



**CORPORATE POLICY AND
RESOURCES COMMITTEE**

**Thursday, 5 November
2020**

Subject: FLEXIBLE PARKING PERMITS

Report by:	Tracey Bircumshaw Assistant Director of Finance, Business Support and Property Services (S151)
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Purpose / Summary:	To respond to members request to consider options for parking permits

RECOMMENDATION(S):

1. It is recommended that the current permit tariffs are retained as these are still being sold in numbers that make this viable.
2. It is also recommended that as part of the development of the next Car Park Strategy, the consultation will include a request for views to assess demand for alternative permit options, including scratch cards.

IMPLICATIONS

Legal: Any changes to parking tariffs or methods of charging will require the drafting of a new legal order

Financial : FIN/77/21A/TJB

To support workers in both Gainsborough and Market Rasen, parking permits are available which are purchased in advance for an annual fee to cover a 5 or 6 day parking permit. When compared to the price of daily parking the permit provides circa 50% discount. The current cost of this discount to the Council is circa £82k.

There has been a significant reduction in permit income since the Covid-19 lockdown, with some 68 permits being cancelled resulting in a £30k budget pressure.

As workers return to offices etc. potentially for a reduced number of days, as working from home becomes more the norm. Flexible permit options have been considered; however alternative permit options do not appear to deliver value for money in the current environment.

Anyone requiring a permit for 3 days or more would find a 5 day permit financially beneficial when compared to day rates. (2 days would be a similar cost)

The Car Park Strategy is due to be refreshed and will be developed over the coming months. Car parking capacity, demand levels, customer needs and car parking charges will be considered as part of this review.

Staffing: There are no direct staffing implications.

Equality and Diversity including Human Rights : None

Data Protection Implications : There are no data protection implications as a result of this report but if changes were made to the permit systems, i.e. outsourcing, this matter would need to be considered.

Climate Related Risks and Opportunities : None

Section 17 Crime and Disorder Considerations : None

Health Implications: None

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

None

Risk Assessment :

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

No

x

Background

- 1.1 The council operates car parks in Gainsborough and Market Rasen. Payment for parking can be made at pay and display (P&D) ticket machines in the car parks, or by use of a mobile phone app or by purchasing a permit. Permits are valid only for the town they are purchased for. In Market Rasen the permit can be used in all 3 car parks, whereas in Gainsborough, permits cannot be used in Roseway or Lord Street car parks.
- 1.2 The permit prices are set at a rate which is discounted circa 50% below the equivalent cost of the daily payment by phone or P&D. Traditionally permits have been an attractive option for regular parking customers as the permits cover 5 day (Mon – Fri) or 6 day (Mon- Sat) parking.
- 1.3 Due to the widespread switch to home working as a result of the Coronavirus outbreak, and a number of permits being cancelled, the Corporate Policy and Resources Committee, at its meeting of the 18th June 2020 requested an options proposal for flexible permits. The report considers this request and looks at potential solutions for car parks customers to make regular payments for a shorter weekly number of parking events.

Current situation

- 2.1 The cost of permits and daily charges is tabulated below;

Gainsborough pay & display charges

Excluding Roseway

0-1 hours	£0.00
1-2 hours	£1.10
2-3 hours	£1.60
3-4 hours	£2.00
4-6 hours	£3.30
6+ hours	£3.90

Pay by mobile are the same tariff but incur a 20p admin charge

Market Rasen pay & display charges

0-1 hours	£0.00
1-2 hours	£0.00
2-3 hours	£0.80
3-4 hours	£1.00
4-6 hours	£1.70
6+ hours	£2.00

Gainsborough permit charges

Mon - Sat	£612.00
Mon - Sat direct debit	£528.00
Mon - Fri	£516.00
Mon - Fri direct debit	£420.00

Market Rasen permit charges

Mon - Sat	£306.00
Mon - Sat direct debit	£264.00
Mon - Fri	£258.00
Mon - Fri direct debit	£210.00

2.2 Using 44 weeks as an example of a working year allowing for paid and public holidays, the annual cost of a ticket bought Monday – Friday would be as shown below, compared with the price of a 5 day permit paid by monthly direct debit.

	Pay & Display tickets		5 day DD permit
	Daily cost	Annual cost	Annual cost
Gainsborough	£3.90	£858.00	£420.00
Market Rasen	£2.00	£440.00	£210.00

2.3 It can be seen that permits represent a substantial discount to customers but this also represents a significant subsidy by the council, costing circa £82k based on current figures.

2.4 The current permit system is operated in-house by staff in customer services with input from the Parking Management officer and Revenues colleagues. There have been a few requests for permits to be available on a reduced number of days, at a reduced cost by Council staff. However there is not a clear demand for a set pattern of days e.g. Mon, Weds, Friday; instead there are requests for each person to have a daily permit pattern to suit their own individual work patterns. To satisfy these requests would require a high number of different permutations of permits, which would be extremely time intensive to administer, complicated to enforce and would raise even less income set against the requirement for far greater staff resource time.

2.5 An alternative to operating the current paper based (hard) permits would be to have virtual permits. This works on the customer's vehicle registration mark (VRM) and requires the user to liaise directly with the provider to enter their VRM(s) and pay for parking. This would greatly reduce staff resource time required for permits, but comes at an additional cost. For an example see Appendix 1 which shows the costs associated with a virtual permit every time someone takes out or renews a permit. This could be as often as weekly or as infrequently as annually. At the time of writing there are 147 Gainsborough permit holders and 64 Market Rasen permit holders. However, these systems only offer fixed days for less than a 5 day week, i.e. only 1 option, say Mon, Weds, Fri would be available. Therefore it doesn't meet the requests from staff for variable permit options. This system also does not offer an auto-renew feature. This means that once the validity period of the permit expires, the customer would incur a fine next time they used the car parks.

2.6 Another alternative would be to sell parking scratch cards which enable the user to buy, for example, a card for a calendar month, which would have entitlement to a limited number (e.g. 10 days) of parking. This would enable the user to pre-buy their parking and provide a flexible solution to the request for various different days per month.

They could be offered at a discounted rate to reflect the pre-payment received in line with permits; if this was felt to be appropriate, but there would be a cost to the council to purchase the cards so this would need to be considered when setting a tariff. Payment by direct debit would not be viable for a number of reasons. The scratch cards could be lost in the post or open to abuse i.e. claims that the customer hadn't received the card. Direct debit payment would not be a viable option for this due to the resource intensive processes involved in checking that payment had been made each month and posting the cards to customers.

2.7 A summary of the payment options is tabulated below

Current payment options	PROS	CONS
Pay & display ticket	Infinitely flexible in terms of days of use	Doesn't enable pre-payment
Pay by phone	Infinitely flexible in terms of days of use. Payment can be made whilst sat in car and parking session can be extended remotely if more time needed	Doesn't enable pre-payment
Permit	Enables pre-payment. Provides discounted parking.	Doesn't allow choice of days of week, only 5 or 6 day options
Potential additional options		
Scratch card	Allows pre-payment. Allows user to select which days of week they pay for parking.	Would need to be purchased in person.
Virtual permits	Would reduce staff resource time in processing permits. Place onus for permit management on customer. Enables pre-payment	Doesn't enable flexible reduced days per week option. Additional cost to council. Could result in increased parking fines and customer dissatisfaction.

Legal & Financial Considerations

3.1 Any changes to the charging structure would require a revision to the parking order which requires drafting by a legal clerk or solicitor; the proposed changes have to be consulted with various statutory bodies, have to be advertised in local press and would also require changes to the tariff notice boards in the car parks, all of which incur costs to the council. Any changes to P&D tariffs also incur charges from the machine provider for writing new software. Other work such as changes to the website, communications work to publicise the changes etc. could be absorbed within normal officer time.

Conclusions

- 4.1 Parking customers that are faced with a greatly reduced number of visits to the car parks and who therefore find that the permit costs are no longer economically viable, will of course make their own choice based upon simple economics. The current permit charges equate to 107 days of daily parking charges per year (Gainsborough) or 105 (Market Rasen). Users who wish to park for 3 days per week or more would still find that the permit offers a discounted and convenient method of payment. Users parking for 1 or 2 days a week have the option of daily payment at the machine or by use of the mobile app, both of which offer ultimate flexibility over selection of days per week for parking events. For '2 days per week' parking users, the permit would still offer equivalent value to daily parking charges but with the convenience of pre-payment.
- 4.2 The pay by phone option will remain available as well as payment at the P&D machines.

Appendix 1

(Our current pay by phone provider is RingGo who also offer the most economically advantageous virtual permit system).

RingGo Virtual Permit Costs;- per permit and per transaction.

Duration	Cost to West Lindsey District Council	Charge to the Motorist
3 Days (Monday, Wednesday, Friday)	£0.21p per transaction	£0.20p per week + tariff
5 Days	£0.22p per transaction	£0.20p per week + tariff
6 Days	£0.23p per transaction	£0.20p per week + tariff
Monthly	£0.50p per transaction	£0.40p per month + tariff
Quarterly	£2.00 per transaction	£1.80 per quarter + tariff
Annually	£4.00 per transaction	£3.50 per year + tariff