



**Corporate Policy and
Resources Committee**

Thursday, 18 June 2020

Subject: Reintroduction of Parking Charges

Report by:

Ian Knowles

Contact Officer:

Tracey Bircumshaw
Strategic Finance and Business Support Manager

tracey.bircumshaw@west-lindsey.gov.uk

Purpose / Summary:

To consider the reintroduction of car parking and permit charges.

RECOMMENDATION(S):

1. To approve the re-introduction of Car Park Charges from 1 July 2020.
2. To approve the reintroduction of Permit Charges from 1 July 2020 whilst allowing officers to investigate further more flexible options to support workers in our community.

IMPLICATIONS

Legal: Changes to the fees for parking would require the preparation of a new Parking Order with associated lead times and costs for drafting and publishing. Simple suspension of fees for a period does not require any change to the Order

Financial : FIN/29/21/TJB

As detailed in the report at section 3.

Option 1 results in a budget deficit of £73,725

Option 2 results in a budget deficit of £147,450

Option 3 results in a budget deficit of £294,900

Any deficit would need to be funded from the General Fund Balance (subject to any further funding from government to support the loss of income from Covid-19 impacts)

Staffing : Any work needing to be carried out to administer any changes should they be opted for, would be carried out within existing staff resources (other than legal work)

Equality and Diversity including Human Rights: Parking for blue badge holders is free regardless of the current temporary suspension of charges.

Data Protection Implications: Data is held to administer the permits but the system has been checked and approved by the GDPR officer and the relevant statement is in place.

Climate Related Risks and Opportunities: None arising directly from this report.

Section 17 Crime and Disorder Considerations: None arising directly from this report.

Health Implications: None arising directly from this report.

Title and Location of any Background Papers used in the preparation of this report:

None.

Risk Assessment :

1. There is no guarantee that people will have the same shopping habits as last year, therefore, if car parking fees were reinstated the income for 2020/21 may be lower, this also applies to parking fines.
2. There is a risk that permits will be cancelled.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

x

No

1 Introduction

- 1.1 Following the outbreak of the Coronavirus, it was decided, under delegation, that from 16 March 2020 to mitigate the risks to car park users associated with using the pay and display machines by suspending parking charges. In the interests of equity for permit holders, permit charges were suspended from 1 April 2020 for a period of 3 months.
- 1.2 As we near the end of June, it is appropriate to review the timing of the reintroduction of parking and permit charges.
- 1.3 The Covid-19 lockdown has now been partially lifted and it is expected that many of our retail properties who are able to operate safely will have opened by 15th June. There is a view that by introducing car parking charges too soon, economic recovery locally may be hampered, albeit there are 1 hour and 2 hour free policies for Gainsborough and Market Rasen respectively.
- 1.4 Any decision will have financial consequences for the Council. The Council's annual car parking income, including penalty notices is budgeted at £294,400.
- 1.5 Consequently there 3 options have been evaluated for reinstating parking charges for Gainsborough and Market Rasen car parks. In the meantime, charges have not been reintroduced.

2 Options for consideration

- Reintroduce parking charges with effect from 1 July 2020
- Reintroduce parking charges with effect from 1 October 2020
- Reintroduce parking charges with effect from 1 April 2021

3 Financial considerations

- 3.1 The table below details the financial impact of each option in respect of income foregone. The figures are based on last year's actuals as a comparator against 2020/21 budget amounts.

Type	BUDGET	Option 1	Option 2	Option 3
	2020/21	INCOME FOREGONE		
		April - June	July - Sept	July - March
Car parking Fees	168,400	42,100	42,100	126,300
Permits	99,500	24,875	24,875	74,625
Parking Fines	27,000	6,750	6,750	20,250
Total	294,900	73,725	73,725	221,175
Cumulative Deficit		73,725	147,450	294,900

3.2 Whilst currently no enforcement is being undertaken there is an annual contractual cost of £42,000 for this service.

3.3 Whilst the government have provided funding of £1,001k to the Council to support the additional cost of Covid-19, as yet there has been no support for lost income. We have also received £84k to support the safe recovery of the High Streets. The Authority continues to lobby government for additional funding, however, currently, any overall deficit at the year-end will need to be met from the General Fund Balance.

4 Parking Permits

4.1 It is expected that one of the effects of the pandemic is that there will be more home working within the council and probably on a wider basis, in the medium to long term. Parking permits are currently offered at a discounted basis for regular car park users who wish to take advantage of the discounted rates and also have the convenience of pre-payment in that they can park without making a payment action every time they park.

4.2 There is a range of charges between £420 and £612 for 5/6 day permits in Gainsborough, (£210 - £306 in Market Rasen) and inclusive of VAT. Most of the Parking Permits are for a 5 day permit payable by direct debit of £420 per annum (£35 per month). Permits are generally based on a 50% reduction on the equivalent day rate.

4.3 The numbers of current permit holders are listed below:

- 5 Day Gainsborough – 164 (of which 42 are staff)
- 6 Day Gainsborough - 29
- 5 Day Market Rasen - 32
- 6 Day Market Rasen – 38

4.4 In the event of increased home-working it is likely that permit holders will find that the permit is not economically viable for their own circumstances and may cancel their permits. Whilst this would reduce permit income, it is inevitable that parking income overall will reduce if users work from home more frequently, and they will probably make their choice of payment method based upon their cheapest solution.

4.5 Some users have asked for permits for a reduced number of days but specific to their own working patterns. Current fees and charges do not cover this option but in any case the paper permit system would make this very difficult to administer and enforce, There are alternatives which are or could, be made available to users, and these are tabulated below;

Payment method	Benefits	
Daily charges (currently available)	Flexible – no restriction on days of usage	Requires use of ticket machine on every visit

Pay by phone (currently available)	Flexible – no restriction on days of usage Quick and simple once app is installed. Can be bought from within the car, ie no ticket machine visit needed. Reduces cash collection and machine maintenance	Admin charge in addition to daily parking charge
Scratch cards (not currently available)	Flexible, users select how many cards they want and which days they use them. Reduces cash collection and machine maintenance. Scratch card is displayed in vehicle, no visit to machine required	Likely to require more user time to administer than a permit, ie number of occasions they buy the cards
Virtual permit system (not currently available)	Flexible, user can buy different permutations of days of the week.	User cannot change usage days on a weekly basis. High costs to the council to operate Would require increase in parking staff admin time

4.6 Consideration has also been given to offering a reduced permit charge, however officers believe that if subsequently permits are cancelled, we would recover more income through daily fees to compensate. For example, based on a 5 day permit for Gainsborough for 164 users at a reduced rate of say £288 (£24pm). After excluding vat would generate £37,785. Alternatively assuming 3 days of parking would be required per week for 164 users this would generate £83,148 being a benefit of £45,362 (for 2 days there would be a £17,646 benefit)