

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Cabinet

Date: 09/01/2023

Subject: Cost of living crisis and climate emergency response – changes to parking charges

Report of: Cabinet Member for Public Realm, Councillor Sharon Holder

Report author: John Galsworthy, Assistant Director for Parking Service

Responsible Director: Bram Kainth, Strategic Director of Environment

SUMMARY

H&F proposes to implement new emissions-based parking charge bands and improve the offer for residents visiting friends and family or shopping across the borough. The policy will decrease charges on 80% of vehicles.

This policy will support our net carbon zero 2030 target and clean air neighbourhood strategy while helping residents tackle the cost-of-living crisis. It also supports businesses in the face of a potential recession.

The new banding will incentivise people to transition to electric and low emission vehicles and maintain a policy targeted at non-residents who use the borough as a cheap car park.

In October, the energy price cap was hiked, a typical domestic household will have to pay £2,500 a year for gas and electricity. The cost-of-living crisis has also seen inflation rise above 9% and fuel top £2 a litre.

The policy is required as a significant component of the administration's programme to support residents through the cost-of-living crisis.

RECOMMENDATIONS

1. To approve the new short stay parking tariffs as set out in the Table 4 below.
 2. To delegate the implementation of recommendation above to the Strategic Director of Environment.
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Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Will stimulate the local economy by enabling more stop and shop parking.
Creating a compassionate council	Reduces the cost of parking for residents coping with cost-of-living crisis
Doing things with local residents, not to them	Manifesto pledge in response to feedback from residents
Being ruthlessly financially efficient	Not applicable—parking fees are set based on parking policy rather than council budgets
Taking pride in H&F	
Rising to the challenge of the climate and ecological emergency	The emission-based price banding incentivises green vehicle use over polluting vehicles.

Financial Impact

1. The financial impact of the proposed policies will be affected by wider regional and local transport policies on vehicle emissions. The reduction in parking income will be accounted for through the Controlled Parking Account.
2. The impact in future years from 2023/24 is also expected to be managed within cash limited budgets after taking into account the introduction of new parking policies and enforcement arrangements.

Gary Hannaway, Head of Parking Finance, 27/07/2022

Verified by Sukvinder Kalsi, Director of Finance, 27/07/2022

Legal Implications

3. The report proposes to bring changes to payments for parking and implement new emissions- based parking charge bands. Under S.45 and 46 of the Road Traffic Regulation Act 1984, the Council can designate parking places on the highway to charge for parking in these places and to make a charge for parking permits for their use. The Council can also introduce differential permit charges between vehicles of different classes based on factors including their level and type of emissions.
4. S.122 of the Road Traffic Regulation Act 1984 sets out the considerations that must be taken into account by the Council in exercising their powers in

relation to parking. The Council must exercise its powers under this section so as 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.

5. These powers must be exercised as far as practicable having regard to the following matters:
 - a. the desirability of securing and maintaining reasonable access to premises.
 - b. the effect on the amenities of any locality affected including the regulation and restriction of heavy commercial traffic so as to preserve or improve amenity.
 - c. the national air quality strategy.
 - d. the importance of facilitating the passage of public service vehicles and of securing the safety and convenience of persons using or desiring to use such vehicles.
 - e. any other matters appearing to the Council to be relevant

6. When designating and charging for parking places the Council should be governed solely by the section 122 purposes. In reaching this decision, the Council will need to ensure that it follows all necessary consultation requirements. In doing so, the council will need to give public notice of the proposal and seek the opinions of the statutory consultees such as Royal Mail and the emergency services.

John Sharland, Senior solicitor, (Contracts and procurement)
Dated 26 July 2022

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Proposals and Analysis of Options

7. In 2020, at the height of the Covid-19 pandemic, the council introduced higher parking charges to discourage the increased numbers of out-of-borough motorists using H&F as a cheap car park, including those driving in from the A3, M4 and M40 corridors and parking in the borough to travel onward by tubes into Central London.
8. Many residents reported to councillors and officer that they have felt put off from visiting friends and services in the borough by the higher cost of parking outside their residential zone. This has particularly affected older and Disabled people and those struggling with the cost- of- living crisis.
9. The council also promoted and continues to promote the resident visitor parking scheme which has a fixed £1.80 tariff so that essential parking for visitors remained affordable as well as introducing more 20p shopper parking in local shopping areas to stimulate the local economy.
10. It is noted that having the tariff based on emissions and fuel type has significantly changed the profile of the types of vehicles parking and the locations to where they park. This model therefore has more success in delivering our aims over the single tariff model or fuel type only model used in other borough such as Westminster. It is expected that increasing the number of emission tiers will increase the volume of greener vehicles parking in the borough reducing the vehicle impacts on the environment.
11. Table 1 shows the comparison of monthly parking activity pre and post the change in tariffs. Overall parking activity went up 24% (driven mainly by significant increase in the use of visitor parking schemes and the shopper parking scheme), whilst the standard Pay & Display activity fell 27%

Sessions	Pre EBC	Post EBC
Resident Visitor Permits	11500	29500
Shopper	4389	6051
Pay & Display	25800	16400
Total	41689	51951

Table 1: *breakdown of monthly parking sessions by type*

12. Table 2 highlights that the emissions-based charges (EBC) did alter the mix of vehicle types showing an increase of greener vehicles

Sessions by fuel type	Pre EBC	Post EBC
Diesel	58%	44.50%
Petrol	40.60%	52.40%
Electric	1.10%	3.10%

Table 2: breakdown of vehicle type by monthly parking sessions

13. In October, the energy price cap was hiked, a typical domestic household will have to pay £2,500 a year for gas and electricity. The cost-of-living crisis has also seen inflation rise above 10% and fuel top £2 a litre. This is naturally reducing the amount of travel activity on the road and increasing the stress on businesses as shopper levels fall. This has to be balanced with the climate emergency and delivery on net zero.
14. This report delivers on the administration's manifesto commitment to support residents during the cost-of-living crisis by reducing parking charges. A further review will look at free parking for H&F residents with clean vehicles outside of high-volume neighbourhoods and rush hour and school-run traffic.

Tariff changes

15. We propose to replace the current banding system with four new emission-based bands starting at £2.50 per hour for electric vehicles.
16. Petrol or hybrid vehicles which are ULEZ compliant will see a reduction from current charges of £5 per hour to £3.50 or £4.25 per hour depending on their CO2 emissions.
17. A £6 per hour charge band will be applied only to a small proportion of parking sessions those with most polluting vehicles.

Table 3: Current Tariffs

Band	CO2	Petrol	Diesel surcharge
1	under 75	£ 3.00	£1.00
2	over 75	£ 5.00	£1.00

Table 4: Proposed Tariffs

Band	CO2	Petrol
1	0-75	£ 2.50
2	76-130	£ 3.50

3	131-190	£ 4.25
4	191+	£ 5.00

A diesel surcharge of £1 will be applied to vehicles in any of the above bands due to the extremely negative impact of diesel vehicles on air quality.

Reasons for Decision

1. The existing tariffs have only two bands: the lower band for pure electric vehicles and the higher band for all other vehicles, which includes hybrids and low emission petrol vehicles. This meant that many residents who had actively bought or leased greener vehicles to support tackling the climate emergency were surprised and disappointed to see their parking charge rise from £3.20 an hour to £5 an hour.
2. Table 5 shows the estimated monthly split of vehicles and the new tariffs, showing 77% of vehicles will return to prices similar to pre-emission-based parking.

Band	Vehicle Split		Number of parking sessions per month	
	All	diesel	All	Diesel
1	27%	2%	4486	328
2	50%	21%	8187	3509
3	21%	18%	3432	3003
4	2%	1%	295	148

Table 5: *expected vehicle volumes per tariff band.*

0-75 g/km ULEV	76-130 g/km	131-190 g/km	>191 g/km
Nissan LEAF Smart ForFour Mazda MX-30 Mini Electric VW ID.3 BMW i3, iX, Audi Q4 e-tron Merc EQA Tesla M3	Audi A1, A3 BMW 1,2,3 Citroen C3,C4,C5 post 2018 Ford Fiesta, Focus Honda Civic, Jazz Kia Ceed Lexus GS VW Up, Polo, Passat, Golf	Audi A4, A5, A6 BMW 4,5,6,7 Citroen C3,C4,C5 pre 2018 Ford Galaxy Honda HR-V Kia Rio Lexus RX Mazda 3,6 Merc A,B,C Volvo XC60 VW Caddy, Shiran	Audi Q5, Q7, R8 BMW M4,5 Citroen Dispatch Honda Civic Type R Jaguar Type F Kia Sorento Range Rover Evoque Merc G,S,V Volvo XC90 VW Caravelle, Touareg

Table 6: *examples of vehicles and their expected bandings based on popular models*

3. The new tariffs will reduce the cost of living, working, and shopping in the borough for those with vehicles compliant with the Mayor of London's ULEZ standard.
4. Any small potential increase in parking activity will have a marginal effect on the local environment as these are expected to be in the ULEZ compliant vehicle bands.
5. The new emissions banding will incentivise residents to buy or lease electric, hybrid, and low emission vehicles.
6. The policy is urgently required as a significant component of the administration's programme to support residents through the cost-of-living crisis.

Equality Implications

7. There are no expected equalities impacts from the recommendations. It is expected to improve mobility and access for disabled and older residents.
8. Blue badge holders are not affected as they are exempt from parking charges whilst displaying their badge in parking places.

Risk Management Implications

9. The changes in price bandings linked to emissions adds complexity to the choices that need to be made by those parking within the borough. For the new scheme to be successful, it is recommended that the following is implemented:
 - I. The parking operating system can be amended to accommodate the proposed tariff changes.
 - II. Communication is clear and published on the Council's website and other channels.
 - III. All parking signage is clear and visible and in line with existing regulations.

Moira Mackie, Head of Internal Audit, 01/08/2022

Climate and Ecological Emergency Implications

10. There is potential for a small increase in the number of travel trips as a consequence of the cheaper rates. This has been mitigated by only offering the discounts to ULEZ compliant vehicles and raising the charge for the highest polluting vehicles while also retaining the diesel surcharge.

Hinesh Mehta, Head of Climate Change, 01/08/2022

Consultation

11. Changes to the parking charges are subject to statutory consultation.

List of Appendices

Appendix 1 - Charging history

Appendix 1

Charging history

Charges before we made the change to emission based:

Areas with low demand - **£2.50** per hour for all vehicles

Areas with high demand - **£3.20** per hour for all vehicles

Emission based charges we introduced

Under 75 g/km CO₂ - **£3.00** per hour for non-diesel and **£4.00** for diesel

Over 76 g/km CO₂ - **£5.00** per hour for non-diesel and **£6.00** for diesel

Charges we are now proposing

0-75 g/km CO₂ – **£2.50** per hour for non-diesel and **£3.50** for diesel

76-130 g/km CO₂ – **£3.50** per hour for non-diesel and **£4.50** for diesel

131-190 g/km CO₂ – **£4.25** per hour for non-diesel and **£5.50** for diesel

191+ g/km CO₂ – **£5.00** per hour for non-diesel and **£6.00** for diesel