

ON-STREET PARKING CHARGES REVIEW, CAMBRIDGE

To: Cabinet

Date: 22nd February 2011

From: Acting Executive Director : Environment Services

Electoral division(s): Cambridge divisions

Forward Plan ref: 2011/010 *Key decision:* Yes

Purpose: To seek support for changes to on-street parking charges in Cambridge.

Recommendation: Cabinet is asked to approve the changes to on-street charges set out in Appendices A and B for the purposes of formal advertisement and consultation.

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1. BACKGROUND

- 1.1 Historically, the on-street parking account has generated a healthy annual surplus that has been used to fund various transport related operations and schemes. The use of parking income is ring fenced to transport or environmental projects by legislation.
- 1.2 Income is generated through pay and display charges and residents and visitor parking permit fees. The gradual reduction in the number of pay and display spaces as road space is used for other uses has impacted on income and the annual surplus has been reducing over the last few years. Residents' and visitor permit charges have not been reviewed since 2001.
- 1.3 The account currently funds:
 - the deficit from civil enforcement operations
 - a contribution towards Park & Ride site operations
 - rising bollard operations and transponders
 - car park information system operation
 - a contribution towards the cost of the City Council's shop mobility scheme.
- 1.4 Many of the pay and display ticket machines in Cambridge are well past their intended lifespan and urgent investment is needed to ensure its future operation. Increased income from parking charges is probably the most realistic way of funding a replacement programme and a budget allowance has been assumed in the next three years for machine replacement.
- 1.5 In response to the diminishing annual surplus and the risk of a deficit next year, a more robust budget process is now being put in place, with Cabinet assuming responsibility for setting parking charges, following a review of parking policy.
- 1.6 The costs of the operations supported through the on-street account have been reviewed to assess the budget needs over the coming years. By far the greatest call on the parking account surplus is supporting the operation of Park & Ride sites, with the account currently contributing around £1 million per annum. The cost of site operations has increased in recent years as the sites age and maintenance costs increase. The Park & Ride service is being reviewed to consider ways of reducing costs and it has been assumed that savings will be made in future years to reduce the call on the on-street parking account. A review of civil parking enforcement is also in hand to assess the potential for savings.
- 1.7 Based on the expected costs to be met in the coming years, parking charges have been reviewed to set levels that can be expected to generate the required income and to generate a surplus for reinvestment in highway services.

2. PROPOSED CHARGES

Pay and Display

- 2.1 **Appendix A** shows the current and proposed pay and display parking tariffs. These changes have taken into account the policy requirement to ensure that on-street charges are greater than off-street charges. In some areas on the periphery of the city centre (Tariff 5 locations) , where off-street parking provision impacts little on on-

street parking and where longer term parking is permitted, past increases in tariffs have resulted in little or no additional income. Therefore, it is proposed to reduce the charges at these sites with the expectation that greater income will be generated.

- 2.2 The last change in Tariff 1 was achieved by changing the minimum time that could be purchased for 15 minutes to 12 minutes. This has caused some customers difficulties in calculating the cost of their stay. It is proposed that the tariff is changed to £1 for 20 minutes, i.e. £3 per hour; an increase of 20%.
- 2.3 The bays controlled by Tariffs 2 and 6 are located within or immediately adjacent to the central area and it is proposed that the tariff for these bays is increased to Tariff 1 levels and the hours of operation extended from 9 am to 5pm to 8.30 to 6.30 pm. For both tariffs the period of maximum stay would be unchanged.
- 2.4 In October last year, the Cambridge Area Joint Committee (AJC) was invited to comment on some initial parking charge increase proposals. Since that time and in response to the emerging pressures on highway budgets, further increases have been included for Tariffs 3 and 4, following discussions with the portfolio holder for Highways and Access. Taken together, the proposed changes to on-street tariffs will raise around £199,000 in additional income per annum but allowing for the lead time for implementation only £149,000 will be raised in 2011/12.

Residents, Business, Medical Practitioner and Visitors Permits

- 2.5 In general terms, residents' permits are currently £41 per annum per vehicle for schemes that operate 6 days per week and £50 for 7 days per week. Business permits are £61.5 per annum per year. Visitors' permits are £1 per day for each visitor's vehicle. Permit charges were last increased in January 2001. The Retail Price Index (RPI) increase (Jan 2001 to Apr 2010) is 29%.
- 2.6 Changes to permit costs require consultation and formal advertisement to change the Traffic Regulation Order which is costly in terms of staff time and advertising costs. It is hoped that new residents' permit charges will be fixed for 3 years, subject to an annual parking account review. It is proposed that current levels are increased by the RPI since 2001 plus an inflation element for the next 3 years resulting in a 33% increase.
- 2.7 The AJC has also been consulted on a proposal that takes a 'basic' scheme charge of £41 (9am to 5pm, Monday to Saturday) which is then increased by inflation and then used as a base from which the charges for the other scheme regimes have been calculated on a pro-rata basis. However, in response to budget pressures this proposal has been reviewed and, following discussions with the portfolio holder for Highways and Access, a new proposal which uses a 'basic' scheme charge of £52 (£1 per week) with an additional charge of £1 per hour for each additional hour of operation is proposed. **Appendix B** sets out the existing charges, the initial proposals considered by the AJC and the latest proposed permit charges.
- 2.8 Visitors permit fees are currently £1 per day which would rise to £1.33 if subjected to the same inflationary rise applied to residents' permits. Parking policy advocates that visitors permit charges should equate more to bus fares and the Park and Ride fare offers a good comparator. Currently, the P&R return fare is £2.30 when purchased from a ticket machine.

- 2.9 Visitors permit fees are significantly lower than P&R fares and it is proposed that they increase to £1.60 per day, again fixed for 3 years, with the intention of a further review after three years to attain closer parity with P&R fares.
- 2.10 The costs associated with the installation of residents' only parking bays (i.e. signing and road marking costs) are recovered by a one-off charge to residents when they first purchase a residents' permit. The level of a one-off charge is equivalent to the annual permit charge for a standard residents' permit scheme (Monday to Saturday, 9am-5pm). Therefore, the one-off levy will increase in line with the annual permit charge increase.
- 2.11 It is proposed that business permits remain fixed at 1.5 times the residents' permits charge and that medical practitioners' permits remain fixed at the same rate as residents' permits.
- 2.12 Taken together these changes in permit charges will raise an additional £136,000 income per annum but allowing for the lead time for implementation only £102,000 will be raised in 2011/12.

3. ON-STREET ACCOUNT

- 3.1 The account out-turn for this financial year is predicted at £15,000. Due to one off windfall payments totally £435,000 (from the City Council following the termination of the CPE agreement and a back dated review of the Park & Ride site rates) the on-going account surplus will be around £450,000 at the end of this financial year. Further savings are to be made next year and in subsequent years in the costs of operating Park & Ride sites and Civil Parking Enforcement to help balance the on-street account. Together, it is expected that these savings will reduce the call on the account by a minimum of £300,000. Taking these savings into account and the extra income from the latest proposals for increases in parking and permit charges, it is predicted that the account will show an increasing surplus year on year. Without the proposed savings and the additional income for charge increases the account will operate an annual deficit leaving to a gradual decline in the on-going surplus. **Table 1** shows the predictions for on-street parking account out-turn through to 2013/14.
- 3.2 It is suggested that the parking account would carry over a maximum surplus at the end of any year of £500,000 with any surplus over and about this being taken across for allocation into highway budgets as part of budget setting.

Table 1: Predicted on-street account out-turn

Financial year	Status Quo		With savings and additional income	
	Annual out-turn	On-going surplus	Annual out-turn	On-going surplus
2010/11	£15,000	£450,800	£15,000	£450,800
2011/12	-£88,000	£362,800	£313,000	£763,800
2012/13	-£89,500	£273,300	£546,200	£1,310,000
2013/14	-£113,500	£159,800	£523,800	£1,833,800

4. CAMBRIDGE AREA JOINT COMMITTEE FEEDBACK

- 4.1 The initial proposals for on-street parking charge increases were considered by the AJC, last October and **Appendix C** summarises its comments along with officer comments. The appendix also sets out the AJC's alternative price structure for residents parking permits.
- 4.2 If adopted the AJC alternative permit charges would be expected to raise about £17,000 less in additional income than the latest proposals. Given the current budget position, it is felt that the AJC proposal is no longer viable.

5. SIGNIFICANT IMPLICATIONS

Resources & performance

Finance

- 5.1 The proposed changes to on-street charges are an important element in ensuring that the on-street parking account is balancing. The additional income and planned savings in services will reduce the risk of taxpayers having to underwrite the account.

Performance

- 5.2 Parking charges are an important element of transport policy in Cambridge, helping to manage demand for access to the city and balancing conflicting parking demands.

Key Risks

- 5.3 A failure to manage the on-street parking account and to respond to local parking problems carries the key risks shown below:
- a) Damage to the reputation of the County Council
 - b) The risk of taxpayers having to fund any deficit in the on-street parking account.
- 5.4 In order to manage these issues it is recommended that the changes to on-street charges set out in this report are supported.

Property and Facilities Management, ICT, Human Resources and Best Practice

- 5.5 No significant implications identified.

Statutory Duties/Requirements and Partnership working

- 5.6 There are no significant implications for any of the headings within this category.

Climate Change

Climate change

- 5.7 The review of on-street parking charges and their subsequent implementation will support reductions in vehicle emissions, thereby improving air quality, through the effective management of parking.

Greenhouse gas emissions

- 5.8 Parking charges support effective parking management will help manage travel demand and contribute towards the council's commitment to reducing greenhouse gases.

Environment

- 5.9 The changes to the on-street parking charges will contribute towards reducing traffic generated air pollution.

Access and Inclusion

Transport

- 5.10 The proposed changes in on-street parking charges will contribute towards meeting the Council's network management duty by improving the management of the road network thereby reducing congestion and improving road safety.

Inclusion, Crime and Disorder, Voluntary Sector and Equity and Diversity

- 5.11 No significant implications identified.

Engagement and consultation

Engagement and consultation

- 5.12 No significant implications identified.

Source Documents

AJC Agenda and Minutes 19/10/10

County Council on-street parking policy

Location

<http://tinyurl.com/322r6er>

<http://tinyurl.com/622yblt>

ON STREET PAY AND DISPLAY PARKING CHARGES AND TIME LIMITS

REF	STREETS OR PARTS OF STREETS	TARIFF		TIME LIMIT	HOURS OF OPERATION	
		Existing	Proposed		Existing	Proposed
1	Free School Lane, Jesus Lane, King Street, Manor Street, Park Terrace, Trumpington Street (north of Silver Street)	50p for 12 minutes	50p for 10 minutes	1 hour	Monday to Saturday 8.30 am to 6.30 pm	
2	Brookside, Lensfield Road, Regent Street (south of Park Terrace), Tennis Court Road, Trumpington Street (south of Silver Street)	50p for 15 minutes	50p for 10 minutes	2 hours	Monday to Saturday 9.00 am to 5.00 pm	Monday to Saturday 8.30 am to 6.30 pm
3	Newnham Road (west side near Maltings Lane), Queen's Road	50p for 15 minutes	50p for 10 minutes	2 hours	Monday to Friday 9.30 am to 5.00 pm Saturday 9.00 am to 5.00 pm (No Waiting Monday to Friday 8.30 am to 9.30 am)	
4	Abbey Road, Arthur Street, Bateman Street, Beche Road, Canterbury Street, Castle Street, Chesterton Road, Devonshire Road, Emery Street, Fisher Street, Glisson Road, Gwydir Street, Harvey Road, Histon Road, Holland Street, Kingston Street, Mawson Road, Mill Street, , Norfolk Street, Northampton Street, Norwich Street, Panton Street, Pemberton Terrace, Pound Hill, Priory Road, Ravensworth Gardens, Russell Court, Russell Street, St. Barnabas Road, St. Paul's Road, St. Peter's Street, Saxon Road, Shelly Row, Tenison Avenue, Tenison Road (north of George Pateman Court), Mill Road Council Depot Access Road	20p for 15 minutes	25p for 15 minutes	2 hours	Monday to Saturday 9.00 am to 5.00 pm	

REF	STREETS OR PARTS OF STREETS	TARIFF		TIME LIMIT	HOURS OF OPERATION	
		Existing	Proposed		Existing	Proposed
5	Gresham Road, Lady Margaret Road, Mount Pleasant, Newnham Road (adjacent to Lammas Land), Newnham Walk, Ridley Hall Road, Sidgwick Avenue, West Road, Wordsworth Grove	20p for 10minutes	50p for 30 minutes	4 hours	Monday to Saturday 9.00 am to 5.00 pm	
6	Sun Street	50p for 15 minutes	50p for 10 minutes	1 hour	Monday to Saturday 9.00 am to 5.00 pm	Monday to Saturday 8.30 am to 6.30 pm
7	Chesterton Road (outside numbers 34 to 46) Milton Road (Mitcham's Corner) layby adjacent to Springfield Road	20p for 10 minutes	No change	1 hour	Monday to Saturday 9.00 am to 5.00 pm	
8	Clarendon Road, Shaftesbury Road, Station Road, Trumpington Road, Union Road Huntingdon Road, Broad Street, River Lane, Riverside, Walnut Tree Avenue St. Matthew's Street, Sturton Street, Tenison Road (south of George Pateman Court)	20p for 10minutes	50p for 30 minutes	8 hours	Monday to Saturday 9.00 am to 5.00 pm	
9	Bentley Road, Newton Road	5p for 15minutes	No change	30 minutes	Monday to Saturday 7.00 am to 5.00 pm	
10	Parkside (o/s nos. 37-38)	50p for 20minutes	No change	20 minutes	Monday to Saturday 9.00 am to 5.00 pm	

RESIDENTS' PARKING PERMIT CHARGES

Residents' Parking Zone	Hours of Operation	Annual Residents' Permit Fee	
		Existing	Proposed
Riverside Petersfield Newtown Benson West Cambridge Castle Hill	Monday to Saturday 9 am to 5 pm	£41	£52
Tenison Road	Monday to Saturday 9 am to 8 pm	£41	£70
Guest Road	Monday to Saturday 8 am to 8 pm	£41	£76
Brunswick Kite Park Street Regent Terrace	Monday to Sunday 9 am to 8 pm	£50	£81

Business permits are charged at 1.5 times the residents' permit rate

Medical Practitioners' permits are charged at the same rate as residents' permits per bay

SUMMARY OF AJC COMMENTS AND PROPOSAL

AJC COMMENT	OFFICER COMMENT
<p>Residents were concerned about being used to generate a steady and dependable flow of cash for projects, which would not benefit them directly. It was acknowledged that there had not been any increases since 2001 but there was concern that there could be further increases to fund unforeseen budgetary pressures. Members therefore asked that increases should be phased incrementally in the future. There was also concern that this significant increase could exert a detrimental influence over areas, which required a residents' parking scheme.</p>	<p>The AJC had been reminded in earlier reports of the need to increase residents' parking charges as they had not been increased for some years. It was proposed, subject to unforeseen budget pressures, to fix the charges for three years. Therefore, there would not be a review for another three years. The AJC was reminded that residents could opt to remove a residents' scheme, if thought not be of sufficient value.</p>
<p>Regret that there was no explicit reference in the report as to how residents would benefit from the account.</p>	<p>The measures funded through the on-street account benefit those accessing the city through such things as Park & Ride and those who live within the city by managing parking and access demand which would otherwise impact on local communities if not managed efficiently. Non-Cambridge residents also contribute towards the management of the city through off-street car park charges which support some of the services provided by the City Council to city residents. If a surplus could once again be achieved in the on-street account there could be the potential to support the provision of minor traffic management measures in the city.</p>
<p>Question asked over the justification for using the account to fund Park and Ride site operations. There was concern that it did not benefit local residents directly. Members highlighted the need to review the departure charge for passengers using the Park and Ride sites. It was also highlighted that Park and Ride distracted from local bus use in villages outside Cambridge. It was acknowledged that Park and Ride had helped to reduce congestion but it was also acknowledged that city residents tended to use the Citi Bus Service, freeing up parking spaces for non-Cambridge residents.</p>	<p>The on-street parking account is the only source of revenue funding available to fund Park and Ride site operations other than through general taxation. The Park and Ride service is currently under review to consider ways of reducing costs. The views of the AJC will be taken into account as part of the review.</p>

AJC residents parking permit charge alternative proposals:

Residents' Parking Zone	Hours of Operation	Annual Residents' Permit Fee	
		Existing	AJC proposal
Riverside, Petersfield, Newtown, Benson, West Cambridge, Castle Hill	Monday to Saturday 9 am to 5 pm	£41	£50
Tenison Road	Monday to Saturday 9 am to 8 pm	£41	£62
Guest Road	Monday to Saturday 8 am to 8 pm	£41	£67
Brunswick, Kite, Park Street, Regent Terrace	Monday to Sunday 9 am to 8 pm	£50	£70