

EAST HERTS COUNCIL

EXECUTIVE – 4 DECEMBER 2012

REPORT BY THE EXECUTIVE MEMBER FOR ECONOMIC DEVELOPMENT

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CAR PARK FEES AND CHARGES

WARD(S) AFFECTED: ALL

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**Purpose/Summary of Report**

- To identify whether Members wish to impose the inflationary increase of 2.5% to the pay and display budget required in the Council's MTFP.
- To identify options for change to the operating terms and charging structures of some East Herts car parks.
- To confirm the policy rationale for possible changes.
- To authorise officers to advertise Traffic Regulation Orders to facilitate these changes.
- To authorise officers to make a change to the designation of Gascoyne Way car park in Hertford.

<b><u>RECOMMENDATIONS FOR EXECUTIVE:</u> That:</b>	
<b>(A)</b>	<b>the Executive confirm whether they wish to impose the 2.5% uplift to the pay and display income budget required by the MTFP;</b>
<b>(B)</b>	<b>the Executive confirm which of the options for change outlined in this report they wish to be progressed;</b>
<b>(C)</b>	<b>officers be instructed to undertake further evidence gathering/research to inform decision making and bring a further report to the Executive in the New Year;</b>

<b>(D)</b>	<b>officers be instructed to advertise separate Traffic Regulation Orders to facilitate each of these changes;</b>
<b>(E)</b>	<b>officers be instructed to promote a further Traffic Regulation Order to bring about the change to Gascoyne Way car park as proposed in this report;</b>
<b>(F)</b>	<b>officers be instructed to implement a Notice of Variation to bring about any changes to existing car park tariffs not affected by the proposed Traffic Regulation Orders mentioned above.</b>

## 1.0 Background

1.1 East Herts Council has adopted a set of principles on which fees and charges should be set:

- Any subsidy from council tax payers should be a deliberate choice.
- Discretionary fees and charges should generate income to help deliver improvements in priority services.
- Discretionary fees and charges should support the Medium Term Financial Plan.
- There should be a measure of consistency in setting charges for similar services.
- Levels should be set to avoid unnecessary subsidies from the council tax payer to commercial operations.
- If the impact is likely to be high, consideration should be given to phasing in changes.

1.2 Upon adoption of its Parking and Transport Strategy, East Herts Council adopted seven policy pillars for the development of its parking service:

- We will seek to maintain car parking income at current levels in real terms.

- We will seek to ensure that users pay for the parking service rather than the council tax payer.
- We will promote existing and explore new technologies to improve the overall convenience of parking in East Herts.
- We will seek where possible and appropriate to match parking capacity with demand.
- We will seek to develop and implement parking solutions that reflect local needs.
- We will make the economic vitality of East Herts a core consideration when developing parking services.
- We will continue to work with partners to look at what additional sustainable transport services may be appropriate and deliverable.

1.3 Pay and display charges were not increased in 2010/11, 2011/12 and 2012/13. The effect of the VAT increase to 20% in January 2011 was also absorbed by the Council. The benefit to car park users of this freeze to the pay and display budget is estimated at £400,000 in 2012/13. Should the Council decide not to increase charges for 2013/14, this figure would rise by a further £83,000.

## 2.0 Report

2.1 The Council's MTFP currently includes an annual uplift to the pay and display base budget of 2.5%. Members are asked to confirm whether they wish this increase to be implemented in 2013/14.

2.2 Members have asked for a number of further options to be investigated. These include:

- Introducing a £1 flat charge in town centre car parks in Bishop's Stortford, Hertford and Ware from 1600 to 2100, Monday to Saturday, or
- introducing a £1 flat charge in town centre car parks in Bishop's Stortford, Hertford and Ware from 1830 to 2100, Monday to Saturday. (Currently, charging hours end at 1830).

2.3 Applying the principle that the 'user pays', the potential for an evening charge is being investigated with the intention that any additional income generated is returned to car park users by way of further tariff changes/reductions. The Council does not seek to increase the net income from these changes. Options for such modifications include:

- Introducing a free or discounted first ½ hour in town centre car parks in Bishop's Stortford, Hertford and Ware.
- Introducing a discounted 2hr tariff in town centre car parks in Bishop's Stortford, Hertford and Ware.

The objective of these changes would be to encourage footfall in our town centres and so support the businesses that trade there, whilst remaining consistent with the principle that 'the user pays'.

2.4 It might be that no form of evening charge would, on its own, compensate fully for the financial effect of a free or discounted first ½ hour and/or 2hr tariff. The effect these options would have on parking patterns and pay and display income is untested. Because there is no history of evening charging in East Herts there is no data that would reliably inform modelling.

2.5 Officers will undertake further research aimed at quantifying the effect of some of these proposals and how they might be modified if necessary. These will be reported to a meeting of the Executive in the New Year. In the interim, officers will promote separate Traffic Regulation Orders, each promoting one of the above options to facilitate a number of possible scenarios.

2.6 In parallel, the Council will promote a Traffic Regulation Order aimed at bringing into effect the change proposed in (2.9) below and will enact a 'Notice of Variation' in respect of any change to *existing* car park tariffs not covered by the Orders detailed above.

2.7 The Council will have up to two years from the date of first advertisement of the Orders to bring them into effect. If a Traffic Regulation Order is not brought into effect within a two year period, it lapses. It is anticipated that the Order in relation to Gascoyne Way Car Park and the 'Notice of Variation' would be enacted by April 2013 if possible.

2.8 Other options considered but not pursued at this time, which might be employed to help rebalance the budget were:

- Introducing a flat rate charge for use of car parks in Hertford and Bishop's Stortford on Sundays.
- Introducing on-street pay and display charging.

Officers are given to understand that whilst these options have been considered, Members do not wish to pursue either at this time.

2.9 No changes to car park tariffs and tariff structures are proposed in Sawbridgeworth, Buntingford or Stanstead Abbots in 2013/14.

#### Additional Recommendation

2.10 In further support of the local economy, officers propose to use the Traffic Regulation Order making process required by the above changes to make the whole of Gascoyne Way multi-storey car park in Hertford mixed use (combined long and short stay parking on Saturdays. It is suggested this will maximise its benefit to shoppers and traders on this busy shopping day.

#### 3.0 Implications/Consultations

3.1 Officers will promote separate Traffic Regulation Orders, each promoting one of the options listed in (2.2) and (2.3) above. Officers will promote a further Traffic Regulation Order promoting the change recommended in (2.10) above. Officers would also enact a 'Notice of Variation' to bring about any changes to *existing* tariffs that may be required.

- 3.2 The promotion of Traffic Regulation Orders is an important act of consultation as any interested party would be able to object to the proposals within 21 days of the Orders' advertisement. Significant objections would be reported to Members for ratification of officer recommendations. (This does not apply in respect of a 'Notice of Variation').
- 3.3 The provisions of a Traffic Regulation Order may be brought into effect up to two years from the date of its advertisement.
- 3.4 The possible restructuring of pay and display tariffs discussed in this report poses a level of risk to the Council's current pay and display base budget which officers will attempt to model and quantify but which may not be fully understood until well into the financial year in question.
- 3.5 The Council's enforcement costs would increase in line with the requirement for evening enforcement of car parks in Bishop's Stortford and Hertford unless resource was diverted from daytime enforcement.

#### Background Papers

None

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