

Report to the Cabinet

Report reference: C-012-2018/19
Date of meeting: 06 September 2018



Portfolio: Safer, Greener and Transport
Subject: Parking tariff review across all Council owned car parks
Responsible Officer: Qasim (Kim) Durrani (01992 564055).
Democratic Services: Adrian Hendry (01992 564246).

Recommendations/Decisions Required:

(1) That following a review of car parking tariff in all Council owned car parks carried out under the objectives and principles set out in paragraph 2 of the report the following be agreed to be implemented by 1 March 2018:

- (a) The existing tariff of 20 pence for 30 minutes, 80 or 90 pence for up to one hour and £1.60 or £1.80 for up to 2 hours be retained across the District;
- (b) To accept and retain the principle of differential tariff between the car parks in towns with London Underground stations and rest of the District car parks,
- (c) That the current tariff structure for stays above 2 hours be replaced with a linear hourly tariff structure as set out in paragraph 6,
- (d) That short and long stay car parks be retained,
- (e) To remove the five hour maximum stay in Cottis Lane and Civic Offices Car Parks in Epping and turn them back into short stay car parks,
- (f) To discontinue Season Ticket holders of Bakers Lane Car Park in Epping from parking in Cottis Lane Car Park,
- (g) To have the same price for on and off street resident parking permit and to achieve that to increase price from the current £48 to £50 per year,
- (h) To increase Season Tickets prices in line with all day parking charges and incrementally remove the current subsidy of 15% over the next four years,
- (i) That the £1 all day charge, payable in some car parks, on Saturday and Sunday is retained and the free period reduced from 2 hrs to 1 hr.
- (j) In car parks currently free on Saturday or Sunday a £1 all day charge is introduced with a 1 hr free period.
- (k) All car parks where a full tariff is payable on Saturday will remain as such,
- (l) The free Saturday, Sunday and Bank Holiday parking during the month of December will be retained,

- (m) To continue to allow free parking for Blue Badge holders and motor bikes,
- (2) To agree to reallocate a sum of £30,000 from the Contaminated Land DDF budget by means of a virement to a budget for making the changes to traffic orders and replacing notice boards in car parks,
- (3) To agree to recommend to the Council a growth bid of the following additional funding:
- (a) £100,000 Capital budget allocation in 2019/20 for environmental improvements,
 - (b) £100,000 Capital budget in 2019/20 pending the outcome of ongoing feasibility study of installation of electric charge points,
 - (c) £130,000 Capital budget in 2019/20 for installation of new CCTV systems and LED lighting,
 - (d) £40,000 DDF in 2019/20 for carrying out an assessment of suitability for new technological features like Automatic Number Plate Recognition facilities in car parks and feasibility of constructing additional levels above existing car parks, and
 - (e) Continued Services Budget growth of £20,000 in 2019/20 for ongoing costs associated with electrical charge points, environmental improvements and new CCTV systems
- (4) To note, subject to approval of recommendations above, that the total investment in car parks of £400,000 represents a pay back of a year and a quarter for the best case estimate income of £320,000 per year;
- (5) To note the annual report on the performance of off street parking operations for 2017/18
- (6) To agree to charge £1 all day, outside of school pick up and drop times, in the currently free Council owned car park in Roydon

Executive Summary:

The last tariff review was carried out in 2015. The Council owned car parks are under considerable pressure. Short stay shoppers and workers in town centres routinely complain about the lack of paid for parking. There is a perception, due to Council car parking charges being significantly lower than those at station car parks, that all day parking is taken up by commuters using the London Underground. The demands for parking by Season Tickets holders as well as workers in shops and local businesses regularly outstrip capacity. A number of new car parks have been created in the last few years however this is not enough. This review attempts to simplify parking tariff, accept the principle of controlling demand by price, help local businesses by keeping the lower charge bands unchanged, gradually removing subsidy from Season Ticket prices, continue the differential tariff across the District, create uniformity in charging on weekends and reinvest some of the additional income in improving and enhancing user experience.

Reasons for Proposed Decision:

To review the current charging regime in car parks. London Underground charges are 80% to 50% higher than the long stay car parking charges in Council owned car parks. This results in increased parking stress causing hardship to local businesses, workers and shoppers.

To generate additional income for the Council to assist in dealing with the funding pressure faced by the Council.

Other Options for Action:

It would be possible to delay the introduction of new tariffs, but this would not address the parking stress in car parks and could endanger the Council's budget objectives.

Report:

1. There are 20 pay and display car parks across the District that are owned and managed by the Council. These car parks play an essential role in servicing high streets and towns across the District by providing safe parking spaces to: shoppers, short and long stay visitors, workers and commuters. Use of these car parks is subject to parking charges which were last reviewed in 2015. Since then parking charges in the London Underground Car Parks have increased and it is much more attractive for Underground users to park in Council owned long stay car parks, the table below sets out the difference in weekday parking charges:

Town	EFDC all day long stay car park charge	London Underground all day charge
Epping	£3.80	£6.90
Debden	£3.80	£5.90
Loughton	£3.80	£5.70
Buckhurst Hill	£3.80	£5.70

2. The objectives of the parking review are to address the conflicting requirements of shoppers, long and short stay visitors, local workers, within District commuters, all day workers and businesses. The review will attempt to balance these needs by adoption of the following principles:
 - a) Create capacity in car parks by ensuring turnover of users,
 - b) Deter all day commuters using the London Underground from taking up too many spaces,
 - c) Ensure availability of short stay parking for shoppers and visitors,
 - d) Simplify tariff structure,
 - e) Rationalise Season Tickets prices and gradually remove subsidy,
 - f) Control car park usage by tariff and not length of stay,
 - g) Encourage the use of sustainable modes of travel,
 - h) Reinvest in car parks to enhance and improve safety, capacity and user experience,
 - i) Seek innovation and improvement in management of car parks,
 - j) Accept the principle of differential tariff between the towns served by London Underground (Epping, Loughton and Buckhurst hill) and Waltham Abbey and Ongar
3. Car parks are categorised as short or long stay with each category attracting a different type of customer. It is recommended to retain the current short and long stay tariff for the first three bands: 20 pence for half hour, 80 or 90 pence for up to 1 hour and £1.60 or £1.80 for up to 2 hour stay. The tariff is then recommended to increase incrementally by £1 an hour reaching £6 for over five hours stay in long stay car parks and £10 in short stay. The higher short stay tariff is designed to ensure turnover of parking spaces, something essential for shoppers and short stay visitors to high streets and local shops. The relatively lower long stay tariff is intended to allow parking for all day visitors, workers and out of town commuters who visit the District. The demands on car parking spaces is higher in towns served by London Underground Stations, by accepting the principle of differential tariff this varied demand can be addressed.
4. The existing tariff structure is complex and while it has been adequate thus far it is felt that a simpler hourly charge would be simpler. It is also recommended that car park stays should be regulated by parking charges instead of limiting the length of stay and the five hour maximum

stay in Cottis Lane and Civic Offices Car Park should be removed and the car parks turned back into short stay car parks. The change of Cottis Lane Car Park in Epping back to a short stay car park along with the decision to not allow Season Ticket holders from Bakers Lane Car Park to park in Cottis Lane Car Park will free up spaces. The higher all day tariff of £10 will hopefully encourage out of town commuters using the London Underground to use Bakers Lane Car Park or the London Underground Station Car Park.

5. The current tariff structure consists of multiple charge bands and is set out below:

Existing tariff structure:

Type of car park	Up to 30 min	Up to 1 hr	Up to 2 hr	Over 2 hr	Up to 3 hr	Over 3 hr	Up to 4 hr	Up to 5 hr
Cottis Lane								
Tariff	£0.20	£0.90	£1.80		£2.30		£3.00	£3.70
Short Stay								
Epping, Loughton and Buckhurst Hill	£0.20	£0.90	£1.80		£3.50	£10.0		
Waltham Abbey and Ongar	£0.20	£0.80	£1.60		£3.20	£10.0		
Long Stay								
Epping, Loughton and Buckhurst Hill			£1.80	£3.80				
Waltham Abbey and Ongar			£1.60	£3.50				
Combined								
Epping, Loughton and Buckhurst Hill	£0.20	£0.90	£1.80	£3.80				
Waltham Abbey and Ongar	£0.20	£0.80	£1.60	£3.50				

6. It is proposed that the new tariff structure as set out in the table below be adopted:

Proposed tariff structure:

Type of car park	Up to 30 min	Up to 1 hr	Up to 2 hr	Up to 3 hr	Up to 4 hr	Up to 5 hr	Over 5 hr	Over 5 hr
Short Stay	No change							
Epping, Loughton and Buckhurst Hill	£0.20	£0.90	£1.80	£3	£4	£5		£10
Waltham Abbey and Ongar	£0.20	£0.80	£1.60	£3	£4	£5		£10
Long Stay								
Epping, Loughton and Buckhurst Hill	£0.20	£0.90	£1.80	£3	£4	£5	£6	
Waltham Abbey and Ongar	£0.20	£0.80	£1.60	£3	£4	£5	£6	
Combined								
Epping, Loughton and	£0.20	£0.90	£1.80	£3	£4	£5	£6	

Buckhurst Hill								
Waltham Abbey and Ongar	£0.20	£0.80	£1.60	£3	£4	£5	£6	

A more detailed tariff structure for each car park is attached as appendix-1

7. Additionally in the Debden Broadway area, owing to lack of parking provision, Resident Parking Permits are also available in car parks. The price for these annual permits is £48. It is recommended that this price be brought in line with the on street resident parking permit price of £50 per annum. Going forward the price of off street parking permits is recommended to be the same as on street, currently £50.
8. Season tickets are sold to motorists for a car park once they demonstrate that they work in the area and if there is capacity, season tickets do not guarantee a parking space. Regular users can benefit from purchasing a Season Ticket by not having to pay every day. Historically Season tickets have been sold at a reduced price, 15% cheaper than paying all day parking charge over a month, three months or a year. It is recognised that offering cheaper Season Tickets when the car parks are under considerable stress is not helpful. It is recommended that the Season Ticket prices be gradually brought to the equivalent of paying all day charge in increments of 5% per annum such that there is price parity in year four.
9. Business Permits for a month, three months and a year are available to assist local businesses. It is recommended that the prices of these permits be gradually increased to bring them in line with the equivalent of paying an all-day charge. The charges are prorated against all day parking charge. Table below sets out existing and proposed charges:

Existing and proposed permit prices (Epping, Loughton and Buckhurst Hill):

	Season Ticket Prices, Long Stay Car Parks		Season Ticket Prices, Short Stay Car Parks		Resident Permits		Business Permit Prices	
	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing
1 month	£102 *	£65	£170	£125				
3 months	£306	£190	£510	£320				
12 months	£1224	£750	£2040	£1275	£50**	£48	£52	£52
2 nd Permit for 3 months					£90	£80	£255	£190
2 nd and subsequent for 12 months							£1020	£750

* Price of £102 is 85% of all day parking for a month (£6 per day x 5 days a week x 4 weeks)

** going forward the price will match the on street price as set by NEPP

Existing and proposed permit prices (Waltham Abbey and Ongar):

Existing Long Stay	Proposed Long Stay	Existing Short Stay	Proposed Short Stay
£50	£102	£125	£170
£135	£306	£320	£510
£450	£1224	£1275	£2040

10. The Council currently offers a 2 hour free parking period in some car parks on weekends followed by a £1 all day and some are free on weekends. It is recommended that in these car parks there is a one hour free period followed by £1 all day charge, this means those car parks

that are currently free on Saturday and/or Sunday a free one hour period followed by £1 all day be introduced. All other car parks that attract a full tariff will remain unchanged.

11. It is acknowledged that the free weekend and bank holiday parking during the month of December is assisting the high streets and local shops in increasing foot fall. It is therefore recommended that this arrangement be continued. The free parking for Disabled Badge holders and motor bikes is also proposed to continue.
12. Following the last tariff review in 2015 a series of investments were made in improving and enhancing the car parks, these included: installation of new 'smart meters', chip and pin devices, LED lighting programme, CCTV upgrade and improvements and creation of four new car parks creating 60 additional spaces. These projects have been significantly completed, some delays have occurred in LED project due to complications arising from technical design requirements and lack of in house capacity.
13. The £30,000 DDF budget recommended to be vired from an allocation originally set aside for Contaminated Land has become available as a result of re-prioritisation of contaminated land assessments. If approved, this budget will pay for making new traffic regulation orders to reflect the new tariff and associated changes for example updating all notice boards in car parks.
14. Additional Capital funding of £330,000 is sought to: carry out environmental enhancement including landscaping and planting, replace and upgrade dated CCTV systems, complete the LED lighting project by hiring external consultants to provide design expertise, install electrical charging points in the busy car parks if these are deemed feasible under the ongoing study.
15. An additional £40,000 DDF budget is recommended to fund a feasibility study into Automatic Number Plate Recognition (ANPR) and digital bay sensor technology for better management of car parks and feasibility of increasing car park capacity.
16. A Continued Services Budget (CSB) growth bid of £20,000 is also sought for the following: £3,000 associated with the running costs of new CCTV systems, £5,000 for maintenance of new planting including large potted plants, and £12,000 with the operational, back office and 24/7 support for the electrical charging points.
17. The Council is a member of the North Essex Parking Partnership (NEPP) and officers believe the Partnership is best placed to carry out the necessary legal and technical work associated with the introduction of new tariff. The Council has already engaged NEPP to deliver the Loughton Broadway Parking Review scheme.
18. At the time of award of the Off Street enforcement contract to NSL Limited Cabinet resolved to receive yearly updates on contract performance within six months of the end of the financial year. The report attached at appendix-2 sets out the operational performance of the contract.
19. There is a Council owned car park in Roydon which is free to use. It provides a safe parking area for parents dropping off children to the local primary school and also benefits local businesses and residents. The costs of maintenance in recent years have increased, for example costs associated with repairs to the car park surface, signs and lines and maintenance of vegetation etc. by introducing a £1 all day charge, outside of school pick up and drop times, the Council will recover some of the costs incurred in keeping the car park safe and in good state of repair.

Resource Implications:

In the 2017/18 financial year the income from the car parks was £1,347,000. This consisted of

£300,000 from payments made by phone, £918,000 by cash in pay and display machines, £25,000 by using chip and pin devices at the pay and display machines and £104,000 by purchase of Season Tickets and Resident Permits.

The revision in parking charges will lead to an increase in income for the Council. In order to estimate the likely additional income a modelling exercise has been carried out which relies on current usage data. The modelling is based on a number of assumptions:

- (a) Due to changes in tariff structure, new charge bands of stays up to 4, 5 and 6 hours have been introduced, for which usage data is not available. Existing usage data for all day parking band has been split across these new bands assuming an equal split,
- (b) The same number of Season and Business Permits will be purchased as at present,
- (c) The capacity of car parks will be maintained,
- (d) Same number of parking stays will occur as in the last year,
- (e) A sensitivity analysis has been carried out modelling 5%, 10% and 15% reduction in usage,

Income:

It is estimated, based on the modelling assumptions above, that an additional income of £320,000 per financial year could be generated if there was no change in user behaviour. This would drop to £250,000, £175,000 and £100,000 if there were 5%, 10% and 15% drop in customers respectively. Details of the modelling calculations are attached as appendix-3

Costs:

The DDF virement of £30,000 from the Contaminated Land budget is for making changes to the tariff structure as recommended in this report.

The DDF growth bid of £40,000 is for carrying out feasibility studies for the recommendations.

The total Capital budget of £330,000 is an estimate of costs associated with carrying out works recommended in this report.

The details of the CSB ongoing costs of £20,000 from 2019/20 is provided in paragraph 16 of the report

Legal and Governance Implications:

The changes to the tariff structure will require a Notice of Variation under sections 35C and 46A of the Road Traffic Regulation Act 1984. The Council does not have the expertise to prepare and implement such notices. This could be done by the NEPP who have the expertise and carry out such work across all the other members of NEPP.

Safer, Cleaner and Greener Implications:

All the Council car parks have Park Mark accreditation. Most of the car parks have had new CCTV systems. Replacement of some of the dated end of life CCTV camera systems will further enhance safety and security for users. All car parks are regularly maintained, all equipment kept in good working order, hedges, fences and signs are checked and updated when required. New pay and display machines enable remote access to officers to monitor usage of the machines. Use of credit and debit card and payment by phone enable easy payment options for customer.

Consultation Undertaken:

NSL – Council’s parking enforcement contractor
RTA Associates for validation of parking modelling.

Background Papers:

Cabinet resolved on 9 March 2017 “That an annual report setting out the activities of the service be presented to Cabinet within six months of the end of each financial year”

Risk Management:

There is a risk around the modelling assumptions and until the new tariff is implemented, it would not be possible to ascertain if the income assumption will be realised or not.

The best case estimate, no change in lengths and number of parking stays across all car parks from last year, is for an additional £320,000 per year. The assumptions made in the modelling are listed under the Resource Implication section of the report. One of the significant assumption is the way the current all day tariff has been split, equally, across the new 4, 5 and 6 hour stay periods. It is not clear how motorists will react to this change. In the worst case scenario if all the motorists currently paying for all day stay decided to only stay for three hours and paid the new £3 tariff then the estimated income will drop from £320,000 to £190,000.

The Council last increased tariffs in 2015. The Council is keen to help local businesses and high streets. However the increase could be seen as a further burden on local businesses and high streets. That said the lower charge bands of up to 2 hour stay have not been changed, these represent over 80% of the usage in car parks.