



## OFFICER REPORT TO LOCAL COMMITTEE

### Proposed on street 'pay and display' parking charges in Surrey Heath

30 June 2011

#### KEY ISSUE

To approve statutory advertisement of on street parking charges in parts of Surrey Heath Borough.

#### SUMMARY

On 12 January 2011 the Cabinet Member for Transport approved a consultation programme for the introduction of on street pay and display parking charges in Surrey. These proposals have subsequently been reviewed and modified by the Environment and Transport Select Committee (see the attached plan in **Annex 1**). The proposals have since been amended again following a meeting with the Councillors whose wards are potentially to be affected by the proposals (see the attached plan in **Annex 2**). Decision-making has now been devolved to Local Committees. Consequently this report seeks the Surrey Heath Local Committee's approval to formally advertise the areas for on street parking charges as shown in the attached plan in **Annex 2**.

#### OFFICER RECOMMENDATIONS

The Local Committee (Surrey Heath) is asked to:

- a) Approve the statutory advertisement of the parking charges and waiting restrictions shown on the attached plan in **Annex 2** (also available in hard copy at the meeting)
- b) Agree that objections and comments to the proposals are reviewed by the Committee in Autumn 2011.

## 1 INTRODUCTION AND BACKGROUND

- 1.1 Surrey County Council is the Highway Authority in Surrey and responsible for managing the highway network including on street parking. Surrey Heath Borough Council act as agent for Surrey and carry out enforcement of the on street parking restrictions in the Borough of Surrey Heath, as well as managing their own off street car parks.
- 1.2 On 12 January 2011 the Cabinet Member for Transport approved a programme of consultation for the introduction of on street parking charges in many towns and shopping areas around Surrey.
- 1.3 The Transport Select Committee set up a task group to review these proposals in February 2011. The task group recommendations were presented to and approved by the Environment and Transport Committee on 18 May and the Cabinet on 24 May. The attached plan in **Annex 1** (also available in hard copy at the meeting) shows the recommendations/proposals as they appeared at that time.
- 1.4 The proposals have since been amended again following a meeting with the Councillors whose wards are potentially to be affected by the proposals. The attached plan in **Annex 2** (also available in hard copy at the meeting) shows the amended recommendations/proposals now awaiting approval for statutory advertisement.
- 1.5 The Environment and Transport Committee also requested that some additional locations across the County were reviewed for the possible introduction of on street parking charges. In Surrey Heath Borough, Chobham and Bagshot were reviewed, but it was determined that these locations have few 'high street' shops and/or businesses and therefore limited demand for on street parking, and adequate off street provision in car parks. There is also a desire to preserve the rural location of Chobham and Bagshot, and not urbanise the two locations with a large amount of additional restrictions and signing.

## 2 ANALYSIS

- 2.1 Across Surrey many shopping areas have a variety of parking facilities. These are typically:
  - On street spaces, managed by the County Council as the Highway Authority
  - Off street car parks, usually owned and managed by District and Borough Councils, but sometimes privately owned.
  - Supermarket car parks, usually free for customers and limited to 2 hours or so
- 2.2 District and Borough Councils and private car park operators currently charge for parking in the majority of car parks they own and manage.

Sometimes the car parks have a free initial period in smaller towns, villages or shopping areas to encourage visitors. On street parking spaces in Surrey (with a few exceptions e.g. Guildford and Woking) tend to be free.

- 2.3 In shopping and retail areas, off street car parks usually offer longer term parking whilst parking on street is limited to one or two hours. On street spaces tend to be closer to the shops and they are often more convenient for short shopping trips or to make collections/deliveries. A shorter parking time limit also benefits customers and local businesses because it increases the turnover of the parking spaces ('churn') improving access to retail or other facilities.
- 2.4 Free time-limited on street parking is difficult to enforce as Civil Enforcement Officers (CEO) need to monitor parking activity at regular intervals and record number plates and other details to confirm whether a vehicle has overstayed the time period allowed. This is time consuming and inefficient, reducing the amount of time available for them to patrol waiting restrictions (yellow lines) that are often installed for safety or congestion related reasons. In practice many large on street parking areas are poorly enforced due to the difficulties involved.
- 2.5 Parking charges usually take the form of 'pay and display'. This requires the motorist to take a ticket from a machine and place it in their vehicle showing their parking time allowance. This allows a CEO to see instantly whether they are legally parked and enables far more efficient enforcement of the restrictions. Because enforcement is easier, compliance improves, again helping 'churn'.
- 2.6 Where there are charges for using off street car parks (as is the case in the vast majority of those operated by the District and Borough Councils in Surrey) and on street parking is free, drivers often tend to 'cruise' nearby streets looking for a free space. This can contribute to congestion, particularly when drivers wait in the road for a space.
- 2.7 Charging for on street parking discourages this behaviour and, if the on street charge is the same or higher than the off street car parks, visitors are encouraged to go straight to a car park. This can help reduce congestion and CO2 emissions.
- 2.8 A comparatively higher tariff for on street spaces also encourages drivers to only buy as much time as they need, again helping 'churn'. The increased availability of spaces means drivers who need or want to park on street can find a space more easily without having to wait. The increased availability of spaces can be particularly helpful to businesses on roads with high levels of passing traffic (or trade).
- 2.9 A free initial parking period has been widely discussed and was recommended in some locations by the Transport Select Committee Parking Task Group. A free period would have an impact on pay and

display parking income where used, however if the free period was followed by the medium tariff of £1 per hour then it is considered that there would be sufficient in most locations to cover the costs of operating the machines. This means the first 30 minutes would be free, however if a visitor wanted to stay for an hour it would cost £1. Where allowed, 2 hours on street parking would cost £2 with this tariff. Set in this way the tariff also encourages visitors to use the off street car parks for longer stay parking.

2.10 There have been some case studies about the effect of parking charges on local businesses. There are many other factors that could also influence business performance (competition, wider economy, e-commerce etc) making it difficult to directly link performance with parking charges. The main conclusion of most studies is that where parking charges are introduced, the tariff should be proportional to the retail offer (i.e. the type of shops and businesses present in a particular location and the length of time customers would spend in them). The parking charges need to be set reasonably in comparison with local car parks and the scale of the attraction. Where parking charges are introduced it is usual for the turnover of parking spaces to increase, which in turn helps increase footfall in retail areas.

2.11 While assessing potential new locations where on street parking bays could be introduced and before suggesting their inclusion, officers of the County Council gave due consideration to a number of important factors, including, but not limited to:

- the effect of the bays on the flow of traffic
- whether the bays would have any adverse impact on access to adjacent premises
- the provision of off street parking in the locality
- the availability of roads with no parking restrictions in the vicinity of the bays (and consequently possible displacement)
- the proximity and nature of the local retail offering

2.12 In some cases pay and display machines could be installed in conservation areas. It is planned to work with conservation officers in these areas to agree locations and colours that will have the least impact on the surrounding area.

### **3 CONSULTATIONS**

3.1 It is proposed to carry out a statutory consultation and advertise the proposals in this report during August 2011. Notices will be placed in local newspapers and on street where changes are planned.

### **4 FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

4.1 In addition legal costs to install on street parking charges could total £15,000 for Surrey Heath Borough.

- 4.2 As part of the estimating process for the Countywide programme it has been conservatively calculated that a pay and display ticket machine typically costs £3000 to supply and install and another £2500 per year to maintain. This cost includes cash collections and fault fixing.
- 4.3 Modern pay and display machines are solar powered meaning there is no need to provide a mains power supply, helping reduce installation and energy costs.
- 4.4 Potential income from parking charges has been calculated in each area to determine if it will be sufficient to cover the cost of maintaining the machines. The income is estimated by assuming occupancy levels in parking spaces and then factoring the tariff with this and the operational periods of the restrictions. This process takes into account periods when there may be no income due to road works, street markets or faults with the machines. The income estimates for each location where parking charges are proposed will be provided in table format at the Local Committee Meeting.
- 4.5 Income estimates have been compared to actual income achieved in similar areas in Surrey where P&D is already installed to ensure they are realistic.
- 4.6 Adoption of the revised proposals with a free 30 minute period in some locations should still mean the cost of operating the pay and display equipment is covered by the income from parking charges. Estimates have been made assuming income could be reduced by 50% with a free 30 minute parking period assuming the tariff remains the same. However many locations originally proposed for a low tariff (60p per hour) are generally now proposed for a free 30 minutes followed by the medium tariff (£1 per hour), this is considered in more detail by the Transport Select Committee Task Group report to the Cabinet on 24 May. This means that the first 30 minutes would be free, however parking for an hour would cost £1. This option reduces the likelihood of displacement on to unrestricted side roads or customers shopping elsewhere. It also maintains a differential over off street car park charges.
- 4.7 Estimated income from on street charges described in this report is to be provided in table format at the Local Committee Meeting.
- 4.8 The pay and display ticket machines will be managed day to day by the Surrey Heath Borough Council Parking Team. Their CEO's will be trained by the machine supplier to fix basic faults such as ticket jams. Overall it is not anticipated that there will be any additional cost associated with on street enforcement as a result of the introduction of pay and display parking charges. CEO's will need to spend some time fixing simple machine faults, however this is offset by far more efficient enforcement practice.

- 4.9 It is also planned to use a cashless payment alongside the pay and display ticket machines. This allows visitors to pay for parking by phone and is convenient if they do not have change on them. Pay by phone has a low set up cost. All that is needed are signs advising the motorist of the phone number they need to call alongside the parking place reference number. Callers are typically charged a fee for using this facility, however this will first be subject to a tender exercise to seek best value for residents and the Council. A pay by phone service helps to reduce the number of payment machines that need to be installed.
- 4.10 The purchase and installation costs will be funded from the Council's 'Invest to Save' scheme. The capital investment to install the infrastructure for on street charging could be recovered over several years based on the estimates in the table above.
- 4.11 Any surplus arising from managing on street parking can only be used as defined under Section 55 of the Road Traffic Regulation Act 1984 (as amended). This restricts use of any surplus for the maintenance and/or improvement of the Highway including environmental works or additional parking provision.
- 4.12 If there is a surplus it has been agreed to split this 65/35 between the County Council and Surrey Heath Borough Council respectively for 2011/12 only. Arrangements for 2012/13 are subject to ongoing negotiation. Any surplus must still be used in accordance with Section 55.

## **5 EQUALITIES AND DIVERSITY IMPLICATIONS**

- 5.1 An equality impact assessment has been undertaken. This has identified potential negative impacts for certain groups, especially those with a low household income. However parking charges are small compared to the overall cost of running a motor vehicle.
- 5.2 Blue badge holders can park in disabled parking bays or on yellow lines for up to three hours and are exempt from charges.
- 5.3 The impact on minority, disadvantaged, vulnerable and socially excluded groups is likely to be minimal. Paying for parking on street is not a new phenomenon (it is just not widespread in Surrey) and most drivers will have encountered it previously either at locations where it already exists in Surrey or at locations outside the county. The proposed tariffs are reasonable when compared with off street car park charges and should contribute to only a relatively small rise in the overall costs of running a motor vehicle.
- 5.4 Although some users may have difficulties using pay and display machines, providing pay by phone as an alternative should help

minimise those issues, as should careful consideration of the structure and location of the pay and display machines.

## **6 LEGAL IMPLICATIONS**

- 6.1 The County Council has the necessary legal powers to operate parking enforcement through the Traffic Management Act 2004 and introduce or amend Traffic Regulation Orders through the Road Traffic Regulation Act 1984.
- 6.2 The legal mechanism for imposing on street parking charges is through an order made under Sections 45 and/or 46(1A) of the Road Traffic Regulation Act 1984 (as amended). The introduction of any order is subject to a statutory consultation and public notification process.
- 6.3 Any surplus generated from managing on street parking can only be used as defined under Section 55 of the Road Traffic Regulation Act 1984 (as amended). This restricts use of any surplus for the maintenance and/or improvement of the Highway including environmental works or additional parking provision.

## **7 CONCLUSION AND REASONS FOR RECOMMENDATIONS**

- 7.1 Charging for parking helps the County and Borough Council effectively and efficiently manage on street parking in Surrey and has the following benefits:
- 'Pay and display' makes short term parking easier to enforce and helps improve turnover of the available parking space making retail areas more accessible and helping local businesses
  - Free on street and 'pay and display' off street parking encourages drivers to look for on street parking and increases congestion and CO<sup>2</sup> emissions in town centres
  - A policy of setting higher charges for on street 'premium' spaces also encourages drivers to go straight to a car park, reducing congestion
  - Blue badge holders would be exempt from the charges and can park in disabled parking bays or on yellow lines for up to three hours
- 7.2 It is proposed to carry out a formal statutory consultation and report the response back to the Local Committee for a decision.

## **8 WHAT HAPPENS NEXT**

- 8.1 The proposed on street parking charges will be advertised in accordance with the Road Traffic Regulation Act 1984 and the response reported back to the Local Committee for decision on how to proceed in Autumn 2011.

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