

CABINET

11 February 2025

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: PROPOSED PARKING TARIFFS FOR 2025/26

REPORT OF: SERVICE DIRECTOR - REGULATORY

INTERIM EXECUTIVE MEMBER FOR PLANNING & TRANSPORT: COUNCILLOR DANIEL ALLEN

COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

1.1 This report requests that Cabinet agrees:

- (i) the proposed car parking tariffs in North Hertfordshire Council's off street car parks across the district and on-street charging bays in Royston town centre in order to effectively manage their use, and in accordance with the Council's fees and charges policy as set out in the Medium Term Financial Strategy (MTFS).
- (ii) The proposal to increase the charges for resident permits, visitor permits, business permits and visitor tickets for resident parking zones in accordance with the Council's fees and charges policy as set out in the Medium Term Financial Strategy (MTFS).
- (iii) To the implementation of customers paying for parking sessions whilst parked and charging within 'designated electric vehicle charging bays only' later in the financial year 2025/6 in accordance with the policy proposal agreed by Cabinet at its meeting on 19 September 2023.

2. RECOMMENDATIONS

- 2.1 That Cabinet Notes the summary of comments and responses received to the Proposed Parking Tariff consultation at section 8.2 and the more detailed comments at Appendix C.
- 2.2 That Cabinet agrees to adopt the proposed off-street and on-street car park tariffs for 2025/26 as set out in Tables 1 to 6 at Appendix B as outlined in paragraphs 8.2.11 and 8.2.12 of this report, referred to as Option 3.
- 2.3 That Cabinet agrees not to increase the charges for Season Tickets for each of its long stay car parks or business permits for its car park at St. Martins Road in Knebworth for 2025/26.
- 2.4 That Cabinet agrees to increase the charges for resident permits, visitor permits, business permits and visitor tickets for resident parking zones for 2025/26 as set out in Section 8.4 of this report.

- 2.5 That Cabinet agree that the proposed tariff changes, as recommended and approved in paragraphs 2.2 above, are implemented as soon as practicable, and that officers in consultation with the interim Executive Member for Planning and Transport proceed with the implementation as required.
- 2.5 That Cabinet agree that the proposed increases for resident, visitor and business permits and visitor tickets in resident parking zones, as recommended and approved in paragraphs 2.4 above, are implemented as soon as practicable, and that officers in consultation with the interim Executive Member for Planning and Transport proceed with the implementation as required.
- 2.6 That Cabinet agree to the implementation of customers paying for parking sessions whilst parked and charging within 'designated electric vehicle charging bays only' later in the financial year 2025/26 as set out in section 8.5 of this report and that the Service Director - Regulatory in consultation with the Executive Member for Planning and Transport proceed with the implementation as required.
- 2.7 That Officers proceed with the issuing of the necessary Notice of Variation to the 2024 Off-Street Parking Traffic Regulation Orders and the 2023 On-Street Consolidation Order as required to implement the increases recommended at 2.2 and 2.4 and approved above.
- 2.8 That Cabinet note as part of the pay on exit scheme set out in paragraph 8.3.1 of this report that visitors will be charged the maximum period of stay for that car park if they do not 'Check Out' after completing their parking session.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To implement an increase in car parking tariffs and permits within resident parking zones in order to effectively manage their use and in accordance with the Council's fees and charges policy as set out in its Medium- Term Financial Strategy (MTFS). To set car parking tariffs that support the achievement of modal shift away from private car use and to help support the vitality of town centres.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 See Section 8 of the report for:
 - proposed changes to car parking tariffs within the Council car parks and on-street;
 - proposed increases to resident permits, visitor permits, business permits and visitor tickets for resident parking zones;
 - introducing measures to charge for parking sessions in designated electric vehicle parking bays from January 2026; and
 - setting a maximum fee for pay on exit parking.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 The Interim Executive Member for Planning and Transport has been involved in discussions and selection of tariffs, including proposals to increase permits within resident parking zones and kept informed on these matters. The Executive Member for Finance has also been kept informed.

- 5.2 The Area Forums for Baldock, Hitchin, Letchworth, Royston and Southern Rural were formally consulted on the proposed tariff changes in December, requesting that all comments be received by mid-January 2025. The Interim Executive Member, and Strategic Infrastructure & Projects Manger attended some of the Forum meetings to present the proposals and receive comments. Town Centre and BID Mangers for each of the towns, Royston Town Council and Knebworth Parish Council were also consulted and invited to offer their views on the proposed tariff changes. Leaflets were handed out at the Forum meetings informing members of the public about the proposed tariff increases and where these could be viewed on the Council's website at [Off street parking tariffs | North Herts Council](#).
- 5.3 A summary of the comments received from these organisations, the Area Forum meetings, and members of the public are summarised at Section 8.2 with more detailed comments attached at [Appendix C](#). Separate Comments were also received from Cllr Matt Barnes and County Cllr Fiona Hill for Royston. 142 comments were received in total to the proposed tariff changes from local businesses, residents and visitors to the town centres, predominantly from the Royston area. All comments have been considered and discussed with the Executive Member and taken into account in finalising this report.
- 5.4 It is to be acknowledged that two petitions were also submitted, one from the traders in Royston, comprising 21 signatures and another from the general public, comprising 109 signatures (the petition included more signatures, however there were only 109 valid signatures in accordance with the Council's Petition Scheme). Whilst the petitions have not been accepted it is important to include reference to the number of signatures contained and the opposition to the termination of the free after 3pm off street parking in Royston Town Centre and increased parking charges. By way of explanation, having been reviewed by the Proper Officer (Democratic Services Manager) the petitions were not accepted as they do not accord to the Council's Petitions Scheme, in terms of:
- insufficient numbers: - a petition must have the name, address, post code and signature of at least 120 people who are a registered local government electors or resident of North Hertfordshire or own a business in the area; and
 - omission of full details of the petition organiser who should also be a registered local government elector or resident of North Hertfordshire or own a business in the area.

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 18 October 2024.

7. BACKGROUND

- 7.1 The Council's approved Medium-Term Financial Strategy sets an annual budget assumption that the Council should increase parking fees and charges annually by 2%. It makes it clear that parking charge levels are mainly set to manage demand and are reflective of the cost of alternative parking locations. The last tariff increases were approved by Cabinet in September 2023 and implemented in November 2023. This was a tariff increase for 2023/24.

- 7.2 It was agreed by Full Council following recommendation from Cabinet in September 2024 to postpone the increasing of parking tariffs in 2024/25 financial year. It was agreed in the MTFs for 2025/26 onwards that the 2024/25 and 2025/26 parking tariff increase would be combined and take effect from April 2025, as the Council wished to bring the tariff increases back in line with the Council's budget setting process for the start of the financial year. The implementation of the parking tariff increases over the past few years has been delayed to later in the financial years as a result of the pandemic and enabling local businesses further time to recover from the pandemic and more recently to address the economic pressures being faced more widely with increases in energy prices and overall cost of living.
- 7.3 Bringing the parking tariff increases back in line will enable the Council to set the parking tariff in line with inflation uplift ready for introduction at the start of the new financial year. It is therefore proposed to increase parking tariffs by 4% in April 2025 to cover the 2024/25 and 2025/26 financial years.
- 7.4 The budget estimates for 2025/26 include the expectation that income from parking will increase by 4%. Any variance from this would be reported through the budget monitoring process.
- 7.5 Consideration has also been given in this report to increasing the cost of resident permits, visitor permits, business permits and visitor tickets in resident parking zones by 2% inflation. See section 8.4 below. The last increase was in April 2013 where the subsidy target was met and the resident parking zones were considered to be self-financing.
- 7.6 Paragraph 5.7.30 of the Council's Constitution, states '*it is for cabinet to determine charges for car parking*'. The proposals for car parking tariffs and season ticket increases are set out section 8 below.

8. RELEVANT CONSIDERATIONS

8.1 Car Park Tariff Proposals

- 8.1.1 The parking tariff proposals that were last increased by Cabinet in September 2023 for 2023/24 included:
- increasing the one hour tariff band by 10p across all car parks and rationalising these across short and long stay car parks within each town;
 - increasing the half hour tariff in Knebworth by 10p but retaining the 1-hour tariff;
 - retaining all other tariff bands as per the 2021/22 prices across all car parks whilst rationalising the 5p tariffs across all car parks in response to complaints received from the public about machines not always accepting 5p coins.
 - Retaining the off-peak incentives after 3pm in Hitchin and Royston. In Hitchin this included a flat rate irrespective of whether visitors park for one or more hours after 3pm in the short stay and long stay car parks. In Royston continuing with the 'free after 3pm' incentive currently partly subsidised by an annual contribution from Royston First BID, and previously by the Royston Area Committee and County Councillor Hertfordshire Locality Budgets to the current value of £5 438 from the Royston First BID.
- 8.1.2 The proposed 4% inflationary uplift for 2024/25 is estimated to increase annual income by £76.5k. The actual impact on income from the changes to tariffs will depend on the level of demand for parking. Transaction data from 1st April 2023 to 31st March 2024 has been analysed to estimate the impact of adjusting individual tariffs. Two tariff options were considered and are summarised below.

- 8.1.3 The approach adopted by the Council is to be consistent across all car parks and harmonize tariffs where possible within each town whilst respecting their separate identities.
- 8.1.4 The aim is to set car parking tariffs that support the achievement of modal shift away from private car use in seeking to reduce carbon emissions and supporting more sustainable initiatives as set out in the Council's Climate Change Strategy (2022-2027). The Council is also introducing alternative methods of payment that will enable visitors to stay longer to help support the vitality of town centres. The replacement of the machines will commence mid-February 2025 over a 6 week phased implementation programme starting with Hitchin.

8.1.5 Option 1 – this included:

- (i) Applying a 4% inflationary increase to all tariffs across all council operated car parks in Baldock, Hitchin, Letchworth, Royston and Knebworth rounded up to the nearest 10p with the exception of the free 0-2 hour tariff at the Norton Common car parks in Letchworth to facilitate users of the common and being out of centre car parks, and
- (ii) retaining the after 3pm off-peak incentive in all Hitchin car parks increased by 4% and the free after 3pm off-peak incentive in all Royston car parks, currently partly subsidised by Royston First BID.

This option would just meet the inflationary increase with a 4% increase of around £8,000 additional income.

8.1.6 Option 2 – In summary the following rationale has been applied:

- (i) As per Option 1 above to apply a 4% inflationary increase to all tariffs across all council operated car parks in Baldock, Hitchin, Letchworth, Royston and Knebworth rounded up to the nearest 10p with the exception of the free 0-2 hour tariff at the Norton Common car parks in Letchworth being out of centre car parks. This 4% increase is reflective of general inflation over the 2 year period and is still lower than the inflationary increases on public transport.
- (ii) To increase the on-street tariffs in Market Hill Royston to bring the one-hour tariff in line with the Royston off street car parks and to apply the 4% inflationary increase to the 2 hour tariff.
- (iii) To retain the off-peak (after 3pm) incentive in Hitchin to support the vitality of the town centre, whereby people can choose to stay for 1,2 or 3 hours.
- (iv) To retain an off-peak incentive in Royston with the introduction of a flat rate tariff after 3pm across all car parks including the on-street tariffs in Market Hill. Whilst free parking has been provided via a subsidy from Royston BID and previously by the Royston Area Committee and County Councillors Hertfordshire Locality Budgets since 2012, this subsidy has not had an inflationary increase and is much lower than the lost income/ fair proportion of the car park costs. This has been reviewed to accord with the Council's agreed policy (Sept 2023 Cabinet) to implement subsidy and incentive parking schemes on a break-even approach.

The resolution agreed at September 2023 Cabinet meeting stated:

“That Cabinet agrees for officers in consultation with the Executive Member and Deputy for Planning and Transport to implement subsidy and incentive parking schemes on a break-even approach on request”

This would not preclude the Council considering applications from any organisation wishing to subsidise after 3pm parking in any of the Royston car parks, or and similarly in the other towns.

- (v) To introduce a similar off-peak incentive in Letchworth, by proposing a flat rate tariff after 3pm to encourage more visitors to the town centre later in the day and to stay longer. Such an initiative has been requested by Letchworth BID in the past.

The same model has been applied for the off-street incentive across all three towns – where the flat rate after 3pm following the 4% inflationary increase is 10p more than the 1-hour tariff. The proposals are as follows:

- For Hitchin - increasing the at a flat rate of £1.50 in the long stay car parks and £1.70 in the short stay car parks
- For Royston – introducing a £1.00 flat rate across all car parks
- For Letchworth – introducing a flat rate of £1.10 in the Hillshott long stay and the multi-story car park and £1.50 in the Town Hall short stay car park.

- (vi) The off-peak incentive is not proposed for Baldock or Knebworth, given the amount of on-street parking and the low tariff structure within the Baldock long stay car park and the short stay car park in Knebworth being a small car park where parking is a premium and the incentive is to encourage turn over of spaces to support the local high street businesses. Although it is noted that the Parish Council have continued to express their interest in subsidising the half hour tariff on a break even basis, to support short shopping trips for local businesses.

- (vii) The Council had previously chosen not to increase the cost of Season Tickets or Business Permits since 2021 due to the reduction in the take up of these permits with the change in employer habits since the pandemic with more people continuing to work from home and commuting into their office on certain days. This trend appears to be continuing and as a mean of supporting local businesses it is proposed not to increase the cost of season tickets for 2025/26.

8.1.7 This option could exceed the inflationary increase with a 7.7% increase of around £69k additional income. These are estimates based on the data the Council has available, and the proposed flat rate tariff income after 3pm is based on an independent survey undertaken by consultants commissioned by the Council in 2023 of its car parks over a 2-week period. The Council cannot predict visitor behaviour and usage following tariff increases and other associated economic factors, which means this estimated income may not be achieved. The overall income level across all car parks is reviewed for budget setting purposes in line with the Council's Medium-Term Financial Strategy including the potential revenue loss with introducing an off-peak scheme in Letchworth. Any variance would be reported through the Council's budget monitoring process.

8.1.8 Both Options were discussed with the interim Exec Member, and it was agreed that the second Option should be consulted upon particularly with the proposal to introduce a tariff option for the Royston off-peak incentive to accord with the Council's agreed policy to implement subsidy and incentive parking schemes on a break-even approach.

8.1.9 The proposed Tariff changes for Option 2 are presented in Tables 1 to 6 at Appendix A.

8.1.10 Option 3 – is a third option proposed at paragraphs 8.2.11 and 8.2.12 following consideration of the comments received as summarised in section 8.2.

8.2 Summary of comments and considerations

8.2.1 The Proposed Parking Tariff Increases were presented at each Area Community Forum meetings during December, where:

- (i) [Baldock](#), [Hitchin](#) and [Letchworth](#) Community Forums – noted the proposals with little discussion.
- (ii) [Royston](#) and Villages Community Forum – some Councillors raised concerns:
 - strongly disagreeing with introducing a charge after 3pm and repercussions this could have for local businesses, and.
 - that one cannot compare Royston to Hitchin and Letchworth as these have shopping centres, Royston is considered to be more aligned with Baldock and consideration should be given to localisation aspect of the car parks and if the proposed charge has to apply to all car parks, with free parking at the Warren for example. This approach could also encourage walking and cycling.

Members of the public at the Forum meeting expressed concerns:

- that by introducing a charge after 3pm could result in people coming from the villages going elsewhere, and
 - this could also lead to increased pavement parking with people seeking to avoid paying the after 3pm charge and if there would be continued enforcement.
- (ii) [Southern Rural](#) Community Forum – members expressed their concerns regarding the proposed tariff increases where in some cases the 10p increase was more than the 4% inflationary increase and such increases may impact on people visiting the towns from the rural villages. The Southern Rural Forum are opposed to any increase to parking charges and would ask the Executive Member to consider granting the first 30 minutes for free.

Notes from each of the Community Forum Meetings are available of the Councils Website via the hyperlinks created in this report at 8.2.1 (i) to (iii) above.

8.2.2 *Knebworth Parish Council* - made no comments on the proposed tariff increases other than to express their wish to proceed with subsidising the 30 minute parking tariff as free parking in the St. Martins Road Car Park.

8.2.3 *Letchworth BID* – having discussed the proposals with the partners such as the Garden Square Shopping Centre and some local businesses their consensus is that they would rather not have the increase but fully understand the budget pressures within the Council and consider 10p to be a modest increase if this were to be implemented. They are supportive of the proposed flat rate tariff after 3pm to support and encourage longer stays providing more opportunities to support local business. The BID expressed an interest in meeting with the Council to discuss subsidising parking costs leading up to the Christmas period.

8.2.4 *Hitchin Bid* - No comments have been received from Hitchin BID – despite being sent a reminder towards the end of the consultation period.

8.2.5 *Royston BID* – Expressed concern on behalf of the local businesses to the proposed tariff increases and particularly the introduction of a flat rate tariff after 3pm of £1 in Royston as having an impact on their trading, especially at a time of an uncertain economic climate. Both the Interim Executive Member and officers met with the BID to further discuss the proposals and having received further information on the proposals the BID have responded that if the Cabinet were minded to proceed with the proposals, then suggesting starting with a 50p rate from 3pm onwards in all car parks to replace current free after 3pm scheme. The BID considers this to a sensible starting point to test the impact rather than going straight to £1 and that Royston First BID will also contribute some income towards the cost to subsidise parking.

8.2.6 *Royston Town Council* – The proposed tariffs were discussed at their meeting on 20th January, and they have asked for further information regarding what the costs would be to keep the Free after 3pm parking in Royston, stating that the Town Council currently subsidise the Free after 3 arrangements through the loss of income in its two car parks, Angel Pavement and Market Place. The information has been provided to the Town Council who have responded further by stating that it is not possible for the Council to submit a response in time for the report to Cabinet as such matters will need to be considered by their Full Council or their Finance Committee which would not be meeting until 24th February or if the commitment is in excess of £15,000 this would need to go to their Full Council scheduled for 17th March 2025 in line with their Council's Financial Regulations. Officers have requested interim comments and offered a meeting with the Town Council. The Royston Town Council have also advised that at their Town Council meeting on 27th January 2025 they resolved to budget £20k towards the free after 3 scheme for the new financial year and have requested a meeting is held between North Herts, Royston First BID and the Town Council to discuss whether there is any possibility of the Free after three scheme being retained through agreeing the required level of subsidy. Officers will arrange a meeting as requested and any further updates will be verbally presented at the Cabinet meeting.

8.2.7 As stated in para 5.3 above some 142 comments were received to the proposed tariff increases, these were predominantly from the Royston area raising strong concerns and objections to the proposals and in particular to the removal of the free after 3pm scheme with the introduction of a flat rate tariff. These comprise 139 responses from the general public including local business (14 responses), local residents and/or visitors to Royston (122 responses), two from Royston Cllr Matt Barns and County Cllr Fiona Hill, and one from St. Mary's Catholic Primary School in Royston. The remaining 3 responses were general comments, with some raising concern about proposal to introduce Sunday and Evening Charging, which is not the subject of this report. Below is a summary of the key concerns:

- Free parking assists small businesses for quick pick up by customers, where retailers have already taken a hit with the scrapping of the high street free parking.
- Concern with the removal of free parking after 3pm will discourage other small independent traders from opening in the high street.
- The high street in Royston is frail financially and businesses value the support of local residents, families and visitors after 3pm and after school who boost the local businesses where there is a small but noticeable increase in daily takings after 3pm
- Concern that the proposed after 3pm tariff is to subsidise the reduced parking cost in Letchworth after 3pm and the Council needs to understand that Royston is a different centre to Letchworth and Hitchin and is more aligned with Buntingford, where tariffs are free for 1.5 hours before 3pm, free after 3pm and free all day weekends.

- Concern that those people that come after 3pm will stop coming to the town and may go elsewhere. The free after 3pm scheme should be retained to encourage shoppers, and it is hoped the Royston First BID will continue to subsidise the scheme.
- Concern that the removal of Free after 3pm scheme will further impact local businesses already struggling as customers will get annoyed with parking charges and go elsewhere.
- The footfall after 3pm is much more in the town centre and this will decrease impacting local businesses, also concern that elderly residents and families with kids who come after school would no longer visit the town centre.
- Many customers come from villages by car as the bus services are limited and concern that people will stop coming to the town to shop or run errands.
- While it is understood that the Council needs to balance its books, the well being of its community, residents and businesses need to be brought into the equation in the current economic climate with small businesses faced with increasing costs.
- The high street is already having to compete with out-of-town shopping with free parking, the removal of the free parking after 3pm will have a detrimental impact on local businesses and harm the town's economy and would like to see the Council supporting local businesses instead by retaining the current levels of charging and free parking hours.
- Challenge the statement in the consultation documentation that by introducing charges after 3pm could even out visitor patronage through the day, as strongly of the view that those people that chose to come after 3pm will be discouraged from coming at all and will go elsewhere rather than visit the town during other times as the day.
- There are already a number of vacant units in the high street and increased parking fees will deter other businesses from investing in the town and the Council should be focusing on measures that actively encourage footfall and directly support local businesses.
- The proposed general tariff increases will also impact town centre employees who use the long stay car parks.
- It is important that an appropriate shopping policy is considered to try and increase the footfall and investment in the town centre to give the area a better shopping experience and once this has been achieved then this proposal to increase parking tariffs and introduce a tariff after 3pm could be considered.
- Concern that the high street not only provides shops but also a central hub for the community which could be impacted with increasing tariffs and removing the free after 3pm scheme.
- General concern about the negative impact for traders and businesses as people will no longer be prepared to pay to park after 3pm and will go elsewhere or make purchases online with the fear that some small independent shops may end up closing down.
- Concern from St.Mary's Primary School which has limited parking facilities and where parents are encouraged to make use of the benefits of the free after 3pm scheme at the Town Hall/Civic Centre car park after for school pick up that by removing this provision will likely result in increased congestion in the school car park, posing a safety risk to children due to a heightened volume of traffic, and traffic build up on the A10 as vehicles queue to access the school during peak times.

A Copy of all comments received as summarised at 8.2.7 above are included in Appendix C attached.

- 8.2.8 A number of comments received were also in relation to concerns about introducing Sunday and evening charging and the potential negative impacts on the town centre and visitors to the church, which is the subject of revenue efficiency option proposal in the financial budget setting process to be considered by Full Council on 27 February and is therefore not considered as part of this report.
- 8.2.9 The rationale for the proposed tariff changes is set out under Option Two at para 8.1.5 above. It is to be noted that it was not the intention of the Council to directly fund the after 3pm arrangements in Royston, the position was that various organisations would subsidise this cost, and while it is noted that both County Councillors and former Royston Area Committee contributed to the scheme the Council has forfeited a substantial amount of revenue over the last 12 years, with actual usage not being clearly monitored as people have not been required to display a parking ticket after 3pm, and the current subsidy payments not being increased with inflation over the last 12 years. A tariff needs to be set in order to meet the Council policy to implement subsidy and incentive parking schemes on a break-even approach on request. This would not preclude the Council considering applications from any organisation wishing to subsidise after 3pm parking in any of the Royston car parks, or and similarly in the other towns.
- 8.2.10 However in light of the number of responses and concerns raised over the proposed £1 flat rate tariff increase after 3pm in Royston it is suggested that Cabinet considers the option of introducing a 50p flat rate in Royston which is monitored to assess the impact on the town centre in terms of potential footfall and phased over a period of time to accord with the model approach to be adopted across all towns as set out in paragraph 8.1.6 (v) above.
- 8.2.11 This option, i.e. Option 3 is as per Option 2 above but with a proposed 50p flat rate tariff in Royston after 3pm will result in less income to the Council over the period. This could still result in an increase in potential income of circa £35k (i.e. 5.9%) for 2025/26 with the health warning that these are estimates based on the data the Council has available as outlined in para 8.1.7 above. It is recognised from previous tariff increases that there may be a reduction in parking sessions in the range of 10 - 20% depending on the size of the tariff increase and the time of year when the charges are introduced. It is anticipated that the number of sessions will grow and stabilise within 3 to 6 months.
- 8.2.12 The Option 3 tariff proposals for Cabinet's consideration are set out in Tables 1 to 6 at Appendix B, with Table 5 and Table 6 being amended to reflect the 50p flat rate tariff proposal in Royston car parks and on-street. Tables 1 to 4 for the other towns and Knebworth are as per Appendix A (Option 2).

8.3 Other incentives to support vitality of the town centres

- 8.3.1 It is to be noted that the Council is considering other measures to support its town centres through the replacement of the new parking machines which will include:
- a ticketless system – i.e. where visitors will no longer need to display a ticket in their car windscreen thereby allowing for an onward journey into the town centres but will require' registration of their parking session on arrival; and

- the introduction of a pay on exit/post payment scheme - enabling visitors to stay for longer up to the maximum period of stay per car park, thereby supporting local businesses. This is where people will be able to use contactless payment method to 'Check In' (use their contactless card at the parking machine) at the start of their parking session and then 'Check Out' (again by 'tapping' their contactless card) at the end using the same payment card. It is to be noted that visitors will be charged the maximum period of stay for that car park if they do not 'Check Out'. This is due to the current configuration of the software in the new machines. Officers are however in discussion with its supplier who are investigating other forms of charging customers if they arrive towards the end of the day and forget to Check out, which could be less than the maximum stay. This is under review and unlikely to be in place by the time the new machines are installed.

8.3.2 Reviewing the Town Centres Strategies to encourage a mix of town centre uses in the high street by retaining retail uses and enhancing the provision of leisure and other uses, such as food and beverage; introducing less restrictive policies that control the mix of town centre uses, within the primary shopping area by allowing for more flexibility within the commercial, business and service sectors; and by improving the public realm and open/public spaces as a means of encouraging investment and visitors to the town centres thereby supporting their vitality and making them interesting places to visit, work and live.

8.4 Resident Parking Zones.

8.4.1 Following discussion with the interim Executive Member for Planning & Transport it is proposed to increase resident, business or visitor permits and visitor ticket books for each of the Council's resident permit parking zones across the district for 2025/26 by 2%. While the Council has managed to break even and on target with its resident permit scheme, consideration also needs to be given to other inflationary costs associated with operating the Parking Enforcement Service and the ongoing maintenance costs associated with respective on-street regulations, i.e. refreshing road markings and replacing signs. Hence the proposal to increase the price for permits in resident parking zones is set out in the Table at 8.4.2 below rounded to the nearest £1/50p.

8.4.2 Resident Permit Parking Zones: Proposed increases for 2025/26

Permit Type	Current Permit Prices in 2024/25		Proposed Permit Prices for 2025/26	
	6 months	12 months	6 months	12 months
Resident Permit	£42.00	£84.00	£43	£86
Visitor Permit	£42.00	£84.00	£43	£86
Business Permit	£42.00	£84.00	£43	£86
Visitor Tickets	£12.00 per book		£12.50 per book	

8.5 Parking Charges for Electric Vehicle Charging Bays

8.5.1 There is an increasing demand in which to introduce more Electric Vehicle Charging Point (EVCP) infrastructure across the district to meet the Governments targets and to Councils Climate Change Strategy.

8.5.2 There is an action within the Council's Climate change Action Plan which states: *'Exploring the possibility of making it cheaper for zero emission vehicles to use Council car parks'*,

8.5.3 At present visitors who use the EV bays can park without having to pay for a parking session within the Council's car parks, and given the Council in looking to replace the existing 10 publicly available EVCP and install an additional 26 charge points across its car parks as part of the 1st phase of its EV Strategy before the end of March 2025, and this number is expected to increase as more funding opportunities become available. This potentially will result in loss income to the Council and its future funding requirements in the on-going management and maintenance of its car parks, and Cabinet at its meeting in Sept 2023 agreed *to the policy of customers paying for parking sessions whilst parked within electric vehicle charging bays*

8.5.4 In order to promote and monitor the usage of the EV bays it is suggested that consideration to the introduction of charging for a parking session in the clearly marked designated only EV bays while charging is introduced later in the financial year 2025/26 , in addition to the customer paying to charge their EV. This will enable officers to monitor usage of the bays and as demand increases to come to an informed view in discussion with the Service Director – Regulatory and the Exec Member for Planning & Transport to consider the introduction of parking charges.

8.5.5 It is suggested that other options could be considered as part of the permit parking project to offer discounts for EV vehicles which would accord with the Council's action at para 8.5.2 above.

8.6 Officer summary

8.6.1 This report to Cabinet is concerned with presenting a tariff structure that seeks to manage car park usage and reflect inflationary cost pressures as determined by the budget estimates for 2025/2026 and its implementation as soon as possible in the 2025/26 financial year. Following discussion with the Interim Executive Member for Planning and Transport, and in light of the number of comments received and strong concerns raised opposing the Royston proposed flat rate tariff after 3pm, it is the officer recommendation that Cabinet consider and agree the tariff increases as proposed at *Option 3*. These proposed tariff increases are set out in Tables 1 to 6 for each town at Appendix B attached to this report.

8.5.2 This report also:

- (i) proposes a 2% inflationary increase to resident, visitor and business permits and visitor tickets in residential parking zones taking into consideration the last increase was in 2013 and other inflationary costs associated with operating the Parking Enforcement Service and the ongoing maintenance costs associated with the respective on-street regulations within the resident permit zones needs to be considered as having an on-going impact on the council's revenue budget;
- (ii) proposes not to increase the cost of Season Tickets within the Council's long stay car parks in Hitchin, Letchworth and Royston or Business Permits within St. Martins Road Car Park in Knebworth for 2025/26 as a means of supporting local businesses;
- (iii) proposes introducing car park charging sessions within EV Parking Bays within the Council operated car parks towards the end of the 2025/26 financial year in order to address future demand and potential impacts on the Councils income stream in managing its car parks; and

- (iv) seeks to inform the Cabinet that customers will be charged the maximum number of hours for that car park if they do not Check Out to complete payment of their parking session, as restricted by the software.

Following discussion with the Interim Executive Member it is the officer recommendation that Cabinet consider and agree these further proposals.

9. LEGAL IMPLICATIONS

- 9.1 Under the Terms of Reference for Cabinet, paragraph 5.7.30 of the Council's Constitution states that the Cabinet should by way of resolution determine charges for car parking.
- 9.2 The proposed tariff changes and proposed increase in resident, visitor and business permits and visitor tickets in residential parking zones will be required to be published as a Notice of Variation to the respective North Hertfordshire District Council (Off-Street Parking Places) Orders and to the North Hertfordshire District Council 2023 On-street Consolidate Order in the local papers in compliance with the Road Traffic Regulation Act 1984 and the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996. Such Notice of Variation will give a minimum of 21 days' notice of when the new parking tariffs and permit increases for the resident permit zones will be implemented. Site notices will be displayed in all affected car parks and on street.

10. FINANCIAL IMPLICATIONS

- 10.1 The budget forecast for 2025/26, includes estimated additional income from inflation to the Council of £76.5k for pay-as-you-use tariffs and £7.2 for season tickets (this is made up of the 2% increase for 2024/25 as well as 2% for 2025/26). This is for modelling purposes and the actual increase is considered each year.
- 10.2 The approach taken, and assumptions made in estimating the financial impact of the proposed pay-as-you-use tariff structure, as laid out in Tables 1 to 6 at Appendix A and B, are explained in the body of this report. While the actual impact on parking activity from the proposed tariff structure is unknown, particularly with the recovery from the pandemic and the impact of the increases in the overall cost of living on our car parks, the income estimates derived are based on the usage figures from April 2023 to March 2024 and independent survey data for the proposed Royston off-peak incentive scheme have been adjusted to reflect the income expectation in relation parking charges within the approved budget for 2025/26.
- 10.3 The intended proposed off-street incentive scheme to be considered across Hitchin, Letchworth and Royston as outlined in para 8.1.6 (v) above, together with the 4% inflationary increase across all tariffs could result in a further income stream of circa £69k under Option 2 or circa £35k under Option 3. (both on top of the assumed inflation). These increases reflect removing the previous shortfall. Both Royston First BID and Royston Town Council and Knebworth Parish Council have expressed an interest in subsidising parking tariffs within their areas.
- 10.4 The Royston Town Council have advised that at their Town Council meeting on 27th January 2025 they resolved to budget £20k towards the free after 3 scheme for the new financial year and have requested a meeting is held between North Herts, Royston First BID and the Town Council to discuss whether there is any possibility of the Free after three scheme being retained through agreeing the required level of subsidy. This is an

option the Council would consider under its agreed policy to implement subsidy and incentive parking schemes on a break-even approach.

- 10.5 Once the new parking tariffs are introduced Knebworth Parish Council will subsidise the 30min free parking tariff option at St. Martins Road Car Park. This will be a contribution of circa £2,750 and will be reviewed annually together with inflationary increases and usage data as visitors will be required to register their parking session.
- 10.6 There is a budget set-aside for the cost of implementing the proposed tariff increases including publishing the notices, advertising the increased car parking tariffs in the local press, amending tariff boards and making adjustments to the car park payment machines.

11. RISK IMPLICATIONS

- 11.1 Good risk management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2 The risks to car parking income have been considered as part of the assessment. The recommendations have been made whilst acknowledging that there is a financial risk that the review of tariff structure might not produce the estimated income and could result in downward trend in parking sales. The off-peak parking incentive will be monitored through the number of parking session registered under the alternative payment options available with the new parking machines, thereby providing the Council with more reliable data base.
- 11.3 Car parking usage and income and the sale of Season tickets permits within resident parking zones is continually monitored throughout the year, including as part of the regular revenue monitoring reports.
- 11.4 There is also a risk that there may be a negative public reaction to the agreed recommendations, which should be managed by the timely communication of any changes and the reasoning behind them.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their 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.
- 12.2 There are no direct equality issues arising from this report. There is a range of charging/payment options which will still remain available to cater for the widest needs of local car park users, together with the continued option for organisations to subsidise tariffs to support local businesses and visitors to the town centre. The realignment of the tariffs seeks to improve turnover and usage throughout day thereby supporting the town centre businesses and benefit the economy of North Hertfordshire. The proposed increases for resident permits, visitor permits, business permits or visitor tickets for resident parking zones is a nominal increase and allows for the ongoing management and maintenance of resident permit zones. Season tickets in long stay car parks are to remain the same thereby supporting local businesses.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 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 the relevant section at Paragraph 12.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1 The NHDC parking strategy seeks to minimise environmental impacts where possible in regard to on-street and off-street parking. As noted at paragraph 3.1 there may be further reduction in car travel with the implementation of the parking tariffs thereby encouraging people to other forms of sustainable travel into the town centres.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no new human resource implications arising from the contents of this report. Officers will be responsible for implementing the new tariffs, undertaking the necessary amendments to the Traffic Regulation Orders, and monitoring the potential impacts of the off-peak incentive scheme in Letchworth and Royston.

16. APPENDICES

- 16.1 Appendix A: Proposed 2025/2026 Parking Tariff Changes for NHC Off-Street Managed Car Parks (Option 2)
- 16.2 Appendix B: Proposed Revised 2025/2026 Parking Tariff Changes for NHC Off-Street Managed Car Parks (Option 3)
- 16.3 Appendix C: December 2024 Consultation: - Full copy of responses received to Proposed Parking Tariff Changes for 2025/26.

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18. BACKGROUND PAPERS

- 18.1 North Hertfordshire District Council Parking Strategy 2019 - 2031(adopted January 2019)
<https://www.north-herts.gov.uk/home/parking/parking-strategy>
- 18.2 [Cabinet Report 19 Sept 2023](#) – Proposed Off-Street Parking Tariffs for 2023/24 Item Ref: 212
- 18.3 Appendix A – North Herts Council Climate Change Strategy: Proposed Actions 2021-2026 (adopted March 2021) [NHDC-294 NHDC Climate change Strategy 21-26 Appendix A.pdf \(north-herts.gov.uk\)](#)