

**TITLE OF REPORT: PROPOSED CAR PARKING TARIFF INCREASES**

REPORT OF THE STRATEGIC DIRECTOR FOR POLICY, TRANSPORT AND GREEN ISSUES

PORTFOLIO HOLDER: COUNCILLOR JULIAN CUNNINGHAM

**1. SUMMARY**

- 1.1 This report requests that Cabinet agrees the proposed car parking tariff increases in North Hertfordshire District Council's off street car parks in accordance with the Council's inflation policy for 2015/16 as agreed by Full Council on 12 February 2015.

**2. RECOMMENDATIONS**

- 2.1 That Cabinet agrees to adopt the proposed car park tariff increases for 2015/16 for various off street car parks in Baldock, Hitchin, Letchworth Garden City, Royston and Knebworth as set out in Table 1 at paragraph 8.4.
- 2.2 That Cabinet agrees to the proposed increase in season tickets prices by RPI for 2015/16 as set out in Table 2 at paragraph 9.2 for each of its long stay car parks in Hitchin, Letchworth Garden City and Royston.
- 2.3 That Cabinet do not increase resident permits, visitor permits, business permits or visitor tickets for resident permit zones for 2015/16 and the prices remain as set out in Table 3 at paragraph 9.3.
- 2.4 That Cabinet agree that the proposed tariff increases as stated in paragraphs 2.1 and 2.2 above are implemented as soon as practicable, and that officers in consultation with the Portfolio Holder for Policy, Transport & Green Issues proceed with the implementation as required.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 To implement an increase in car parking tariffs and season ticket prices in accordance with the Council's inflation policy for 2015/16 as agreed by Full Council on 12 February 2015 in the Council's short and long stay car parks in Baldock, Hitchin, Letchworth Garden City, Royston and Knebworth.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 See Section 8 of the report.

**5. CONSULTATION WITH EXTERNAL ORGANISATIONS AND WARD MEMBERS**

- 5.1 All members were given the opportunity to comment on the efficiency and investment proposals at members' budget workshops held on the 5 and 6 November 2014.
- 5.2 In accordance with the working papers attached to the budget, which indicated that such proposals were "subject to consultation with area committees", the Portfolio

Holder for Policy, Transport & Green Issues consulted with the chairs of the various Area Committees seeking their views on the car parking tariff proposals outlined in Table 1.

- 5.3 All Members were informed about the proposals in MIS on 26 February 2016 and encouraged to submit any comments through the Area Chairs.
- 5.4 At the time of writing this report only a few of the Chairs have responded with no adverse comments. Any further comments received will be updated at the meeting.

## **6. FORWARD PLAN**

- 6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 30 January 2015.

## **7. BACKGROUND**

- 7.1 Cabinet received a paper at the November 2014 meeting providing the background for the proposed tariff increases for 2014/15 as agreed by Full Council on 13 February 2014, where it was agreed to increase car park tariffs in the Council's off-street car parks in accordance with the Council's discretionary fees and charges policy. This included the three previous financial years where the discretionary fees and charges policy had not been applied since 2010, and equated to an overall 16.65% inflation increase to be applied to the parking tariffs in 2014/15. It was also agreed that car parking tariffs will then be increased by inflation in 2015/16 and thereafter in the coming financial years (Item 87 Council Minute 13.02.2014).
- 7.2 Cabinet at its meeting in November 2014 agreed the new tariff increases for the Council's off-street car parks in Hitchin, Letchworth Garden City and Royston. These tariffs were implemented in January 2015.
- 7.3 As part of the income generation proposals presented in the Corporate Business Planning Budget – 2015/16 Full Council on 12 February 2015 agreed to increase car parking tariffs in the Council's off street car parks in accordance with the Council's 'inflation policy' for 2015/16. This results in an increase of £29k on the full year parking income budget and equates to a 2% increase in car parking tariffs representing the increase in RPI as measured at November 2014.

## **8. CAR PARKING TARIFF PROPOSALS**

- 8.1 The 2015/16 proposal is to limit the increases to a small number of car parks across the District and to a small number of price bands.
- 8.2 Officers in consultation with the Portfolio Holder considered a number of options and it was agreed that the proposed increases should be based on the following principals in accordance with the policies as set out in the NHDC Parking Strategy:
  - that the actual costs of implementing the changes be minimised,
  - that the Council continues to support the aim of the Parking Strategy, which is to support its town centres and continue the freeze on 1 hour charges across the district,
  - that the Council seeks to resist increases in long stay charges where possible to protect surrounding residential streets from increased on-street parking from commuters and from town centre workers, and
  - that the charges remain consistent with each of the town centre car parks.

- 8.3 Given that the off-street car parks in Baldock and Knebworth were exempted from last year's inflation catch up exercise, it is proposed that these car parks be included for 2015/16.
- 8.4 Table 1 below outlines proposed changes together with the projected revenue increase based on current usage figures. It is proposed to implement these changes as soon as possible from 1 May 2015 subject to Cabinet's approval.

**Table 1: Proposed Off-Street Car Parking Tariff Increases for 2015/16**

Town	Car Park	Charge Band	Current Tariff	Proposed tariff	Projected Additional Income
Baldock	Twitchell	Up to 3 Hours	0.50	0.70	£350
Baldock	Twitchell	3 Hours +	1.00	1.20	£1,300
Hitchin	Bancroft	3 Hours +	4.00	4.50	£7,050
Hitchin	Woodside	3 Hours +	4.00	4.50	£8,300
Knebworth	St Martins Road	2 Hours	1.00	1.20	£700
Letchworth	Hillshott	3 Hours +	4.00	4.50	£2,300
Letchworth	Multi Storey Long Stay	3 Hours +	4.00	4.50	£4,400
Royston	Warren	3 Hours +	3.00	3.40	£3,850

- 8.5 All other car parking tariffs will remain unaltered. The current car parking tariffs are attached at Appendix A.

## **9. SEASON TICKETS AND RESIDENT PERMIT ZONES**

- 9.1 Over the last few years, the Council has increased season ticket prices in each of its long stay car parks in Hitchin, Letchworth and Royston in accordance with its inflation policy. Such price increases have previously been implemented following a Portfolio Holder delegated decision notice published in MIS. However given the changes in the Council's constitution in 2014, where at 5.6.30 it is for Cabinet to determine charges for car parking, this could also include any proposed increases to season ticket prices and resident permit prices along with changes to parking tariffs. No specific reference was made in the Cabinet papers regarding such price increases.
- 9.2 Therefore, following discussion with the Portfolio Holder for Policy, Transport & Green Issues and in accordance with the Council's Medium Term Financial Strategy (MTFS), it is proposed to increase Season Ticket prices by RPI in the Council's long stay car parks in Hitchin, Letchworth and Royston for 2015/16. The new prices as proposed in Table 2 are the result of uplifting the present costs by the November RPI (2 %) and then rounding to the nearest pound. This proposed increase should increase income from season tickets by approximately £4,500, assuming the same level of demand for 2015/16. This proposed price increase is considered marginal and should not deter the use of the long stay car parks, as season ticket holders will still be receiving a reasonable discount over full day charging.

**Table 2: Proposed Season Ticket Increases for 2015/16.**

<b><u>Hitchin, Letchworth and Royston</u></b> In all valid off-street parking places identified in the North Hertfordshire District Council (Off-Street Parking Places) Order 2014	<b>Existing Season Ticket charges 2014/15</b>	<b>New Season Ticket charges 2015/16</b>
One Month	£73.00	£74.00
Three Months	£179.00	£183.00
Six Months	£333.00	£340.00
Twelve Months	£617.00	£629.00

9.3 There is no proposal to increase resident, business or visitor permits and visitor ticket books by RPI for each of the Council's resident permit parking zones across the District for 2015/16. These were last increased in April 2013 where the subsidy target was met and such zones are considered to be self financing. It is proposed that these will remain at the current prices as outlined in Table 3.

**Table 3: Resident Permit Parking Zone Charges:**

<b>Town and Zone</b>	<b>Type of Permits</b>	<b>Current Charges for 2015/16</b>
<b>Baldock</b> Zone A	Resident Parking Permit	£84.00 per annum, £42.00 six months
	Resident Parking Permit	£84.00 per annum, £42.00 six months
	Business Permit	£84.00 per annum, £42.00 six months
	Visitors Permit	£84.00 per annum, £42.00 six months
	Ticket Book (10 tickets per book)	£12.00 per book

## **10. LEGAL IMPLICATIONS**

- 10.1 The Council's Constitution sets out at 5.6.30 that it is for Cabinet to determine charges for car parking.
- 10.2 The proposed tariff changes will be required to be published as a Notice of Variation to the North Hertfordshire District Council (Off-Street Parking Places) Order 2014 in the local papers under section 35C of the Road Traffic Regulation Act 1984 and in compliance with Section 25 of part V of the Local Authorities' Traffic Order (Procedure) (England and Wales) Regulations 1996. Such Notice of Variation will give a minimum of 3 weeks notice of when the new parking tariffs will be implemented. Site notices will be displayed in all affected car parks.

## **11. FINANCIAL IMPLICATIONS**

- 11.1 The cost of publishing the notices advertising the increased car parking tariffs and season ticket prices in the local press, new tariff boards and adjustments to the car park payment machines will be covered by existing budgets.
- 11.2 The Council's policy with regard to discretionary fees and charges is that an inflationary increase equivalent to RPI at November should be applied annually to tariffs. This results in an increase of £29k on the full year parking income budget for 2015/16 and equates to a 2% increase in car parking tariffs representing the increase in RPI as measured at November 2014.

## **12. RISK IMPLICATIONS**

- 12.1 The risks to car parking income have been identified and include the impact of the 2014/15 tariff review. There is also a financial risk that the review of tariff structure does not produce as much income as would be generated from a flat inflationary increase across all tariffs.

## **13. EQUALITIES IMPLICATIONS**

- 13.1 The Equality Act 2010 came into force on the 1<sup>st</sup> October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into force on the 5<sup>th</sup> April 2011. There is a General duty, described in 13.2, that public bodies must meet, underpinned by more specific duties which are designed to help meet them.
- 13.2 In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give **due regard** to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 13.3 There are not considered to be any direct equality issues arising from this report, since there is a range of charging/payment options which will still remain available to cater for the widest needs of local car park users.

## **14. SOCIAL VALUE IMPLICATIONS**

- 14.1 As the recommendations made in this report do not constitute a public service contract, the measurement of 'social value' as required by the Public Services (Social Value) Act 2012 need not be applied, although equalities implications and opportunities are identified in Section 13.

## **15. HUMAN RESOURCE IMPLICATIONS**

- 15.1 There are no new human resource implications arising from the contents of this report other than what is required to implement the new tariffs.

## **16. CONTACT OFFICERS**

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## **17. APPENDICES**

- 17.1 Appendix A: NHDC Car Parking Tariffs for 2014/15.

## **18. BACKGROUND PAPERS**

- 17.1 27 January 2015 Cabinet Report: Corporate Business Planning – Budget 2015/16.
- 17.2 24 November 2014 Cabinet Report: Proposed Car Parking Tariff Increases.
- 17.3 28 January 2014 Cabinet Report: Corporate Business Planning – Budget 2014/15.