

Executive Report

Ward(s) affected: Holy Trinity, Friary & St Nicolas Report
of Director of Service Delivery

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Off-Street Parking Annual Business Plan 2022-23

Executive Summary

The report updates the Executive on progress made in delivering the recommendations approved in November 2020, highlights improvements completed, and work being progressed to support green initiatives, the climate emergency and sustainability.

The report explains changes in service during COVID19 and the excellent work carried out by the service to support key workers, businesses, and residents. However, due to the impact of the pandemic, we have reconsidered how to manage our parking resources to best suit the town's needs and bring forward decisions on pricing strategy make better use of the spare capacity within the town centre car parks, encourage use of the park and ride, and increase revenue.

Recommendation to the Executive

The Executive is asked to approve paragraphs (1) to (12), and to note paragraph (13) below:

Review of parking charges

- Shopper Tariff
- (1) **Option B** - to change the shopper tariff from **£3 for up to 3 hours, £6 for 3-6 hours and £12 for more than 6 hours**, to **£3.60 for up to 3 hours, £7.20 for 3-6 hours and £14.40 for more than 6 hours** (Bedford Rd MSCP, Castle MSCP, GLive, Millbrook, Tunsgate, York Rd MSCP*)
- Short-stay Tariff
- (2) **Option D** - to consolidate the tariff in the car parks charged by the hour from **£1.30 and £1.50 per hour**, and to change them to **£1.80 per hour for the first 3 hours, and £2.30 per hour for subsequent hours** (Bedford Surface, Bright Hill, Commercial Rd 2, High Street, Lawn Road (Saturday only), Leapale Road MSCP, Old Police Station, Millmead House (Saturday only), Portsmouth Rd (Saturday only), Robin Hood (Saturday only), St Josephs Church (Saturday only))

Evening Tariff

- (3) **Option C** - to change the evening charge from **£1 (6pm-10pm Mon-Sat)** to **£1.50 (6pm-10pm Mon-Sun)** (Bedford Rd MSCP, Bedford Surface, Bright Hill, Castle MSCP, Commercial Rd 2, GLive, High Street, Leapale Road MSCP, Millbrook, Old Police Station, Portsmouth Rd, Tunsgate and York Rd MSCP)

Sunday Tariff

- (4) **Option C** - to change the Sunday charge from **£1.50 for up to 3 and £2.50 for 3-6 hours**, to **£2.00 for up to 3 and £4.00 for 3-6 hours** (Bedford Rd MSCP, Bedford Surface, Bright Hill, Castle MSCP, Commercial Rd 2, GLive, High Street, Lawn Road, Leapale Road MSCP, Millmead House, Millbrook, Old Police Station, Portsmouth Rd, Hood, St Josephs Church, Tunsgate and York Rd MSCP)

Car Park Specific Tariffs

- (5) **Farnham Rd MSCP** – change pre-7am rate from **£0.90 per hour** to **£1.00 per hour**, standard rate (7am-7pm) from **£1.00 per hour** to **£1.10 per hour**, and (7pm-7am) rate from **£0.10 per hour** to **£0.20 per hour**.
- (6) **Guildford Park** – change Monday to Friday tariff from **£5.00 per day** to **£6.00 per day**, and Saturday tariff from **£1.00 per day** to **£2.00 per day**.
- (7) **Shalford Park & Walnut Tree Close** – change Monday to Friday tariff from **£3.20 per day** to **£4.00 per day**.
- (8) **Ash Vale Railway Station** - change Monday to Friday tariff from **£1.00 per day** to **£1.50 per day**.

Amend Traffic Regulation Order

To formally advertise changes to:

- (9) make the EVCP bays enforceable and available only to vehicles being charged.
- (10) extend the operational hours of the parking controls at Millmead House car park from 6pm to 10pm
- (11) replace the “Green Scheme” with a pay by phone solution that provides greater benefit for All Electric vehicle users in the pay and display car parks, equivalent to a tariff reduction of **£0.20 per hour**
- (12) make the necessary amendments, as and when required, to reflect the permanent closure of Commercial Road 2, Guildford Park and Old Police Station car parks, which are all due to close in 2022/23.

and if any representations are received, for the Parking Lead, Head of Technical and Operational Services and Director of Service Delivery to consider these in consultation with the Lead Member.

EV Strategy

- (13) that a strategy is developed to define the Council’s role in this developing sector.

Annual Report

- (14) To note the performance of Parking Services in 2020-21, as detailed in Appendix 2 to this report.

Reason(s) for Recommendations:

Pricing Review

Town centre parking:

- is an enabler to around £150-200m of retail activity within the local economy, as well as supporting a wide variety of other business needs (*Systra Parking Study 2020*),
- pricing is the primary mechanism with which to modify user behaviour, and in line with the Council's strategic aims, encourage more sustainable transportation modes, such as the Park and Ride, public transport, cycling and walking,
- generates a significant surplus with which to maintain and improve the parking facilities, and more generally, support the Council's budget.

Although the primary mechanism to modify behaviour, convenience is also a key factor in determining visitors' choice of transportation mode and parking location. This is supported by the fact that, in recent years, the incremental increases in tariffs have not greatly impacted overall usage of the car parks. This is despite challenging conditions being experienced by the retail sector.

Therefore, although price increases may be perceived as being harmful for the local economy, particularly at a time when it is recovering from the pandemic, the provision of convenient and good quality parking are more important influencing factors, and something that our car park refurbishment programme has built upon in recent years.

Tariff Options - all increases shown are based on comparisons to "2019 occupancy levels and 2021-22 charges" (see Appendix 1 for more detail)

- A. No Change – provides no additional encouragement for visitors to consider sustainable transport alternatives and would not bring income back to 2019-20 levels, based on anticipated utilisation
- B. Minimum increase – encourages greater use of sustainable transport alternatives but would not bring income back to 2019-20 levels, based on anticipated utilisation
- C. Maximum increase - encourages greater use of sustainable transport alternatives and would bring income back to 2019-20 levels, based on anticipated utilisation, but the larger tariff increases may cause additional resistance,
- D. Recommended increase – encourages greater use of sustainable transport alternatives and provides a reasonable balance between risk and reward, bringing income back to 2019-20 levels, based on anticipated utilisation.**

High / Low / Recommended Revenue Calculations – BEFORE USAGE FACTORING

- | | |
|--|------------------------------|
| A. Maintaining existing tariffs: | Revenue = £9,162,639 |
| B. Implementing all the minimum tariff increases: | Revenue = £10,251,437 |
| C. Implementing all the maximum tariff increases: | Revenue = £11,901,617 |
| D. Implementing all the recommended tariff increases: | Revenue = £10,997,936 |

Usage factoring - Potential impact of occupancy & resistance variables

The actual changes in revenue will very much depend on how occupancy levels ultimately recover from the pandemic and the level of resistance to the tariff changes.

For example **Scenario D** (based on **Recommended** tariff changes):

- **95%** occupancy compared to 2019 levels
- Less **5%** resistance due to tariff changes

Revenue = £9,898,142

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

- 1.1** To review the pricing structure proposals and seek approval from the Executive for implementation of the proposals.
- 1.2** To review improvement works undertaken and work we intend to undertake during 2022-23.
- 1.3** To report on Parking Services' performance in 2020-21 (Appendix 2).

2. Strategic Priorities

- 2.1** The Parking Service contributes to all three fundamental themes of the Council's Corporate Plan. Effective parking strategies also contribute to the Surrey Transport plan and help mitigate climate change and improve air quality.
- 2.2** Town centre parking:
 - is an enabler to around £150-200m of retail activity within the local economy, as well as supporting a wide variety of other business needs (*Systra Parking Study 2020*),
 - pricing is the primary mechanism with which to modify user behaviour, and in line with the Council's strategic aims, encourage more sustainable transportation modes, such as the Park and Ride, public transport, cycling and walking,
 - (normally) generates a significant surplus with which to maintain and improve the parking facilities, and more generally, support the Council's budget.
- 2.3** The Annual report (Appendix 1) sets out how the Parking Service has operated to support and deliver the objectives detailed in the Parking Strategy. The aims of the Parking Strategy are to:
 - encourage the use of more sustainable transport modes including park and ride,
 - review the provision of car parks to encourage drivers to park and return directly along main routes using a "**drive to, not through**" approach,
 - look to maintain capacity for off-street parking in interceptor car parks which take traffic off the roads before it reaches the town centre, thereby reducing congestion and pollution,
 - provide a range of parking options to support a vibrant economy,

- annually review parking tariffs and usage in order to maintain a hierarchy of charges with on-street parking in the town centre having the highest tariff and the cost of parking reducing the further a driver parks from the centre,
- keep park and ride bus fares low compared with town centre parking charges and to promote it as an alternative to parking in or near the town centre,
- develop more park and ride sites,
- monitor external indicators to ensure that the local economy continues to be successful,
- maintain safe traffic flow,
- where necessary, prioritise space for residents and where it is supported by the local community.

2.4 Future areas for development potentially include:

- bus lane camera enforcement using our CCTV control room is due to commence in early 2022
- explore ways to encourage utilisation of car parks during quieter periods, possibly through the provision of EVCP to encourage residents that would otherwise park on-street with electric vehicles, to instead park within the car parks and charge their vehicles overnight,
- deploying greater enforcement resource particularly in the evenings and on Sundays,
- Sunday on-street restrictions close to the town centre were introduced in November 2021 along with on-street pay-by-phone,
- using new technology and other changes to improve efficiency,
- changing restrictions to give greater priority to permit holders and reduce limited waiting bays,
- looking at the existing provision for EV Charging, disabled and parent and toddler spaces, to see how we can provide additional and better provision.

3. Background

3.1 Projected Budget Position

We have a budget requirement in 2022-23 of approximately £10m net of VAT from car parks. The COVID pandemic significantly disrupted behaviours and subsequently revenues in the car parks. The impacts are persisting in that there appears to be long term change to working practices, affecting contract parking, as well as a slow return to “normal” for other activities, such as shopping and visiting restaurants in the town. Whilst we have seen a steady improvement and appear to be on track to exit the financial year at a level of 92% on 2019 numbers, the recovery is fragile as demonstrated by the move to “Plan B” in early-December 2021, with no financial support relating to revenue impacts being put forward by Government.

In 2021-22, we look likely to achieve a net revenue figure of between £6m and £7m. There is a significant budget gap and in the light of the fact that we have not adjusted prices since 2020, partly in order to support residents, visitors, and businesses, it is now time to consider pricing.

3.2 Financial modelling

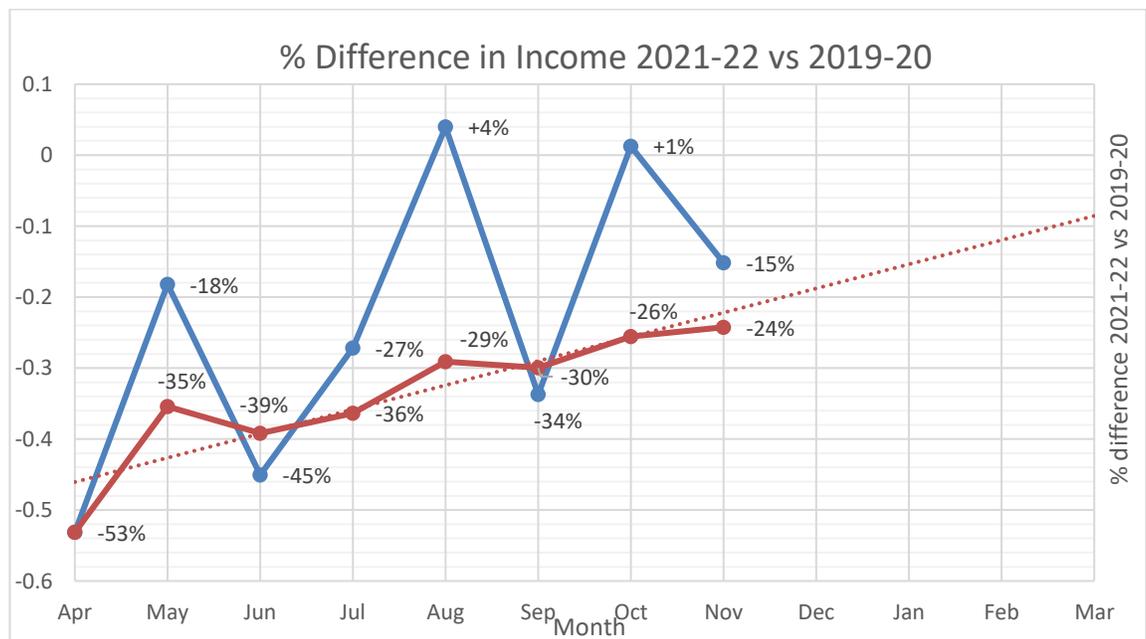
In order to try to model what the future might look like, we do look for trends in behaviours demonstrated by tickets sold and revenues, however the disruption of the last two years means that we have limited data that can be reliably used to indicate the future trends. This makes price setting and budgeting extremely challenging. Whatever we use has flaws and risks associated with the pandemic itself as well as from changing behaviours.

In addition, there are often assumptions that the cost of parking, and any increases will reduce the attractiveness of the town to the benefit of other retail centres, such as Woking, Camberley, and Kingston. The evidence we have does not support this assumption and actually confirm that price is a minor deciding factor and that the parking provision is a significant revenue enabler for businesses in the town.

That said we have a major budget gap and if we aim to close this, we need to significantly raise prices from April 2022, and we have set out some recommended price rises.

Appendix 1 sets out the detailed parking charges options. This takes 2019 numbers and factors in the recommended pricing changes and gives a revised number based on 2019 usage. At first look this would indicate a significant revenue to £11m. However, we are very unlikely to get to 2019 usage numbers therefore the revenue needs to be factored down to account for the likely usage. The challenge we have is coming to a sensible place on likely usage and need to take into account the resistance in lost custom due to the new charges.

In order to define a running rate and a clear trend we have tracked the activities so far this financial year against the numbers in the same months from 2019. There are some dips and spikes, which will be in part because some months in 2019 will have 5 weekends but the same month in 2020 will have 4 weekends. The chart is on the next page:



The 0% level on the left-hand side is the 2019 number and the blue (monthly) and orange (cumulative) lines are the 2021 monthly comparisons to the same month in 2019. It can be seen that whilst there have been peaks and troughs (in part to where weekends fall), the general trend is improving and cumulatively to November we are seeing a 24% reduction in income. From looking at the trend line from the revenues we appear to be on track for exiting and having a run rate of 92% on 2019 usage if there is no further interruptions to our business.

So, at an optimistic level if we exit at 92% and the growth trend we are seeing continues, it is feasible to start seeing consistent usage in line with 2019 numbers at some point in 2022. However, we are currently sitting at 76% cumulative and we do not know where the parking use will actually level off.

Therefore, caution is advised in applying a usage level to income. I would suggest using a figure of 90% of 2019 usage made up of a trend to 95% usage and then a levelling off with a resistance factor of 5% to the new pricing resulting in a net 90% usage compared to 2019.

We then need to undertake a two-stage process to predict revenue.

Step 1 is to take the 2019 revenue and ticket sales and apply the new rates to that transactional volume.

Step 2 is to take that number and apply the usage factor at the suggested level – in this case 90% to predict the likely revenues. Appendix 2 sets out the tariff ranges and calculates the revenue position from those changes.

The table below sets out in the “90%” column the min, max and recommended scenarios we are suggesting budgeting on. The remaining columns set out the likely financial position relevant to the pricing mix chosen and the usage we actually see to allow us to understand the impact of different levels of usage in any of the pricing scenarios.

	Usage levels					
Pricing position	2019 (100%)	80%	85%	90%	75%	70%
Minimum	10,251,437	8,201,150	8,713,721	9,226,293	7,688,578	7,176,006
Maximum	11,901,617	9,521,294	10,116,374	10,711,455	8,926,213	8,331,132
Recommended	10,997,936	8,798,349	9,348,246	9,898,142	8,248,452	7,698,555

It should be noted that the cell highlighted in green represents the recommended pricing options and the suggested usage we budget for and will deliver a revenue of just under £10m.

It is clear that if usage is above where we are suggesting, then our position will be greatly improved. Whilst a usage of below 70% is possible, based on this year’s cumulative numbers it is considered unlikely outside of a wholesale and extended lockdown, and all scenarios and usages modelled will improve on the 2021/2 incomes.

The challenges are therefore:

1. Setting a realistic usage level for budgeting purposes
2. Selecting a set of tariffs that are acceptable and meet our financial needs

3.3 Works Undertaken

A summary of the progress made in delivering previous recommendations approved by the Executive are as follows:

2021/22 Works Update	Progress
Re-coating decking works carried out at Leapale Road MSCP	Completed
Solar PV works carried out at Farnham Road MSCP	Completed
Introduction of new 'Shopper' tariff in Bedford Rd MSCP, Castle MSCP, GLive, Tunsgate and York Rd MSCP car parks.	Completed
Introduction of 'Short-stay' tariff in Leapale Rd MSCP	Completed

-=

3.4 Bedford Road MSCP Replacement of Pay & Display Machines

Following the introduction of new contactless P&D equipment in Bedford Road MSCP, which allows users to pay by card as well as by coin and pay by phone, utilisation of the contactless facilities has continued to increase as a proportion of the payment options (coin, contactless and pay by phone), and now accounts for 26% of all transactions within the car park. 57% of transactions are pay by phone and 17% of transactions are coin.

3.5 Drive away "Regulation 10" enforcement

Shortly before the first national lockdown, in January 2020, we began issuing "Regulation 10" postal PCNs for those offences where the enforcement officer was prevented from issuing the ticket on the car. This is assisted by the team having the capability to evidence drive-aways using bodycams.

During 2020-21, 267 Reg.10 PCNs were issued by post. Although the majority of these relate to on-street contraventions, the figures for both on- and off-street locations would have been higher, were it not for the pandemic, and the impact it has had on parking activity, non-compliance, and enforcement.

Planned Improvements

- 3.6 **Penalty charge notice / permit 'back office' system** – the present system is 'end-of-life' and this limits the ability to issue virtual permits and interface with handheld enforcement devices that can automatically log vehicle number plates. During 2022-23, the intention is to replace the existing software with a system(s) which provide improved functionality, customer experience and at reduced cost.

- 3.7 Pay on Foot replacement** – the present equipment is around 10 years old. Although delayed from 2020-21, the procurement of replacement equipment for a number of the car parks has recently recommenced. This could potentially be expanded to include additional car parks, that are currently pay and display. It is the intention to introduce a ticketless, automatic number plate recognition system, which will improve customer experience, the ability to analyse car park data, and reduce unserviceability and maintenance costs.
- 3.8 Pay and display equipment replacement** – the equipment within the pay and display car parks is around 10 years old. Following on from the Bedford Road MSCP pilot involving new contactless pay and display equipment, the intention is to investigate the possibility of rolling this out across all pay and display car parks in 2022-23. This will offer customers greater flexibility with which to pay to park, the opportunity to rationalise the number of machines, the more modern, networked equipment will provide an improved ability to analyse car park data and reduce unserviceability and maintenance costs.
- 3.9 LED lighting renewals** – as part of the cyclical 5-year replacement of the car park lighting, all lighting will be replaced with newer, more efficient LED fittings. Additionally, intelligent lighting will be used to reduce energy consumption at times that the car parks are less well used. It is estimated that this and the use of newer, more efficient fittings will generate a saving of around £56,500 per year over the 5-year life-cycle of the lighting. It will also help reduce the Council’s carbon footprint.
- 3.10 Bedford Road MSCP pedestrian ramp** – the ramp that leads to / from The Friary Shopping Centre is looking ‘tired’ and unwelcoming for users visiting the town. The ceiling has also developed a leak. Asset Management are investigating the possibility of bidding for funding from the Welcome Back Fund to repair and redecorate this area. Improving the appearance of this area may also make it more attractive to prospective advertisers, to utilize the extensive wall areas for messaging. This has the potential to generate additional revenue to the Council.
- 3.11 Refurbishment Process** – Below is an update of the current position of planned maintenance and improvements to car parks, due for completion in 2021-22. Proposed works in 2022-23 are described in section 7.1.

AWAITING UPDATE FROM ASSET MANAGEMENT

Car Park	Working Details	Cost	Expected Completion or other information
Bedford Road	Cleaning, decorating, minor repairs	£10k	completed
Castle Street	Cleaning, decorating, minor repairs	£5k	completed
	Stair core repair and decorate	£8k	completed
	Structural repairs - roof turret timbers	£60k	In design but this work is more expensive than originally anticipated and will require more funds to undertake during 22/23
Farnham Road	Additional barriers	£15k	completed
	Stair cores deck coating	£70k	In design, work will slip to next FY

	Structural and misc. repairs	£40k	In design, work will slip to next FY
Leapale Road	Deck coating	£400k	completed
	Structural repairs	£20k	completed
	Stair cores deck coating	£15k	completed
	Replacement signage	£30k	completed
York Road	Cleaning, decorating, minor repairs	£5k	completed
	Drainage Repairs	£17k	completed
	Structural repairs	£50k	completed

3.12 EV Provision –an additional two EV charging spaces are being installed in each of the following town centre car parks; -

- a. Bedford Road MSCP - completed
- b. Bedford Road Surface – pending work
- c. Castle MSCP – Locations identified, pending work
- d. Farnham Road MSCP – 4no. to be completed December 2021
- e. G-Live - completed
- f. Mary Road -Establish best locations before progress work
- g. Millbrook – completed
- h. York Road MSCP – 2no. to be completed December 2021
- i. Leapale Road – 6no. to be completed January 2022

Furthermore, all the EVCP spaces in the public car parks are now sensorred, so it is easier to identify when the spaces are occupied and potential misuse.

The recommendation to make these bays enforceable will also assist in making the more available for those wishing to charge their vehicles.

Further opportunities will be explored to increase provision, and to this end, it is recommended that a strategy is developed to define the Council’s role in this developing sector.

4 Parking Services Update

4.1 Parking Services Response to COVID-19 Pandemic

In March 2020 when the impact of COVID pandemic restrictions became apparent, parking services made significant changes to support businesses and residents, responding rapidly in providing the following support, enabling residents to follow government guidelines by staying at home and protecting the NHS and allowing key workers the freedom to continue their important duties whilst not worrying about parking.

Supporting Residents

- Enforcement of permit bays on-street ceased to allow residents more time and space to park whilst isolated at home,
- Enforcement ceased in car parks and free parking instituted. This allowed residents more space and key workers to continue supporting residents and the town,
- Back-office enforcement officers stopped challenges and PCN processing and

created a new COVID-related cancellation policy, arranged payment plans for those experiencing difficulty and suspended appeals,

- Permit issuing ceased and during the annual renewal process a 2-month discount has been provided, as residents with permits had not benefiting from them during lockdown.
- When enforcement restarted, to assist permit holders in area A, B and D, additional parking in car parks from 6pm to 10am for £1 was offered. Where residents were coming home later into areas that were congested, rather than circuit the area trying to find a space they could easily use a space in a nearby car park.

Enforcement ceased on 23rd of March 2020 and was re-instated on the 1st of July 2020, with a 2-week warning notice period allowing people time to adjust to re-instated charging.

Support for Businesses

- Market rents were stopped, and once Markets were allowed to open outside, support was provided for traders on social distancing measures. The measures undertaken were provided to the Cabinet office as part of a case study on open markets. One trader gave a statement on her experiences and how well it had gone, which was well received.
- Contract parking/season ticket rates were suspended in March 2020. In August 2020 a reduction in rates was offered to hold spaces until the end of January 2021 while businesses developed plans for staff to return to the workplace,
- The Parking team also supported in other ways such as free parking at certain times during the “eat out to help out” campaign in August 2020.

Support for the COVID response

- Free parking was providing to Surrey Police until July 2020 for approximately. 400 officers. From August 2020 a 50% discounted key worker pass was made available for them to use at Farnham Road MSCP and this ran until July 2021,
- Free parking was provided to BMI who were supporting NHS efforts until July 2020 at Bright Hill car park. From August 2020 a 50% discounted key worker parking was provided to BMI at Bright Hill car park and this ran until July 2021,
- In line with the national NHS scheme, SCC issued a key worker permit which is supported by GBC both on-street and in its car parks until July 2021,
- With the support of our partners, Onslow Park & Ride car park was handed over to the DHSC in June 2020 to provide a Test and Trace hub within this part of Surrey. This arrangement is ongoing until at least March 2022.
- With the support of GBC colleagues, GLive car park was handed over to the NHS in January 2021 to provide a Vaccination hub within Guildford. This arrangement continued until July 2021.
- From August 2021, and with the support of our partners, part of Artington Park & Ride car park was handed over to the NHS to provide a replacement Vaccination hub for Guildford and Waverley, replacing the facility at GLive. This arrangement is ongoing.
- The Parking team also assisted various pharmacies in the setting up and the operation of their vaccination programmes, through special permitting arrangements and modified enforcement.

Resourcing within Parking Services

Those staff that could work from home did so, which allowed certain parts of the service to continue operating and react to the changes required. Those staff that were not able to work from home were redeployed where possible to help with COVID-related support such as delivering packages to the vulnerable, leaflet dropping of support services, packing of support boxes, additional cleaning and other duties.

The Parking team responded rapidly and adapted quickly to changes in support of residents, business, the town, and the national effort. The enforcement team has worked in a COVID-secure environment throughout the pandemic, with measures put in place to minimise the risk of infection. Whilst this has meant that the enforcement operations have sometimes been impacted, strenuous efforts have been made to try to minimise its effect. Those staff that could work from home did and others were redeployed to support the wider COVID efforts.

Town recovery and stabilisation

The situation continues to be monitored and adaptations made as and when circumstances change. Although various unknowns persist, this annual business plan provides the first real opportunity to consider the post-pandemic situation with any degree of certainty.

4.2 Park & Ride

Guildford has a network of Park and Ride sites. With plans to develop the town centre, and limited scope for absorbing increased traffic flows, the continued development of Park and Ride is important.

The town currently has four sites: Artington (742 spaces), Merrow (338 spaces), Spectrum (254 spaces) and Onslow (550 spaces). 9 electric buses were introduced to the service in January 2019 with a capacity of 36 passengers and one-wheelchair user. Other benefits aside from greener travel, include free Wi-Fi and USB charging.

Historically, the operation of the P&R sites has been funded by the on-street parking account, which ordinarily generates a surplus. However, there have been reductions in on-street parking revenue in recent years and balancing the budget has become more challenging. In 2019, measures were put in place to try to reduce costs by removing the permanent guards. This has resulted in a saving of around £85,000 per annum.

The impact of the pandemic on on-street parking utilisation and enforcement has been such that in 2020-21, the on-street income vs costs did not generate a surplus. However, the Government's Covid-related compensation scheme for lost revenue, provided £490,517 in funding. As a result, the account was £303,661 in surplus.

Furthermore, the suspension of the P&R bus service for periods during the pandemic, and the subsidies offered by central government to the bus operators mean that no subsidy was required for the majority of bus services during 2020-21. The central government funding for bus operators has been extended into 2021-22 and will continue until the end of 2021.

As a result, the cost of operating the sites and bus services reduced from £631,597 in 2019-20, to £374,146 in 2020-21. The vast majority of these costs relate to cost of providing the parking facility (rent, rates, electricity, etc...).

Funding 2019-20	£
Bus contract price (net of fare income)	47,585
Car park running costs (rent, site maintenance, general rates and other costs)	326,561
Total cost	374,146
Guildford On-street parking surplus	0
Paid from Guildford On-street parking reserve	0
Total funding	0
Shortfall of funding	374,146

The introduction of the minimum £3 charge within the town centre 'shopper' car parks in December 2020 now often makes it cheaper to use the P&R service than the alternative town centre car parks for all but the shortest visits. This may encourage greater patronage of the P&R service, thereby reducing the need to subsidise the bus service and improving the financial position.

The slow return to normality, combined with changes in the operational hours of the on-street controls within the central areas of the CPZ, may generate additional income from the changes and enforcement activity, and this too may assist the financial position.

The Bus Lane Enforcement Camera schemes in Onslow Street and Woking Road in early 2022 also has the potential to generate additional revenue, and any surplus controlled by the GBC and the GJC could possibly be ring-fenced, in order to contribute towards funding the P&R operation.

Other measures the Parking team are considering, in order to reduce costs and increase revenue:

- Increased usage of the P&R sites by those visiting the town would reduce the subsidies currently paid to the bus operator, to provide the link to the town centre from the Onslow and Spectrum sites. In this regard, relaxing the planning permissions, as outlined in section 1.6, would enable the bus operator to operate the service over an extended period, and in turn, this may help improve patronage,
- the relaxation of the planning permissions at existing P&R sites may provide other opportunities to make savings / generate income and in turn, improve the financial position such as,
 - potentially relocating of a bus depot to the Artington P&R site, utilising underused space,
 - potential to utilise underused space at Onslow P&R for local business needing parking,
- consider the existing P&R sites and if there are more suitable sites to service the public's needs, such as the Northern / North-eastern corridor, where subsidies may not be required.

Although the ticketing offer is primarily determined by the bus service operator in consultation with Surrey County Council's Passenger Transport team, it has repeatedly been suggested that a family / multiple occupancy bus ticket should be offered to customers, to improve value for money still further when compared to the town centre car parks. Whilst this could potentially help increase patronage, it may also require additional subsidy, which given the challenging funding position, could be difficult to justify. Nevertheless, the bus service operator and SCC have been made aware of the suggestion. It should also be noted that it is already possible for two under 16s to park and ride for free with each a fare paying adult.

If the decline in the on-street surplus is not arrested and / or savings / increase revenue generated by the P&R sites themselves, the ability of the on-street account to fully fund the P&R service, without requiring subsidy from other funding sources, is uncertain.

4.3 Guildford Parking Study / Guildford Economic Regeneration Plan

A number of the town centre surface car parks are seen as potential sites for development as part of the Local Plan. Parking Services, in partnership with our Planning and Corporate Programmes colleagues, commissioned the 2020 Systra Guildford Parking Study. This study identifies the additional demand for parking that is likely to be generated by development both from within the borough and immediately beyond, and where best to provide the appropriate parking now and in the future. The study confirmed that demand is still required and ultimately availability and flexibility is more important to visitors than pricing. Even though we currently have car parks within the town that nearly always operate with spare capacity, removing some surface car parks could have an impact on people visiting services in Guildford.

During 2022/23 the following car parks are earmarked for permanent closure:

- Bright Hill (121 spaces – currently operating at 60)
- Commercial Road 1 contract car park (12 spaces)
- Commercial Road 2 (52 spaces)
- Guildford Park (400 spaces – currently operating at 220)
- Old Police Station (62 spaces)

It is anticipated that spare capacity in other car parks will, at all but peak times, accommodate the displacement.

In total, around 20-25% of the town centre parking spaces are earmarked for redevelopment. Clearly, without re-provision in locations that meet the levels of convenience expected by our customers, this could impact the ability of car parks to act as an enabler to the local economy and also directly and indirectly impact revenues to the council.

4.4 Future Guildford Transformation Programme

During the 2020-21, Guildford Borough Council reviewed and implemented Phase B of its transformation programme. As a result, the Parking team moved from the Borough Council's Waste, Cleansing, Recycling and Parking service into its newly formed Customer, Case and Parking service.

The aim of the transformation is to create a more agile, resilient, and cost-effective service. As a result, now all permit issues and general parking enquiries are, in the first

instance, dealt with by the Customer Services team. More in-depth parking administration functions are performed by the Caseworker team. A scaled-back Parking team continue to oversee day-to-day operations, and the implementation of strategies, projects, and reviews.

The number of enforcement officers was also reduced as part of this process, eliminating the 3 posts that were vacant at the time of the re-organisation. However, it should be noted that in order to maintain our on-street parking agency commitments to Surrey County Council, these reductions were restricted to the off-street element of our operation, and on-street enforcement operations have broadly been unaffected by these changes.

It is hoped that these changes will derive savings for both the on-street and off-street parking operations. However, the reduction in the size of the team has impacted its ability to analyse data, progress projects and exploit commercial opportunities.

Notwithstanding, to fill vacant posts, and to cover the expanded enforcement requirements associated with the extended operational hours of the town centre parking controls, we are currently recruiting for 3 permanent and 5 temporary enforcement officer posts (1 permanent post and 1 temporary post having already been filled).

4.5 Government's Breathing Space Initiative

In May 2021 the government introduced its Breathing Space initiative. This aims to assist those with debt issues, by centralising the management of their debt and reducing the impact on their finances that trying to independently manage multiple debts can have. The Parking team have adapted its notice processing and debt recovery processes accordingly.

4.6 Parking Transactions

Ticket sales and income for 2020-21 were significantly affected by the pandemic, being around a third of pre-pandemic levels. The initial suspension of parking charges to assist with the pandemic response, coupled with various periods of partial and full lockdown, and the resultant suppressed demand, made such a reduction in use inevitable.

Furthermore, a number of the car parks were used to provide ongoing support for the NHS vaccination campaign at GLive, BMI at Bright Hill and Surrey Police at Farnham Road car parks.

Because of these variabilities, and the continued uncertainties about demand due to the pandemic, it is too early to assess how effective the introduction of the Shopper tariff and Farnham Road MSCP 'early bird' tariff have been and what effect they have had on visitor behaviour. We hope to report back on these in due course, when a degree of normality has returned.

Year	Ticket Sales	Ticket Income
2017-18	3,231,746	£8,259,695
2018-19	3,198,422	£8,284,819
2019-20	3,011,822	£7,992,175
2020-21	1,040,547	£7,269,140 <i>(including £4,614,223 government grant)</i>
2021-22	2,770,876 <i>(projected at period 8)</i>	£7,352,801 <i>(projected at period 8)</i>

The 2021-22 transactions up to and including November 2021 suggest that cumulative ticket sales are 75% of the same period in 2019-20, and cumulative ticket income is 76% of the 2019-20 figure. Furthermore, the situation is improving as the year has progressed, with an end of year projection of 92% of 2019-20 figures is a possibility, albeit that much still depends on the pandemic.

4.7 Season tickets / Contract Parking

As with ticket sale transactions, revenue from season tickets and contract parking for 2020-21 were significantly affected by the pandemic. In parallel with the initial suspension of parking charges to assist with the pandemic response, the season ticket and contract parking schemes were suspended.

To support businesses, when car park charging and the season ticket and contract parking schemes were reinstated in July 2020, significant flexibility was offered to assist customers and their much-changed working patterns. For those customers that were uncertain about their requirements, a 25% 'retainer fee' was levied for the remainder of 2020-21 for those contract spaces / season tickets that they weren't using. This also avoided a mass-cancellation of contract spaces / season tickets, with the obvious impact that this would have had on revenue. The flexibility that the pre-payment card option available to regular customers also came into its own, with many season ticket holders converting to pre-payment cards, so that they only pay for what they use, rather than paying a flat rate fee, that is charged regardless of use.

In spite of changes to working patterns resulting from the pandemic, all contract parking spaces are now occupied, and once more, we have waiting lists for those wanting to acquire a space.

4.8 Enforcement

The tables below show the Penalty Charge Notices (PCNs) generated in our car parks during 2020-21. The suspension of parking charges in support of the pandemic response, coupled with 'light touch' enforcement for significant periods during the course of the year, and reduced levels of demand, resulted in a reduction in the number of PCNs issued. Government guidance and the adoption of a COVID-specific cancellation policy also influenced the number of PCNs subsequently cancelled.

Number of Penalty Charge Notices Issued

Penalty Charge Notices issued in Guildford 2020-21	Off-Street Totals
Number of higher level PCNs issued	907
Number of lower level PCNs issued	4,186
Total number of PCNs issued	5,093
Number paid at discount	2867
Number paid at full charge	438
Total number of PCNs paid	3,305
Number of PCNs against which informal / formal reps made	979
Number of PCNs cancelled as a result of informal / formal reps	895
Number of PCNs cancelled for other reasons	25
Number of PCNs written off	352
Number of PCNs outstanding	516
Total number cancelled / written off / outstanding	1,788

The number of off-street PCNs issued in 2020-21 were around 55% lower than the number issued in 2019-20.

Of these, 18% (895) were cancelled following a formal representation/challenge. 920 PCNs were cancelled and 78% (700) of those were due to customer error. These often relate to human errors, such as wrong registration entered on a visitor scratch-card or Pay by Phone App, or parking in a different car park for the ticket used.

Number of Penalty Charge Notices cancelled

PCN Cancellation Reasons 2020-2021	Off-street	
	Number	%
Motorist producing tickets which were no clearly displayed / RingGo	624	70
Mitigating and other circumstances	26	3
Contract parkers / season ticket holders and others entitled to park but not displaying valid permit	76	8
Payment machine faults and other equipment issues	15	2
CEO Error	19	2
Blue Badge Holder not parking in accordance with badge scheme / conditions	11	1
Issues with signs and / or lines	5	1
Other issues	119	13
Total	895	100

Reflective of the fact that fewer PCNs were issued, fewer PCNs were cancelled. The proportions of the reasons for cancellation in 2020-21 were broadly similar to those in 2019-20, with controllable reasons, such as machine faults, CEO errors and issues with signs and lines remaining very low.

The number of PCNs issued off-street for April to October 2021-22 is 4,171, which is around 65% of 2019-20 levels, over the same period.

5 Consultations

- 5.1 The amendment of tariff changes is completed via Notice, rather than by a full amendment order process. Therefore, there is no formal consultation period, and no requirement to report any feedback. However, if the changes via Notice, or those requiring a full amendment order process do generate significant correspondence, this will be raised with the Lead Councillor.

6 Key Risks

- 6.1 If ongoing funding of maintenance via our reserves is not continued this could affect the lifespan and safe operation of the car parks.
- 6.2 As part of the Guildford Economic Regeneration Plan a number of surface car parks will be redeveloped and no longer be available for parking. Even though removing short stay options is not a bad thing, it would reduce revenue and customer choice, and could deter some visitors from coming to Guildford. Leapale road has already been converted to short stay to militate

against the potential loss of parking at Commercial Road 2 and Old Police Station car parks. Appendix 4 shows a list of surface car parks under risk.

7 Financial Implications

- 7.1 Corporate Property Services will make a bid for Car Parks Maintenance Reserve (CPMR) funding, for the intended works programme below, for completion in 2022-23 for off- street car parks.

AWAITING UPDATE FROM ASSET MANAGEMENT

Car parks	Works Details	Costs	Additional Information
Bedford Rd	Misc. repairs	£18k	
	Podium level drainage repairs	£35k	
	Concrete/structural repairs	£60k	
Castle St	Structural repairs - roof turret timbers	£120k	Including £60k from 20/21
Farnham	Stair cores deck coating	£70k	Carried over from 20/21
	Structural and misc. repairs	£40k	Carried over from 20/21
	Steel frame repairs and repainting	£35k	
York Rd	Structural repairs	£50k	Carried over from 20/21
	Armco barrier repair/replacements	£80k	

- 7.2 In relation to the tariff changes proposed in section 12.4, we expect the revenue levels to be significantly greater than as we would otherwise have achieved had the tariffs been unchanged. The purpose of the new tariffs is to encourage customers to make sustainable transportation choices, fund improvements to the car parks and improve the Council's financial position.

8 Legal Implications

- 8.1 If changes are being made to the accessibility of car parking and park and ride services, the Council will need to consider whether a public consultation and Equalities Impact Assessment should be undertaken. If recommended option is approved, then it will be pricing that will be amended and will not affect accessibility or usage.

9 Human Resource Implications

- 9.1 None identified.

10 Equality and Diversity Implications

- 10.1 There are no equality and diversity implications as a result of this report.

11 Climate Change/Sustainability Implications

11.1 LED relighting programme

In line with GBC strategy to use local renewable energy sources, Parking Services is planning renew its existing 'end of life' LED lighting with newer, more efficient LEDs. Additionally, intelligent lighting will be used to reduce energy consumption at times that the car parks are less well used. It is estimated that this and the use of newer, more efficient fittings will generate a saving of around £56,500 per year over the 5-year life-cycle of the lighting. It will also help reduce the Council's carbon footprint.

11.2 Electric Charging Points and Green Car Scheme

The demand for electric charging points is increasing as electric vehicles become more popular, with low emission grants available for new cars and the growing need to find ways to improve air quality and public health. GBC have installed 10 electric charging points in public car parks across Guildford with a further 5 on order. To access the charging facility, during the day, the motorist buys and displays a parking ticket while the vehicle is charging. In the evening and overnight, the motorists are charged for the electricity used, rather than for parking.

In support of electric vehicles, GBC has a green scheme, which enables owners of electric vehicles to obtain a "Green Parking Permit" free of charge, giving owners free hours of parking or discounted parking in off-street car parks. There are 137 Green Scheme permit holders signed up to the scheme, which is an increase from 121 last year.

However, to provide greater benefit for more All-Electric vehicle owners (nearly 3,500 different users are known to have used our car parks in 2021), it is recommended that the Green Scheme is discontinued, and instead, a discount equivalent to £0.20 per hour is offered to users that use pay by phone to use the pay and display car parks.

11.3 'Shopper' tariff

The 'Shopper' tariff was introduced in December 2020, to encourage users to dwell for longer when visiting the town, improve economic activity within Guildford town centre, and encourage medium-long stay visitors to consider sustainable transportation alternatives, such as park and ride. However, its introduction came mid-pandemic, and use of the shopper car parks has been impacted by the general changes to parking / visitor behaviour and utilisation. Therefore, it is difficult to assess the effectiveness of this initiative, relative to the pre-pandemic situation, although we intended to report upon this in due course.

11.4 Farnham Road 'early bird' tariff

The 'early-bird' tariff was introduced In August 2020, primarily to encourage users to park at off-peak times, to try to improve congestion and air quality around Guildford town centre. However, its introduction came mid-pandemic, and use of Farnham Road MSCP has been significantly impacted by a reduction in rail commuters using the facility. Therefore, it is difficult to assess take up of this offer and its effectiveness, relative to the pre-pandemic situation, although we intended

to report upon this in due course.

11.5 **Systra Parking Study 2020**

Parking Services conducted a parking study, in partnership with Corporate Programmes, and with priority given to measures that are most likely to deliver environmental and sustainability benefits. It is anticipated that this approach may reduce parking demand, displace parking to outer locations, encourage modal shift, promote the use of public transport and the uptake of park and ride facilities. However, it is also important that we have sufficient capacity to meet the towns needs and ensure the convenience and quality of that provision.

Recommendations from the study have been collated and listed below under short- and medium-term goals. We are already proceeding with some goals and others are pending stabilisation of COVID19. It is apparent that working through the pandemic we have had to make different decision about how we use our car parking stock, to support our town, residents, and key workers. Therefore, until we are through stabilisation it is important we wait to establish if any of those longer-term goals will be affected.

Term	Recommendations	GBC Comments	Status
Short Term	GEOMii system	GEOMii have improved provision of sensor/data. They manage the network, collect, analyse and present data through an improved dashboard. Disabled and EV spaces are now sensed.	ongoing
	Improve payment technology & back-office system	POF procurement delayed due to COVID-19 which would improve POF payment methods and back office. P&D machines need replacing and would improve payment methods however, this would require funding from SCC. In the meantime, we can look to roll out pay by phone where possible	2022/23
	Implementation of strategic tariffs	Looking at strategic tariffs and offerings in relation to current circumstances and to make Guildford more attractive to shoppers and diners	ongoing
	Assessment of car parking provision	We can now show via GEOMii data how our parking provision is being used and where underutilised.	ongoing
	Review of accessible parking provision	During COVID-19 we adapted quickly to provide parking for residents under lock down and key workers parking. We also utilised spare capacity to provide keyworker discounted permits. We need to wait to see how the town responds to measures for shoppers, key workers and the planned use for surface car park redevelopment before making further decisions.	ongoing
	Review and develop marketing & communications with focus on public transport and active travel	A Marketing and Communication strategy will be looked at to keep the town viable for various visitors in conjunctions with transport plans and working with experience Guildford	Pending - await stabilisation before progress
	Refresh car park Variable Message Signing	Working with Corporate Programmes to replace the existing end-of-life equipment with more modern apparatus	Ongoing
	Installation of cycle parking	Working with Corporate Programmes where car parks are identified as the most suitable location for provision	Pending, planned review

	P&R enforcement & investigation of further measures	Look to expand usage of the P&R sites to increase utilisation and support local business such as hospital/university looking for parking provision, but we are constrained by planning and lease conditions.	Impacted by COVID and use of sites for testing and vaccinations
Medium Term	Encourage Parking displacement & reduce provision in town centre	Need to be part of the transport discussion	Pending
	Enhance P&R provision	Investigate potential new sites	Pending
	Increase EV charging infrastructure provision	Continue to increase provision in car parks and work in partnership with SCC to improve provision on-street. Develop Strategy and consider low emission zone. Additional facilities introduced in Farnham Rd MSCP, Leapale Rd MSCP and York Rd MSCP during 2021/22, adding to existing provision in Bedford Rd MSCP, GLive and Millbrook car parks.	Ongoing

12 Summary of Options

Review of Pricing Options & Budget projections

12.1 Maintain Existing Tariffs

This option would generate revenue of **£9,162,639** if 2019-20 utilisation levels were achieved. However, it provides no additional encouragement for visitors to consider sustainable transport alternatives and would not bring income back to 2019-20 levels, based on anticipated utilisation.

12.2 Minimum Tariff Increase

This option would generate revenue of **£10,251,437** if 2019-20 utilisation levels were achieved. However, although provides additional encouragement for visitors to consider sustainable transport alternatives, it would not bring income back to 2019-20 levels, based on anticipated utilisation.

12.3 Maximum Tariff Increase

This option would generate revenue of **£11,901,617** if 2019-20 utilisation levels were achieved. However, although provides additional encouragement for visitors to consider sustainable transport alternatives and would bring income back to 2019-20 levels, based on anticipated utilisation, but the larger tariff increases may cause additional resistance.

12.4 Recommended Tariff Changes

This option would generate revenue of **£10,997,936** if 2019-20 utilisation levels were achieved. It encourages greater use of sustainable transport alternatives and provides a reasonable balance between risk and reward, bringing income back to 2019-20 levels, based on anticipated utilisation.

13 Conclusion

- 13.1 The information provided in this report and Appendices should provide the Executive with an update on how the Parking Services has performed in 2020-21, the progress made in 2021-22 and details of the proposed changes recommended for 2022-23.

14 Background Papers

- Last year's Off-street Annual Business Plan report
<https://democracy.guildford.gov.uk/documents/s18753/Item%206%20Off-street%20Parking%20Business%20Plan%202021-22%20Exec%20Comm%20Report%20JEAB%20FINAL%20v2.8.pdf>
- Parking Strategy 2016
<https://www.guildford.gov.uk/article/17702/Parking-strategy>
- Guildford Town Centre Parking Study 2020
<https://democracy.guildford.gov.uk/documents/s17258/Item%206%202%202020.02.11%20Guildford%20Parking%20Study%20Baseline%20Report.pdf>
<https://democracy.guildford.gov.uk/documents/s17257/Item%206%201%202020.02.11%20Guildford%20Parking%20Study%20Baseline%20Report.pdf>

Appendices

Appendix 1: Tariff Options and Income Projections 2022-23

Appendix 2: Guildford Parking Annual Report 2020-21

Appendix 3: Comparison with parking charges in similar towns / cities within the region

Appendix 4: Off-street Parking - Planned and Potential Car Park Closures

Service	Sign off date
<i>Finance / S.151 Officer</i>	EP
<i>Legal / Governance</i>	DJ
<i>HR</i>	FS
<i>Equalities</i>	AH
<i>Lead Councillor</i>	JS
<i>CMT</i>	CW 15/12/21
<i>Executive Liaison</i>	
<i>Committee Services</i>	JA

Please ensure the service areas have signed off report. Please complete this box and do not delete.

