

Portfolio Holder for Leisure and Public Realm

8 December 2023

REPORT OF THE ASSISTANT CORPORATE DIRECTOR FOR BUILDING AND PUBLIC REALM

A.1 Parking Services- Proposed Fees and Charges for 2024/25
(Report prepared by Andy Nepean, Public Realm Manager)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek the Portfolio Holder's concurrence to the proposed schedule of fees and charges 2024/25 for Parking Services Public Realm

EXECUTIVE SUMMARY

- This report sets out the proposed fees and charges for 2024/25 for Parking Services, Public Realm. They continue to be considered against a number of key principles that form part of the long term financial forecast approach which are summarised later on in this report.
- Any amendments to income budgets that are required to reflect changes to fees and charges will be included in the Q3 Financial Performance Report that will be presented to Cabinet in April.

RECOMMENDATION(S)

That the Schedule of Fees and Charges 2024/25 for Parking Services Public Realm set out in Appendix A be agreed.

REASON(S) FOR THE RECOMMENDATION(S)

To enable the implementation of a revised fees and charges schedule for 2024/25 with increased income invested in refurbishment and maintenance of car parks.

Up to seven car parks are in need of immediate resurfacing with two requiring investigation into drainage problems and contaminated land issues. Indicative quotations have been sought with costs between £55k and £80k submitted per site.

Other car parks will be in need of resurfacing or substantial maintenance within 5-10 years

The increase in fees and income if reinvested into the maintenance of car parks will allow a rolling schedule of refurbishment and maintenance to be carried out over the next ten years.

ALTERNATIVE OPTIONS CONSIDERED

Please see the considerations / reasons behind the proposed fees and charges later on in this

report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The forecasting and budget setting process, including fees and charges, will have direct implications for the Council's ability to deliver on its objectives and priorities. At its heart, the 10 year approach to the forecast seeks to establish a sound and sustainable budget year on year through maximising income, including income raised from fees and charges, whilst limiting reductions in services provided to residents, businesses and visitors.

OUTCOME OF CONSULTATION AND ENGAGEMENT

The Portfolio Holder for Leisure and Public Realm has been consulted and agrees with the proposed increase in fees and charges.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	No	If Yes, indicate which by which criteria it is a Key Decision	<input type="checkbox"/> Significant effect on two or more wards <input type="checkbox"/> Involves £100,000 expenditure/income <input type="checkbox"/> Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	

Off-street car parking (“OSCP”) is provided and charged for pursuant to the Road Traffic Regulation Act 1984 (“the RTRA”), specifically Sections 32, 55 and 122.

Section 55 (1) of the 1984 Act requires a local authority to keep an account of their income and expenditure in respect of their designated parking places.

Subsection (2) stipulates that at the end of each financial year any deficit in the account shall be made good out of the general fund and (subject to subsection (3) below) any surplus shall be applied for all or any of the purposes specified in subsection (4) below and, in so far as it is not so applied, shall be appropriated to the carrying out of some specific project falling within those purposes and carried forward until applied to carrying it out.

Subsection (3), if the local authority so determines, any amount not applied in any financial year, instead of being or remaining so appropriated, may be carried forward in the account kept under subsection (1) above to the next financial year.

Subsection (4), the purposes referred to in subsection (2) above are the following:

(a) the making good to the general fund ... of any amount charged to that fund under

subsection (2) above in the 4 years immediately preceding the financial year in question;

- (b) meeting all or any part of the cost of the provision and maintenance by the local authority of off-street parking accommodation, whether in the open or under cover;
- (c) the making to other local authorities, or to other persons of contributions towards the cost of the provision and maintenance by them, in the area of the local authority or elsewhere, of off-street parking accommodation, whether in the open or under cover;
- (d) if it appears to the local authority that the provision in their area of further off-street parking accommodation is unnecessary or undesirable, the following purposes—
 - (i) meeting costs incurred, whether by the local authority or by some other person, in the provision or operation of, or of facilities for, public passenger transport services,
 - (ii) the purposes of a highway or road improvement project in the local authority's area (*),
 - (iii) n/a...,
 - (iv) the purposes of environmental improvement in the local authority's area,
 - (v) in the case of such local authorities as may be prescribed, any other purposes for which the authority may lawfully incur expenditure;

(* (4A) For the purposes of subsection (4)(d)(ii)—

- (a) a highway improvement project means a project connected with the carrying out by the appropriate highway authority (whether the local authority or not) of any operation which constitutes the improvement (within the meaning of the Highways Act 1980) of a highway in the area of a local authority in England or Wales.

(4B) For the purposes of subsection (4)(d)(iv) “*environmental improvement*” includes—

- (a) the reduction of environmental pollution (as defined in the Pollution Prevention and Control Act 1999 (c. 24); see [section 1\(2\) and \(3\)](#) of that Act);
- (b) improving or maintaining the appearance or amenity of:
 - (i) a road or land in the vicinity of a road, or
 - (ii) open land or water to which the general public has access; and
- (c) the provision of outdoor recreational facilities available to the general public without charge.

No Regulations for the purposes of subsection (4)(d)(v) above have been made relevant to the Council however, The Local Government Transparency Code 2015 states the Council must publish on their website, or place a link on their website to this data if published elsewhere:

- a breakdown of income and expenditure on the authority’s parking account. The breakdown of income must include details of revenue collected from on-street parking, off-street parking and Penalty Charge Notices, and
- a breakdown of how the authority has spent a surplus on its parking account.

The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:

Section 35C of the Road Traffic Regulation Act 1984 and Regulation 25 of the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 provide for a Notice of Variation procedure to be followed before the new charges can take effect. This involves publishing the Notice of Variation at least once in a newspaper circulating in the area in which the parking places to which the notice relates are situated at least 21 days before it is due

to come into force.

A copy of the Notice of Variation should be displayed, in the off street parking places on the date on which the notice is given and all reasonable steps must be taken to ensure that it continues to be displayed and remains in a legible condition until the date on which it comes into force. Additional copies can also be displayed in the off street parking place and in roads giving access to it.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Finance and other resources

Fees and Charges have been reviewed against key factors such as inflationary rates in council costs, current and future delivery of the service and comparison to other similar authorities. The current rate of inflation although becoming more stable remains high.

Many of the off street car parks are in need of urgent maintenance and refurbishment, and investment is needed to ensure the safety and sustainability of these assets.

Seven car parks have been identified as needing urgent maintenance including total resurfacing with indicative costs estimated at £50k-£80 per car park. Tendring District Council will follow a rolling schedule of maintenance on its car parks.

The current surfacing budget is less than £43k.

It is recognised that there may be advantages to allocate some or all of any additional income generated by to associated investment / expenditure, which will also need to be considered as part of the detailed budget setting process for 2024/25 which is set out further on in this report.

The council continues to provide a free householder permit to residents for ten months of the year.

The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:

Although there are no further comments over and above those set out elsewhere in the report, it is important to highlight that the demand / volumes used to calculate the estimated total income figures included within this report are based on those held by the Service.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services.	The proposed increase in fees and charges will support continued delivery of the Council's parking service and help mitigate the effect of inflation on service budgets.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks.	The proposed fees and charges have been discussed with the Portfolio Holder and agreed to be put forward for Council scrutiny.

<p>C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.</p>	<p>The parking service is required to maintain a substantial portfolio of publicly accessible assets and infrastructure.</p> <p>To maintain to safe and operational levels and to develop agreed innovations to meet future demand such as EV charging infrastructure requires the service to have robust and appropriate budget.</p>
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MILESTONES AND DELIVERY

Advertisement of new tariffs in local press under notice of variation Section 35C of the Road Traffic Regulation Act 1984 (as amended), as further regulated by Regulation 25 of the Local Authorities Traffic Orders (Procedures) (England and Wales) Regulations 1996 before

ASSOCIATED RISKS AND MITIGATION

The operation of car parks throughout the District require maintenance to ensure the safety of users and the general public and to preserve the asset for future use.

Maintenance and operational costs have risen considerably in the past 12 months. Car park fees and charges have increased only once in three years and many tariffs within the fees and charges have not increased for many years, some as far back as 2006.

There has not been an increase in maintenance and service operation budgets for a considerable period of time.

Additional income from fees and charges will enable the safe operation and maintenance of car parks.

As the first place many visitors arrive in the District and often the last place they leave from maintaining well preserved parking areas supports local businesses and the economy of the District.

EQUALITY IMPLICATIONS

Many car parks require adaptation to support people with mobility and other issues.

SOCIAL VALUE CONSIDERATIONS

Well maintained, safe car parks provide social value to the district.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030

The proposed increases if agreed could go towards refurbishment of car parks and to include the introduction of electric vehicle charging points.

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

<p>Crime and Disorder</p>	<p>We currently have 28 car parks awarded with the safer parking accreditation. Increased budgets are required to maintain the required standard.</p>
<p>Health Inequalities</p>	<p>Adaptation to support people with mobility issues and investment into EV charging.</p>

Area or Ward affected	All

PART 3 – SUPPORTING INFORMATION

BACKGROUND

Income from fees and charges form an important element of the budget and the financial sustainability of the Council as set out in the long term forecast.

Similarly to previous years, Departments have been asked to review their fees and charges on an individual basis as changes may need to be made to meet specific aims or strategic objectives or in some cases in response to external factors such as market forces.

The review of fees and charges has been set against the following key principles:

- general inflationary increases where possible or lower where appropriate / justified
- amounts rounded for ease of application, which may result in a slightly above inflation increase.
- on a cost recovery basis as necessary
- reflect statutory requirements.
- increases where market conditions allow
- to meet specific priorities or service delivery aims / objectives

As highlighted earlier in this report, the Council continues to face a number of significant financial challenges in 2024/25 and beyond. It is therefore important that fees and charges are considered against this context and to maximise income opportunities where possible, albeit whilst balancing the various issues highlighted above.

Income budgets included in the detailed estimates will reflect any required changes from the proposed fees and charges set out in this report.

Public Realm Parking Services - PROPOSED FEES AND CHARGES 2024/25

Set against the current fees and charges for 2023/24, **Appendix A Proposed fees and charges parking**, includes the schedule of fees and charges proposed for 2024/25, which have been developed by applying the key principles highlighted above.

Fees have been compared to neighbouring authorities and considered areas of the district and the differing use of the car parks. Consideration has been given to car parks that serve town centres with increases lower or no change to increase to promote local businesses and destination visitor areas incorporating higher increases where demand is higher.

Inflationary increases to construction services has major implications to the amount of refurbishment work that we are able to carry out especially resurfacing costs. The need to maintain to a high standard requires an increase in budgets.

To maintain car parks to the required standard, not only for the visitor or resident experience but also for the safety of the sites, cost pressures have been identified in the region of £150k.

Failure to maintain to safety standards could lead to accidents and insurance claims to the council and a financial and reputational cost. An increase in fees will go towards maintaining the sites to the required standard and to maintain income to the council.

With the above in mind it is proposed to increase fees and charges. The increases proposed range from 5% to 50% with the latter reflecting low or no increases in past years. There is also a 28% decrease in beach hut permits. The previous years report showed a 250% increase in this charge which resulted in complaints and reduction in amount of permits sold.

Increase to fees if agreed is estimated to increase income by £50k in 2024/25. In line with the requirements set out within the legal section above, it is proposed to include a corresponding expenditure budget of £50k within the car parks service to support the various maintenance requirements highlighted earlier.

Subject to approval of the proposed fees, the above budget adjustments will be included within the Q3 Financial Performance Report that will be presented to Cabinet in April.

Tendring District Council car park fees compare favourably with most neighbouring authorities with town centre tariffs cheaper than Colchester City Council and Ipswich Borough Council and will continue to do so if changes are agreed.

PREVIOUS RELEVANT DECISIONS

N/A

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

N/A

APPENDICES

Attached – Current and proposed fees and charges 2024/25 for Public Realm Parking Services

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