
Subject: REVIEW OF ON AND OFF-STREET PARKING CHARGE PERIOD

Meeting and Date: Cabinet – 14 April 2014
Extraordinary Council – 14 May 2014

Report of: Roger Walton, Director of Environment and Corporate Assets

Portfolio Holder: Councillor Nigel Collor, Portfolio Holder for Property and Access

Decision Type: Key Decision

Classification: Unrestricted

Purpose of the report: To obtain Cabinet's approval for the recommendation relating to the on and off-street parking charge period as set out in the report.

Recommendation:

1. Subject to recommendation 3 being accepted by the Council, to reduce the on and off-street parking charge period from 9am – 6pm to 9am – 5pm from dates to be determined by the Director of Environment and Corporate assets but broadly anticipated to be July and June 2014 respectively in accordance with paragraphs 5.15 and 5.13 of this report..
2. To delegate any decision on any objections received during the consultation process to the Director of Environment and Corporate Assets in consultation with the Portfolio Holder for Property and Access.
3. To recommend to Council the approval of a £64k supplementary budget.

1. Summary

1.1 This report seeks agreement to reduce the car parking charging times from the current 9am – 6pm period to the proposed 9am – 5pm period for both on- and off-street parking. The charging days of Monday to Saturday, with a limited number of parking areas also charging on Sunday, should remain unchanged.

1.2 In making this recommendation, consideration has been given to equality issues. It is not anticipated that this will adversely affect any of the protected groups.

2. Introduction and Background

2.1 Prior to parking being decriminalised, charging times and enforcement practices for on-street parking across Dover district were varied. However, in January 2001, following a lengthy consultation process and when DDC undertook decriminalised parking enforcement, steps were taken to standardise on-street charging times and a maximum charging period of 8am to 6pm was established. In 2006, the decision was

taken to reduce the charging times to 9am to 5pm. However, this resulted in a significant loss of return and therefore in late 2007 the decision was taken to increase the charging times to those currently in existence, i.e. 9am to 6pm.

- 2.2 Off-street parking has always been a matter for DDC.
- 2.3 At the Cabinet meeting of 6th January 2014, it was agreed that the parking and permit charges for the financial year 2014 – 2015 would be frozen.
- 2.4 Following on from that decision, a review has now been carried out into the times charges for parking within Dover district are imposed. During this review it was borne in mind that:
 - Parking charges are a small part of the cost of motoring;
 - The statutory parking regime is to be used for the purpose of relieving or preventing congestion of traffic;
 - Maintenance costs for on and off-street parking areas and areas where parking regulations apply will continue to be incurred as pay and display machines are in need of replacement, some car parks require resurfacing/relining works, and some streets need relining carried out; and
 - Dover District Council has a shorter charging period than neighbouring authorities, most of which charge into the evening as shown in Appendix 1.
- 2.5 In considering the appropriate level for parking charges the Council needs to be mindful of advice on parking policy and charges given in the Secretary of State's Statutory Guidance to the Local Authorities on the Civil Enforcement of Parking Contraventions, expanded upon in Operational Guidance to Local Authorities: Parking Policy & Enforcement which states that charges should be proportionate.
- 2.6 It is also noted that the Portas Review, an independent review into the future of our high streets, noted the advantage of the free parking arrangements often available at out of town shopping centres. The report stated that "To give the town centre a fighting chance against out-of-town developments we need to go back to basics, with business rates that work for business, decent parking and no unnecessary restrictions."
- 2.7 In arriving at the recommendation to reduce the car parking charging time, the following points have been taken into account:
 - The current economic trends suggest that the anticipated recovery is beginning. The reduction in charging times will assist local businesses with recovery by encouraging residents and visitors into our town centres;
 - Parking income has reduced over the last two financial years and the reduction in charging times may assist in reversing this trend;
 - A reduction in charging times will maintain Dover District Council's position as one of the lowest charging authorities in the area with the shortest charging period; and

- The need to ensure that an appropriate “turn over” of parking spaces is maintained. This will assist in reducing on-street parking and therefore aid general traffic flow.

2.8 Any changes in charging period will of course also potentially impact on income streams and so a financial analysis has been carried out to ascertain the potential reduction in income should the recommendation be accepted. It should be noted that it is not possible to determine the precise amount as it is impossible to ascertain how many motorists arrived in a parking area before 5pm but paid for sufficient time to take them through to 6pm (expiry of the charging time). The only figures available are for income taken by the Pay and Display machines between 5pm and 6pm on the charging days.

TOTAL INCOME RECORDED BY PAY AND DISPLAY MACHINES BETWEEN 5PM AND 6PM ON CHARGING DAYS

2011 – 2012	£46,685
2012 – 2013	£42,320
2013 – 31.1.2014	£33,937
Total	£122,942

Average Pay and Display income over three years	£40,980
---	----------------

2.9 The above table illustrates the minimum income received to pay for parking between 5pm and 6pm on charging days. In reality, the amount will be higher but cannot be accurately ascertained given the limitations of the relevant database.

2.10 In addition to motorists paying for parking time via Pay and Display machines, DDC also offers the opportunity to pay by telephone using the services of RingGo. The following table illustrates the income received using this method of payment over a three year period:

TOTAL INCOME RECORDED BY RINGGO BETWEEN 5PM AND 6PM ON CHARGING DAYS

2011 – 2012	£286.08
2012 – 2013	£468.43
2013 – 31.1.2014	£677.74
Total	£1,432.25

Average Pay and Display income recorded by RingGo over three years	£477
--	-------------

2.11 Again, this will be the minimum income received by this method as RingGo are not able to supply information relating to motorists arriving outside the hours of 5pm – 6pm but who paid for parking time to include these hours.

2.12 The parking management information database has also been examined for the number of pay and display contravention related Penalty Charge Notices (PCN) issued on charging days between 5pm and 6pm.

HIGHER LEVEL (£70) PAY AND DISPLAY RELATED PCN ISSUE BETWEEN 5PM AND 6PM ON CHARGING DAYS

	ON-STREET		OFF-STREET		TOTAL	
	PCN	£	PCN	£	PCN	£
2011 – 2012	0	0	35	896.70	35	896.70
2012 – 2013	0	0	18	505.44	18	505.44
2013 – 31.1.2014	0	0	10	263.60	10	263.60
Total	0	0	63	1,665.74	63	1,665.74

Average higher level PCN income over three years	£555
--	-------------

LOWER LEVEL (£50) PAY AND DISPLAY RELATED PCN ISSUE BETWEEN 5PM AND 6PM ON CHARGING DAYS

	ON-STREET		OFF-STREET		TOTAL	
	PCN	£	PCN	£	PCN	£
2011 – 2012	335	6,361.65	880	16,711.20	1,215	23,072.85
2012 – 2013	172	3,386.68	517	10,179.73	689	13,566.41
2013 – 31.1.2014	61	1,026.02	195	3,279.90	256	4,305.92
Total	568	10,774.35	1,592	30,170.83	2,160	40,945.18

Average lower level PCN income over three years	£13,648
---	----------------

- 2.13 In arriving at a value for each PCN, this has been reached by simply calculating the annual income from PCN and dividing it by the number of valid PCN's issued. It cannot take account of income received outside these parameters (e.g. paid later, paid after appeal, or recovered by Bailiffs). In reality, the income from PCN's is likely to be higher than that illustrated.
- 2.14 It will be noticed from the figures above that both income and PCN issue has reduced over the illustrated three year period. This is partly due to an increase in compliance with parking regulations and an indication of the difficult economic times currently being experienced. However, in addition, during 2013 – 2014, we have experienced unprecedentedly high levels of sickness amongst an under-strength Civil Enforcement Officer (CEO) establishment. However, this has been addressed; currently no CEO is off work with sickness and the establishment is only one under strength. Therefore, it is reasonable to expect the PCN issue rate to increase considerably for the remainder of this financial year and in ensuing years.
- 2.15 In addition to the improved situation amongst CEOs, revenues are also likely to improve in line with the national economic outlook and the delivery of the Council's regeneration plans.
- 2.16 If the recommendation is approved, the new charging period will be introduced in two stages. The first stage will be to introduce the new period in DDC owned and managed off-street car parks. This process only requires Cabinet approval and a three week consultation period. If approval is received from Cabinet on 14th April 2014, the consultation period will commence on 24th April 2014 and end on 15th May. Assuming that no objections are received and that the process need not return to Cabinet, arrangements can be made for the Pay and Display machines and our Pay by Phone service to be reprogrammed and for the tariff boards and website to be

updated. It must be borne in mind that these arrangements involve external providers and we are therefore reliant on their timescales. Early negotiations will take place with them if the recommendation is approved. This could provisionally be completed for introduction at 9am on Monday 2 June 2014.

- 2.17 The Director of Environment and Corporate assets already has delegated authority to undertake the procedural aspects of the necessary statutory provisions to carry into effect any approved change in charging hours. Should any objections be received, Cabinet is asked to delegate any decision on this to the Director of Environment and Corporate Assets and the Portfolio Holder for Property and Access.
- 2.18 Although KCC are responsible for on-street issues in relation to parking, DDC undertakes this function on their behalf. Accordingly, the introduction of the new charging period on-street requires DDC to follow a clearly laid out process to obtain a full Traffic Regulation Order (TRO) which is required before such a change can be introduced on-street. The initial stages outlined in paragraph 2.13 apply, but once the consultation period has ended a report must be taken before the Dover Joint Transportation Board (JTB) informing them of the proposal. If a Cabinet decision is taken on 14th April 2014 to support the recommendation, the consultation period will commence on 24th April 2014 and end on 15th May. The dates of JTB meetings for 2014/15 have not yet been set, but the next available meeting is likely to be on or about 26th June 2014. Whilst the JTB can only make a recommendation (and there is an assumption in this instance that it will be to support the proposal to reduce the charging period) they are the accepted body who approve TRO's. Assuming they make a positive recommendation, we are then required to advertise our intention to make an order (reducing the charging period) and give a six week period for responses. However, we are not required to delay introduction until after that period and, therefore, subject to the logistical requirements being met, the new charging period can be introduced on-street by 28th July 2014.
- 2.19 Finally, members are asked to note that the regeneration plans for the District and for Dover especially are likely to cause significant change to the current parking patterns and demand. Provision has been made within the MTFP to undertake a review over the next year of the Council's Parking Strategies for Dover, Deal and Sandwich. The impact of any changes made to charging times as a consequence of this report will be reviewed as part of this process, to ensure that parking provision continues to support the on-going regeneration within Dover district.

3. Identification of Options

- 3.1 Option 1. To confirm the recommendation to reduce the on- and off-street parking charge period from 9am – 6pm to 9am – 5pm.
- 3.2 Option 2. Not to reduce the on- and off-street parking charge period from 9am – 6pm to 9am – 5pm but to retain the current times.

4. Evaluation of Options

- 4.1 The preferred option is Option1, as this will ensure that the charging regime for parking provision within the Dover district supports the Council's on-going regeneration plans by providing the shortest charging period not only locally but across the county whilst maintaining proper control of the spaces available.
- 4.2 Option 2 is not recommended as this will not provide an enhanced incentive to motorists to make greater use our town centres.

5. Resource Implications

<i>Revenue Implications</i>	<i>2014/2015 £000</i>	<i>On-going £000</i>
Expenditure:		
• Renew signage on tariff boards (two stages)	2.0	
• Reprogramming of Pay and Display machines (two stages)	2.0	
• Reprogramming RingGo system (two stages)	2.0	
• Newspaper advertising (two stages)	1.5	
• On-Street TRO process (external supplier)	1.5	
Income decrease (estimated annual decrease based on average of the three year figures given in the body of the report)	55.5	55.5
Budget requirement	64.5	55.5

6. Corporate Implications

6.1 Comment from the Section 151 Officer:

As noted above, the statutory parking regime is used for the purpose of relieving or preventing congestion of traffic and therefore this is not, primarily, a financial decision.

However, the decision will have financial implications and these are explained below.

DDC currently has the lowest Council Tax in East Kent, one of the lowest car parking hourly charges in Kent, and the shortest charging hours. However, income for 2013/14 is currently projected to be £98.4k below the original budget. A modest increase is projected for 2014/15.

The proposed reduction in charging hours for off-street parking is estimated to reduce income by £64k (including some costs) in the first year and £55k in subsequent years.

This reduction was not included within the current 2014/15 budget and therefore if Cabinet approve the change in charging hours, approval for a supplementary budget will be required from Council.

The current approved 2014/15 budget is balanced. Therefore the proposal will result in an approved General Fund revenue budget deficit of £64k and an equivalent reduction in the 2014/15 projected year end balances from £2,530k to £2,465k. These are still above the minimum level approved by Council.

In addition, the Medium Term Financial Plan (MTFP) currently projects that General Fund revenue savings of £763k and £1,189k will be required in 2015/16 and 2016/17. If the proposal is approved these savings targets will increase to £827k and £1,244k respectively.

Against this background Members are also reminded that in the current climate income streams and expenditure are increasingly volatile. The outturn for 2013/14 is expected to show significant additional income from Business rates and Planning Fees. This is partially offset by other income reductions and increased costs, but will still lead to a favourable outturn.

These trends are also expected to continue in 2015/16 (although the income will remain volatile) however Members should note that the improved income will be insufficient to offset all of the required savings, so any loss of car parking income will increase the savings required in future years. (MD)

6.2 Comment from the Solicitor to the Council:

The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

6.3 Comment from the Equalities Officer:

This report does not specifically highlight any equalities implications however, in discharging their responsibilities members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

7. Appendices

Appendix 1 – Parking Charging Period Comparisons

8. Background Papers

None

Contact Officer: Roger Walton, Director of Environment and Corporate Assets

PARKING CHARGING PERIOD COMPARISONS

<u>Authority</u>	<u>Charging Period</u>
Ashford	7am – 6pm
Canterbury	7am – 9pm
Dartford	8am – 6.30pm
Dover	9am – 6pm
Gravesham	8am – 6pm
Maidstone	8am – 6.30pm
Medway	7am – 10pm
Seven Oaks	8.30am – 9.30pm
Shepway	8am – 6pm
Swale	8am – 6pm
Thanet	9am – 7pm
Tonbridge & Malling	8am – 6pm
Tunbridge Wells	8am – 6pm

Comparisons as of 22nd January 2014