

Surrey Heath Borough Council Executive

7 December 2021

Review of Parking Fees and Charges

Portfolio Holder:	Business & Transformation - Cllr Colin Dougan
Lead Officer	Daniel Harrison
Report Author:	Eugene Leal
Key Decision:	Yes
Wards Affected:	All

Summary and Purpose

Car parking tariffs have remained unchanged in the Council's multi-story car parks since 2014 and since 2009 in the borough wide pay and display car parks, falling significantly behind inflation and increasing pressure on council finances. This report puts forward proposals to bring pricing back in line with cost of living increases as well as a review of the structure and provision of parking season tickets.

Recommendation

The Executive is advised to RESOLVE that

- (i) car parking tariffs, as set out in Annex 1, be agreed to come into effect as soon as the statutory Traffic Regulatory Order process is complete and after review and consideration of any feedback received;
- (ii) the temporary NHS/Carers permit be extended until 1 May 2022;
- (iii) pay and display parking tariffs be introduced at Wharf Road car park, Frimley Green once the statutory Traffic Regulatory Order process is complete and after review and consideration of any feedback received;
- (iv) local residents season tickets for Deepcut car park be introduced once the Traffic Regulatory Order process is complete and after review and consideration of any feedback received; and
- (v) authority be delegated to the Executive Head of Business to reinstate charging for the first two hours of parking in Knoll Road car park that had been suspended while the public realm works in the High Street were being undertaken. This will follow a statutory 3 week notice process, coming into effect on Monday 10 January 2022.

1. Background

- 1.1. The Council's parking service operates 17 off-street car parks across the borough's town and village centres to meet economic and community need. Parking charges help pay for the costs of operating car parks and the capital investment required to maintain and improve them.
- 1.2. Parking tariffs in the two Council operated multi-story car parks have remained unchanged since 2014 and in the borough wide pay and display car parks since 2009. This means that while costs of operating the car parks have continued to increase over this period, income has fallen significantly in real terms.
- 1.3. Since the end of March 2019, three neighbouring local competitor town centres (Basingstoke, Guildford and Woking) have increased their parking tariffs. Tables showing local competitor and comparator town centres and village centre parking charges are shown in Annex 2 to this report.
- 1.4. The Council's annual budget for the 2021/22 financial year assumes that car parks generate £1,623,000 from fees and charges income to fund the costs associated with the car parks and support essential front line services. This year's parking fees and charges income is projected to be only circa £1,163,000.

2. Principles

- 2.1. The following five principles are proposed have been identified to assist with determining the right level of parking charges in Council car parks:

Fair and reasonable charges	Each car park managed by the Council should generate sufficient income to cover its operational costs. Car parking charges should keep pace with cost of living increases. The total income collected across all car parks will remain at or below pre-pandemic levels.
Safe and well maintained car parking facilities	Car parking income will fund the operation of the car parks, as well as help provide a programme of repairs and maintenance and respond to resident priorities regarding safety including lighting and security measures and help support the introduction of electric charging points for public use
Responding to Climate Change	Where ever possible car parking charges will encourage effective traffic management to minimise congestion and queuing/idling, promoting greater use of sustainable travel options including

	cycling and supporting a switch to electric vehicles and use of cashless payment options
Responding to customer needs	Recognising the different uses customers have for car parks (e.g. shopping, commuter, worker etc and changing patterns of work post Covid. Demonstrating that Surrey Heath carparks are competitive with equivalent areas outside the borough. Investment in installation of electrical charging points. Ensure sufficient churn in car parks to enable all customers to find a car parking space available when they need one. Recognising that Sundays has become increasingly popular for shoppers.
Consistent and easy to follow charging structure	Straightforward and easy to follow tariffs with consistency applied across similar car parks and tariff structures in Surrey Heath.

3. Detailed Proposals

Knoll Road Car Park

- 3.1. The temporary free parking at Knoll Road was introduced in August 2020 to support the town during the High Street redevelopment works and was extended to 2 hours free until January 2021. The free parking remained in place until the High Street works were completed and the new on-street parking orders were put in place by Surrey County Council. Ending free parking in Knoll Road will reinstate up to £33k of lost income per annum.

Rural Car Parks

- 3.2. Bagshot, Chobham, Burrell Road Frimley and Watchetts Road car parks all currently run at a loss so introducing a charge of 50p per hour Mon – Sat and £1 all day on Sunday could generate up to £190,000 additional income based on current parking behaviour.
- 3.3. These car parks are well used and between Monday to Friday attract 256,682 customers. At present 92% of all visitors to these car parks do so free of charge.
- 3.4. The Parking Subsidy Season Ticket will remain available which provides subsidised parking for low paid workers (£10 per month).
- 3.5. School permits will be introduced free of charge to parents who use council pay and display car parks for the school run. Schools will issue permits to

parents, to be displayed in the windscreen which will allow free parking for up to 30 minutes.

Extending temporary NHS/Carers Permits

- 3.6. The Council introduced temporary NHS /Carers permits in April 2020 in line with Government advice. While the Government withdrew the need for these permits in June 2021 the Council has continued this arrangement for a further 6 months. As the NHS staff and carers face another challenging winter, extending the current scheme until 1 May 2022 would provide further support to this group of customers. At present there are 81 NHS/Carer permit holders.

Wharf Road Car Park

- 3.7. Introducing parking charges in Wharf Road car park, Frimley Green in line with Watchetts Road car park, would encourage greater churn and deter all day parking, while providing circa £8,000 in additional income (based on current parking behaviour).

Residents Season Tickets in Deepcut Car Park

- 3.8. Introducing Residents season tickets in Deepcut car park on Woodend Road, Deepcut would enable residents to park in this car park overnight without risk of receiving a parking ticket

Potential impact of changes

- 3.9. The table below compares the income expected in 2022/23 if no tariff changes were agreed against all tariff changes being agreed:

2022/23 Potential Income from fees and season tickets

No changes	circa £1,195,066
All changes	circa £1,544,491
Net increase	circa £349,425*

* Based on current parking behaviours

- 3.10. Consumer Price Index (CPI) increases from the date of the last review of charges are as follows:

Main Square car park	23 June 2014	CPI 11%
Knoll Road car park	23 June 2014	CPI 11%
Yorktown car park	1 April 2010	CPI 25%
Surrey Heath House	1 April 2010	CPI 25%
Rural car parks	1 October 2009	CPI 28%

4. Reasons for Recommendation

- 4.1. Tariffs have not increased for a number of years and the proposed tariffs increases aim to make all car parks financially viable with increases in line with inflation.
- 4.2. Removing the free parking and charging a small fee will help reduce the very short journeys that are undertaken by car that could be carried out on foot, cycle etc and increase revenue with the least inconvenience to customers and ensuring each car park contributes meaningfully towards its costs.
- 4.3. All council car parks are subject to Non-Domestic Rates, which for 2021/22 totalled £539,286, with additional costs for maintenance, daily cleaning, inspection, capital works, enforcement, car parking ticket machines, cash collection and staffing.
- 4.4. Even with the proposed increases, the cost of parking in Surrey Heath would remain competitive when benchmarked against similar local commercial centres and villages in other boroughs that charge for their parking (see Annex 2).
- 4.5. Wharf Road car park, Frimley Green is a small car park with 23 spaces, 2 disabled spaces that provides parking for all customers working and visiting Frimley Green. This car park is regularly oversubscribed, with a lot of all-day parking which reduces the available parking for customers wishing to access village businesses.
- 4.6. Deepcut car park has 40 spaces, 3 disabled spaces with an 18 hour maximum stay designed to stop overnight parking. Providing Residents season tickets will enable local residents to park in this car park overnight, as there is limited on-street parking in the local area.
- 4.7. There are two local garages that use this car park to store vehicles, sometimes overnight. When enforcement action was undertaken in accordance with our parking regulations, local residents are also issued penalty charge notices, which has prompted a request to provide residents parking season tickets for this car park.

5. Proposal and Alternative Options

- a. To agree the recommendations set out above
- b. Agree to some but not all of the recommendations
- c. Suggest revised or additional recommendations
- d. Reject all of the recommendations

6. Contribution to the Council's Five Year Strategy

- a. **Environment:** maintaining income levels will allow for future investment into electric vehicle charging bays and other

improvements to infrastructure that support reduction in carbon and climate change

- b. **Health & Quality of Life:** supporting the local community by ensuring that quality, convenient and safe parking is provided in our towns and villages
- c. **Economy:** supporting the local economy by ensuring customers have access to quality facilities across the borough and paying customers have access to a car parking space when and where they need it.
- d. **Effective & Responsive Council:** Parking Services carries out regular consultations with the public to seek their views on how to improve our parking provision and we will continue to invest in new technology and maintenance to meet the requirements of our customers.

7. Resource Implications

- 7.1. If agreed, the proposals could increase revenue by up to circa £349,000 (based on current parking behaviours), which will help redress the current budget shortfall which is estimated at £1.6 million in the current year.
- 7.2. To amend the tariffs will require a Notice of Variation to be published in the local paper at a cost of approximately £1,200, depending on the size of the advert.
- 7.3. Where new tariffs and season tickets are proposed a notice must be published for 28 days advertising the change and the public will be able to comment or object. Following approval of any changes a further notice must be published advertising the making of the order. Together the costs would be £2,400.

7.4. Section 151 Officer Comments:

These proposals allow for continued investment in the Council's parking services and takes into account the rising costs of delivering the service. The additional income achieved will restore income towards existing budgeted levels, which would avoid placing additional budgetary strain on other services.

8. Legal and Governance Issues

- 8.1. Changes to parking tariffs require a Notice of Variation to be advertised in the local paper, on each car park and on line for a minimum period of 21 days in accordance with the Road Traffic Regulation Act 1984.
- 8.2. Introducing new charge and season tickets requires a Notice of Variation is to be advertised in the local paper, on each car park and on line for a minimum period of 28 days in accordance with the Road Traffic Regulation

Act 1984 inviting comment or objection. Following approval a Notice of Making is to be advertised in the local paper, on each car park and on line informing the public that the regulations have changed in accordance with the Road Traffic Regulation Act 1984.

8.3. Monitoring Officer Comments:

None relating to this report.

9. Other Considerations and Impacts

9.1. Environment and Climate Change

9.1.1. Car parks can play an active part in promoting positive behaviour change linked to tackling climate change, including avoiding queuing and avoidable congestion, avoiding extending journey time to find available parking spaces, avoiding idling vehicles, and incentivising the switch to electric vehicles,

9.2. Equalities and Human Rights

9.2.1. Providing safe, accessible and financially sustainable car parks is key to ensuring that everyone in the community who needs to park their car is able to do so.

9.3. Risk Management

9.3.1. Changes in parking tariffs may result in changes of behaviour, resulting in fewer people choosing to make use of a Council car park. While this can impact on projected level of income, it can also encourage positive behaviour change such as a switch to more cycling and walking, or discouraging commuter parking in a shoppers car parks.

10 Community Engagement

10.1 If approved, changes to parking tariffs require the council to publish statutory Notices of Variation in the local paper, physically at each car park and on the council website for a period of 21 days in accordance with the Road Traffic Regulation Act 1984.

10.2 Subject to final approval the changes would then be publicised via official council media.

Annexes

Annex 1: Proposed Charges

Annex 2: Benchmarking Tariffs Against Local Competitor and Comparator Towns and Village Centres

ANNEX 1 Proposed Charges			
Town Centre Charges			
Main Square – Daily Fees			
Duration	Customer p/a	Existing Tariff	Recommendation
2 hours	401,313	£1.80	£2.00
3 hours	48,859	£2.30	£2.50
4 hours	17,642	£3.50	£3.80
6 hours	8,923	£5.00	£5.50
10 hours	9,586	£7.00	£7.70
Evening	20,797	£2.00	£2.00
Sunday	65,691	£1.50	£2.00
Income (Net VAT)		956,945	£1,073,065
		Increase in income	£116,120
Main Square – Season Tickets			
Period	Customer p/a	Existing Tariff	Recommendation
12 months	18	£995	£1,095
6 months	4	£575	£600
3 months	7	£290	£310
**1 month	82	£84	£93
Resident overnight 12 month	25		£365
Resident overnight 1 month	300		£32
Income (Net VAT)		£24,273	£42,193
		Increase in income	£17,919
Knoll Road – Daily Fees			
Duration	Customer p/a	Existing Tariff	Recommendation
1 hour	19,537	£1.00	£1.10
2 hours	22,518	£1.50	£1.70
3 hours	6,025	£2.00	£2.20
4 hours	3,081	£3.00	£3.30
10 hours	12,449	£4.00	£4.40
evening	2,469	£1.50	£1.70
Sunday	8,047	£1.50	£1.70
Income (Net VAT)		£116,815	£129,873
		Increase in income	£13,058
Knoll Road – Season Tickets			
Period	Customer p/a	Existing Tariff	Recommendation
12 months	64	£825	£850

6 months	12	£475	£475
3 months	2	£240	£250
Income (Net VAT)	0	£49,150	£50,500
		Increase in income	£1,350

Bagshot, Burrell Road, Chobham and Watchetts car parks

Duration	Customer p/a	Existing Tariff	Recommendation
1 hour			£0.50
2 hours	*233,740		£1.00
3 hours	8,861	£0.40	£1.50
4 hours	4,534	£0.80	£2.00
5 hours	2,504	£1.20	£2.50
6 hours	621	£1.60	£3.00
7 hours	3,021	£2.00	£3.50
8 hours	177	£2.40	£4.00
All day	3,224	£2.50	£4.50
Income (Net VAT)		£21,414	£163,763
		Increase in income	£142,349
Saturday (same as Mon – Fri tariff)	51,336		£32,753
Sunday (50p all)	25,668		£10,695
Income (Net VAT)		Increase in income	£43,448

*80% of visitors will stay for 1 hour

*20% of customers will stay for 2 hours

Bagshot, Burrell Road, Chobham and Watchetts car parks

Period	Customer p/a	Existing Tariff	Recommendation
12 months	15	£375	£475
6 months	0	£310	£250
3 months	0	£160	£135
**1 month	117	£32	£41
Income (Net VAT)		£7,808	£9,894
		Increase in income	£2,127

Heavily subsidised parking permit available for low paid workers (£10 per month)

York Town - Daily Fees

Duration	Customer p/a	Existing Tariff	Recommendation
2 hours	2,604	£1.00	£1.30
5 hours	192	£2.50	£3.00
10 hours	741	£3.00	£4.00
Income (Net VAT)		£4,423	£5,771
		Increase in income	£1,349

York Town – Season Tickets			
Period	Customer p/a	Existing Tariff	Recommendation
Business 12 month	4	£540	£570
Business 6 month	2	£310	£330
Business 3 month	18	£160	£180
Business 1 month online	119	£46	£49
Resident 12 month	7	£100	£135
Resident 1 month online	20	£9.25	£13
Income (Net VAT)		£10,016	£11,013
		Increase in income	£998
Surrey Heath House - Daily Fees			
Duration	Customer p/a	Existing Tariff	Recommendation
2 hours	1,410	£1.20	£1.40
3 hours	588	£2.00	£2.30
4 hours	102	£2.80	£3.00
10 hours	150	£4.00	£4.50
Sunday/BH	876	£1.50	£2.00
Income (Net VAT)		£4,223	£5,050
		Increase in income	£827
Wharf Road car park			
Duration	Customer p/a	Existing Tariff	Recommendation
1 hour			£0.50
2 hours	11,750		£1.00
3 hours	251		£1.50
4 hours	106		£2.00
5 hours	35		£2.50
6 hours	26		£3.00
7 hours	30		£3.50
8 hours	5		£4.00
All day	129		£5.00
Income (Net VAT)			£7,145
		Increase in income	£7,145
Saturday	2,466		£1,429
Sunday	1,233		£514
Income (Net VAT)		Increase in income	£1,943
20% of customers will stay for 2 hours			
Subsidised parking permit available for low paid workers (£10 per month)			

Wharf Road car park			
Period	Customer p/a	Existing Tariff	Recommendation
12 months	2		£475
6 months	0		£250
3 months	0		£135
**1 month	0		£41
Income (Net VAT)			£792
		Increase in income	£792

Current income	Income with updated charges
£1,195,066	Circa £1,544,491

Current budget assumption for income from car parks 2021/22: £1,623,000

Annex 2: Benchmarking Parking tariffs of local competitor and comparator town centres and the Atrium Car Park

Camberley town centre: local competitor and comparator town centres.

Town	Up to	Up to	Up to	Up to	Up to		
	30 min	1 hour	2 hrs	3 hrs	4 hrs	All Day	6pm-8am
Reading		£1.70	£4.00	£6.00	£8.00	£20.00	£3.50**
Windsor		£1.70	£3.40	£5.10	£6.80	£14.00	Not found
Woking*		£1.50	£3.00	£4.50	£6.00	£12.00	£1.50
Guildford*		£1.50	£3.00	£3.00	£6.00	£10.00	£1.00
Basingstoke*		£1.10	£2.20	£3.20	£4.30	£9.60	£2.20
The Atrium			£1.80	£2.20	£3.40	£7.00	£2.00
Camberley		£1.00	£1.50	£2.00	£3.00	£4.00	£2.00
Wokingham	50p	80p	£1.20	£2.00	£2.00	£4.00	Not found
Farnborough		£0.60	£1.10	£1.60	£2.60	£4.00	£1.00
Aldershot		50p	£1.00	£1.50	£2.00	£3.60	Free

*Fees increased since 2019

Rural commercial centres: Competitor and comparator rural centres

Rural	Up to	Up to	Up to	Up to	Up to		Days of
	30 min	1 hour	2 hrs	3 hrs	4 hrs	All Day	week
Blackwater	£0.35	£0.70	£1.40	£2.10	£2.80	£5.00	Mon-Sat
Englefield Green	N/A	£0.60	£1.20	£2.00	£3.00	£5.50	Mon-Sat
Farnham	N/A	£0.60	£1.30	£1.90	£2.60	£7.00	Mon Sat
Hartley Wintney	£0.35	£0.70	£1.40	£2.10	£2.80	£4.00	Mon-Sat
Rural Car Parks	FREE	FREE	FREE	£0.40	£0.80	£2.50	Mon-Fri
Yorktown			£1.00		£2.50	£3.00	Mon-Fri