

Report to Norwich Highways Agency committee
21 September 2017
Report of Head of city development services
Subject On-street parking charges review

Item

10

Purpose

To seek approval for an increase in current on-street parking charges and to consider whether to extend the current charging periods

Recommendation

To:

- (1) ask the head of city development services to carry out the necessary statutory processes to change the on street charges as follows:

A flat 50p parking charge and then:
 - 50p for each 15 minutes parked in higher band spaces.
 - 30p for each 15 minutes parked in lower band spaces.
- (2) note that charging during evenings and on Sundays will be considered as part of the up coming Norwich Area Transportation Strategy review.

Corporate and service priorities

The report helps to meet the corporate priority value for money services

Financial implications

Reprogramming the ticket machines will cost approximately £5000. This will be met from the on-street parking income generated. It is anticipated that income generated by the on street pay and display bays will increase from approx. £600k to £675k.

Ward/s Thorpe Hamlet/ Mancroft

Cabinet member: Councillor Stonard - Sustainable and inclusive growth

Contact officers

Bruce Bentley - Principal transportation planner 01603 212445

Joanne Day – Parking manager (operations) 01603 212453

Background documents

None

Report

Background

1. On street parking charges have not been reviewed since August 2013, whilst off street parking charges are reviewed annually. Historically, the council has always aimed to keep the on-street charges just above those of comparable off-street car parks. This is to encourage the use of the off-street car parks and manages demand to ensure that the premium on-street spaces are readily available when needed. The on street parking spaces also offer the ability to pay for 15 minute increments rather than whole hours, which is not available in any off street car park; this is another reason that a premium rate should be charged.

Norwich Area Transportation Strategy (NATS)

2. The overall parking strategy for the city is to ensure that increasingly, parking within the city centre favours short and medium stay use whilst the overall provision is capped at a maximum of 10,000 spaces (Currently, the level of off-street public car parking in the city centre stands at around 9790 spaces.) The level of parking within the centre is such that solely providing short and medium stay results in underuse of the car parks, and hence longer stay tariffs are routinely available. However, as the city expands, and demand increases, this will increasingly favour the desired short and medium stay provision, with longer stays being catered for by 'Park and Ride'.

Current charging

3. On-street parking charges are currently levied during the day only, Monday to Saturday. Charges in Band A (the most central spaces) are £2 per hour (50p for fifteen minutes) whilst the lower band is charged at £1.20 per hour (30p for 15 minutes)
4. There is a separate report on this agenda that details proposals for price rises in the city council owned car parks, and the charges levied at other privately owned facilities. Tariffs of £2 plus will be charged in many city car parks, whilst only the un-made car park near to Anglia Square will charge less than £1.20.
5. As a result of these planned increases neither of the on-street bands is charged at the premium rate required to ensure regular availability for very short stay use
6. The primary purpose of charging for on-street spaces is to effectively manage this limited resource, and not to raise income. However, this year it is anticipated that a small loss will be made from in the on-street parking (on a gross income of £1.35m) although there has been more machine upgrades this year than is usual. However, the current charges are only just adequate to cover operational costs
7. Currently, 40% of users of the spaces in the heart of the city pay for the full hour, with only 13% opting for 15 minutes. The overall breakdown is as follows;

Overall length of paid stay	Percentage of Customers
15 minutes	13%
30 minutes	31%
45 Minutes	15%
1 hour	40%

Frequency of review of on-street charges

8. Off street car parks are usually serviced by a few relatively sophisticated payment machines that can take coins, notes and electronic payments, and can also give change. By contrast, on-street machines service only a few spaces each and therefore necessarily use less sophisticated payment machinery. Consequently, the ones in use on street can accept coins only, and do not give change.
9. Altering the machines to revise payments is therefore disproportionately expensive for on-street payment machines, due to the high number needed for relatively few spaces. In addition, when setting prices, it is important to consider the ease with which the payment can be made in denominations that customers are likely to have, so small incremental changes which result in odd amounts are not practical as it is less likely that the customer would have the correct money, and would not receive any change. Consequently, the review of on-street pricing tends to be every four or so years, as prices are varied in the city's off street parking provision. This also means that price rises when they occur do seem large by comparison with the small incremental rises seen at the off-street sites
10. In addition, since the charges were last reviewed, the government has introduced a 10 minute grace period on the enforcement of all on-street parking spaces. This has had the effect of making the shortest stay period effectively 25 minutes at an equivalent hourly rate of £1.20 in the premium spaces and 72p in the lower band. This is substantially lower than the comparable current off-street charges.
11. Since on-street parking charges were last reviewed the cost of living has risen by approximately 9%

Options

12. Officers have considered three possible options.

Option 1 - No Change

13. This would undermine the long established principals of the on street charging regime as explained earlier in the report and could encourage people to park on street for longer periods thus depriving those who want to stay for periods of less than an hour the ability to park conveniently. It would also mean that increasingly the permit parking scheme would be financially supporting the on-street 'Pay and Display' scheme. For these reasons this is not considered a viable option.

Option 2 – across the board increase

14. An option could be to increase the charges across the board by 10p per 15 minutes. This would increase the hourly rate to £2.40 in the most central spaces (60p per 15 minutes) and £1.60 in the lower band spaces (40p per 15 minutes). The following table shows the effective charge currently for the on-street spaces taking account of the grace period, and the effective charge should a 10p increase be made.
15. It can be seen that only the longest period in the premium spaces would attract the premium price as intended, and that premium is marginal. The lower band charges would also remain mostly below the cheaper city centre car parks. To achieve a charge level equivalent to off-street charges for the 15 minute period would mean a rate of at least 90p for 15 minutes parking in the premium spaces, making the hourly charge £3.60

Period charged (premium spaces)	Actual period allowed	Charge made	Effective charge per hour	Effective charge per hour if a 10p increase were made
15 minutes	25 minutes	50p	£1.20	£1.44
30 minutes	40 minutes	£1.00	£1.50	£1.80
45 minutes	55 minutes	£1.50	£1.64	£1.96
1 hour	1 hour 10 minutes	£2.00	£1.72	£2.06
Period Charged (lower band spaces)				
15 minutes	25 minutes	30p	72p	96p
30 minutes	40 minutes	60p	90p	£1.20
45 minutes	55 minutes	90p	98p	£1.31
1 hour	1 hour 10 minutes	£1.20	£1.03	£1.37

Option 3 – Up –front charge plus hourly rate

16. In this option, the parking charge would be made up of an up-front flat rate charge, with an additional charge for every 15 minutes parking purchased. For the premium spaces, the recommendation is for a 50p flat rate charge and then 50p for each 15 minutes. That would make the charge £1 for 15 minutes (effective charge, given the grace period £2.40 per hour) up to £2.50 for an hour (effective charge £2.15 per

hour). This is a more robust position with respect to potential future changes in off-street parking charges

17. The current lower band charges would be increased by introducing the 50p flat rate charge with a 30p charge for each 15 minutes. That would make the charge 80p for 15 minutes (effective charge, given the grace period £1.92 per hour) up to £1.70 for an hour (effective charge £1.46 per hour). This is consistent with the less expensive car parks in the city centre, but again provides some leeway to ensure that no further review of pricing is required for some time.
18. The revised charges do result in increases that exceed the rise in the cost of living over the period since the charges were last reviewed, but changes to the grace period, the need to ensure the premium nature of the on-street parking provision, and the need to ensure infrequent upgrades all result in the recommended rises in parking charges

Recommendation

19. To increase the on-street parking charges as described in option 3 above and detailed in the following table

	15 minutes	30 minutes	45 minutes	1 hour*
Band A				
Existing	50p	£1.00	£1.50	£2.00
Proposed	£1.00	£1.50	£2.00	£2.50
Effective price per hour (inc. grace period)	£2.40	£2.25	£2.18	£2.14

	15 minutes	30 minutes	45 minutes	1 hour*
Band B¹				
Existing	30p	60p	90p	£1.20
Proposed	80p	£1.10	£1.40	£1.70
Effective price per hour (inc. grace period)	£1.92	£1.65	£1.53	£1.46

¹ some Band B spaces can be used for up to two hours. Prices would increase by a further 30p for every additional 15 minutes This is an equivalent rate per hour of £1.33 for a two hour stay

Future Changes

20. The recommended changes to the current on-street charges should ensure that on-street charges during the working day, Monday to Saturday, will better reflect the premium nature of the spaces for a reasonable time into the future. However, despite the stated intention that the on-street parking provision should be charge at a rate just higher than comparable off-street car parks, no charges are made either in the evenings, or on Sunday.
21. With the substantial changes to Sunday trading and the evening economy that have occurred over the years this is no longer considered to be a tenable position, with all on-street provision (including single yellow lines) effectively filled whilst off-street car still have plenty of space. Not only does this cause unnecessary congestion during what are increasingly busy periods, it also encourages additional traffic whilst motorist search for an elusive free space.
22. As part of the forth coming update of the Norwich Area Transportation Strategy, charging on-street in the evening and on Sundays will need to be reviewed, as will all the existing single yellow lines within the city centre that currently permit free parking during these times.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Norwich Highways Agency committee
Committee date:	21 September 2017
Director / Head of service	Andy Watt
Report subject:	On-street parking charges review
Date assessed:	17 th August 2017
Description:	

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	This will help to ensure that the on-street parking service continues to cover its operating costs
Other departments and services e.g. office facilities, customer contact	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There may be a negative response in the short term to increased charges
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	On-street parking operations already take account of the needs of affected protected groups
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	On-street parking operations already take account of the needs of affected protected groups
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Managing parking provision reduces the need to drive around to find a free space
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	"
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	"
Pollution	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	"
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	"
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	"
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment	
Positive	
Implement price rises	
Negative	
keep front of house staff informed about price rises and the justification for them	
Neutral	
Issues	