

LONDON BOROUGH OF BRENT

Meeting of the Executive
17 January 2005

Report from the Director of Environment

For information

Wards affected:

All

Report Title: Voucher Parking & Review of Parking Charges

Forward Plan Ref: ES 04/05-289

1.0 Summary

- 1.1 This report informs the Executive on the outcome of investigations undertaken by officers on the feasibility of introducing a Voucher Parking Scheme for Brent's on and off-street parking places, in response to on-going vandalism and theft from 'pay & display' machines, and the resultant loss of income to the Parking Account. The report requests Executive's approval to proceed with a programme of introducing Voucher Parking for a trial period in conjunction with the existing 'pay & display' parking schemes in Brent.
- 1.2 The report also informs Executive on the review of parking charges in Brent's Controlled Parking Zones and requests Executive to approve in principle a uniform 'pay & display' parking charge structure in Brent's parking places as detailed at Item 3.27 and to delegate authority to the Director of Environment to determine whether to implement the changes to parking fees following consideration of the responses to consultation.

2.0 Recommendations

- 2.1 That Executive notes the content of this report.

- 2.2 That Executive approves the introduction of a voucher parking scheme for a trial period of between 6 and 12 months in Brent's on and off-street parking places and approves the charges for vouchers as detailed at Item 3.20 and to note that a further report will be presented to members with the outcome of the trial period and any proposals to extend it for a further period including any necessary procurement issues.
- 2.3 That Executive approves the procurement of a suitably qualified contractor to operate the voucher parking scheme for a trial period on behalf of Brent Council.
- 2.4 That Executive agrees, in principle but subject to consultation, a uniform 'pay & display' parking charge structure boroughwide as detailed at Item 3.27 and to delegate to the Director of Environment authority to determine whether to adopt the new parking fees having considered the responses to consultation.
- 2.5 That Executive authorises the Director of Environment to undertake the necessary statutory processes for the making of Experimental Traffic Management Orders to facilitate the implementation of voucher parking and if he so determines following consideration of the responses to consultation to amend the existing Parking Places Orders to implement the revised charges.

3.0 Detail

VOUCHER PARKING

- 3.1 All short term parking in Brent's parking places is currently under 'pay & display' control. The facility provides short to mid-term parking, i.e. up to a maximum duration of stay of 4 hours, for visitors to areas under parking control, such as in Controlled Parking Zones (CPZs), or in off-street car parks.
- 3.2 There are 637 'pay & display' machines (parking meters) servicing in excess of 6000 'pay & display' parking spaces in Brent. When the parking meters are fully operational the potential income to the Council is in the region of approximately £1.9m. The income from these machines accrues to the Parking Account, and surpluses in this account contribute to the revenue streams for traffic and transport related schemes.

- 3.3 In previous years the projected annual income from on and off-street parking, and from enforcement of infringements of 'pay & display' parking controls has been steadily maintained. There is a projected shortfall against budgeted surpluses of £962k in the current financial year. This estimated deficit is attributable in the main to substantial increases in theft from parking meters, and to damage and vandalism to these meters. At the time of writing this report a significant percentage of parking meters (30-40%) were reported damaged or vandalised.
- 3.4 In addition to the direct loss of income due to theft and vandalism faulty parking meters render the associated parking places unenforceable. This means that the spaces effectively become free parking places, where drivers are able to leave their vehicles without incurring a charge. If this trend is assessed on a boroughwide basis the corresponding number of 'lost' spaces can be a substantial proportion of the total number of spaces available for visitor parking. This is particularly of concern in CPZs where there is often a high demand for 'pay & display' parking and the loss of this amenity adversely affects the credibility of the parking schemes.
- 3.5 Clearly any loss of income from meter parking will impact on the Council's ability to provide effective enforcement of parking regulations, and on the Transportation Service Unit's ability to deliver traffic and parking schemes normally funded from the Parking Account (Revenue). The current level of loss of income cannot be sustained, nor can the Council continue to maintain the current level of investment in the repair and maintenance of parking meters, and costs associated with surveillance.
- 3.6 Transportation Service Unit officers have carried out consultations with other London local authorities to seek their views on their experiences with theft and damage of parking meters. Indications are that the difficulties experienced in Brent are common London-wide, but with varying degrees of severity. In an attempt to resolve these difficulties, 'cashless' payment systems are being considered which do not require on-street infrastructure, such as scratch-off vouchers, electronic in-car parking meters and 'phone' parking using smartcard technology. The use of the latter options has not been tried sufficiently widely to gauge its success or otherwise amongst operators and users. Voucher parking was a common approach in the 1990's and has generally worked well, although its use has since either been supplemented and/or supplanted by parking meters. However it is seen to be the preferred option to address the increasing levels of theft from parking meters and damage to these machines through vandalism.

- 3.7 Amongst the local boroughs which have operated voucher parking schemes are the London Boroughs of Richmond upon Thames and Waltham Forest, and Woking Borough Council. Richmond Upon Thames have supplemented a number of their parking schemes with pay & display parking, however with increasing vandalism they are considering alternative options, such as 'phone parking' with smartcards. This is still under investigation, although indications are that they are unlikely to pursue the option of voucher parking due to a lack of outlets from where vouchers can be obtained.
- 3.8 The London Borough of Waltham Forest has operated voucher parking since 1996 and continues to introduce this system in its CPZs and other on-street short term parking schemes, together with some pay & display parking where there are no outlets for vouchers. The scheme works well compared with its pay & display only schemes, where again there are on-going difficulties with vandalism and theft. The success of the authority's voucher parking scheme has however ensured that its income from on and off street parking, and enforcement thereof, has not been adversely affected due to theft and vandalism.
- 3.9 The boroughs of Kingston, Enfield, Newham, Hackney and Harrow have all expressed an interest in voucher parking in view of on-going difficulties with parking meters, and indications are that these boroughs will adopt voucher parking either as 'stand alone' options or in conjunction with pay & display parking.

VOUCHER PARKING – METHOD OF OPERATION

- 3.10 Vouchers are 'scratch cards' (example at Appendix A) which are validated by scratching off the day, date and time of arrival at the parking place. The onus is on the driver to do this and then to display the voucher in the vehicle. Failure to comply will result in a Penalty Charge Notice (PCN) being issued.
- 3.11 Vouchers can be purchased either individually or in multiples in books, and for periods of stay ranging from thirty minutes to the maximum period of stay permitted in the parking place. The cost of a voucher generally reflects the charge structure in the area; for example, if the cost of pay & display parking is 30 pence for 20 minutes, the voucher cost will also be 30 pence for 20 minutes. Vouchers can be purchased for multiples of 20 minutes, for example, 40 minutes, 60 minutes, etc. up to the maximum permitted period of stay. Purchases can be made by post, Parking Shops, as well as retail outlets close to parking facilities.

- 3.12 On arrival at the parking place signs (Appendix B) will alert the driver to the method of parking and will indicate where a voucher can be obtained (Appendix C). There will inevitably be a delay between obtaining a voucher and returning to the vehicle, and this is taken into account when the enforcement regime is developed for such a scheme, which in turn will need to take into account the proximity of outlets from where vouchers can be purchased (5 minutes with the Waltham Forest schemes).
- 3.13 The success of a voucher parking scheme is dependent upon a sufficient number of retailers' acceptance to participate in the scheme as outlets for vouchers. As an incentive to participate in the scheme a small percentage (typically 10%) of the voucher value is reimbursed to the retailer. Retailers do however have to make a commitment to fully participate and to afford a 'voucher customer' the same priority as any other customer. However this is not binding and those authorities which have opted not to continue with voucher parking have cited the lack of participation and cooperation from outlets as the primary reason for the failure of the voucher scheme.
- 3.14 The scheme can either be operated and administered 'in-house' or by a specialist contractor. The London Borough of Waltham Forest has appointed a contractor to operate its scheme, and the functions undertaken by the contractor include marketing and consultation to find suitable outlets, printing and supplying vouchers, scheme implementation in new areas, cash collection, auditing and banking. The contractor does not levy a fee for the services provided but retains a 22% of the amount collected, which includes the commission payment to outlets. There is therefore a substantial saving to the Council as there is no capital outlay, and on on-going staffing costs which would have otherwise been necessary if the scheme was managed and operated in-house.
- 3.15 The operation of voucher parking schemes have shown a number of advantages over pay & display parking, which include:
- No disruption to parking amenity.
 - Where parking meters are damaged, enforcement can be maintained
 - No financial outlay for machines. Supply and installations costs average £3500 per machine, and in the majority of CPZs recently introduced in Brent significant delays have occurred as a result of specialist contractors (such as EDF) failing to meet agreed dates for their works.
 - No annual maintenance charges (otherwise typically £250 per annum per machine) and repair/replacement costs due to damage/theft.
 - Reduces street clutter

- Vouchers can be pre-purchased – no need to look for change for meters.
- Avoids queuing at meters, which can be a problem in inclement weather conditions.
- Reduction in collection and administration costs.

However, there are some disadvantages which include; the scheme will require some significant publicity to ensure all drivers are aware of the scheme, likely confusion over the meters and vouchers, and errors made when scratching out the days and times.

BRENT'S OPTIONS

- 3.16 The financial implications stated at paragraph 4 clearly demonstrate that the development and implementation of an alternative option to Brent's pay & display parking schemes is of high priority. Whilst technology exists for cashless systems such as credit card payments and parking debit cards, there is still the reliance on on-street infrastructure such as pay & display machines. The machines will remain susceptible to damage and do not therefore offer a feasible short term solution.
- 3.17 Advanced technology such as in car meters, smartcards and phone parking is being developed and tested by private car park operators. Some local authorities consulted, such as Richmond upon Thames, have shown interest in these as an alternative to their pay & display parking schemes, but this is purely at an inception stage. As these options have not been sufficiently tested, it is suggested that they are not considered at this stage as an alternative to, or to supplement Brent's pay & display parking.
- 3.18 The London Borough of Waltham Forest's experience with voucher parking, which has been in operation since 1996, has shown that the scheme can work successfully provided sufficient outlets exist for vouchers; a large majority of Brent's parking places are situated in close proximity to suitable outlets. In view of the continuing loss of income to the parking account officers recommend that the option of voucher parking be progressed boroughwide, initially in conjunction with pay & display parking. However where there are no outlets it is suggested that meter parking be retained during the initial experimental phase of the operation of voucher parking.
- 3.19 Voucher parking (other than for a trial period) does however require extensive publicity and advertising before a scheme is widely accepted and used. The acceptance has to be from drivers accessing parking places, who until now have only experienced pay & display parking in Brent. The concept of voucher parking will require a period of time for drivers to become accustomed to a new system of parking. Retailers and businesses generally in Brent have traditionally opposed parking

control schemes and may not therefore wish to participate as outlets. Whilst this possibility exists it is likely that participation will increase as familiarisation and acceptance of voucher parking grows. In addition, the incentive of commission and the potential for additional trade from visiting drivers may prove sufficiently attractive to encourage participation.

- 3.20 To encourage the use of vouchers in preference to pay & display it is suggested that an incentive in the form of a discount on the price of vouchers be offered. The discount should not be considered for single vouchers but offered on purchases of books, at a rate of 10% per book. For example, if the pay & display charge structure at Item 3.27 is approved the cost of parking for 20 minutes will be 30 pence, the discounted rate of a book of 10 vouchers will therefore be £2.70, instead of £3. For periods of stay of 40 minutes, or 1, 2 or 4 hours, the following discounted prices are suggested:

Duration of stay	P&D or single voucher cost	Book vouchers (x10)	of	Discounted price
40 mins.	60 pence	£6.00		£5.40
1 hour	£1.20	£12.00		£10.80
2 hours	£2.60	£26.00		£23.40
4 hours	£4.00	£40.00		£36.00

- 3.21 Executive is recommended to approve officers to invite expressions of interest from specialist contractors to operate a voucher parking scheme for a trial period on behalf of Brent Council, and thereafter to report back to members with the outcome of the trial, any proposals to extend the arrangement for a longer period and to seek approval to enter into a procurement process to appoint a suitable contractor in accordance with the Council's Standing Orders and Financial Regulations for that extended period. It is not recommended that the scheme be operated 'in-house' as the Council does have the expertise or the resources to undertake this work. The advantages to the Council in appointing a contractor have been outlined in Item 3.15.
- 3.22 Subject to Executive's approval to introduce voucher parking in Brent for the trial period it is suggested that the scheme be introduced under an Experimental Traffic Management Order. In doing so the scheme can be reviewed after 6 months of operation and changes made, if appropriate, or withdrawn if necessary. .

REVIEW OF SHORT TERM PARKING CHARGES

- 3.23 The January 2003 Highways (Special) Committee considered a report on proposed parking concession and increase in parking charges boroughwide, and approved increases in short term pay & display parking in all of the Council's parking places. The approved changes were in line with the principle of Brent's Parking Strategy, adopted by

the Council in October 2001, and in line with the Mayor's Transport Strategy and Government policies and advice in respect of integrated transport.

- 3.24 The increases in pay & display charges approved by Committee standardised the charge structure for short term parking into 2 charge bands, as listed in the tables below, with the lower band reflecting areas of lower parking demand and capacity:

Table 1:

Zones	Existing P&D Charges
Wembley Central Inner, Ealing Road Inner, Kilburn Inner,	30p for 20 minutes 60p for 40 minutes £1.20 for 1 hour £2.60 for 2 hours

Table 2:

Zones	Existing P&D Charges
Wembley Central Outer, Ealing Road Outer, Harlesden, Kenton, Willesden, Sudbury, Kilburn Outer, Mapesbury, Wembley Hill	20p for 20 minutes 40p for 40 minutes 80p for 1 hour £1.60 for 2 hours £3.20 for 4 hours

- 3.25 The nature of parking in the outer zones has changed considerably since the January 2003 Committee with the implementation of additional Controlled Parking Zones (CPZs) and the extensions of existing CPZs in these areas. Parking capacity and demand has increased in these areas, which in many cases is similar to the inner zones which operate a higher short term parking charge structure.
- 3.26 Members are informed that permit charges are consistent throughout the borough and that the enforcement regimes are also consistent within the inner and outer zones listed at the tables at Item 3.25. The extensions of CPZs in Harlesden, Willesden and Kilburn have increased capacity and demand for on street parking, as well as the need for additional enforcement.
- 3.27 Officers' views are that the increase in parking capacity, demand and enforcement in outer zones suggests that the dual band pay & display charge structure cannot be sustained indefinitely and recommend the introduction of uniform pay & display charges boroughwide. Executive is therefore requested to agree in principle, and subject to consultation, to introduce a uniform charge structure boroughwide with the following tariff:

30p for 20 minutes
60p for 40 minutes
£1.20 for 1 hour

£2.60 for 2 hours

£4.00 for 4 hours

- 3.28 The proposed changes to the charge structure are within the remit of the Council's approved Parking Strategy and, if approved, are expected to deliver the £132k income for the 2005/6 financial year. It is anticipated that the uniform charge structure will be introduced in May 2005 following completion of the statutory consultation process. The Executive is asked to delegate authority to the Director of Environment to make the final decision on whether to implement the proposed changes having taken into account the responses to consultation.
- 3.29 The proposed increase in pay & display charges will have a positive impact on the pay & display income which could offset the on-going costs of repairs, maintenance and replacement of parking meters, and therefore reduce the burden on the Parking Account. The uniform charge structure is likely to be less confusing for motorists whilst moving between the 'inner' and 'outer' zone of the same parking scheme, and will also facilitate the use of vouchers for parking.
- 3.30 Executive is informed that Brent's Parking Strategy is currently under review and, subject to the outcome of the consultation the revised parking charges and the introduction of Voucher Parking in Brent's parking places will be incorporated in the strategy.

4.0 Financial Implications

- 4.1 The voucher parking scheme is expected to result in an increase in the current level of parking income. Depending on the extent of its success, it has the potential to recover/increase the income from meters and Penalty Charge Notice issues which are both currently suffering due to meter thefts and vandalism. Any voucher only parking spaces as opposed to voucher or pay and metered parking spaces would create a potential saving in meter replacement repairs, replacement and service costs.
- 4.2 The projected shortfall against budgeted surpluses is £962k in the current financial year.
- 4.3 This shortfall results from loss of meter income and a reduction in the numbers of Penalty Charge Notices (PCN's) in areas where meters are not operational.
- 4.4 In addition the amount of expenditure for repairs and replacement of meters has also risen significantly. The projected expenditure for the financial year 2004/05 is £300k compared to the budgeted expenditure of £41k in 2004/05.

- 4.5 The costs of amending existing pay & display signs to incorporate voucher parking are likely to be in the region of £6000. There will be some additional staffing costs for obtaining the Experimental Traffic Management Order to incorporate voucher parking. It is anticipated that these costs will be accommodated within the revenue budget in the current financial year.
- 4.6 Payments during the trial period (approximately £100k) are difficult to estimate, as much will depend on the success in securing outlets for the sale of parking vouchers. However, these are not expected to exceed the amount that would require the interim contract to be formally tendered in accordance with the EU rules.
- 4.7 However, the potential payments to the contractor for the longer term contract, if subsequently agreed, would make the contract a High Value Contract (i.e. in excess of £500k over the life of the contract). The contract would then need to be tendered in accordance with the EU Procurement Regulations.

5.0 Legal Implications

- 5.1 The introduction of a voucher parking scheme will require the making of an Experimental Traffic Management Order, and changes to pay & display parking charges will require an amendment to Brent's existing Parking Places Traffic Management Orders (TMO's) as required under the Road Traffic Regulation Act 1984. The procedures to be adopted for making the actual orders and any amendments thereto are set out in the Local Authorities ' Traffic Orders (Procedure) (England and Wales) Regulations 1996.
- 5.2 The changes in parking fees will require a period of statutory consultation, which means the authority must properly consider any comments and objections to the scheme. If it fails to do this the implementation of the scheme would be unlawful and it would be impossible to enforce. If the process is not carried out properly the decision could be challenged by way of judicial review with the same result.
- 5.3 If the Executive approves the changes to charges in principle a statutory consultation process will then follow. Any objections to the scheme received as a result of statutory consultations will be given full consideration by the Director of Environment who will then decide whether to adopt the increases under his delegated authority as recommended by this report.

6.0 Diversity Implications

- 6.1 The proposals in this report have been subject to screening and officers believe there are no diversity implications arising from it.

7.0 Staffing/Accommodation Implications (if appropriate)

7.1 The Council's Transportation Service and Streetcare Units will undertake the scheme development and will manage the implementation by an appointed Contractor.

8.0 Environmental Implications

8.1 The voucher parking system will partially eliminate the need for parking meters which will reduce street clutter.

Background Papers

Road Traffic Regulation Act 1984
Brent Council's 'Parking Strategy' 2002
Highways (Special) Committee – January 2003

Contact Officers

Any person wishing to inspect the above papers should contact Satnam Sahota, Transportation Service Unit, Brent House, 349 High Road, Wembley, Middlesex HA9 6BZ, Telephone: 0208 937 5140

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APPENDIX A

Example of Voucher

FOLD HERE
YOU MUST SCRATCH OUT FIVE BOXES TO INDICATE THE MONTH, DAY,
DATE AND TIME OF ARRIVAL IN HOURS AND MINUTES.
SEE REVERSE FOR FULL INSTRUCTIONS
FOLD HERE



PARKING VOUCHER

Valid Only in Voucher Parking Zones
& Voucher Car Parks in Surrey

**1
Hour
Areas 2-5**

MONTH

JAN FEB MAR APR MAY JUN

JUL AUG SEP OCT NOV DEC

DAY

MON TUE WED THU FRI SAT SUN

DATE

1 2 3 4 5 6 7 8 9 10 11 12

13 14 15 16 17 18 19 20 21 22 23 24

25 26 27 28 29 30 31

TIME VEHICLE WAS PARKED

HOUR

8 9 10 11 12 1 2 3 4 5 6

MINUTE

0 5 10 15 20 25 30 35 40 45 50 55

HAVE YOU SCRATCHED OUT 5 BOXES?

APPENDIX B

Voucher Parking - Street Sign



APPENDIX C

Voucher Parking – Shop Sign

