDG Nov 22) of the attached proposals regarding parking fee and permit rises. These were then reviewed by Cabinet on the 29 November 2022 who decided to implement Option 2 of Appendix 1 and Option 3 of Appendix 2, which had a higher set of tariffs for long-term stays (e.g. 10 hours costing £10 instead of £6). These decisions were published as required.
- 1.2 Following debate at a meeting of full Council on the 22 February 2023, which was attended by various residents and business advocates, a decision was taken to withdraw the notice and reconsider parking charges at a future meeting. The planned increase in fees and charges will therefore not be coming into practice after the notice was due to expire on the 7 March 2023.
- 1.3 The Economy Policy Development Group will now consider how best to adjust parking fees before making recommendations to Cabinet in due course at their meeting on the 16 March 2023.
- 1.4 Due to the legal requirements for advance notice and the impending pre-election period restrictions for elections in May 2023, the service is looking to implement these changes on 1 June 2023.

2.0 Findings

- 2.1 Key findings from the advanced notice of car parking fee rises include; several business owners proposed to cease purchases of permits. The anticipated loss of such permits on the whole is likely to sit around circa £25-£30k for the Council.
- 2.2 Many everyday users utilising the long stay parking for pay and display in Tiverton MSCP, Wellbrook Street and particularly High Street Crediton (St Saviour's Way), expressed disappointment at having to pay an additional £35 per week/£140 a month to park for work.
- 2.3 Given the level of feedback, the previous levels of sales activity, and therefore income is considered to be overstated. Therefore, the 2023/24 budget is proposed to be reduced by £120k to reflect the original PDG recommendations.

3.0 Way forward

- 3.1 The current set of charges for car parking and permits have not been changed since 2016 (permits) and 2019 (car parking) respectively. There has been a steady increase in car parking activity since COVID-19 restrictions have been relaxed but charges are overdue in terms of being revised as costs have risen sharply during that period. Also, other neighbouring Councils have raised their fees since COVID-19 restrictions have been lifted including North Devon, East Devon and Plymouth.

- 3.2 There are two options for consideration in each of the Car Parking Tariffs (Appendix 3) and Car Parking Permits (Appendix 4). These are a projected inflationary increase on current tariffs compared to the original PDG Economy recommendation put forward by Members on the 10 November 2022.
- 3.3 The expenditure budget covering the period 2016/17 to 2023/24 has been reviewed which has shown an average increase in costs of 6.81% pa. Therefore, a new recommended tariff option has been calculated using this average annual increase covering 2019-2020 to 2023-2024 for pay and display charges (4-years or 30.15%) and covering 2016-2017 to 2023-2024 for permits (7-years or 58.59%). This can be compared to the tariff recommended by the PDG in November.
- 3.4 This calculation excludes significant infrastructure works where it has been necessary to invest in the upkeep of car parks. For example, costs for works on Tiverton MSCP during 2019-2021 totalled £811k with another £122k spent on surfacing works in 2020-2021.
- 3.4 The uplift is further supported by the response to the recent Residents Survey 2022, which asked questions on spending and budget setting. Fifty percent said when making spending plans the Council should protect services even if it means it will need to increase council tax and fees and charges.

4.0 Recommendation

- 4.1 A decision is required to recommend to Cabinet either the proposed inflationary increase or the original option put forward by the Economy PDG on 10 November for both pay and display and permit models. Cabinet will then decide what the proposed 2023/24 tariffs should be.
- 4.2 Both decisions will be subject to a prior advanced public notice of 21 days, which will need publicising in all of our pay and display car parks and in the local press. The upcoming pre-election period due to commence on the 17 March 2023 for the local elections held on the 4 May 2023 needs to be factored in to the forthcoming implementation period regarding the decision taken by Members.

Contact for more Information:

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Circulation of the Report:

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List of Background Papers:

Appendix 1 – Car Parking Pay and Display Options, Economy PDG Nov 22

Appendix 2 – Car Parking Permits Options, Economy PDG Nov 22

Appendix 3 – Car Parking Pay and Display Pricing Proposals 2023-2024

Appendix 4 – Car Parking Permit Pricing Proposals 2023-2024