

CABINET

Employee and Elected Member Parking Permits

8th July 2008

Report of Chief Executive

PURPOSE OF REPORT				
To consider proposals for a review of Employee and Elected Member permits and charges with a view to all permits being subsequently renewed on the same date and annually thereafter.				
Key Decision	X	Non-Key Decision	Referral from Cabinet Member	
Date Included in Forward Plan	1 st July 2008			
This report is public				

RECOMMENDATIONS OF COUNCILLOR MACE

- 1 (1) That the Employee, Member and Public permit renewal dates be realigned to ensure that all parking charges be determined and introduced at the same time, namely at 1 April.
- (2) That charges for permits of each type be increased with effect from the 1st April 2009 by a percentage no higher than the rate of inflation since the previous setting of the charge for that permit.
- (3) That with an implementation date of 1 April 2009, an option of a separately priced 5-day permit [i.e 24-5] be introduced for all permit holders [at a cost lower than the equivalent 24-7 permit
- (4) That charges for the eight month period from 1 August 2008 to 31 March 2009 should be at the same monthly rate as for the permits expiring on 31 July that they replace.

1.0 Introduction

1.1 Cabinet considered a report on the review of Employee and Elected Member Permits and Charges at their meeting on 11th December 2007 and resolved:

(1) That the Staff Permit charges are increased from 1st January 2008 to allow for inflation.

(2) That the permits be issued for a period to 1st August 2008, prior to which a further review will be undertaken to bring both Staff and Member Permits in line with each other by 1st August 2008 and with a view to all permits being subsequently renewed on 1st April 2009, and annually thereafter.

1.2 Previously, Cabinet had considered a report in December 2006 and resolved:

1 (a) That Staff and Member permit renewal dates are realigned to ensure that all parking charges are determined and introduced at the same time.

2 (b) That the same arrangements for public permits apply to Staff and Member permits whereby permits can be used 24 hours, 7 days per week to avoid operational issues with staff working shifts and weekends and staff and Members attending evening meetings and vehicles being unavailable due to repair and servicing etc.

3 (a) Linking the reviews of staff parking and car user status that is being undertaken as part of the Fair Pay – Pay and Grading Review and a similar process being required with Members and the Independent Remuneration Panel.

4 To approve establishing the principle of differential charges for staff and Members based on user status, business need and the number of journeys undertaken.

5 To recognise that staff permit charges already agreed by Cabinet for 2007 may need to be reviewed during the year and to notify staff of these arrangements.

6 That subsequent proposals are considered by the Joint Consultative Committee and are the subject of consultation in accordance with the Consultation and Negotiation Protocol.

1.3 This report sets out information and proposals for Members' consideration.

2.0 Background Details

2.1 The provision of universal, subsidised, long stay parking spaces has become increasingly a matter for review as it applies not only to employees who are required to bring their cars to work and are therefore essential users, but the scheme is open to all employees. The Council, as a large public service employer includes business travel planning as part of its Climate Change Strategy as issues of traffic congestion and carbon emissions are of concern. In addition long stay spaces will become more of a premium as development takes place in Lancaster, particularly as a result of the proposed canal corridor development which could affect parking provision during 2010.

2.2 Parking for employees and Elected Members is not just a localised issue but is one faced by authorities throughout the country. A number of practical issues exist in

dealing with permit provision and whilst price is important, so are issues that relate to the ability or otherwise to transfer permits and the validity of permits on different car parks. Accordingly, a survey of authorities has been undertaken and this has resulted in 41 responses. A summary of those responses is attached at **Appendix A**.

- 2.3 The survey shows that there is a very wide range of different situations and particular comment is set out below.
- 2.4 Approximately 75% of authorities who completed the questionnaire subsidise the staff parking and the amount of charge ranges from nil to £1,200 (compared to a maximum public permit charge being £1,750).
- 2.5 The majority of authorities (56%) do not allow transfer of permits between vehicles and 71% of respondents limit use of the permit to the permit holder for business use only.
- 2.6 Only 44% of authorities have a staff business travel plan whilst 51% of authorities indicate that they are discouraging staff travelling by car. Only 9.75% of authorities indicated that they had any sustainable initiatives in place and of those 9 authorities indicated that they had cycling and car share initiatives in place, 5 had subsidised bus/train travel whilst 2 restricted parking in town centres.

Elected Members' Permits

- 2.7 Members' permits were considered by the Independent Remuneration Panel whose view is that the current Members Allowance Scheme makes adequate provision for Members to be appropriately reimbursed for travelling and car parking costs incurred in their role as City Councillor. The Panel believes that the matter of permits is a matter for the Council and its Members to resolve and that the Members Allowance Scheme should then be amended if necessary to reflect any change to the current position. Indeed, Council agreed in April 2006, on the recommendation of the Panel:

That, should the provision of subsidised annual car parking permits to Councillors be withdrawn, Appendix B (B)(iv) to the Members Allowance Scheme be amended with the addition of the words '*provided that the holder of a car park permit may be reimbursed the cost of parking that would have been incurred if that permit had not been held*'. (Minute 127(3)(c))

- 2.8 Whatever the decision in relation to the subsidy or otherwise of Parking Permits for Members, it would be possible to introduce the facility for Members to claim the equivalent daily cost of the permit through the Members Allowance Scheme whenever they use their car to attend Council business (on approved duties as set out in the Scheme) in the same way as is currently in place for staff.
- 2.9 The fee for any permit is a matter for the Council to decide. In cases where there is a differential between permit fees for Member and officers parking on the same car park(s), that again, the Panel believes, is for the Council to resolve.
- 2.10 The current fee for a Member Permit is £185 which was set in 2006.

Employee Permits

- 2.11 The staff permit charges were set at £190 for a general permit and £320 for a specific permit, subject to a review being undertaken which is the subject of this report.

2.12 Proposals to move forward fall into three categories:

- Business use which requires staff to have their vehicles available for work, as an essential car user. There is also a classification of casual car user with less frequent car use.
- Commuting to and from the place of work which is similar to general public use
- Sustainable transport issues which encourage the use of alternative transport methods or the use of vehicles which substantially reduce carbon emissions

2.13 Currently mileage is paid on the basis of whether employees are categorised as an essential or casual car user. This user status was initially considered to be included as a link to the Fair Pay – Pay and Grading Review currently being undertaken, but a view was taken that this was closer to a review of Business Travel rather than a review of Pay.

2.14 One option would be for the Council to continue to issue subsidised parking permits to essential car users only and require other employees who wished to purchase a permit to pay the same amount as the general public. This then raises issues concerning the approach to be taken when a casual car user uses their car for business use. It is possible that the introduction of a Car Club scheme could assist with casual use.

2.15 It is clear from paragraph 2.4 above that most authorities limit the use of the permit to the permit holder for business use only, whilst a slight majority allow the transfer of the permit between vehicles. At present the staff permit allows use by the partner and immediate family and any change should be considered by Cabinet as part of this report.

2.16 The current arrangement for the allocation of permits shows no distinction for part time or job share staff. Having a separate form of permit would be a further operational issue for permit production and enforcement. Consideration should be given to making a full charge to those staff if the entitlement to park remains as flexible as at present with a charge at the level of public permits.

2.17 There is of course a very limited supply of specific permit parking spaces on the Wash at Lancaster Town Hall. Currently these spaces are not all allocated, and if there is to be a substantial increase in charge or change in eligibility, then the take up may reduce even further. Consideration could be given to removing this class of permit and handing the spaces over to visitors especially now that the Customer Service Centre facility is immediately adjacent to this facility. This would increase parking provision at Lancaster Town Hall bringing it more in line with the visitor parking provision at Morecambe Town Hall.

2.18 Whilst proposals to increase permit prices may in themselves serve to have sustainability benefits, it would be possible to consider specific measures that reduce carbon emissions. As an example, Manchester City Council have a “Green Badge” parking policy whereby permit holders can receive a 25% reduction in permit charges if the car has CO₂ emissions of 120 g/km or less and particulate levels of 0.02 or less.

2.19 As an alternative, public transport is showing a substantial increase in passenger numbers and there has been a significant increase in investment to improve the quality of the vehicles and their frequency. At present a 7 day “Bay Mega Rider”

ticket priced at £12 per week allows unlimited travel and at a cost of £624 per annum, would offer a cheaper alternative to the current price of a public parking permit. An initial discussion with stagecoach has indicated that there is a potential to offer staff a discount on this figure but further negotiations would be required if the Council favoured this alternative

3.0 Details of Consultation

3.1 A survey of other local authorities in the region has been undertaken to provide guidance on the way forward.

In addition, consultation has been undertaken in accordance with the Council's Consultation and Negotiation Protocol.

3.2 The Joint Consultative Committee (JCC), at its meeting on the 16 June 2008, resolved to recommend to Cabinet:

- (1) That the employee, Member and public permit renewal dates be realigned to ensure that all parking charges be determined and introduced at the same time.
- (2) That permit charges be increased no higher than the rate of inflation, with effect from the 1st April 2009.
- (3) That there be an option for employee and Member permits to be used 24 hours, 5 days, per business week.
- (4) That part-time staff be charged pro-rata.
- (5) That subsidised bus travel at sensible rates be looked at.

3.3 There was a limited response to the member consultation, but the majority of responses indicated that the existing system should be maintained.

4.0 Options and Options Analysis (including risk assessment)

4.1 Option 1 is to approve the principle of an increase with a stepped increase over a number of years to reduce the gap with the full cost of the permit. This will give employees more time to adjust to the new arrangements and to find alternative methods of travel. It is likely to result in a reduction of permits sold to staff over time but whether there would be any effect on traffic congestion and carbon emissions depends on how those staff eventually decide to travel to work.

4.2 Option 2 is to provide an option as recommended by the JCC which would reduce employee and Elected Member permits from seven day a week use to a five day a week permit. Officers propose that this should be at the current staff permit cost. In most cases, this would involve a reduction to Monday to Friday use but would allow for use by staff who are required, for example, to work weekends as part of their 5 day working pattern. This could be combined with limiting the use of the permit to the permit holder only. Together this would reduce the maximum potential car parking usage by a significant amount but avoid the stepped increase set out in option 1.

- 4.3 A sub-option 2a would be in line with the JCC recommendation 4, to charge part time staff on a pro rata basis (number of hours worked per week divided by 37, and multiplied by the permit charge). The permit would then be valid only for use during their working hours. It is anticipated that such an arrangement could be difficult to enforce due to the range of part time hours worked by different staff across the authority. Consideration of how this could happen would need to be undertaken should this option be chosen.
- 4.4 Option 3 would be to retain the option of a seven day a week permit at a cost to be agreed that is in excess of the proposed five day permit. It should be noted that this would be in addition to the introduction of a five day permit.
- 4.5 Option 4 would be to review employee and Elected Member permit charges in line with the annual review of fees and charges in order to meet parking and budgetary commitments. This is effectively the “do nothing” option as it follows existing practice.
- 4.6 A further option (Option 5) could be combined with options 1, 2, 3 or 4, but would have further enhancements that include Green Badge parking and discounted bus travel. This may result in an increased number of fuel efficient vehicles being used by staff or a general move to public transport and is in line with the recommendations made by the JCC.
- 4.7 In all options there is also the opportunity to consider the parking practices that are currently in place. In particular there is an option to remove the specific parking permits that are available for The Wash at Lancaster Town Hall and make these spaces available to visitors to the Town Hall. In addition all permits could become personal to the permit holder and also during working hours only. This does have difficulties in enforcement as reflected in cabinet’s resolution in December 2006 when existing practices were maintained. Furthermore, should a decision be taken to subsidise permits for essential users only, it may be possible to consider alternative parking arrangements for the smaller group of staff that fall into this category and allow them to use short stay car parks which are nearer to their work base.
- 4.8 In all options, although particularly where there is a new form of permit being provided e.g. a five day permit, the lead in time to amend the Off-Street Parking Places Order would suggest that the implementation of the recommendations should be effective from 1st April 2009 so that the employee, Member and public permit renewal dates become aligned and to ensure that all parking charges be determined at the same time.

5.0 Officer Preferred Option (and comments)

- 5.1 Options 2 (with option 2a) and 5 with an implementation date of 1st April 2009.

RELATIONSHIP TO POLICY FRAMEWORK

Any reduction in miles travelled would have an impact on the Council’s priority outcome to reduce the impact of Climate Change within the District (Priority Outcome 14).

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

Any future increase in charges is likely to reduce the number of vehicle journeys made by staff on a daily basis, thereby reducing the carbons emitted during the travel to work period.

FINANCIAL IMPLICATIONS

Income from parking permits will vary during the course of the year according to take up by individual employees and Members. An analysis of permit numbers has been made but there is no clear detail of the location of the permit holders to give a definitive split between those at Lancaster and Morecambe.

If Option 1 an in-principle stepped increase is agreed, then the take up rates may need to be adjusted as it is less likely that there will be an immediate reduction in numbers. Before this option can be implemented further detailed analysis of the financial implications would need to be undertaken by Financial Services in conjunction with the Head of Property Services and reported back to Cabinet.

If Option 2, a reduction from seven day a week to a five day a week permit at the current staff permit cost is chosen, there may be some increase in off-street pay and display income resulting from staff having to pay for parking "out of hours" but it is not possible specifically identify such income.

Option 3 would be to retain the option of a seven day a week permit at a cost to be agreed but in excess of the current permit price. Again, subject to whether this option is chosen and the cost agreed further analysis is required to determine the impact on the Council's General Fund Revenue Budget but it is expected to be limited.

Option 4 the 'do nothing' option is in line with current budget estimates, therefore has no further financial implications for the Council, i.e. income targets will be reviewed as part of the Council's annual budget process.

Option 5 a combination of Options 1-4 plus further enhancements, covers a number of potential variations to the current situation, therefore further detailed analysis would be required and would need to be reported back to Cabinet before being implemented.

Similarly, If there is any change to the permit system, consideration will also need to be given to how much staff can reclaim when they use their car for work purposes on any day, i.e the addition of the 7 day / 5 day permits could affect the current method for calculating this, though it is not expected that this would have too detrimental impact on the current budget.

In addition, as a result of the JCC recommendations 1 and 4 set out in Paragraph 3.2 of the report, if Cabinet recommend to implement these there is likely to be a resulting budget alteration required to take account of delayed inflationary increase of officer permits and a reduction in income resulting from pro-rata charging of permits for part time staff. This is not expected to be material, however and would be incorporated into the next budget process. Also, it is not anticipated that there will be any significant budget implications arising directly from JCC recommendation 2 as this is broadly in line with the current budget estimate as approved by Council 27th February 2008.

Finally, and in the same vein, there may be some marginal implications regarding JCC

recommendation 2 (and Member recommendation 3) but these could not be quantified with any accuracy and are also not expected to be material in any event.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

LEGAL IMPLICATIONS

There are no legal implications arising from this report.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Contact Officer: Graham Cox
Telephone: 01524 582011
E-mail: GCox@lancaster.gov.uk
Ref: CE/GC/ES/Cttees/Cabinet/08.07.08