

REPORT

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Cllr D Brown : Cabinet Member for Environment & Transport

DISCOUNTED PARKING CHARGES FOR COMMUTERS NOT SERVED BY PARK AND RIDE

1. Purpose of Report

- 1.1 To explore the possibility of introducing a system of discounted season tickets for regular commuters to Salisbury who, temporarily, will not be served by a convenient park and ride site.

2. Background

- 2.1 From the end of May this year, three park and ride sites will be in operation at:

- The Beehive (A345 north)
- Wilton (A30, A36, A360 west)
- Britford (A338, A354 south)

On 6th June 2005, the city centre all-day parking charge will rise from £3.60 to £5.00

- 2.2 The current programme of park and ride development anticipates that the London Road site (A30 north-east) will open in March/April 2006, with Petersfinger (A36 south-east) being completed in mid 2008. The development of the London Road and Petersfinger sites are qualified by the Cabinet's resolution of 20th October 2004 that:

Given the heavy subsidy and substantial parking charges implied by the current policy to provide 5 park and ride sites, Cabinet wishes to retain the 3 sites to which the Council is committed and will continue to review the future of the London Road and Petersfinger sites in line with the next Local Transport Plan. (Minute 409)

- 2.3 The Salisbury parking revenue account financial model currently projects the city centre all-day charge rising to £5.50 with the opening of London Road and £6.10 upon the opening of Petersfinger in April 2008 (£5.80 at April 2007). City centre prices could actually be higher or lower, depending on circumstances at the time.

- 2.4 Concern has been expressed about the financial impact of rising city centre prices on regular commuters who use routes into Salisbury that will not be served by park and ride in the short-term. This concern relates mainly to commuters using the A36, Southampton Road, for whom at least three years will elapse before a park and ride site becomes available. Officers have been requested to recommend a solution to this temporary problem.

3. **A discounted parking scheme for commuters not served by park and ride**

- 3.1 Discounted season tickets could be made available to commuters emanating from pre-defined postcode areas to the south-east of Salisbury. The scheme would work as follows:

- The home address areas eligible for inclusion in the scheme would be defined and translated into a list of postcodes. This assessment would be based upon the likely commuting route into Salisbury and would be limited to those commuters who arrive in Salisbury on the A36 Southampton Road.

The defined area of eligibility would be roughly wedge-shaped and it would be necessary to decide how far out from Salisbury it should extend. A best fit would then be achieved using postcode areas. The further out the zone of eligibility went, the greater would be the scope for approaching the city on other routes that are (or are soon to be) served by park and ride. 40 miles or 1 hour is suggested as a maximum distance/travel time.

- The scheme would be advertised. It is likely that there would be a substantial number of both valid and invalid applications. The scheme would introduce an extra administrative burden and it is recommended that an additional administration assistant (Grade E, £17,890 - £18,960 with on-costs) should be recruited on a six-month contract to deal with the initial demand. The need for additional permanent staff would then be reviewed.
- Applicants would be required to provide the following information:
 - Home address (with proof of residence eg a utility bill)
 - A driver's licence showing the same home address
 - A vehicle registration document showing the same home address (drivers of company cars would be required to provide a corroborating letter from their employer)
 - Car registration (parking permits would need to be car-specific in order to minimise fraudulent use).(These requirements are the same as for the residents' parking scheme)
 - Employer's name and address
- Checks would be made with employers to ensure that applicants were employed locally for at least, say, 3 days per week.

Permits would be offered on a 3 month, 6 month or 12 month basis (subject to the likely opening date for the relevant park and ride site) at a special rate.

An annual rate of £650 is used in the example below.

Prices would be subject to annual review. Spaces equivalent to the number of permits issued would be set-aside in a nominated location (the top floors of the Culver Street car park are suggested).

- Enforcement. It is possible that additional arrangements would need to be put in place to detect and deal with fraudulent abuse of the scheme.

4. **Revenue implications**

4.1 At the moment, the parking revenue account financial model does not anticipate these proposals and their potential impact was not considered when Members agreed the car parking price changes for 2005/2006. It is likely that the introduction of any discounted season ticket scheme would reduce income below the figure previously projected. The size of any reduction would depend on:

- The rate of take-up
- The discounted rate charged.

The former is unpredictable, but it would be possible to limit the number of permits in order to contain the financial impact. The following scenario has been modelled by assuming a discounted annual rate of £650 and a limit equivalent to the capacity of the top two floors of the Culver Street car park (243 spaces):

243 annual permits sold	- lost income 243 x £5.00 x 5 x 46 =	£279,450
	- income received 243 x £650 =	<u>£157,950</u>
	- net loss of income =	£121,500

These figures represent the notional net loss of income per annum and the effect upon the parking revenue model's five-year projection would be cumulative. Additional increases in car parking prices, over and above those already projected, would be likely to be needed to keep the parking revenue account in balance.

5. **Recommendation**

5.1 Cabinet is requested to indicate whether it wishes to introduce a discounted season ticket scheme for commuters not conveniently served by a park and ride site and, to confirm the level at which the initial charge should be set. Authority to appoint an additional member of staff to administer the scheme, initially on a six-month, temporary basis, is also sought.

6. **Implications:**

- Financial: If take up of the scheme is 100%, the loss of revenue to the council is estimated to be in the region of £121,500, plus the cost of a six month contract. These costs will be funded from drawing upon the reserves of the

parking revenue account in this financial year, which will have an impact on future pricing strategies.

- **Legal** : None in relation to this report.
- **Human Rights** : None in relation to this report.
- **Personnel** : None in relation to this report.
- **Community Safety**: None in relation to this report.
- **Environmental** : Offering discounted season ticket prices to some commuters could slow the reduction in the rate of traffic growth that would otherwise have been achieved.
- **Council's Core Values**: Excellent service, Thriving economy.
- **Wards Affected** : All