



## **ENVIRONMENT, CLIMATE EMERGENCY AND TRANSPORT COMMITTEE**

**Monday, 14 June 2021**

<b>REPORT TITLE:</b>	<b>CAR PARKING CHARGES OPTIONS REPORT</b>
<b>REPORT OF:</b>	<b>NICOLA BUTTERWORTH, DIRECTOR OF NEIGHBOURHOOD SERVICES</b>

### **REPORT SUMMARY**

This report considers 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 refreshed Wirral Plan 2021 to 2026 priorities of a Sustainable Borough and Inclusive Economy.

At the Budget, Policy and Resources Committee on Wednesday 17th February 2021, a revised set of budget proposals included a further £1 million to be achieved through 'additional and increased parking charges and whole scale car parking review'. During this committee members resolved that further work be undertaken by the Environment, Climate Emergency and Transport Committee in respect of car parking charges to develop and implement proposals in line with the agreed Budget and for the Policy and Resources committee to be updated accordingly. Full Council at its meeting of 1 March, unanimously agreed the saving of £1m from additional and increased parking charges and whole scale car parking review as part of the 2021/22 annual budget.

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.

### **RECOMMENDATIONS**

- 1) To ensure the Environment, Climate Emergency and Transport Committee fulfil its obligations as agreed at the meeting of the Full Council on 1st March 2021 members of this committee are recommended to choose from the various car parking charges options included at Appendix 3 to this report in order to meet the agreed saving of

£1m from additional and increased parking charges and whole scale car parking review as part of the 2021/22 annual budget.

- 2) This Committee delegates authority to the Director of Neighbourhood Services to implement the decision of this Committee and the parking charges option selected as soon as is reasonably practicable.

## **SUPPORTING INFORMATION**

### **1.0 REASONS FOR RECOMMENDATION**

- 1.1 A report was initially considered by the Policy and Resources Committee on the 7th of October 2020 presented by the Director of Neighbourhood Services. The Committee were asked to consider a number of alternative options for parking charges in 2020/21 and beyond. At the request of the Policy and Resources Committee the Environment Climate Emergency and Transport Committee appointed a working group to consider options and the recommendations of the Environment Climate Emergency and Transport Committee working group were considered at its meeting on the 3rd of December 2020 and referred to the Policy and Resources Committee on 20<sup>th</sup> January 2021. The Policy and Resources Committee on 20<sup>th</sup> January 2021 resolved to immediately reinstate parking charges at all locations and at current 2020/21 tariffs and the Director of Neighbourhood Services was requested to bring a further report on car parking charges options to the Environment Climate Emergency and Transport Committee following the May 2021 elections.
- 1.2 A budget proposal to increase income from car parking charges has been approved by Council to contribute to the budget deficit. If the council does not secure additional income from parking, then there is a risk that the council will not secure the long term funding required to cover the cost of maintaining the parking assets, which in turn will impact upon the visitor economy for the borough.
- 1.3 Under the Traffic Regulation Order Procedure Regulations there is an important requirement to undertake statutory consultation to any proposed Traffic Regulation Order.
- 1.4 If parking charges are not increased and /or further charges are not introduced into new areas, then the budget pressure for this 2021/22 financial year would be a £575,000 deficit for existing car parking income plus a shortfall of up to a further £1 million pound from proposed budget saving options associated with charging for car parking. To compensate for this, alternative savings would have to be found from elsewhere within the Council's budget.
- 1.5 The parking charges options of either a flat rate tariff increase or standardising charges and rolling out charging elsewhere with a focus for on street coastal and tourist visitor areas has the potential to support the Council's reducing inequality across the borough priority.
- 1.6 The various charging option recommendations that the Environment Climate Emergency and Transport Committee are recommended to consider and select from are all included in Appendix 3 to this report and summarised in section 2.0 of this report.

### **2.0 OPTIONS CONSIDERED**

- 2.1 Appendix 1 contains a table of current 2020/21 parking tariffs and past 3-year income figures (excluding 2020/21 as charges were suspended for the majority of this year).

- I. As seen in Appendix 1 Wirral's parking charges differ in different locations. There are many reasons for this which can include demand management and managing commuter parking or shopper type parking by encouraging longer or shorter stays in certain areas through lower or higher tariffs. Parking charges may also be used to discourage the use of the private motor vehicle.

## 2.2 Appendix 2 shows the effects of increases to existing car parking charges.

- II. If the increased car parking charges highlighted in this report are agreed at a £1 increase to all tariffs and implemented from July 2021 then this will only realise a part year saving of £560k (once the drop in usage following COVID has been factored) for 2021/22. So, if £1m is required all in 2021/22, the increase would need to be in excess of £1.50. From previous experience the impact of any increase in parking charges is a dip in usage, however such a single hike in charges to realise an additional £1m pound of income brings a risk that users refuse to pay the charges and seek parking elsewhere. We could expect to see a drop in usage by up to almost 30%. Usage does tend to recover over time, but this can take up to 12 months or longer.

## 2.3 Appendix 3 indicates various options for different parking charging strategies, which could be implemented from 2021/22 in order to achieve the budget option, including: description; potential outcome; climate emergency/active travel implications; timescales; resources requirements; budget implications and further comments.

- III. Due to the legal Traffic Regulation Order making process required for the introduction of new charges and based on previous experience of implementing new parking charges any of these other options are unlikely to be implemented until at least January 2022. The net income for 2021/22 would therefore be estimated at £185,000 **and these options in full also require circa £1.2m of capital investment for equipment etc**, the financing of which would need to be agreed.

## 2.4 A further option (Option 4, Appendix 3) would be to **standardise the parking charges** across all existing on and off street locations including the country parks. The proposed tariff structure would be:

- 1 hour - £1,
- 2 hours - £2,
- 3 hours - £3,
- 4 hours - £4
- all day parking - £5.

Standardising charges will make it easier for the public to understand our parking charges and use our parking areas. It eliminates any inequalities by having different charges in different areas of the Borough.

- IV. Some areas will see a rise in some tariffs i.e. the 50p for 1 hour tariff at the country parks would rise to £1 and the £2 all day parking tariff would rise to £5,

- V. whilst other tariffs will see a reduction i.e. the £1.20 for 1 hour tariff in Birkenhead would reduce to £1 and the £8 all day parking tariff in the short stay on-street areas of Birkenhead would reduce to £5.

If members agree to standardise tariffs and to implement parking charges into new areas, then these new charges would also be at the standardised tariffs.

- 2.5 A combination of the various options is possible such as a flat rate increase of 50p to generate £500,000 (2022/23) or standardise all current charges at £1 per hour up to £5 for all day and then generate the rest from two or more of options 1 to 3 in Appendix 3 but these could only be introduced from January 2022 **and also require circa £1.2m of capital investment:**

- VI. Introduce charges into off-street car parks that are currently Free i.e. Bromborough, Bebington, Irby, Hoylake, New Brighton etc. - £300,000 (£75,000 in 21/22);
- VII. Introduce on-street charges into town centre areas other than Birkenhead e.g. New Brighton, West Kirby, Hoylake, Heswall, Moreton etc. – £200,000 (£50,000 in 21/22);
- VIII. Introduce parking charges into coastal locations e.g. New Brighton, West Kirby, Leasowe, Hoylake - £250,000 (£60,000 in 21/22)

- 2.6 Members are also recommended to consider the introduction of a **new motorhome daily parking tariff** where appropriate on certain car parks. A motorhome is typically a motor vehicle equipped with some of the amenities of home e.g. cooker, fridge, toilet, sleeping facilities etc. These types of vehicles can often take up more than one standard car parking space, therefore a tariff of up a maximum of £15 per day for motorhome vehicle parking is anticipated. The Councils commercial team is developing options for the overnight parking of motorhomes and leisure vehicles at a dedicated commercial location with provision for facilities. This is subject to separate ongoing discussions with the members of The Tourism, Communities, Culture and Leisure Committee.

### **3.0 BACKGROUND INFORMATION**

- 3.1 The Council's budget for 2021/22 includes a net surplus income target of £1,450,000 for the parking service in Highways & Infrastructure, Neighbourhoods directorate. This is derived from £2.95m income, £2.3m 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 2021/22. This service delivers statutory functions and the repair and maintenance of all the council's highway infrastructure, including car parks. None of the recommended options included in this report will contravene the Council's statutory powers in respect of the income generated from parking charges.

- 3.3 Following the suspension of all car parking charges in April last year, and following several Covid-related lockdowns, charges were reintroduced from 1 February 2021.
- 3.4 Despite rises to inflation the council has not increased its parking charges since August 2017 when a flat 20p increase was applied to all tariffs.
- 3.5 There are several regeneration plans currently being developed in Wirral including, The Birkenhead regeneration plan and the New Brighton and Liscard Masterplans, all of which have implications on car parking. For example, the New Brighton Masterplan is currently considering several different uses other than car parking for the car park at Fort Perch Rock. Therefore, at this stage we cannot take account of any future plans other than to note the risks they potentially have on future car parking options and income.
- 3.6 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.
- 3.7 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.
- 3.8 According to a report produced July 2020, 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.
- 3.9 Following the car parking report on 7 October 2020 and subsequent Environment, Climate Emergency and Transport committee members working group meetings in November and report on 3 December 2020, members supported the upcoming transport strategy and recommended that a comprehensive review and survey is

undertaken in Wirral as to the local impact of car parking charges on footfall and spend in retail areas and the high Street. This car parking study to produce a parking strategy report will include consultation with residents, businesses, users and an analysis of cost/benefit, behaviour change etc. This project is being led by Regeneration and is not expected to be complete until at least late September 2021. It would be entirely appropriate to revisit any decisions made now, in line with this emerging transport strategy and this Committee may be mindful to wait for the strategy to be completed before making any long term decisions regarding policy on car parking charges. However, any delays to the proposed car parking charging options will not generate the value of budget savings agreed by Full Council to be achieved, and to compensate for this, alternative savings would have to be found from elsewhere within the Council's budget.

- 3.10 As part of the considerations of proposed car parking charges and the emerging Parking Strategy (see 3.9) the Council will look to secure any available funding from the Office for Low Emission Vehicles (OLEV) to support the installation of Electric Vehicle Charging Points (EVCP) at key locations in the Town and local centres, leisure centres and other areas. The EVCPs will be able to be used by residents who do not have access to off-street parking and may otherwise be unable to access the benefits of EV ownership. All Council car parks are free to use from 1830 to 0800 and local residents will be able to use the car-parks overnight to charge their vehicles when required. The Council is currently working with a commercial provider to install a number of EVCPs at the Church Road car park in Bebington on a trial basis.
- 3.11 The effects of COVID-19 on car parking can only be estimated as it is currently not possible to accurately predict what the long-term implications will be on vehicle trips and parking habits. Since the reintroduction of parking charges in February 2021 car parking has steadily increased from around 30% of pre-Covid levels to circa 70% at the time of writing this report. There was a clear increase in car parking following the implementation of the Governments STEP 2 of the Roadmap for the COVID response which saw retail opening, as well as the good weather in April leading to an increase in leisure trips and parking. As further restrictions are lifted particularly for the hospitality industry it is assumed that car parking usage will increase to around 75% of pre covid levels by the end of 2022. The average parking uptake (transactions) for the financial year of 2021/22 will be estimated at 75% of pre-COVID levels and this has been used in the options implications and budgetary forecasting.
- 3.12 At the time of writing this report we are making a stepped approach out of lockdown and heading back towards a degree of normality. It is anticipated numbers gradually returning to pre-COVID levels from late 2022. Parking at Country Parks continues to see an increase above pre-COVID levels which should continue as certain restrictions on travelling abroad remain. However, a cautious approach is required and the car parking charging options need considering in line with the current COVID position.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 With the annual inflationary increase for 2021/22 car parking income has a budget target of circa £2.3 million. Due to the effects of COVID and a reduction in car

parking transactions income may only realise 75% of this figure by the end of the financial year leaving a potential shortfall of circa £575,000. Car parking income is being closely monitored to gauge the effects of the Governments Roadmap and various steps out of lockdown has on car parking.

- 4.2 To meet the additional saving of £1m from car parking income in 2021/22 as agreed by Council, it would require a flat rate increase across all tariff levels of circa £1.50 – i.e. the cheapest 50p ½ hour on street charge in Birkenhead will increase to £2.00 and all other rates will increase accordingly.
- 4.3 The total revenue implications for options 1 to 3 could not be realised until the infrastructure is in place, in the first year income may not be realised until January 2022. The net income for 2021/22 would therefore be estimated at £185,000 and for 2022/23 be estimated at £750,000.
- 4.4 The alternative Option 4 to standardise all existing parking charges could generate additional income of circa £500,000 per annum (from 2022/23), this assumes the amended charges are implemented from July 2021. The total additional income for 2021/22 could be circa £250,000. If these alternative scale of parking charges are also implemented in new areas from January 2022, then the further income for 2021/22 could be circa £125,000 and £500,000 for 2022/23. These figures assume that parking has returned to pre-COVD levels.
- 4.4 In the event the car parking charges review is agreed a separate bid to the Capital Programme will be prepared for £1.2 million to finance the supply and installation of Pay and Display equipment / infrastructure for the recommended car parking charging option. This will be considered by the Capital and Asset Group (CAG) and referred to the Investment Change Board (ICB) which is the mechanism used by this Council for accepting bids into the Capital Programme.
- 4.5 If the agreed proposals will not generate the value of savings agreed by Full Council to be achieved, the shortfall will be required to be achieved from elsewhere within the Committee budget. It is a requirement of all Committees to remain within their budget envelope at all times and where there is a risk to this going off target, to identify and implement alternative mitigating savings.
- 4.6 A report by the Director of Resources also on this agenda, recommends a series of Committee budget workshops so that the Committee is able to identify and implement alternative savings.
- 4.7 As part of the conditions for the offer of Exceptional Financial Support (EFS) from the Ministry of Housing, Communities and Local Government, (MHCLG) the Council needs to demonstrate sound financial management, leadership and decision making. Therefore it is imperative that alternative savings are found to ensure the full £1m saving can be achieved in 2021/22, otherwise the offer of EFS from MHCLG is at risk.

## **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. Since the reintroduction of car parking charges from 1 February 2021 parking enforcement has been stepped back up to meet the current demands.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 The options to implement an increase in car parking charges can be met from existing operational resources with no additional costs.
- 6.2 Other options may require revenue growth and/or additional capital expenditure as indicated within the report.

## **7.0 RELEVANT RISKS**

- 7.1 Increasing car parking charges or introducing charges into new areas in the 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.
- 7.2 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.
- 7.3 Prioritising car drivers by setting low parking charges or 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, low charges or free parking may be seen as subsidising those who are already better off and unfairly penalising more vulnerable residents and communities.
- 7.4 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; increasing parking tariffs or the introduction of charges in new areas in future could encourage active travel or sustainable transport modes.
- 7.5 There is a temporary or permanent risk to future car parking income associated with any loss or changes to car parking as a result of the regeneration plans for Birkenhead and other areas such as New Brighton and Liscard.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 In order to implement new car parking charges the Council will need to undertake a consultation as part of the required Traffic Regulation Order (TRO) process.

- 8.2 The initial statutory advertising process for the TRO proposals will require publication of notices at all sites affected by the proposals and in the press with an appropriate objection period. All Party Spokespersons and Ward Councillors will be informed.
- 8.3 Legal notices and maps of the areas affected by the TRO will be prepared as part of the consultation process.
- 8.4 The increase of parking charges doesn't require a public consultation process; however, it does require an amendment to Traffic Orders by notice.

## **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 The increase of car parking charges and the introduction of new parking charges in coastal and tourist visitor areas has been subject to an equality impact assessment. Copy can be found at: -

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

## **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.
- 10.2 If parking charges are increased or introduced in new areas in future as per several of the options contained within this report, this may reduce the use of the private motor car leading to a reduction in emissions of green-house gases.

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## **APPENDICES**

- Appendix 1 - Current parking tariffs and income for past 3 years.  
Appendix 2 - Summary of potential income form increasing existing charges.  
Appendix 3 - Other Car Parking Charges Options

## BACKGROUND PAPERS

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)

<b>Council Meeting</b>	<b>Date</b>
Reintroduction of car parking charges options	26 June 2020
Cabinet Member decision on reintroduction of parking charges from 3 August 2020	1 July 2020
Call-In on the Reintroduction of car parking charges	30 July 2020
Car Parking Charges Options – Policy and Resources Committee	7 October 2020
Car Parking Charges – Members’ Working Group – Environment Climate Emergency and Transport Committee	3 December 2020
Car Parking Charges – Members’ Working Group – Policy and Resources Committee	20 January 2021
Budget, Policy and Resources Committee	17 February 2021