

Agenda Item 9



London Borough of Hammersmith & Fulham

Cabinet

14 OCTOBER 2010

**DEPUTY LEADER
(+ENVIRONMENT
AND ASSET
MANAGEMENT)**
*Councillor Nicholas
Botterill*

PARKING CHARGES REVIEW

**Wards:
All**

This report details the costs of parking related charges and services in Hammersmith & Fulham. It also compares costs with other London Boroughs and makes recommendations for changes to parking charges in Hammersmith & Fulham.

CONTRIBUTORS

DENV
DFCS
ADLDS

HAS AN EIA BEEN COMPLETED? YES

Recommendations:

That approval be given to:

- 1. The increase for the standard first six month and annual resident permits to £71 and £119 respectively during the 2010/11 financial year;**
- 2. The freezing of the cost of the standard first six month and annual resident permits at £71 and £119 respectively until 2014/15;**
- 3. The increase in the standard pay & display parking tariff to £2.80 per hour for Shepherd's Bush, Fulham and Hammersmith Town Centre areas (Zones A, CC, G, F and S) during the 2010/11 financial year;**
- 4. The increase in the standard pay & display parking tariff for all other zones to £2.20 per hour during the 2010/11 financial year;**
- 5. The 2nd stage increase in the pay and display tariffs as detailed in para. 3.1 of the report;**
- 6. The increase in the hourly rate for the SMART Visitor Permit to £1.80 per hour during the 2010/11 financial year;**

- 7. The increase in parking charges in Council operated car parks in line with the Controlled Parking Zones in which they are located.**
- 8. The increase in charges related to the suspension of parking bays as indicated in the body of this report;**
- 9. Increasing the 'green' vehicle parking permit rate to £60 per year.**

1. STRATEGIC OBJECTIVE

- 1.1 This report relates to Chapter 7 of the Local Implementation Plan for Transport 2005-09 whereby the Council will:

“develop, monitor and periodically review its policies for parking control, making adequate provision for the essential needs of both Borough residents and business communities, and discourage the increasing use of cars to areas of parking stress.”

2. BACKGROUND

- 2.1 This report details the current costs of parking-related charges and services in Hammersmith & Fulham. It also compares costs with other London boroughs and explores possible changes to parking charges in Hammersmith & Fulham. These proposals are aimed at meeting the Council's obligations to lower congestion and improve air quality.
- 2.2 This report does not address the charges for Penalty Charge Notices (PCNs) and removals which are set by London Councils subject to the agreement of the Mayor of London and Secretary of State and apply London-wide. These are currently under review but are likely to either remain unchanged or be increased in line with inflation. The Council's response to the consultation will be determined with the Deputy Leader on 22 September 2010.
- 2.3 The Mayor of London has indicated his support for managing the demand for travel through parking charges in order to meet the overall objectives of his Transport Strategy. The population of London is projected to increase significantly by 2016, which is also likely to lead to a growth in travel demand. Hammersmith and Fulham has the highest rates of congestion in the whole of London, and increasing the parking charges will help discourage unnecessary commuting journeys and assist in the efficient operation of the borough's road network, reduce congestion and help to improve air quality.
- 2.4 The Council has policies to encourage the use of sustainable modes of transport, reduce congestion, and ensure that residents have parking priority. These policies can also be used with mutually reinforcing policies related to increased parking charges in order to fulfil our obligation to take measures to improve air quality. This is important given that air pollution near many of London's busiest roads averages well over twice the World Health Organisation's maximum recommended levels.

Comparison of parking charges with other London Boroughs

- 2.5 Table 1 below indicates all parking permit changes since April 2003. Following the most recent review (effective from 1st July 2010), for the second year in a row the cost of a residents' first permit has been kept the same at £99 per year. Between 2003 and 2006 the cost of the annual resident's permit increased by £5 per year. Had this continued the current price of a permit would be £120 for 2010/11 and £140 by 2014/15.

Year	Annual resident permit (£)	2nd annual resident permit (£)	Annual business permit (£)	2nd annual business permit (£)	Doctors annual permit (£)
2003/04	85	400	600	1000	70
2004/05	90	410	615	1025	70
2005/06	95	420	630	1050	70
2006/07	95	420	660	1100	70
2007/08	99	430	680	1130	110
2008/09	99	450	715	1185	115
2009/10	99	473	751	1244	116

Table 1: Parking permit charges since April 2003

- 2.6 The Council has increased most fees and charges by 5% each year since 2007/08. This indicates that the cost of the resident permit relative to other services the Council charges for has gone down over the same period, with there being no change in price for the permit in real terms.
- 2.7 In addition, the Council has made several improvements to the quality of service in relation to the issue of parking permits, such as online renewals and the introduction of a courier service whereby permits can be delivered more quickly. We have also recently tightened the evidence requirements for the issue of residents' permits to help ensure that only genuine residents are able to obtain them. This has significantly reduced the number of permits issued (by more than 7%) and therefore increased the choice of parking spaces available to bona fide residents. The Council has also invested in the progressive introduction of the Smart Visitor Permit (see 2.17) which provides a reduced rate of hourly charge for residents' visitors and exemption from limited stay provisions.
- 2.8 Streets in the Town Centre areas within the borough experience a higher overall demand in parking than residential areas. The Council therefore operates priority hours for permit holders in Fulham and Shepherd's Bush Town Centres areas in Zones CC, G, F and S. These controls reflect a naturally higher demand for visitor parking in

these areas. A Controlled Parking Zone (CPZ) map of the borough is provided in Appendix 1.

- 2.9 Permit holders only hours are also in operation (Mon – Fri, 6.30-8pm and Sat 2-4pm and 6.30pm-8pm) in the Council’s Coomer Place Car Park, which is situated off North End Road in Zone F. Since priority hours are unique to this particular car park, if there is any measured adverse impact on businesses or the market in the area as a result of the tariff increases there is the option of offering the removal of the permit only hours in the car park.
- 2.10 The standard pay & display tariff within the Borough is set at £1.80 per hour. In Zone A (Hammersmith Town Centre area) the charge is £2.40 per hour.
- 2.11 In Askew Road, Fulham Road and Goldhawk Road there are a limited number of 20 pence per half hour (“stop and shop”) parking bays which were introduced in 2009.
- 2.12 Table 2 below indicates a comparison of pay and display tariffs and annual permit charges for the first resident permit with similar inner London boroughs. All the comparative boroughs offer a range of prices for pay and display parking as well as the resident permit.
- 2.13 Analysis of Table 2 indicates that the hourly pay and display rate in the London Borough of Hammersmith and Fulham is currently just over 22% lower than in the comparative average rate in other similar boroughs. Similarly the price of the annual resident permit is also lower than the average of all permit prices. Many of these boroughs are currently considering raising the costs of permits and/or pay and display tariffs.

Borough	Hourly P & D tariffs	Annual Resident Permit Prices
LBHF	£1.80 (apart from Zone A which is £2.40)	£99
Camden	£1.60 - £4.90	£84 - £162.75
Islington	£2 - £3.60	Up to £200
RBKC	50p - £3	£66 - £154
Lambeth	£2.10 - £4.20	£20 -£200
Southwark	80p - £2.30	£99.30
Westminster	£1 - £4	£83 - £132
Wandsworth	70p - £1.80	£95

Table 2: Pay & Display tariff and first residents’ parking permit comparison (Figures from 4 October 2010)

- 2.14 Currently the London Borough of Hammersmith & Fulham is recognised as the most congested borough in London with the highest annual vehicle delay per kilometre of network (‘Travel in

London: Key trends and developments', pp82: 2009). Therefore increasing parking charges is likely to encourage modal shift to public transport or indeed softer modes of transport such as cycling or walking, especially for shorter journeys. This will effectively promote the expeditious, convenient and safe movement of traffic in the borough and reduce congestion further.

- 2.15 For residents who own an electric, gas or hybrid vehicle the Council offers a discounted permit at a rate of £50 per year.
- 2.16 The Council also operates a SMART Visitor Permit (SVP) for residents' visitors which was introduced on a trial basis in December 2007 offering a discounted parking charge. The scheme currently operates in 13 of the Council's 27 Controlled Parking Zones and is expected to be introduced borough-wide in the 2011/12 financial year.

Cashless parking

- 2.17 The Council has been exploring cashless parking alternatives for a number of years and is looking to appoint a contractor to build on the work done on the Residents' Smart Permit and the Smart Visitor Permit. This will enable the Council to introduce a discounted rate for resident permit holders to use Pay & Display facilities across the borough.
- 2.18 The possibility of a discounted rate has been taken into consideration in developing a two stage increase in the Council's Pay and Display tariffs stated in the recommendations. The first stage will see an increase in the base rate for all and the shopper rate, with the shopper rate being extended to the Shepherd's Bush and Fulham Town Centres.
- 2.19 The facility to introduce cashless parking and a resident permit holders' discount would also allow the narrowing of the differential between the Town Centre Area shopper's rate and the base parking charge rate.

Comparison of parking suspensions charges

2.20 Parking suspensions in Hammersmith and Fulham currently cost £27 per bay (for 5 metres) per day. Table 4 below details the associated costs of parking bay suspensions compared to other London Boroughs.

	1st day	Further days	Admin fee	Cancellation	Cost of 2 space 2 day suspension
Islington	£95*	£16*			£111.00
Camden	£33.75	£33.75	£52.50	£52.50	£187.50
RBKC	£27.00	£27.00		£10.00	£108.00
Westminster	£38.00	£38.00		£20.00	£152.00
Wandsworth	£25.00	£20.00		no refunds	£90.00
Lambeth	£40.00	£40.00	£60.00	£60.00	£220.00
LBHF current	£27.00	£27.00			£108.00

* Islington do not charge per space

Table 4: Comparative parking bay suspensions cost

2.21 The aims of the suspension service are:

- to ensure that suspensions are of the shortest possible duration so that the largest number of parking spaces remain available for residents, their visitors and business visitors,
- to provide good advance information about suspensions to residents and motorists, and
- to ensure that suspended bays are cleared as soon as possible at the start of the day.

2.22 One of the weaknesses of the current charging system is that, where a suspension is approved but subsequently cancelled after the signs have been erected, no charge is made despite the Council having incurred costs. It is therefore proposed that the first day charge for the first bay is non-refundable in the event of cancellation.

3. RECOMMENDATIONS

3.1. This report recommends a number of changes detailed below:

- To approve the increase for the standard first six month and annual resident permits to £71 and £119 respectively during the 2010/11 financial year;
- To approve the freezing of the cost of the standard first six month and annual resident permits at £71 and £119 respectively, for the next 4 years until 2014/15;

- To approve the increase in the standard pay & display parking tariff to £2.80 per hour for Shepherd's Bush, Fulham and Hammersmith Town Centre areas (Zones A, CC, G, F and S) during the 2010/11 financial year
- To approve the increase in the standard pay & display parking tariff for all other zones to £2.20 per hour during the 2010/11 financial year. The reference to resident's P & D in the table refers to the cashless parking facility for residents, which offers a 40 pence discount per hour on the standard parking base rate. It is proposed that all Council operated Car Parks will have the same operating parking tariffs as the CPZ in which they are located. The proposed two stage increase in Pay & Display charges is set out in Table 5 below:

	Current Rate	1st Stage Increase	2nd Stage Increase
SMART Visitors' Permits	£1.50	£1.80	£1.90
Resident's P&D			£2.40
Base Rate	£1.80	£2.40	£2.80
Shopping Area Rate	£2.40	£2.80	£2.90
First Residents' Permit	£99	£119	£119

Table 5: Recommended two stage tariff increases

- To approve the increase in the cost of suspending a parking bay from £27 per day to £35 to fall in line with the charges set by other boroughs as indicated in Table 6 below. This new charge as well as the overall operation of parking suspensions will be reviewed again in 2011-12.

	1st day	Further days	Admin fee	Cancellation	Cost of 2 space 2 day suspension
LBHF current	£27.00	£27.00			£108.00
LBHF proposed	£35.00	£35.00		£35.00	£140.00

Table 6: Current and proposed parking suspension charges

- To approve an increase in the discounted permit charge for electric, gas or hybrid vehicles will be increased to £60 per year in line with other charges set out in this report.

4. TIMESCALES & COSTS

- 4.1 The timescales for the introduction of Stage 1 parking tariffs (excluding parking permits) are estimated as follows:

Time Period	Action
2010/11	
14 October 2010	<ul style="list-style-type: none">• Cabinet approval
15 - 19 October 2010	<ul style="list-style-type: none">• Drafting appropriate traffic regulation orders
20 October – 19 November 2010	<ul style="list-style-type: none">• Advertising appropriate traffic regulation orders
15 Oct – 22 November 2010	<ul style="list-style-type: none">• Changing ticket machine covers and chipsets borough-wide• IT Programming
22 November 2010	<ul style="list-style-type: none">• Introduction of Stage 1 parking tariffs

- 4.2 It is expected that the Stage 2 parking tariffs detailed in Table 5 under 3.6 will be introduced during 2011/12.
- 4.3 The introduction of the resident parking permit price increase requires additional IT programming changes and notification to residents one month prior to the introduction of the new permit price. Therefore the resident permit price increase would be operational from 1 January 2011.
- 4.4 The cost of implementing the recommendations is estimated at £40,000 and will be covered within the existing Controlled Parking Zone budget for 2010/11, requiring no further funding.

5. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES

- 5.1 As parking policy is not a fiscal measure in terms of generating income, no consideration should be given to the financial implications of the recommendations of the report. However it is appropriate to estimate the potential impact of any changes in parking charges, although as this is dependent upon motorists' reactions on their parking behaviour it is notoriously difficult to accurately estimate the impact.

5.2 The increase in residents permits is likely to generate £700,000 in a full year, and possibly £175,000 from January to March 2011.

5.3 The proposed increase in pay and display tariffs are entirely reliant upon motorists' reaction to the increased charge and a high level of resistance has been taken into account in estimating the impact

	Current Rate	Current Income	1st Stage Increase	Forecast Additional Income	2nd Stage Increase	Forecast Additional Income
SMART Visitors' Permits	£1.50	£150,443	£1.80	£15,044	£1.90	£4,597
Resident's P&D					£2.20	
Base Rate	£1.80	£10,188,495	£2.20	£943,202	£2.60	£428,728
Shopping Area Rate	£2.40	£974,044	£2.80	£553,303	£2.80	£0
		£11,312,982		£1,511,549		£433,325

5.4 Only 50% of the potential impact of tariff increase has been taken into account when calculating the impact on the total yield of the first stage increase. This has been further reduced when calculating the impact of the 2nd stage increase reflecting the likelihood that a number of residents will avail themselves of the discounted P&D tariff.

5.5 The proposed increase in parking tariffs during 2010/11 could yield £500,000, although any resistance in parking tariff increases is more pronounced immediately after the increase and this needs to be taken into consideration.

5.6 The proposed increase in suspension charges represents a 29.6% increase; if this is reflected in increased income, the annual increase would be approximately £150,000 per year, £50,000 in 2010/11.

5.7 The impact of the other proposed charges are negligible. The impact of all changes will be reported through the CRM and factored into the 2011/11 Revenue Estimates.

6. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)

6.1. The Council has power under the Road Traffic Regulation Act 1984 to set and review charges for on-street parking in its area. In doing so it has to have regard to the objectives of the Act "to secure the expeditious, convenient and safe movement of vehicular and other traffic (including pedestrians) and the provision of suitable and adequate parking facilities on and off the highway"

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Project file – CPZ file 2010-11/charges review	Naveed Ahmed Ext. 1418	Environment/ Highways/ Transportation/ 4 th floor HTHX
CONTACT OFFICER: Naveed Ahmed		NAME: EXT.1418	

Appendix 1 – Borough CPZ map

