

Committee: Cabinet

Date of meeting: 14 November 2018

Subject:	Revised Parking Charges: 2019-2021
Lead Officer:	Head of Environmental Services
Portfolio Holder:	Environment & Transport
Link to Council Priorities:	Economic Development Character & Environment Quality Services
Exempt information:	None
Delegated status:	For Recommendation to Council 5 December 2018
Key decision:	No

Executive Summary:

Cabinet is asked to give consideration to proposals for a three-year schedule for revised parking charges in the Council's pay and display car parks for the period 2019 to 2021. The proposals focus on targeted changes to the structure of the parking charges that balance the often-competing needs for parking by shoppers, workers, visitors and commuters.

Recommendation: to Council on 5 December 2018.

- (a) **that the three-year schedule for revised parking charges for January 2019 to December 2021 for:**
- i. Station car parks as detailed in Appendix B, Page 1,**
 - ii. Local car parks as detailed in Appendix B, Page 2, and**
 - iii. Main car parks as detailed in Appendix B, Page 3.**

Report:

Background:

1. At its meeting of 22 July 2015, the Council agreed a three-year schedule for revised parking charges. The final year of the schedule is 2018, and therefore Cabinet is asked to give consideration to a further three-year schedule for the period January 2019 to December 2021.
2. Comprehensive performance monitoring is undertaken across all car parks which tracks ticket sales by type and assesses the general utilisation and occupancy of car parks. Cabinet will be aware from the associated reports that with few exceptions, the Council's pay and display car parks continue to be extremely well used and, in most cases, have never been busier with a growing number becoming full or nearly full during peak times.
3. Since the last review, several parking initiatives have been progressed for the better utilisation of the car parks. These initiatives include the widespread introduction of contactless and card payment facilities, a pay-monthly on-line permit, and a limited free Saturday parking initiative in

underutilised car parks. A number of major capital works have also been completed including the repair and refurbishment of the Drewitts Court Car Park and the construction of a new car park surface at Ashely Park, Walton-on-Thames.

Strategy & Approach:

4. As a result of the present three-year programme of revised parking charges, the Council's parking charges remain broadly competitive with similar areas. A comparison with other areas is shown at Appendix A.
5. Rather than applying an annual 'inflationary' increase, the proposals for the next 3 years focus on targeted changes to the structure of the parking charges that better influence how and when a car park is used. Specifically, increases are proposed where they help balance the often-competing needs for parking by shoppers, workers, visitors, and commuters. For this reason, some changes represent an above inflation increase whilst other charges remain unchanged.
6. Historically the Council has offered significantly discounted annual parking permits for use by commuters and workers. These discounts recognised the associated prepayment and the general availability of all-day parking spaces which might otherwise be unused. However, demand for all-day parking is now very high at the majority of the Council's main and station car parks, and the proposals include a reduction in the discounts to help manage demand. The reduction in the discount is proposed as part of a switch to an on-line permit system that enables the customer to pay monthly instead of an annual prepayment, and to easily cancel a permit when periodically not in use, such as over the summer holidays. Under the new on-line permit system, it is possible to elect to pay monthly under a recurring arrangement or select and pay for any number of months up to a given maximum, for example, 12-months.
7. With the introduction of flexible working practices that enable employees to work the times and days that support a better work-life balance, many car parks are increasingly used outside of the traditional 9 am to 6 pm pattern. Similarly, the emergence of a vibrant night time economy, has resulted in several town centre car parks becoming increasingly busy well in to the evening. In these circumstances, the proposals allow for a 1-hour extension to the beginning and to end of the current charging period.
8. To encourage the adoption of 'greener and cleaner' travel in Elmbridge, the proposals include the introduction of a new 70% discount for a Green Parking Permit for fully-electric vehicles. The proposed discount would apply to the normal cost of the Permit for the car park, for example, in 2019 a station Green Parking Permit would be available at £40.32 per month compared to the normal cost of £134.40 per month. Although the number of fully electric cars in use nationally is low at just over 2% overall, it is recommended up to 5% of the available permits in a car park are made available for Green Permits, although the number would be agreed and reviewed each year in consultation with the Portfolio Holder.

Station Car Parks:

9. The Council provides over 830 parking spaces for commuters, mostly at stations offering a fast train service to London. Demand for long-stay all-day parking has been sustained over the last three years and it remains high.
10. The proposed three-year schedule of revised parking charges in these car parks is set out in Appendix B, page 1. Key aspects are outlined below:

Year 1: There are no increases proposed in the all-day or permit charge for the first year.

Year 2: The daily peak and off-peak charges to increase by 50 pence to £8.50 and £3.50 respectively, and its proposed to withdraw the annual Permit (discounted by 30%) in favour of the monthly Permit which carries a lower discount (20%).

Year 3: The daily peak and off-peak charges to increase by 30 pence to £8.80 and £3.30 respectively, which would also increase the monthly permit cost. In recognition of the growing use of these car parks on Sundays (now similar to the Saturday levels) Cabinet may wish to consider an off-peak £2.50 Sunday all-day charge.

Local Car Parks:

11. Our local car parks offer approximately 660 spaces to support our villages and outer town centres. The current short-stay charge for the first and second hour works well at 80 pence per hour. However, in locations where there is also demand for medium and all-day stays by workers and commuters, the charges for these longer stays are too low and the car park is often full – leaving little or no room for local short stay use by shoppers. This is especially the case at the car parks at Halfway, and York Road where the car park is heavily used for all-day parking to the detriment of other users.
12. The proposals introduce a simple linear rate of 80 pence per hour for stays for up to 4-hours, together with an increased all-day charge (equivalent to the charge for a 5-hour stay). As a result, longer stays will incur a slightly higher cost. In the second year it is proposed to withdraw the annual Permit (discounted by 60%) in favour of a pay-monthly Permit charge of £50 (discounted by 50%). In the final year the hourly rate increases to 90 pence per hour.
13. The various limited free Saturday parking concessions currently in effect in some car parks have not been included in the proposals, with the new charges applying in these car parks on Saturdays from January 2019. However, the financial impact of a general 3-hour free period on Saturdays in all local car parks has been included as an option for the first year.

14. The three-year schedule of revised parking charges in the Local car parks is set out in Appendix B, page 2. Key aspects are outlined below:

Year 1: It is proposed to adopt a simple linear parking tariff at all these car parks based on 80 pence per hour for stays from 30 minutes up to 4 hours, with an all-day charge of £5.00. The monthly cost of a Permit to be £50.

Year 2: As proposed for other car parks, following the introduction of the pay-monthly permit facility, it is proposed to discontinue the additional discount that is applied when purchasing twelve months in advance. The monthly cost of a permit would remain at £50.

Year 3: The tariff rate would increase by 10 pence per hour to a standard rate of 90 pence per hour. This would increase the all-day charge to £4.50 and the monthly permit to £56.30.

Main Car Parks:

15. The town centre car parks offer over 1,000 spaces to help support a vibrant local economy. However, at peak times many car parks are more or less full, which leaves little room for peak-time shoppers wanting to park for 1 or 2 hours. Therefore, an objective over the first two years is to create some increased capacity for these shorter stays, and to consider a slight extension to the times when charges apply to account for changing patterns of use.
16. In the first year it is proposed to extend the charging period by an hour at the start and at the end of the day as many car parks are increasingly busy, first thing and in to the evening from an established night-time economy. This extension would include the 8 am - 9 am first hour, so that charges would start from 8 am, and a one-hour extension from 6 pm in to the evening so charges would end at 7 pm.
17. It is proposed to introduce a new 9-hour charge of £7.00, within an extended charging period, to cater for a stay covering a standard 8-hour working day and to introduce a new 5-hour charge of £6.00 to cater for a half-day stay. The 9-hour charge would be used as the basis to calculate the monthly Permit price.
18. To encourage a 'churn' of medium-stay parking, the charge for the 3rd and 4th hours etc, should be a little higher than for the first two hours – i.e. a slight disincentive to stay more than a few hours. This is not the case at present as it is £1.00 for the 3rd hour compared to £1.10 for the 1st hour. The proposed charges for the first year seek to change this with a small 10 pence per hour increase in the first two hours, and a 20 pence per hour increase in stays of 3 to 5 hours.

19. Proposals for the second year 2020 allow for a further 10 pence per hour increase in the underlying medium-stay rate for stays of 3 to 5 hours which as a result increases to £1.30 per hour (compared to £1.20 for the first two hours). It is also proposed to increase 9-hour charge by 50 pence to £7.50.
20. Demand for all-day parking in the form of parking Permits remains high and almost a third of all available spaces are currently given over to Permits. Although the number of Permits available in high demand car parks is capped at about half the number of spaces. To better manage the demand for Permits, in the second year it is proposed to withdraw the heavily discounted (by 45%) annual Permit, as a pay-monthly Permit is available which is also discounted (by 35%). This may encourage car sharing and other sustainable ways to get to work.
21. The options considered for the final year 2021 include the introduction of a small overnight and Sunday flat fee charge of £1.20 which is based on the charge for a one-hour ticket, and a further extension to the end of charging period i.e. from 7 pm to 8 pm, or 10 pm.
22. The three-year schedule of revised parking charges in these car parks is set out in Appendix B, page 3. Key aspects are outlined below:

Year 1: Charging hours extended from 9.00 am – 6.00 pm, to 8.00 am – 7.00 pm, and new 9-hr and 5-hr charges introduced of £7.00 and £6.00 (to cater for the working day).

The charge per hour for the first and second hour would increase by 10 pence, and the charge per hour for the third and fourth would increase by 20 pence per hour.

Year 2: The charge for the first two hours would not change. The charge per hour for the third to fifth hour would increase by 10 pence per hour, and the all-day charge would increase by 50 pence to £7.50. It is also proposed to withdraw the annual Permit (discounted by 45%) in favour of the pay-monthly Permit which carries a lower discount (35%).

Year 3: To consider options for a further extension of the charging period, and an overnight and Sunday off-peak flat rate charges.

Financial implications:

A summary of implications for net income over the 3 years, assuming the revised charges are introduced each January is set out below.

Increase in income – year on year	2019/20	2020/21	2021/22
Total	£350,000	£175,000	£75,000

There is an estimated additional unbudgeted income of £75,000 being generated in 2018/19 if increased charges are introduced in January 2019. Parking income for the first half of the year is slightly lower than forecast, which may be a result of seasonal impact. The budget estimate for parking income for 2019/20 will be reviewed as part of the budget setting process.

Environmental/Sustainability Implications: The inclusion of a new Green Permit for fully electric vehicles supports the establishment and growth of zero emission vehicles in Elmbridge which contribute to improved in air quality.

Legal implications: The proposals contained in this report, so far as charging for off-street car parking is concerned, are considered to be a proportionate application of the powers contained within the Road Traffic Regulation Act 1984 (specifically the power to make reasonable charges in section 33(1)). The report takes account of current car parking demands in the local area, competitive pressures and comparable charging in nearby Surrey towns and centres. Members are directed to all the supporting financial information shown in the Appendices. Any increased charges and/or revised charging periods would need to be formally advertised and Surrey County Council consulted, in order to vary the Council's Car Park Control Order.

Equality Implications: None

Risk Implications: The financial estimates are based on the sustained level of parking demand across the Council's car parks. A material and prolonged decline in demand in one or more car parks, for whatever reason, could significantly impact on income.

Community Safety Implications: None

Principal Consultees: None

Background papers: None

Enclosures/Appendices: Appendices A and B (Pages 1-4)

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