Agenda Item 11

Forward Planning & Transportation Salisbury District Council, 61 Wyndham Road Salisbury, Wiltshire SP1 3AH

> Author: Eric Teagle Head of Forward Planning and Transportation Direct line: 01722 434366 email: eteagle@salisbury.gov.uk

Report

Subject: Sunday Car Parking Charges

Report to: The Cabinet

Date: Wednesday 3 December 2008

Author: Head of Forward Planning and Transportation

Cabinet Member for Transportation: Councillor Helena McKeown

1. Purpose of the report

1.1 To consider possible changes to the present Sunday car parking tariff.

2. Background

- 2.1 On 30 January 2008 the Cabinet considered officer proposals for adjustments to car parking tariffs. Amongst these proposals was the recommendation that the charge for parking in the Council's city centre car parks on Sundays should be increased from £1 to £2 per visit. Cabinet endorsed this recommendation and the full Council approved the increased charge, together with other adjustments to car parking prices, on 18th February 2008. The new Sunday charge was introduced on 13th April 2008.
- 2.2 The Cabinet has now requested that the possibility of changing the Sunday charge, and the implications of doing so, be reviewed.

3. Evidence of the need to change

- 3.1 The introduction of a charge for a previously free service was never likely to be popular with customers and there was some opposition to the new Sunday charge when it was first levied in April 2006. In the main, the objections came from churchgoers who complained that it was a 'tax on religion'. There was also some opposition from local business people who were concerned about the potential impact on Sunday retailing. Nevertheless, after advertising the proposed introduction of the charge and considering objections, the Council reaffirmed its decision.
- 3.2 Similarly, the proposal to increase the charge to £2 this year did attract some opposition from the same groups, although it was relatively muted. City Centre Management expressed the view that Sunday shopping in Salisbury was now less attractive because of the charge, but no evidence was forthcoming to support this view. At the time the proposal was under discussion, the Head of Forward Planning and Transportation received four or five letters of complaint, but has received no more since. It is understood that the car park attendants (now Civil Enforcement Officers CEOs) have received verbal complaints from members of the public on Sundays and that this has been reported to the Portfolio Holder, although officers do not believe that the level of public concern is exceptional. Overall, it is not apparent that there is any concerted opposition, either to the charge or its recent increase, although inevitably car park users will object to the charge, if asked.









- 3.3 There is some evidence that the number of visits to car parks has reduced (see attached comparison of the period April October for 2007 and 2008), although car park patronage is always affected by a number of factors and this year the poor summer weather and the downturn in the economy will have been influential. It may also be the case that motorists have become more adept at avoiding Sunday charges and have opted to park in residential areas (where there is no Sunday enforcement), or on restricted streets (where the enforcement effort is minimal on Sundays).
- 3.4 It is the case, however, that the Sunday charge is unusual, in that the rate for the first hour is twice that of the rest of the week. It is understood that this is the issue that the Cabinet wishes to see addressed.

4 Possible changes to the current £2 charge

- 4.1 Given the requirement to focus on the first hour, five alternative charging scenarios have been examined:
 - · Remove the charge altogether;
 - Do not charge for the first hour, but charge £2 for the remainder of the day;
 - Charge £1 for each visit, irrespective of length (ie go back to the situation that applied before April 2008);
 - · Apply the standard weekday tariff; and
 - Charge £1 for the first hour and £2 for the remainder of the day.

4.2 Remove the charge altogether

Whilst this would undoubtedly be a popular move, there would be some significant disadvantages:

- The Council would lose a substantial amount of income, around £200,000 in a full year. This loss would be recurring and would need to be compensated for by additional income from elsewhere. Under current, SDC, arrangements, unless the contribution of the car parking account to the General Fund were reduced, the account would operate at a considerable loss and would not be able to sustain current levels of expenditure on, for example, park and ride or residents' car parking, for any period of time;
- The change would encourage additional car use and would be contrary to the objectives
 of the Salisbury Transportation Plan;
- Sunday charging is one of the few aspects of car park charging that has any potential for growth. Once removed it would be difficult to reinstate and unless other equally unpopular charges (evenings, car parks in Amesbury, Wilton, Tisbury and Mere) were to be introduced, it is hard to see how car parking income could be grown to meet future demands.
- 4.3 <u>Do not charge for the first hour, but charge £2 for the remainder of the day;</u>
 Whilst a potentially attractive possibility, it is unfortunately the case that this option is technically not feasible, as the car park ticket machines require some level of charge in order to register the first hour.

4.4 Charge £1 for each visit, irrespective of length

This is the arrangement that applied for the two years up to April 2008. Whilst not satisfying all the critics of Sunday charging, this change would be well received. The downside would be that income would be reduced by about half (roughly £100,000 in a full year).

4.5 Apply the standard weekday tariff

Unlikely to be a popular move and would probably be seen as a revenue raising tactic, rather than a more equitable approach. The Council would stand to lose revenue, probably in the order of £20,000 in a full year and there would be added cost resulting from the need for an increased enforcement effort. The move would be likely to be regarded as being particularly unfair on shop and other workers, for whom the cheaper option of park and ride would not be available.

4.6 Charge £1 for the first hour and £2 for the remainder of the day

A more equitable approach that would bring the first hour's charge into line with the rest of the week and leave open the prospect of introducing a normal weekday charging regime at some stage in the future. Those parking for longer than an hour would not be assisted. There would be a loss of income to the Council, estimated to be about £50,000 in a full year. It is understood that this is the option favoured by Cabinet.

5 The impact on the Council's finances

5.1 The impact on SDC's finances is likely to be minimal, given the short period between any change being made and the transition to Wiltshire Council. However, it is considered likely that, depending on the nature of any change, the new authority may wish to block or reverse the decision in order to preserve its revenue position.

6 The procedure for change

- Changing an element of the Council's car parking charges at this stage in the financial year would be highly unusual, particularly as it would not be a decision forced by financial circumstances. The decision to increase the charge to £2 was taken only in February and has been in force for less than 8 months. In normal circumstances, any reconsideration would have taken place in the context of the annual review of car parking charges and recommendations about charge adjustments for the coming year. The SDC Cabinet and the full Council would have considered this report in January and February, respectively. The responsibility for setting car parking charges has now passed to the Implementation Executive (IE), however.
- 6.2 The Council can only legally make changes within its budget and any reductions in income that are not matched by compensating savings would have to be agreed by the IE. Therefore, unless any cut in income could be matched by a corresponding cut in expenditure elsewhere, the Cabinet's decision would have to be forwarded to the IE as a recommendation. Car parking income is under pressure due to the current economic climate and is currently performing behind budget predictions. A further, voluntary, reduction in income generation cannot be recommended, therefore.
- 6.1 If approval of the change were to be achieved, the Cabinet would have to recommend it to the full Council. If agreed by the Council, the change would have to be advertised. For a simple change of the charge, the advertisement gives 21 days notice advising of the date the new charge takes effect. For all other changes the advertisement has to allow 21 days for receipt of public objections/comments. These comments/objections would have to be considered by the Cabinet before the order could be confirmed and the changes introduced. The earliest that any change could be introduced would be at the beginning of February, although because of the probable need to involved the IE, it could be significantly later.

7. Conclusions:

- 7.1 Officers do not believe that there is significant public pressure forcing the need for an early review of the Sunday car parking charge.
- 7.2 Removing or changing the Sunday charge could have a substantial, recurring impact on overall car parking revenue, which would have to be compensated for by increased income from elsewhere, or reductions in expenditure.
- 7.3 A change to the Sunday charge would require the approval of Cabinet and the full Council and probably the IE. The change would also have to be advertised.
- 7.4 If members are minded to support one of the options set out in the report it would be prudent to approach the Implementation Executive for its endorsement in the first instance. If that were forthcoming implementation could be delegated to the Head of Forward Planning & Transportation with the concurrence of the portfolio holder to minimise any delay.

8. Scrutiny consideration

Resources Scrutiny Panel considered the matter at its meeting on 24th November 2008. The Panel noted that the report was not well timed, as changes could not be implemented until

February 2009 and the Council would cease to exist on 31 March 2009. The Panel felt that as a review of parking charges across Wiltshire was due to take place by the new unitary authority after April 2009, Cabinet should not alter the charges at this stage. The Panel agreed to *recommend* to Cabinet, that no changes be made to Sunday parking charges pending the cross-county review to be undertaken by Wiltshire Council after April 1st 2009.

9. Implications:

- Financial: There is currently no spare budget provision to enable these changes to be made. Cabinet would need to match any cut in income with a corresponding cut in expenditure elsewhere. Due to the current economic climate, income in this area is already being squeezed, and is currently performing behind budget predictions, therefore any reductions in income generation are not recommended. Additionally, the Council can only legally make changes within its budget. Therefore any reductions in income that were not matched by compensating savings would have to be agreed by the Implementation Executive.
- Legal: Changes in the amount of the charge within the present charging structure require 21 days notice in the advertisement and can then come into effect. All other changes would require the giving of 21 days notice and would also need to provide for the receipt of objections, their proper consideration and then the confirmation of the order. This process would take at least a month. Wiltshire County Council, as highway authority, must be notified of any changes and except for a simple change of charge, agree them.
- Human Rights: None in relation to this report.
- Personnel: None in relation to this report.
- Community Safety: None in relation to this report.
- **Environmental:** Increases in car parking charges are a component of the Salisbury Transportation Plan, which is intended to mitigate the rate of growth of car use.
- Council's Core Values: Excellent service, Thriving economy, Protecting the environment.
- Wards Affected: All

Salisbury car parks Tickets sold on Sundays, April - October 2007 and 2008

| 2007 | | | 2008 | | |
|-----------|------|--------------|-----------|------|--------------|
| Month | Date | Tickets sold | Month | Date | Tickets sold |
| April | 15 | 2037 | April | 13 | 1849 |
| | 22 | 2430 | | 20 | 2000 |
| | 29 | 2347 | | 27 | 2128 |
| May | 6 | 2529 | May | 4 | 2349 |
| | 13 | 2132 | | 11 | 1785 |
| | 20 | 2173 | | 18 | 1925 |
| | 27 | 2485 | | 25 | 2211 |
| June | 3 | 2435 | June | 1 | 2073 |
| | 10 | 2304 | | 8 | 1973 |
| | 17 | 2252 | | 15 | 1770 |
| | 24 | 2657 | | 22 | 2072 |
| July | 1 | 2847 | | 29 | 2095 |
| | 8 | 2555 | July | 6 | 2029 |
| | 15 | 2740 | | 13 | 2049 |
| | 22 | 2664 | | 20 | 2082 |
| | 29 | 2753 | | 27 | 1929 |
| August | 5 | 2246 | August | 3 | 2112 |
| | 12 | 2484 | | 10 | 2051 |
| | 19 | 2496 | | 17 | 1890 |
| | 26 | 2285 | | 24 | 2040 |
| September | 2 | 2642 | | 31 | 2096 |
| | 9 | 2428 | September | 7 | 2142 |
| | 16 | 2392 | | 14 | 1945 |
| | 23 | 2890 | | 21 | 2250 |
| | 30 | 2718 | | 28 | 1927 |
| October | 7 | 2784 | October | 5 | 1833 |
| | 14 | 2459 | | 12 | 2077 |
| | 21 | 2486 | | 19 | 1883 |
| | 28 | 2606 | | 26 | 2046 |
| Average | | 2492 | _ | | 2021 |