

Authority delegated (to Director of Urban Environment, in consultation with Cabinet Member for Neighbourhoods. )

Report Title. Review of parking permit charges – feedback to statutory notification on proposals to increase charges.

Report of: Stephen Mc Donnell , Interim Assistant Director of Frontline Services.  
Signed :



Contact Officer : Ann Cunningham Head of Parking Services

Wards(s) affected: All

Report for: Director of Urban Environment and Cabinet Member for Neighbourhoods

**1. Purpose of the report (That is, the decision required)**

1.1 The purpose of this report is to inform the Director of Urban Environment and Cabinet Member for Neighbourhoods of the feedback to statutory notification of the Councils intention to increase parking permit charges.

1.2 This reports sets out officers' response to this feedback (objections) for the Director of Urban Environment and Cabinet Member to consider, before making a decision to proceed to give statutory notification of the increase in charges for permits.

**2. Introduction by Cabinet Member (if necessary)**

N/A

**3. State Links with Council Plan Priorities and actions and/ or other strategies**

3.1 The review of parking fees and charges supports Council priority 1 – A cleaner , Greener Haringey by managing the borough road network to improve user compliance, ease traffic flow and keep our roads safer.

**4. Recommendations**

That the Director of Urban Environment and Cabinet Member , after duly considering the feedback to proposals decide;

- a) Whether or not to proceed with implementation of the proposed increase to permit charges.
- b) Whether or not to proceed with the introduction of new permits for Carers, Car Clubs and one month residential permits.

## 5. Summary

5.1 On 16 November 2010 the Cabinet agreed the proposed increase in parking fees and charges and authorised officers to proceed to statutory notification on proposals. The subsequent report to Cabinet on 13 December 2010 (the response to the resolution of the overview and scrutiny committee) agreed to delegate authority to the Director of Urban Environment in consultation with the Lead Member (following consideration of any feedback and the outcome of the equalities impact assessment ), the decision whether to proceed to give the statutory notification on the increase in charges for permits and the introduction of the new carers, car club and monthly residential permits.

5.2 When reviewing our charges consideration was given to;

- The Council's transport and wider policy objectives
- Statutory or legal requirements that may effect the setting of fees
- car ownership patterns
- the increasing demand for parking
- traffic management issues
- Market conditions – (parking charges in other boroughs)
- cost of delivering the service
- Impact of charges on relevant stakeholders

## 6.0 Statutory Notification process

6.1 By virtue of s46A of the Road Traffic Regulation Act 1984 there is no requirement under statute to consult on the proposals to increase the cost of parking permits, and the Council need only give 21 days notice that they intend to do so. The Council could have chosen to carry out more consultation than is required by statute. When weighing up the public interest in consulting and value for money considerations it was concluded that in this case public notices calling for informal comments offered the optimum and more balanced approach.

6.2 The feedback to Public Notices are divided into three sections

- a) Analysis of the feedback received in response to the public notices
- b) Highlighting a summary of the key objections received together with the Council's considered response. Each Objection with the appropriate response is considered in turn.
- c) Highlighting responses from statutory bodies, objections received from local residents associations with the Councils considered response and noting the petitions that have been forwarded as part of the consultation.

## 7.0 Analysis

7.1 Public Notices were placed in all roads affected by proposals inviting informal feedback from residents, businesses and other stakeholders. Details were also published in local newspapers and on the Councils website. The detailed feedback is available in appendix 1 to this report. In summary the Council received 82 responses to proposals to increase residential permit charges. The source of

those responses are as follows;

- 65 responses from residents
- 4 public/ residents associations
- 4 from Traders associations raising objections in relation to pay & display proposals
- 3 lobby/ campaign

7.2 The principle feedback received was

**Objection 1 - that increases are extortionate and unjustified.**

**Council response**

- The Council has not reviewed residential or visitor permit charges for a number of years, and needed to do so to ensure that they were still appropriate, and supported our policy objectives. Our charges even with the proposed increase will still compare favourably with other boroughs.
- The Council remains committed to retaining the 50% reduction in the charge of visitors permits for older and disabled residents.

**Objection 2 – that increases are a stealth tax**

**Council response**

- The Council has not reviewed residential or visitor permit charges for a number of years, and needed to do so to ensure that they were still appropriate, and supported our policy objectives. Our charges even with the proposed increase will still compare favourably with other boroughs.
- When reviewing our charges consideration was given to;
  - The Council's transport and wider policy objectives
  - Statutory or legal requirements that may effect the setting of fees
  - car ownership patterns ,
  - the increasing demand for parking
  - traffic management issues
  - Market conditions – ( charges in other boroughs)
  - cost of delivering the service
  - Impact of charges on relevant stakeholders
- Permit charges are not a tax but a charge for a service provided by the Council. Permit administration (including enforcement) has been historically subsidised from Penalty Charge Notice (PCN) income. As PCN levels are falling annually, this source of income is unpredictable. This review will ensure that permit administration is self financing. Any surplus parking revenues generated are used only as permitted by legislation on transportation services, which include concessionary travel (which a very high percentage of residents benefit from) and highways maintenance and improvements.

**Objection 3 – Inadequate information and consultation**

**Council response**

- The Council could have chosen to carry out more consultation than we are required to do by law. (We are not required by statute to consult on permit charges and may increase those charges by giving 21 days notice). However as we estimate that more than 80,000 residents now live in a part of the borough covered by CPZs, we needed to weigh up the public interest in consulting against committing a large amount of expenditure on an onerous consultation

process. We felt that the statutory notification process which involved public notices calling for informal comments offered the most appropriate balance. Public notices were placed in all streets affected by proposals, as well as details published in Local newspapers and on the Councils website, which should be sufficient to draw attention to this matter.

#### **Objection 4 – High charges would damage local trade**

##### **Council response**

The outcome of the public notification of proposals to increase pay & display charges and the assessment of the likely impact of those proposals on town centres is addressed at length in a separate report to Cabinet. However, the Councils position is that we aim to set charges at a level that encourages a turnover of parking spaces which is especially beneficial for short stay visits by shoppers and visitors. We also adopted a charging policy in 2008 linking pay & display charges to occupancy level ( a basic traffic management principle) and adjustments are required to charge bands in some areas.

#### **8.0 Views from statutory bodies, resident associations, other interested bodies and information on petitions received**

**8.1 Residents of Roseberry Gardens** raised a number of concerns including *their utter disgust at proposals to increase the charge for residents' permits again. Many of those residents are elderly and rely on their pensions to live on and have use of a vehicle which they use to visit family occasionally.*

##### **Council response**

Those issues have been answered in the Councils response to 4 principle objections as addressed in section 8. However further specific comments are follows;

- A very large percentage of our older residents (over 29,000) have been issued with an Older Persons Freedom Pass, which allows free travel on public transport. The cost of providing the Freedom Pass (including disabled freedom passes) will increase to £12.5m.
- The Council also remains committed to retaining the 50% reduction in the charge of visitors' permits for older and disabled residents.
- The introduction of the new carers permit will also support older residents in their homes

**8.2 The Malvern Road residents association** raised concerns *that the Council had given no valid reason for the increase in charges and has failed to meet requirements of the Operational guidance on 2004 Traffic Management Act to,*

- *adequately review charges to take account of their effectiveness in meeting policy objectives, including, inter alia discouraging the use of forecourt parking, loss of front gardens, loss of kerb-side parking, degradation of pavements that should be places of safety, prevention of increased surface water runoff from forecourts,*
- *adequately review charges to ensure that it the parking scheme covers its costs as defined by the above and is not an income generator*
- *Ensure that costs cover enforcement of PCNs and are not subsidised by other charges*
- *Ensure that revenue not used for enforcement is used for **legitimate purposes only**, i.e. to improve transport provision in the **area** so that road users benefit.*

They pointed out that the evidence of the foregoing includes:

- *No financial case for the charges has been made*
- *No plans have been instituted to improve transport in our area – indeed, the council have been scandalously neglectful in their treatment of Hornsey Park Road and Alexandra Road, permitting increased traffic, over use by HGVs and buses (Hornsey Park Road), dangerous levels of unmonitored pollution, excessive noise and unmonitored road accidents, not to say litter, parking problems, loss of front gardens and anti-social behaviour associated with town centre parking being allowed to disrupt the surrounding residential neighbourhoods*
- *The parking shop has recently ceased Saturday opening, its busiest day, given that residents who work or otherwise occupied during the working week are reliant upon being able to deal with parking matters face to face on this day*
- *Loss of kerb-side parking is a dis benefit to ‘road users’*

*The increased charges are, by any measure charges to raise revenue or a local tax – in contravention of 14.7 Operational Guidance to Local Authorities. The increase is therefore unlawful. The charges are a selective 'local taxation', applying in our area only to those residents who have not created forecourt parking - the very residents who are helping the council to meet its environmental and flood risk policies and strategies. The increase charges should not be implemented, pending a full review of costs and presentation of clear evidence that any new charge is justified and required under the Operational Guidance to Local Authorities. Anything less will be the council acting beyond its powers and therefore at risk of legal action.*

#### **Council response**

Those issues have been answered in the Councils response to 4 principle objections as addressed in section 8. However further specific comments are follows

- The proposed changes in parking charges are based on traffic management considerations and when reviewing those charges due consideration was given to statutory requirements that relate to the setting of parking fees.
- Improvements are planned for the permit service, and in particular on-line permit renewal facilities will be available in the very near future.

#### **8.3 The members of Wightman Road N4 Residents' Association believe that**

- *the increase in Parking Charges constitutes a stealth and unfair increase in Council Tax for selected residents.,*
- *the funds generated by the increase will not be ring-fenced in the way intended by legislation and are general taxation,*
- *the timing and size of the current increase confirms that the previous increase, which was dressed up by the then Cabinet Member for Environment, as justifiable through environmental concerns, was actually a similar stealth tax, and therefore selected residents have suffered two stealth increases in Council Tax,*
- *the increase in Parking Charges will result in the subsidy of the Council Tax of non-CPZ areas' residents by those in CPZ's in a way which was never included in the original CPZ consultations.*
- *the spending of funds generated by the charges within CPZ's is spread across the Borough in an inequitable manner.*
- *the size of the proposed increases is disproportionate to the Councils stated support of, and*

- *need for, extra funding for Road Safety.*
- *the spending plans outlined in the LIP2 consultation did not make clear the need for an increase of this magnitude for selected residents.*

#### **Council response**

Those issues have been answered in the Councils response to 4 principle objections as addressed in section 8. Further specific comments are follows

- The proposed changes in parking charges are based on traffic management considerations and when reviewing those charges due consideration was given to statutory requirements that relate to the setting of parking fees.
- The Council is currently required by statute to maintain a Parking Places Reserve Account to demonstrate that any financial surplus from on-street parking activities is only used for prescribed purposes. These purposes relate to transportation services including improvements to highways and the associated infrastructure and transport costs (including concessionary fares).

#### **8.4 Petitions**

The Council received two petitions, the basis of the objection and the number of signatories are summarised below;

- a) Haringey residents petition with 1220 signatures from residents across the borough.

*They feel that current charges are more than sufficient and strongly oppose the proposal for any increase. Given the current financial state of the area and indeed the country they consider 66% increase in charges unfair and harsh. It is another stealth tax enabling the Council to raise extra revenue. They request that the proposed increase in charges for parking permits is not brought into force. The views of local residents should be the basis of any planned improvements within the borough. They note that the majority of views were for rates to be actually reduced or in any event remain the same.*

*B) Tottenham / West Green Rd residents and businesses with 75 signatures ( 17 addresses given are outside of Haringey).*

*We the undersigned strongly object to Haringey council's above mentioned aggressive and discriminatory policies towards businesses and residents of Haringey. The above increases adversely affect small businesses ability to compete with bigger businesses that provide free parking. Net affect drives customers out of our already struggling high streets. Residents are being pushed to the brink with increasing petrol costs (taxes that the government collects) let along increasing permit charges.*

#### **9.0 Conclusions**

9.1 The Council has met if not exceeded statutory requirements in terms of notification of proposed increases to parking charges, inviting informal feedback for consideration prior to making any decision to proceed to statutory notification of charge increase. This report sets out the substance of the feedback (objections) to those Public Notices and the Councils considered response to this feedback. A separate report will be presented to the Cabinet on feedback to pay & display charge increases.

9.2 The legal implications arising from proposals are summarised in paragraph 10 of this report. So far as the responses relate to general financial issues, the table at paragraph 14 of this report shows

that the financial implications of proposals are modest and address the shortfall arising in the permit administration service.

9.3 The overall conclusion is that the informal objections by consultees to the legal and financial basis of the proposed increases must be considered but do not need to be accepted. A majority of the responses are concerned about the financial implications, but the overall effect of these to the parking account is modest.

9.4 The Director of Urban Environment in consultation with the Cabinet Member is requested to decide whether or not to proceed with implementation of the revised permit charges.

9.5 The Director of Urban Environment in consultation with the Cabinet Member is requested to decide whether or not to proceed with the introduction of new permits for Carers, Car Clubs and one month residential permits.

9.5 The Director of Urban Environment in consultation with the Cabinet Member agree to implement the revised charges it is anticipated that the new charges will be implemented from 8 April 2011.

## **10.0 Head of Legal Services Comments**

10.1 "The Council has power under the Road Traffic Regulation Act 1984 to set and review charges for 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". The procedure for amending the charges is set out in the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 and, as noted in paragraph 6.1, it does not include a statutory obligation to consult. The proposals in this report are in accordance with these regulations. However having undertaken further consultation than is required, Members must proceed to give full and proper consideration to all feedback and representations received from that consultation.

10.2 Under the Road Traffic Regulations Act 1984 new orders will need to be made to bring in any new categories of permit, and the procedure for doing so is set out in the Local Authorities Traffic Orders (Procedure)(England and Wales) Regulations 1996. These regulations require consultation with the applicable statutory authorities, publication of a 'notice of proposals' in a local newspaper and the Council to take such other steps for ensuring that adequate publicity about the order is given to persons likely to be affected by its provision. The relevant documents must be deposited and made available for public inspection. Any person is able to object to the making of the order and the Council must consider any objections prior to proceeding to make an order.

10.3 It is also noted that Members must have regard to the Council's obligations under equalities legislation, and that an Equalities Impact Assessment was carried out as a result of the Overview and Scrutiny decision of 8 December 2010 to assist in this regard. Members must have regard to these obligations and the EQIA in taking a decision on this proposal. If Members consider that the proposals could have an adverse impact on equality, they should consider whether the adverse impact could be reduced by taking particular measures."

10.4 "At its meeting of 13 December 2010, Cabinet delegated authority to make final decisions on the increase in the charges for parking permits and the introduction of new permits to the Director of Urban Environment in consultation with the Cabinet Member for Neighbourhoods".

## **11.0 Equalities &Community Cohesion implications**

11.1 An assessment has been carried out which considered the equalities issues that are likely to arise from the proposed charge increase. The full report is attached for consideration as appendix 4.

## **12.0 Equalities &Community Cohesion Comments**

12.1 A full Equalities Impact Assessment has been carried out and is attached this report. The key findings from this are:-

- A potential impact on low income households. Most CPZ coverage is in the central or eastern parts of the boroughs where household income tends to be lower and where we have a higher percentage of people from black and minority ethnic groups.
- Proposals will impact more on those with low household incomes. Approximately 34% of permit holders will pay an additional £20, 49% will pay an additional £40, and 16 % will pay an additional £60 per annum. The cost of second and subsequent permits per household are higher and the level of increase in this group ranges from £5 to £50 per annum.
- Disabled people who are Blue badge holders will benefit from easier access to convenient parking locations.
- The new carers and one month resident's permits will reduce barriers.
- Residents (and visitors) with long term physical disabilities are the equalities group most reliant on parking provision and concessions for access purposes these proposals will have little or no change on this group.
- This proposal may impact on those of retirement age who may be on lower income, however those individuals will also qualify for a Freedom Pass which allows free travel on public transport. The borough is well served by public transport.

## **11.0 Consultation**

11.1 By virtue of s46A of the Road Traffic Regulation Act 1984 there is no requirement under statute to consult on the proposals to increase the cost of parking permits, and the Council need only give 21 days notice that they intend to do so. The Councils considered view was that in this case Public Notices calling for informal comments was the most appropriate way to proceed with proposals.

11.2 This report sets out the feedback to the Public Notices that were displayed in all roads affected by proposals.

## **12.0 Service Financial Comments**

12.1 There are significant underlying budget pressures in Haringey's Parking Account. Throughout

2010/ 11 a range of short term and long term measures were introduced to address these underlying budget pressures. The estimated full year income expected as a result of the permit charge proposals is £500k.

12.2 The financial estimates in relation to the proposed increase in permit charges are based on the assumption that the number of permits issued annually remains relatively constant within each CPZ.

12.3 Details of 2010/11 income and operational costs relating to the permit service are broken down as follows;

Table 1 – Income / Expenditure

<i>Income</i>	<i>£000</i>
Permit income	1305
Essential service permit income*	445
<b>Total</b>	<b>1750</b>

<i>Expenditure</i>	<i>£000</i>
Staff costs (sale of permits)	450
Enforcement costs	1020
Apportionment of central overheads	684
Other running costs	110
<b>Total</b>	<b>2264</b>
Net deficit	514
<b>Expected income from increase</b>	<b>550</b>

12.4 The increase in permit charges supports the Councils external income policy, in that the estimated income that will result from the proposed increase to charges will cover the cost of delivering the service and place no reliance on the unpredictable penalty charge notice income.

### 13.0 Chief Finance Officer Comments

13.1 The draft budget for 2010-11 agreed by Cabinet on 8th February assumes that the fees and charges changes outlined in this report will both address the base budget shortfall within Parking, approximately £400,000 and contribute £1,000,000 to the savings required to set a balanced budget for 2011-12. Of this total around £600k is expected to be achieved due to the changes in banding.

13.2 If the changes are not agreed then alternative savings will need to be identified in order to set a balanced budget for 2011-12

### 14.0 Use of appendices /Tables and photographs

Appendix 1 \_ Detailed analysis of feedback to statutory notification of proposals to increase parking charges

Appendix 2- petitions received

Appendix 3- Equalities impact assessment

## 15.0 Local Government (Access to Information) Act 1985

- Road Traffic Act 1984
- Part 6 of TMA 2004
- Statutory and Operational guidance on Part 6 of TMA 2004
- Parking charges applied in other Boroughs
- Reports to Cabinet - review of parking charges 16 November 2010
- Response to Overview and Scrutiny Call-in - 8 December 2010
- Report to Cabinet – response to the resolution of the overview and scrutiny committee - 13 December 2010.

### Appendix 1 – Proposed increase to Parking Charges

#### 1. Residential Permit

Proposed increases are set out in the table below.

CO <sub>2</sub> Emission band	Current charge (First permit)	Proposed charge	Current Second and subsequent permit per household	Proposed charge
Up to 100 CO <sub>2</sub> g/km including electric vehicles	£15	£20	£15	£20
101 – 150 CO <sub>2</sub> g/km	£30	£50	£60	£80
151 – 185 CO <sub>2</sub> g/km	£60	£100	£100	£130
186 CO <sub>2</sub> g/km and over	£90	£150	£150	£200

Engine size	First permit (annual)	Proposed Increase (	Second and subsequent permit per household	Proposed Increase
1549cc or less	£30	£50	£60	£80
1550cc to 3000cc	£60	£100	£100	£130
3001cc and above	£90	£150	£150	£200

#### 2. Visitors Permits

Visitors permits	Current charge	Proposed increase
One hour scratch card	20p	30p
Two hour scratch card	40p	60p
Daily scratch card	£2.00	£3.00
Weekend permit	£5.00	£7.50
Two week permit	£8.00	£12.00

(Please note that concerning the above a 50% reduction will still apply to visitors' permits issued to elderly and disabled residents)

### 3. Traders Permits

	Current charge	Proposed Increase
Traders permits - Daily	£5	£7
Traders permits - Monthly	£100	£125

### 4. Business permits

	Current charge	Proposed increase
Business permits – (annual)	£200	£240

### 5. Doctors Permits

	Current charge per bay	Proposed charge per permit
Doctors permits – (annual)	£45	£240

## Appendix 2 - Resident Permit Charges – October 2010

Current Ranking	Borough	Current Charge (average)	
1	Richmond	£130	
2	Lambeth <sup>1</sup>	£125	
3	Kensington & Chelsea <sup>1</sup>	£121	
4	Westminster	£132	
5	Wandsworth	£120	
6	Camden <sup>1</sup>	£99.80	(charge range from £84 to £162)
7	Southwark	£99.30	
8	Hammersmith & Fulham	£99	
9	Hackney <sup>1</sup>	£92	(charges range from £46 to £230)
10	Tower Hamlets	£90	
11	Islington <sup>1</sup>	£189	(electric vehicle free charges then range from £14 to £381)
12	Enfield	£70	(proposing a CO2 emissions based charging model)
13	Merton	£65	
14	Kingston	£60	
14	Lewisham	£60	
14	Hounslow	£60	
14	Haringey <sup>1</sup>	£60	(£100 with proposed increase)
15	Redbridge	£55.75	
16	Bromley	£50	
16	Greenwich	£50	
17	Croydon	£48	
19	Harrow	£46	
17	Ealing	£45	
21	Barnet	£40	(proposed increase to a £100 for 1 <sup>st</sup> permit per household)
20	Sutton	£40	
21	Waltham forest		(charges start at £22.50 for

	1	£30.00
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smaller vehicles and increase to £280 for second and subsequent vehicles per household

<sup>1</sup>price based on CO<sub>2</sub> emissions. For those boroughs we have used the average vehicle (185g/km)

