Agenda Item 13

Forward Planning & Transportation
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Report

Subject : (1) Proposed Car Parking Charge Adjustments, 2008/2009
(2) Traffic Management Act 2004 – setting Penalty Charge levels.

Report to : The Cabinet

Date : Wednesday 30 January 2008

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Cabinet Member for Transportation : Councillor Helena McKeown

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1. Purpose of the report

1.1 To consider the need for adjustments to car parking charges from the beginning of April 2008.

2. Background

2.1 It is normal practice to review annually the charges made by the District Council for car parking. There are several reasons for doing so.

2.2 <u>The Salisbury Transportation Plan:</u> The Salisbury Transportation Plan includes a requirement to raise car parking prices annually by 10% plus inflation as one means of mitigating the growth in local traffic. Both the District and County Councils agreed to this requirement, subject to the caveat that no increase should be likely to impact adversely on the economic well-being of Salisbury.

2.3 Whilst substantial increases in car parking charges have been made in the recent past, there is now evidence that further price rises could be counter-productive.

The analysis set out in Appendix 2 to this report shows clearly that there is a high degree of price sensitivity amongst the Council's car parking customers. Although the picture is mixed, the general message appears to be that price increases motivate customers to change their behaviour, rather than pay the additional charge. These changes in behaviour can take many forms, but generally motorists either use the car parks for shorter periods than before or reduce the frequency with which they use them. Some people, particularly commuters, have stopped using them altogether. Whilst to some extent this is the desired effect in transportation terms, the inherently inelastic and sometimes negative nature of the demand means that any future price rises could result in substantially smaller percentage increases in revenue to the Council and could quite possibly see an overall reduction in income.

2.4 A survey of car park users' attitudes has recently been undertaken as part of a review of the Car Parking Strategy. A brief summary of the results is given at Appendix 1.

2.5 <u>Support for local economic activity:</u> Not only should car parking charges not impact adversely on the local economy, they should, as far as possible, support the vitality and viability of Salisbury as a retail and commercial centre.

2.6 To a degree, this objective is in conflict with others that the car parking operation attempts to pursue, particularly the requirement to use parking charges as a means of bearing down on the increase in motor vehicle traffic (although paragraph 7 of appendix 1 suggests that parking is not a significant consideration for people choosing Salisbury as a centre to visit, it is clear that parkers are tending to stay for shorter periods). The views of local business interests have been sought, which were broadly favourable to a further round of price increases. An analysis of the charges levied in nearby competing centres (see Appendix 3) indicates that Salisbury's remain comparable.

2.7 S<u>DC revenue requirements:</u> Income from car parking is a major contributor to the Council's overall finances and significantly moderates the level of the authority's Council Tax demand. There is therefore a need to ensure that an agreed level of contribution is made by the car parking revenue account to the District Council's General Fund.

2.8 In 2007/2008 the target net contribution from the car parking account to the General Fund is £1,711,560. The advice of the Head of Financial Services is that this amount should at least be maintained in 2008/2009. However, on current performance income to the car parking account is likely to be about £120,000 less than anticipated. Moreover, year on year, there has also been a steady decline in the reserve funds set aside to support the park and ride operation. Income from the Council's car parking operation is inherently volatile and is affected by many factors in the wider environment that are outside local control. The apparent down turn in the national economy is therefore a worrying indicator. Given the inelastic nature of the demand for charged car parking locally, significant income growth is unlikely to be achieved from further percentage increases in parking prices. Attention should instead be focussed on the limited number of areas where it might be possible to grow the income base.

2.9 A failure to raise sufficient additional parking income to meet the General Fund contribution would either leave the General Fund short at the end of the financial year, with wider implications for the Council's financial position, or would require cost savings to be made in the parking operation. Realistically these could only come from park and ride and would involve further cutbacks in the bus service or possibly the closure of one of the sites. It is necessary, therefore, to take a cautious view of the state of the car parking finances.

2.10 <u>The requirements of Wiltshire County Council:</u> The Council is required by law to seek the agreement of the County Council to any amendment to car parking charges, although in the past this has been something of a formality. This year, the decision on local government reorganisation has added a new dimension. Car parking across the county will become the responsibility of the new unitary authority, which will have its own requirements for revenue. These may be for car parking purposes, for example to meet potential additional costs of the Petersfinger park and ride service, or they may be for general purposes.

2.11 Discussions with County Council officers have been opened and any outcome will be reported separately.

2.12 <u>Operational requirements:</u> The cost burden on the car parking account is substantial. Some individual aspects of the operation require subsidy, such as park and ride and residents' parking. Revenue support is also given to elements of the Salisbury Transportation Plan, such as the Intelligent Transport System (ITS).

2.13 Generally, there is a need to try and ensure consistency and balance in the charges levied for different components of the car parking operation and where necessary adjust individual prices to meet changing circumstances. As a general principle, a differential of at least 50% is maintained between the prices charged for all day parking at park and ride sites and in the city centre.

2.14 Income and expenditure is split between on-street and off-street sources. Net on-street income is required statutorily to be ring-fenced and used solely for transportation expenditure. It is suggested that it should be recommended to Wiltshire County Council that the on-street surplus for 2007/2008 (estimated to be about £58,000) should be spent on meeting the costs of ITS and park and ride, before any off-street surpluses are used.

2.15 Any surpluses generated in the off-street parking revenue account (ie once all costs, including the agreed contribution to the General Fund, have been met) have previously been placed in a transportation reserve account and used to defray parking costs or deficits. The cost burden now that four park and ride sites are operating is such that it is no longer possible to carry forward the surpluses necessary to ensure the parking account balances in the medium to long term.

2.16 2008/2009 could see a loss of income from the Market Place car park, because of proposals to refurbish it as a civic space (the removal of parking in January 2009 has been assumed for the purposes of calculation). The Market Place is charged at a higher rate than other car parks and in a full year produces about £200,000 income. Not all of this will be lost, as drivers will relocate to other car parks or on-street parking places. However, in net terms, a full year loss of around £88,000 is anticipated (a loss of £22,000 is therefore assumed for 2008/2009).

2.17 A reduction in Penalty Charge income is also anticipated. Salisbury District Council has undertaken Decriminalised Parking Enforcement (DPE) since 2001, directly in the off-street car parks and under an agency agreement with Wiltshire County Council on-street. The Act that authorises councils to undertake DPE, the Road Traffic Act 1991, is being superseded by the Traffic Management Act 2004, which comes into effect on 31st

March 2008. This Act, which incidentally replaces DPE with CPE (Civil Parking Enforcement), introduces a differential Penalty Charge rate in which the charge for contraventions seen as less serious, such as overstaying on a pay & display ticket, is less than the charge for contraventions perceived as more serious, such as misusing a disabled parking bay.

2.18 Within the Traffic Management Act there are two charge bands available to local authorities outside London. They are;

Table 1: Proposed PCN charging bands						
(1) Band	*(2) Higher level penalty charge*	*(3) Lower level penalty charge*	*(4) Higher level penalty charge paid early*	*(5) Lower level penalty charge paid early*	*(6) Higher level penalty charge paid after service of charge certificate*	*(7) Lower level penalty charge paid after service of charge certificate*
1.	£60	£40	£30	£20	£90	£60
2.	£70	£50	£35	£25	£105	£75

To compare, the current penalty charge in Salisbury is;

Table 2: Current PCN charging rates		
Standard penalty charge	*Penalty charge paid early*	*Penalty charge paid after service of charge certificate*
£60	£30	£90

2.19 Salisbury District Council currently uses the highest available penalty charge band for DPE. Using Band 2, which is likely to be the band selected by most local authorities and will probably be the band chosen by Wiltshire County Council for on-street enforcement, the penalty charge for less serious contraventions will decrease and that for the more serious contraventions will increase. Overall, there would be a reduction in the income from penalty charge notices issued in the car parks as the majority of the notices issued would fall into the less serious category. It is anticipated that the annual loss of revenue from PCNs could be as high as £120,000. It is recommended that the Band 2 charges should be adopted by Salisbury District Council in respect of parking contraventions within its off-street car parks. Appendix 5 sets out for information the car park contravention codes and descriptions showing the higher and lower rates of penalty charge.

2.20 It is also necessary to look forward to the introduction of the Petersfinger park and ride site, probably in 2009/2010, at an estimated net annual cost of £650,000.

3. Review of 2007/2008 and scope for manoeuvre in 2008/2009

3.1 After two years that saw the introduction of new park and ride sites, this year has not seen any expansion of the parking service. Changes were made, however, to the staffing of the park and ride sites and to the bus service, which, in a full year, should result in significant savings on the cost of the operation. Sunday charging was introduced in city centre off-street car parks on 2nd July 2006 and on-street on 18th February 2007 and has subsequently performed well beyond original estimates.

3.2 City centre off-street car parking charges were increased at the beginning of April. Demand in some of the short-stay car parks (Salt Lane, Brown Street, Lush House) had been consistently strong over previous years, with queues forming at times of peak use. By contrast, the Culver Street multi-storey car park had experienced declining patronage, to the point where occupancy levels were around the 25% level. Short-stay use of the Central car park and Maltings had been reasonable. It was therefore decided that car parking charges should respond to these market characteristics, with increases beyond what had previously been proposed being introduced in Salt Lane, Brown Street and Lush House. Prices were reduced in Culver Street. A 'normal' increase was made in respect of the Maltings, Central and College Street car parks. These changes to city centre off-street car parking prices are summarised in Table 3:

Table 3: City centre off-street car parking prices 2006/2007 and 2007/2008

	Short-stay					Long-stay
	0-1 hour	**1-2 hours**	**2-3 hours**	**3-4 hours**	**4-5 hours**	**5 hours +**
2006/2007	£1.00	£2.00	£2.50	£3.00	£3.50	£5.00
Maltings, Central, College Street.						
2007/2008	**£1.00**	**£2.00**	**£2.80**	**£3.30**	**£4.00**	**£5.00**
Salt Lane, Brown Street, Lush House						
2007/2008	**£1.00**	**£2.00**	**£3.00**	**£3.60**	**£4.50**	**N/A**
Culver Street						
2007/2008	**£1.00**	**£1.80**	**£2.00**	**£2.60**	**£3.00**	**£4.00**

3.3 This introduction of differential pricing has been of only limited success, as Appendix 2 demonstrates, because of market resistance to the price increases. No changes were made to tariffs in the Market Place, or to the cost of season tickets and contract parking permits. On-street charges were also unchanged, as was the cost of using park and ride. There were no changes in the charges for residents' parking, coach parking or market traders' vehicles. Outside Salisbury, the cost of Amesbury Centre car park season tickets (the only charged element) remained at £250.

3.4 Overall, the demand for city centre car parking has been fragile. Many commuters continue to avoid parking charges by parking on residential streets or in other uncontrolled locations. The roll-out of new residents' parking zones to address this problem continues with a new scheme having recently been approved for Harnham. Further zones in the Milford (extension to zone C) and St. Marks (extension to zone H) areas are in preparation. Additional yellow line restrictions have also been approved for Churchfields Road. Park and ride patronage continues to increase, albeit more slowly than was anticipated. Officers continue to work on measures designed to improve the attractiveness of park and ride and boost its performance.

4. Consultation

4.1 This report will be presented to the Environment and Transport Overview and Scrutiny Panel on 28th January 2008. The Panel's views will be reported verbally.

4.2 In addition, the Council's Economic Partners were sent an early draft copy of the schedule of proposed car parking charge adjustments for 2008/2009 (showing a general increase in prices). The proposals were discussed at a meeting held on 12th December

2007 when they were broadly supported, although the City Centre Manager expressed the view that an increase in Sunday charging would have an adverse impact on trade.

4.3 As noted, Wiltshire County Council has also been consulted, although as yet there has been no response.

5. Proposed charges for 2008/2009

5.1 A review of the car parking operation has been carried out, with all elements currently charged and uncharged being examined. In light of the foregoing comments, the following proposals are made.

5.2 City centre off-street
The fragility of demand for city centre off-street parking suggests that increases should avoided unless there is a clear indication of potential growth. This report therefore recommends that except as stated, existing charges in city centre car parks should remain unaltered. The schedule of proposed car parking charge adjustments for 2007/2008, agreed by the Council in February 2007, anticipated phased increases in parking charges, eventually leading to a tariff structure based on a charge of £1 per hour. It is suggested that this should remain the medium to long-term objective, although progress towards its implementation will inevitably now be slower than previously anticipated. Appendix 4 summarises the proposals.

5.3 A failure to increase the general level of car parking charges would be contrary to the requirements of the Salisbury Transportation Plan, but it is considered that the need to maintain a reasonable financial position justifies this departure. However, now that four park and ride sites are open it would be appropriate to continue to bear down on long-stay car parking in the city centre and a modest increase (from £5 to £5.50) is proposed in the all-day charge.

5.4 City centre on-street
City centre on-street charges were introduced in 2002 and apart from some rationalisation shortly afterwards, have not been increased since. An annual income of about £250,000 is currently produced. Any changes would need to be agreed by WCC and advertised separately by them and it is unlikely any new prices could be introduced in April 2008. For the purposes of modelling the effect, the beginning of June 2008 has been assumed. The current charges and a number of potential options for change are set out in the following table. The income estimated from each of the options is shown in the final column (an allowance has been made for a reduction in demand as a result of the changes). The option that was the subject of consultation, and which is now recommended, is highlighted.

Table 4: City Centre on-street charges 2007/2008 and options for change

	15 mins	30mins	45 mins	60 mins	Projected full year income
2007/2008	20p	50p	£1.00	£1.50	£250,000
Option 1	-	50p	£1.00	£1.50	£270,000
Option 2	30p	60p	£1.50	£2.00	£310,000
Option 3	-	60p	£1.20	£1.80	£310,000
Option 4	50p	£1	£1.50	£2.00	£350,000

5.5 The present prices have the advantage of requiring only one coin for each of the time bands, apart from the most expensive. Options 2 and 3 would require at least two coins for most time periods and three for the most expensive, making them less convenient for customers. <u>It is recommended that Option 4 is pursued.</u>

5.6 <u>Sunday charges</u>
A flat rate charge of £1 is currently made for parking visits of any duration to a city centre car park between the hours of 10.00am and 4.00pm on Sundays (normal weekday charges are levied on-street). This rate has not been altered since it was introduced in 2006. Sunday off-street charging currently generates an annual income of around £120,000 and is a potential area of growth. As the current charge is a flat rate, there is no data recorded on the length of parking visits. The following figures for projected income are therefore estimated.

5.7 The following options are suggested:

Table 5: Sunday off-street charges 2007/2008 and options for change		
		Projected income
2007/2008	£1 per visit	£120,000
Option 1	£1 0 – 1 hour £2 1 hour – all day	£156,000
Option 2	£2 per visit	£180,000
Option 3	£1 0 – 1 hour £2 1 – 2 hours £3 2hours – all day	£174,000
Option 4	Normal daily tariff	£174,000

<u>It is recommended that Option 2 is pursued.</u>

5.8 <u>Evening charges</u>
Charges are levied in the Council's car parks and in on-street car parking spaces between 8.00am and 6.00pm, Mondays to Saturdays (as noted, different arrangements apply on Sundays). A considerable number of vehicles also park in these spaces in the evening, giving an opportunity for income growth. <u>The single option of extending charged hours to 8.00pm is recommended,</u> on the basis that charging to a later time, or on a 24 hour basis, is not likely to generate significantly more income, but would incur greatly increased enforcement costs. In addition to the need to provide an enforcement presence, it should be noted that under current arrangements resident permit holders in zone E have the ability to park free of charge between 5.00pm and 9.00am in the Brown Street and Salt Lane car parks. The introduction of extended charging hours on-street would require the approval of WCC and the separate advertising of the proposal by them. It would be unlikely that the change on-street could be brought into operation in April 2008 and a date in June 2008 has been assumed.

5.9 There is no data on current occupancy levels within the car parks or on-street parking bays in the evening. The figure of £50,000 for projected additional income is therefore an estimate.

5.10 <u>Residents' parking</u>
There are two categories of residents' parking zones: residents' only, where parking is available only to residents between the hours of 8.00am and 6.00pm, Monday to Saturday; and limited waiting, where non-residents may park for up to two hours during

the hours of operation of the scheme. With some exceptions, residents' only zones are located within the city relief road, with limited waiting zones outside. In both types of zone individual households are limited to a maximum of two residents' permits, which are charged at £30 (residents' only) or £10 (limited waiting). These prices were last increased in 2005. Taken in isolation, residents' parking currently runs at a small loss, with the annual income for 2007/2008 estimated to be around £90,000 with expenditure of about £120,000.

5.11 The following options for change could be available:

Table 6: Residents' car parking charges 2007/2008 and options for change

		Projected income
2007/2008	£30 residents' only £10 limited waiting	£90,000
Option 1	£35 residents' only £15 limited waiting	£105,000
Option 2	£40 residents' only £20 limited waiting	£120,000
Option 3	£50 residents' only £25 limited waiting	£145,000

5.12 The introduction of extended charging hours in car parks and on-street might require a parallel extension of the hours of operation of residents' parking zones. The approval of WCC and the separate advertising of the proposal by them would be necessary. It is suggested that the situation should be monitored and if necessary a further report should be taken to the Salisbury Transportation Joint Committee. <u>It is recommended that WCC be requested to advertise new residents' charges as set out at Option 1.</u>

5.13 <u>A parallel increase in the cost of visitor permits, from 20 pence to 30 pence each for the first 100 in residents' only zones and first 50 in limited waiting zones is also recommended.</u> Under current arrangements, additional visitor permits are charged at the same rate as an all-day stay in a city centre car park (£5.00). In line with the recommended increase in the all-day charge, the rate for additional visitor permits would rise to £5.50. However, it is known that the current charge causes some resentment amongst residents and <u>it is recommended that the opportunity be taken to introduce a stepped charge, so that the following rates are levied:</u>

First 100/50 visitor permits	30 pence each
Next 50 visitor permits	£2.50 each
Any additional visitor permits	£5.50 each

5.14 Some of the Bed and Breakfast businesses in the City currently purchase a considerable number of the scratchcards at £5 each to accommodate their guests. To provide a better service to these businesses <u>it is proposed to supply a specific guest scratchcard with a 24 hour validity</u> to alleviate the problem of guests needing two scratchcards if they arrive on one evening and leave the following morning. These scratchcards would also be valid in long-stay car parks.

5.15 <u>Park and ride</u>
Customer demand for park and ride continues to grow, but at a slower than anticipated rate. Experience indicates that use of park and ride is price sensitive. <u>It is recommended that an increased charge of £2.50 should be levied on infrequent users,</u>

but frequent users who opt into the recently introduced pre-payment card scheme should continue to be charged at the existing £2 per day rate and would therefore not be affected by the price rise. The increase in annual income is expected to be in the region of £28,000.

5.16 Rural car parks
The Council operates car parks in four settlements outside Salisbury: Amesbury, Wilton, Tisbury and Mere. The Council derives income only from the sale of 14 annual season tickets at Amesbury (total annual income £3,500), but incurs substantial operating costs in the form of enforcement, National Non-Domestic Rates, asset rentals and, in two cases, site rentals (total £35,800). Not taking income from these car parks has been regarded as a means of supporting the viability of each of the centres and the rural economy in general. It is unlikely that a substantial amount of income could be generated from the rural car parks, at least in the short-term, and any proposal to introduce charges would be deeply unpopular in the rural community. The likely opinion of the new unitary authority for Wiltshire would also be influential. It is recommended that no change is made to the current arrangement.

5.17 Conclusion
The recommendations made in this report and the resulting amendments to charges are detailed in Appendix 4. In summary, the total increase in annual income is estimated to be as follows:

General Fund	
City centre long-stay	- £10,125
Sunday charging	£60,000
Evening charging	£50,000
Park and ride	£28,000
Market Place	- £22,000
PCN income	- £57,000
	£48,875

Non-General Fund	
City centre on-street	£100,000
Residents' parking	£15,000
PCN income	- £63,000
	£52,000

6. Recommendations

It is recommended that:

(a) The Council be recommended to approve the officers' recommendations for off-street car parking charge adjustments as described in this report in respect of:
- City centre off-street long-stay (paragraph 5.3)
- Sunday charging (paragraph 5.7)
- Evening charging (paragraph 5.8)
- Bed and breakfast scratchcards (paragraph 5.14)
- Park and ride (paragraph 5.15)

and as indicated in Appendix 4 to this report, for introduction on Monday 7th April 2008;

(b) Wiltshire County Council be recommended to agree to the proposed changes to on-street charges as described in this report in respect of:
- City centre on-street (paragraph 5.5)

- Sunday charging (paragraph 5.7)
- Evening charging (paragraph 5.8)
- Residents' charging (paragraph 5.12)
- Visitor permits (paragraph 5.13)
- Bed and breakfast scratchcards (paragraph 5.14)

and as indicated in Appendix 4 to this report, and to advertise amendments to the relevant Traffic Regulation Orders for introduction as soon as possible in 2008/2009;

(c) Wiltshire County Council be recommended to agree to the expenditure of the on-street surplus for 2007/2008 on meeting the costs of ITS and park and ride before any off-street surpluses are used;

(d) The Band 2 rate for Penalty Charge Notice charges as described at paragraph 2.17 of this report be adopted in respect of parking contraventions in off-street car parks from 31st March 2008.

7. Implications:

- **Financial:** The parking account is budgeted to make a draw on its reserve of £171,670 in 2007/2008. In addition, income is likely to undershoot its target for the year by approximately £120,000. The proposals in this report are intended to bring the account into balance in 2008/2009, but will leave a gap to be closed in future years. As a result, it is recommended that the contribution from the parking account to the General Fund should not be increased from its current level.
- **Legal:** Any proposed increases in parking charges will be advertised in the usual way. Wiltshire County Council, as highway authority, must be notified of the proposed increases and must agree to and advertise any changes to on-street parking.
- **Human Rights:** None in relation to this report.
- **Personnel:** None in relation to this report.
- **Community Safety:** None in relation to this report.
- **Environmental:** The proposed car parking price adjustments 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

Appendix 1:

Car park users' survey – brief summary of results

1. The Parking Strategy for Salisbury is currently being reviewed. A key piece of evidence gathering for this review has been a recent survey conducted of the parking behaviour and views of parking customers. The survey took place in the week commencing 10th September 2007 in all city centre car parks. The surveys were distributed between the car parks proportionally in accordance with usage levels.

2. 59% of all customers stated "shopping" as their main trip purpose, whilst 14% of customers were parking because Salisbury city centre was their place of work. The majority of respondents parked for 1-2 hours (34.9%).

3. 65% of customers stated that they would not stay for a longer period if the tariff was lower. The assumption from this statistic must be that people are coming to the city centre for an activity that will take a set time, and that once that activity has been performed they will leave. For the vast majority of people their length of stay in the city centre is not contingent upon parking charges (although this may change as tariffs increase). It should be noted that this finding is not supported by changes in usage patterns following recent price increases (see Appendix 2).

4. The vast majority of people believed that parking supply in the city centre was "adequate" (73.3%). This would imply that most customers do not struggle to find a parking space in the city centre.

5. The location of a car park relative to trip destination was the dominant reason in determining car park choice, with 56% of respondents giving this response. People did not appear to be unduely influenced by parking charges when deciding which car park to use. "Price" was selected as the least important determinant in car park choice by 43% of customers. Market Place and Salt Lane car parks tended to be used by parkers who were more influenced by the proximity of the car park to their destination.

6. A slim majority of customers thought that parking charges were "about right" (50%), with 49% stating that they were "too high". However, after reviewing the parking charges in Salisbury's main competing retail centres, 60% of customers felt that parking charges in Salisbury were "reasonable".

7. In deciding upon Salisbury as a destination, the most important reason cited was "history" (31%). The quality of local shops came a close second (29%), with parking given as the most important reason by only 9% of respondents. It can be inferred from these responses that parking provision and price were not significant influences in the decision to make Salisbury a place to shop and/or visit. Rather it was what the city had to offer that was important, although this conclusion is not necessarily borne out by past patterns of behaviour.

Appendix 2:

April 2007 off-street car park tariff changes and changes to parking revenue

1. The April 2007 adjustments maintained one and two hour parking at a cost of £1 per hour. Three short stay car parks (Salt Lane, Brown Street and Lush House) had greater increases for long stays in recognition of the higher demand for these locations. Culver Street had shown a significant decline in patronage, so long stay tariffs were maintained or lowered. Other increases reflected the desire to move all tariffs towards charging £1 per hour.

2. A summary of the changes is set out in the following table:

Tariff Period	High demand short stay	Short stay	Long stay	Culver Street
1 hour	£1.00 to £1.00	£1.00 to £1.00	£1.00 to £1.00	**£1.00 to £1.00**
2 hours	£2.00 to £2.00	£2.00 to £2.00	£2.00 to £2.00	**£2.00 to £2.00**
3 hours	£2.50 to £3.00	£2.50 to £2.80	£2.50 to £2.80	**£2.50 to £2.80**
4 hours	£3.00 to £3.60	£3.00 to £3.30	£3.00 to £3.30	**£3.00 to £3.30**
5 hours	£3.50 to £4.50	£3.50 to £4.00	£3.50 to £4.00	**£3.50 to £4.00**
All –day	n/a	n/a	£5.00 to £5.00	**£5.00 to £4.00**
Sunday	**£1.00 to £1.00**	**£1.00 to £1.00**	**£1.00 to £1.00**	**£1.00 to £1.00**

3. After the increases, the higher demand car parks showed lower transaction volumes for 3, 4 and 5 hours and higher volumes of 1 and 2 hour transactions, which in some cases more than compensated for the reduced long stay revenues. The following tables summarise these changes:

Salt Lane tariff change - April 2007							
	Tariff overview			Volume overview			Revenue
Tariffs	Tariff before	Tariff after	% change of tariff	Average Volumes before	Average Volumes after	% change of volumes	Annual revenue change
1.0 hr	£1.00	£1.00	0.00%	1,538	1,613	4.85%	£3,879
2.0 hrs	£2.00	£2.00	0.00%	1,110	1,172	5.59%	£6,452
3.0 hrs	£2.50	£3.00	20.00%	421	361	-14.32%	£1,540
4.0 hrs	£3.00	£3.60	20.00%	248	144	-42.08%	-£11,803
5.0 hrs	£3.50	£4.50	28.57%	207	108	-47.83%	-£12,402
Sunday	£1.00	£1.00	0.00%	209	203	-2.54%	-£276
TOTAL				**3,732**	**3,600**		**-£12,610**

Brown Street tariff change - April 2007							
	Tariff overview			Volume overview			Revenue
Tariffs	Tariff before	Tariff after	% change of tariff	Average Volumes before	Average Volumes after	% change of volumes	Annual revenue change
1.0 hr	£1.00	£1.00	0.00%	1,454	1,528	5.05%	£3,820
2.0 hrs	£2.00	£2.00	0.00%	1,172	1,312	11.93%	£14,542
3.0 hrs	£2.50	£3.00	20.00%	531	494	-6.95%	£8,044
4.0 hrs	£3.00	£3.60	20.00%	318	218	-31.51%	-£8,832
5.0 hrs	£3.50	£4.50	28.57%	292	178	-39.23%	-£11,640
Sunday	£1.00	£1.00	0.00%	315	319	1.22%	£201
TOTAL				**4,083**	**4,048**		**£6,135**

Lush House tariff change - April 2007							
	Tariff overview			Volume overview			Revenue
Tariffs	Tariff before	Tariff after	% change of tariff	Average Volumes before	Average Volumes after	% change of volumes	Annual revenue change
1.0 hr	£1.00	£1.00	0.00%	908	1,001	10.26%	£4,844
2.0 hrs	£2.00	£2.00	0.00%	526	655	24.46%	£13,382
3.0 hrs	£2.50	£3.00	20.00%	259	260	0.43%	£6,911
4.0 hrs	£3.00	£3.60	20.00%	150	122	-18.60%	-£544
5.0 hrs	£3.50	£4.50	28.57%	99	67	-32.06%	-£2,283
Sunday	£1.00	£1.00	0.00%	158	178	13.14%	£1,077
TOTAL				**2,100**	**2,284**		**£23,386**

4. The Culver Street pricing has been effective in generating increased patronage by long stay parkers, as follows:

Culver Street tariff change 4 - April 2007							
	Tariff overview			Volume overview			Revenue
Tariffs	Tariff before	Tariff after	% change of tariff	Average Volumes before	Average Volumes after	% change of volumes	Annual revenue change
1.0 hr	£1.00	£1.00	0.00%	231	208	-10.03%	-£1,207
2.0 hrs	£2.00	£1.80	-10.00%	377	175	-53.51%	-£20,982
3.0 hrs	£2.50	£2.00	-20.00%	276	474	71.72%	£33,143
4.0 hrs	£3.00	£2.60	-13.33%	212	131	-38.16%	-£10,596
5.0 hrs	£3.50	£3.00	-14.29%	123	161	31.06%	£11,162
10.0 hrs	£5.00	£4.00	-20.00%	347	458	32.03%	£23,101
Sunday	-	-	-	-	-	-	-
TOTAL				**1,567**	**1,608**		**£34,621**

5. The other car parks show a common theme, of little change in 1 and 2 hour transaction volumes and a decline in longer stay transactions. Although there might be some reduction in transactions due to a migration to park and ride, mobile phone payments or season tickets (all of which would generate other parking revenues), the general

outcome of the price changes for longer stay transactions was a loss of revenue, rather than any increase in revenue. This implies a negative price sensitivity resulting in a greater loss of revenue from lost transactions than the increased charges bring in.

6. Looking at the Maltings Car Park in the following tables it can be seen that the increase in May 2005 still had higher average volumes after the increase than before, which gave rise to a significant increase in annual revenues. The increase in 2006 resulted in a small decline in volumes, but still gave rise to an overall increase in annual revenues. Last year's tariff increases, resulted in a greater volume decrease, which resulted in overall annual revenue actually declining.

7. This trend can be seen from the following tables for the Maltings car park, but the pattern was consistent for the other Salisbury DC car parks not detailed above:

Maltings tariff change 1 - May 2005							
	Tariff overview			Volume overview			Revenue
Tariffs	Tariff before	Tariff after	% change of tariff	Average Volumes before	Average Volumes after	% change of volumes	Annual revenue change
1.0 hr	£0.90	£1.00	11.11%	3,689	4,041	9.53%	£37,468
2.0 hrs	£1.60	£1.80	12.50%	2,984	2,186	-26.76%	-£43,694
3.0 hrs	£2.00	£2.00	0.00%	2,228	3,485	56.40%	£130,700
4.0 hrs	£2.60	£2.60	0.00%	418	460	10.05%	£5,683
5.0 hrs	£3.00	£3.00	0.00%	425	558	31.46%	£20,842
TOTAL				**9,744**	**10,730**		**£150,998**

Maltings tariff change 2 - April 2006							
	Tariff overview			Volume overview			Revenue
Tariffs	Tariff before	Tariff after	% change of tariff	Average Volumes before	Average Volumes after	% change of volumes	Annual revenue change
1.0 hr	£1.00	£1.00	0.00%	4,041	4,322	6.96%	£14,620
2.0 hrs	£1.80	£2.00	11.11%	2,186	3,520	61.04%	£161,468
3.0 hrs	£2.00	£2.50	25.00%	3,485	1,641	-52.91%	-£149,113
4.0 hrs	£2.60	£3.00	15.38%	460	740	60.71%	£53,163
5.0 hrs	£3.00	£3.50	16.67%	558	354	-36.58%	-£22,653
TOTAL				**10,730**	**10,576**		**£57,484**

Maltings tariff change 3 - April 2007							
	Tariff overview			Volume overview			Revenue
Tariffs	Tariff before	Tariff after	% change of tariff	Average Volumes before	Average Volumes after	% change of volumes	Annual revenue change
1.0 hr	£1.00	£1.00	0.00%	4,322	4,288	-0.78%	-£1,745
2.0 hrs	£2.00	£2.00	0.00%	3,520	3,554	0.97%	£3,554
3.0 hrs	£2.50	£2.80	12.00%	1,641	1,422	-13.32%	-£6,224
4.0 hrs	£3.00	£3.30	10.00%	740	444	-40.02%	-£39,258
5.0 hrs	£3.50	£4.00	14.29%	354	271	-23.42%	-£8,046
TOTAL				**10,576**	**9,979**		**-£51,719**

8. This behaviour implies that if all things are equal, a reduction in the car park tariffs that were previously increased could give rise to greater parking revenues. However, if customers have changed modes, moved to car sharing or moved to parking outside the city centre and now walk in, it is possible that they would not be drawn back by lower pricing, which would give rise to further losses if prices were reduced. It is possible that customers would revert in time to using car parks if prices remain stable, assuming any alternative is probably less convenient than the original option for parking.

Appendix 3:

Car parking charges in nearby towns and cities

May 2007

Long Stay

Town/City	**Up to 1 hrs**	**Up to 2 hrs**	**Up to 3hrs**	**Up to 4hrs**	**Up to 5hrs**	**Up to 6hrs**	**Up to 7hrs**	**Up to 8hrs**	**Up to 9hrs**	**All Day**	**Sunday Charges**
Andover: medium long			£1.70	£2.20						£5.00 £3.20	*No Charge Weekdays free after 4pm*
Bath & North East Somerset		*£2.80*	*£4.00*	*£5.00*		*£7.00*		*£9.50*		*£12 (over 8 hrs)*	0-2 hrs - £1.00 2-4 hrs - £2.00 4-6 hrs - £3.00 over 6 hrs - £4.00
Salisbury (Maltings, Central, College St)	£1	£2.00	*£2.80*	*£3.30*	*£4.00*					£5.00	£1.00
Southampton	£1	*£2.00*	*£2.80*	*£3.60*	*£4.40*	*£6.00*	*£6.50*			*£7.00 (over 7 hrs)*	Charges apply all week
Southampton Marlands	*80p*	*£1.60*	*£2.60*	*£3.30*	*£4.50*	*£7.40*	*£9.50*			*£13.00*	Charges apply all week
Swindon	90p	£1.80	£2.70	£3.60		*£5.30*				*£7.00*	Up to 2 hrs – 90p +2hrs - £1.80
Winchester	70p	£1.40	£2.00	**£2.60**						**£5.00**	No Charge

<u>Short Stay</u>

Town/City	Up to 1/2hr	Up to 1 hrs	Up to 2 hrs	Up to 3hrs	Up to 4hrs	Up to 5hrs	Up to 6hrs	Up to 7hrs	Up to 8hrs	All Day	Sunday Charges
Andover	30p	60p	£1.10								No Charge
Bath & North East Somserset	*60p*	*£1.20*	*£2.50*	*£4.00*	*£5.00*						*0-2 hrs - £1.00 Max 4hrs - £4.00*
Salisbury (Culver Street)		£1.00	**£1.80**	**£2.00**	**£2.60**	**£3.00**				**£4.00**	
Salisbury (Salt Lane, Brown St, Lush House)		£1.00	£2.00	*£3.00*	*£3.60*	*£4.50*					£1.00
Salisbury (Maltings, Central, College St)		£1	£2.00	*£2.80*	*£3.30*	*£4.00*				£5.00	£1.00
Southampton	*60p*	*£1.20*	*£2.40*								Charges apply all week
Swindon		£0.90	£1.80	£2.70	£3.60		£6.20		£20.00	£35.00	Up to 2hrs – 90p, +2hrs - £1.80
Winchester		*90p*	*£1.70*	*£2.40*	*£3.40*					*£15.00 (over 4 hrs)*	No Charge

Park & Ride
Bath & North East Somerset - *£2.20*
Salisbury - £2.00
Swindon - £2.20 (weekly ticket £9.00)
Winchester - *£2.70* (discounted smart cards can be purchased)

Italic text denotes increases on 2006. **Bold text denotes decreases on 2006.**

Appendix 4:

Schedule of Proposed Car Parking Charge Adjustments 2008/2009

All price changes to be from Monday 7th April 2008.

Off-street car parks – short-stay and long-stay. Until recently, the Maltings and Central car park complex has been divided into three distinct areas to encourage all-day parkers to use the main body of the car park some distance from the shops, particularly Sainsburys, and thereby reserve the area closer to the shops for shoppers. A premium rate all-day charge was introduced into the short-stay area for those drivers who needed to come and go during the course of the day and who might not have been able to find a space in the long-stay area. These differentials were inadvertently lost as a result of the 2007/2008 amendments and should be reinstated.

Central (long stay), College Street.

	Short-stay					Long-stay
	0-1 hour	**1-2 hours**	**2-3 hours**	**3-4 hours**	**4-5 hours**	**5 hours +**
2005/2006	£1.00	£1.80	£2.00	£2.60	£3.00	£5.00
2006/2007	£1.00	£2.00	£2.50	£3.00	£3.50	£5.00
2007/2008	£1.00	£2.00	£2.80	£3.30	£4.00	£5.00
2008/2009	**£1.00**	**£2.00**	**£2.80**	**£3.30**	**£4.00**	**£5.50**

Maltings,

	Short-stay					Long-stay
	0-1 hour	**1-2 hours**	**2-3 hours**	**3-4 hours**	**4-5 hours**	**5 hours +**
2005/2006	£1.00	£1.80	£2.00	£2.60	£3.00	N/A
2006/2007	£1.00	£2.00	£2.50	£3.00	£3.50	N/A
2007/2008	£1.00	£2.00	£2.80	£3.30	£4.00	£5.00
2008/2009	**£1.00**	**£2.00**	**£2.80**	**£3.30**	**£4.00**	**N/A**

Central (short stay).

	Short-stay					Long-stay
	0-1 hour	**1-2 hours**	**2-3 hours**	**3-4 hours**	**4-5 hours**	**5 hours +**
2005/2006	£1.00	£1.80	£2.00	£2.60	£3.00	£6.00
2006/2007	£1.00	£2.00	£2.50	£3.00	£3.50	£6.00
2007/2008	£1.00	£2.00	£2.80	£3.30	£4.00	£5.00
2008/2009	**£1.00**	**£2.00**	**£2.80**	**£3.30**	**£4.00**	**£6.00**

Salt Lane, Brown Street, Lush House

	Short-stay					Long-stay
	0-1 hour	**1-2 hours**	**2-3 hours**	**3-4 hours**	**4-5 hours**	**5 hours +**
2005/2006	£1.00	£1.80	£2.00	£2.60	£3.00	N/A
2006/2007	£1.00	£2.00	£2.50	£3.00	£3.50	N/A
2007/2008	£1.00	£2.00	£3.00	£3.60	£4.50	N/A
2008/2009	**£1.00**	**£2.00**	**£3.00**	**£3.60**	**£4.50**	**N/A**

Culver Street						
	Short-stay					Long-stay
	0-1 hour	1-2 hours	2-3 hours	3-4 hours	4-5 hours	5 hours +
2005/2006	£1.00	£1.80	£2.00	£2.60	£3.00	£5.00
2006/2007	£1.00	£2.00	£2.50	£3.00	£3.50	£5.00
2007/2008	£1.00	£1.80	£2.00	£2.60	£3.00	£4.00
2008/2009	**£1.00**	**£1.80**	**£2.00**	**£2.60**	**£3.00**	**£4.00**

Southampton Road						
	Short-stay					Long-stay
	0-2 hours					>2 hours
2007/2008	£0.90					£1.60
2008/2009	**£0.90**					**£1.60**

Season tickets

Existing tariff	£950 (12 months), £550 (6 months), £320 (3 months).
Officers' recommendation	**Increase by 10% in line with increase in all-day charge to: £1,045 (12 months), £605 (6 months), £352 (3 months).**

Annex season tickets

These are 14 dedicated spaces located to the rear of the Playhouse.

Existing tariff	£1200 (12 months).
Officers' recommendation	**Increase by 10% in line with increase in all-day charge to £1,320.**

Contract parking

Existing tariff	£1200 (12 months).
Officers' recommendation	**Increase by 10% in line with increase in all-day charge to £1,320.**

Off-street parking in Salisbury (Sundays)

Existing tariff	Flat rate charge of £1.00 per visit.
Officers' recommendation	**Increase charge to £2.00 per visit.**

On-street parking in Salisbury (weekdays)

Existing tariff	0 –15 minutes 20p, 15 – 30 minutes 50p, 30 – 45 minutes £1.00, 45 – 60 minutes £1.50.
Officers' recommendation	**Increase to: 0 –15 minutes 50p, 15 – 30 minutes £1.00p, 30 – 45 minutes £1.50, 45 – 60 minutes £2.00.**

On-street parking in Salisbury (Sundays)

Existing tariff	As weekdays
Officers' recommendation	**Amend charge as for weekdays.**

Market Place car park

Existing tariff	£1.40 (½ hour), £2.70 (1 hour), £4.00 (1½ hours), £5.30 (2 hours max stay).
Officers' recommendation	**No change, pending removal of parked cars.**

Park and ride

Existing tariff	£2.00
Officers' recommendation	**Increase to £2.50, but simultaneously introduce pre-payment card at equivalent of £2.00 per visit.**

Residents' permits

Existing tariff	£10 in limited waiting zones, £30 in residents' only zones.
Officers' recommendation	**Increase to £15 and £35, respectively.**

Visitors' permits

Existing tariff	Households in residents' only zones are entitled to purchase 100 permits at 20p per permit. Households in limited waiting zones are able to purchase 50 permits at 20p per permit. Additional visitor permits in both types of zone may be purchased at the daily rate applying in a city centre car park (£5.00).
Officers' recommendation	**No change.**

Business permits

Existing tariff	Equivalent to residents' charge (£10 or £30) (but not in zones B and E, where there are no business spaces).
Officers' recommendation	**Increase to £15 and £35, respectively.**

Bed and breakfast scratchcard (new)

Existing tariff	N/A
Officers' recommendation	**Introduce new scratchcard valid for 24 hour period at £5.50 each.**

Coach parking (Millstream)

Existing tariff	£4 up to two hours, £8 over two hours.
Officers' recommendation	**Amend to £2 up to two hours, £4 up to four hours, £8 over four hours.**

Market coaches (New Canal)

Existing tariff	£2 charge on Tuesdays and Saturdays. Rest of the week charged as Millstream coach park.
Officers' recommendation	**No change Tuesdays and Saturdays. Amend charge for remainder of week as for Millstream coach park.**

Coach parking at Britford Park and Ride site

Existing tariff	Charge equivalent to Millstream coach park.
Officers' recommendation	**Amend charge as for Millstream coach park.**

Market traders' vehicles
These are vehicles that remain on the Market Place during the market.

Existing tariff	£8 up to 20 feet in length, £16 over 20 feet. Second vehicles £35.
Officers' recommendation	**No change.**

Amesbury Centre car park season tickets

Existing tariff	£250/year.
Officers' recommendation	**No change**

Appendix 5:

Car park contravention codes and descriptions showing the higher and lower rates of penalty charge.

Off-Street

70		Parked in a loading area during restricted hours without reasonable excuse	Higher	Off-street loading areas
73	u	Parked without payment of the parking charge	Lower	Off-street car parks
74	prs	Using a vehicle in a parking place in connection with the sale or offering or exposing for sale of goods when prohibited	Higher	Off-street car parks
77		- - - RESERVED FOR DVLA USE - - -	n/a	
80		Parked for longer than the maximum period permitted	Lower	Off-street car parks
81	o	Parked in a restricted area in a car park	Higher	Off-street car parks
82	puv	Parked after the expiry of paid for time	Lower	Off-street car parks
83		Parked in a car park without clearly displaying a valid pay & display ticket or voucher or parking clock	Lower	Off-street car parks
84		Parked with additional payment made to extend the stay beyond time first purchased	Lower	Off-street car parks
85	btrw	Parked in a permit bay without clearly displaying a valid permit	Higher	Off-street car parks
86	prs	Parked beyond the bay markings	Lower	Off-street car parks
87		Parked in a designated disabled person's parking place without displaying a valid disabled person's badge in the prescribed manner	Higher	Off-street car parks
89		Vehicle parked exceeds maximum weight or height or length permitted in the area	Higher	Off-street car parks
90	psv	Re-parked within one hour* of leaving a bay or space in a car park	Lower	Off-street car parks
91	cg	Parked in a car park or area not designated for that class of vehicle	Higher	Off-street car parks
92	o	Parked causing an obstruction	Higher	Off-street car parks
93		Parked in car park when closed	Lower	Off-street car parks
94	p	Parked in a pay & display car park without clearly displaying two**** valid pay and display tickets when required	Lower	Off-street car parks
95		Parked in a parking place for a purpose other than the designated purpose for the parking place	Lower	Off-street car parks
96	c	Parked with engine running where prohibited	Lower	Off-street car parks - this contravention may occur in certain coach bays.