

Report to Norwich Highways Agency committee
20 September 2018
Report of Head of city development services
Subject Review of Parking Permit Pricing

Item

11

Purpose

To review the current pricing structure of the permit parking scheme to ensure that the scheme remains self-financing.

Recommendation

That members:

- (1) note the report:
- (2) approve the following changes to the parking permit charges as follows:
 - (a) increase the monthly parking fee by 25p for all residential permit; and,
 - (b) the 2-hour charity rate business permit, which is charged at residential rates.

Corporate and service priorities

The report helps to meet the corporate priority to provide a safe, clean and low carbon city and the service plan priority of implementation of the Transport for Norwich strategy.

Financial implications

The review ensures that the permit parking covers the operational costs of existing controlled parking zones, including enforcement and maintenance and generates income that is reinvested in amending and extending the zones.

Ward/s: All Wards

Cabinet member: Councillor Stonard - Sustainable and inclusive growth

Contact officers

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Background documents

None

Background

1. Currently, the city council operate and enforce controlled parking zones (CPZs) throughout the city centre, the inner suburbs of the city and around the university. These permit parking schemes operate 24 hours a day seven days a week in and around the city centre, whilst the more suburban ones operate between 8am and 6:30pm Monday to Saturday. Some parts of the 'university' scheme only operate between 10.00am and 4pm Monday to Friday.
2. All issuing of permits and enforcement is undertaken 'in house' by the city council.
3. The price of parking permits was last reviewed in November 2016 and since then, the demand for changes and extensions to the permit parking areas has accelerated, placing additional pressure on the permit parking budget. There is also a constant requirement to replace and repair signing and lining within the zones, and increase enforcement. Software and hardware devices also need regular upgrading. The cost of installing permit parking schemes prior to the most recent extensions (which are expected to be paid for by the permit scheme, and then contribute to it) has never been recovered.
4. It has always been the stated intention that the permit parking scheme covers its full operational costs. In 2017/18, the permit scheme covered its direct operational cost and an additional £36,000 towards the costs of changes to, and maintenance of the permit parking areas. However, for the past few years, these additional costs have been between £75,000 and £85,000 which has been met from other income streams. There continue to be demands for changes to and maintenance of the permit areas, and officers are aware of a number of locations that are likely to come forward over the next few years. The review of the Lakenham area is before this committee today, and it is anticipated that a consultation on the 'Welsh streets, College Road and Recreation Road will commence later in the year. There is a clear need to increase permit prices to cover these anticipated costs.

Dispensation charges and Business permits

5. Dispensations are currently sold in sheets of five for £42.50, with one, two, three and four day permits also available at £12.00, £17.00, £25.50 and £34.00 respectively. Dispensations are now also available as 'virtual' permits, so that they can be obtained over the 'phone on demand, and a forthcoming software update means that it is likely that this service will become available on-line 24 hours a day.
6. Dispensation charges were substantially raised in 2016 with increases in excess of 100% to make them more expensive than off-street parking. This has achieved the intended result in that the number of dispensations sold has reduced, meaning fewer contractor vehicles on street, particularly in the pedestrian areas), and previous losses have been reduced. On-line access should improve compliance further.
7. Business permits were also subject to a significant increase in 2016, but as a result of changes to the permit parking scheme are now less flexible than they

used to be, and much closer in concept to the residential permit scheme in terms of operation and availability. They are currently 3-4 times the price of the most expensive residential permits, but only represent a small proportion of permits issued and are mostly issued to small businesses in the outer parts of the City (no business permits are issued in the City Centre). No changes to the costs of business permits are recommended this year.

Recommended changes to permit parking charges

8. Except for the 'One-Day' scratchcards, all the permits on offer have their price based on a standard permit charge (currently £12) and a monthly parking charge. The permit charge is levied on every transaction that involves issuing a new permit, and is also the minimum charge for the scratchcards. Increasing use of technology should result in reduced staff time required to administer permit applications, so there is no requirement currently to review this charge.
9. Increases to the monthly parking charges are, however, recommended. This element of the permit charge covers on-street enforcement, maintenance and review of the schemes and these are the areas where there is increasing demand.
10. Currently around 2000 free '4-hour visitor', 5000 '4-hour visitor' at full cost, 3500 'small', 4700 'medium' and 1800 'long' vehicle permits are issued each year. A further £35,000 to £45,000 needs to be raised to cover the current operational and maintenance costs of the permit scheme. An average rise of £3 per permit (excluding those issued free on income grounds) would achieve the additional £45,000 required.
11. Historically, prices of permits for larger vehicles have increased more than those of the lower priced permits for smaller vehicles, but these lower priced permits account for nearly 60% of the total number of permits issued. However, an increase of £3 on the 'small vehicle permit would still mean that it has not increased in price in real terms for the last 15 years (permits were £16 then), and there is now a significant differential between the differing vehicle lengths (see table below). Consequently it is recommended that the monthly parking charge is increased on all permit types by 25p per month.
12. Proposed charges are as follows:-

Permit type	Current monthly parking charge	Proposed monthly parking charge
Resident Short vehicle, Blue Badge Holder and 4-hour Visitor permit	80p	£1.05
Resident Medium Vehicle	£1.85	£2.10
Resident Long vehicle	£3.20	£3.45

Resident 1 day scratchcards (City Centre)	£1.20 (minimum purchase £12 - 10 cards)	No Change
Resident 1 day scratchcards (Outer Area)	60p (Minimum purchase £12 – 20 cards)	No change
Business (vehicle specific) and Single Zone 2-hour	£10.50	No change
Business 2-hour All Zones	£15.50	No change
Business 2-hour All Zones (Registered Charities)	£1.85	£2.10

13. The effect of these proposed changes for an annual permit is detailed below and means the residential permits, but not scratchcards, will increase in price by £3 per year.

Permit type	Current charge for a 12 month permit	Proposed charge
Resident Short vehicle, Blue Badge Holder and 4-hour Visitor permit	£21.60	£24.60
Resident Medium Vehicle	£34.20	£37.80
Resident Long vehicle	£49.80	£53.40
Business (vehicle specific) and Single Zone 2-hour	£138	No change
Business 2-hour All Zones	£196	No change
Business 2-hour All Zones (Registered Charities)	£34.20	£37.80

Conclusion

14. Changes to the charges for parking permits were last agreed in 2016, and implemented in spring the following year. Charges for permits are expected to cover the full costs of operating, maintaining and altering the permit parking schemes, and although the situation has improved since the last review there is still some way to go to fully recover costs, particularly in respect to requested changes to the permit parking areas. The recommended increases should ensure that the permit parking scheme fully cover their operational costs. In the event that any surplus is made, this will be used to support other transport projects in Norwich.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Norwich highways agency committee
Committee date:	20 September 2018
Director / Head of service	Head of city development
Report subject:	Review of parking permit prices
Date assessed:	22 August 2018

	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"/>	Increasing the permit price will ensure the long term viability of the permit scheme
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No changes proposed
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No changes proposed
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Free visitor permits re issued to those on low incomes. Overall permit charges are only a small proportion of the cost of running a car
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"/>	No specific comments
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments

	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"/>	No specific comments
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
Energy and climate change	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No specific comments

Recommendations from impact assessment
Positive
No specific comments
Negative
No specific comments
Neutral
No specific comments
Issues
No specific comments