

PARKING FEES AND CHARGES 2017/18

<u>Report of the:</u>	Head of Customer Service & Business Support
<u>Contact:</u>	Joy Stevens/Richard Chevalier
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
<u>Annexes/Appendices</u> (attached):	Annexe 1 – Epsom Car Park fees Annexe 2 – Parking Permit fees Annexe 3 – Parker Card & Lost Token fees Annexe 4 – Ewell Car Park fees Annexe 5 - Retailer Consultation Report
<u>Other available papers</u>	None stated

REPORT SUMMARY

This report seeks the agreement of the Committee to off street parking fees and charges for 2017/18 and the introduction of new proposals to be considered within the car parks in the forthcoming year, having regard to the recommendations of the Parking Working Group, and responses to the Epsom Retailers Consultation on Car Parking.

RECOMMENDATION (S)

That the Committee:

- (1) Notes the Epsom Retailer Consultation analysis and that as a result of the consultation, the Parking Working Group recommend that:**
- a) that the 1 hour minimum stay rate for the Ashley Centre Car Park be retained**
 - b) that officers contact the retailers who were interested in permit parking within Hook Road car park**
 - c) that officers discuss the possibility of validator or discounted parking options with the retailers who indicated that they may be interested in subsidising parking at one of the Council car parks for visitors to their retail premises at no cost to the Council.**

Notes

- | | |
|---|--|
| <p>d) That Officers be instructed to investigate opportunities for paid advertising in council car parks with local retailers expressing an interest in the consultation to generate additional income for the Council.</p> <p>(2) Agrees in principle the changes to car park fees identified in Annexe 1.</p> <p>(3) Agrees in principle the changes to business and residential permit fees in Annexe 2.</p> <p>(4) Agrees in principle the changes to parker card fees & lost tokens in Annexe 3.</p> <p>(5) Agrees in principle the changes to car park fees identified in Annexe 4 including:</p> <ul style="list-style-type: none">a) the introduction of a 40p overnight rate in Ewell High Street, Dorset House & Bourne Hall car parks.b) the introduction of a 30p 30-minute tariff in Ewell High Street & Dorset House.c) the change in discounted parking for users of the Rainbow Centre who use Hook Road Car Park to a flat rate of £1 for up to 3 hours. <p>(6) subject to planning permission being granted for Ewell Grove School:-</p> <ul style="list-style-type: none">a) approves the harmonisation of charging times in Ewell village car park to allow parents to drop off their children without charge before 09:00 from a date to be determined by the Head of Customer Services & Business Support.b) authorises the Head of Customer Services & Business Support to continue discussions with Surrey County Council & Ewell Grove School regarding permits for staff working at Ewell Grove School and to issue such permits for Ewell car parks on such terms as she considers appropriate up to a maximum of 12 permits. <p>(7) Authorises the Head of Customer Services & Business Support to give such notice(s) and/or make such order as is considered necessary in order to give effect to the above recommendations.</p> | |
|---|--|

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 In considering parking fees and parking charges in this report the Committee will need to consider and balance the effective management of parking spaces and of the economic impact on the Borough.

2 Background

- 2.1 At the meeting of the Financial Policy Panel on 16 September 2016 members agreed that at least £200,000 additional revenue needed to be generated from an increase in discretionary fees and charges, based on minimum overall increase in yield of 3% in 2017/18.
- 2.2 To achieve this figure it was estimated that 3% yield on car park fees would generate approximately an additional £100k. If lower charges are agreed, the Council will be required to identify cost savings elsewhere to enable the Council to meet its overall budget target.
- 2.3 As part of the terms of reference for the cross party parking working group fees & charges have been discussed by the group for 2017/18. These proposed changes are outlined in the attached annexes on a fee per fee basis.
- 2.4 As car park fees can only be raised by coinage denominations of 10p due to the coinage held in our parking machines, charges which change will need to be rounded up to the nearest 10p denomination.
- 2.5 At the Environment Committee on 21 January 2016 the Committee agreed that a consultation programme be undertaken to inform a six month review of future car park fees and charges.
- 2.6 At quarter one there was a shortfall against the estimated budget for 2016/17 at the Ashley centre car park due to a reduction in the number of visitors to the car park. This reduction of around 4% in visitor numbers can be seen before the April fees & charges were introduced in 2016. However, since April 2016 there has been a further 3% decrease in visitors to the car park. There could be a number of factors affecting this including the increase in car park charges, the changes in retail offering in the Ashley Centre and the economic impact as a result of Brexit.
- 2.7 All other car parks as a group are currently performing to budget.

3 Investment in Car Parks

- 3.1 In the last 5 financial years the Council has reinvested an average of 66% of the total income back into our car parks through revenue and capital expenditure. This expenditure is crucial to continue running the overall car park service and undertaking essential repairs and remedial works.

Revenue and Capital Costs and Income	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000
Total Expenditure	1,926	1,715	1,973	1,904	1,989
Direct Car Park Income	(2,631)	(2,801)	(2,790)	(3,069)	(3,252)
Net income	(704)	(1,086)	(816)	(1,164)	(1,263)
% income reinvested as expenditure	73.22%	61.23%	70.73%	62.06%	61.17%

3.2 In 2016/17 the introduction of a new polymer £5 note and the forthcoming introduction of a new £1 coin have increased costs for machinery to be upgraded. So far the Council has incurred an additional £6.5k in costs to upgrade the machines with an additional cost still to be confirmed.

3.3 Capital bids have been put forward to take forward investment in, for example, new pay and display machines. We are also at the early stages of discussion with the owners of the Ashley Centre about how we can improve the centre and increase footfall. These discussions will include consideration of the car park.

4 Epsom Retailers Car Parking Consultation

4.1 The consultation was undertaken with the retailers during the summer 2016. The survey ran from 4 July to 19 August 2016. Due to the initial poor response the original closing date was extended by two weeks and a further letter was hand delivered by officers to encourage participation in the survey.

4.2 This extension of the closing deadline for the survey means that the summary results and initial analysis of the consultation were received by officers and the parking working group on 14 September 2016.

4.3 The survey was posted to 256 retailers located in central Epsom. Overall, 90 responses were received (a response rate of 35%). Of the 90 responses received 22% (n=20) were from retailers in the Ashley Centre. Most respondents were chain businesses (62% n=55) with 5 or more stores. The largest number of respondents employed between one and five people (42% n=37), 8 businesses employed more than fifty people. Not all respondents answered every question.

4.4 The Epsom retailer consultation concluded that 60% (n=51/85) were in favour of removing the one hour minimum stay rate for customers within our car parks, with customers being required to pay the minimum 2 hour charge instead. However, on further analysis 56% (n=9/16) of the larger retailers (20 employees or more) were not in favour of removing the one hour charge. Of the retailers within the Ashley Centre 55% (n=11/20) were not in favour of removing the one hour charge. The most common reason given for saying 'No' to removing the one hour minimum stay rate was that it would 'deter short-stay customers'. It is relevant to note that there has

been a growth in recent years in “click & collect”, where shoppers order online then come into shops to collect their goods. Anecdotally, some retailers are concerned that the removal of the one hour charge may deter shoppers from collecting goods in Epsom, and this may have a knock-on effect on other retailers/sales.

- 4.5 The Epsom retailer consultation concluded that 24% (n=21) of respondents were interested in purchasing permits in Hook Road car park.
- 4.6 The Epsom retailer consultation concluded that 91% (n=77) of the retailers did not want to subsidise parking for their customers at one of the Council car parks.
- 4.7 When asked about advertising in Council owned car parks 48% (n=41) indicated that they would like to see more advertising. Of these 19 retailers indicated they would be interested in advertising themselves.
- 4.8 When asked to rate which aspects of parking were important 98% of retailers ticked parking charges followed by 95% personal safety, 93% location and 92% a safe environment.
- 4.9 When asked to provide further comments or feedback the top 3 responses were that 32% (n=8) made reference to faulty equipment in car parks, 28% (n=7) made reference to the appearance of the car parks, 16% (n=4) made reference to the state of repair of the car park surfaces/state of repair.
- 4.10 When asked to expand, the greatest issues appeared to be with failure of the pay machines in Depot Road, the appearance of the Ashley Centre stairwells, the perception of Hook Road.
- 4.11 Officers have submitted a Capital Bid to update the pay machines in Depot Road car park and make improvements to the Ashley Centre which will be assessed through the Capital Bid process of the council.
- 4.12 The consultation also asked about the Shop Mobility Scheme. This is likely to be the subject of a separate report in due course.

5 Parking Working Group – Overall Strategy and General Proposals

- 5.1 The strategy of the Parking Working Group is to propose fees to promote Hook Road as a long term stay car park, Upper High Street and Depot Road as long to medium term parking options, Ashley Centre as a medium to short term car park and Town Hall and Hope Lodge as short term stay car parks.
- 5.2 The Parking Working Group is recommending changes to 24 car park tariffs of the 103 tariffs currently charged. This means that 23% of car park tariffs are proposed to increase for 2017/18.

ENVIRONMENT COMMITTEE
25 OCTOBER 2016

- 5.3 In 2016/17 over 400 annual business permits have been purchased in Epsom car parks. 334 of these are within Hook Road Car Park. Hudson House Car Park remains full and continues to operate a waiting list. The Parking working Group is recommending an increase to all permit charges for 2017/18.
- 5.4 As part of the review of fees and charges the Parking Working Group also considered the following:
- a) Parker card fees and lost tokens
 - b) The introduction of an overnight rate in Ewell village car parks
 - c) The introduction of an up to 30 minute stay tariff in Ewell High Street and Dorset House car parks
 - d) The approach from Surrey County Council regarding a transport plan for the extension of Ewell Grove School to include accommodating additional parking requirements for parents and staff
 - e) The discount rate offered to users of the Rainbow Leisure Centre who park at Hook Road car park
- 5.5 As agreed at Environment Committee in January 2013 holders of a regular parker card have been able to park at Hook Road car park at a discounted rate of a maximum of £3 per day. This amount has not increased since this time. In 2016/17, 285 people have purchased parker cards for Hook Road car park. Income received from visitors paying by parker card in Hook Road Car Park from 1/9/15 to 31/8/16 was 50k. It is therefore estimated that, assuming visits continue on the same basis, the additional 50p should generate an additional £8.3k income.
- 5.6 The cost of chip coin tokens used to gain entry to the barrier controlled car parks has increased from when the systems were first introduced at under £3 per token to £5 per token. Currently where time of entry can be proven, the lost charge is £3 for the lost token plus the relevant parking charge. Where the time of entry cannot be proven the maximum daily rate for parking plus the cost of the lost token will be levied. The charge in fees and charges is the maximum charge for a full days parking plus the lost token. On average 8 chip coins are lost by car park users each day. Whilst a lost token fee is being levied there is still an attrition rate due to unreadable and damaged tokens which are increasing as the tokens are older and have been used for longer.

Proposals

- 5.7 The Car Parking Working Group recommends that:
- 5.7.1 following the results of the retail consultation a one hour minimum stay rate is retained in the Ashley Centre Car Park.

- 5.7.2 officers approach the 21 local retailers who indicated in the retail consultation that they would be interested in permit parking in Hook Road car park.
- 5.7.3 officers discuss the possibility of validator or discounted parking options with the 9 retailers who indicated that they may be interested in subsidising parking at one of the Council car parks for visitors to their retail premises.
- 5.7.4 The proposed tariff changes in annexe 1 be agreed in principle.
- 5.7.5 The proposed permit changes in annex 2 be agreed in principle.
- 5.7.6 The proposed changes in annex 3 be agreed in principle.

6 Ewell Car Parks

- 6.1 Currently the car parks in Ewell are free to use after 18:30 Monday to Saturday.
- 6.2 Currently the minimum stay in Dorset House and Ewell High Street is one hour. Bourne Hall currently offers a 30 minute tariff.
- 6.3 Epsom & Ewell Borough Council have been approached by Surrey County Council in relation to the proposed extension of Ewell Grove School in 2017 subject to planning permission being granted and the requirement for a school transport plan. The request was in relation to parking for people dropping off and picking up their children from school and also a request for parking permits for staff working at the school.
- 6.4 Members are asked to note if Epsom & Ewell Borough Council harmonise the charging hours in Ewell as per recommendation 8a based on current car park usage figures at Dorset House before 9am the loss of revenue within the car park would be £2.4k per year and £1.2k per year in Ewell High Street Car Park. These figures are based on charging hours moving from 7:30am to 9am.
- 6.5 The Parking Working Group has made the following proposals:
 - 6.5.1 An evening/overnight rate of 40p is introduced in the Ewell car parks running from 18:30 Monday to Saturday to 7 am the following morning.
 - 6.5.2 A 30 minute charge is introduced into Dorset House & Ewell High Street to allow people to park for short timescales to carry out short term visits to Ewell which are less than an hour in duration. It was also felt that it may encourage users to park in the car park rather than on the road and also make it easier for residents. It will also allow users to collect children from school without paying for an hour's parking.

6.5.3 That subject to planning permission being granted for Ewell Grove School the Committee approves the harmonisation of charging times in Ewell village car park to allow parents to drop off their children without charge before 9am from a date to be agreed by officers with Surrey County Council.

6.5.4 That the Committee instructs officers to continue discussions with Surrey County Council regarding permits for staff working at Ewell Grove School subject to planning permission being granted.

6.5.5 That permit numbers are limited so as not to cause capacity issues in the Ewell car parks and are split between the car parks at a rate agreed by officers.

7 Rainbow Centre

7.1 As agreed at Environment Committee in January 2013 Rainbow Centre users are able to park at Hook Road car park for a discounted rate of 50p for up to 3 hours. This amount has not increased since.

7.2 Table of users from the period 1 September 2015 to 31 August 2016 is as follows:

Length of stay	No. of users	Discounted rate paid	Full Rate
0-1 hours	967	£0.50	£1.50
1-2 hours	11,545	£0.50	£1.50
2-3 hours	4,864	£0.50	£2.50

7.3 It is therefore estimated that on the above figures £18.5k per year is currently being discounted. However the Council is receiving £7.2k from the current users.

7.4 If the 50p rate was increased to £1 and usage continued in the same way then approximately £12.7k would be discounted in 2017/18 if the Hook Road fees in annex 2 are agreed. However the Council could expect to receive approximately £14.4k from users.

7.5 The Parking Working Group proposes that the discount rate applied to users of the Rainbow Centre parking at Hook Road car park is increased to £1 for up to 3 hours use.

8 Financial and Manpower Implications

8.1 **Chief Finance Officer's comments:** Budget targets, as set out in the Medium Term Financial Strategy, anticipate additional income from car parking of £109,300 in 2017/18, an increase of 3%. The charges proposed in the attached annexes would generate an additional £95,350 income, net of VAT. This is a shortfall of £13,950. Other savings or additional income elsewhere will need to be identified to offset this.

9 Legal Implications (including implications for matters relating to equality)

- 9.1 Off street parking is regulated by Orders made under Part IV of the Road Traffic Regulation Act 1984. There is a statutory process to be followed if an order is to be made or amended.
- 9.2 In summary the process is as follows:
- 9.2.1 Prior to making an order there is a requirement to consult with certain organisations, to publish a notice of proposals in a local newspaper, and to display/deliver notices in places affected by the proposals.
- 9.2.2 If any objections are made to the proposals, the Council must consider these and may make modifications to the proposals. If the modifications are significant and may affect certain persons, they should be given further opportunity to make representations about the modifications.
- 9.2.3 The Council may then make the order.
- 9.2.4 The Council must then publish and where relevant give notice that it has made the order, setting out details such as a brief statement of the general nature of the order and description of the key provisions.
- 9.2.5 After this has all been done, the order can come into effect.
- 9.3 Where an order makes provision as to the charges to be paid in connection with the use of an off-street parking place, and there is a proposal only to vary the charges to be paid, it is not necessary to make a full new order; a shorter process is available under section 35C of the 1984 Act.
- 9.4 A notice of variation of parking charges must be published in a local newspaper at least 21 days before the new charges are to come into force. Notice must also be displayed in the parking place. There is no provision for representations to be made or considered.
- 9.5 ***Monitoring Officer's comments:*** *It is important that the changes proposed in this report are implemented in a way which is compliant with the relevant legislation.*

10 Sustainability Policy and Community Safety Implications; Partnerships

- 10.1 No implications for the purposes of the report.

11 Risk Assessment

- 11.1 It should be noted by members that there is already a small decline in visitors to the Ashley Centre. This shortfall of around 4% can be seen before the April fees & charges were introduced in 2016. However, since

April 2016 there has been a further 3% decrease in visitors to the car park. There could be a number of factors affecting this including the increase in car park charges, the changes in retail offering in the Ashley Centre and the economic impact as a result of Brexit.

- 11.2 It is expected that significant highway improvement works will begin in January 2017. The effect of this on traffic flow around the town centre and usage of the car parks could adversely affect car park visitor numbers and income, particularly in the Ashley Centre.
- 11.3 Parking income could also be adversely affected by other changes within the local community and economic factors.
- 11.4 All of these factors create a significant risk that car parking income could be affected.

12 Conclusion and Recommendations

- 12.1 Members note the results of the retailer consultation and authorise officers to:
 - 12.1.1 contact retailers interested in permit parking within Hook Road car park
 - 12.1.2 contact retailers expressing an interest in discounted parking options
 - 12.1.3 investigate opportunities for advertising in Council car parks with local retailers.
- 12.2 Members to agree in principle the fees and charges in annexes 1, 2 & 3
- 12.3 Members to agree in principle the fees and charges in annex 4 including:
 - 12.3.1 a decision regarding the introduction of a 40p overnight rate within Ewell Village Car Parks.
 - 12.3.2 a decision regarding the introduction of a 30p 30-minute tariff in Ewell High Street and Dorset House car parks.
 - 12.3.3 authorising officers to increase the flat rate fee being charged to users of the Rainbow Centre who park in Hook Road car park for up to 3 hours to £1 from 50p per visit.
- 12.4 Members authorise officers to:
 - 12.4.1 harmonise the charging hours within Ewell village car parks subject to planning permission being granted for Ewell Grove School whilst accepting there is a loss of income.
 - 12.4.2 continue discussions regarding permits with Surrey County Council

ENVIRONMENT COMMITTEE
25 OCTOBER 2016

- 12.5 The proposed changes to fees are designed to maintain car parking infrastructure roles across Epsom & Ewell for short, medium and long term parking.
- 12.6 Continued and proportionate cost effective investment in car parks will help protect and grow income streams thereby helping to protect service provision during a time when other income streams are seriously at risk.

WARD(S) AFFECTED: All