

Arun District Council

REPORT TO:	Free Parking Scheme Review Working Party 13 May 2024
SUBJECT:	Two Hour Town Centre Parking Schemes
LEAD OFFICER:	Nat Slade Group Head Technical Services
LEAD MEMBER:	Councillor Sue Wallsgrove
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: Helping to improve the social, economic, and environmental wellbeing of the district by supporting footfall into the two principal town centres. Arun District Council (ADC)'s Financial Strategy agreed 10 January 2024 sets out the need to address the unsustainable use of its reserves via a combination of savings and revenue generation.	
DIRECTORATE POLICY CONTEXT: ADC's Off-Street Parking Strategy sets out a framework within which detailed policies are developed to achieve the vision for parking.	
FINANCIAL SUMMARY: No financial resource has been approved for the activities of the Working Party.	

1. PURPOSE OF REPORT

- 1.1 To set out the background of the Working Party Meeting on 05 February 2024 and to outline the proposals received from a member of the Working Party.

2. RECOMMENDATIONS

- 2.1 The Working Party to review the proposals set out in this report.

3. EXECUTIVE SUMMARY

- 3.1 The Free Parking Scheme Review Working Party was established by the Environment Committee on 07 September 2023.
- 3.2 This report provides wide range of options, submitted by one member, for consideration by the Working Party. The details of which are attached in Appendix A.

4. DETAIL

- 4.1 At the Arun District Council (ADC) Environment Committee meeting on 07 September 2023, a decision was made to establish a Working Party to 'comprehensively review the free parking scheme and report its recommendations to the Committee as soon as possible. The membership of the Working Party would be made up of the Chair and Vice-Chair of the Environment Committee plus three other Committee Members, two named representatives from each of Bognor Regis and Littlehampton Town Councils, a named representative of the Bognor Regis Business Improvement District and a named representative of Littlehampton traders.
- 4.2 At the Environment Committee meeting on 19 March 2024, a change to the Terms of Reference of the Working Party was made, and it was agreed the membership would be made up of the Chair of the Environment Committee plus four other Committee Members, two named representatives from each of Bognor Regis and Littlehampton Town Councils, a named representative of the Bognor Regis Business Improvement District and a named representative of Littlehampton traders.
- 4.3 During the first meeting of the Working Party on 05 February 2024, Nat Slade, Group Head of Technical Services, provided a presentation setting out the comprehensive history of the two schemes. This presentation included the financial contributions previously received and the financial commitments and projected income for the new schemes.
- 4.4 As of 26 April 2024, a total of 1,567 virtual 2-hour parking discs have been sold. This comprises 948 Littlehampton discs and 619 Bognor Regis discs. In comparison, a total of 37,229 physical discs have been sold across the two towns. This comprises 12,324 Littlehampton discs and 24,905 Bognor Regis discs. A further 3,025 Bognor Regis discs have been ordered and have been delivered to the Bognor Regis BID for distribution. It is anticipated that this will be the final reprint required.

5. CONSULTATION

- 5.1 At the meeting on 05 February, all members were asked to research and consider options for the future of the scheme and to feedback any ideas and suggestions to officers ahead of the next meeting.
- 5.2 There has been one response received from a member of the working party. That response (appended) was from Heather Allen of Bognor Regis Business Improvement District and set out a series of options:
- 5.3 Option A is to make no changes to the current two-hour free parking provision. This option would be for the continuation of the free two-hour parking scheme as it currently exists, with respect to e-permits (app), physical discs and the continued distribution of these through businesses. The cost of the disc would remain at £3 per annum, in both towns.

- i. Based on the implementation costings provided at the previous meeting, the cost for 50,000 physical discs is estimated to be in the region of £21,917, while the cost for the implementation of 50,000 virtual discs is anticipated to be in the region of £5,000.
- ii. The projected loss of revenue for 50,000 discs is estimated to be £110,000 based on annual use and £1,320,000 based on monthly usage.
- iii. The table below sets out the projected income for 2024, alongside the associated costs for the scheme and loss of revenue based on annual and monthly usage. These figures do not account for additional revenue lost through misuse of the schemes, nor for officer time in administering the Littlehampton scheme. Please note the 2024 figures in the table below are based on projected physical disc sales of 47,900 and 2,000 virtual disc sales.

	Production costs (49,900 physical and virtual discs)	Disc sales revenue generated (gross revenue minus costs)	Tariff Revenue lost (based on annual usage)	Expected outturn for ADC
Annual disc use	£23,161.18	£86,781.82	£110,000	-£23,218.18
Monthly disc use	£23,161.18	£86,781.82	£1,320,000	-£1,233,218.82

5.4 Option B is to keep the two-hour free parking via disc and app, but to increase the cost to end users. This option would be for the continuation of the free two-hour parking scheme as it currently exists, while reflecting a charge increase to £5/ £10/ £12/ £25/ £50 per disc, per annum, in both towns. The income for this has been calculated below.

- i.

Projected Income	30,000 Sales	40,000 Sales	50,000 Sales
£5	£150,000	£200,000	£250,000
£10	£300,000	£400,000	£500,000
£12	£360,000	£480,000	£600,000
£25	£750,000	£1,000,000	£1,250,000
£50	£1,500,000	£2,000,000	£2,500,000

- ii. The loss of revenue for the three sales figures are set out below. These figures are based on the 2024/2025 parking tariffs

Loss of Revenue	Loss of revenue – based on once-a-year usage	Loss of revenue – based on once-a-month usage	Loss of revenue – based on once-a-week usage
30,000 Sales	£66,000	£792,000	£3,432,000
40,000 Sales	£88,000	£1,056,000	£4,576,000
50,000 Sales	£110,000	£1,320,000	£5,720,000

- iii. The below table sets out the net position for Arun District Council using the data from the above two tables. The below figures do not account for misuse of the scheme, implementation costings or officer time.

	Revenue based on once-a-year usage	Revenue based on once-a-month usage	Revenue based on once-a-week usage
30,000 sales at £5	+£84,000	-£642,000	-£3,282,000
40,000 sales at £5	+£112,000	-£856,000	-£4,376,000
50,000 sales at £5	+£140,000	-£1,070,000	-£5,470,000
30,000 sales at £10	+£234,000	-£492,000	-£3,132,000
40,000 sales at £10	+£312,000	-£656,000	-£4,176,000
50,000 sales at £10	+£390,000	-£820,000	-£5,220,000
30,000 sales at £12	+£294,000	-£432,000	-£3,072,000
40,000 sales at £12	+£392,000	-£576,000	-£4,096,000
50,000 sales at £12	+£490,000	-£720,000	-£5,120,000
30,000 sales at £25	+£684,000	-£42,000	-£2,682,000
40,000 sales at £25	+£912,000	-£56,000	-£3,576,000
50,000 sales at £25	+£1,140,000	-£70,000	-£4,470,000
30,000 sales at £50	+£1,434,000	+£708,000	-£1,932,000
40,000 sales at £50	+£1,912,000	+£944,000	-£2,576,000
50,000 sales at £50	+£2,390,000	+£1,180,000	-£3,220,000

5.5 Option C is to keep the two-hour free parking via disc and app, but to review partner contributions. This option would be for the continuation of the free two-hour parking scheme as it currently exists, while showing the level of financial contributions necessary from stakeholder partners in both towns to make the scheme financially viable.

- i. Prior to the commencement of the 2024 schemes, all partner contributions ceased.
- ii. Further discussions with the previous stakeholders would be required to establish if this option would be a possibility.
- iii. The loss of income based on the scheme in its current format is set out above under 5.3.

5.6 Option D is to continue the two-hour parking scheme, via app only. This option would be for the continuation of the free two-hour parking scheme, charged at £3 per annum, with app only e-permits available for both towns.

- i. The Equalities Impact Assessment which accompanied the report to the Environment Committee on 07 September has been appended to this report as Appendix B.
- ii. The table below sets out the projected income for virtual only discs, alongside the associated costs for the scheme and loss of revenue based on annual and monthly usage. These figures do not account for additional revenue lost through misuse of the schemes, nor for officer time in administering the schemes.

	Production costs (50,000 virtual discs)	Revenue generated (minus costs)	Revenue lost (annual usage)	Margin for ADC	Revenue lost (monthly usage)	Margin for ADC
Total	£5,000	£103,500	£110,000	-£6,500	£1,320,000	-£1,216,500

5.7 Option E is to continue the two-hour parking schemes, administered via pay on exit technology. This option would be for the continuation of free two-hour parking, delivered through the introduction of pay on exit technology at car parks currently included in the scheme to negate misuse.

- i. The cost for this technology is being explored and can be made available for the next Working Party meeting, if this is an option the Working Party wish to investigate further. The implementation costs for this technology may outweigh the income generated via the schemes.

5.8 Option F is to continue the two-hour parking schemes, administered via ANPR technology. This option would be for the continuation of the free two-hour parking schemes, delivered through the introduction of automatic number plate recognition technology to all ticket machines at car parks currently included in the scheme in both towns to negate misuse.

- i. The cost for this technology is being explored and can be made available for the next Working Part meeting, if this is an option the Working Party wish to investigate further. The implementation costs for this technology may outweigh the income generated via the schemes.
- ii. The possibility of ANPR within the Council’s car parks is due to be reviewed as part of the Parking Services Review.

5.9 Option G is to offer two hours of parking at a reduced rate. This option would be to replace the free two-hour parking scheme in both towns with a nominal two-hour parking charge. This charge would be to cover transaction costs and would be paid through existing machines/ app. This cost would be capped at 50p/ £1 per stay.

- i. The projected income for this option is set out below.

ii.

Projected Income	30,000 transactions in car parks	40,000 transactions in car parks	50,000 transactions in car parks
50p for 2 hours (paid through cash, card or pay by phone)	£15,000	£20,000	£25,000
£1 for 2 hours (paid through cash, card or pay by phone)	£30,000	£40,000	£50,000

- iii. The above option would generate significantly less revenue than the current scheme in its current format.
- iv. The loss of revenue for this option would be significant. The income for the six participating car parks for 2023/2024 is set out in the table below. A 10% increase has also been calculated to reflect the increase of parking tariffs, effective 1st April 2024. The total income for 1 and 2 hour stays across the six car parks for 2023/2024 was **£181,661**. Reflecting the 10% increase for this financial year, this figure is anticipated to increase to **£199,827.10**. The maximum income that could be generated via this option is £50,000, resulting in a loss of income to Arun District Council of **£149,827.10**.

Income – 2023/2024	Up to 1 hour	10% increase (in line with recent tariff increases)	Up to 2 hours	10% increase (in line with recent tariff increases)
Fitzleet	-	-	£22,173	£24,390.30
Hothamton	£34,617	£38,078.70	£54,854	£60,339.40
Lyon Street	£4686	£5,154.60	£8,420	£9262
Anchor Springs	£3,402	£3,742.20	£2244	£2,468.40
Manor House	£2,286	£2,514.60	£4,346	£4,780.60
St Martins	£20,313	£22344.30	£24,320	£26,752
Total	£65,304	£71,834.40	£116,357	£127,992.70

- v. In comparison, the income generated from 1 and 2 hour stays within the Regis Centre car park, which doesn't operate the scheme, for 2023/2024 was £145,468.
- vi. Further technology may be required to negate the possibility of misuse of this proposal. Motorists may be able to obtain several hours of parking at a heavily reduced rate if preventative technology is not implemented alongside this option.

5.10 Option H is to offer 3 hours of parking at a reduced rate. This option would be to replace the free two-hour parking scheme in both towns with a nominal three-hour parking charge. This charge would be to cover transaction costs and would be paid through existing machines/ app. This cost would be capped at £1 per stay.

- i. As detailed in the table in section 5.9 (ii) above, the income generated by this option would be the same as the income generated by £1 for 2 hours.
- ii. The above option would generate significantly less revenue than the current scheme in its current format.
- iii. The loss of revenue for this option would be significant. The income for 1 and 2 hour stays within the six participating car parks for 2023/2024 is set out in the table in section 5.9 (iv). The table below sets out the income generated by 3 hour stays in the participating car parks, along with a 10% increase column to reflect the recent increase in parking tariffs.

Income – 2023/2024	2-3 hours	10% increase (in line with recent tariff increases)
Fitzleet	£9,135	£10,048.50
Hothamton	£44,415	£48,856.50
Lyon Street	£5,390	£5,929
Anchor Springs	£1,239	£1,362.90
Manor House	£5,355	£5,890.50
St Martins	£13,720	£15,092
Total	£79,254	£87,179.40

- i. The income generated by 1, 2 and 3 hour stays for 2023/2024 was **£260,915**. This is anticipated to increase to **£287,006.40**, following the recent tariff charge increase. The maximum income that could be generated via this option is £50,000, resulting in a loss of income to Arun District Council of **£237,006.40**.
- ii. In comparison, the income generated from 1, 2 and 3 hour stays within the Regis Centre car park, which doesn't operate the scheme, for 2023/2024 was £196,452.50.
- iii. Further technology may be required to negate the possibility of misuse of this proposal. Motorists may be able to obtain several hours of parking at a heavily reduced rate if preventative technology is not implemented alongside this option.

5.11 Option I would be for the complete withdrawal of both schemes. While this option is not being considered by Arun District Council in any way, it would be helpful to consider the impact of withdrawing the schemes in their entirety.

- i. Based on the production of 50,000 and physical discs annually, by withdrawing the scheme altogether, Arun District Council would save approximately £23,161. The loss of revenue from the sale of 50,000 discs would be £108,500. However, Arun District Council could generate £110,000 through 50,000 parking stays annually for the same time given by the free parking scheme. This would result in a net income/ saving of £24,661.
- ii. It is not known what contribution the schemes have on generating footfall into the town centres.

6. RISK ASSESSMENT CONSIDERATIONS

- 6.1 The secretariat for the Working Party is provided from within ADC's existing staffing resource.
- 6.2 The parking service review may not have concluded before the third meeting of the Working Party.

7. HUMAN RESOURCES IMPACT

- 7.1 There are no impacts.

8. HEALTH & SAFETY IMPACT

- 8.1 There are no impacts.

9. PROPERTY & ESTATES IMPACT

- 9.1 There are no impacts.

10. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

- 10.1 There are no impacts.

11. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

- 11.1 There are no impacts.

12. CRIME AND DISORDER REDUCTION IMPACT

- 12.1 There are no impacts.

13. HUMAN RIGHTS IMPACT

- 13.1 There are no impacts.

14. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

- 14.1 There are no impacts.

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BACKGROUND DOCUMENTS:

Environment Committee Agenda - 07 September 2023 - [Arun District Council](#)

[Minutes of Environment Committee \(arun.gov.uk\)](#)

Appendix A – Document submitted by the Bognor Regis BID

Appendix B - Equalities Impact Assessment as presented to Environment Committee on 07 September 2023.