

Key Decision Required:	Yes	In the Forward Plan:	Yes
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CABINET

1 MARCH 2013

REPORT OF ENVIRONMENT AND COAST PROTECTION PORTFOLIO HOLDER

A.2 - HOUSEHOLDER PARKING PERMITS

(Report prepared by Ian Taylor)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To provide information to Cabinet with regard to the current free Tendring householder parking permit scheme and for Cabinet to determine whether it wishes to extend the scheme beyond the current expiry date (31 March 2013) and subject to this decision, for Cabinet to also determine the terms and conditions for use of the permit.

EXECUTIVE SUMMARY

The report provides:

- The background and purpose to the concessionary parking schemes operating on Tendring District Council car parks.
- What would constitute success for the current free householder parking permit and how this would be measured.
- An analysis of the measures used to determine success for the permit scheme
- Options for Cabinet to consider prior to determining whether to extend the current scheme beyond the expiry date of 31 March 2013.
- Further options for Cabinet to consider in respect of determining the terms and conditions of use for a free householder parking permit.

The data collected indicates a high level of support for the parking permits from local businesses and claims that the permits have achieved increased footfall in shops.

There is also evidence to support the permits have increased use of Council car parks by long and short staying visitors and that during periods of peak demand motorists and businesses have commented on the difficulties of finding a parking space which could result in a potentially negative affect on footfall.

The financial data suggests the current scheme unchanged will have the effect of reducing fees and charges income to off street car parks in Tendring by between £300,000 to £400,000 p.a.

The trend is for increasing income reduction as the scheme continues.

The report highlights additional risk should the parking permit become widely used by non residents or more widely available to residents seeking to obtain a second permit.

The report provides information to Cabinet and requests Cabinet to consider the information and determine whether it wishes to extend the current free Tendring householder parking

permit and if so, that Cabinet also determines the future terms and conditions of use of the permit.

The data and information provided was based on

- Information / feedback provided from shops and businesses
- Analysis of financial data
- Assessment of risks and other options considered.

A summary of the financial data collected to measure the impact of the parking permit is attached as **Appendix A** to this report and a summary of the shop survey is attached as **Appendix B**.

RECOMMENDATION(S)

That, Cabinet agrees

- a) **To extend the current free householder parking permit scheme beyond the current expiry date of 31 March 2013.**

Subject to (a) above Cabinet agrees

- b) **An expiry date for the current permit.**
- c) **A date for the introduction of a future free householder parking permit.**

Subject to (b) and (c) above Cabinet agrees which of the following options as the terms and conditions of use for any future free parking permit

- d) **A free parking permit provided to all Council Tax paying households to be used year round between 10.00 a.m. and midnight in all TDC car parks across the District with the exception of the Naze and Holland Haven car parks.**
- e) **A free parking permit provided to all Council Tax paying households to be used year round between 10.00 a.m. and midnight in all TDC car parks across the District with the exception of the Naze and Holland Haven car parks with the further exception of the main summer months of July and August in order to ensure sufficient off street car parking is available for visitors to the District.**
- f) **A free parking permit provided to all Council Tax paying households to be used year round between 11.00 a.m. and midnight in all TDC car parks across the District with the exception of the Naze and Holland Haven car parks.**
- g) **A free parking permit provided to all Council Tax paying households to be used year round between 11.00 a.m. and midnight in all TDC car parks across the District with the exception of the Naze and Holland Haven car parks with the further exception of the main summer months of July and August in order to ensure sufficient off street car parking is available for visitors to the District.**
- h) **That Officers be delegated authority, in consultation with the relevant Portfolio Holder, to make all necessary arrangements and incur expenditure to continue the scheme including the provision of replacement permits.**
- i) **Authorises the Corporate Director for Resource Management to set aside £300,000 to offset the potential financial impact of the scheme on the parking services budget within Public Experience for 2013 / 2014**
- j) **Cabinet also requests Officers to bring forward a quarterly financial report on the impact to the Council's car park income budget which will, if necessary, be supported by the contingency reserve if costs are not met from the aforementioned £300,000.**

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Concessionary parking schemes support key priorities and outcomes required to address the Council's key objectives and in particular promoting sustainable economic growth and the building of a thriving local tourism industry.

The Council's policy in respect of parking is for Tendring to be seen and regarded as a car friendly District.

Free or concessionary off street parking schemes support the policy of encouraging visitors to the District by car.

FINANCE, OTHER RESOURCES AND RISK

Financial Implications

a) current scheme unchanged

Estimated at £300,000 to £400,00 p.a

b) current scheme unchanged but permit valid from 11.00 am as opposed to 10.00 am

Estimated at £250,000 to £300,000 p.a

c) limit period for permit to year round other than July / August

Estimated at £200,000 to £250,000 p.a

d) limit period for permit to year round other than July / August and valid from 11.00 am as opposed to 10.00 a.m.

Estimated at £175,000 to £225,000 p.a

Other Risks

Seasonal fluctuations / unforeseen circumstances

Car park income can rise or fall sharply as a result of good or bad weather which is a major contributor to visitor numbers in Tendring. Car park income can vary by up to £100,000 between years.

However a financial risk variance of £50,000 to £70,000 p.a. is more usual and therefore any assessment of income affected by parking concessions should consider this variable.

Permits used more widely than anticipated

Following the introduction of the Tendring householder free parking permit on the 31 July 2012 over 3,000 requests were received for additional permits to be provided for a variety of reasons.

In total 260 replacement permits were issued to Tendring residents following a requirement for such requests to be made in writing and a subsequent checking of Council tax records.

Whilst not eliminating risks associated with agreeing all claims for a second permit based on householders insistence the permit was never received or had been lost / stolen / mislaid, requests to make all claims in writing had the effect of reducing or minimising the number of claims made and permits replaced.

It would be imprudent not to consider the possibility of permits becoming more widely available to visitors in addition to residents as the scheme continues and becomes more widely known and used.

There is no evidence so far of additional permits provided affecting financial estimates for the scheme.

However, it is important that this aspect of the scheme is monitored carefully to ensure that as far as possible only genuine claims for replacement are considered.

Future options for consideration could be to issue permits online upon request with the further option of retaining information about vehicle registration numbers.

Data

The financial implications for the current scheme including other options and additional risks to be considered have been assessed using:

- Financial data.
- Surveys of Shops and Businesses
- Analysis of car park usage arising from the permit scheme to date
- Likely patterns of use / trends for car park use based on the above

LEGAL

The options for consideration in this report are within the Council's legal powers.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities

Are not affected by the provision of a Tendring householder parking permit

Area or Ward affected

All

Consultation/Public Engagement. – All shops throughout Tendring were surveyed and comments and feedback was noted from motorists.

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND PURPOSE OF THE CONCESSIONARY PARKING SCHEME

The free Tendring householder parking permit scheme commenced on the 31 July 2012 and is currently operating alongside another free parking concession available to all Tendring District Council car park users from 3 pm to 8 am daily.

The combined concessionary parking schemes make it possible for any Council Tax paying household in Tendring to park free of charge on Council car parks from 10.00 am to 8.00 am the following morning year round with the exception of the car parks at the Naze and Holland Haven Country Parks.

The country park car park exemption from the free permit scheme reflects an historical free charging period up to 10.30 am on these car parks and evening activities requiring enforcement which is most effective when a ticket is purchased.

The primary purpose of the householder permits is to encourage people to shop locally and to use local facilities such as the seafront.

The free after three scheme is intended to promote shopping at non peak times and to promote

the evening economy.

Members are seeking to demonstrate that Tendring is open for business and willing to support its local businesses by providing a free Tendring householder parking permit.

INDICATORS AND MEASURES OF SUCCESS

What Constitutes Success?

Indicators of success of the free Tendring householder car park permit and the free after 3 car park concession for all car park users will be determined by:

- Improved footfall and business opportunities for local shops and businesses.
- Development of an evening economy in the District with visitors staying longer and increased activity at non peak times.

Secondary indicators of success are:

- Ease of access for workers to local businesses.
- Assisting businesses when operating.
- Improved quality of life for residents of the District and in particular residents living in town centres with limited available parking.

Measures of Success

The measures of success against the above will be

- Footfall – feedback from businesses.
- Reports - received by the Council from the public / businesses
- Income / Ticket Sale Data from Car Parks
- Car Park Usage Surveys

Reporting and analysing the information derived from the measures of success will provide members with useful information when considering the recommendations in this report.

ANALYSIS

Footfall – feedback from Consultation responses with businesses.

Shops across the District were surveyed with a view to indicating if footfall had increased and whether the permit should remain and if so whether its conditions of use should alter.

The surveys conclude that a clear majority of businesses consider there has been an increase in footfall arising from the free householder permits.

The survey also indicated that a significant number of businesses consider that the free householder car park permit should be modified to exclude the peak summer season months.

Use of the car parks by longer staying vehicles and local residents at work or for the convenience of shop workers is considered to have a detrimental affect on local business due to a lack of available car park space for visitors and shoppers.

The results of the survey are contained in **Appendix B** to this report.

Reports - received by the Council from the public / businesses

A number of very positive comments and letters have been received by elected members and Council officers about the free Tendring householder car park permit. This was reflected in a press release issued shortly after the schemes launch in early August and letters and comments continue to be printed in the local press and received in Council offices via letter and e mail.

There have been some negative comments from visitors and local businesses made about lack of available parking during periods of peak demand such as the school holidays.

Income / Ticket Sale Data from Car Parks

Attached to this report for information as **Appendix A** is a 4 year comparison of income and ticket sales for town centre car parks in Tendring.

The five car parks selected as an average, account for 65% of all annual car park revenue from fees and charges.

This spreadsheet is indicating that a year on year comparison of car park income and ticket sales for town centre car parks arising from the householder permits shows an increasing drop in both revenue and ticket sales the longer the scheme operates.

However, income data from all car parks indicates the income reduction is so far significantly less at 21%. This has been the result of income from visitor car parks remaining at normal or even higher than normal usage in 2012 /2013.

The highest level of reduced income and ticket sales is on the car parks with the relatively lower overall incomes such as the Milton Road, Dovercourt and High Street Walton.

Clacton town centre car parks are reducing income and tickets by 45% to 50%, whilst seafront car parks this year maintained income levels comparable with previous years.

This pattern so far for 2012 / 2013 supports the current estimates provided as necessary to support the parking service budget.

Not recorded on this spreadsheet but helpful to note is that the months of July and August account for 30% of all annual car park revenue.

Car Park Usage Surveys

Surveys have been conducted in September over two weeks, the 10 to 14th inclusive and the 24th to the 28th inclusive and again over two separate weeks in November 2012 and in January 2013.

The data from these surveys is not fully reliable in terms of providing precise information in the same way as a shop questionnaire / survey or the financial information.

Car park usage surveys are at best a snapshot at various times of the day. Only static and continuous observation all day in car parks will provide complete information.

However, that said, the usage surveys provide useful information about trends and general occupancy of car parks.

Overall use of car parks by motorists displaying a free householder permit remains at up to

80% of the car park occupants on occasions and the second survey in November 2012 and January 2013 indicates this figure is increasing.

Also, up to 21% of car park spaces are being fully utilised by long staying vehicles (those present all day either displaying a permit or a permit with a one hour purchased ticket). This compares with much lower rates of between 1% to 4% previously.

The data available so far indicates permit holders are likely to displace potential paying customers when car parks are at full capacity during the peak summer season but are not likely to displace potential paying customers during off peak periods.

Consideration could be given to requesting long stay vehicles to park away from the popular parking spots in car parks closest to shops in order to assist customer footfall.

It is now reasonably clear that car parks occupancy has increased overall during the off season.

CONCLUSION

The introduction of any free parking concession will result in reduced direct income to the Council and the financial risks associated with continuing the current permit scheme are highlighted in the report.

This report provides members with clear evidence to indicate strong support for concessionary parking schemes in Council car parks from local businesses as a means of improving footfall in local shops.

There is also further more anecdotal evidence to indicate that the free car park permits are enabling businesses to operate more effectively and are assisting shop workers and local residents to better utilise car parks during periods of non peak demand.

Other risks associated with free parking permits have also been highlighted in the report which include concerns about the reduction in income and ticket sales on car parks the longer the scheme continues and whether current financial estimates to offset the cost of the scheme is sufficient.

Further concerns highlighted relate to ensuring the permits remain available to one per Tendring household as intended and if there are sufficient safeguards available to prevent the permits becoming available to non residents and / or as second permits within Tendring households.

To date the additional risks have been managed effectively. Consideration for the exclusion of July and August months from the permit scheme is likely to ensure that all risks including financial ones continue to be managed effectively in future.

Information so far from businesses is that Tendring is reversing national trends for shops. The off street car park permits are supporting Council policies in respect of encouraging visitors to the area and are promoting economic benefits for the District. They are proving popular with both residents and local businesses.

APPENDICES

Appendix A – Financial Data

Appendix B – Analysis of Shop Surveys

BACKGROUND PAPERS FOR THE DECISION

None