

BRIEFING PAPER

SUBJECT: REMOVAL OF EVENING PARKING CHARGES AND SUSPENSION OF OFF STREET SUNDAY PARKING CHARGES
DATE: 15 JULY 2021
RECIPIENT: OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

THIS IS NOT A DECISION PAPER

SUMMARY:

The Council has determined to propose the removal of Evening Parking Charges and to temporarily suspend Off Street Sunday Parking Charges. The purpose behind the proposals is to attract additional visitors to Southampton City Centre in the evening and Sunday periods to support local businesses following the Covid-19 pandemic.

BACKGROUND and BRIEFING DETAILS:

1. The Council introduced evening charges in its on-street pay and display bays and off-street surface car parks in 2013 via a Cabinet decision. At that time evening charges were already in place in the West Park Road Pay and Display Multi-storey Car Park and the 4 barrier-controlled Multi-Storey Car Parks (Bedford Place, Eastgate Street, Grosvenor Square and Marlands). The underlying purpose behind the introduction of evening charges in 2013 was to manage turnover within parking bays during the evening period, in much the same way that parking bays are managed during the day.
2. The evening charge was originally introduced as a £2 flat rate charge that applied between 18:00 and 20:00 within on-street pay and display bays and between 18:00 and Midnight in the off-street surfaces pay and display car parks. The on-street pay and display bays were subsequently amended to £0.50 per 30 minutes between 18:00 and 20:00. The £2 flat rate was retained between 18:00 and Midnight in the off-street surface pay and display car parks.
3. West Park Road Multi-Storey Car Parks has a daily tariff that operates between 08:00 and Midnight. The tariff was amended in 2019, reducing the maximum charge from £8 to £6 reflecting reduced demand at this facility. The barrier-controlled car parks all charge £1 per hour (up to a maximum of 3 hours) between 18:00 and Midnight.
4. The Council's City Centre off-street parking facilities have had long standing Sunday parking charges. The charging or limited waiting periods in the suburban off street car parks operate between 08:00 and 18:00 Monday to Saturday and are therefore not affected by the proposals outlined in this paper.
5. The Council has determined to propose removing evening parking charges in all on-street pay and display bays between 18:00 and 20:00 and all Council off-street car parks between 18:00 and Midnight. The purpose of the proposal is to encourage visitors to choose Southampton as a destination for evening trips for the purposes of boosting the local evening economy. The measure would be supported by communications such as press releases, clear website information and on-site notices so that the wider public are clearly aware of the changes.
6. The 3 week statutory consultation for the proposal commenced on Friday 4 June 2021 and concluded on Friday 25 June 2021. 60 representations were received. 55

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representations were submitted in opposition to the proposal. 1 representation was submitted in support of the proposal. 4 representations were submitted as neutral comments. An appendix to the Cabinet report, published on 9 July, provides details of the representations and the response provided by officers.

7. In proposing the removal of the evening charge, due consideration is given to the following points;
 - The resident population of Bargate Ward (City Centre) increased by 58% between 2001 and the 2011 census, progressing from being the Ward with the lowest population in the City, to the Ward with the highest population. The current estimated population of the Ward is approximately 23,400 (2018 mid-year estimate) and is set to grow to 28,000 by 2024. This growth over the past two decades has been, and will continue to be driven by, high density residential developments, such as the Fruit & Veg Market and Leisure World. Evening charges contributed to the management of overspill parking by City Centre residents who may otherwise decide to park on-street or in Council off-street facilities upon returning home from work. It is not anticipated that the removal of parking charges would prompt an immediate change in resident parking behaviour. However, it is identified that there is a need to balance resident and visitor parking needs following the removal of evening parking charges. It is recommended that this is addressed by committing to propose the reintroduction of evening parking charges in the Council's 5 multi-storey car parks.
 - The current Local Transport Plan (Connected to Southampton 2040), adopted in 2019 sets the strategic policy framework. This includes the supporting Parking Plan (2019) as a supporting document which sought to manage the supply as part of a strategy to support future Park and Ride, the sustainable growth of the City Centre and managing traffic on and within the Inner Ring Road. The LTP along with national policy, such as the National Bus Strategy and Gear Change, provide the framework to be considered for a non-car based recovery from Covid-19. While evening charges may make a small adverse impact in the delivery of these objectives, the Council will continue to facilitate and promote a range of alternative travel modes such as walking, cycling and e-scooters, while working with local public transport operators to provide attractive alternative journey options.
8. The on-street pay and display charges in the City Centre are underpinned by the First Controlled Zone which operates between 08:00 and 20:00. This also denotes the operating period for the single yellow lines within the City Centre. It is noted that current DfT guidance does not recommended the implementation of Controlled Zones across a large area in this way. The Council has therefore used this opportunity to examine each single yellow line location within the City Centre and determine whether they should become 'No Waiting at Any Time' (double yellow lines), 'No Waiting 08:00 to 18:00' or left as 'No Waiting 08:00 to 20:00'. This was proposed as part of the consultation on removing evening charges. 1 representation relating specifically to this proposal was received during the consultation.
9. Following the 2013 introduction of evening charges, some City Centre residents requested alternative parking provision. The Council determined to facilitate this by offering a range of Season Ticket options only available to City Centre residents. The Season Tickets still seek to manage parking via appropriate pricing with the reduced

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cost being reflective of the fact that many residents will be working during the day and would not be parking at peak times. The removal of the evening charging period may impact on whether City Centre residents determine to purchase a Season Ticket. Some of the Season Tickets would also no longer have value as they cover the evening period only. Therefore, as part of the proposal, the Council has determined to propose amending the City Centre Season Tickets as follows:

- Annual City Centre Resident On Street Evening and Weekend Season Ticket to be reduced from £400 to £300
- Annual City Centre On Street Season Ticket to be reduced from £1000 to £900
- Annual City Centre Resident Off Street Season Ticket to be reduced from £725 to £650
- Six Month City Centre Resident Off Street Season Ticket to be reduced from £375 to £340
- The addition of a Six Month City Centre Resident Season Ticket to be priced at £475
- The removal of the City Centre Resident On Street Evening Season Ticket option
- The removal of the Annual Off Street Overnight Season Ticket option

No representations relating specifically to these proposals were received during the consultation.

10. Furthermore, it is noted that the change in the effective terms and conditions of the parking environment may prompt residents to request refunds on their existing season tickets. Were this facilitated on a pro-rata basis, the maximum financial impact is projected as £30,000.
11. The Council has also proposed to suspend off-street parking charges on Sundays until 02/01/2022. The purpose of this temporary suspension being to set Southampton apart from other regional retail destinations in the months following the removal of all lockdown measures and the opening up of the economy, so that City Centre businesses benefit from additional visitors on Sundays. This proposal, if approved, would be supported by communications such as press releases, clear website information and on-site notices so that the wider public are clearly aware of this offer.

RESOURCE/POLICY/FINANCIAL/LEGAL IMPLICATIONS:

FINANCE

12. Receipts from car parking are split into Off Street income, which is paid directly to the General Fund, and On Street income, which is ringfenced in line with section 2 of the Highways Act 1984. The proposal to remove evening charges will impact on both streams of revenue, although the estimated cost of the proposal is difficult to accurately assess as a result of the changing circumstances in respect of Covid-19.
13. The estimate of lost income for the delegated decision to suspend off street evening and Sunday charges between 21 June and 31 July is estimated at a maximum of £0.155M.
14. The proposal to scrap evening charges from 1 August onwards is estimated at £0.547M in 2021/22. Of the £0.547M, £0.131M is a loss of On Street income, and £0.416M is loss of Off street income. The full year impact of the proposal for 2022/23 is calculated to be

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£0.84m, of which £0.64M is loss of Off Street parking income, £0.2M is loss of On Street parking income.

15. Reintroducing evening charges for Multi Storey Car Parks on 1 June 2023 will increase income by £0.25M from the 2023/24 financial year, on the assumption that car parking income has recovered to pre-pandemic levels.
16. The proposal to suspend Sunday charges for off street parking facilities is also difficult to estimate on the basis it is dependent on post-pandemic recovery assumptions, but lost income to the General Fund arising from the proposal is estimated to be £0.154m between 1 August 2021 and 2 January 2022.
17. There are some incidental costs associated with the proposed changes, including the cost of the Traffic Regulation Order (TRO), and amendments to signage and meters. This is estimated to cost £0.01M and to be met from the On Street Parking reserve.
18. Season ticket refunds are expected to cost a maximum of £0.03M in 2021/22 as a result of changes made. The impact of price reductions as proposed in paragraph 9 would be a maximum exposure of £0.01M across both off and on street revenue, assuming no benefit from take up of the 6 month resident season ticket option.
19. The Council receives rental income from the NCP car park within its property portfolio. There is a risk that the removal of evening charges could impact on level of rental income, however, evening tariffs for Council and West Quay car parks have been more favourable historically and the impact is not expected to be significant.
20. Given the bulk of the impact would be borne by the General Fund, it is proposed that £0.3M from the On Street account is utilised to mitigate the impact on the General Fund each year. This is allowable under subsection 4b of the Highways act 1984.
21. The table below summarises the impact on the On Street reserve:

On-Street Parking Reserve from 01/08/2021	2021/22 £'000	2022/23 £'000	2023/24 £'000
Loss of On-Street Evening charges Income	131	200	200
Contribution to General Fund	300	300	300
Impact of season ticket refunds & price adjustments	15	3	3
Signage and other one off costs	10	0	0
Impact on On Street Account	456	503	503
Current Forecast Closing Balance	2,063	3,265	4,265
Revised Closing Balance	1,607	2,306	2,806

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22. The following table summarises the impact on the General Fund:

Off Street General Fund impact	2021/22 £'000	2022/23 £'000	2023/24 £'000
Suspension of Sunday & evening charges from 21 June to 31 July 2021	155	0	0
Off Street (Surface and MSCP) Evening charges:from 1st August 2021	416	640	640
Reintroduce MSCP evening charges 1 April 2023	0	0	(250)
Scrap Sunday charges 1st August 2021 to 2 January 2022	154	0	0
Impact of season ticket refunds and price adjustments	15	10	10
Contribution from On Street Account	(300)	(300)	(300)
Impact on General Fund	440	350	50

23. It should be noted that the budget impacts will be dealt with as part of the administration's budget review process and will be presented to Full Council in July 2021.

PROPERTY

24. There are no property implications inherent in the proposal.

LEGAL

25. Southampton City Council is the Local Highway Authority and the Traffic Authority for the City and as such has the power to restrict and regulate traffic under the Road Traffic Regulation Act 1984. The Act includes provision for the variation of off street and on street parking charges under Sections 35C and 46A respectively.
26. The following provision is available within the City of Southampton (Off-Street Parking Places) Order;
- 2.1** The Council may suspend any provision of this Order at its complete discretion.
27. In recommending these proposals regard has been had to s.149 Equalities Act 2010 (the public sector equality duty) and a detailed Equalities Impact Assessment has been carried out to assess the impact of the proposals and any mitigation required which is included within the Cabinet report.
28. Regard has also been had to s.17 Crime & Disorder Act 1998 and it has been determined that the proposals will have no negative impact on crime or disorder in the relevant parking and amenity areas.

POLICY FRAMEWORK

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29. Local Transport Plan (Connected to Southampton 2040) and 2019 Parking Strategy seek to manage parking supply as a means of supporting Park and Ride:
 - The Park and Ride proposal is projected for weekend use only and the users would predominantly be daytime retail visitors.
30. The National Bus Strategy and Gear Change outline national framework for a non-car based recovery from Covid19:
 - Local Authorities can determine appropriate measures to promote post-Covid recovery and this will involve a range of measures including parking, public transport and active travel.

RISK MANAGEMENT IMPLICATIONS

31. City Centre Residents become dominant users of high demand parking areas preventing evening visitors from being able to access parking which may deter them from making future visits:
 - This would be mitigated by proposing the re-introduction of evening charges in the multi-storey car parks in 2023/24 to provide visitors with an alternative option if high demands parking areas are full.
32. Free parking may result in an increase in traffic during the evening period:
 - The main focus of the proposal is to encourage the level of City Centre visitors as seen during the pre-pandemic period. It is not expected that evening traffic would increase over and above 2019/20 levels by a significant amount. However, there would be scope to monitor this and subsequently consider measures to address any significant traffic as part of any future proposals.
33. Financial viability of some car parks may be affected as well as overall impact to Parking Account:
 - This would be mitigated in part by proposing the re-introduction of evening charges in the multi-storey car parks in 2023/24. Parking Services will also investigate proposals to recover the reduction in revenue.

Appendices/Supporting Information:

1. None

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