

**ENVIRONMENT DEPARTMENT****PAID PARKING**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

9<sup>th</sup> January 2009

Dear Sir

**Executive Summary**

In the course of the States debate on the Environment Department's Road Transport Strategy in March 2006, Deputy Peter Roffey was successful in putting forward an amendment to introduce paid parking in selected areas of St Peter Port as the principal means for funding the said Strategy.

In March 2007 the Environment Department reported back to the States on the means by which paid parking, as set out in Deputy Roffey's amendment, might be extended to other locations. The States voted not to note that report.

This report sets out the actions carried out in the intervening period and explains why the Environment Department believes it appropriate for this matter to receive further consideration by the States. The Department is concerned that the decision to make paid parking a central source of funding for the Road Transport Strategy was taken without the States being fully informed of the costs and implications. This report provides Members with an opportunity to further consider the matter in the light of the extensive research that has been undertaken to determine detailed costs and other implications.

The report explains that:

- No time has been lost as the required legislation awaits Royal Assent.
- The methods available for the collection of paid parking dues, in accordance with the States resolution, are not the most cost efficient means of contributing to the funding of the strategy.
- The original resolution of the States envisaged a charge of 15 pence per hour to be levied on parking at specific sites. The net income from the hourly charging proposal will be such that, in order to raise the required sums to fund the transport strategy, paid parking would need to extend to include Saturdays.

- Providing parking facilities including signage presents an ongoing cost that should be met by those using the facility rather than through general taxation.
- Delivering a transport strategy for the benefit of the whole Island requires funding from a number of sources and those choosing to drive their private vehicles and park in public facilities can reasonably be expected to contribute to the funding.
- A funding system is required that is equitable or as near equitable as is reasonable to achieve and the approved proposals for paid parking fail to meet that requirement.
- The Environment Department is hamstrung in its attempts to deliver important elements of the Road Transport Strategy, particularly those that favour vulnerable road users, through the lack of a much needed funding source.

As a consequence of the above the Department sees merit in raising funds from parking charges as a means of meeting the ongoing costs of maintaining parking facilities and as a contributor to the future financing of the Road Transport Strategy. However, the Department does not support hourly paid parking charges but does support the introduction of an annual recurring parking charge, payable through the purchase of a dedicated parking disc, the colour and style of which will change annually.

## **1. Background**

1.1 In the course of the States debate on the Environment Department's Road Transport Strategy in March 2006, the States resolved, on an amendment proposed by Deputy Peter Roffey:

20. (1) To progress their Resolutions XXI.5, XXI.6 and XXI.7 on Billet d'État No. IV of 2003 in respect of the introduction of pay parking.
- (2) To agree that a charge shall be imposed for parking in the long-stay parking places at the Odeon, Salerie and North Beach car parks, and in such other on-street long-stay parking places in St Peter Port as shall be identified by Ordinance and to agree that that charge shall initially be set at 15p. per hour.
- (3) To direct the Environment Department to cause an Ordinance to be placed before the States as soon as possible, to establish that charge, identify those other on-street, long-stay parking places in St Peter Port, and specify the modalities for collecting and enforcing payment of that charge.
- (4) To direct the Environment Department to report to the States within 12 months on the desirability and practicality of extending paid parking to other locations.

- 1.2 In order to implement these resolutions the Environment Department first had to determine how to introduce paid parking within the Island in accordance with 20. (3). This process took some considerable time, especially in view of the need to ascertain the most appropriate means for collecting parking dues which would accord with the very real constraints of the States resolution. Further considerations centred on where paid parking would be applied and the fact that separate proposals to revamp the Residents' Parking Scheme would have to reflect the new realities that the introduction of paid parking would bring. For example, commuters may seek to avoid paid parking by utilising those residents' parking spaces not liable to the paid parking charges.
- 1.3 Secondly, before the appropriate ordinances could be prepared, it was necessary to introduce enabling legislation. This has also taken some time to process and, in common with other legislation that has been delayed, is still awaiting Privy Council Assent.
- 1.4 By April 2008 a General Election was imminent in the Island, but the Board of the Environment Department had not reached a decision on how or in what form to introduce paid parking. Officers had researched and costed the various methods that might be employed for collection of the hourly fees and, in accordance with the Board's instructions, had issued and evaluated tenders for these. However, Members subsequently requested that further investigations be undertaken to ascertain the component costs of the operation with a view to dividing responsibilities for the different elements between private organisations and States contractors. To date, this further research has not been carried out.
- 1.5 Given the uncertainty of the situation, the matter was brought before the newly elected Board of the Environment Department at its first meeting following the General Election in April 2008. At this meeting, and in the light of all the information provided to it, the Board resolved that the Department should return the matter to the States in order to provide Members with an opportunity further to consider the matter of paid parking taking account of the information gained from subsequent research and analysis.
- 1.6 In line with the policies and work streams contained in the Policy Council Energy report as noted by the States, the Department also took the opportunity to seek the Treasury and Resources Department's views on an increase in the taxation on motor spirit as the preferred funding mechanism. The Treasury and Resources Department did not support this approach referring specifically to the States policies against the hypothecation of taxes.
- 1.7 Members will appreciate that the Department's staff have fully investigated the options available to bring forward a workable system for paid parking in the Island that conforms to the requirements of the States Resolution. The options examined and their benefits and disadvantages are briefly set out in this report. The Board has concluded that an alternative to the hourly parking fee should be offered to the States before progressing the matter further.

- 1.8 Having, despite its best endeavours, not yet secured a funding source for the Road Transport Strategy, the Environment Department has been unable to deliver certain aspects of it. It is important that a reliable income stream is established as soon as is practicably possible in order to deliver the benefits that the travelling public of Guernsey need and deserve.

## 2. Hourly Paid Parking Option Appraisal

- 2.1 Whilst the original States resolution is not especially limiting or restrictive, the Department is concerned that the accumulative effect of:

- the intentions of the traffic strategy;
- the States' views on the subsequent report to extend the parking scheme beyond St Peter Port;

and

- the numerous comments and views expressed by States members and the general public

make the scheme at best inefficient and at worst unworkable.

- 2.2 The Resolution stipulated that the charge shall only apply in “...*long-stay parking places at the Odeon, Salerie and North Beach car parks, and in such other on-street long-stay parking places in St Peter Port as shall be identified by Ordinance.*” The Department understands that the rate of 15p per hour was calculated on the basis that the paid parking policy was targeted at commuters. Thus paid parking was limited to St Peter Port with an assumption that it would apply during normal office hours. However, as will be shown below, the net income from a 15p per hour rate would not generate sufficient income without extending the scheme to include Saturdays.

- 2.3 The resolution was specific in that it recommended an hourly rate and limited that rate to 15p. Therefore, weekly, monthly or annual cards (which constitute a single parking charge as opposed to hourly paid parking) could not be considered. Such payment schemes would not meet the 15p per hour requirement.

- 2.4 The criteria used to assess paid parking options included:

- compliance with the States Resolution;
- ability to raise the required sum for the Road Transport Strategy;
- value for money within those constraints;
- ease of use;

- effect upon the character and environment of St Peter Port;
  - efficiencies of scale delivered by an all-encompassing system.
- 2.5 After careful consideration and further extensive research, it became clear that of the four broad systems of collection that the Board might consider, only two met the above criteria. The four broad systems under consideration were:
- entrance/exit barrier systems;
  - mobile telephone technology based systems;
  - scratch cards;
  - pay and display.
- 2.6 The first of these did not meet the criteria on the grounds that it would be impractical to erect barriers for on street parking; also, as feeder lanes are required, there would be a number of problems in ensuring the continued flow of traffic into and out of the targeted off street parking areas. It could not, therefore, form a single all-encompassing solution.
- 2.7 The second option was rejected on account of the difficulties that would be involved in numbering parking spaces and providing alternative or parallel facilities for individuals not possessing a mobile telephone. Further, the parking fee was in addition to the call charge and hence ran counter to the States Resolution.
- 2.8 Subsequently, tender quotations were obtained for systems based upon scratch cards and pay and display, although tenderers were permitted to put forward alternative suggestions. The resultant tenders demonstrated that, largely due to the limited scale of the operation, the service supply costs were greater than predicted. As a consequence of limiting the scheme to commuters at 15p per hour and restricting the scheme to the specified areas of St Peter Port, insufficient net income would be raised to fund the transport strategy. The Department noted that as a minimum it would be necessary to include Saturdays and potentially rely on associated “advertising income” to make up the deficit.
- 2.9 In its original submission of the Road Transport Strategy, the Environment Department sought to fund the greater part of the Strategy (£353,000 or £388,000 in 2008 prices) by an imposition of 1.2p on the retail price of motor spirit. It was noted that this would not involve additional administrative costs to collect and would be consistent with the wider objectives of the Strategy.
- 2.10 The administration and collection costs for an hourly paid parking scheme were assumed to be 8% of the accumulated revenues, this being the figure given to the Department by the Jersey authorities in respect of their scratch card based

parking scheme as operated in 2005. Further research, following approval by the States for the introduction of paid parking, indicated that this figure would be highly optimistic, principally on account of the much lower volume and sums targeted for collection in Guernsey. Any projections could only estimate the effects that the introduction of charges for parking might have upon driver behaviour, but the best calculations indicated costs for scratch card operations to be upward of 15% of revenues while those for pay and display methods would be higher still. Notwithstanding these findings, it was shown that both methods could still deliver the required net revenues for funding the Strategy if paid parking was extended to include Saturdays.

- 2.11 The difficulties in collecting parking dues vary between the systems employed. For a method based upon scratch cards, the monies are collected at source by the operating company and transferred on a regular basis to the authority. This makes for a very simple system for the States with the agent organisation bearing both risk and responsibility. Pay and display systems are more complicated as machines have to be emptied of cash (given the proposed charges this will be in small denominations) which must then be accounted, banked and transferred to the Authority.
- 2.12 In the extensive research undertaken by the Department to determine a tender for paid parking, officers were able to provide Board Members with a choice of either a scratch card or a pay and display operator. The best value scratch card operator demonstrated a scheme that would provide £1 of income for the States for every £1.17p paid by the parking motorist. The equivalent figure for the best value pay and display operator was £1 raised for every £1.45 collected. As may be ascertained, these figures were put forward with only estimates for how parking behaviour might change as a result of the introduction of charges. They necessarily, therefore, represent cautious calculations of the projected income and costs and, importantly, they include assumed revenue from advertising and are based upon parking charges being applied on Saturdays as well as during the working week.
- 2.13 The Board opted to pursue the possibility of using the pay and display method, but rejected the submitted quotations and directed officers to examine how the various elements of the operation might be managed through a combination of privately contracted and States provided support. In particular members felt that the servicing of the pay and display meters including cash collection and banking could perhaps be provided by employed staff more cost effectively than through contracted services. Further work in this respect was not carried out and this remained the situation until the current Board considered the matter
- 2.14 Should the States wish to operate an hourly paid parking system without including Saturdays then it would be necessary to amend the hourly rate. This would increase the gross and net income and hence reduce the marginal cost. States members will, however, be aware that various hourly rates have previously been debated and rejected by the States and, therefore, the

Department does not believe that an increase in the parking fee rate represents the will of the States. Similarly the Department does not believe that the inclusion of Saturdays represents the will of the States.

- 2.15 In reviewing this matter the Board naturally gave consideration to the issue of public acceptability of the paid parking options. Whilst there is no record of survey or poll statistics to substantiate an unequivocal statement on this aspect, the matter has featured in the 2008 General Election and it may be fairly stated that there was no evidence of widespread support for the introduction of paid parking, neither from candidates nor constituents. This point has been reinforced for Members of the Environment Department Board by their own experiences of election campaigning. It has also been argued that the introduction of paid parking diminishes Guernsey's unique identity and character and hence is contrary to Priority One of the Government Business Plan.
- 2.16 Members were specifically aware of the apparent unfairness of the system as proposed. Not only does it require a small proportion of the population to pay for a strategy which should benefit the Island as a whole but it has been argued, with some justification, that the scheme would have the greatest impact on those individuals who either do not have reserved parking or who would not ordinarily receive employer support to defray parking costs. It might be safely assumed that the majority of this group would be lower paid employees and, therefore, paid parking has potential impacts for the Anti-Poverty Strategy.

### **3. The Current Situation and the Way Forward**

- 3.1 As can be seen, the concept of an hourly rate for paid parking in certain restricted areas, presents a number of difficulties. In trying to contend with these difficulties, the Environment Department has investigated and costed proposals that conform to the resolution and has shown that the requisite funds can be raised, albeit not cost effectively and only by extending the scheme beyond that initially envisaged.
- 3.2 In light of the above the Board returned to the original proposition to raise the requisite funds through an additional tax on motor fuel and raised this option with the Treasury and Resources Department. The Board considered this to be in line with the policies and work streams contained in the Policy Council Energy report as noted by the States. The Treasury and Resources Department does not support this approach referring specifically to the States policies against the hypothecation of taxes. The Department has, therefore, considered other options by which the transport strategy can be funded.
- 3.3 If hypothecated taxes and paid parking charges are to be excluded the only funding options available to the Board are to increase existing or introduce new service charges. Primarily these would include increased bus fares, increased charges for the various permits issued by the Department and increased charges

in relation to vehicle and driver licensing. Whilst the Board is of the view that some of these existing charges should be subjected to review in order to constrain existing budgetary costs, the Board does not accept that they represent a valid means of funding the transport strategy.

- 3.4 Conversely the Board holds the view that parking facilities throughout the Island, previously constructed and currently maintained at a cost to the tax payer, are utilised mainly if not solely by motorists. The Board considers this inequitable and believes that there is justification in introducing a parking charge provided that the parking charge is cost effective and equitable.
- 3.5 It has been clear from the very earliest considerations of paid parking in Guernsey that a single, annual payment parking charge, would be the simplest method for both collection and administration. Such a system has previously been suggested by Deputy Brehaut in the States Assembly albeit the proposal has not been debated in its own right. This perhaps stems from the fact that such a “one off” payment method does not provide the deterrent element of the transport strategy in that it does not constitute an additional cost on each journey. It does not, of itself, encourage the motorist to think about each journey and hence does not explicitly support the strategy. However, there are cogent reasons for putting forward a plan based upon the single payment.
- 3.6 There are clear signs that the collective conscience of the motoring public is changing. More and more motorists are turning, for selected journeys, to alternative forms of transport. Whilst a one off annual charge does not provide the disincentive that hourly paid parking provides, it might be argued that such discouragement is not warranted. Such an argument would present a “one off” charge as a means of raising funds to provide the incentive of improved alternative transport choices. There is, therefore, an argument that a one off annual parking charge is not only justifiable and cost effective but is also equitable and supportive of the transport strategy. This is the argument unanimously supported by the Board.

#### **4. How a Single Payment System Might Operate**

- 4.1 At the present time, anyone choosing to park in a controlled zone is required by law to set a dashboard clock displaying the time of arrival. This system of parking control has operated successfully in Guernsey for many years and has, to an extent, helped to regulate the flow of traffic in the Island’s urban centres.
- 4.2 This opens the possibility for a range of alternatives as to how a single payment system might be operated. Evidently, whatever system might be introduced, the clock itself will have to continue in use as a regulator for the timed zones within the urban areas, but some additional evidence of payment of the single fee would also have to be put in place. Options include a parking stamp, marked on or affixed to the parking disc, or a parking certificate displayed in the windscreen. In either case it would be necessary to introduce features to

discourage fabrication or copying and those features would need to be such that law enforcement officers could readily distinguish between the original and counterfeit. Marking or affixing successive annual stamps to parking discs is also likely to reduce clarity and hence lead to greater ambiguity for law enforcement officers. Similarly, the use of a windscreen display parking certificate has the potential to become confused with Windscreen Insurance Documents and their “authority/legitimacy” could be especially confusing when vehicles are circulated in other jurisdictions.

- 4.3 The Board, therefore, favours the adoption of an annually renewable parking disc. This alternative has the advantages that the Guernsey motorist is already familiar with the parking disc and there is a network of known and established suppliers. Also, there would be no further demands upon the motorist than exist already for parking in controlled zones.
- 4.4 The use of an annually renewable parking disc also sits comfortably with the Board’s desire to present a more equitable paid parking system. Because the clock must be displayed whenever the motorist uses a disc controlled parking zone, the contribution of revenue from paid parking is shared by all motorists regardless of the duration of stay and the location of the parking zone. The funding of the transport strategy is not, therefore, unfairly borne by the restricted number of town commuters who do not have the privilege of a private parking space.
- 4.5 Should the States so wish, parking facilities utilised by Civil Servants and States Members could also be signed as disc controlled parking zones requiring the display of a valid parking disc. If this option is adopted it would be necessary to designate certain spaces as “reserved” thus removing them from general public access whilst still requiring the display of a valid parking disc.

## **5. Further Considerations**

The following factors are evaluated on the presumption that an annually renewed design of the parking disc is used as the basis for charging.

### *Raising the Required Funds*

- 5.1 In the 2006 Road Transport Strategy it was envisaged that the introduction of Paid parking would raise £353,000. In 2009 prices this is the equivalent of circa £410,000<sup>1</sup>.
- 5.2 There are approximately 53,000 vehicles in circulation on the Island’s roads of

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<sup>1</sup> In the original calculation for the Department’s Road Transport Strategy, as approved by the States in March 2006, the sum of £353,000 was to be raised through paid parking. The rate of inflation for March 2007 and March 2008, as measured by the Guernsey Retail Prices Index, was 4.8% on each occasion. The sum of £410,000 has been calculated after allowance for two increases of 4.8% and an assumed rate of 5% for March 2009.

which some 13,000 are motor cycles, heavy goods vehicles or other conveyances for which a parking disc is not required or not likely to be used. It might be expected that, of the remaining 40,000 or so “eligible” motor cars, a substantial proportion of owners would seek to purchase chargeable parking discs.

- 5.3 One cannot assume that a clock would be purchased for each vehicle, as multi vehicle owners would probably seek to share a clock between two or more vehicles. It should be recognised that some motoring enthusiasts will own more than one vehicle or will possess specialist vehicles that might be used intermittently on specific or ceremonial occasions.
- 5.4 The Board is of the view that an acceptable clock price would be 50 pence per week (£26 per annum) and at this rate clear inroads could be made into the transport strategy. The Law Officers have advised that if a charge for parking discs is to be introduced, it will be necessary for the States to approve a Law creating the power for the States by Ordinance to set the charge.
- 5.5 Should this charge rate create a surplus to the funds required for delivery of the Road Transport Strategy objectives, the excess will be employed for those elements not directly costed in the original document. In the main this would involve support for measures to assist vulnerable road users, such as pedestrians, persons with a disability and cyclists, and would include additional drop kerbs, bollards, railings, ramps, etc.

*Linking a Display Clock to a Particular Vehicle*

- 5.6 As a matter of principle the Environment Department has no wish to create an unwieldy bureaucracy to manage the registration and issue of charged parking discs, particularly in view of the fact that motor taxation (which required this type of supportive infrastructure) has only recently been abolished.
- 5.7 Although there is little doubt that higher sales could be obtained by linking the display clock to a particular vehicle, it is believed that the costs and complications involved in administering a workable system would outweigh the benefits. The Department, therefore, is not intending to establish a register for parking display clocks.

*Parking for Persons with a Disability*

- 5.8 A number of spaces, specifically for use by persons with a disability, are interspersed amongst regular bays in the controlled parking areas. Additionally, motorists displaying a disability identity disc may overstay the parking times in some short term regular bays.
- 5.9 On balance, given the parking concessions that persons with a disability already receive, there does not appear to be a compelling case for making an exemption

to the obligation to display a valid parking clock.

*Small Car Parking*

- 5.10 At the present time, small vehicles have reserved parking on the careening arm of the Victoria Pier. The Environment Department has plans to extend small car parking to some other parts of the controlled parking areas in the near future.
- 5.11 Although there was some discussion on the matter within the Department, there are no plans to provide a concession for drivers of small vehicles in respect of the parking disc.

*Visiting Motorists*

- 5.12 As things stand, visiting motorists are obliged to acquire a parking disc and follow the regulations regarding restrictions as they are operated within controlled parking areas. There is an argument for making overseas registered vehicles exempt from the charge for the parking disc, so as not to discourage tourism and ensure that Guernsey remains a welcome place for visitors.
- 5.13 It would remain the case, however, that visiting motorists would still have to display a clock in controlled parking areas and, if exemption from the charge for the clock was to be granted, the visiting driver would have to obtain a clock of a different design for this purpose. It may be ascertained that the production, distribution and sale of alternatively designed clocks for a relatively small number of motorists would add to the expense and administrative burden of the single payment scheme. In addition such a scheme would be subject to abuse acting as a further incentive for local residents to circulate foreign registration number vehicles rather than registering those vehicles with a Guernsey plate.
- 5.14 On balance, therefore, it is recommended that visiting motorists are required to display a charge payment clock in controlled parking areas in the same manner as required for local drivers. A small trade in “second hand visitor clocks” may develop and there is little doubt that a visiting motorist would pay considerably more for his/her parking privileges than a local, regular user of the facilities. However, the relatively low £26 charge for a clock is unlikely to be so great that it would lead to dissent by visitors; indeed, one might imagine that it will appear as good value for money given the costs of parking in many towns and cities of the UK and the Continent.

*Quad Bike Parking*

- 5.15 Quad bikes are registered as cars as opposed to motor bikes. As such they would attract the paid parking fee and would be required to display a valid parking disc. In practice this is no different to the present situation save that the value of the parking disc is greater and hence the possibility of theft is increased. Quad bike owners would need to adapt their vehicles in order to be able to

securely display a valid parking disc.

### *Motorcycles*

- 5.16 Motorcycles are presently exempt from the obligation to display a parking disc and there are no plans to change this should a charged parking disc scheme be introduced. The Environment Department is committed to encouraging the use of motorcycles as an alternative form of personal transport in the Island. It recognises that they can provide useful, economical transport for Islanders without adding unduly to the congestion that can blight travel in Guernsey.

### *New Residents*

- 5.17 New residents to the Island would of course be required to register their vehicles in accordance with the legislative provision and display a valid parking disc. In order to provide a degree of equity for those motorists taking up residency late in the year it is proposed that the parking disc for the next proceeding year would be on sale from 1 November and would be valid for display from that date. Therefore, in the worst case scenario a resident arriving on 31 October and wishing to park on that date would have to purchase a parking disc with a validity of only 2 months resulting in a monthly parking charge of £13. The Board considers this a reasonable compromise when compared with the proposed commuter parking charge of 15p per hour or £1.20 per 8 hour day which is equivalent to circa £40 over a two month period.

## **6. Conclusions**

- 6.1 The States have approved the Road Transport Strategy and that strategy requires additional revenue funding. The States have agreed to the principle that paid parking should contribute to that funding and the States agreed that a sum of 15p per hour is appropriate. However, that sum was essentially targeted, at least initially, at long stay commuters of St Peter Port leading to an 8 am to 5 pm Monday to Friday parking scheme. This option has been seen by many as inequitable.
- 6.2 The Department has tendered solutions to deliver the States resolution and has taken steps to put the legislative framework in place. This has led the Department to conclude that insufficient funds would be delivered by the resolution of the States. In order to raise the required funds the Department considered a number of potential recommendations to the States as follows:
- a.) To introduce an hourly paid parking fee at 15p per hour in accordance with the previous resolutions of the States save that the paid parking periods would be effective from 8am to 6pm Monday to Saturday inclusive.
  - b.) To introduce an hourly paid parking fee in accordance with the previous resolutions of the States such fee to be targeted at long stay commuters to

St Peter Port and therefore to be effective from 8am to 5pm Monday to Friday inclusive save that the hourly fee to be increased from 15p to at least 20p per hour.

- c.) To introduce an hourly paid parking fee in accordance with the previous resolutions of the States save that the areas of paid parking would be extended to include disc controlled car parks throughout the Island.
- d.) To rescind the States resolutions in respect of paid parking and to direct the Treasury and Resources Department to introduce an additional fuel tax of 1.2p per litre hypothecated to fund the transport strategy.
- e.) To rescind the States resolutions in respect of hourly paid parking and to introduce an annual parking charge of £26 collected through the form of a renewable parking disc to be displayed in all disc controlled parking zones.

The Department is unanimous in its view that the latter option (recommendation e.) is the most cost effective, practical and acceptable option.

## **7. Recommendations**

- (1) To rescind the Resolutions XXI.5 and XXI.6 on Billet d'État No. IV of 2003 in respect of the introduction of pay parking.
- (2) To agree that paid parking shall be introduced through the form of a chargeable annually renewable parking disc.
- (3) To agree that a valid parking disc is required in all disc controlled parking zones regardless of length of stay and location.
- (4) To direct that the annual charge for 2009 shall be set at £26 reduced pro rata according to the date that the scheme is introduced.
- (5) To direct the preparation of a Projet de Loi that will enable the States by Ordinance to fix the charge payable for a parking disc and other such legislation as may be necessary to implement the Recommendations.

Yours faithfully

Peter Sirett  
Minister

**(NB The Policy Council, by a majority, supports the principle of paid parking and agree that sufficient revenue needs to be generated to fund the road transport strategy.)**

**(NB The Treasury and Resources Department's comments are set out below)**

The Chief Minister  
Policy Council  
Sir Charles Frossard House  
La Charroterie  
St Peter Port

17<sup>th</sup> December 2008

Dear Sir

**Environment Department – States Report on Paid Parking**

I refer to the Environment Department's above mentioned States Report which was considered by my Board at its meeting held on 16 December.

As a matter of principle, the Treasury and Resources Department, as custodian of the main States Property portfolio, believes that there should be a return on taxpayers' investments in all forms of property.

Although the Environment Department's proposals can be viewed as 'revenue neutral', the Treasury and Resources Department considers that there would be greater merit in introducing a recognised system of paid parking. Nevertheless, the introduction of an annual charge for parking clocks meets the objective of fully funding the States approved Road Transport Strategy.

There is, of course, often a fine line between a charge and a tax and the Treasury and Resources Department's stance on opposing the hypothecation of any tax is well known. However, on balance, my Department has concluded that the Environment Department's proposals are for the introduction of a new charge rather than a tax.

Yours faithfully

C N K Parkinson  
Minister

The States are asked to decide:-

X.- Whether, after consideration of the Report dated 9<sup>th</sup> January, 2009, of the Environment Department, they are of the opinion:-

1. To rescind the Resolutions XXI.5 and XXI.6 on Billet d'État No. IV of 2003 in respect of the introduction of pay parking.
2. That paid parking shall be introduced through the form of a chargeable annually renewable parking disc.
3. That a valid parking disc is required in all disc controlled parking zones regardless of length of stay and location.
4. To direct that the annual charge for 2009 shall be set at £26 reduced pro rata according to the date that the scheme is introduced.
5. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.