



POLICY AND RESOURCES COMMITTEE

Wednesday, 7 October 2020

REPORT TITLE:	CAR PARKING CHARGES OPTIONS
REPORT OF:	NICOLA BUTTERWORTH, DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT SUMMARY

This report considers options for the reintroduction of the current car parking charges policy in Wirral in 2020/21 and alternative options for parking charges in 2021/22 and beyond.

Parking charging policy can influence public behaviour and outcomes and may be used to help support proposed council plan objectives. Depending upon the options selected any decision has the potential to support the Wirral Plan 2025 priorities of a Sustainable Borough and Inclusive Economy.

Any decision may also support Objective 2 of the Wirral local plan 2020 – 2035 to ‘Promote safe, efficient and sustainable travel, improve accessibility, connectivity, and ease of movement, which reduces the need to travel by private car and encourages healthy lifestyles. Direct new development to locations which will provide easiest access to existing centres, high-frequency public transport corridors, pedestrian and cycle routes’

This matter affects all Wards within the Borough.

This decision is a key decision.

RECOMMENDATION/S

The Policy and Resources Committee is recommended to

1. Approve the option to immediately re-introduce car parking charges at current tariffs across all the council’s car parks in the short term, until 31 March 2021,
2. Authorise the Director of Neighbourhoods to consult on the implications of the medium to long term options detailed in Appendix 1 to this report and bring a further report to the Environment, Climate Emergency and Transport Committee in early 2021 with a recommendation as part of the budget options for the 2021/22 budget.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 In April 2020 the decision was made to suspend all the Council's parking charges, at on-street and off-street plus country parks locations. This report presents a wide range of options in relation to the re-introduction of charges. The short-term option recommended (option 4, Appendix 1) is to re-introduce parking charges across the borough at tariffs set for 2020/21 in accordance with the existing policy. This is in line with the council's budget, is generally in line with what neighbouring authorities have done and will go some way to recovering some income for the remainder of the financial year. However, Committee Members will wish to fully consider all options and make an informed recommendation on the longer-term option(s) which they consider best address the balance between the council's 2021/22 budget position, economic recovery of local businesses, the climate emergency declaration, active travel, sustainability, the local plan, public health implications, and to address inequalities across the Borough, having regard for the council's corporate plans.
- 1.2 The council's budget position is a key consideration. The council is able to recover 75% of lost car parking income, after firstly offsetting the first 5% losses and any related savings, from the start of lockdown in March 2020 as part of the Governments compensation scheme, until the more extensive re-opening of high street retail and hospitality outlets on 4 July 2020. Any costs and losses relating to parking income beyond 4 July 2020 will not be eligible and would need to be recovered from alternative council budgets.
- 1.3 If parking charges continue to be suspended, then the budget pressure for this 2020/21 financial year would be a £1.9 million deficit. To compensate for this, alternative savings would have to be found from elsewhere within the Council's budget.
- 1.4 Any recommendation for reintroduction of charges in 2020/21 at different tariffs, other than returning to previous rates, would require a decision of full Council as the rates and budget have been already set by Council for the year.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A wide range of options for reintroducing car parking charges in 2020/21 and for different parking charging strategies from 2021/22 are included in a table at Appendix 1, including: description; potential outcome; climate emergency/active travel implications; timescales; resources requirements; budget implications and further comments. Appendix 3 contains a table of current 2020/21 parking tariffs (pre-suspension) and the effects of increases referenced in Appendix 1.
- 2.2 An update on what other local authorities are currently doing in respect of car parking charges are set out in a table at Appendix 2.

3.0 BACKGROUND INFORMATION

- 3.1 The council's budget for 2020/21 includes a net surplus income target of £950,000 for the parking service in Highways & Infrastructure, Neighbourhoods directorate.

This is derived from £2.45m income, £1.8m of which is from parking ticket sales, and £1.5m expenditure (including all service costs).

- 3.2 Statutory powers cannot be used to raise revenue for general council services, nor can charges be raised with the deliberate intention of financing traffic related expenditure other than to cover the cost of on and off-street parking with a modest surplus for contingencies. Income raised from charges for the use of car parks can be used to defray the cost of ensuring the safe use of infrastructure in, or serving the car park e.g. maintenance of access roads, footpaths, railings, speed bumps, signs etc. as well as resurfacing and maintaining the car park itself and the council's administrative costs in collecting the charges and maintaining the infrastructure. The majority of the council's parking income comes from off-street parking. Historically, any surplus income from parking charges is used to contribute to the council's overall highways and infrastructure service's net overall budget, which is £7.4million in 2020/21. This service delivers statutory functions and the repair and maintenance of all the council's highway infrastructure, including car parks.
- 3.3 A decision was made by chief officers through the Covid-19 emergency governance structure in April 2020 to suspend all the council's parking charges, at on-street and off-street plus country parks locations. The decision was proposed to be kept under review. This decision was taken to assist residents and key workers in parking for free when accessing shops for food and essentials, to help those businesses that were able to remain open, and to encourage the public to use parks and open spaces, in line with government guidance at the time. It also reduced the infection risks of people handling coins and pressing buttons on parking machines at a time of rapidly rising infection levels and travel being limited to essential journeys only.
- 3.4 These lockdown restrictions have since been relaxed and there have been large gatherings of people at our parks and open spaces and coastal locations, including overnight stopping, particularly during periods of good weather.
- 3.5 From Monday 15 June 2020 non-essential retailers were able to open their doors to shoppers. From Saturday 4 July 2020 further high street retailers and hospitality premises were permitted to open. This has led to an increase in use of the council's car parks.
- 3.6 The Cabinet Member for Community Services, with portfolio covering the parking service, made a decision on 1 July 2020 to reintroduce full parking charges at all council facilities with effect from 3 August 2020. The rationale for the decision was to offer the most appropriate compromise and balance between council income loss, economic recovery of local businesses and public health implications. The decision was published on 9 July 2020.
- 3.7 This decision was called-in and a meeting of the Environment Overview and Scrutiny committee was held on 30th July 2020 6pm, and the Committee resolved:
That
 - (1) The decision is to be referred back to Cllr Williamson, Cabinet Member for Finance, as decision taker in the absence of Cllr McManus.

(2) The Environment Overview and Scrutiny Committee welcomes the statement made by Cllr Williamson [to the Committee] and agrees that car parking charges remain suspended until October 2020, where the Policy & Resources Committee should be invited to review and consider the position at that time.

- 3.8 Car parking in town centres is a complex and emotive issue (*Association of Town and City Management*); however, there is not a one-size-fits all approach to parking, nor is free parking a universal solution. The provision of off-street car parks and on-street parking spaces comes at a cost which needs to be recovered. Furthermore, the creation of clear parking policies, embedded in holistic transport strategy, remains problematic because of the numerous stakeholders involved all working to different objectives.
- 3.9 The finding of a report produced for the Welsh Government (*Assessing the Impact of Car Parking Charges on Town Centre Footfall*) indicates that car parking charges is often perceived, particularly amongst businesses, as being a key determinant for changes in footfall levels in town and city centres. However, the available evidence is almost entirely anecdotal. Visitors to town centres suggested that car parking charges impact on how long they remain in the centre and, consequently, how much they spend whilst there. However, the general availability of spaces is felt by visitors to be more important than cost in their overall decision about visiting. Whilst a 'blanket' free parking strategy has been suggested to encourage more car park users, these were generally found not to benefit target visitors (for example, the spaces were used primarily by town centre workers who were taking up the spaces all day, rather than shoppers) and consequently had an unexpected negative impact on footfall.
- 3.10 According to a report produced in partnership with the Liverpool City Region's Authorities, Chambers of Commerce, BIDs and trade associations (*Business Recovery Survey Report*) there is a general expectation that there will be a reduced demand for business by up to 55% for the next 12 months as a result of COVID-19.
- 3.11 Usage surveys have shown that car park occupancy levels are currently at around 35% on average. The estimated parking uptake (transactions) for the next 5 months is estimated at 40% of pre-COVID levels and this has been used in the options implications and budgetary forecasting. This assumption of 40% parking uptake is comparable with feedback received from Sefton and Cheshire West and Chester Councils.
- 3.12 At the time of writing this report Wirral is showing a sudden and sharp increase in confirmed COVID cases. As a result a cautious approach to remobilising/next steps is being considered. Given the speed of change we have seen in new cases the car parking charging options need considering in line with the current COVID position.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The suspension of car parking charges (and parking enforcement) across the whole of the borough has resulted in a loss of income of approximately £47,500 per week / £200,000 per month on average based on pre COVID existing use, (£24,500 from car parks, £7,500 from on-street and £3,500 from country parks and £12,000 from loss Penalty Charge Notice revenue per week).

- 4.2 The operational running costs for maintaining car parking facilities including rates, maintenance, servicing and enforcement is approximately £800,000 per annum.
- 4.3 The COVID19 restrictions/guidance from Government from March 2020 led to a drop in travel and, by extension, parking requirements, therefore the loss of income directly relating to the suspension of parking charges is limited.
- 4.4 However, as the COVID19 restrictions are relaxed car park usage is increasing, particularly at the country parks, as residents make the most of being able to undertake non-essential journeys.
- 4.5 Suspending car parking charges for the whole of this 2020/2021 financial year would result in budget pressure of £1.9 million deficit. Parking enforcement resumed in full on street from June and is expected to bring in £200k of Penalty Charge Notice income for 2020/2021.
- 4.6 The budget to account for any loss of income, which cannot be covered by the COVID19 Emergency fund received from Government, will be agreed by relevant Committee and the Policy and Resources Committee in conjunction with the Director of Neighbourhood Services.
- 4.7 Several of the car parking charges options as tabulated in Appendix 1 could minimise the loss of income or possibly increase income in future years.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council have powers under sections 32 and 35 of the Road Traffic Regulation Act (RTRA), 1984 to charge parking fees. Section 122 imposes a general duty on local authorities exercising functions under the RTRA 1984 to "secure the expeditious, convenient and safe movement of vehicular and other traffic (including pedestrians) and the provision of suitable and adequate parking on and off the highway...". Charges should be fixed to cover the cost of maintaining the facilities and repaying any debt incurred for their construction, whilst budgeting for a modest surplus to allow for unforeseen expenses does not render the scheme unlawful, charges cannot be fixed for the purpose of raising money for non car parking related purposes. Parking enforcement has been scaled back to meet the reduced demands. When parking charges are reintroduced, then parking enforcement will be stepped up.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Some of the options for the reintroduction of car parking charges can be met from existing resources with no additional costs.
- 6.2 Other options may require revenue growth and/or additional capital expenditure.

7.0 RELEVANT RISKS

- 7.1 By continuing to offer free parking in all areas may encourage large groups of people to travel and gather at our public parks & open spaces and shops which may lead to an increased risk of the spread of the virus.
- 7.2 Not continuing to offer free parking for the foreseeable future may have a negative impact on some local businesses in their recovery after lockdown and on those local people making use of our open spaces.
- 7.3 Effective management of car parking spaces through the use of charges can ensure a turn-over of parking and manage the supply of parking spaces.
- 7.4 Prioritising car drivers by providing free car parking raises equality issues – the council does not provide free travel by bus and in some cases does not provide cycle parking. There are a considerable number of Wirral residents without access to a car; this may be through choice but, assuming car owners may generally have higher incomes, free parking may be seen as subsidising those who are already better off and unfairly penalising more vulnerable residents and communities.
- 7.5 The Wirral *Strategic Regeneration Framework* sets out the priorities and challenges for economic growth in the borough, to help guide and proactively drive investment and activity across Wirral to deliver our ambitions for local economy. It has a strong focus on sustainability; continued free parking could have a negative impact on health and climate change issues by encouraging car use instead of active travel. Increasing parking tariffs in future could encourage active travel or sustainable transport modes.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Wirral Chamber of Commerce, Birkenhead Improvement District and other councils have also been consulted in the preparation of this report. Feedback from consultation with Wirral Chamber of Commerce BID team and their levy payers is listed at Appendix 4.
- 8.2 Further investigation of options selected for a longer-term car parking strategy will include public consultation. The guiding principles for a fair consultation can be summarised as follows;
- It should be at a time when proposals are at a formative stage;
 - Must include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response;
 - Those consulted should be made aware of the factors that are of decisive relevance to the decision;
 - Adequate time should be given for consideration and response;
 - The product of the consultation should be conscientiously taken into account by the decision makers in finalising their statutory proposals/ when the ultimate decision is taken.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact

Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

- 9.2 This reintroduction of car parking charges has been subject to an equality impact assessment. A copy can be found at: -

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

As indicated in Appendix 1 a full EIA is required for each of the other options.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The link between poor air quality, the climate emergency and emissions from vehicles is widely accepted. An effective car parking charging regime encouraging modal shift away from the private motor car towards cleaner, more sustainable modes of transport will have a positive environmental and climate change impact. Any car parking and transport strategy needs to link to the council's Climate Emergency Declaration and Active Travel agendas.

If parking charges are reintroduced or increased in future as per several of the options contained within this report, this may be expected to:

- Reduce emissions of green-house gases

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APPENDICES

Appendix 1 – Car Parking Charges Options

Appendix 2 – Update on what other councils are doing regarding car parking charges

Appendix 3 – Current parking charge tariffs and effects of increases

Appendix 4 - Wirral Chamber of Commerce BID team comments

BACKGROUND PAPERS

Reintroduction of car parking charges options report 26 June 2020

TCG JESIP Report Suspension of car park charges at country parks 23 March 2020

TCG JESIP Report Suspension of ALL parking charges 23 March 2020

Assessing the Impact of Car Parking Charges on Town Centre Footfall; prepared for the Welsh Government (mruk March 2015)

<http://212.219.240.82/documents/s500000201/Appendix%202.pdf>

Business Recovery Survey (NorthWest Research & Strategy July 2020)

<https://growthplatform.org/wp-content/uploads/2020/09/Business-Recovery-Summary-Report.pdf>

In-Town Parking: What Works (ATCM July 2014)

<https://thegreatbritishhighstreet.co.uk/pdf/GBHS-What-Works.pdf>

Strategic Regeneration Framework

<https://www.wirral.gov.uk/sites/default/files/all/business/Regeneration/Strategic%20Regeneration%20main%20report.pdf>

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Call-In on the Reintroduction of car parking charges	30 July 2020
Cabinet Member decision on reintroduction of parking charges from 3 August 2020	1 July 2020