

Committee: Housing Management and Almshouses Sub-Committee	Date: 22/07/2019
Subject: Parking Charges Review	Public
Report of: Director of Community and Children's Services	For Decision
Report author: Liam Gillespie, Head of Housing Management	

Summary

Members approved the Estate Parking and Storage Sheds Policy at Committee on 24th September 2018. The covering report contained information regarding the discount given to disabled parking users on our Housing Revenue Account (HRA) housing estates.

Members requested more information regarding current estate parking arrangements to enable them to decide on the level of discount to be awarded to disabled parking users. This report provides Members with further detail on current parking spaces, usage levels and the different charges applied.

Following a review of parking charges on the Housing Service's estates, it is proposed that the charges are gradually harmonised across different locations.

Recommendations

Members are asked to:

- Note the report
- Consider the current arrangements for disabled parking charges and advise officers which option they prefer in paragraph 18

Main Report

Background

1. There are 1,060 parking facilities of various types across the City of London's housing estates. This figure includes standard car parking spaces, disabled parking spaces, garages and motorcycle bays. In total there are 605 car parking spaces and 384 garages across our estates. It should be noted that not every estate has parking facilities.
2. Members requested more information on parking charges generally to enable them to decide whether to increase the discount for disabled users or maintain it at 50%, the rate applied since 2013.

3. All parking facilities attract a weekly charge, which varies by estate. Current charges are shown in Appendix 1, Table 1. The income from these charges goes to the Housing Revenue Account (HRA). At current figures, the total expected income for 2019/20 is £363,117.44.
4. The charges were set some years ago and, since then, have been reviewed annually. Charges were changed in response to perceived demand and they normally remained unaltered if there was low demand at a particular estate. If demand was high, a modest increase was usually applied.
5. The use of 'demand' as a basis for reviewing charges is inexact and has resulted in some anomalies. For instance, at Avondale Square, where demand for parking is high, a parking space costs £5.51 per week for a resident. At York Way, where demand is low, the current charge is £9.21 per week.
6. It is therefore proposed that a simpler approach is taken, in which charges are gradually harmonised. Estates within the City will have the same rate and estates outside the City will have a common rate. Once a harmonious level has been reached, the charges can then be reviewed annually and increased as required in accordance with delegated authority.
7. Officers are in the process of making the necessary calculations and modelling different ways of achieving common rates while minimising the impact on the Housing Revenue Account.

Composition of Current Charges

8. Members will note that charges vary by the type of facility, location and the status of the user (whether they are resident, non-resident or commercial).
9. Residents do not pay VAT on their weekly charge, as there is a VAT exemption for parking facilities let to named tenants by the same landlord. VAT is payable by non-residents and commercial users. Commercial users also pay National Non-Domestic Rates (NDR), which is levied by the local authority.
10. An amount of £0.23 per week is included in all charges for water rates, which relates to drainage and is paid to the utilities provider.
11. Appendix 1, Table 1 also shows usage rates by location. Members will note that demand is very high on some estates, with very few unallocated spaces. On other estates, demand is low and there are a high number of 'void' spaces.

Disabled Parking Discount

12. Blue or Red Badge holders receive a 50% discount on estate parking facilities, including garages. Until 2012, disabled users did not pay a charge. The decision was taken to phase in charges from April 2012 to increase revenue from these

facilities. This brought the City in line with many other London Boroughs, which offered no discount, or a limited reduction only.

13. In 2012/13, disabled users were charged 25% of the weekly cost (effectively reducing the discount from 100% to 75%); in 2013/14, this was set at 50%, where it has remained ever since.

14. As of July 2019, there are 39 users in receipt of a 50% discount. The annual cost of the concession to the Housing Revenue Account (HRA) is currently £16,407.67.

Arrangements in Other London Boroughs

15. Appendix 2, Table 1, shows details of estate parking facilities in other boroughs, with the level of discount offered to disabled residents.

On-Street Disabled Parking

16. Members also requested details of available disabled parking facilities on the streets adjacent to our estates. Appendix 2, Table 2 shows local authority arrangements relating to on-street parking for Blue Badge (or Red Badge) holders.

17. Appendix 2, Table 3 shows the street location of on-street disabled bays near Golden Lane and Middlesex Street Estates.

Disabled Parking Discount: Options

18. Bearing in mind current arrangements, the following options are submitted for decision by Members:

- **Option 1:** maintain the discount at 50% (current cost to HRA £16,407.67)
- **Option 2:** increase the discount to 75%, at a further cost of £8,203.84 annually to the HRA (total cost to HRA £24,611.51)
- **Option 3:** increase the discount to 100%, at a further cost of £16,407.67 annually to the HRA (total cost £32,815.34)

Implications

19. The main implication of increasing the current discount is the loss of revenue to the Housing Revenue Account.

20. If the decision was taken to alter the discount, the Rents Team would require reasonable notice to prepare for implementation.

Conclusion

21. This report outlines the current charges for parking facilities on City of London HRA housing estates. Comparative data is provided relating to the charges in other local authority areas, as well as arrangements for disabled parking on the highway.
22. It is proposed that officers gradually simplify parking charges at different locations and, once this is achieved, the charges can be reviewed annually as normal and any inflationary increased applied.
23. Options for maintaining or increasing the current rate of disabled parking discount are provided and Members are asked to indicate their chosen option.

Appendices

- Appendix 1 – Details of estate parking charges on CoL estates
- Appendix 2 – Details of estate parking charges in other London Boroughs, including information on discounts applied

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