

Decision maker:	Cabinet member Infrastructure and transport
Decision date:	Friday, 26 March 2021
Title of report:	Car Parking Charges
Report by:	Parking Strategy & Processing Manager

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To consider and approve new parking charges and hours of charging to apply in council car parks and on street pay and display

To continue with a review of parking operations, including cashless payment methods and service delivery.

Recommendation(s)

That:

- (a) **Parking charges and hours of operation of council car parks and on street pay and display are amended, as shown in appendix 3, to take effect on or after 3rd May 2021 are approved;**
- (b) **Officers to progress a further review of parking operations including cashless payment methods and service delivery, with the outcome of such review subject to a further decision to be delegated to the Director - Economy and Place, and**
- (c) **Authority is delegated, to the Director - Economy and Place to annually decide any parking concession offered for the Christmas period in consultation with the Cabinet Member - Infrastructure.**

Alternative options

A General increase to charges

1. This is not being recommended as it does not lead to a simplification of parking charges which will be of benefit to drivers as outlined below.

Do nothing

2. This is not being recommended as this will result in the same charges continuing and will not resolve the issues explored during the countywide review of parking charges with the benefits of simplified charges. This would also not enable the increase in charges to be applied which will maintain the cost of parking relative to other sustainable modes of transports.

Delay this decision or implementation

3. This is not being recommended as it is essential that the benefits of better car parking management as outlined in this report are delivered in order to continue to deliver on the councils overall objectives.

Reduce parking charges

4. A reduction in parking charges is not being recommended as this is likely to result in an increase in the occupancy of parking spaces, which could be at the detriment of space availability and an increase in extraneous private vehicle traffic.
5. Any reduction in parking charge income may have an effect on the council's ability to maintain current provision in highway maintenance and public transport.

Key considerations

4. A review of parking charges was authorised by the Cabinet Member, Transport and Infrastructure in a decision on 23 July 2020. Following consultation, a review has been concluded and informs recommendation (a) as outlined in this report. The consultation also highlighted some further areas for review such as cashless parking, this review will continue.

5. A key objective of the Local Transport Plan 2016 – 2031 parking strategy is *the management of the supply and pricing of parking relative to sustainable modes of travel*, whilst acknowledging that car travel is the most important and widely used form of transport in the county – and to some is essential.
6. In Hereford in particular, the management of short distance trips by private car can have a significant impact on congestion levels, which can adversely affect the environment and economic output of the county.
7. Charges for parking were last subject to a general increase in 2016, and whilst there have been some other localised changes since then tariffs have remained the same. With annual inflation over the past four years, reported by the Office of National Statistics, at around 3% nationally it is important that costs for parking remain relative to other transport measures so that these more sustainable modes can continue to be promoted.
8. It follows that the council should adopt a more pro-active approach to keeping pace with inflation where an annual review of the charges should include consideration towards any changes. The council can only apply changes to car parks which it owns, for example around 50% of the off street car parking capacity in Hereford is operated by the council.
9. Benchmarking has been undertaken to ensure that the proposed parking charges are in line with charges applied elsewhere. This benchmarking has been undertaken against comparable town and city centres locally within the region.
10. It is important to note that charges for parking are not a straight competitive exercise between towns, benchmarking only allows for considered review of current and proposed charges. There are many other factors which determine how charges are set locally such as availability of (and demand for) parking, the impact that city centre parking has on the area, and alternative options to private car use that could otherwise be used.
11. The current hours of operation of car parks vary across the county, which can be confusing to drivers. In Hereford charges apply between 8am and 10pm, with a separate rate coming into effect from 6pm (or 3pm at St Martins), and another rate for Sundays. In the market towns, charges apply between 8am and 6pm, except Kington where charges apply between 9am and 3pm. In Ledbury there are no charges on a Sunday, where the other towns have a separate fee.
12. The proposal is to simplify these operational hours and charges. In Hereford charges will apply between 8am and 8pm Monday to Sunday. In the market towns charges will apply between 8am and 6pm Monday to Saturday. An overview is provided at appendix 1.
13. It is proposed that car parking locations are banded dependant on their proximity to the centre, which allows for advertisement in a clear and consistent way. By banding the car parks into one of three groups car park users are clear about where they should drive to when making a journey.
14. Countywide the car parks will be banded as follows:

	Zone 3 - Work and Stay	Zone 2 - Visit	Zone 1 - Central
Hereford	Friars Street (6pm) Merton Meadow St Martins 1 St Martins 2	Bath Street Bus Station Garrick multi-storey Greyfriars Union Walk Venns Close Wye Street Town Hall	Goal Street West Street Maylords Shirehall On Street P&D (2hrs max.)
Ledbury	Bridge Street	Bye Street (3hrs Max.) Lawnside Road	St Katherines
Leominster	Broad Street Dishley Street	Etnam Street	Central Area (2hrs Max.)
Ross	Edde Cross King Acre Kyrle Street Wilton Road	Corn Exchange Crossfields Red Meadow	The Maltings (3hrs Max.)
Kington	N/A	Mill Street	N/A

15. In support of the general theme of simplification of the car parking charges where possible hourly charges will be implemented. This will allow drivers to fully understand the costs, and the most suitable council car park for their requirement when they choose to do so. Appendix 3 provides full details of current and proposed charges.
16. Concessions are often seen as a way to boost footfall in town and city centres. However, local evidence demonstrates that these need to be carefully considered otherwise they can have an adverse effect. This perception is likely to be heightened as a result of the pandemic and the economic recovery that is needed.
17. The reality is people choose to visit a destination based on whether they have a specific need to buy something, do something or see something or someone. The offer of free parking can do little to change this. Parking charges being in place often ensures that a space can be found in a location which is desirable, whereas free parking often leads to an oversubscription of the most desired parking locations. It is more important for local economies that parking spaces are managed and available when needed.
18. There can however be some benefit in concessionary parking, where it is targeted for a specific purpose. This decision will delegate authority, in consultation with the Cabinet

Member Infrastructure and Transport, to the Director Economy and Place to decide annually the extent of any parking concessions that may be offered, and at what point in the year to offer them. The basic position of free parking for late night shopping in Hereford, and a free day in the Market Towns will remain with consideration given to any adaptation of these annually, taking into account the positive impact that a concession may have and the cost of doing so to the council.

19. In order to continuously review best practice further work will be undertaken to consider an extension of, and any potential alternative, payment options. This review will also take into account any additional changes to the way the service is delivered.
20. Season tickets discounts will be reduced over time as these tend to encourage less sustainable commuting to town and city centres. Previously calculated on 48 weeks a year these will change to charges based on 52 weeks a year. A 40% discount will apply though this will be gradually reduced each time charges are reviewed.
21. Charges for council staff will also increase at private staff parks proportionally. It should be noted that these are not public car parks but charges levied by an employer for using a private employee car park.

Community impact

22. As part of the Corporate Delivery Plan the overarching principles are to *support the growth of the economy and secure better services, quality of life and value from money.*
23. The proposal outlined supports the councils corporate delivery plan by promoting simpler parking tariffs for visitors to understand, and allowing concessions when they are needed at Christmas. The proposal could also deliver income to the council to support other services.
24. The County Plan 2020/24 outlines *environmental, community and economic* ambitions specifically in reducing carbon emissions, improving air quality, encouraging active travel, improvement of the highways, and supporting local business. All of these ambitions are further promoted by having good car parking management through clear charges.
25. The proposed charges are consistent with, and support car parking policy objectives as outlined in the Local Transport Plan as follows:
 - Manage long stay parking supply (for commuters) to reduce peak hour congestion;
 - Managing short and long stay parking supply to reduce vehicle impacts in our market towns and city centres, retail areas and tourist attractions to encourage greater footfall and retail receipts and to improve the appearance of our streets.
 - Managing the supply and pricing of parking to encouraging the use of active modes (walking, cycling and public transport) particularly for shorter trips of less than 5km,
 - Support for our long term growth proposals in Hereford through the delivery of longer term parking provision such as park and choose and to rationalise and reduce the supply of commuter parking in the centre of the city;
 - Ensuring access is maintained in retail centres and residential areas through the effective management and enforcement of parking restrictions; and
 - Maintaining a revenue stream which will fund the on-going provision of parking services and to contribute to active transport provision.

26. The review to be undertaken with regards to other payment technology will assess the impact of such changes to user groups that may not have access to mobile telephones or contactless bank cards.
27. As noted in 16-18 above, businesses will be keen to explore ways in which concessionary parking can be delivered in order to support the recovery from the pandemic. The council must consider carefully the benefit from approving a concession given the cost of doing so, and the actual benefit that this may have on footfall.

Environmental Impact

28. Being able to influence driver behaviour is important in order to reduce overall emissions produced from vehicular traffic. Management of car parking is a key part of this influence as around 2 million trips are made on the roads to council owned car parks each year.
29. The new proposed parking charges will support the promotion of other sustainable modes of travel, where by encouraging a reduction in private car use into town and city centres this will reduce emissions, improve air quality and reduce congestion.
30. Around 52% of vehicles using the council car parks are diesel, with 45% being petrol, the remaining 3% variations between electric and hybrid vehicles – which are considered as cleaner. Therefore, the current council offer of 30 minutes free parking to Electric Vehicles (EV) when parked in an EV bay and charging will be continued in order to maintain the promotion of cleaner vehicles.
31. At a time when the supply of EV charging points is sufficient to cater for the demand it may be appropriate to review the parking arrangements so that use of these vehicles is further incentivised. It is anticipated that a process to expand the EV network in council car parks will begin in the next 12 months.
32. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

Equality duty

33. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
34. There is no detrimental impact on disabled drivers in taking this decision as the concession in place remains unchanged for three hours of free parking in all council car parks.

35. The increases in charges have been benchmarked against other comparable local authority car parks to ensure that the charges remain reasonable and value for money for those on low incomes. Charges for parking are increasing within Hereford core centre, whereas commuter focused parking at Merton Meadow remains unchanged. A more general increase is being applied in the market towns, though the benchmarking undertaken demonstrates this is comparable with other areas.

Resource implications

36. Surplus income from car parking in 2020/21 is budgeted at £3.6 million, which can be used to support council services as prescribed by legislation. These include the facility and operation of public transport, and road maintenance, without this surplus from car parking these services would either need to be funded elsewhere or reduced.

37. The surplus income from car parking may be spent on the following service provision:

- Public passenger transport services.
- Highway or road improvement projects.
- Pollution reduction initiatives.
- Improving or maintaining the appearance / amenity of roads or land near to a road.
- Improving or maintaining open land or water the public can access.
- The provision of outdoor recreation.

38. The projected new revenue income as a result of these proposals consists of new income from both on and off street car parking which takes into account some displacement from car parks to other modes of travel as a result of the new charges

Revenue budget implications	2021/22	2022/23	2023/24	Future Years
	£000	£000	£000	£000
<i>(R) Increase car parking charges to reflect policy objectives</i>	600	600	600	600
<i>(R) Expanding cashless payment options</i>	100	100	100	100
<i>(R) Improve efficiency of parking enforcement</i>	100	100	100	100
<i>(R) Transform and review delivery of parking service</i>	100	100	100	100
<i>(R) Cost of implementing this decision signage, machine changes, legal notices and app updates.</i>	-40	0	0	0
TOTAL	860	900	900	900

39. The modelling for this income has been created based on known variables of car park use. Should the Covid 19 pandemic continue to challenge revenue income from car parking further work may be undertaken to manage any future deficit, which may include a reduction in expenditure in the points outlined in (S) 35.

40. The review of cashless payment options will seek to identify potential savings either by increased revenue income from better payment technology, or savings in the delivery of current operations.
41. For information purposes only, a full table of income from 2019/20 (the last full year prior to Covid-19) from each of the councils car parks is provided at appendix 4.

Legal implications

42. This is a key decision because of the significant strategic nature of the decision. The decision does not need to be made at a meeting of the Cabinet as it does not meet the requirements set out in Part 3 Section 3 paragraph 3.3.9. A decision can therefore be taken by the Cabinet member pursuant to Part 3 Section 3 paragraph 3.3.11 of the Council's constitution. The cabinet member as the decision maker in this instance has the authority to take such decisions.
43. The council as the traffic authority has the powers to make Traffic Regulation Orders under the Road Traffic Regulation Act 1994 ("RTRA") and to deal with off-street parking charges under Sections 32, 35 and 35C of the RTRA, where appropriate. Section 46 refers to on street parking charges.
44. Section 32(1) of the RTRA gives traffic authorities powers to provide parking places where it is for the purpose of relieving or preventing congestion of traffic, and allows for the authority to provide off-street parking places together with means of entrance to and egress from them.
45. Section 35(1) of the RTRA allows for an authority to make provision as to the use of the parking space, the vehicle or class of vehicle which may be entitled to use it, the conditions on which it can be used, the charges to be paid in connection with its use for off-street parking, the ability to removal the vehicle left there in contravention of the order and the safe custody of the vehicle.
46. Where an order under section 35(1)(b)(iii) of the RTRA makes provision as to the charges to be paid in connection with the use of off-street parking places, the authority making that order may vary those charges by notice given under Section 35C of the RTRA. This section can only be used in relation to off-street parking places. The charges for on-street parking placed can be varied under section 46A RTRA.
47. The procedure for making and varying such orders are set out in the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996 as amended ("the Regulations").
48. Regulation 25 (3) of the Regulations stipulates that where an authority proposes to give a notice of variation under section 35C or 46A of the RTRA it shall be given by publishing it at least once in a newspaper circulating in the area in which the parking places to which the notice relates are situated at least 21 days before it is due to come into force. Regulation 25(4) requires that the notice of variation shall specify the date when it is due to come into force; identify every parking place to which the notice relates; specify the chares payable for the use of the parking place at the date the notice is given; the charges payable for the use of the parking place at the date the notice is given; the charges payable when the notice comes into force
49. In relation to on-street parking spaces Regulation 25(5) of the Regulations requires the notice to be displayed in the parking place on the date on which the notice is given and for

all reasonable steps to be taken to ensure it continues to be displayed and remains legible until the date it comes into force. If the authority thinks fit, it can display additional copies of the notice in the parking place and the roads giving access to the parking place pursuant to Regulation 25(6) of the Regulations.

Risk management

50.

Risk / opportunity	Mitigation
Risk - Displacement from car parks is greater than the 20% predicted. If, for example, displacement is 40% then there will be an annual cost implication of £125K.	Car park use is continually monitored by the parking service, and any further changes can be subject to a further decision to ensure that of the strategic objectives, as outlined, continue to be delivered.
Risk – the new charges do not make it simpler for driver to understand and may not achieve the behavioural change as outlined in this report.	Car park use is continually monitored by the parking service, and any further changes can be subject to a further decision to ensure that of the strategic objectives, as outlined, continue to be delivered.
Risk / Opportunity - The impact of Covid-19 may alter the longer term use of car parks for example less long stay users as a result of more home working, more short stay users as a result of lower use of public transport. Commuters to council car parks account for around £700k towards the overall income.	The use of car parks following Covid-19 is uncertain. Data shows that lockdowns create a 70% reduction in car park use. However, what is not know is how people's behaviour may change permanently as a result (i.e. when there are no more lockdowns). This may create more or less revenue and will require close monitoring by the parking service.

Consultees

51. Consultation with key stakeholders including Ward Councillors, Parish Council and other interested groups was undertaken in August 2020. A copy of the consultation can be found with the background papers. 213 requests for feedback were sent, 50 were received back – it should however be noted that some of the responses were made on behalf of a group of consultees.
52. A summary of the consultation response is provided at appendix 2.
53. Some stakeholders provided feedback on issues that were considered out of the scope of the current consultation. Therefore, further work will be undertaken to review some of these areas with the outcome of such review subject to a decision to be taken by the Director Economy and Place.

Political Groups Consultation

The True Independents

54. *The True Independents are strongly opposed to any increase in Parking Charges, we feel it would have a detrimental impact on low wage residents and City Centre stores and businesses resulting in further loss of jobs.*

Officer response

55. The parking charges have been carefully considered, taking into account feedback from key stakeholders, and benchmarked against comparable areas. In order to effectively manage the demand for car parking spaces, and the journeys on the roads to them, the charges must increase in some areas to ensure that sustainable travel is always the preferred option.
56. The charges, as outlined in this report, will have a positive impact on local area if they are easier to understand, accommodate the needs of visitors and promote cleaner urban centres.
57. Surplus income that is estimated as a result of these changes can be used to support services, which would otherwise need to be reduced.

Appendices

Appendix 1 – Overview of car parking charges

Appendix 2 – Feedback overview with council response

Appendix 3 – Notice of Variation (current and proposed charges)

Appendix 4 – 2019/20 car park income by car park with plans

Background papers

Car Park Charges Review Consultation - August 2020