

Report to Norwich highways agency committee
24 November 2016
Report of Head of city development services
Subject Review of Permit parking and pricing

Item

14

Purpose

To note the effectiveness of the new permit parking scheme, and to review the current pricing structure to ensure that the scheme is self-financing.

Recommendation

Members are recommended to:

- (1) note the report;
- (2) agree changes to the prices of permits and dispensation vouchers to have the following effects
 - (a) increase the standard permit charge and minimum transaction fee to £12
 - (b) increase the monthly parking fee by the following amounts:
 - (i) Resident Short Vehicle/ 4 hour Visitor and Blue badge -5p
 - (ii) Resident medium Vehicle 10p
 - (iii) Resident long vehicle 15p
 - (iv) Business permits 50p
 - (c) Increase the charges for dispensation vouchers to £8.50, making a book of five (minimum purchase) £42.50
 - (d) Introduce a new Dispensation permit, valid for between one and four days with a minimum charge of £12 (for one day) but otherwise costing the same as the dispensation vouchers per day.

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 will help to fund existing shortfall, and maintenance, improvement and extensions of existing Controlled parking Zones

Ward/s: Multiple Wards

Cabinet member: Councillor Bremner – Environment and sustainable development

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Background documents

None

Background

1. Currently, the city council operates and enforces controlled parking zones (CPZs) throughout the city centre, the inner suburbs of the city and around the University. These permit schemes operate either 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. Some parts of the 'University' scheme only operate between 10.00am and 4pm.
2. All issuing of permits and enforcement is undertaken 'in house'.
3. From June 2015, the new permit scheme became fully implemented. These involved significant changes to the business permit scheme requiring that all long-stay permits were only vehicle specific. Two-hour permits are available for customers, or for those businesses and organisations who made multiple visits throughout the permit areas. Dispensations are issued to contractors who need to park in the controlled zones. This system has not been changed. All business permits in use now operate under the new arrangements.
4. Arrangements for resident's permits were unchanged; except that households in the outer areas of the city now have a permit entitlement of two permits (previously there was no limit). City centre residents have only ever had an entitlement to one permit. As this limit was introduced in March 2015, all households are now subject to this limit.
5. The visitor permit system was substantially overhauled, with the old style 'any vehicle - any length of time permit' being replaced with a four hour permit, and up to sixty 'day' permits. Residents can choose either or both permit types. As the permits were issued from June 2015, and the maximum length of any permit is 18 months, very few of these old style permits remain in circulation, and all will have expired by the end of the year.
6. The price of parking permits has not been reviewed since November 2012 at which time the eligibility for free permits was changed to ensure that only those in financial need could obtain a free parking permit, and then only for visitors. Parking dispensation charges have not been reviewed for many years.
7. It has always been the stated intention that the permit parking scheme covers its full operational costs.

Implementation of the New Scheme

8. Officers have been pleased with the relatively smooth transfer from the old to the new permit arrangements. Whilst there have inevitably been complaints (almost all about the new visitor scheme), there have also been letters from residents saying how pleased they are that the new system has reduced permit abuse, and helped to keep parking spaces available for genuine users. This is primarily down to the changes to the visitor permit scheme, although changes to the business scheme have also had an impact. Fourteen thousand (14,000) 'four-hour' visitor permits have been issued to residents over the past year. The number of complaints cannot be ascertained, as this would require us to re-read every letter about parking to determine which were relevant. However, the number is certainly a very small proportion of the households that are now on the new arrangements.

9. This effect has also been confirmed by the civil enforcement officers (CEOs) who have noted an increase in available permit parking places across the city, and a significant reduction in abuse. In the first six months of 2014, almost 100 full investigations into abuse were commenced by the CEOs. In the first six month of this year, that reduced to 37, and almost all of these were for the 'old style' permits. It is therefore expected that this very time consuming and costly exercise will reduce still further as these permits finally expire.

Financial Background

10. Prior to the commencement review of the permit parking scheme in 2012, the permit parking scheme was heavily subsidised from other revenue sources. As a result of implementing changes to the system since then, the shortfall has gradually reduced and in 2014/15 the scheme covered its immediate operating costs (the cost of issuing permits, and the cost of enforcement) for the first time. As all the changes that were agreed as part of the permit review have now been implemented, and have been in place for almost all the last financial year, projected income for this year is unlikely to change
11. However, there are several other costs associated with operating and managing the permit parking areas that have not been covered, and these include updates and replacement of the computer systems that we use, the maintenance of the signs and lines associated with the permit scheme, and alterations and extensions to the permit parking areas which a regularly requested by residents, and for which we rarely have any resources to progress.
12. There is an expectation that the computer systems will be upgraded to allow direct on-line permit issuing, but currently this project is not progressing. However, there are is a significant level of outstanding signage and lining replacement that needs to be done, that we have been unable to undertake due to financial constraints. The estimated cost of this work is £50000. We are also committed to amendments and extensions to a number of the permit parking areas. Proposals for the Salisbury Road area and the College Road area are currently being progressed, and there is a commitment to extend permit parking around the University and into Lakenham where a review the operational hours of adjacent zones is also anticipated. Although the costs of these have yet to be established, as we do not know the extent of the changes until after we have consulted, The current schemes are estimated at £40,000, but the schemes in Lakenham and West Earlham are likely to be significantly more expensive, as the areas are much larger. In addition, officers are aware that there are a number of other areas around the city where local members are seeing a demand for permit parking. Consequently, there is likely to be several years of work on maintenance improvement and extension of the permit parking scheme.

Recommended changes to permit parking charges

13. In 2014-15 income from permit parking scheme exceeded its day to day operating costs by £73,000. Whilst this is a positive step, this is still insufficient to cover the necessary renewal of signs and lines throughout the permit parking areas, the necessary upgrading of our systems to allow full on-line service for permit applications, or the requests for amendments and extensions to the existing permit schemes (We are already committed to work in Lakenham and West Earlham and are

currently progressing requests in the College Road and Salisbury Road areas). The cost of implementing the current schemes has never been recovered.

14. Except for the 'One-Day' scratchcards, all the permits on offer have their price based on a standard permit charge (currently £10) 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. As one of the standard fixed costs per permit is the software and necessary upgrades, the appropriate way to fund cost here is through a revision of the permit charge. It is therefore recommended that the permit charge is increased to £12 which also becomes the minimum transaction fee.
15. Increases to the monthly parking charges are also recommended. This element of the permit charge covers on-street enforcement, maintenance and review of the schemes. 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	75p	80p
Resident Medium Vehicle	£1.75	£1.85
Resident Long vehicle	£3.00	£3.20
Resident 1 day scratchcards (City Centre)	£1 (single day charge)	£1.20 (minimum purchase £12 - 10 cards)
Resident 1 day scratchcards (Outer Area)	£1 (single day charge)	60p (Minimum purchase £12 – 20 cards)
Business (vehicle specific) and Single Zone 2-hour	£10	£10.50
Business 2-hour All Zones	£15	£15.50
Business 2-hour All Zones (Registered Charities)	£1.75	£1.85

16. The effect of these proposed changes for an annual permit is detailed below, however, all permits can be issued in periods from one month upwards in whole months, some for a maximum period of 12 months, and some for a maximum of 18 months. If approved it is anticipated that the new charges will commence in April 2017. This will be the first substantive price rise for permits in four years.

Permit type	Current charge for a 12 month permit	Proposed charge
Resident Short vehicle, Blue Badge Holder and 4-	£19.00	£21.60

hour Visitor permit		
Resident Medium Vehicle	£31.00	£34.20
Resident Long vehicle	£46.00	£50.40
Business (vehicle specific) and Single Zone 2-hour	£130	£138
Business 2-hour All Zones	£190	£196
Business 2-hour All Zones (Registered Charities)	£31	£34.20

Recommended changes to Dispensation charges

17. The dispensation scheme (the scheme that allows contractors to keep their vehicles on-street, and even in the city centre pedestrian areas has not even covered its operating costs. In 2014-15 the scheme cost twice as much to administer and enforce than we received in income, requiring a subsidy from other revenue sources of almost £90,000
18. Dispensations are currently sold in sheets of five for £20, making a full days parking just £4. Dispensation charges should be set to minimise the amount of on-street parking that takes place, particularly in the city centre and should consequently be at least on par with typical car park charges to ensure that only vehicles that are really needed close to the site are parked there, and parking in a car park is otherwise preferential. A table of car park charges is contained in Appendix 1
19. Apart from the more peripheral surface car parks, the cheapest central car parks cost £5.90 per day with charges of between £8 and £12 being common. Income from dispensations needs to double in order to cover current costs. It is therefore recommended that the price of a 'book' of dispensation vouchers should increase in price to £42.50, representing a daily charge of £8.50
20. However, as we only issue dispensations in books of 5 that does mean that the minimum spend will increase from £20 to £42.50. This is justifiable for those contractors who regularly use dispensations, and are therefore likely to use a book well within the valid period (every dispensation is valid for one year from the date of purchase), but less so for a small contractor who only rarely has jobs in the CPZs and only needs to be there for a few days. Consequently, it is recommended that a dispensation permit is introduced, valid for between one and four days to ensure that no-one is required to purchase additional permits which are unlikely to be of use to them. There would be the minimum permit charge for the first day (£12) with 2 days costing the equivalent of two dispensations (and pro-rata up to four days). Unlike the dispensations (which are validated by the user as needed) these dispensation permits would be issued for the required dates.

Issues in the Outer areas of the City

21. Although difficult to quantify (as dispensations can be used in any CPZ), the anecdotal evidence is that most dispensations are actually used within the city centre.
22. Any residential property under renovation can be issued with a long term permit for contractors vehicles for a period of up to six months, and in reality, many residents offer the use of their visitor permit to contractors who are only there for short periods and consequently it is often not necessary for contractors to residential properties to need to use dispensations at all. The impact of the recommended changes in the outer areas of the city is therefore likely to be relatively low, and residents do have options available to them that are not available in the heart of the city, where reducing the number of contractors vehicles to the practical minimum is essential

Conclusion

23. Substantive changes to the charges for parking permits were last agreed in 2012, and implemented in spring the following year, and these proposed charges would come into effect some four years later. 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 significantly since the last review (when the scheme had to be heavily supported from other income streams) there is still some way to go to fully recover costs, particularly in respect to the dispensations. The recommended increases should ensure that both the permit parking schemes and the dispensation scheme fully cover their operational costs. In the event that any surplus is made, this will be used to support other transport projects.

Appendix 1: Costs for off-street car parking

Norwich Comparators		Spaces	Mon to Saturday 0500 to 1830						
Car Park	Operator		1 hr	2 hrs	3 hrs	4 hrs	5 hrs	6 hrs	Eve.
Botolph Street	Regional Car Parks	160	1.00	2.00	3.00	4.00	5.00	5.00	n/a
Anglia Square MSCP	Anglia Square/R CP	Closed							
Anglia Square surface	RCP	138	1.20	2.40	3.60	4.80	5.50	5.50	n/a
Riverside MSCP (rail users £6 up to 24hrs)	X-Leisure (National Express)	738	2.00	2.00	3.00	4.00	5.00	20.00	n/a
St Stephens MSCP * If arrive before 9.30am.	NCP	260	2.60	4.10	6.30 *	6.30 *	6.30 *	6.30*	n/a
Castle Mall MSCP	Mall Corporation	800	1.20	2.30	3.50	4.70	8.00	12.00	1.50
John Lewis mscp (non-shoppers in brackets)	John Lewis	650	1.00 (1.50)	2.00 (3.00)	3.00 (4.50)	4.00 (6.00)	6.50 (8.00)	10.00 (12.50)	n/a
Forum	Mill Co	204	1.80	3.60	5.40	7.20	9.00	10.80	1.80
Chapelfield	Intu	1000	1.30	2.60	3.90	5.20	8.00	8.00	2.50 from 3pm
NCC Short stay	Norwich CC	647	1.80	3.60	5.40	7.20	8.50	15.00	1.80
NCC Medium stay	Norwich CC	1016	1.30 to 1.40	2.60 to 2.80	3.90 to 4.80	4.40 to 5.90	4.40 to 5.90	4.40 to 5.90	1.80
NCC Long stay	Norwich CC	74	1.20	2.40	3.60	4.40	4.40	4.40	1.80
NCC St Andrews MSCP	Norwich CC	1084	1.70	3.40	5.10	5.90	5.90	5.90	1.80