



**Meeting: Transport Working Party**

**Date: 13<sup>th</sup> December 2012**

**Wards Affected: All**

**Report Title: Discounted Residents Parking Permit**

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**1. Purpose**

- 1.1 Through a meeting of the Full Council in September Members asked that Officers investigate the opportunity to offer a discounted parking permit to residents. This includes making the current offer of annual parking permits to use in off street car parks more affordable through monthly payments but also the provision of a parking permit open to residents only which they can use at off peak times when car parks maybe underutilized.

**2. Proposed Decision**

- 2.1 Procure a cashless parking system allowing payments to be made monthly via the Council website or through mobile phone technology.
- 2.2 Include in the parking review into parking charges, which is currently taking place, an option for a residents parking permit which will be valid at off peak times.

**3. Action Needed**

- 3.1 Undertake a procurement exercise in consultation with the Procurement Team to provide a cashless parking system.

**4. Summary**

- 4.1 At a difficult time for the Council in terms of budget cuts the Councils parking income budget can not be affected by any possible decision to implement reduced parking charges such as an off peak residents permit. However it is hoped through the use of a cashless parking system allowing monthly payments that this may encourage additional purchases and increase parking income in the short term.

## Supporting Information

### 5. Position

- 5.1 Through various meetings with local traders and business representatives it was suggested a way to create footfall in the town centre areas to assist the local economy was to provide a discounted parking permit which local residents and businesses could take advantage of.
- 5.2 South Hams District Council does currently offer something similar which allows free parking to their residents after 4pm and before 10am for a payment of £21 per year. South Hams District Council recently won the Small Business Award for the Best Parking Policy from the Federation of Small Businesses for the provision of this parking permit.
- 5.3 Since 2009 the Council have operated a number of parking promotions see appendix 1. These promotions have been well received by traders to assist in increasing footfall in the town centre areas during the economic downturn
- 5.3 Recently through competition in the market place a number of companies now offer the ability to offer cashless parking systems through mobile phone technology and web based systems. Some authorities in Devon such as Plymouth, Torridge and North Devon have recently procured such systems.

### 6. Possibilities and Options

- 6.1 Introduce a permit applicable to residents only for only £25 per year offering unlimited parking for 50p after 3pm and before 10am.

It is estimated the Council would sell around 2500 of these permits. This would provide income of £62500 from the permit. However it would require an additional .5FTE to issue the permits and administer the scheme along with additional printing the total revenue cost would be £14,500

There is anticipated to be lost daily parking income as a result of the new permit.

The assumption is that if the 2500 estimated people who would purchase the permit previously paid £2 per week in parking fees there could be a weekly loss of £1.50 to the Council for each individual purchasing the permit ( $£1.50 \times 2500 \times 52$ ) amounting to a total of £195,000 per annum. Less the income from the permit and annual revenue cost the scheme could lead to an estimated annual loss of £147,000.

It has not been identified how the cost of this new initiative will be paid for through the budget process and the current budget position in off street parking income is £425,000 short of budget and therefore not likely this option can be pursued at this time.

- 6.2 Introduce a system to enable the public to pay monthly for parking permits as the current level of cost £510 is not affordable in one payment.

Due to financial regulations it is difficult to offer an annual parking permit for a cost of £510 through monthly payments as customers may not return the permit if they stopped paying part way through the year.

Recently the Council has approached a number of companies to offer a cashless parking system whereby payments can be made through mobile phones or the internet where no permit will be issued. After some initial investigation a procurement exercise will need to be completed but the scheme could be implemented by the spring of 2013.

## **7. Preferred Solution/Option**

- 7.1 Introduce a monthly payment method to pay for parking permits through a cashless system which will also benefit daily parking customers who will no longer have to find change to pay for pay and display tickets from parking meters.

## **8. Consultation**

- 8.1 There have been a number of meetings between traders, trader representatives and the Town Centres Company whereby a number of initiatives have been discussed including a possible residents off peak permit. Also ways to make parking permits more affordable.

## **9. Risks**

- 9.1 There are additional IT issues which will need to be addressed by any service provider to ensure there is business continuity if the system fails however this will be considered as part of the procurement process.

### **Additional Information:**

N/A

### **Documents available in Members' Rooms:**

None

### **Background Papers:**

None

### **Appendices**

Appendix 1 – Previous parking promotions 2008 to 2012

## Appendix 1 Previous Parking Promotions 2008 to 2012

- 2008 Noon to Midnight for £1 in November and December to support Xmas trade = total tickets sold 70,000, cost to Council £50,000
- 2009 Easter £1 all weekend parking promotion in April = 33000 tickets sold, Cost to the Council £6000
- 2009 December £1 all weekend parking promotion = 26000 tickets sold, cost to Council £27000
- 2010 April £1 all weekend parking promotion = 33000 tickets sold, cost to Council £6500
- 2010 December £1 all weekend parking promotion = 26100 tickets sold, cost to Council £12075
- 2010/11 November to March winter car parks promotion 30p all day parking = £25,000
- 2011 April £1 all weekend parking promotion = 33500 tickets sold, cost to Council £7200
- 2011 December Late night free shopping in all three towns plus free parking on Xmas light switch on events = no data captured on vehicles, cost to Council £20,000
- 2012 February and March £1 all day parking on Saturdays = 80000 tickets sold, cost to Council £24000
- 2012 January to March £1.50 all day parking in beach car parks = .....tickets sold, cost to Council £25,000

Total lost parking income from 2008 to 2012 on parking promotions = **£203,000**