

# FEES AND CHARGES REPORT

## APPENDIX 1 – CAR PARKS

### 1. Service Description

Car parks are operated by the council in Gainsborough and Market Rasen.

New Pay & Display (P&D) and permit tariffs were introduced for both Gainsborough and Market Rasen during 2018/2019 and 2019/2020, as part of the car parking strategy approved by Corporate Policy & Resources committee on 27<sup>th</sup> July 2017. It was decided that Market Rasen's charges would be set at 50% of Gainsborough's, to reflect the increased offer of the larger town.

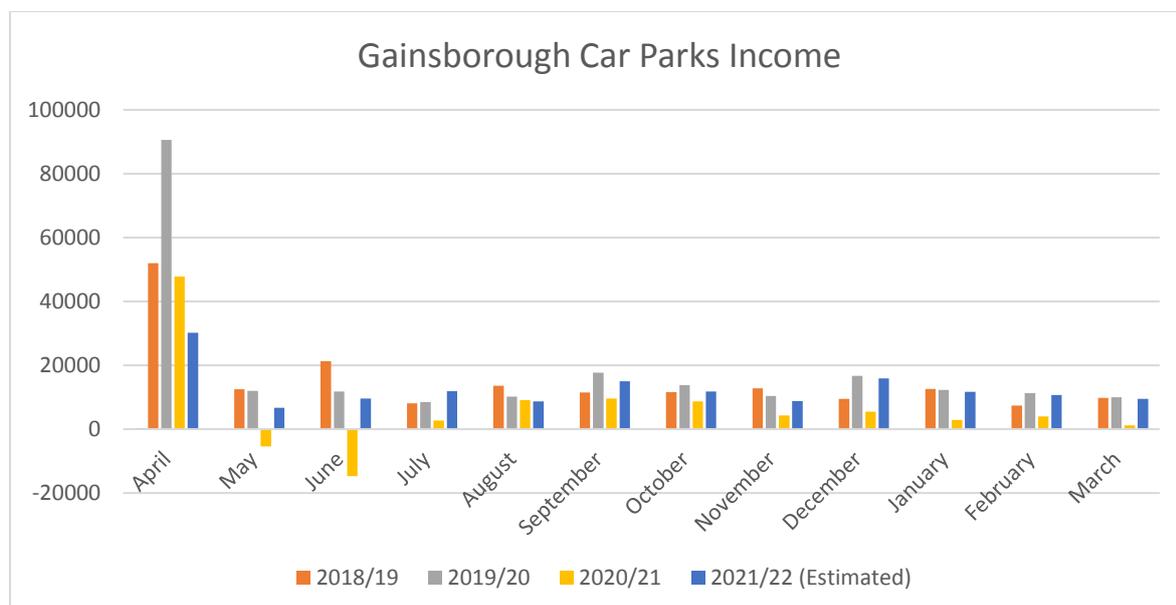
The purpose of the strategy was to review and update the car parking provision to ensure that the supply of car parking responds to current and future demand, and is aligned to the regeneration programme of Gainsborough.

Prior to this, it had been decided to install new ticket machines in both towns and link these to a data collection system to inform future decisions, including setting new tariffs and understanding demand. The system also allows remote monitoring of the machines serviceability, amount of cash held and number of tickets remaining.

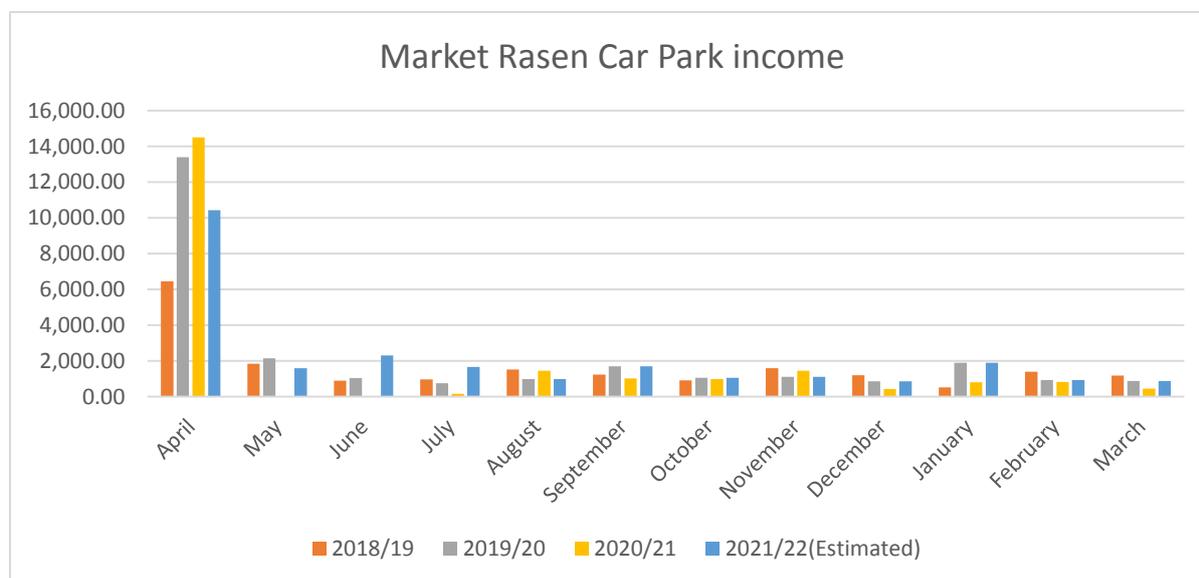
### 2. Prior years analysis, current financial year projections

The graphs below illustrate:

Gainsborough combined income (car parks & permits) 2018/2019, 2019/2020, 2020/2021 and 2021/2022 actuals to July with estimates to year-end.



Market Rasen combined income (carparks & permits) 2018/2019, 2019/2020, 2020/2021 and 2020/2021 actuals to July, estimates to year-end.



The table below highlights actual income achieved collectively across the car parks over the last three financial years (estimated for 2020/2021).

	Total	Budget	Under/(over)
Income received 2018/2019	202,114	301,900	99,786
Income received 2019/2020	252,009	262,000	9,991
Income received 2020/2021	97,722	267,900	170,178
Income received 2021/2022 estimated	175,822	267,900	92,078

### 3. COVID Impact

We continue to recover from the COVID 19 pandemic, and the car parking charges which were suspended from 01/04/2020 until 01/07/2020. Income during July and August 2020 was 64% of those taken during the same period in 2019. In comparison the income levels currently for June 2021 when compared to June 2019 are 88% and July 2021 to July 2019 are 95%. The income received from the car parks will rely on the resilience of the High Street, however the latest statistics show that peoples shopping habits do not seem to be permanently altered –it is proposed that for 2022/2023 income will be back to the level received during 2019/2020.

Permit charges were also suspended for the same period resulting in lost income of £55k in 2020/2021. As of 27/07/2021 we are 77 Gainsborough permits below our baseline prior to reintroduction of charging and have increased our Market Rasen permits by 4, for 2021/2022 the estimated pressure is £51k. The budget for 2022/2023 is set to remain at £99,500 and to be reassessed as part of the carpark strategy.

The graph below illustrates that Market Rasen permit sales has increased by 6% and that Gainsborough has dropped by 40% since the re-introduction of charges.

#### Permit Reductions Insight

<b>As of 01/06/2020 (pre-charges being reinstated)</b>	Permits Sold
Market Rasen	69
Gainsborough	192
<b>As of 27/07/2021</b>	
Market Rasen	73
Gainsborough	115

#### 4. Pricing

The car parking function is dependent on market demand in addition to the economy and cost.

Below are tables that benchmark our parking tariffs and annual parking permit prices to neighbouring districts. This shows us to be within the mid-range for our long stay parking, short stay parking and annual permit prices (excludes Market Rasen where prices are lower due to the reduced offering). This shows that we are keeping up with current parking trends where at least one district has come under scrutiny recently due to not raising prices over a number of years and then having proposed increases of up to 650% to bring their car park charges in line with neighbouring areas. Marshall's Yard's charges are also attached to the bottom of the short stay car park comparison for analysis.

Location	Short Stay				Long Stay	
	1 Hour	2 Hour	3 Hour	4 Hour	All Day	Season ticket Price
Gainsborough	Free	£1.40	£2.00	£2.50	£3.90	£528.00
North Kesteven	£0.70	£1.00	£1.40	N/A	£5.20	£400 upwards
South Kesteven	£1.10	£1.80	£2.40	£4.00	£4.00	£510.00
East Lindsey (Louth)	£1.00	£1.50	N/A	£2.00	£3.00	£250.00
Bassetlaw	£0.50	£1.00	£2.00	N/A	£4.00	£643.50
Marshall's Yard	N/A	£0.50	N/A	£1.00		

## 5. 1 Hour Free Parking (2 hours Market Rasen) Analysis

Below is a chart which displays the loss of income due to the 1 hour free in Gainsborough at a price of £0.60 and 2 hours in Market Rasen at a price of £0.50.

Market Rasen 2 hours free		
	Dates	Amount
Before 2 hour free was introduced	01/01/2017 - 31/12/2017	£8,014.50
Once 2 hour free was introduced	01/09/2018 - 31/08/2019	£42,475.50
1 hour free Cost FY 2019	01/04/2019 - 31/03/2020	£44,072.00
1 hour free Cost FY 2020	01/04/2020 - 31/03/2021	£20,891.00

The difference in costings is due to increased footfall once 1 & 2 hour free parking was introduced

Gainsborough 1 hour free		
	Dates	Amount
Before 2 hour free was introduced	01/01/2017 - 31/12/2017	£23,433.00
Once 2 hour free was introduced	01/09/2018 - 31/08/2019	£103,182.00
1 hour free Cost FY 2019	01/04/2019 - 31/03/2020	£121,439.00
1 hour free Cost FY 2020	01/04/2020 - 31/03/2021	£64,962.00

## 6. RingGo Cost Charges

The graph below shows the cost that RingGo charge to the customer and the Council, The Convenience charge off sets the Service Charge, and the Text Message requested by RingGo users charge is off set by the Service Charge (per Text msg requested by RingGo users). RingGo pay the user (WLDC) the money received and take back £0.20 after VAT. The only charge we incur for RingGo is the card processing Fee which is 3.5% that works out a maximum cost of £0.14 per a full day ticket on the current tariff (Gainsborough). On balance of this, the cost is offset by the following factors: prices of the ticket cost, the wear and tear of the machine and the cash collections that will not be needed if RingGo is used.

	Amount	Retained by COBALT?	Retained by the USER?	Payable by	Indexed
Core Parking Fee	varies	N	Y	RingGo Users	N
Convenience Charge (initial booking)	£0.20 (incl VAT)	N	Y	RingGo Users	N
Convenience Charge (extension of a booking)	£0.20 (incl VAT)	N	Y	RingGo Users	N
Service Charge (initial booking)	£0.167 (excl VAT)	Y	N	The USER	N
Service Charge (extension of a booking)	£0.167 (excl VAT)	Y	N	The USER	N
Txt msgs requested by RingGo Users	£0.10 (incl VAT)	N	Y	RingGo Users	N
Service Charge (per txt msg requested by RingGo Users)	£0.083 (excl VAT)	Y	N	The USER	N
Initial setup of Zones	£0	Y	N	The USER	N
Changes to parking tariff, per Zone	£0	Y	N	The USER	Y
Card Processing Fee	3.5%	Y	N	The USER	N

## 7. Understanding Customers and Markets

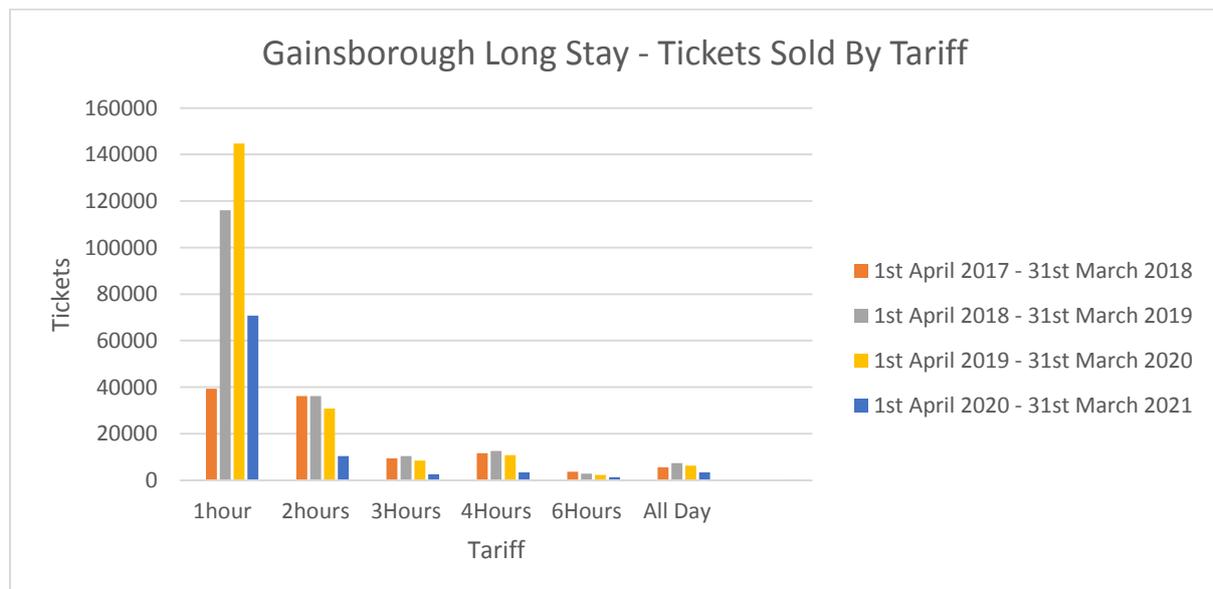
The new machines installed in Gainsborough in August 2016 and installed in Market Rasen in February 2017, support a data collection system which provides information on usage and are a key tool in assessing future fees and charges.

A recommendation of the strategy was a change to the Pay & Display tariff, replacing the 'free parking after 3pm' tariff with a 'free first hour at any time'. This was introduced in Gainsborough with effect from 1 April 18 following a consultation exercise where it was overwhelmingly preferred. As regards to Market Rasen a free first 2 hours policy was adopted in December 17 following a campaign by local businesses.

Information from the ticket machines shows that income has increased as a result of the completion of work at Roseway car park. Over the period April 20 to April 21 of the total number of tickets sold 77% of those in Gainsborough were free tickets (i.e. for 1 hour only). For the period April 2019 to March 2020 this figure was 72% and Apr 18 to Mar 19 this figure was 63%.

In Market Rasen the figure was higher at 87% for the period April 20 to March 21 compared to 86% for the period April 19 to March 20.

This can be seen in the graph below which shows the number of tickets sold for all Gainsborough car parks with the exception of Roseway as this is the sole short stay car park with a different tariff. The number of 1 hour tickets has increased considerably over a 3 year period, year 4 has been affected by Covid-19 and reduced tickets sold at all levels and especially when the free first hour policy was introduced.



## 8. Proposed Charging

It is proposed that the pay and display tariffs for both Gainsborough and Market Rasen are left unchanged with effect from 1<sup>st</sup> April 2022.

The Car Park Strategy Report is due to be presented to Committee later this year, and it is proposed not to amend the parking fees at this time, pending the outcome of that review.

For information; if the council were to increase the car parking tariffs the costs to do so which include the following would cost circa £2,550; Legal fees, advertising, signage and a machine software update.

If a 3% or 10% rise in the pay and display tariffs for both Gainsborough and Market Rasen, as long as demand stayed the same the Council would see an increase of income of £4,600 or £13,000, both options would cover the costs involved in the implementation of the increase.

## 9. Impact on Medium Term Financial Plan (MTFP)

	2022/23 (£)	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)
Current Budget in MTFP	(302,100)	(302,100)	(302,100)	(302,100)	(302,100)
Proposed Budget - Car Parks Season Tickets	(99,500)	(99,500)	(99,500)	(99,500)	(99,500)
Proposed Budget - Car Parks Parking Fees	(168,400)	(168,400)	(168,400)	(168,400)	(168,400)
Proposed Budget - Car Parks Other Income	(200)	(200)	(200)	(200)	(200)
Proposed Budget - Cival Parking Enforcement Fines	(34,000)	(34,000)	(34,000)	(34,000)	(34,000)
Impact on MTFP 2022/23 Pressure/ (Saving)	-	-	-	-	-

## 10. Recommendation

Members are asked to approve charges for the 2022/2023 financial year as detailed in the schedule below, but with consideration that these may be amended as a result of the Car Park Strategy Report due to be presented to Committee later this year.

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

**Car Parks**

Gainsborough not including Roseway	0-1 hours	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	S
	1-2 hours	£0.92	0.0%	£0.00	£0.92	£0.18	£1.10	S
	2-3 hours	£1.33	0.0%	£0.00	£1.33	£0.27	£1.60	S
	3-4 hours	£1.67	0.0%	£0.00	£1.67	£0.33	£2.00	S
	4-6 hours	£2.75	0.0%	£0.00	£2.75	£0.55	£3.30	S
	6+ hours	£3.25	0.0%	£0.00	£3.25	£0.65	£3.90	S
Roseway only	0-1 hours	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	S
	1-2 hours	£1.17	0.0%	£0.00	£1.17	£0.23	£1.40	S
	2-3 hours	£1.66	0.0%	£0.00	£1.66	£0.33	£2.00	S
	3-4 hours	£2.08	0.0%	£0.00	£2.08	£0.42	£2.50	S
	Travelodge permit	£5.42	0.0%	£0.00	£5.42	£1.08	£6.50	S
Market Rasen	0-1 hours	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	S
	1-2 hours	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	S
	2-3 hours	£0.67	0.0%	£0.00	£0.67	£0.13	£0.80	S
	3-4 hours	£0.83	0.0%	£0.00	£0.83	£0.17	£1.00	S
	4-6 hours	£1.42	0.0%	£0.00	£1.42	£0.28	£1.70	S
	6+ hours	£1.67	0.0%	£0.00	£1.67	£0.33	£2.00	S

**Annual Season Tickets**

Gainsborough only	Mon-Sat	£510.00	0.0%	£0.00	£510.00	£102.00	£612.00	S
	Mon-Sat (if paid by monthly DD)	£440.00	0.0%	£0.00	£440.00	£88.00	£528.00	S
	Mon-Fri	£430.00	0.0%	£0.00	£430.00	£86.00	£516.00	S
	Mon-Fri (if paid by monthly DD)	£350.00	0.0%	£0.00	£350.00	£70.00	£420.00	S
Market Rasen Only	Mon-Sat	£255.00	0.0%	£0.00	£255.00	£51.00	£306.00	S
	Mon-Sat (if paid by monthly DD)	£220.00	0.0%	£0.00	£220.00	£44.00	£264.00	S
	Mon-Fri	£215.00	0.0%	£0.00	£215.00	£43.00	£258.00	S
	Mon-Fri (if paid by monthly DD)	£175.00	0.0%	£0.00	£175.00	£35.00	£210.00	S

**Penalty Charge Notice**

Higher Rate	£70.00	0.0%	£0.00	£70.00	£0.00	£70.00	OS
Higher rate discounted if paid within 14 days	£35.00	0.0%	£0.00	£35.00	£0.00	£35.00	OS
Lower Rate	£50.00	0.0%	£0.00	£50.00	£0.00	£50.00	OS
Lower rate discounted if paid within 14 days	£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS

Penalty Charge Notices have replaced the Excess Charge Notice.

The Traffic Management Act 2004 has introduced differential Penalty Charge Notices.

Notices are categorised as 'Higher' or 'Lower' dependent on the severity of the parking infringement.

Higher penalties are payable at £70 and lower penalties at £50. These categories are as determined in National Guidance.

Electric Vehicle Charging	charge per kWh	£0.25	0.0%	£0.00	£0.25	£0.05	£0.30	S
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