

Parking - Community Service or Revenue Raiser

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Do you eat meat or drink wine?

Either, both or neither – it all depends

Private companies

- The bottom line is profit – which goes back to the owners
- If you own a private car park, simple
- If you are a contractor to a local authority, more complex

Local authorities

- The concept of local authorities making a profit is economically and politically illiterate
 - Spend taxpayers' money
 - Any surplus merely reduces call on taxpayers
 - Unlawful to set out to make a surplus
 - No evidence to suggest that this happens

Perceptions

- All that money!
 - Why do they charge so much if they're not making money?
 - There must be corruption at the heart somewhere
- Back door taxation

Why so much money?

- Parking at the interface between community driven interests and market driven personal choices
- Communities regulate the roads
- In cities a shortage of space
 - Market forces or permit driven rationing of space
 - Both used, but market forces more efficient in parking

Enforcement pays?

- Penalties high to create a deterrent – but costs high, too
- Enforcement just about breaks even – some authorities make a loss
- What makes money is legitimate parking charges
- No enforcement - no charges paid

So make more regulations to make more money?

- Regulations must be based on traffic needs
- Authorities must make difficult choices
- Regulation increasingly demanded by public
 - Residential areas
 - Shopping areas

Taxation by the back door?

- Local politicians are accountable
 - Including for visitor activities
- Services do need to be paid for somehow
- Taxing motorists may not be the worst solution; but
- Relying on penalty income would be risky

Dealing with problematic perceptions

- Authorities must be more open
- Publish parking reports promptly
- Make it clear where surpluses go
- Keeping quiet just lets the false perceptions grow

The alternative – do nothing

- Reverting to free parking for everyone is no longer an option
- A cost to the community for business and residents
- Increased congestion
- Evidence from St Albans, Rome and everywhere that's tried it

Parking is a part of transport policy

- Simplistic solutions come where parking is not accepted as a part of transport policy and a community service
- No record of any success where this has happened

So-community service or revenue raiser?

- For local authorities cannot be anything but a community service; and
- Rationing a scarce resource is always difficult

But

- Market forces are a useful tool
- Needs to be more openness and more honesty

- If the policy makes sense there is everything to gain from making that sense clear in public
- If the policy doesn't make sense it should be changed
- A sensible policy applied half heartedly because of some complaints does no-one any good