

Surrey Heath Borough Council Executive

19 September 2023

Off Street Car Parking Service

Executive Portfolio Holder	Councillor Helen Whitcroft, Resident & Community Services
Lead Officer:	Nick Steevens, Strategic Director, Environment & Community
Report Author:	Julia Greenfield, Corporate Enforcement Manager
Key Decision:	Yes
Wards Affected:	All

Summary and Purpose

Car parking tariffs in Council owned car parks were last reviewed in 2022. Prior to this, tariffs in the multi-story car parks had remained unchanged since 2014 and the borough wide pay and display car parks since 2009.

As part of the Council's Base Budget Review completed in July 2023, the Executive agreed increases in parking tariffs to contribute to the delivery of the Council's base budget saving targets.

Since that time, it has become clear that based on current budget, the higher usage levels being seen across the Council's car parks should generate the income necessary to deliver the additional in-year target, without the need for these interim changes.

Instead, this reports sets out proposals for a more strategic and rounded review of the Council's car parks looking at income, tariff structures, levels of usage, future technology, maintenance and required levels of future investment.

Recommendation

The Executive is advised to RESOLVE that

- (i) the Council does not proceed with the original tariff proposals included in the Base Budget Review report considered by the Executive in July 2023;
- (ii) an overall parking strategy and action plan be developed for consideration by the Executive and to enable implementation in the new financial year; and

- (iii) the Performance and Finance Scrutiny Committee be asked for their input and feedback on the draft parking strategy and action plan ahead of formal consideration by the Executive.

1. Background:

- 1.1 Parking charges are used to cover the revenue costs of operating car parks and the capital expenditure required to maintain and improve them. In popular car parks charges also help encourage churn, which means that customers are more likely to find a parking space available for them when they need one.
- 1.2 The Council's parking service operates 15 off-street car parks across the borough's town and village centres to meet economic and community need. Currently, there is a charge for parking in 9 of these car parks, namely:
 - (i) Main Square Car Park
 - (ii) Knoll Road Car Park
 - (iii) Bagshot Car Park
 - (iv) Burrell Road Car Park
 - (v) Chobham Car Park
 - (vi) Watcetts Car Park
 - (vii) Yorktown Car Park
 - (viii) Wharf Road Car Park
- 1.3 Currently no car parking charges are associated with the use of the following car parks managed by Parking Services:
 - (i) Balmoral Drive Car Park
 - (ii) Chobham Place Woods Car Park
 - (iii) Martindale Avenue Car Park
 - (iv) Prior Road Car Park
 - (v) Wilton Road Car Park
 - (vi) Woodend Road Car Park
- 1.4 In addition there are a further six car parks managed by the Council's Recreation & Leisure service which are linked to open spaces within the Borough:
 - (i) Frimley Lodge Park Car Park
 - (ii) Lightwater Country Park Car Park
 - (iii) Frimley Green Recreation Ground Car Park
 - (iv) Mytchett Recreation Ground Car Park
 - (v) Windlemere Suitable Alternative Green Space (SANG) Car Park
 - (vi) Watchetts Recreation Ground Car Park
- 1.5 The Council relies on the income from parking charges to pay for the costs of providing car parks. This includes business rates, cleaning, equipment, revenue and capital investment in repairs and maintenance and the employment of Civil Enforcement Officers which are essential to the enforcement of the parking regulations.

2. Detailed Proposals:

- 2.1 The condition and quality of the Council's off-street car parks, including maintenance and cleanliness levels will be key issues to be explored in the car parking strategy.
- 2.2 Noting that only 9 of the 17 car parks managed by Surrey Heath currently charge for parking, prior to any changes in tariffs it is proposed that a full review of all Council-owned parking provision will be conducted.
- 2.3 The review will assist in the development of a car park strategy which will provide an all-encompassing vision for how Surrey Heath will manage its off-street parking provision. The strategy will reference and acknowledge other key policies and strategies such as the Five-Year Strategy and Climate Change Strategy and will outline the delivery of specific objectives for:
 - (i) Enhancing and improving the visual amenity of the councils car parks
 - (ii) The use of technology to enhance customer experience
 - (iii) Ensuring the right type of parking provision to reflect customer needs including feeling that car parks they are safe and easy to use
 - (iv) Reducing the impact on climate change
 - (v) Understanding future investment, repairs and maintenance needs including lifts, security, CCTV, lighting etc
 - (vi) Reviewing opportunities for a more business-like approach across all off-street car parks
 - (vii) A review of the impact of parking charges on customer behaviour
 - (viii) The feasibility of changes to parking charges and extending charges to other locations.

3. Potential impact of change

- 3.1 The 5% increase in parking charges agreed by Executive in July 2023 was projected to result in an estimated £51k of additional income in the current financial year. A delay in the introduction of these charges will have an impact on parking income however, it has become clear since the July Executive, that in-year income levels on Council car parks are higher than budgeted. If this trend continues for the remainder of the financial year, then it is likely that this year's agreed saving target for car parks will be met without the need for further action in the short-term.

4. Reasons for Recommendation:

- 4.1 Postponing any changes until a strategic review of off-street parking provision can be conducted will ensure that proposals for the Council's car parks, including proposals relating to tariffs and investment can be considered in the round within an overall strategic framework aligned to the delivery of the Council's priorities.

5. Proposal and Alternative Options:

- 5.1 The Executive could decide to continue with the original proposals including to increase the charges by 5% this financial year.
- 5.2 The Executive could decline to undertake a strategic review of its parking provision however this is unlikely to deliver the benefits of taking this more holistic and considered approach.

6. Contribution to the Council's Short Term Plan / Five Year Strategy

- 6.1 **Environment:** A wider review of parking provision will help to put car parks on a more financially sustainable footing and allow the Council to review further options for electric vehicle charging bays and other improvements to infrastructure that support reduction in carbon and climate change.
- 6.2 **Health & Quality of Life:** supporting the local community by ensuring that quality, convenient and safe parking is provided in our towns and villages.
- 6.3 **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.
- 6.4 **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.
- 6.5 **Short-term Plan: The Council's Short-term Plan agreed at Executive in July included an action to** conduct root and branch review of the Council's finances. The new Executive oversee a route and branch review of the Council's finances through a robust base budget review process while identifying ways to deliver £0.5m of efficiencies. The development of a parking strategy will contribute directly to the delivery of these savings.

7. Resource Implications:

- 7.1 If agreed, the proposal will not increase parking revenue in the short term but will permit a more strategic and holistic approach to Council car parks.
- 7.2 The development of the Parking Strategy will be met from within existing staff resources.

8. Section 151 Officer Comments:

- 8.1 The Council is facing a budgetary gap which increases to over four million pounds by the end of the medium term financial strategy.

- 8.2 It is noted that the in-year savings target for car park income will be met by the favourable variance in increased volumes, which relieves the pressure to increase parking charges in the current year.
- 8.3 The base budget income targets for the Council's car parks were reduced by £426,000 to reflect the impact of the pandemic in the 2022/23. Indications are that usage levels are now close to pre-pandemic levels and this reduction will need to be reversed in the 2024/25 budget.
- 8.4 The Council will need to consider increasing charges in the next financial year in order to keep pace with the inflationary pressures it is facing in the costs of maintaining and servicing the car parks.

9. Legal and Governance Issues:

- 9.1 No matters arising.

10. Monitoring Officer Comments:

- 10.1 None relating to this report.

11. Other Considerations and Impacts:

Environment and Climate Change:

- 11.1 The Council has declared a Climate Emergency which seeks carbon neutrality across its own estate by 2030 and to support net zero across the borough by 2050. Transport is estimated to cause 46% of emissions in Surrey with a switch to more sustainable travel playing a key role in achieving net zero. With 17% of vehicles sold in the UK in 2022 being Electric, increasing revenue to cover maintenance and improvements in SHBC's car parks is intrinsic to the decarbonisation of the borough.
- 11.2 Whilst the shift to electric vehicles and more sustainable means of transport is advancing, internal combustion vehicles will continue to be used by many for years to come. Well managed car parks can help to tackle climate change by ensuring parking spaces are available when needed to help avoid queuing, avoidable journeys and associated congestion. Our car parks can also be an important link between essential private vehicle travel and key public transport centres, such as train stations. The Council's Parking Service will be investigating further options to encourage and incentivise the take-up and use of zero emission vehicles as part of its climate change commitments.

Equalities and Human Rights:

- 11.3 Providing safe, accessible and financially sustainable car parks, including dedicated spaces for Disabled Drivers, is key to ensuring that everyone in the community who needs to park their car is able to do so.

Risk Management:

- 11.4 The Council's parking strategy will need to carefully balance a number of risks. This includes ensuring that Surrey Heath Car Parks remain competitive compared to similar car parks in neighbouring boroughs. The Council also faces risks associated with significant inflationary pressures associated with the cost of operating car parks, and the level of future investment required to provide facilities that match customer needs and expectations. It is also important to explore the investment that will be necessary to minimise the carbon footprint of Council car parks, as well as minimise the environmental impact of the vehicles using the car parks. Linked to this, the Council will also need to consider the levels of churn in car parks to ensure that spaces are available at the right time for those needing to park

Community Engagement:

- 11.5 Ward Councillors will be consulted during the development of the strategy to ensure their views are taken into account to develop a better understanding of the needs and expectations of car park users and how best to approach the improvement off-street car parking provision.

Annexes:

None