

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Parking and Transport Options Paper for the Environment Task and Finish Group

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Purpose of Options Paper

This paper tables options to facilitate discussion by the task and finish group for parking and transport solutions to support the vitality of town centres with a view to agreeing a set of proposals for consideration by a future Scrutiny and Cabinet Board for implementation next financial year 2023/24. It is suggested to members that any proposal considered for implementation, should, where possible take into account any associated financial risks within the existing parking budget and in the context of the Councils wider financial challenges. The proposals aim to aid service recovery, increase income generated and enhance Town Centre footfall.

Members will be aware that there is a significant amount of anecdotal evidence, opinion and speculation over the relationship between car parking provision and town centre prosperity. Somewhat paradoxically this ranges from arguments suggesting that 'greater accessibility for cars on the high street will increase the viability of town centres by improving trading for business' to 'restricting accessibility for cars will increase the viability of town centres by cutting congestion and pollution whilst making the high street more pedestrian friendly and increasing dwell time'.

The Council currently supports a number of parking initiatives which include first hour free and a reduced tariff structure in Pontardawe, and a reduced tariff at the seafront car parks over the winter and summer period.

It is well recognised that people are prepared to pay for good customer service and quality parking facilities. They do not like to pay for poor service and facilities and funds are needed to facilitate this. The British Parking Association of whom the Council are members believe that the people who use the facilities should pay to help to maintain the assets and increasing energy and maintenance costs.

On-street Parking Permits

Permits currently cost £20.00 per annum, and have not been subject to a review since implementation. The current charge no longer covers the admin cost of producing and supplying a permit due to increased software, postage, materials and staff cost.

- It is proposed that as a minimum, permits are increased from £20.00 to £25.00 to stay at a cost neutral position.
Or alternatively,
- That permits are increased from £20.00 to £30.00 to future proof admin costs and contribute to the council's budget pressures.

Permit costs across neighbouring authorities.

Authority	12 Months	Replacement
Neath Port Talbot	£20	£5
Swansea	Free	£25
Bridgend	Free	Free

Shown below are all the current permits on issue together with the current income taken, plus the potential income if permits increase to £25.00 or £30.

Permit Type	Cost	Number	Income	Cost	Income	Cost	Income
Care Worker	£20	39	£780	£25	£975	£30	£1,170
Dispensation	£20	14	£280	£25	£350	£30	£420
Family Parking	£20	95	£1,900	£25	£2,375	£30	£2,850
Health Board Carer	£20	177	£3,540	£25	£4,425	£30	£5,310
Health Visitor	£20	5	£100	£25	£125	£30	£150
Holiday Visitor	£20	2	£40	£25	£50	£30	£60
Loading	£20	63	£1,260	£25	£1,575	£30	£1,890
Neath Traders Dispensation	£20	42	£840	£25	£1,050	£30	£1,260
Resident	£20	1865	£37,300	£25	£46,625	£30	£55,950
Temporary Resident	£20	21	£420	£25	£525	£30	£630
		2323	£46,460	+25%	£58,075	+50%	£69,060

After Vat the increases to income are £12,000 to £23,000

Off-Street Parking

The Council car park income funds the maintenance upkeep of car parks to appropriate standards of safety, lighting and equality issues and security standards. The parking income account has spent £4 million over five years running and maintaining the council car parks and car parking machines. £201k of this cost was for the purchase and maintenance of pay and display machines.

In 2022/23, £127,400 has been spent so far on building maintenance in Port Talbot and Neath MSCP's alone, while the income from parking across both car parks is just under £227k.

There are outstanding maintenance issues that will require funding of circa £750k based on the last condition survey to carry out concrete repairs, electrics repair and painting in Port Talbot MSCP and a further £60k to resurface St. Mary's Car Park in Port Talbot.

The income received over the last five financial years is set out below, along with operational costs including utility bills, maintenance, staff costs, insurance, rates, rent and pay and display equipment. **This illustrates the income received before VAT.** Off-Street income from the Authority's pay and display car parks is subject to VAT @ 20% and the VAT is payable to HMRC.

Further to note, during the financial years 2020/21 and 2021/22 the council received monies from WG to offset losses from Covid 19, this ceased in April 2022, the amounts below include the monies received from Welsh Government.

<u>Year</u>	<u>Income</u>	<u>Operational Costs</u>	<u>Balance</u>
2021/22	£1,135,242	£892,191	£243,121
2020/21	£1,038,995	£769,990	£269,005
2019/20	£1,169,619	£1,002,107	£167,482
2018/19	£1,117,517	£1,079,367	£38,150
2017/18	£874,650	£720,730	£153,920

- **Option 1a: - Increase all parking charges due to budget pressure to one of the new tariffs set out below.**

Set out below is the current off-street tariff structure together with options for tariff increases. The potential increased revenue is based on the income from 2021/22.

Current Tariff Option	Current Tariff Price	5% Increase	10% Increase	15% Increase
1 Hour	£1.50	£1.55	£1.65	£1.75
2 Hours	£2.00	£2.10	£2.20	£2.30
3 Hours	£2.50	£2.65	£2.75	£2.85
4 Hours	£3.00	£3.15	£3.30	£3.45
All Day	£3.80	£4.00	£4.20	£4.40
Potential Increased Revenue		£50,000	£100,000	£150,000
After VAT		£41,667	£83,333	£125,000

- **Option 1b: - Increase some parking charges due to budget pressure to the new tariffs set out below.**

Any increase to all day parking charges will mostly affect people who work in town centres, a lot of whom will be on the minimum wage. The following option proposes tariff increases on shorter term parking only.

Current Tariff Option	Current Tariff Price	Proposed Tariff Price
1 Hour	£1.50	£1.75
2 Hours	£2.00	£2.30
3 Hours	£2.50	£2.85
4 Hours	£3.00	£3.30
All Day	£3.80	£3.80
Potential Increased Revenue		£100,000

There is a risk that an increase in tariffs will result in an income loss, if people choose not to use the car parks due to increased cost.

- **Option 2: - Reduce parking tariffs to align ourselves with neighbouring authorities and try to attract further footfall into town centres.**

Set out below are the comparable tariff structures for neighbouring authorities.

Authority	1 hour	2 hours	3 hours	4 hours	4+ Hours
Neath Port Talbot	£1.50	£2.00	£2.50	£3.30	£3.80

Swansea	£1.00	£2.00	N/A	N/A	£7.00
Bridgend	70p	£1.50	£2.50	£4.00	£6.00

It is noted that the current subsidies for car parking in Swansea will cease from April 2023 and Swansea have announced that they plan to raise an additional £700k per year from parking charges.

If the option to reduce parking charges to try to attract further footfall into town centres is progressed it is not possible to model the financial implications as we do not have any comparable data to base it on. However, to maintain current revenue we would need to attract 750,000 users into our car parks per year, which is not feasible in town centres of our size.

- **Option 3: - Pontardawe car parking charges be brought into alignment with Neath and Port Talbot town centres.**

Currently there is a different tariff structure in Pontardawe; the structure gives the first hour free and reduced charges after that, including free parking on a Sunday.

During 2021/22, 12,834 free tickets were issued in Pontardawe. We are aware that not all of these free tickets are associated with real parking events. Members of the public especially children have been witnessed generating tickets by typing in random registrations. However if 75% of the free tickets were genuine parking events charged at £1.50 the income generated would be £11,667 excluding VAT

- **Option 4a: Season permits increase from the current tariffs to the new tariff set out below.**

Currently the Authority operates a season permit system whereby the member of the public purchases a season permit and displays the permit in the front window of the vehicle.

Set out below are the season permit charges for neighbouring Authorities in their off-street car parks as well as this Authority's charge. Bridgend only offer a 3 months and above permit.

Authority	1 Month	3 Months	6 Months	9 Months	12 Months
Neath Port Talbot	£50	£130	£235	£325	£410
Swansea	£75	£220	£440	N/A	£735

Bridgend	N/A	£151.20	£302.40	£453.60	£604.80
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It is clear from the above that the charges in NPT are significantly lower than in neighbouring authorities. Below are the current season permits offered to members of the public together with the income, proposed revised charges and projected income.

Permit Duration	<u>Current Season Permits</u>		Income	Daily Rate
	£	Number		
Season Permit 12 months	£410	67	£27,470	£1.13
Season Permit 9 months	£325	1	£325	£1.20
Season Permit 6 months	£235	35	£8,225	£1.30
Season Permit 3 months	£130	46	£5,980	£1.44
Season Permit 1 month	£50	6	£300	£1.66
Total number of permits on issue		155	£42,300	

Permit Duration	<u>Proposed Season Permits</u>		Income	Daily Rate
	£	Number		
Season Permit 12 months	£500	67	£33,500	£1.39
Season Permit 9 months	£400	1	£400	£1.48
Season Permit 6 months	£300	35	£10,500	£1.62
Season Permit 3 months	£200	46	£9,200	£2.22
Season Permit 1 month	£70	6	£420	£2.33
Total number of permits on issue		155	£54,020	

The potential increased revenue with this option is £11,720 and the charges would still be lower than those charged by neighbouring authorities. This increase is £10,000 after VAT

- **Option 4b - Season permits increase from the current tariffs to match the tariffs in Bridgend.**

Permit Duration	<u>Proposed Season Permits</u>		Income	Daily Rate
	£	Number		
Season Permit 12 months	£605	67	£40,535	£1.65
Season Permit 9 months	£453	1	£453	£1.65
Season Permit 6 months	£302	35	£10,570	£1.65

Season Permit 3 months	£151	46	£6,946	£1.65
Season Permit 1 month	£70	6	£420	£2.33
Total number of permits on issue		155	£58,924	

The potential increased revenue associated with this option is £16,624 and match those in Bridgend which remain lower than those charged in Swansea. This increase is £13,853 after VAT.

- **Option 5: - To decide if the current practice of providing free parking should continue as is, (free parking in town centres for three weeks at a cost of £50,000 in lost revenue) or be amended following feedback and engagement with traders.**

For a number of years the council has provided free car parking in the run up to and over the Christmas period. When the press release was published advertising free car parking over Christmas 2022/23 approximately 54,000 social media accounts were reached, comments noted on social media were mainly supportive.

There were however, some comments from traders that they “*would prefer that the free car parking was over the first few weeks of January in Pontardawe to tempt members of the public to go shopping as the period after Christmas is very quiet.*”, and “*that a lot of people have done their Christmas shopping when the offer starts.*”

Neither Bridgend nor Swansea offer any free parking over the Christmas period. Carmarthen do not offer any free parking in Carmarthen town. They do however, offer free parking in Llanelli on the weekends from mid-November to Christmas to encourage people into the town. (Members will recall that this was mentioned at the Board meeting on the 2nd of December 2022).

The benefit of this is that the people receiving the free parking are shoppers rather than people who work in or close to the town centre between Mondays to Fridays.

Our current offer on free parking at Christmas offers 23 days free parking. If we replicated what happens in Llanelli which is more comparable to our towns than Swansea, we would be offering 15 days free parking for Christmas trade. Members if so minded, could offer a further 5 days free parking, the dates of which could be agreed following consultation with the traders.

In order to ensure that all residents of Neath Port Talbot benefit from this scheme. Passenger Transport Colleagues have investigated the cost of free travel on the local bus network within the County Borough for the six Saturdays and Sundays leading up to Christmas. For Christmas 2023, those dates would be November 18th, 19th, 25th, 26th and December 02nd, 03rd, 09th, 10th, 16th, 17th, 24th and 25th. The estimated cost of providing free travel on the local bus network for those days will be £80,000.

Utilising free travel on the Local Bus Network does offer the opportunity for residents to travel out of County. For example, passengers may wish to travel from Glynneath via Neath and onto Swansea, or Blaengwynfi, Glyncorwg and Cymer to Maesteg. These might not benefit the County Borough town centres but does offer a greater option to residents and promote local bus travel in general. It will be important therefore to advise passengers that completely free travel is available only within the County Borough. If residents choose to take advantage of bus services commencing within the County Borough and travelling further afield, for example Swansea or Maesteg then they may well have to pay for their return journey, unless of course the neighbouring local Authority is also operating a similar free travel scheme.

- **Option 6: - Increase the seafront car parking tariffs from the current rate of £2.00 from 1st May to 30th September to either £3.00 or £4.00 and increase the current rate of £1.00 from 1st October to 30th April to either £1.50 or £2.00.**

All day car parking at Porthcawl seafront car parks is either £3.00 or £4.00 depending on which car park you use. The increased tariffs could bring in between £47,917 to £95,833 in additional income per year depending on the chosen tariff.

- **Option 7: - Introduce charges to the free parking bays along the seafront**

Currently the on street car parking bays, despite being located closer to the facilities of the seafront offers free parking, while the car parks that are further away incur a cost for motorists. (It should be noted that there are also currently 2-hour limited waiting within the parking bays on Princess Margaret Way). Swansea council have introduced charges at all of their parking bays facing onto Swansea Bay seafront at a charge of £1.50 for 1 hour and £5.00 all day.

Charging could be introduced via Pay by Phone (cashless) parking within the 2-Hour Limited Waiting parking bays, at a tariff of £1 for the two hours. It is not possible to quantify the potential income this could generate, as we have no data to base calculations on.

The rationale for not having pay and display machines along the seafront to take cash is due to high levels of vandalism to machines along the seafront. There would also be a cost of £75,000 to purchase the required amount of machines plus the costs of civil works.

The downfall to this is that it would restrict access to parking to people who do not have smart phones, therefore possibly discriminating against older and poorer people. We will consult with the neighbouring authorities to establish how they have mitigated this risk.

Summary

The options above for on street and off-street parking have the potential to generate between £43k and £189k depending on which combination of options are chosen as illustrated in the table below (**these figures exclude VAT**). Car park income is currently under achieving its income target by £100k, any increases in revenue should be used to offset this deficit.

Options	Lower Option	Higher Option
Increase Permit Costs	£12,000	£23,000
Town Centre Car Park Tariffs	£41,667	£125,000
Pontardawe Car Park Tariffs	£11,667	£11,667
Season Ticket Tariffs	£10,000	£13,853
Seafront Car Park Tariffs	£47,917	£95,833
Bus Subsidy	£-80,000	£-80,000
Totals	£43,250	£189,353

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