

REPORT TO: Cabinet Member for Sustainable Transport

DATE: 19th December 2014

SERVICE AREA: Safer Communities

REPORTING OFFICER: PARKING SERVICES MANAGER
(Mrs Susan McGarry)

SUBJECT: **REVIEW OF SAFER COMMUNITIES OFF STREET
PARKING FEES 2015/16**

WARD/S AFFECTED: ALL

FORWARD PLAN REF: Key Decision No.N/A

1.0 PURPOSE OF REPORT

- 1.1 This report deals with the Safer Communities Parking Services fees and charges 2015/16, which falls under the Terms of Reference of the Cabinet Member Sustainable Transport. In addition to a cash efficiency savings target for Parking Services of £36,000 the Council, at its meeting on 8th October, agreed the medium term financial strategy. In approving that report Council agreed that services should increase their fees and charges by a minimum of 2.5% subject to service considerations and market forces. This equates to £74,000 for Parking Services.
- 1.2 The purpose of this report is to explain the considerations in addressing this requirement and request that the Cabinet Member recommends to Cabinet to not increase charges for budget setting purposes for 2015/16.
- 1.3 The off-street parking charges will still be reviewed in 2015/16 for both traffic management reasons and once the Council is aware of any changes North Yorkshire Council may make to the on street parking charges.

2.0 RECOMMENDATION

- 2.1 That no tariff increases are recommended to Cabinet to be implemented for the reasons given in section 5 of this report.

3.0 RECOMMENDED REASON FOR DECISION

- 3.1 The considerations relating to off street parking charges (as explained in the body of the report) compel the Council to amend or increase charges only for traffic management reasons rather than raising additional income. At this stage therefore it is appropriate that the current level of charges remains the same.

4.0 ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION

- 4.1 The following alternatives have been considered.

- 1) To increase off street charges in line with the Council's medium term financial strategy

To increase charges at this time simply to comply with the Council's medium term financial strategy would be ultra vires without a justification in traffic management terms.

5.0 THE REPORT

Legal Background

- 5.1 Harrogate Borough Council (HBC) has responsibility for the setting of charges for off-street car parks and North Yorkshire County Council (NYCC) is responsible for setting the on-street parking charges. Whilst the on-street surplus (NYCC) should be ring-fenced for traffic management schemes, the off-street surplus (HBC) can be included in the Council's General Fund for general Council expenditure.
- 5.2 However, the Road Traffic Regulation Act 1984 (which gives the Council the right to charge) is not a fiscal measure and the Council has a duty imposed on it to only amend/increase fees for the expeditious, convenient and safe movement of vehicular and other traffic as required in section 122 of the 1984 Act. As such, the Council must ensure that changes to charges, particularly if increased, do not result in detrimental displacement, increased congestion or any other negative traffic management effect.
- 5.3 It is good practice to review fees and charges annually but any amendments must reflect traffic management policies and not be for fiscal reasons. This principle was recently highlighted in *R v Barnet LBC* [2013 EWHC 2089 (Admin)] where the Council was held to have acted ultra vires by increasing charges in order to defray other road-transport expenditure and reduce the need to raise income from other sources, such as fines, charges and council tax. The 1984 Act did not authorise the local authority to use its powers to charge local residents for parking in order to raise surplus revenue for other purposes funded by the general fund.
- 5.4 As part of the Council's legal obligations under the Traffic Management Act 2004, on and off street charges should be considered together to ensure that

charges do not result in detrimental displacement and increased congestion. On Street charges were last increased in September 2011 and NYCC have not yet decided on their level of charges for 15/16.

- 5.5 The legal implications regarding medium term assumptions together with information regarding the income and usage of car parks was presented to Cabinet and Management Board (CMT as was) in September 2013. Some comments from that report are included in this report but the full report is included as a background paper.
- 5.6 Usage in 2013/14 remained static. There has been a slight increase in car park usage in the past year of 2.50% (up to end October 2014) but income has remained fairly static except where tariff increases were implemented in September 2013 i.e. Jubilee and Station Parade car parks.
- 5.7 Some changes to parking charges at the West Park MSCP, Harrogate will be brought forward in the new year to reflect differing demand resulting in the completion of the new Travelodge hotel and gym on Tower St, Harrogate. It is difficult to predict what additional income any changes will bring but any increases will feed into the 16/17 budget process.
- 5.8 A further review of the off street parking charges will take place in Summer 2015 once further information is known regarding NYCC's on street charges and the impact this may have on usage and income of HBC's car parks, similarly any justifiable increases will feed into the 16/17 budget processes.

6.0 **FINANCIAL IMPLICATIONS**

- 6.1 The recommendation to not increase charges has been discussed with the Head of Finance and no increase in tariffs has been factored into the Council's budget setting process for 2015/16.

7.0 **REQUIRED ASSESSMENTS AND IMPLICATIONS**

- 7.1 The following were considered: Financial Implications; Human Resources Implications; Legal Implications; ICT Implications; Strategic Property/Asset Management Considerations; Risk Assessment; Equality and Diversity (the Public Sector Equality Duty and impact upon people with protected characteristics). If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below.
- 7.2 *Finance comments – Comments are incorporated into the report.*
- 7.3 *Legal comments – Comments are incorporated into the report.*
- 7.4 *Audit comments – Not required.*
- 7.5 *Procurement comments – Not required.*
- 7.6 *ICT comments – Not required.*

8.0 CONCLUSIONS

- 8.1 Officers advise that both legally and financially off street tariffs should not be subject to the 2.5% increase required of the medium term financial strategy.
- 8.2 Operationally required changes to tariffs in 2015/16 may come forward during 2015 but these will need to meet legal constraints and where they result in an increase in income, this will be reflected in the revised estimate budgets in Autumn 2015.

Background Papers – Cabinet Report dated 18th September 2013 - CAR PARK INCOME AND USAGE 2013/14 MEDIUM-TERM ASSUMPTIONS

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