

HAMPSHIRE COUNTY COUNCIL

Decision Report

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| Decision Maker: | Executive Member for Economy, Transport and Environment |
| Date: | 8 October 2020 |
| Title: | On-Street Pay and Display Parking |
| Report From: | Director of Economy, Transport and Environment |

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Purpose of this Report

1. The purpose of this report is to update the Executive Member on progress with the T19 Parking project, and to seek approval to delay the implementation of on-street chargeable parking in town centre areas whilst proceeding with schemes in other suitable areas. The report also seeks approval to serve notice on the remaining district Civil Parking Enforcement agreements where the individual district council's performance of delivering the services, particularly with regard to financial performance, falls outside the terms of the new district agreements.

Recommendations

2. That the Executive Member for Economy, Transport and Environment approves delaying further development of on-street chargeable parking in town centre locations until early summer 2021 in recognition of the possible needs for Covid-19 response and recovery, and thereafter delegates authority to the Director of Economy, Transport and Environment, in consultation with the Executive Member for Economy, Transport and Environment, to determine individual programmes for developing proposals for on-street pay and display parking in town centre locations, subject to assessing the prevailing needs in respect of Covid-19.
3. That the Executive Member for Economy, Transport and Environment approves the progression of chargeable parking in other locations without delay, subject to the outcome of the legal traffic order process.
4. That the Executive Member for Economy, Transport, and Environment notes the performance requirements set out in the recently revised district Civil Parking Enforcement agreements with district councils (Winchester, Havant, East Hampshire, Rushmoor, Hart, Basingstoke & Deane and Eastleigh) and confirms the policy approach is to review the agency agreement in the event of

performance falling below the requirements, with a view to termination of the arrangement in the absence of a reasonable explanation.

5. That the Executive Member for Economy, Transport and Environment notes the progress made to date with regard to the T19 parking project and the new on-street parking service.
6. That the Executive Member for Economy, Transport and Environment confirms that domiciliary care workers carrying out work commissioned by Hampshire County Council will be exempt from charges for parking in residential parking zones in the course of their duties.

Executive Summary

7. This report provides an update on work undertaken to date to develop the County Council's new, directly managed and modernised on-street parking service as part of the Transformation to 2019 savings proposals. It provides a summary of the contractual arrangements with NSL Limited, the County Council's appointed specialist service provider, and information related to the revised district agreements for the seven districts and boroughs that opted to continue to operate on-street parking on the County Council's behalf.
8. A fundamental requirement for the parking service is to ensure that it operates on a full cost recovery basis with all associated expenditure covered by income from Penalty Charge Notices, residential parking permit income, revenue from on-street chargeable parking, together with a share of surplus parking income generated by the various district councils. To help achieve this, the County Council now delivers the on-street parking service within Fareham, Gosport, New Forest, and Test Valley directly without district or borough council involvement.
9. One of the key elements to help achieve full cost recovery is the implementation of new areas of on-street chargeable parking. Work to introduce the first three new areas of 'pay and display' parking in Lymington, Fareham, and Lee on the Solent has made good progress, but further development of these schemes has been put on hold following the impact of Covid-19, particularly the impact on retail and hospitality businesses located in high street settings. It is recognised that businesses will require some time to recover from the impact of the pandemic, and the report therefore seeks to delay further work on areas of chargeable parking in retail areas, including Lymington and Fareham. Other locations, including established visitor hotspots, have seen increased demand, and therefore approval is also sought to continue to develop chargeable parking measures in some of the most highly trafficked areas to help better manage the increased demand for nearby on street parking.
10. It is already clear that the County Council's new, directly managed parking service is more efficient than the district delivery model. Whilst the County Council is prepared to give districts reasonable time to demonstrate that they too can make service efficiencies, a decision to serve notice on any district that is considered to be operating services below expected performance standards, or delivering County Council functions outside of the terms of the new agreements, is also being sought.

11. An overview of the terms of the updated, financially robust agreements for districts opting to continue to deliver on-street Civil Parking Enforcement was provided within an earlier Executive Member for Environment and Transport Decision Day report considered on 29 October 2018. The revised agreements require the districts to operate the service on a full cost recovery basis, with surplus parking revenue shared equally with the County Council to help cover its associated service costs. The new agreements came into operation on 1 April 2020.

Contextual information

12. Four previous reports for the T19 Parking Project have been considered by the Executive Member for Environment and Transport at meetings held in November 2017, June 2018, October 2018, and March 2019.
13. The on-street parking project is one of the department's key projects in meeting its Transformation to 2019 savings targets. Whilst research, market testing, and an independent review of the current service have shown a directly controlled on-street parking enforcement service, outsourced to a specialist service provider, to be the most cost-effective model, the County Council recognised that the function has been run by the district councils on the County Council's behalf for some years. Therefore, seven districts were given the opportunity to enter into updated, financially robust agreements aimed at delivering a more modern and efficient service to consistent standards on a full cost recovery basis. The new district agreements came into effect as of 1 April 2020.
14. The County Council took direct control of all aspects of on-street parking in Fareham, Test Valley and New Forest as of 1 April 2020. In addition, Civil Parking Enforcement powers for Gosport were granted by the Department for Transport as of 29 September 2020, meaning that the County Council is now also responsible for parking enforcement in the borough, having taken over the function from the Police. Frontline parking enforcement, including back office Penalty Charge Notice processing functions are now dealt with by NSL, the County Council's parking services provider, whilst contract management, formal parking appeals, setting of parking policy, and development of systems and processes are dealt with by the County Council's own internal Parking Services team.
15. As of 1 April 2020, a new digital permit system has been implemented to reduce the administration associated with the issuing of residential parking permits. Physical paper permits and visitor scratch cards have been replaced with virtual permits for residents and their visitors that are managed by the users themselves, either on-line, via a mobile phone app, or by making a phone call.
16. Charges for annual residential parking permits have been increased in Fareham, Gosport, New Forest and Test Valley with the aim of achieving a consistent Countywide £50 annual minimum charge within a 3-year period. The minimum permit charge will help ensure residential parking schemes, that are costly to manage, maintain, administer and enforce, also operate on a full cost recovery basis. The various district councils that still operate the service for the County Council have also been instructed to increase their permit charges.
17. One of the key elements to help achieve full cost recovery for the wider parking service is the implementation of new areas of on-street chargeable parking.

Work to introduce the first three new areas of 'pay and display' parking in Lymington, Fareham, and Lee on the Solent has made good progress, but further development of these schemes was put on hold following the impact of the Covid-19 Pandemic, particularly the impact on retail and hospitality businesses located in high street settings. In addition, temporary measures introduced in many towns and villages, aimed at aiding social distancing, have required nearby parking to be suspended.

18. Parking surveys undertaken in Lymington and Fareham have shown that the existing limited waiting parking restrictions in high street locations are widely disregarded, meaning that many people stay parked on-street for longer than they should. The impact of the pandemic on the retail and hospitality sector, often the main businesses within town centres, is understood by the County Council, and it is recognised that many areas and individual businesses will require some time to recover and re-establish themselves. It is therefore recommended that proposed changes to parking arrangements in towns and larger villages is put on hold until at least early summer 2021, after which time the position can be reviewed again.
19. Travel restrictions, including difficulties associated with foreign travel, have increased the popularity of local visitor attractions, especially within the New Forest and seafront locations. The County's new parking team have had to respond to frequent parking issues with local parking facilities often overwhelmed, resulting in regular incidents of dangerous or inconsiderate parking. It is therefore recommended that approval be granted to continue with plans for on-street chargeable parking in a number of established hotspots where the demand for nearby parking is particularly high and where restrictions would provide an effective solution to the improved management of on street parking.

Finance

20. Approving the recommendations is expected to be broadly neutral in financial terms: while there will be a loss of income from delaying further development of on-street chargeable parking in town centre locations, the progression of chargeable parking in other locations without delay will bring forward income from this source. Any shortfall resulting from timing differences can be underwritten from the Department's Cost of Change reserve.
21. The T19 parking project is modernising the on-street parking service in Hampshire to operate on a full cost recovery basis, removing the need to draw on limited highways maintenance funding, which is increasingly prioritised for essential safety repairs. The revised agency agreements with districts councils operating parking and related traffic management on behalf of the County Council form part of this transformation. The financial arrangement in the agency agreement is intended to recover costs incurred by both the district agent and County Council through an equal share of surplus income accruing from on-street parking charges. Recommendation 4 is that the Executive Member for Economy, Transport and Environment confirms the policy of reviewing, with a view to terminating the remaining district Civil Parking Enforcement and related Traffic Management agency agreements where an individual district's performance falls outside the terms of the new district

agreements, having due regard for the impact of Covid-19. This will have the effect of clarifying the approach by which the County Council will take such steps as necessary to ensure the on-street parking service in Hampshire operates on a full cost recovery basis in agency agreement areas consistent with those services currently managed directly by the County Council.

22. The issue of domiciliary care workers, commissioned by the County Council, and needing to park in residential parking zones in the course of their duties is more complicated, but essentially any charges levied here would simply fall onto the social care budget, and add additional bureaucracy to an essential County Council service. Therefore, the Executive Member for Economy, Transport and Environment is recommended to approve an exemption to charges for such workers in the course of their duties. Normal arrangements would still apply to domiciliary care workers outside any duties being carried out at the request of the County Council during their working hours.

Performance

23. The management of on-street parking is a Transformation to 2019 project with a savings target of £1.043million. The Covid-19 response and recovery is affecting the timing of some planned aspects of the parking project, and therefore action is required now to review the position and to secure these savings in the longer term, such as ensuring the agency agreements perform within the expectations set out in the agreements.

Consultation and Equalities

24. Any changes to on-street parking controls are subject to the Traffic Order process and therefore formal consultation will be undertaken on a scheme specific basis.

Conclusions

25. The management of on-street parking is a Transformation to 2019 project with a savings target of £1.043million, but with implementation delayed to April 2020 due to the notice period applying to the agency agreements in place at the time. The Covid-19 response and recovery is affecting some planned aspects of the parking project, and action is required now to secure these savings to avoid further departmental cost of change provision, with implications for other transformation work, or drawing funding away from essential highways activity to meet the shortfall.
26. Two principal income streams are affected: introducing on-street pay and display parking in Hampshire County Council controlled locations (New Forest, Test Valley, Fareham and Gosport); and share of surplus income arising from on-street parking in district agency areas (Winchester, Havant, East Hampshire, Rushmoor, Hart, Basingstoke & Deane, and Eastleigh). Specific action is necessary for each of these income streams because of their contribution to the savings target and the limited alternative income sources.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

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| Hampshire maintains strong and sustainable economic growth and prosperity: | yes |
| People in Hampshire live safe, healthy and independent lives: | yes |
| People in Hampshire enjoy a rich and diverse environment: | yes |
| People in Hampshire enjoy being part of strong, inclusive communities: | yes |

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

This decision has been assessed as having a neutral impact on groups with protected characteristics.

The potential impact of any changes to on-street parking controls on those affected by poverty has been considered. The level of proposed parking charges will be modest in comparison to the overall cost of running a vehicle.

Any changes to on-street parking controls are subject to the Traffic Order process and therefore formal consultation will be undertaken on a scheme specific basis.