

Decision Maker: Environment Portfolio Holder

**For pre-decision scrutiny by the Environment PDS
Committee on**

Date: 28th February 2012

Decision Type: Non-Urgent Executive Key

Title: **PARKING CHARGES**

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Chief Officer: Nigel Davies, Director of Environmental Services

Ward: All

1. Reason for report

The report recommends a new pattern of parking charges across the borough, benchmarked against inflation since prices were last increased during 2004-2008. The opportunity has been taken to address a number of anomalies in the current charging policy, and to link charges in town centres more closely to the needs of the local economy.

2. **RECOMMENDATION(S)**

That the Environment Portfolio Holder agrees -

- 2.1 The proposed scheme of parking charges as set out in Section 4 and Appendix 1;
- 2.2 Revised permit charges as set out in Section 8 and Appendix 2; and
- 2.3 That a review of the impact of revised parking charges should be undertaken after six months.

Corporate Policy

1. Policy Status: Existing policy. Parking Strategy
 2. BBB Priority: Quality Environment. Vibrant Thriving Town Centres.
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Financial

1. Cost of proposal: Estimated cost £30k to £35k implementation costs
 2. Ongoing costs: Recurring cost. Estimated additional income of Cr £1.281m
 3. Budget head/performance centre: Parking
 4. Total current budget for this head: £5.785m
 5. Source of funding: Existing revenue budget 2012/13
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Staff

1. Number of staff (current and additional): 26.6 fte
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments:

3. COMMENTARY

Parking Working Group

- 3.1 At its meeting on 22nd September 2008, the Environment Policy Development and Scrutiny Committee established a Parking Working Group. This decision was prompted by:
- A value for money review which had found wide variations in parking policy and financial outcomes across outer London boroughs statistically related to Bromley;
 - A perception that the Council might face a difficult time in meeting its service targets and financial assumptions for parking, in the light of current economic circumstances; and
 - A corporate review which had raised concerns about (i) the fitness of the then Parking and Enforcement Plan to serve as the Council's parking strategy, and (ii) the complexity of the borough's existing charging structure.
- 3.2 The review considered Bromley's parking strategy, operational policy, and charging structure. With regard to the charging structure, the Working Group was given the task of: "Scrutinising the contribution business planning and charging policy make to helping the service meet efficiently and effectively its financial and performance targets." The Working Group made its final presentation to Environment PDS Committee on 1 June 2009, where their report was endorsed. It recommended the development of a new Parking Strategy for the borough, and that proposals be developed for reform of parking charges.
- 3.3 Following completion of work on the Council's LIP statement, a new Parking Strategy was drafted and then considered by the Environment PDS Committee on 18th January 2012. The Strategy, subsequently agreed by the Environment Portfolio Holder, sets out a series of objectives for the Council's approach to parking:

Policy objectives

- To improve the safety of all road users.
- To provide sufficient affordable parking spaces in appropriate locations to promote and enhance the local economy.
- To assist in providing a choice of travel mode, and enable motorists to switch from unnecessary car journeys, to reduce traffic congestion and pollution.
- To ensure effective loading/unloading for local businesses.
- To provide the right balance between long, medium and short stay spaces in particular locations
- To provide a turnover of available parking space in areas of high demand.
- To assist the smooth flow of traffic and reduce traffic congestion.
- To enable residents to park near their homes.
- To assist users with special requirements, such as the disabled.
- To ensure that the Council's parking policies and working practices are clear and accessible to the public.

Operational objectives

- To set a level of charges which balances demand and supply for parking spaces across the borough.
- To provide an efficient service which offers Best Value.
- To control the budget within prescribed limits.
- To be seen as fair and responsive to customer needs

- 3.4 The proposals for charging policy set out in this paper have been drafted to ensure consistency with these policy objectives. A meeting of the Parking Working Group has been convened to consider the proposals set out in this paper and any views expressed by the Group will be reported to Committee.

Budget Assumptions for 2012/13 and 2013/14

- 3.5 Ensuring that parking charges keep pace with inflation is an important consideration for the Council. In the case of off-street car parks, charges are fully within the Council's control. The Council's discretion over charges for on-street parking is more restricted: these must be set for traffic management reasons, such as to ration available space and ensure that there is an adequate turnover of parking spaces. It remains important to consider on-street charges in the context of inflation. Parking charges have been frozen since 2008 or (in most cases) earlier years, so on-street spaces have become less expensive in real terms over time and charges have become a less effective tool in managing demand. This could impact on the turnover of spaces needed to ensure that shoppers can access local retail centres.
- 3.6 In Bromley, the last four year cycle of increases in parking charges were agreed between 2004 and 2007. Most off-street car park charges in Bromley town centre last increased in early 2006. Since then the Retail Price Index has shown a 25% increase up to early 2012. It is expected that this gap could reach at least 30% by April 2014.
- 3.7 A comparison can be made with the costs of bus travel, an alternative mode of transport for many journeys to town centre locations. In 2005 and 2006 the cost of an Oyster card bus journey was £1 at peak time and 80p off peak. In 2007 this was consolidated at £1 for all journeys. By 2012 the cost had risen to £1.35, an increase since 2005 of 35% at peak time and 68% at off-peak (many shopping journeys are made outside of peak times). It is anticipated that bus fares will continue to rise over the next few years.
- 3.8 Council Tax has also increased over recent years. The charge for a Band D property has increased as set out below:

2011/12	...	2007/08	2006/07	2005/06	2004/05
£1301	...	£1218	£1160	£1092	£1040

Most of Bromley's current parking charges were set prior to or during 2005/06. Council Tax increased by 19% from 2005/06 to 2010/11. Council Tax was frozen in 2011/12 as a result of a direct subsidy from Central Government.

- 3.9 On the 11th January 2012 the Executive agreed, as part of budget setting, to make an assumption that parking charges would raise an additional £823k in 2012/13 rising to £980k in 2013/14. Subsequently on the 1st February the Executive agreed to increase this assumption by an additional £458k per annum from 2012/13; thereby revising the income assumptions to £1,281k in 2012/13 and £1,438k in 2013/14. The decision of the Council meeting on 20th February 2012 in regard to budget assumptions on parking income will be reported orally to Committee. The Executive's decisions should be seen in the context of the freeze in charges since the 2005 to 2008 increases, and comparable price inflation in the economy generally since then.

Charging Structure

- 3.10 As noted above, one of the concerns addressed in the Working Group's report was the complexity of Bromley's current parking charge structure. Off-street there are currently over 20 different tariff systems across Bromley's car parks, which is significantly more complex than in most neighbouring authorities. On-street, there are also a very wide range of different tariffs across the borough.
- 3.11 The complexity of Bromley's arrangements appears to have arisen at least partly as a consequence of the policy of reviewing charges annually on a rolling four year cycle, with about one quarter of tariffs being assessed each year. There are sometimes very minor differences in the charging regime at similar car parks, which are difficult to justify objectively. Over the years minor variations appear to have increased, adding significantly to complexity and the resources needed to undertake subsequent reviews. An example is in Orpington where there are a number of different on-street tariffs in operation; moving to a more simplified charging structure would aim to complement the positive changes introduced in the recent review of the Orpington parking scheme.
- 3.12 There are disadvantages in taking such a complex approach. Managing the service coherently, addressing inflation targets, and responding to changes in parking behaviour at particular town centres, are all more difficult tasks if changes are decided piecemeal. In addition each annual review tended to add yet more complexity to the system, further increasing the diversity of tariffs at different locations across the borough. Maintaining and updating such a complex system of tariffs would require a significant input of officer time, which could otherwise be devoted to improving the parking service's offer and its performance, as well as the performance of the enforcement contractor.
- 3.13 The former approach also made it more difficult to link parking charges with the boroughs' economic objectives for particular town centre locations, including the major renewal strategies in Bromley town centre and Orpington, and the Council's aspirations for Beckenham. Car parks should be seen not just a tool for traffic management, but also an asset to attract potential visitors and shoppers.
- 3.14 This report aims to establish a new parking charging structure, without the need to re-establish a system of rolling annual reviews of portions of the borough. This would lead to greater consistency in tariff rates in comparable off-street car parks, and simplify on-street parking charges. The recommended approach is outlined in Section 4 below. Careful implementation of the new charging structure would aim to improve the service's efficiency, and increase customer understanding of the need for an increase in charges.
- 3.15 The recommended approach is based on an increase in prices across the borough broadly comparable to inflation since the last round of charge increases in 2004/08. Some justified variations in price levels have been retained to reflect local economic factors and traffic management priorities, but an attempt has been made to eliminate unwarranted anomalies in pricing. The model has been designed to limit increases in charges at particular locations to a reasonable level. It is essential that charges are not raised disproportionately, which could lead to a fall in demand for parking spaces, overall income, and reduced effectiveness in managing demand.

- 3.16 It is recommended that implementation should come into effect as soon as practicable; this is currently scheduled for mid-April (see 10.5 below). Implementation of the charging system would set a consistent baseline across the borough. Once the revised charging system is in place, a review to measure its overall impact on parking demand and behaviour would be undertaken 6 months after implementation. This would help to inform future strategy, and provide an early opportunity to take corrective action if demand has fallen significantly at any particular locations, or if other significant problems have arisen. In addition, the existing programme of detailed traffic-led studies focusing on the parking regime in particular locations will continue. Any changes to parking tariffs recommended following any of these planned reviews would be subject to Member decision.

4. Parking Charges – the Recommended Approach

- 4.1 The underlying principle behind the proposed reform is that the system should be less complex, based on consistent hourly charges in areas of comparable parking demand, and with maximum stay tailored closely to the demand management pressures in particular locations. Together, these mechanisms should give a clear indication to motorists that town centre parking locations, particularly on-street, are designed for short stay retail visits. Tariffs in off-street facilities would be set at a level to attract longer-term parking, and help to reduce traffic congestion and improve journey times in core town centre roads.

- 4.2 In general, motorists tend to prefer on-street to off-street parking. This is largely due to perceptions of convenience and security. Because of the perceived convenience of on-street parking, it is generally more suitable for shorter stays and pricing should provide an incentive for more rapid turnover to maximise the availability of convenient on-street spaces.

- 4.3 In this model, the borough's on- and off-street parking facilities have been divided into four broad Charging Groups:

- Charging Group 1 – On-street parking in Bromley town centre
- Charging Group 2 – Car parks in Bromley town centre
- Charging Group 3 – On-street parking outside Bromley town centre
- Charging Group 4 – Car parks outside Bromley town centre

See attached Appendix 1 for full details – a summary of the changes is set out below. Season ticket prices would be adjusted proportionately.

4.4 Charging Group 1: On-Street Parking in Bromley town centre

- 4.4.1 On-street charges must be set for traffic management reasons, for example to ration available space and ensure that there is a rapid turnover of parking spaces.

- 4.4.2 Existing hourly charge rates vary from 60p (Zone C), through 80p (Zone B), to £1.10 per hour in Zone A (central). There is also a 5 space Zone D which it is proposed should be merged into Zone A. Bromley town centre has the highest potential demand for on-street parking in the borough, and higher charges are necessary to manage this compared to on-street locations elsewhere. 832 of the Council's 2,117 controlled on-street spaces are in this town centre. An issue in Zone A in particular has been identified at peak times where vehicles wait for on-street spaces to be freed up, adding to congestion problems. Existing periods of maximum stay would be retained (2 hours Zone A, 4 hours in Zone B). It is proposed that charges should increase to:

- Zone A: £1.50 per hour
- Zone B: £1.10 per hour
- Zone C: 80p per hour

4.4.3 Demand for spaces is particularly high in Bromley High Street. Consideration is being given to whether a core premium area within Zone A should be established with a higher level of charges to manage demand. However this should be considered primarily from a traffic and parking management perspective, and is best dealt with in a separate review.

4.5 Charging Group 2: Off Street Car Parks in Bromley town centre

4.5.1 Of the borough's off-street car park spaces, 2,251 are located in Bromley town centre compared with a total of 2,292 in the rest of the borough.

Existing hourly charge rates are as follows:

- Station Road: 60p per hour
- South Street and Palace Grove: 70p per hour (weekends only)
- The Hill MSCP: 70p per hour
- Westmoreland Road MSCP: 80p per hour
- Civic Centre MSCP: 90p per hour

It is suggested that all these car parks should move to a **£1 per hour** charge rate. The charge would be capped at £7 at Westmoreland Road MSCP and £6 at The Hill MSCP, to provide an incentive for commuters and town centre workers to use these facilities. Charges at the Civic Centre would be capped at £11 for over 8 hours parking at the Civic Centre, to continue focusing this facility on meeting the needs of shoppers, ensuring a reasonable turnover of convenient spaces. This would nudge motorists seeking an all day parking space away from the Civic Centre, as this central car park is more suitable for shorter-stay visitors. Charges at the surface car parks would be capped at £4 for over 4 hours.

4.5.2 In the past, charge rates at the privately-owned Glades car park have closely mirrored those set by the Council for the Civic Centre. Recently The Glades has moved to a £1 per hour charge, which is also the current charge rate at the town centre's NCP facility at The Mall. Neither of these facilities has reported significant problems with pricing at this level. £1 per hour continues to compare favourably with charges in Croydon and Bexleyheath town centres; further information on benchmarking is covered in section 5 below.

4.5.3 Westmoreland Road car park is due to close temporarily to enable the Bromley South Central ('Site K') development to proceed. Before it is closed, it is intended that improved signage will be in place to ensure that full use is made of the remaining car park spaces in the town centre. The aim will be to minimise unnecessary vehicle movements, and enable motorists to make informed choices about town centre parking from a coherent service offer.

4.6 Charging Group 3: On-Street Parking outside Bromley town centre

4.6.1 As with other on-street charges, prices must be set for traffic management reasons, for example to ration available space and ensure that there is a rapid turnover of parking spaces.

4.6.2 Current charge rates vary from 30p to 60p per hour. Maximum stay periods of 2 to 10 hours assist in controlling differential levels of demand for particular parking locations, depending on their purpose; no changes to these are proposed. It is recommended that hourly charge rates move to:

- 70p per hour in Orpington and Beckenham town centres
- 60p per hour in most other 'high street' shopping locations
- 50p per hour elsewhere

4.6.3 Where specific parking schemes have been introduced more recently, for example in Clock House, Copers Cope, and Shortlands, it is proposed that charges be considered as part of the scheduled review of those schemes.

4.7 Charging Group 4: Off-Street Car Parks outside Bromley town centre

4.7.1 Existing hourly charge rates in these car parks vary from 20p to 40p per hour. It is proposed that all these car parks should move to a rate of 30p per hour where they support small shopping parades, 40p per hour where medium shopping parades are supported, and 50p per hour near larger parades. 30p would become the standard charge for commuter car parks.

4.7.2 It is proposed that the charge for parking over 4 hours should be capped at £1.50 (for smaller station car parks); £2.00 (for small shopping parades); £3.50 (for Chelsfield Station and medium shopping parades); and £4 (for larger shopping parades).

4.7.3 A higher rate of 90p per hour would be charged at the car parks attached to The Spa and West Wickham leisure centres, an increase from 70p, in view of the need to manage demand, distinguish these car parks from general town centre parking, and ensure spaces are available for visitors to these facilities. Charges would be capped at £3.60. Bromley MyTime are being consulted on these proposals, and any comments will be reported to committee.

5. **Benchmarking Comparisons**

5.1 Caution needs to be exercised in making comparisons between parking charges in different boroughs. Bexley, Sevenoaks, Lewisham and Greenwich, for example, are nearby but do not have metropolitan retail centres (although Greenwich faces some pressure from tourism). Croydon town centre is also of metropolitan importance, but is larger than Bromley town centre. Other similar outer London boroughs, e.g. Kingston and Sutton, can offer useful comparisons but are too distant to be realistic alternative destinations for Bromley shoppers. In contrast, Bluewater was specifically designed as a charge-free car accessed centre – for those shoppers willing to accept the delay and inconvenience of driving that far. Many local authorities have increased prices in the past 18 months and some are considering further increases.

5.2 Within Bromley town centre, alternative providers' charges are currently as follows:

- The Glades – recently increased to £1/hour
- Sainsbury's - £2 for 1 hour (non-customers)
- The Mall (NCP) - £1/hour

Waitrose's car park is for their customers only.

5.3 Findings from a recent benchmarking exercise are set out below. The research is up to date for late 2011. The proposed Bromley town centre car park rate of £1/hour recommended would be near the lower end of the range for major town centre car parks in other boroughs. Most comparable locations (eg Croydon) already charge more than £1.

- Kingston town centre = £1.00 to £2.00 for one hour
- Bexleyheath town centre = 90p to £1.00 for one hour
- Greenwich town centre = £2.50 for one hour
- Croydon town centre = £1 to £2.40 for the first hour depending on facility and location
- Lewisham town centre = £1.40p per hour

For off-street car parks outside of each borough's main town centres, the proposed charges in Bromley appear highly competitive:

- Bexley = 80p to 90p for one hour
- Sutton = 80p per hour
- Greenwich = 80p per hour
- Lewisham = £1.40p per hour

5.4 These comparisons suggest that the main restraint on pricing policy in Bromley is the need to avoid increasing charges by too much in a single step – risking a negative, albeit short-term, reaction from motorists - rather than competitive pressure from other boroughs. Setting off-street car park charges at £1/hour would contribute to supporting Bromley town centre, by ensuring our parking charges compare well with other boroughs' principal town centres.

6. Pay and Display Machines

6.1 New 5p and 10p pieces are in the process of being issued by the Treasury. The Council has set aside £60,000 to convert all its pay and display machines to accept the new coins. One option considered was to not go ahead with the conversion, saving this cost. However for many linear charging machines the outcome would mean that a new minimum charge of 20p was introduced; and for all machines, motorists would no longer have the ability to use 5p and 10p pieces to pay for parking (20% of current income is in the form of 5p and 10p coins). On balance it is felt that the loss of convenience is the decisive issue and on that basis the conversion of pay and display machines to accept the new coins has been scheduled.

7. Differential Charging

7.1 Most of the Council's car parks serving shoppers are at their busiest between 10.30 am and 3 pm. At the meeting of Environment PDS Committee held on 18th January 2012, Members asked for consideration to be given to charging differential rates at particular times of the day, to send a price signal to motorists which might assist in smoothing demand. It was acknowledged that this would increase the complexity of Bromley's charging model, and that there would be practical costs. Communicating the different price rates to motorists would be a challenge, and the practicality of converting pay and display machines would require investigation. Officers have not been able to identify a successful differential pricing model in operation elsewhere.

7.2 Differential parking charges could be justified if a price mechanism is needed to nudge motorists to change their driving or shopping habits to avoid peak times. However there is no clear evidence that this additional signal is currently required; during shopping hours the availability of spaces already acts as a strong incentive for motorists to avoid the busiest times. Imposing higher charges at certain times to influence behaviour may not be welcomed by motorists, even if this led to an improvement in the availability of spaces for those who could afford the higher rate.

7.3 With regard to off-street car parks, reduced charges at certain times would necessitate higher charges at peak times to meet the Council's budget expectations for these facilities. This would be difficult to justify in the context of the price increases already recommended in this report. In addition evidence on usage does not suggest that at present car parks are so full at peak times that the imposition of higher charges to manage demand would be justifiable.

- 7.4 With regard to on-street parking, in most areas the availability of spaces is already perceived to be a sufficient incentive for motorists to avoid peak demand times if they can. One particular area, Zone A of Bromley town centre, contains some locations which are in very high demand at peak times and this may continue to be an issue even after charges are raised to the level recommended in this report (£1.50 per hour). However, it is not felt that a higher charge could be imposed across the entirety of Zone A without a risk of shoppers switching from Bromley town centre altogether. A proposal to review separately the operation of this Zone is referred to in para. 4.4.3 above.
- 7.5 In one sense, an element of differential pricing is already in place - on-street charges are only applied between 8.30 am and 6.30 pm weekdays and Saturdays (and 10 am to 5 pm Sundays, in Bromley town centre only). Outside of these times, on-street parking is free.

8 Residential Parking Permits

- 8.1 The cost of residential and business parking permits has also been examined. Currently in Bromley permits range in price from part-day schemes at £35 to full day enforcement schemes at up to £75. In comparison, Bexley charges a flat rate of £75 or £90, Croydon charges £48 plus a £25 administration fee in the first year, Greenwich charges from £15 to £50, Lambeth charges from £117 to £260 (although very low emission vehicles are free of charge), and Lewisham charges £60.
- 8.2 Bromley sets the price of its permits based on the cost of managing the scheme, including the cost of administration and the level of enforcement needed to ensure the scheme is effective. This is strongly related to the hours of operation of the permit bays. However, for historic reasons, there are currently a number of anomalies in the pricing structure.
- 8.3 It is reasonable to increase charges to ensure that the costs of administration enforcement are fully covered, taking into account inflation. It is proposed to standardise permit charges across the borough to a common rate depending on whether enforcement is part-day or full day. The full list of permits available with the current and proposed charges is shown in Appendix 2. It is proposed to standardise permit charges at a cost of £40 for schemes enforced for up to 4 hours, or £80 for schemes enforced for more than 4 hours (normally full day enforcement).
- 8.4 It is proposed to set the Business Permit charge rate at £100, except for the dedicated business parking scheme at Locksbottom where a £225 charge is recommended. The business parking offer in Copers Cope has not been taken up, and this particular scheme will be reviewed separately.
- 8.5 It is proposed to increase the charge for a book of Visitors Vouchers from £30 to £35.

9. POLICY IMPLICATIONS

- 9.1 The proposals in this report are consistent with the objectives of the Council's new Parking Strategy, agreed by the Environment Portfolio Holder following Environment PDS Committee on 18th January 2012.
- 9.2 In relation to the impact of changes in parking fees on town centres, the Association of Town Centre Managers' view is that "*there is no clear correlation between parking charges and retail performance.*" The British Parking Association report that the "*... Europe wide Cost 342 study also found little evidence of correlation but did indicate that public reaction to increased parking charges is usually short term. Parking demand falls for a period and then reverts to normal. There is also some evidence that a sharp reduction in parking charges does not result in a proportionate increase in car park use.*"

The BPA concluded that “*The quantity, quality and security of parking provision is much more significant than its price to those consumers who drive retail performance.*” In its response to the Portas report (Parking News, February 2012), the BPA continued to emphasise that “*...car park users are not solely influenced by price. Quality, convenience, safety and accessibility are all factors affecting parking choices.*”

Recent research from the Netherlands (Surveyor, August 2009) concluded that “*...it is the social and economic activities of the destination which attract...and it is the quality of these that determine the parking fees which can be charged*” and “*...shoppers are prepared to pay for parking when the price reflects the perceived quality of the destination.*”

10. FINANCIAL IMPLICATIONS

- 10.1 Financial modelling of the charging system outlined in this paper has been carried out. An important consideration has been the need to avoid excessive increases in charges which could lead to a decline in demand for parking spaces, which could reduce total income. In 2000/01, for example, charges increased by 15% at the Westmoreland Road car park with little impact on demand. In contrast, a subsequent follow-on increase of £2 per day at the same facility (a 50% rise) caused a significant loss in demand for parking spaces and income declined. Analysis of the effect of price increases over the period 2003-2007 suggests that a temporary decline in demand for parking spaces may occur after a price increase at a particular location; the effect seems to reduce in the second year and demand restored in subsequent years.
- 10.2 There is therefore a significant risk of consumer resistance to the new pricing structure, with the potential for a short term impact in the first year after prices rise, with a smaller impact in the second year. An assumption has been made in the income projections that a shortfall of £100k should be allowed for to address this issue in 2012/13. There remains a risk that stronger consumer resistance could reduce the amount of income received further, and this could lead to a shortfall in income during 2012/13 which would have to be addressed.
- 10.3 From the parking information available, there has been a sustained small decrease in demand for parking in the Bromley town centre main car parks of about 1% per year over the past six years. The closure of a key department store in 2006 and the subsequent national recession appears to have contributed to this decline in demand. However, it should be noted that this assumption has not been built into the financial model. If the decline does continue in 2012/13 there would be an additional risk of a shortfall in income from that projected. The decline may be arrested if the long term renewal strategy for Bromley town centre envisaged in the Area Action Plan proves to be successful.
- 10.4 The net effect of the proposals in this report is summarised in the table below: -

	Off street £'000	On street £'000	Permits £'000	Total £'000
Current 2012/13 budget	3,552	2,287	305	6,144
Estimated net income from proposals	4,249	2,801	375	7,425
Net additional income	697	514	70	1,281

- 10.5 A range of practical and statutory actions would need to be undertaken before the revised prices could come into effect, including a 21 day Notice of Variation and amendment of the various Traffic Management Orders. It is estimated that the earliest practical date to implement the increase would be around the period 16th - 23rd April. Any delay in introducing the revised charges would impact on income for 2012/13.
- 10.6 Following the introduction of increased permit charges (as set out in Appendix 2), income and expenditure relating to residents parking permits would continue to break-even as shown below:

Residents Parking Permit Scheme	£
	2012/13
Administration costs	218,920
Enforcement costs	119,260
Projected income (incl effect of price increases)	(338,180)
Net cost of Residents parking permit scheme	<u>0</u>

- 10.7 It should be noted that as part of the normal budget setting process, inflation is added to income budgets each year and therefore officers will have to prepare budget options to address this annual growth going forward.
- 10.8 The estimated cost of introducing the revised charges would be between £30k and £35k. This would be met from existing budgets.

11. LEGAL IMPLICATIONS

- 11.1 In relation to on-street parking, the service is required to operate in a tightly restricted legal environment. Although the Mayor's Transport Strategy has now superseded earlier Traffic Management and Parking Guidance for London, the boroughs continue to rely on the TMPG document as an authoritative interpretation of the legal framework. It advises:

“(2.23) The level of parking charges must be set for traffic management reasons, such as to ration available space and ensure that there is a rapid turnover of parking spaces, rather than to maximise revenue. This is because section 122 of the Road Traffic Regulation Act 1984 does not include the maximisation of revenue from parking charges as one of the relevant considerations to be taken into account in securing the safe, expeditious and convenient movement of traffic”.

- 11.2 This interpretation of the Road Traffic Regulation Act 1984, in the context of on-street charges, is widely accepted. Case law supports the view that the Act's purpose is not revenue-raising, for example the judgement in R v LB Camden (ex parte Cran). The British Parking Association's Parking Practice Notes 1 - Charging for Parking (Revised August 2011) emphasises this point by quoting the Camden judgement, saying that the 1984 Act:

“...is not a fiscal measure. It contains no provision which suggests that parliament intended to authorise a council to raise income by using its powers to designate parking places on the highway and to charge for their use”.

- 11.3 To implement the changes to the charging structure it will be necessary to amend The London Borough of Bromley (Off-Street Parking Places) Consolidation Order 1995 and any relevant On-Street Parking Orders.

Non-Applicable Sections:	Personnel Implications
Background Documents: (Access via Contact Officer)	<p>Environment PDS Committee, 1st June 2009, "Report of the Member Parking Working Group" http://sharepoint.bromley.gov.uk/Public%20Docs/07%20ENV%20PDS%20010609.doc</p> <p>http://sharepoint.bromley.gov.uk/Public%20Docs/07%20ENV%20PDS%20010609%20-%20Appendix.pdf</p> <p>Parking Strategy 18th January 2012 http://sharepoint.bromley.gov.uk/ieListDocuments.aspx?CId=127&MId=3753&Ver=4</p> <p>Executive Budget report 11th January 2012 http://sharepoint.bromley.gov.uk/ieListDocuments.aspx?CId=121&MId=3789&Ver=4</p> <p>Executive Budget report 1st February 2012 http://sharepoint.bromley.gov.uk/ieListDocuments.aspx?CId=121&MId=3791&Ver=4</p>