Appendix A

1.1. As can be seen from the figures in Appendix B, the tariff increase wasn't a fixed percentage across all tariff bands. The reason for this is that we try to keep tariff costs as reasonably round figures, especially as a lot of customers still use cash. We also have three different types of car park which are Long Stay Car Parks, Short Stay Car Parks and Beach Car Parks. Different tariffs apply in each of the three types of car park.

1.2. Not applying a fixed percentage increase makes the calculation of likely extra income more complicated. We do this by looking at previous ticket sales by tariff band and by car park type, and then calculate the additional income per tariff band based on the new prices, and then aggregate these.

1.3. We then reduce the total calculated figure to try and make an allowance for any permanent reduction in demand that might occur due to the increased charges. This reduction in demand can be due to people "downsizing" the tariff they purchase e.g. buying 30 mins instead of an hour and carrying out their business more quickly; it can also be due to motorists parking in an alternative nearby location that isn't a Council car park; or it can be through people no longer visiting that location e.g. shopping somewhere else. Some people may also choose to purchase parking permits from us to avoid having to pay the pay and display charges.

1.4. This figure was calculated by firstly analysing existing ticket sales by tariff duration across all our car parks over a whole 12 month period from 1st August 2022 to 31st July 2023. The actual number of tickets sold per tariff duration were then multiplied by the new tariffs which resulted in a predicted increase of £622k. This was then multiplied by a factor of 0.95 to reflect that the higher prices would likely result in lower demand (e.g. price elasticity). We had previously used an elasticity factor of 0.9 when predicting the impact of the 2016 tariff increase but found the actual reduction in demand to be much less in practice, hence the use of a lower factor of 0.95 this time.