

# Climate Action, Environment and Highways Policy and Scrutiny Committee

<b>Date of meeting:</b>	Wednesday 6 December 2023
<b>Classification:</b>	General Release
<b>Title:</b>	Call-in of Cabinet Member Decision entitled 'Parking Fee Structure Review'
<b>Report of:</b>	Frances Martin, Executive Director of Environment, Climate and Public Protection
<b>Cabinet Member Portfolio</b>	Cabinet Member for City Management and Air Quality
<b>Wards Involved:</b>	All
<b>Policy Context:</b>	This proposal aligns with the Fairer Economy and the Fairer Environment elements of the Fairer Westminster strategy. It will also aid traffic flow and congestion and thus positively affect air quality.
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## 1. Executive Summary

- 1.1. This report sets out further detail on the decision made by the Cabinet Member for City Management and Air Quality to approve the report entitled 'Parking Fee Structure Review' following the call-in of the decision by three Members of the Committee.
- 1.2. The decision report was approved by the Cabinet Members on 16 November 2023 with the call-in period due to expire at 5pm on 24 November 2023. On 20 November 2023 Cllrs Cunningham, Mitchell and Pitt Ford indicated that they wished to call the decision in. These three Councillors are all Members of the Climate Action, Environment and Highways Policy and Scrutiny Committee and thus the call-in is legitimate and shall be heard by that Committee.

- 1.3. The Chief Executive as Proper Officer was notified on the same day. The Chief Executive has activated the call-in and summonsed a meeting of the Climate Action, Environment and Highways Policy and Scrutiny Committee for Wednesday 6 December 2023 in consultation with the Chair of that Committee, Cllr Williams.
- 1.4. Call-in provisions exist to enable Members to temporarily halt the implementation of a decision when they believe that decision needs to be revisited. Members are required to give reasons for call-in. Generally, call-ins may be activated for three reasons: Members:
  - believe the decision may be contrary to the normal requirements for decision-making;
  - believe the decision may be contrary to the Council's agreed policy framework and/or budget;
  - need further information from the decision-taker to explain why the decision was taken.
- 1.5. In requesting that this decision was called in, Members activating the call-in provided the following reasons:
  - Parking charges for a small battery electric vehicle (BEV) will increase by up to 1,800% whilst they will reduce for a small combustion engine vehicle. This will reduce the current incentive to drive electric vehicles which could undermine the overarching aim to reduce CO<sub>2</sub> emissions and to reduce particulate emissions.
  - We are concerned that the proposed fee increases could potentially have a disproportionate impact upon disabled people and people on low incomes.
  - In addition, a tradesperson driving a BEV, if this is approved, will have to pay £25 per day to park instead of the current £1.40 per day thereby significantly reducing the incentive to drive a BEV.
- 1.6. The Committee may choose to refer the matter back to the decision maker(s) with reasons for their reconsideration. This would require the decision maker(s) to reconsider and, within 10 working days, or as soon as possible thereafter, either amend the decision or not before adopting a final decision – this would require a further written report. If the Committee chooses not to refer the matter back to the decision maker(s), the decision shall take effect on the rising of the Committee.

## **2. Key Matters for the Committee's Consideration**

- 2.1. It is recommended that the Committee reviews the decision outlined in this paper and agrees one of the following options:
  - a) To note the decision made by the Cabinet Member for City Management and Air Quality but take no further action.
  - b) To refer the matter back to the Cabinet Member for City Management and Air Quality, with specific matters for their reconsideration.

### 3.1 Background, including policy context

- 3.1. Proposed new charging structures for the Council's resident permit and pay-to-park schemes were detailed in the Parking Fee Structure Review Cabinet Member report dated 6 November 2023 (the 'November 2023 Report'). Prior to the November 2023 report which concerned itself with the details of the proposed new schemes, a Cabinet Report entitled 'Parking Fee Structure Review – Approval of Concept', dated 24 May 2023, ("the May Report") was approved. Before this, Full Council, at its meeting on 8 March 2023, approved Budget proposals which included a commitment to undertake a review of the parking fee structure. The decision subject to call-in via this report contains the detailed proposals which implement this commitment and it is these detailed proposals which are therefore the subject of scrutiny.
- 3.2. In the May report, it was proposed that both schemes operate on a similar basis, with the application of banded charges based upon vehicles' individual tailpipe emission levels of Carbon Dioxide (CO<sub>2</sub>). It was also proposed that an additional diesel surcharge apply respectively for pre-2015 diesel vehicles to address the issue of the emission of Nitrogen Oxides (NO<sub>x</sub>). This is something of a departure from how both schemes currently operate.
- 3.3. Section 6 of the November 2023 report outlined the proposal for the pay-to-park scheme. It proposed a tiered charging structure which splits vehicles into five bands dependent upon CO<sub>2</sub> emission levels as defined by the DVLA. There are also then separate bands for motorcycles and 'unknown' vehicles, i.e. those not registered with the DVLA, including foreign registered vehicles, as CO<sub>2</sub> emission level data for these vehicles cannot be obtained from the DVLA. The hourly zonal tariffs proposed are derived from zonal base rates, with each of the bands' zonal rates determined as a plus or minus percentage from its base rate. The CO<sub>2</sub> emission level thresholds within the proposed bands are based on those currently used by the DVLA. On top of the relevant banded zonal charge, a 50% Diesel Surcharge would then be applied to all pre-2015 diesels in any band, as has been the case for pay-to-park charges in Westminster since 2019.
- 3.4. Pay-to-park charges would vary from £1.48 p/hr for a band 1 EV in parking zone C (Harrow Road, Queen's Park and Maida Vale North) to £13.86 p/hr for a band 5 pre-2015 diesel vehicle emitting >256g/km of CO<sub>2</sub> in zones F (Hyde Park, Marylebone and Fitzrovia) and G (Soho, West End and Covent Garden).
- 3.5. Section 7 of the November 2023 report outlined the proposal for the resident permit scheme. It proposed a similar charging model to the pay-to-park scheme, but with six main bands dependent upon CO<sub>2</sub> emission levels as defined by the DVLA, and band 1 to be split between EVs with smaller and larger battery size. The same diesel surcharge would apply to pre-2015 diesel vehicles.
- 3.6. The resident permit scheme charges would not vary by parking zone. Charges would vary from £40 p/a for a band 1A EV with a smaller 1-69kwh

battery to £481.50 p/a for a band 6 pre-2015 diesel vehicle emitting >256 g/km of CO<sub>2</sub>.

- 3.7. The aim of both emissions-based charging schemes is to encourage the use of low-polluting vehicles and, by the same token, to discourage the use of those which are more polluting. The schemes aim to 'nudge' those who park regularly in Westminster when making choices about vehicle use and ownership, in terms of the type of vehicles they own, or whether they need to use those vehicles in Westminster at all or could alternatively rely on public transport and/or the Council's car club schemes or alternative modes.
- 3.8. The focus on air quality aligns fully with the Council's Fairer Westminster priorities, in particular the Fairer Environment objectives. It aligns with the Councils' Climate Emergency Declaration and features strongly in a range of other current and future council policies and strategies such as: The Greener City Action Plan 2015-2025; Air Quality Manifesto 2018; Walking Strategy 2017-2027; The City Plan 2019-2040; EV Charging Infrastructure Strategy 2019-2025; and Air Quality Action Plan 2019-2024.
- 3.9. The November 2023 report noted that driver behaviour is evolving and it is the case that electric vehicles (EVs) and other cleaner, less polluting vehicles are becoming more popular, commonplace and widespread: a trend that is expected to continue and even accelerate. This will render our current pay-to-park and resident permit schemes' charging structures unsustainable so the proposed schemes will address this and help future-proof the service against it as banded charges can be periodically reviewed and amended as appropriate. This is particularly the case with the resident permit scheme as its current classification by engine size, which has been in operation since 2001, pre-dates modern engine technology, meaning there are currently large disparities within each tier, and its 'eco' classification (which grants permits free of charge) is too wide and far-reaching.
- 3.10. The first reason for call-in for the proposals is that Parking charges for a small battery electric vehicle (BEV) would increase by up to 1,800% whilst they will reduce for a small combustion engine vehicle. It is felt that this will reduce the current incentive to drive electric vehicles which could undermine the overarching aim to reduce CO<sub>2</sub> emissions and to reduce particulate emissions.
- 3.11. Although it is unstated, this assertion relates to the proposals for the pay-to-park scheme. For pay-to-park, charges for EV and plug-in hybrid vehicles are currently extremely low as to be virtually nominal and thus are unsustainable going forward. Until 2017, these vehicle types were granted free parking at pay-to-park bays in Westminster. Since that date, drivers of these vehicle types can park for the bay's maximum stay (commonly four hours) by paying just the minimum charge (ten minutes). Over a four-hour period, this currently equates to the following hourly rates per zone –

Zone	Standard hourly Tariff	Minimum charge (10 mins)	Hourly equivalent of minimum charge split over 4-hour max stay
A	£4.22	70p	17.50p
B	£3.42	57p	14.25p
C	£1.94	32p	8.00p
D	£2.83	47p	11.75p
E	£5.69	94p	23.50p
F	£5.80	96p	24.00p
G	£5.80	96p	24.00p

- 3.12. Under the proposed pay-to-park scheme, zonal pay-to-park charges for small BEVs would be as follows –

Zone	Proposed hourly tariff for band 1 (0g/km CO <sub>2</sub> ) vehicles
A	£3.18
B	£2.58
C	£1.46
D	£2.13
E	£4.41
F	£4.62
G	£4.62

- 3.13. As the EV charges are increasing from such a low base, it is inevitable that any change to fit the aims of the new scheme would result in a large percentage increase. It is perhaps therefore unwise to consider the proposed charges in percentage increase terms only. Prior to the November 2023 report which concerned itself with the details of the proposed new schemes, a Cabinet Report entitled ‘Parking Fee Structure Review – Approval of Concept’, dated 24 May 2023, was approved. This set out the principles and objectives of the proposed schemes, one of which was that *“for both schemes, it is important that charges remain fair and proportionate. It is possible to create a huge differential between the highest and lowest charges but this is unlikely to be desirable in Westminster”*. The November 2023 report also explains that one of the aims of the proposed schemes is to ‘nudge’ those who park regularly in Westminster when making choices about vehicle use and ownership, especially whether they need to use those vehicles in Westminster at all or could alternatively rely on public transport, the Council’s car club schemes or other modes. It is felt the pay-to-park charging structure proposed, including the band 1 BEV charges, is consistent with these two aims and objectives.
- 3.14. Whilst it is not directly stated in the reason for call-in, it is implied that the proposals will disincentivise motorists from driving EVs in favour of internal combustion engine (ICE) vehicles. Whilst the price differential to park EV and ICE charges will in some cases reduce, it will still cost significantly more

to park ICE vehicles (bands 2-5) than EV (band 1), as is illustrated from the following table of the charges being proposed. As can be seen, the majority of vehicles (71.7%) would fall into the band 3 and 4 ICE categories.

Band	CO <sub>2</sub> Emissions (g/km)	A zone (p/hr)	B zone (p/hr)	C zone (p/hr)	D zone (p/hr)	E zone (p/hr)	F zone (p/hr)	G zone (p/hr)	% of pay-to-park sessions 2022/23
1	0	£3.18	£2.58	£1.46	£2.13	£4.41	£4.62	£4.62	19.7%
2	1 – 90	£3.64	£2.95	£1.67	£2.44	£5.04	£5.28	£5.28	5.8%
3	91 – 150 or pre-2001 ≤1200cc	£5.00	£4.05	£2.29	£3.35	£6.93	£7.26	£7.26	35.0%
4	151 – 255 or pre-2001 >1200cc	£5.46	£4.42	£2.50	£3.66	£7.56	£7.92	£7.92	36.7%
5	≥256	£6.37	£5.16	£2.92	£4.27	£8.82	£9.24	£9.24	2.8%
M	Motorcycles (base rate)	<b>£4.55</b>	<b>£3.69</b>	<b>£2.09</b>	<b>£3.05</b>	<b>£6.30</b>	<b>£6.60</b>	<b>£6.60</b>	n/a
U	Unknown	£6.37	£5.16	£2.92	£4.27	£8.82	£9.24	£9.24	

3.15. As outlined in paragraph 3.9 above, the use of EVs is increasing and this trend will only continue, thus rendering our current pay-to-park scheme's charging structure unsustainable going forward. It is therefore felt that now is the time to introduce a fairer and more proportionate scheme. In terms of proportionality, appendix E of the November 2023 report compares charges (as of 1 September 2023) of the central London boroughs and this is replicated below. From the tables above and below, it is evident that the cheapest charges in each of Westminster's seven parking zones are currently all significantly less than in our neighbouring boroughs, and even most of the proposed charges for BEVs would compare favourably.

Borough	Lowest charges p/hr	Highest charges p/hr	Diesel surcharge
LB Brent	£2.00	£2.50	no
LB Camden (current)	£2.38	£8.06	no
LB Camden (proposed) *	£3.84	£10.34	yes
City of London	£5.00	£10.00	no
City of Westminster (current)	£0.32 (or £0.08 if split over 4 hr max stay)	£8.70	yes
City of Westminster (proposed)	£1.46	£13.86	yes
LB Hammersmith & Fulham	£2.50	£6.00	yes
LB Islington	£2.00	£12.85	yes
LB Lambeth	£3.20	£8.19	yes
RBKC	£1.50	£6.80	yes
LB Southwark	£4.75	£11.25	yes
LB Wandsworth	£1.50	£3.90	no

\* LB Camden is currently in the process of consulting on restructuring its pay-to-park charges for 2024/25 to those indicated.

- 3.16. There is reference in the call-in to the reduction of CO<sub>2</sub> and particulate matter (PM). Whilst the proposed schemes aim to reduce CO<sub>2</sub> emissions and to a lesser extent, via the diesel surcharge aspect, Nitrogen Oxides (NO<sub>x</sub>), they are not designed to reduce PM. PM is largely generated through brake and tyre wear and is affected by vehicle size and weight which the proposed schemes are unable to directly take into account.
- 3.17. The second call-in reason is an expression of concern that the proposed fee structures could potentially have a disproportionate impact upon disabled people and people on low incomes.
- 3.18. The November 2023 report appends an Equalities Impact Assessment (EQIA) which suggests that disabled drivers and those on low incomes could potentially be disproportionately impacted by the proposed schemes in terms of drivers' (in)ability to change or replace their vehicle should it become subject to higher charges, which may be particularly pertinent to those with vehicles adapted for disabled drivers/passengers or for those on low incomes whose vehicles may be older and more polluting. However, the EQIA does explain how these potential negative impacts can be largely mitigated.
- 3.19. The EQIA explains that the disabled badge schemes the Council operate for disabled drivers grant either free or discounted parking. For Westminster residents, organisations and those working, studying or receiving life-saving medical treatment in Westminster, white disabled badges enable free parking throughout the City in pay-to-park bays, resident bays and blue badge bays. Circa 3,500 white badges are currently on issue. For visitors, various parking concessions are afforded to holders of the national blue disabled badge, meaning parking is comparatively cheaper compared to non-badge holders. Blue badge holders can park in blue badge bays free of charge and are granted an extra hour's grace after the expiry of paid for time in pay-to-park bays. Approx. 2.4m blue badges are on issue nationwide. Westminster white badge holders are automatically issued with a blue badge for use outside of Westminster. All these policies will continue under the proposed schemes.
- 3.20. In terms of those on low incomes, the EQIA highlights the numerous alternatives that exist to using a car for every trip, which are more affordable compared to the cost of running a vehicle. These include walking, cycling, public transport or car clubs and one of the aims of the proposed schemes is to discourage journeys that do not need to be made by car. This aspiration is also consistent with numerous other Council policies as listed in paragraph 3.8 above. Where Westminster residents are concerned, it is perhaps worth reiterating that less than 5% of pay-to-park transactions in Westminster are related to vehicles for which a Westminster resident permit is held.
- 3.21. The final call-in reason is that under the proposed fee structure a tradesperson driving a BEV would have to pay £25 per day to park instead of the current £1.40 per day thereby significantly reducing the incentive to drive a BEV.

3.22. The Council currently operates a tradesperson’s permit scheme whereby a tradesperson can obtain a zone-specific permit to park in that zone all day in any pay-to-park bay, or in any resident bay between the hours of 08:00 and 17:30. The current and proposed zonal trades permit prices are as follows.

Zone	Current cost per trades permit	Proposed cost per trades permit
A	£42.20	£45.50
B	£34.20	£36.90
C	£19.40	£20.90
D	£28.30	£30.50
E	£56.90	£63.00
F	£58.00	£66.00
G	£58.00	£66.00

3.23. The current cost of a trades permit aligns with the pay-to-park zonal tariffs, so the permit costs the same as ten hour’s parking in each respective zone. Under the proposed scheme this principle does not change and each permit costs the price of ten hour’s parking at each respective zone’s base rate. Although the proposed charges are higher than the current, the increases are no more than we may expect to see after an annual fees and charges review. Due to the proposals to revamp the pay-to-park and resident permit charging structures via the November 2023 report, both schemes have been omitted from the annual corporate fees and charges review for 2024/25 so as to avoid duplication.

3.24. Rather than purchase and rely on a trades permit, tradespersons are of course entitled to pay to park in the normal fashion for the max stay (usually four hours) in any pay-to-park. They would also be entitled to park for free whilst charging in an EV charging bay should one be available in the vicinity of where they need to service. Whilst EV models obviously exist, trades vehicles are currently much more unlikely to be EV than normal cars, although it is acknowledged that this is also a growing market. The exact monetary figures quoted in the call-in do not match any of our current or proposed tariffs, but this aside, whilst a tradesperson driving an EV and utilising nearby pay-to-park facilities would be paying more to park under the new proposals, the same counter-argument to this applies as outlined in paragraphs 3.11 to 3.15 above. Furthermore, standard band 1 charges for an EV vehicle to park all day would still be less than the price of a trades permit and also less than it would cost an ICE vehicle subject to banding 2-5 charges to park for the same duration. It is therefore not felt that the proposals would, as the call-in reason suggests, significantly reduce the incentive for a tradesperson to drive a BEV.

#### 4. Financial Implications

4.1. Unless the proposed charges are amended as a result of the call-in and consideration of its reasoning, the contents of this report result in no additional financial implications to those outlined in the original November 2023 report.



## **5. Legal and Governance Implications**

- 5.1. The contents of this report result in no additional legal and governance implications to those outlined in the original November 2023 report.

## **6. Carbon Impact**

- 6.1. The contents of this report result in no additional Carbon impact implications to those outlined in the original November 2023 report.

## **7. Equalities Impact**

- 7.1. The contents of this report result in no additional equalities implications to those outlined in the original Equalities Impact Assessment appended to the November 2023 report. For convenience, a link to an online copy is included in the background paper section at the end of this report.

## **8. Consultation and Engagement**

- 8.1. The contents of this report result in no additional consultation and engagement implications to those outlined in the original November 2023 report.

**If you have any queries about this Report or wish to inspect any of the  
Background Papers, please contact Report Author,  
[dmontague@westminster.gov.uk](mailto:dmontague@westminster.gov.uk)**

### **APPENDICES:**

None

### **BACKGROUND PAPERS**

[‘Parking Fee Structure Review – Approval of Detail’](#) Cabinet Member Report, 6 November 2023

[‘Parking Fees Structure Review’](#) Equalities Impact Assessment, 2 November 2023

[‘Parking Fee Structure Review – Approval Of Concept’](#) Cabinet Member Report dated 24 May 2023.