

NAME OF COMMITTEE	Community Services
DATE	20th January 2015
REPORT TITLE	Introduction of experimental Pay & Display charges in long-stay car parks in Okehampton and Tavistock
Report of	Street Scene Manager
WARDS AFFECTED	All Okehampton and Tavistock wards

Summary of report:

This report makes a recommendation in respect of the Pay & Display tariffs in all long-stay car parks in Okehampton and Tavistock.

Financial implications:

The implementation of the experimental tariff is calculated as being cost-neutral in terms of income. However, it is proposed to run a 12-month pilot scheme initially so that the impact may be closely monitored. Any additional income would be raised directly as a result of impacting positively on footfall and increasing the vibrancy of the town centre.

The cost of advertising an Experimental Order is approximately £600, which will be met by the service budget.

RECOMMENDATIONS:

It is recommended this Committee resolve to recommend to Council that the experimental Pay & Display charges in all long-stay car parks in Okehampton and Tavistock, as detailed in paragraph 2.5, be implemented for a period of 12 months, with monthly reviews, which will ensure the close monitoring of the scheme. The recommended charge is one tariff of £2 for all-day parking in long-stay car parks, with an additional charge of 50p for half an hour in Mill Road car park.

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1. BACKGROUND

- 1.1 Members will recall that the concept of implementing a £2 all day tariff in long stay car parks in Okehampton and Tavistock was debated at the previous meeting of this Committee (Minute No CS 10 2014/2015), where it was resolved

“... that the proposal be returned to the Car Parking Strategy Group and for that Group to present a fully researched and reasoned report to a future meeting of the Committee and for that report to be presented by the Chairman of the Car Parking Strategy Group.”

- 1.2 In accordance with the resolution, the West Devon Car Parking Strategy Group met on 2nd December 2014 in order to consider this matter further. As a result, additional information is provided to the Committee as follows.

2. PROPOSAL

- 2.1 It has been calculated that the introduction of a flat £2 tariff in the long-stay car parks in Okehampton and Tavistock will be neutral to the Borough Council in terms of income. This calculation is based on no change in the use of car parks and on the assumption that current users will purchase the £2 all day Pay & Display ticket, as shown in Appendix 1.
- 2.2 It is, however, very likely that the use of car parks will change, but this is impossible to predict accurately. Some current users may park elsewhere in order to make use of a lower tariff in a short-stay car park. It is also feasible to assume that the use of the cheaper all day tariff will result in more customers taking advantage of this and staying for longer within the town centre, encouraging trade locally.
- 2.3 In order to retain a cost neutral service position, it is proposed that the impact of the tariff be monitored closely for an initial period of 12 months, with monthly monitoring and impact assessment to be undertaken. Should the initiative prove successful, so that the service costs are maintained and the footfall in the towns increases, then the scheme could be reviewed and, if desired by Members, be extended with, of course, further monitoring and assessment.
- 2.4 In addition, it is proposed that a new tariff be introduced in Mill Road car park in Okehampton. Mill Road is an under-used car park and it is felt that the option to purchase a ½ hour ticket for a reasonable fee will prove to be attractive to customers, who are currently deterred by the minimum two-hour fee of £1.20. It is, therefore, recommended that a half-hour tariff be made available to customers for the cost of £0.50, as in short-stay car parks in the towns.
- 2.5 The revised tariff may be summarised as follows:

Current tariff

	½ hour	1 hour	2 hours	3 hours	4 hours	All day
Tavistock						
Abbey		£1.00	£1.80	£2.20	£3.50	£6.50
Bedford & the Wharf	£0.50	£1.00	£1.80	£2.20	£3.50	£6.50
Riverside			£1.20			£2.20
Okehampton						
Mill Road			£1.20			£2.20

Revised tariff

	½ hour	1 hour	2 hours	3 hours	4 hours	All day
Tavistock						
Abbey						£2.00
Bedford & the Wharf						£2.00
Riverside						£2.00
Okehampton						
Mill Road	£0.50					£2.00

- 2.6 Short-stay car parks will retain the current Pay & Display charges and, therefore, give customers a choice of paying the all-day fee in the long-stay car parks or the following fees in the short-stay car parks:

	½ hour	1 hour	2 hours	3 hours
Tavistock				
Bank Square	£0.50	£1.00		
Brook Street		£1.00	£1.80	£2.20
Chapel Street	£0.50	£1.00	£1.80	£2.20
Russell Street	£0.50	£1.00	£1.80	
Okehampton				
Market Street	£0.50	£1.00	£1.80	£2.20

- 2.7 As it is essential that the impact of such a significant change to parking tariffs is monitored and assessed, it is proposed that the change be introduced by way of an 'Experimental Order', to be implemented as soon as feasible, having taken all legal processes into account, for a 12 month period, with monthly reviews.

3. EXPERIMENTAL PARKING ORDERS

- 3.1 The Council may give seven days notice (in the local press and by notices in car parks) of the implementation of an Experimental Order and do not have to undertake a full public consultation before implementing.
- 3.2 However, in the Notice of Making we must provide for objections to be submitted in the normal way so that these may be considered if the Council later chooses to make the Order permanent.
- 3.3 Prior to making the Order, the Council must demonstrate local consultation. The minutes from the Strategy Group meeting will provide for this, as the Group includes representatives from Town/ Parish Councils, Tavistock BID, Chambers of Commerce and similar organisations, the major supermarkets and Transition Tavistock. We have also consulted with all local Ward Members affected by the experimental orders.

4. ADDITIONAL SUPPORTING INFORMATION

- 4.1 Appendix 1 also shows the historical sale of Pay & Display tickets in long-stay car parks in Okehampton and Tavistock, and Members will note the large decline since 2007/ 08. There has been a drop in the sale of tickets of over 110,000 per

annum in these car parks. This should reassure Members that, although it is anticipated that the cheaper all day tariff will encourage more use of car parks, there is currently space to accommodate this. However, the monitoring of the scheme will also ensure that the Experimental Order is stopped or amended if car parks do become full and it becomes necessary to manage that specific situation.

4.2 Although the recession is partly responsible for the falling use of car parks, there are certainly other factors, one of which is more use of on-line shopping. This is likely to mean that some customers will not return to car parks, regardless of the reduction in parking charges and this, in turn, will reassure Members that we are unlikely to reach capacity, which was an area of concern at the previous meeting of this Committee.

4.3 Indeed the Portas Review of December 2011 states:

- “..... new technological developments now mean that the internet is one of the key threats to retail on our high streets”, and
- “..... we have seen dramatic growth in ‘m-commerce’ – sales over mobile devices – of more than 500% in the last two years”.

4.4 Furthermore, one of the recommendations from the Review is that “local areas should implement free controlled parking schemes that work for their town centres”. Although West Devon Borough Council is clearly unable to afford to offer free parking a £2 all-day fee is considered by stakeholders to be exceptionally reasonable and likely to increase footfall in both towns.

5. ECONOMIC BENEFITS

5.1 The Borough Council’s Economic Development Officer confirms that:

“Town centre businesses continue to raise concerns about the level, availability and ease of payment of car parking charges in our town centres and cite it as a major threat to their business survival. With the continued increase in out-of-town retail development (with free parking areas) and competition from the internet, businesses who remain in our town centres continue to struggle. In response to recent benchmarking surveys in both Okehampton and Tavistock, two thirds of businesses are saying that their turnover and profitability are unlikely to improve in the next 12 months.

These benchmarking surveys also reveal that car parking charges is the main concern and a key area for improvement for both businesses and town centre users alike.

In particular, concerns have been raised about the level of parking charges, with a significant number suggesting that a more customer-friendly system – either flat-rate payments or pay-on-exit – would be an improvement. Not only would a flat-rate charge be easier to administer, but customers would not have to face the dilemma of how much to pay each time they park. Evidence from elsewhere suggests having a flat-rate charge will increase customer dwell-time and ensure those last minute purchases are secured.”

6. PAY-ON-EXIT

- 6.1 As mentioned above, an alternative to the proposed £2 parking charge would be a pay-on-exit scheme, as this would achieve the same benefit of allowing customers to not worry about returning to their vehicle before the expiry time of their Pay & Display tickets.
- 6.2 An exploration of this scheme led the group to consider the simpler proposal contained within this report.
- 6.3 The high cost per bay of installing and running a pay-on-exit scheme makes it prohibitive for the Borough Council.
- 6.4 An estimate of the installation of a scheme, obtained in January 2013, puts the cost at almost £70,000. In addition to this, there are support costs which are unsustainable and these include:
- Cost of keeping pay stations topped up with appropriate coins
 - Operational cost of ensuring that a member of staff is available to assist customers pressing the 'help' button at a pay station.
 - Ensuring that a staff member is available to deal with any barrier problems, so that customers wishing to exit the car park are not held up unreasonably.
 - Cost of maintaining the service out-of-hours, including having staff members on-call well into each evening and each weekend.
- 6.5 Realising the financial issues in respect of pay-on-exit schemes, the group considered how parking may be made cheaper, which would achieve the same aim of alleviating customers of the concern about returning to their vehicle in time and, consequentially, concluded that a cheaper all-day tariff in long-stay car parks would achieve the this aim without the enormous cost of pay-on-exit.

7. CONSULTATION WITH BUSINESS ORGANISATIONS AND LOCAL MEMBERS

- 7.1 Local Members from Okehampton and Tavistock were invited to the Strategy Group meeting, so that their input could be considered as part of the overall debate.
- 7.2 In addition, local business organisations, which are all represented on the Group, were requested to make their views clear. As a result, Okehampton & District Chamber of Trade and Tavistock BID stated their support for the scheme. Tavistock & District Chamber of Commerce, whilst agreeing in principle, will confirm whether it supports the scheme in advance of the Committee Meeting (verbal update to be given to Members).

8. PAY & DISPLAY MACHINES

- 8.1 Concern was raised at the last meeting of this Committee in respect of the transfer of Pay & Display tickets between motorists.
- 8.2 Some of our Pay & Display machines are very dated and due to be replaced during this and next financial year in any event.

8.3 It is therefore proposed that, in order to further support the implementation of the proposed tariff, new machines should be purchased which will require customers to record part of their vehicle's Vehicle Registration Mark (VRM), which will all but eliminate this practice.

8.4 There is a small additional cost to this of £175 per machine. This is in addition to the cost of £2,600 per machine.

9. LEGAL IMPLICATIONS

9.1 The Council has power to provide off-street parking under the Road Traffic Regulation Act 1984 (as amended).

9.2 Experimental Orders are included in the Road Traffic Regulation Act 1984 (as amended).

9.3 The Council has the power to deal with the provision, management and control of car parks.

9.4 An Experimental Order will be required in order to run such a pilot scheme.

10. FINANCIAL IMPLICATIONS

10.1 It is anticipated by the Business Community representatives that the revised tariff will substantially increase the numbers of motorists using the car parks. However, simply based on the number of current users, the implementation of this tariff should be at least income-neutral to the Borough Council.

10.2 The cost of placing legal notices in the press, which is a requirement in order to make an Experimental Order, is approximately £600.

11. RISK MANAGEMENT

11.1 The Risk Management implications are shown at the end of this report in the Strategic Risks Template.

Corporate priorities engaged:	Community well-being; Access to services; Towards excellence; Customer first
Statutory powers:	As stated in paragraph 3
Considerations of equality and human rights:	An equality impact assessment has been carried out and, as a result, no further actions are required.
Biodiversity considerations:	None
Sustainability considerations:	None
Crime and disorder implications:	None
Background papers:	Portas Review; Okehampton & Tavistock Benchmarking Surveys;

	Community Services Committee minutes of 28 th October 2014
Appendices attached:	Appendix 1 – financial impact of £2 tariff and P&D ticket sale history

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Loss of income	The reduction in parking charges may result in a reduction in income for the Borough Council	3	1	3	↓	The pilot scheme to be closely monitored and assessed so that the Council may revert to the current P&D charges if necessary	C Aubertin
2	Capacity	The reduction in parking charges may result in such increased use as to mean that all long-stay car parks are full, possibly with commuters, leaving little parking available for visitors/ shoppers	3	1	3	↓	Again, monitoring and assessment of the scheme will allow further alterations to charges to be made in order to manage the use of car parks if necessary	C Aubertin

Direction of travel symbols ↓ ↑