

| <b>Car Park Fees &amp; Charges</b> |   |
|------------------------------------|---|
| <b>Executive Summary</b>           | <p>The hourly Car Park charges were last increased in July 2022. The season tickets prices have not been increased since 2016 when there was only a small increase to the charges. Prior to that they had not been increased since 2009. It is now considered that it is an appropriate time to review the charges for all our car parks and ticket types.</p> <p>The Council operates its car parks with 3 different rates which are dependent on where the car park is located. There is the standard rate for the inland car parks (mainly used by our residents), the resort rate for the car parks located in our resorts but not alongside the beaches and the coastal rate for the car parks that are the nearest to the beaches and which are predominantly used by tourists and visitors.</p> <p>The Council also provides the option to purchase season tickets.</p> <p>This report provides details about the current car park fees and charges and surplus and then the options for increases. It recommends an increase for the Overview and Scrutiny Committee to recommend to Cabinet.</p> |
| <b>Options considered</b>          | <ul style="list-style-type: none"> <li>• <b>Option 1</b> – Increasing fees across all car park by 10p, 20p or 30p an hour with corresponding increases to 24-hour and 7-day charges</li> <li>• <b>Option 2</b> – Seasonal charges at coastal car parks during March to October</li> <li>• <b>Option 3</b> – Re-introducing a flat rate evening charge across all car parks</li> <li>• <b>Option 4 &amp; 5</b> – Increases to Season Ticket prices</li> <li>• <b>Option 6</b> – Increases to Coach Parking charges</li> </ul>  |
| <b>Consultation(s)</b>             | Cabinet Member<br>Section 151 officer   |
| <b>Recommendations</b>             | <p>It is recommended that Overview and Scrutiny recommend the following to Cabinet:</p> <p>That the following changes to fees and charges are implemented from 1 April 2025</p> <ul style="list-style-type: none"> <li>• Option 1 – that fees across all car parks are increased by 20p per hour with corresponding increases to 24-hour and 7-day charges as detailed in paragraph 2.12</li> <li>• Option 2 – that seasonal charges are not introduced at this time</li> <li>• Option 3 – that a flat rate evening charge across all car parks is not re-introduced at this time</li> <li>• Option 4 &amp; 5 – that option 5 i.e. an increase of 50% is applied to all Season Ticket prices</li> <li>• Option 6 – that Coach Parking charges are increased as detailed in paragraph 2.40 at £12, £24 and £96.</li> <li>• Option 7 – that permit holder only parking is introduced at Hornbeam Road car park in North Walsham.</li> </ul>   |

|                                    |   |
|------------------------------------|---|
|                                    | <ul style="list-style-type: none"> <li>That car parking charges are reviewed every other year with the next review taking place so that any changes are implemented from 1 April 2027.</li> </ul> |
| <b>Reasons for recommendations</b> | Car parking income represents a significant income source to the Council and as such has a substantial contribution to make to the Council's long term financial sustainability.                  |
| <b>Background papers</b>           | MTFS  |
| <b>Wards affected</b>              | All   |
| <b>Cabinet member(s)</b>           | Cllr Lucy Shires  |
| <b>Contact Officer</b>             | Tina Stankley<br>Tina.stankley@north-norfolk.gov.uk   |

| <b>Links to key documents:</b>        |  |
|---------------------------------------|--|
| Corporate Plan:                       | The provision of car parking facilities directly supports a wide variety of economic and social activities within the district.                            |
| Medium Term Financial Strategy (MTFS) | Income raised from car parking is a significant funding stream for the Council and this will continue to be factored in as such when formulating the MTFS. |
| Council Policies & Strategies         |  |

| <b>Corporate Governance:</b>                       |     |
|--|-----|
| Is this a key decision                             | No  |
| Has the public interest test been applied          | N/A |
| Details of any previous decision(s) on this matter | N/A |

## 1. Introduction and Background

- 1.1 This report presents proposed increases in car park fees and charges for 2025/26, which would come into force on 1 April 2025. The fees and charges have not been increased since July 2022 and so the increase would cover inflationary cost increases since then and bring the level of charges in line with the Council's other fees and charges that have been increased annually. The additional income would positively support the Council's financial position by charging users for the service they are using.
- 1.2 The Council's Medium Term Financial Plan shows that based on the assumptions e.g. pay and contract price increases, increases in fees and charges income and grant funding levels included in the 2023-2028 there are forecast deficits of £1.8m, £3.0m and £3.3m for the three years 2025/26, 2026/27 and 2027/28 respectively. The additional income will reduce the level of deficit that has been forecast.
- 1.3 Car park fees and charges were last reviewed in 2021 and subsequently changed in July 2022. Season tickets prices have remained unchanged since

2016 and only saw a small increase at that time on the previous review which was undertaken in 2009.

1.4 North Norfolk District Council (NNDC) owns 33 car parks, 30 of which operate a pay and display scheme. The remaining three facilities are a free car park on Hornbeam Road and Midland Road, North Walsham (operated by North Walsham Town Council) and a 'season ticket only' car park at Hall Staithe, Fakenham.

1.5 Car parks provide parking for different purposes, based on geographical location, from those supporting use of shops and facilities in the four market towns (North Walsham, Fakenham, Stalham and Holt): those in the resort towns supporting both resident and visitor parking and those in coastal locations predominantly supporting visitor access to beaches etc. There are three charging regimes Standard, Coastal and Resort which reflect these different uses.

## 2. Current Charging Regime and Options

2.1 The current charging regime, proposed increases and contextual information are detailed in this section.

### Pay & Display

#### Current Charging Regime

2.2 Excluding coaches and season tickets/permits, the charges levied between 08.00 and 18.00 all year round in the different car parks are as follows:

Table 1: Current Charging Regime

| Tariff  | 30 minutes | First Hour | First 2 hours | Hourly charge thereafter | 24 hours | 7 Days |
|---|------------|------------|---------------|--------------------------|----------|--------|
| Standard Inland towns)  | £0.50      | N/A        | £1.20         | £0.80                    | £6.00    | £24.00 |
| Resort (largely town centre car parks in coastal towns)           | £0.60      | £1.50      | N/A           | £1.20                    | £8.50    | £34.00 |
| Coastal (largely long-stay associated with beaches & attractions) | £0.60      | £1.80      | N/A           | £1.80                    | £8.20    | £34.00 |

#### Comparisons with other locations

2.3 Similar Coastal resorts have the following charges as detailed in the following table:

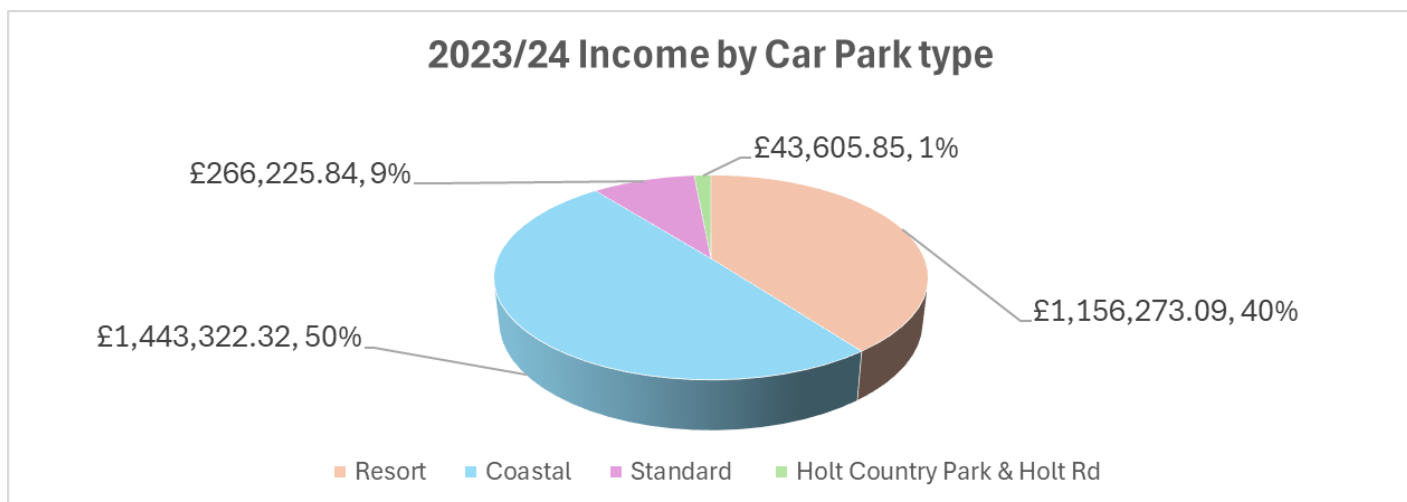
Table 2: Comparative Fees and Charges

| Resort                                       | Up to 1 hour | Up to 2 hours | Up to 3 hours | Up to 4 hours | Over 4 hours | Hourly rate          | 24 hours | Evening Charge | Winter Rates                           |
|--|--------------|---------------|---------------|---------------|--------------|----------------------|----------|----------------|--|
| Hunstanton - Cliff                           | £2.50        | £4.70         | £6.70         | N/A           | N/A          | N/A                  | £10.00   | £2.00          | All day reduces to £8.90 1 Nov -28 Feb |
| Great Yarmouth seafront short stay           | £3.00        | £6.00         | N/A           | N/A           | N/A          | £3.80/hr after 2 hrs | N/A      | £1.50          | N/A                                    |
| Great Yarmouth seafront long stay            | N/A          | N/A           | N/A           | £6.90         | £10.60       | N/A                  | N/A      | N/A            | Winter Closed 1 Nov – 31 March         |
| Wells Beach, Holkham beach (Holkham Estates) | N/A          | £3.60         | N/A           | £7.00         | £13.50       | N/A                  | N/A      | N/A            | All year round charge                  |

- 2.4 In terms of seaside resorts, NNDC charges are generally lower than comparable areas, but the charging regimes vary significantly in each area which will be due to different policies and local circumstances.
- 2.5 A significant element of the car parking income is generated from the seaside resorts during the peak holiday periods and the 6 weeks of the summer when the district sees a huge influx of holiday makers from outside the area. These visitors get to enjoy our Blue Flag beaches and our parks and open spaces without making any contribution to their upkeep and car park charges are a way of obtaining a contribution towards the provision and upkeep of these services which support the visitor experience. A breakdown of the percentage of income by car park type is contained in the following table:

| <b>Percentage Split Of income by Car Park Type</b> |                |                |                               |
|--|----------------|----------------|-------------------------------|
| <b>Car Park Type</b>                               | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25 to end of July</b> |
| Resort   | 40%            | 40%            | 35%                           |
| Coastal  | 50%            | 50%            | 54%                           |
| Standard   | 8%             | 9%             | 9%                            |
| Holt Country Park & Holt Rd                        | 2%             | 1%             | 3%                            |

- 2.6 This split is consistent year on year and the pie chart below shows the value of this split for 2023/24 – the last full year’s data we have for car park income.



- 2.7 This income is very seasonal with 70% of the annual income being derived from the period April to September and this increases to 81% when March and October are added in as these months are getting busier each year. This is shown in the graph at Appendix A.
- 2.8 The gross income for the last three years has exceeded £3.0m however the costs of running the car parks have been £1.2m, £1.5m and £1.4m for the last three full financial years 2021/22, 2022/23 and 2023/24 respectively resulting in net income levels of £1.9m, £1.6m and £2.1m for the three years. These are shown in more detail in the table below:

| Line No. | Account Name                            | 2021/22      | 2022/23      | 2023/24      | 2024/25 (up to July) |
|----------|---|--------------|--------------|--------------|----------------------|
| 1        | <b>Income</b>                           | (£3,064,913) | (£3,098,256) | (£3,462,828) | (£918,589)           |
| 2        | <b>Premises</b>                         | £580,986     | £779,875     | £699,943     | £473,958             |
| 3        | <b>Supplies &amp; Services</b>          | £346,733     | £420,540     | £387,824     | £7,028               |
| 4        | <b>Support Services</b>                 | £170,712     | £188,904     | £203,508     | £66,980              |
| 5        | <b>Capital Financing Costs</b>          | £58,716      | £75,816      | £75,792      | £18,608              |
| 6        | <b>Net Income</b>                       | (£1,907,766) | (£1,633,121) | (£2,095,761) | (£352,014)           |
| 7        | <b>Total Budget for carpark service</b> | (£1,588,425) | (£1,584,289) | (£1,758,224) | (£597,043)           |
| 8        | <b>Variance (Favourable/Adverse)</b>    | (£319,341)   | (£48,832)    | (£337,537)   | £245,029             |
| 9        | <b>Variance % (Favourable/Adverse)</b>  | 20%          | 3%           | 19%          | -41%                 |

2.9 The car parks generate a significant level of income for the Council and consistently exceed the budget. Whilst income can be broken down into granular detail e.g. by month, by car park and by charge type, this level of detail is not currently held for expenditure as the car parks are viewed as a whole service. There will be some cross subsidisation across the car parks and repairs and maintenance are carried out on car parks as they are needed and is not necessarily distributed evenly over the car parks. If costs were broken down and identified for specific car parks there would be some car parks that may not produce a surplus, but these car parks meet a need and in all likelihood would not lead to a decision to close an individual car park. Such a decision is rarely taken and would generally only be considered if it could be demonstrated that a different use would provide better value for money for that asset.

### Options for Increases

2.10 In the period between when the pay and display charges were last increased (July 2022) to April 2025 (next proposed increase) the rate of inflation will be 11.3% which assumes a target rate of 2% at March 2025 per national forecasts. It is proposed that car park charges are reviewed every other year as this involves a lot of work and it costs around £20,000 pounds to implement an increase. Therefore the increase should factor in inflation for the two forthcoming years so that the charges cover the increases in costs for both years. A 10p per hour increase would not cover the cost of inflation since the last increase.

2.11 The following options for increasing fees and charges are presented for consideration with the accompanying potential impact on income.

**Option 1** – Increasing fees across all car park by 10p, 20p or 30p an hour with corresponding increases to 24-hour and 7-day charges

**Option 2** – Seasonal charges at coastal car parks during April to September

**Option 3** – Re-introducing a flat rate evening charge across all car parks

**Options 4 & 5** – Increase charges for season tickets.

**Option 6** – Increase charges for coach parking.

**Option 7** – Introduce car parking charges at other car parks

## Option 1 – increasing fees across all car parks

2.12 The following tables show the impact of increases under this option.

| <b>Standard Tariff Charges</b> |                       |  |  |   |
|--------------------------------|-----------------------|--|--|---|
| <b>Duration</b>                | <b>Current charge</b> | <b>10p increase per hour (£1.30 for first hour, then £0.90/hr)</b> | <b>20p increase per hour (£1.40 for first hour, then £1.00/hr)</b> | <b>30p increase per hour (£1.50 for first hour, then £1.10 /hr)</b> |
| 30 minutes                     | £0.50                 | £0.60  | £0.60  | £0.60   |
| Up to 2 hours                  | £1.20                 | £1.30  | £1.40  | £1.50   |
| Up to 3 hours                  | £2.00                 | £2.20  | £2.40  | £2.60   |
| Up to 4 hours                  | £2.80                 | £3.10  | £3.40  | £3.70   |
| Up to 5 hours                  | £3.60                 | £4.00  | £4.40  | £4.80   |
| Up to 6 hours                  | £4.40                 | £4.90  | £5.40  | £5.90   |
| Up to 7 hours                  | £5.20                 | £5.80  | £6.40  | £7.00   |
| 24 hours                       | £6.00                 | £6.50  | £7.00  | £8.10   |
| 7 days                         | £24.00                | £26.00   | £28.00   | £32.00  |

| <b>Resort Tariff Charges</b> |                       |  |  |   |
|------------------------------|-----------------------|--|--|---|
| <b>Duration</b>              | <b>Current charge</b> | <b>10p increase per hour (£1.60 for first hour, then £1.30/hr)</b> | <b>20p increase per hour (£1.70 for first hour, then £1.40/hr)</b> | <b>30p increase per hour (£1.80 for first hour, then £1.50/ hr)</b> |
| 30 minutes                   | £0.60                 | £1.00  | £1.00  | £1.00   |
| Up to 1 hour                 | £1.50                 | £1.60  | £1.70  | £1.80   |
| Up to 2 hours                | £2.70                 | £2.90  | £3.10  | £3.30   |
| Up to 3 hours                | £3.90                 | £4.20  | £4.50  | £4.80   |
| Up to 4 hours                | £5.10                 | £5.50  | £5.90  | £6.30   |
| Up to 5 hours                | £6.30                 | £6.80  | £7.30  | £7.80   |
| Up to 6 hours                | £7.50                 | £8.10  | £8.70  | £9.30   |
| 24 hours                     | £8.50                 | £9.00  | £9.50  | £10.80  |
| 7 days                       | £34.00                | £36.00   | £38.00   | £42.00  |

| <b>Coastal Tariff Charges</b> |                       |   |   |   |
|-------------------------------|-----------------------|---|---|---|
| <b>Duration</b>               | <b>Current charge</b> | <b>10p increase per hour (£1.90/hr)</b> | <b>20p increase per hour (£2.00/hr)</b> | <b>30p increase per hour (£2.10/hr)</b> |

|               |        |        |        |        |
|---------------|--------|--------|--------|--------|
| 30 minutes    | £0.60  | £1.00  | £1.00  | £1.00  |
| Up to 1 hour  | £1.80  | £1.90  | £2.00  | £2.10  |
| Up to 2 hours | £3.60  | £3.80  | £4.00  | £4.20  |
| Up to 3 hours | £5.40  | £5.70  | £6.00  | £6.30  |
| Up to 4 hours | £7.20  | £7.60  | £8.00  | £8.40  |
| 24 hours      | £8.50  | £10.00 | £10.50 | £13.00 |
| 7 days        | £34.00 | £40.00 | £42.00 | £52.00 |

- 2.13 The 30-minute charge for resort and coastal car parks has increased to £1.00 to achieve a better fee differential to the 1-hour charge as currently the 30-minute charge will purchase 1.5 hours in a resort car park including a 30p overpayment and 1.5 hours in a coastal car park if purchased 30 minutes at a time.
- 2.14 The 24 hour and 7-day ticket prices in coastal car parks are to be increased at a higher rate than those in the standard tariff to reflect the differential hourly charges between the tariffs. The increased charges for these tickets across all car parks still maintain the current discount of 7 days for the price of 4 (rounded to the nearest pound) based on the charge for a 24-hour ticket.
- 2.15 The impact on income of the changes proposed.

| Option         | £       |
|----------------|---------|
| Option 1 – 10p | 219,800 |
| Option 1 – 20p | 410,100 |
| Option 1 – 30p | 622,700 |

- 2.16 There are several permutations for increases. The figures in the above table are indicative of the level of additional income that could be achieved by applying the same increases across all car parks. A mix and match approach could be adopted whereby varying increases could be applied to each tariff. For instance, if the increase in standard tariff car parks was only 10p per hour rather than 20p per hour then the total additional income would be £373,100 compared to £401,100 a reduction of £28,000.
- 2.17 A 10p increase does not fully cover the inflation rise of 11.3% between the last review and the proposed the new charges in April 2025 resulting from that level of increase or the 8% at which other fees and charges were increased for April 2024. The percentage increase ranges from 5.56% on the hourly rate at a coastal car park to 12.5% on the £0.80 per additional hour rate at a standard tariff car park.
- 2.18 The 20p increase covers the inflation rise of 11.3% between the last review and the proposed new charges in April 2025 plus it also allows for inflationary increases in costs if car park charges are only reviewed every 2 years. This also seems a reasonable increase when considering that the users of the car parks have not seen an increase for over 2 years and that it will be nearly 3 years by the time the new charges come into force. A 20p increase would still provide good value and still remain generally lower than those at comparative locations.
- 2.19 It is important to note that, as with any financial forecasting, these figures are indicative and can be impacted by a range of factors. The forecasts do accommodate some reduction in the number of users, but this is difficult to

predict. The biggest unknown factor is obviously the weather. A bad summer weather wise could impact negatively both in terms of visitor numbers and length of stay during a period which generates a very significant contribution to the annual income. Conversely a prolonged spell of good weather would have a beneficial impact.

### **Option 2 – Seasonal Charges at Coastal Car Parks**

- 2.20 As previously mentioned in the report car park income is seasonal in nature and this is greater in Coastal car parks which achieve over 75% of the annual income in the period April to September, rising to 88% between March and October. Appendix A shows this in graphical format.
- 2.21 This is a variant on Option 1 and would introduce seasonal charges across this type of car park, increasing charges for the period April to September and having lower fees during the months of October to March. This would provide a benefit to residents who live within the district all year round whilst still generating additional income from the significant influx of tourists and visitors during the peak season. This could be introduced in combination with the proposal outlined in Option 1.
- 2.22 If a 20p increase was introduced between 1 April and 30 September the expected additional income would be £76,500 which assumes no change in activity in Coastal car parks.

| <b>Coastal Tariff Charges</b> |                       |   |   |
|-------------------------------|-----------------------|---|---|
| <b>Duration</b>               | <b>Current charge</b> | <b>20p increase per hour (£2.00/hr)</b> | <b>Summer parking 1 April - 30 September - 40p increase per hour (£2.20/hr)</b> |
| 30 minutes                    | £0.60                 | £1.00                                   | £1.00   |
| Up to 1 hour                  | £1.80                 | £2.00                                   | £2.20   |
| Up to 2 hours                 | £3.60                 | £4.00                                   | £4.40   |
| Up to 3 hours                 | £5.40                 | £6.00                                   | £6.60   |
| Up to 4 hours                 | £7.20                 | £8.00                                   | £8.80   |
| 24 hours                      | £8.50                 | £10.50                                  | £13.00  |
| 7 days                        | £34.00                | £42.00                                  | £52.00  |

- 2.23 A possible disadvantage of introducing seasonal charges is the complexity in terms of parking machine software configuration and updating which can be resolved as seasonal charges are in operation elsewhere. A further tier of charging might lead to confusion for customers; however such charging is becoming more prevalent and widespread with tourists and visitors more used to seasonal charges.

### **Option 3 – Re-introducing evening charges**

- 2.24 The Council has in the past trialled a £1 evening charge for parking after 6pm which generated an annual income of approximately £90,000. This was removed from all car parks in November 2014. A further option for consideration is to reintroduce a nominal evening charge of £1 or £2 across



all car parks. It is anticipated that if a £1 charge was introduced then this is anticipated to generate income of £100,000 per annum.

- 2.25 A further option for consideration is to reintroduce a nominal evening charge of £1 or £2 for the coastal car parks during the summer months. As the district continues to attract significant numbers of visitors it is anticipated that a £1 charge could generate income of around £50,000, although a more prudent might be 80% of this when setting a budget. There would be additional costs of enforcement if an evening charge was introduced. Whilst this has not be costed this would reduce the net income from this charge.
- 2.26 An introduction of an evening charge in the resort and standard car parks is likely to have a detrimental effect on the evening economy within our towns. Therefore a re-introduction for evening charges at these car parks needs to be given careful consideration. However by not introducing an evening charge in these car parks it will probably reduce the potential to generate additional income in the coastal car parks as users will be inclined to migrate to the resort car parks.

## Options 4 & 5 - Increase in Charges for Season Tickets

### Current Charging Regime

2.27 The current charges are in the following table.

|           |                     | 2024/25 Charge | Charge/ Day | Charge/ Hour |
|-----------|---------------------|----------------|-------------|--------------|
| 3 Months  | - 3 hour stay max.  | £16.00         | £0.17       | £0.06        |
|           | - 24 hour stay max. | £66.00         | £0.72       | £0.07        |
| 6 Months  | - 3 hour stay max.  | £31.00         | £0.17       | £0.06        |
|           | - 24 hour stay max. | £122.00        | £0.67       | £0.07        |
| 12 Months | - 3 hour stay max.  | £56.00         | £0.15       | £0.05        |
|           | - 24 hour stay max. | £204.00        | £0.56       | £0.06        |

2.28 The season ticket prices have had only very small increases in price. In 2016 there was £4 increase to the £200 charge which had been in place since 2009. At £204 for 12 month 24-hour ticket is exceptional value to residents as this represents a cost of just £0.56 per day to park when compared to the 24 hours charge of £6.50 in a standard tariff car park and £8.50 in resort and coastal car parks.

2.29 As these charges have not increased meaningfully in 15 years and the last small increase having been approved 8 years ago the charge is now not only considerably behind other local charges but also out of step with charges on individual car parks and the 3 months 3-hour stay at £16.00 barely covers the cost of issuing the ticket.

2.30 The table below shows what other nearby local authorities are charging for 'season' tickets. Whilst not directly comparable to NNDC's charging regime it does demonstrate that our charges are very low.

| Location       | Charges   |
|----------------|---|
| Great Yarmouth | Weekly - £40.30<br>3 Day (72 Hrs) - £17.50<br>Monthly - £72.00                          |
| Kings Lynn     | Monthly - £44.00<br>Annual Long Term Stay - £484.00<br>Annual Short Term Stay - £968.00 |
| Lowestoft      | Annual Long Stay - £350.00<br>1 Month = £65.00  |

2.31 The table below shows the amount of income received from season tickets over the last 5 years and what we have received to date for 2024/25.

| <b>Season Ticket Sales (Long/Short Stay)</b> |                |                |                |                |                |                       |
|--|----------------|----------------|----------------|----------------|----------------|-----------------------|
|  | <b>2019/20</b> | <b>2020/21</b> | <b>2021/22</b> | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25 (July)</b> |
|  | <b>£'000s</b>  | <b>£'000s</b>  | <b>£'000s</b>  | <b>£'000s</b>  | <b>£'000s</b>  | <b>£'000s</b>         |
| <b>Long Stay</b>                             | £88            | £78            | £102           | £105           | £95            | £37                   |
| <b>Short Stay</b>                            | £175           | £152           | £188           | £207           | £211           | £84                   |
| <b>Total</b>                                 | £263           | £230           | £290           | £312           | £306           | £121                  |
| <b>% - Long Stay</b>                         | 34%            | 34%            | 35%            | 34%            | 31%            | 31%                   |
| <b>% - Short Stay</b>                        | 66%            | 66%            | 65%            | 66%            | 69%            | 69%                   |

### Options for Increases

2.32 There are two proposed options which are detailed below. Option 4 is an increase that has just applied the CPI rate of inflation since 2016 i.e. 33% to bring the prices up to today's prices. Then Option 5 is an increase of 50% which covers the inflation since 2016 but also factors in an increase that will start to bring this up to a more realistic level.

#### Increase that covers just the inflationary increase since 2016

|           |                     | <b>2024/25 Charge</b> | <b>Charge/ Day</b> | <b>Charge/ Hour</b> | <b>Increase</b> | <b>2025/26 Charge Option 4</b> | <b>Charge/ Day</b> | <b>Charge/ Hour</b> |
|-----------|---------------------|-----------------------|--------------------|---------------------|-----------------|--------------------------------|--------------------|---------------------|
| 3 Months  | - 3 hour stay max.  | £16.00                | £0.17              | £0.06               | £5.50           | <b>£21.50</b>                  | £0.24              | £0.08               |
|           | - 24 hour stay max. | £66.00                | £0.72              | £0.07               | £22.50          | <b>£88.50</b>                  | £0.97              | £0.10               |
| 6 Months  | - 3 hour stay max.  | £31.00                | £0.17              | £0.06               | £10.50          | <b>£41.50</b>                  | £0.23              | £0.08               |
|           | - 24 hour stay max. | £122.00               | £0.67              | £0.07               | £43.50          | <b>£165.50</b>                 | £0.91              | £0.09               |
| 12 Months | - 3 hour stay max.  | £56.00                | £0.15              | £0.05               | £19.50          | <b>£75.50</b>                  | £0.21              | £0.07               |
|           | - 24 hour stay max. | £204.00               | £0.56              | £0.06               | £71.00          | <b>£275.00</b>                 | £0.75              | £0.08               |

#### Increase that covers the inflationary increase since 2016 plus an increase to start to bring these up to a more realistic level.

|           |                     | <b>2024/25 Charge</b> | <b>Charge/ Day</b> | <b>Charge/ Hour</b> | <b>Increase</b> | <b>2025/26 Charge Option 5</b> | <b>Charge/ Day</b> | <b>Charge/ Hour</b> |
|-----------|---------------------|-----------------------|--------------------|---------------------|-----------------|--------------------------------|--------------------|---------------------|
| 3 Months  | - 3 hour stay max.  | £16.00                | £0.17              | £0.06               | £9.00           | <b>£25.00</b>                  | £0.27              | £0.09               |
|           | - 24 hour stay max. | £66.00                | £0.72              | £0.07               | £34.00          | <b>£100.00</b>                 | £1.10              | £0.11               |
| 6 Months  | - 3 hour stay max.  | £31.00                | £0.17              | £0.06               | £16.00          | <b>£47.00</b>                  | £0.26              | £0.09               |
|           | - 24 hour stay max. | £122.00               | £0.67              | £0.07               | £61.00          | <b>£183.00</b>                 | £1.00              | £0.10               |
| 12 Months | - 3 hour stay max.  | £56.00                | £0.15              | £0.05               | £28.00          | <b>£84.00</b>                  | £0.23              | £0.08               |
|           | - 24 hour stay max. | £204.00               | £0.56              | £0.06               | £102.00         | <b>£306.00</b>                 | £0.84              | £0.08               |

2.33 The table below provides an indication of the levels of income that could be generated from increasing charges for season tickets.

|              |                     | Sales        | Increase Option 4 | Additional Income Option 4 | Increase Option 5 | Additional Income Option 5 |
|--------------|---------------------|--------------|-------------------|----------------------------|-------------------|----------------------------|
| 3 Months     | - 3 hour stay max.  | 570          | £5.50             | £3,135                     | £9.00             | £5,130                     |
|              | - 24 hour stay max. | 421          | £22.50            | £9,473                     | £34.00            | £14,314                    |
| 6 Months     | - 3 hour stay max.  | 576          | £10.50            | £6,048                     | £16.00            | £9,216                     |
|              | - 24 hour stay max. | 157          | £43.50            | £6,830                     | £61.00            | £9,577                     |
| 12 Months    | - 3 hour stay max.  | 4,043        | £19.50            | £78,839                    | £28.00            | £113,204                   |
|              | - 24 hour stay max. | 571          | £71.00            | £40,541                    | £102.00           | £58,242                    |
| <b>TOTAL</b> |                     | <b>6,338</b> |                   | <b>£144,865</b>            |                   | <b>£209,683</b>            |

2.34 The proposals are for a realistic increase considering these charges have not changed for several years. Season ticket holders have been parking for very little cost and have benefited for many years. Therefore it seems fair to increase the charges so that season ticket holders are contributing more to the upkeep of the car parks. Both options still represent exceptional value and there is probably scope to increase beyond the proposed levels over the coming years, especially considering prices at other locations.

2.35 A further option is to introduce a one-month ticket as this is provided elsewhere and seems common practice. However elsewhere the charges are substantially higher than the Council currently charges and so there is a need to carefully consider what would be an acceptable charge to both still achieve an acceptable level of income but have a differential price to the 3-month tickets. It is quite difficult to achieve this with the season ticket prices already being relatively low. Therefore it is recommended that this is not introduced until the charge for the 3-month ticket has increased to a more realistic level.

2.36 The forecast additional income assumes no changes in the number of season tickets purchased, however it is recognised that there may be a reduction in the numbers of season tickets purchased. However this may lead to increases in other pay and display charges.

### Option 6 - Coach Parking Fees

2.37 The current fee regime for Coaches is contained in the table below.

Current Charges for Coach Parking

| Duration | Charge |
|----------|--------|
| 4 Hours  | £6.00  |
| 24 Hours | £12.00 |

2.38 Charges for Coach Parking is outstanding value. This is evident when compared to the hourly charges for cars, these being £1.50 in a resort car parks and £1.80 in a coastal car park when the equivalent hourly rate for a coach is £1.50 and the fact that coaches take up around the same area required for 4 cars and can typically carry 50 passengers.

2.39 The current fee is lower than that charged in Great Yarmouth, which is £7.50 for 3 hours (equivalent hourly rate of £2.50), £13.00 all day and £66.00 for a weekly ticket.

2.40 The proposal is to increase the charges as follows:

Proposed Increases for Coach Parking:

| <b>Duration</b>                     | <b>Charge</b> | <b>Charge</b> |
|-------------------------------------|---------------|---------------|
| 4 Hours                             | £10.00        | £12.00        |
| 24 Hours                            | £20.00        | £24.00        |
| Weekly ticket (7 days) – new charge | £80.00        | £96.00        |

2.41 The proposed charge increases the equivalent hourly charge for a 4-hour ticket to either £2.50 or £3.00, which is still considerably lower than our coastal and resort rates for parking a car. The 24-hour ticket cost of either £20.00 or £24.00 still represents the good value as it equates to just either £5.00 or £6.00 per car park space (compared to £8.50 for a 24 hour car park ticket) or either £0.40 or £0.48 per passenger if there are 50 passengers on the coach. A weekly ticket could be introduced on the same basis as for cars i.e. 7 days for the price of 4 days which is obviously exceptional value.

### **Option 7 – Introduce car parking charges at other car parks**

2.42 The Council could introduce car parking charges at the car parks that it currently does not charge for across the district. The most notable one for consideration is the Hornbeam Road car park in North Walsham which is currently free. This is the car park that probably users who currently catch a train in North Walsham would use. If a pay and display machine was introduced here it would be a significant cost and enforcement would be required. To reduce the costs the car park could be made one that is available to only permit holders. It is thought that this car park is the one that commuters use and so this form of charge would work well for these users.

2.43 Users might migrate to using the Victory Pool car park, but a charge could be introduced here to stop this, and the charge could give users free use for up to a maximum of 2 hours. However again this would incur cost of installing a pay and display and would need to be enforced.

2.44 A charge could also be introduced at the Reef leisure centre, however as there are other options to park nearer to the town centre it would probably not be worth the additional cost of introducing a charge here as most of the users would continue to be users of the Reef itself for which there would need to be free usage for up to 2 hours again.

## **3 Car Park Order**

3.1 Any change to the charging regime will have to be formalize through the agreement of a new Car Park Order, the statutory consultation process which takes 3 months.

3.2 If no significant objections are received the Order could be agreed under delegated powers.

3.3 The cost of implementing the changes to the current charges would be in the region of £20k, this would cover signage overlays, car park leaflets and reprogramming of the pay & display machines.

## **4 Corporate Priorities**

- 4.1 The provision of car parking facilities directly supports a wide variety of economic and social activities within the district.
- 4.2 The income from off-street parking is a significant contributor to the finances of the Council.

## **5 Financial and Resource Implications**

- 5.1 The costs and income relating to car parks form a significant part of the Councils budgets and it is important that charging levels are set correctly so that all direct and indirect costs of providing the car parks are recovered.
- 5.2 The income raised from car parking charges is a significant funding stream and this will continue to be factored in as such when formulating the MTFS. The income offsets the costs of providing and maintaining car parks in the district.
- 5.3 Significant external factors can affect the usage of car parks and therefore the income received.

## **6 Legal Implications**

The legal team will be supporting the Car Park Order process to ensure that the Council complies with the consultation requirements.

## **7 Risks**

- 7.1 The detail within section 2 of the report highlights the risks associated with increasing charges.

## **8 Net Zero Target**

None as a direct consequence of this report

## **9 Equality and Diversity**

None as a direct consequence of this report

## **10 Community Safety Issues**

None as a direct consequence of this report

## **11 Conclusion and Recommendations**

- 11.1 As one of the largest external income sources car parking charges have a significant contribution to the Council's sustainability and MTFS. The pay and display charges have not been increased since July 2022. The season tickets prices have not been increased since 2016 (and not since 2009 before that).
- 11.2 There are multiple variations on the possible range of pricing options for the pay and display charges. This is Option 1 considered in the report. There are also other options to consider, and these are to introduce seasonal charges for the coastal car parks, introduce evening charges for car parks, increase charges for coach parking and increase charges for season tickets.
- 11.3 The recommendation for Option 1 is to introduce an increase of 20p per hour for standard, resort and coastal car park charges from 1 April 2025 as per the tables in paragraph 2.12. This represents an increase that will cover the

inflation since the charges were last increased in 2022 and also factors in an element of inflation until the charges are reviewed again.

11.4 It is also recommended that car park fees and charges should be reviewed every other year as the costs to introduce a change is approximately £20,000 and the prices can be increased to factor in the two year price increase regime.

11.5 Recommendations for the other options considered in this report are

11.5.1 Option 2 – Seasonal charges at Coastal Car Parks – whilst this would generally only have an impact on visitors and is a common practice in many other tourist destinations it does bring another level of complexity in charging e.g. reprogramming the machines twice a year at a cost. It is recommended that this be looked at again when next reviewing the prices and that a seasonal charge is not introduced at this time.

11.5.2 Option 3 - Re-introducing evening charges. This could be considered for coastal car parks as these are closest to the attractions that may bring visitors onto the car parks in the evening. A re-introduction elsewhere would probably, on balance, have a detrimental impact on the night-time economy. There would also be an additional cost for the additional enforcement required. Therefore it is recommended that an evening charge is not introduced at this time.

11.6 Options 4 & 5 Increase in season ticket charges. These charges have not been increased for 8 years and so the level of charge is well below what it needs to be to make an appropriate contribution to the running of the car parks. The 3-month 3-hour maximum stay charge of £16.00 doesn't cover the costs of issuing the ticket. Therefore the options that are proposed are both for a considerable rise, the first (Option 4) being an increase that is equivalent to the CPI inflation over the 8 year period since 2016 i.e. 33% and the second option (Option 5) is to increase the charge by 50%. This will help to bring the charge up to a more realistic level so that a fair contribution is made to the upkeep of the car parks by the users of these tickets. It is recommended that Overview and Scrutiny recommend the option of increasing the charge by 50% to Cabinet.

11.7 There is also the option of introducing a one month ticket as this is common practice elsewhere, however until the price for the longer-term season tickets is set a more reasonable level then there does not appear to be a price that this could be set at which would make sense i.e. to achieve a satisfactory level of income but that would create a reasonable differential between buying a day ticket and a 3-month ticket. Therefore it is not recommended that a one month season ticket be introduced until the 3-month season ticket charge is at a more reasonable level.

11.8 Option 6 Increase in Coach Parking charges. These charges when compared to both the equivalent number of car parking spaces and other similar authorities' charges are generally lower. Therefore it is proposed to increase the charge to a level that is equivalent to the 4 car parking spaces that a coach takes up. With a coach carrying around 50 passengers this still provides very good value for money. It is recommended that Overview and Scrutiny recommend to Cabinet an increase to £12 and £24, and a 7-day ticket be introduced at £96 as detailed in paragraph 2.40.

11.9 Option 7 Introducing fees at other car parks. There is currently no charge for using Hornbeam Road car park in North Walsham. The main users are commuters. It is recommended that parking for this car park be introduced but for permit holders only. This would generate additional income but without the significant extra cost of installing a pay and display machine. This type of ticket

which can be purchased on-line would probably suit commuters who would not want to queue at a machine to purchase a ticket. It is recommended that this be introduced at this car park.

11.10 Introducing charges at the Victory Pool and the Reef would have to be on a pay and display basis and would have to offer 2 hours free car parking to ensure it does not put users off from using the facilities. This would incur significant additional costs in installing pay and display machines. So at this time it is recommended that if permit only parking is introduced at Hornbeam Road car park that the situation at the Victory Pool is monitored to check that there isn't a migration to parking for free all day, which may become an issue. If this appears to be an issue then it is recommended that the situation be revisited with a view to putting in pay and display machines. Introducing pay and display machines at the Reef is not recommended as there are other parking options closer to the town centre and so it is assumed that it would not be used as a general rule other than by users of the Reef.

11.11 These increased if approved could generate additional income in the region of £0.5m-£0.6m per annum.





## Appendix A