



Date: Monday, 19 February 2024
Time: 2.00 pm
Venue: Council Chamber, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND
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ECONOMY AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

TO FOLLOW REPORT (S)

5 Call In of Cabinet Decision - Parking Tariffs, Operations & Development (Pages 1 - 10)

Appendix 3a – Supplementary Information – Service

- 3a(i) Response to Labour Call In and
- 3a (ii) Response to Liberal Democrat Call In

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APPENDIX 3A (i) - RESPONSE - LABOUR CALL-IN

CABINET APPROVAL FOR INCREASES TO PARKING CHARGES AND RELATED MATTERS

Town economy and attractiveness (response to the introduction section and Section 1, 5)

The Movement Strategy is examining how people access the town centre, with improvements to highways infrastructure, public transport, and active travel. However, restricting change until this longer-term project is implemented will curtail Parking Services' ability to influence motorists' use of the town in the short term.

Though the Movement Strategy may enhance matters, it is already possible to use a bus or cycle to the town, and if the intended incentive to move vehicles from the town centre is successful, it will reduce stress on the existing highway infrastructure. The alternative of waiting for the 10 year long Shrewsbury Moves Strategy to be implemented in a phased manner is not considered reasonable, as this could lead to stagnation of the service for perhaps 5 years or more. Expanding the Park and Ride service is discussed below.

Parking ticket sales in Shrewsbury have returned to pre-Covid levels, indicating that visitor numbers have recovered, though how they use their time is not available to Parking Services.

An increase limited to inflation will achieve none of the objectives: if the endpoint of a car journey is only available to the first to arrive (typically commuters/staff), then connectivity for others (customers/visitors) becomes limited; the local economy will suffer if customers are unable to find available space; deterioration of car park infrastructure will be perpetuated; parking service staff will be unable to address many important operational processes and the development of new resident zones, for instance; funding of public transport, particularly Park and Ride, will be limited.

Park and Ride (in response to Section 5)

As noted in the report, an extra evening Park and Ride service would be helpful in creating a 'commuter' alternative. However, there is a financial chicken-and-egg situation here. Investigations should take place in the short term into the ability to use some of the additional parking revenue to specifically fund a late Park and Ride service (and maybe even an early morning service). This investigation will need to research the financial viability of this proposal, the practical delivery implications for the service, any legal restraints and other demands on the parking revenue. In the meantime, the increase in car park charges will make the Park and Ride service comparatively even cheaper for those who can work within its limitations or adapt their arrangements to do so.

Displacement (in response to Section 6)

It is acknowledged that displacement parking is a possibility, though modelling estimates the numbers will be very small (less than 50 per day throughout

Shrewsbury) and as such will be addressed when the Parking Team has sufficient resources and when other displacement effects from the Shrewsbury Moves Strategy are understood. It is considered extremely unlikely that any new area will suffer immediate, unsustainable displacement, but if it does, it will be prioritized. The alternative of consulting on something which has not happened, might not happen, and is likely to have a very small impact is not considered useful.

Shropshire Led Consultation Prior to presentation of the report, several people/groups were consulted, including the Informal Cabinet, Mark Barrow, Executive Director, Place, Councillor Dan Morris, Portfolio Holder for Highways, and Seb Slater, Shrewsbury BID. A wider consultation of individual councillors was not considered necessary as the report was not focused on a local area but countywide. Public consultation was also not considered appropriate as, due to the nature of the report, only objections would be received, suggesting inflation-based increases, no increases, free parking, effects on town centre economies, etc. These are all factors that have been considered but work against the stated objectives that are the reason for the increases.

Legally Led Consultations (in response to Sections 1, 3)

The requirements are set out in the Road Traffic Regulation Act 1984 and The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996.: Alterations to charges can be carried out by means of a 'notice of variation' which is published 21 days prior to changes being implemented. There is no provision for objection. Alterations to conditions are carried out by means of a 'notice of proposals' which gives 21 days in which to object, followed by consideration and approval, modification, or rejection of the proposals before implementation. A more comprehensive explanation of the legal provisions is attached as Appendix 3b.

Full public consultation (in response to sections 1, 2, 3, 6)

The meaning of a 'full public consultation' is not detailed in the call-in notice but is presumed to involve a longer timescale. To put it into context, the 21-day consultation process would in practice take 2 to 3 committee cycles depending on timing.

Further delays from an extended consultation process will entail significant delays to the policy objectives, costs in such an extensive exercise, and significant lost revenue. This revenue is needed to support the necessary changes to maintain the parking estate, improve parking operations, potentially increase the Park and Ride services, and if previous practice is followed, maintain or improve scheduled bus services.

The source of a '7-day' notice is not clear but is not in the proposals. A Notice of Variation is published 21 days before the changes are introduced and a Notice of Proposals involves a 21-day consultation/objection period.

The Parking Strategy (in response to Section 3)

The Parking Strategy is a local (Shropshire) policy document which addresses principles, procedures, and guidance for the operation of the parking service and its development.

Last time it was comprehensively reviewed in 2017 the document set out some guidance on how to create a charging structure which was widely consulted upon alongside all the other principles and procedures. It incorporated the separate issue of the actual charges to be adopted.

This combination of two issues into one document has possibly created a mistaken expectation that the issues have to be considered as one, with extensive consultation on the charge levels. The increases in 2022/23 did not involve the level of consultation afforded the Parking Strategy and the report wording did not refer to changing the Parking Strategy. In this case, it is proposed to follow the procedures in the Road Traffic Regulation Act 1984, without changing the Parking Strategy, subject to the paragraph below.

Guidance in the Parking Strategy related to the basic charge structure was that there should be 7 tariff Bands and each car park would be slotted into one of these Bands. Parking in Shropshire has become more complicated with changes required in Shrewsbury that are not required elsewhere. There is no reason, policy procedure or strategy why the guidance of 7 Bands in 2017 should not be altered to 11 Bands in 2024, reflecting changes in circumstances over the last seven years.

Without this change, Shrewsbury's modern traffic conditions and development of the town centre could not be accommodated without inappropriate increases elsewhere. It is this change from 7 to 11 tariff bands which in the context of the principles and even the detail of the Strategy is considered 'minor'.

Charge Level Proposals – General (in response to Section 4)

The Movement Strategy principle of a graduated system of parking charges becoming cheaper as you move further from the town centre is completely compatible with the changes proposed.

- £3.60 On-street bays are the closest to the town centre,
- £2.80 Bridge Street, St Austins Street,
- £2.00 Raven Meadows,
- £1.60 St Julians Friars,
- £1.20 Frankwell,
- £1.00 Abbey Foregate, the furthest away.

Charge increases of 80p in the centre, 40p on the fringes and 20p elsewhere have enabled this to happen, but given the different starting points have led to different percentage increases for the same value increase. These charges conform to the transport hierarchy and parking strategy.

Raven Meadows is not increasing due to its lower quality and without its 'intermediate' level, it is possible Frankwell may not cope with more transferred vehicles.

It will also enable motorists to retain easy access to the Darwin Centre and the town centre beyond, without adding to the town centre traffic as well as serving as an accessible option for those with limited means or for those with children or mobility issues where Frankwell would be a deterrent to visitors,

In comparison with Hereford these charges are comparable at the level of St Julians Friars and below but Shrewsbury's on-street and town centre car parks are somewhat higher with their top car park being over a pound cheaper. This is reflective of the desire to move traffic from inside the loop.

The tariff structure in Chester is fairly difficult to define. It appears that Shrewsbury will remain slightly cheaper for short term stays, but the use of irregular tariffs makes longer stays cheaper in Chester. This is possibly due to the much higher level of commercial competition and availability of spaces in Chester.

Telford parking for £2/day appears to apply only to Sunday, ie the identical charge proposed at Raven Meadows, providing access to all the facilities, attractions, and businesses that are unique to Shrewsbury.

Charge Level Proposals – Sunday (in response to Section 2)

It is not uncommon for towns and cities to charge full rate. For instance, Hereford charges full price up to 3 hours, whereafter it is free, whilst their private/commercial counterparts charge full price for all periods. Chester charges full price apart from some quite distant car parks whilst their private/commercial counterparts also charge full price, apart from one 'flat rate' of £5 per day.

Sunday parking inside the Shrewsbury River loop is currently half the normal price whilst elsewhere it is free of charge. Moving the inside river loop car parks to full rate with the introduction of a half rate everywhere else is still less than these two comparator towns. (Note Raven Meadows will retain its flat rate of £2 per day maintaining a 'cheaper' option which will support Sunday shopping in the Darwin Centre and beyond)

It should be noted that at certain times of the year, the use of car parks on Sunday can be almost the same as weekdays, though only 10% stay more than 4 hours, which would cost £2.00 at Abbey Foregate.

The alternative of a full consultation will entail significant delays to the policy objectives, costs in such an extensive exercise, and lost revenue that is needed to support the necessary changes to the parking estate and parking operations staff.

Charge Level Proposals – Evenings (in response to section 2)

Chester extensively uses evening charges. On-street has a flat rate charge up to 9 pm, Car Parks have overnight charges which have to be paid after typically 6 pm

using flat rates ranging from £1.50 to £4. In Shrewsbury, it is not proposed to have evening charges in all car parks. St Julians Friars and Abbey Foregate will remain free of charge. The alternative of a full consultation will entail significant delays to the policy objectives, costs in such an extensive exercise, and lost revenue that is needed to support the necessary changes to the parking estate and parking operations staff.

Data Use/Modelling (in response to Section 6)

Modelling was conducted in a detailed manner using data available from:

- counters that feed the Variable Message Signing which shows the car park capacity in Shrewsbury car parks only.
- Pay and Display data from the Council's PowerBI data visualisation tool provided the parking period purchased as well as the time of purchase for car parks and on-street across the County.
- The permit database provided a snapshot of active permits their location and period purchased for car parks and on-street.
- Benchmarking data collected from various Council websites.

Data is not available on motorists' reactions such as:

- whether they will change their parking location and where they will go,
- whether they will use Park and Ride, or
- whether they will stop or reduce their visits to Shrewsbury.

In the first two cases, there is experience from a wide variety of locations, though Shrewsbury, as is any town, is unique and motorists may react differently. This has been applied as the best forecast/estimate, taking into account local or specific conditions where possible. Permit changes are less well documented, and the benchmarking data is subject to the other Council's keeping their websites up to date.

The Shrewsbury Moves Parking Plus Strategy will be considering if and how motorists' intentions can be surveyed but this is not yet available and is many months or even a year away.

Use of Income (in response to Section 7)

Firstly, it must be stated that the statement 'these measures aim to generate over £2 million in income' is completely false and illegal.

The Cabinet report actually says the exact opposite and gives a conditional estimate of income, which is legal:

at 7.26 "*charges cannot be set with the aim of generating a surplus*" and

at 5.1 "*If all proposals within the report are approved, it is estimated that an additional income of £1.76 m per annum will be achieved*".

It has been confirmed in court before Mr. Justice McCullough in 1995 that the Road Traffic Regulation Act 1984 Act is not a fiscal measure for the generation of income. However, where effective traffic or parking management needs higher charges to discourage the use of the facilities then a surplus is acceptable. This matches the intention of this report to ensure availability of parking space and re-distribute traffic.

The surplus on parking operations is not generated as a means of raising revenue but arises 'naturally', because of implementing charges which are a sufficient deterrent to balance supply and demand for parking space usage and to limit obstructions arising from traffic searching for on-street parking places.

Setting charges solely for the Parking Service to be self-sufficient would result in an excessive demand for parking spaces in the town centre such that queuing and congestion inside the car parks would spill over to the highway, with a large contribution to congestion, traffic, and pollution.

All Councils in England and Wales are legally required to publish an Annual Parking Report within six months of the end of a financial year. According to Shropshire's report for 2022-23, parking generated around £5.8m whilst costs amounted to £3.4m. It concludes as follows –

“In 2022/23 the parking account (on-street and off-street combined) had a net surplus of £2,409,531.27, this surplus was used to fund costs incurred by the local authority in the provision, operation of, or facilities for public passenger transport services.”

Similar statements of surplus usage have been made for the 5 years prior to this

The current proposals are intended to re-balance the supply/demand whilst also meeting policy objectives to further limit the amount of traffic in the town centre. It is estimated that following the introduction of the report measures the income will be £7.5m with expenditure of £4.1m, leaving a surplus of £3.4m, which could also fund public passenger transport services or be used for other defined purposes.

Strictly speaking only on-street and enforcement surpluses are restricted to particular purposes including repaying any previous deficits, providing additional car parks, public passenger transport services (often used for Senior or Disabled bus passes) or improvements to the highway or environment. However, in Shropshire off-street surpluses have in practice been used in the same way as on-street for many years.

The existing surpluses are used to support public transport. Use of future surpluses is not in the purview of Parking Services and will ultimately be a decision made by the councillors in control of budget expenditure. Cabinet reports are reviewed by legal colleagues before being published.

Parking Services are not in a position to answer the final two alternative suggestions.

APPENDIX 3B (i) - RESPONSE – LIBERAL DEMOCRAT CALL-IN

CABINET APPROVAL FOR INCREASES TO PARKING CHARGES AND RELATED MATTERS

The purpose of increased tariffs (in response to the 2nd and 7th paragraphs):

The Movement Strategy is examining how people access the town centre, aiming to improve highways infrastructure, public transport, and active travel. However, until those improvements are in place, parking tariffs remain the primary means to influence motorists' behaviour in the short term.

Reduction of traffic in the town centre is influenced by parking tariffs, especially as motorists become aware of the new charges and consider their impact on their parking habits.

Parking ticket sales in Shrewsbury have returned to pre-Covid levels, indicating that visitor numbers have recovered. However, information on how visitors spend their time is not available to Parking Services. Details are provided below under 'Data Use', but at times some car parks reach full capacity, resulting in queues within the car parks as motorists search for a space. This leads some drivers to leave the car park in search of another, contributing to increased traffic on the roads. This situation will likely worsen with the reduction in parking stock at Barker Street when the Travelodge construction begins and at The Gap when the Smithfield Riverside works begin.

Shropshire Led Consultation (**in response to the 1st paragraph**): Before presenting the report, several people and groups were consulted, including:

- Informal Cabinet, which considered the principles and objectives of the report on October 23, 2023.
- Mark Barrow, Executive Director, Place, who reviewed the report on or before December 5, 2023.
- Councillor Dan Morris, Portfolio Holder for Highways, who reviewed the report on or before January 5, 2024.
- Seb Slater, Shrewsbury BID, who reviewed the report on or after January 6, 2024.

A consultation of individual councillors across the County was not considered appropriate as the report addresses a Countywide matter. Public consultation was also deemed unnecessary, as objections would likely be the only feedback received.

Legal Consultations (in response to the 1st paragraph):

The requirements for Traffic Regulation Orders are outlined in the Road Traffic Regulation Act 1984 and The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996. The procedure for implementing changes includes:

- For alterations to conditions, a 'notice of proposals' is issued, allowing 21 days for objections. The proposals are then considered for approval, modification, or rejection before implementation.
- For alterations to charges, a 'notice of variation' is published 21 days prior to changes being implemented, with no requirement to seek objections specifically.

A full description of the process is provided in Appendix 3b.

The Parking Strategy (in response to the 3rd and 4th paragraphs):

The Parking Strategy is a local policy document addressing principles, procedures, and guidance for the operation and development of the parking service. Comprehensively updated in 2017, it provided guidance on creating a charging structure, which was widely consulted upon. However, the incorporation of charge levels into the same document may have created an expectation for extensive consultation, which was not always the case in previous increases. Adjusting the guidance from 7 to 11 tariff bands in 2024 reflects changes in circumstances over the last seven years, particularly in Shrewsbury. In the context of the principles and even the detail of the Strategy this change is considered 'minor'.

Charge Level Proposals – General (in response to the 4th and 6th paragraphs):

The Movement Strategy's principle of a graduated system of parking charges, becoming cheaper further from the town centre, aligns with the proposed changes.

- £3.60 for on-street bays closest to the town centre,
- £2.80 for Bridge Street and St. Austins Street,
- £2.00 for Raven Meadows,
- £1.60 for St. Julians Friars,
- £1.20 for Frankwell,
- £1.00 for Abbey Foregate, furthest away.

Increases in charges aim to facilitate this structure, with Raven Meadows not increasing due to its lower quality and without its 'intermediate' level, it is possible Frankwell may not cope with more transferred vehicles. However, it serves as an accessible option for those with limited means or mobility, maintaining access to the Darwin Centre and the town centre without increasing traffic congestion.

In comparison with Hereford these charges are comparable at the level of St Julians and below but Shrewsbury's on-street and town centre car parks are somewhat higher with their top car park being over a pound cheaper. This is reflective of the desire to move traffic from inside the loop.

The tariff structure in Chester is fairly difficult to define. It appears that Shrewsbury will remain slightly cheaper for short term stays, but the use of irregular tariffs makes longer stays cheaper in Chester. This is possibly due to the much higher level of commercial competition and availability of spaces in Chester.

Charge Level Proposals – Sunday (in response to the 4th paragraph):

It is common for towns and cities to charge full rates for parking on Sundays. For instance:

- Hereford charges full price up to 3 hours, after which it becomes free.
- Chester charges full price in most areas, with some exceptions.
- Shrewsbury currently offers half-price parking inside the river loop on Sundays, whilst elsewhere it is free. Adjusting rates to full price inside the river loop while introducing half-price parking elsewhere still compares favourably with other towns. (Note: Raven Meadows will maintain its flat rate of £2 per day to support Sunday shopping in the Darwin Centre and beyond.)

It should be noted that during certain times of the year, Sunday parking usage can approach weekday levels, although only 10% of visitors stay more than 4 hours.

Data Use (in response to the 5th paragraph):

Objective data is available from various sources:

- Counters providing data for Variable Message Signs showing car park capacity in Shrewsbury.
- Pay and Display data from the Council's PowerBI database, including parking period purchased and time of purchase.
- Permit database providing information on active permits, their location, and period of validity.
- Benchmarking data collected from various Council websites.

Subjective data on motorist reactions, such as changes in parking location, usage of Park and Ride, or changes in visiting habits, is not available.

Method of Analysis – Objective Data:

Objective data provides insight into how tariff proposals and other changes might affect usage patterns. However, Shrewsbury's unique characteristics may lead to different responses from motorists. Changes in usage at car parks are modelled using retention rates, with different rates applied based on factors such as popularity and location.

Method of Analysis – Subjective Data:

Subjective data, while less scientific, may offer valuable insights into motorists' intentions. The Shrewsbury Moves Parking Plus Strategy aims to consider how motorists' intentions can be surveyed, although this is not yet available. Assumptions and estimates are applied to determine potential outcomes, such as the relocation of vehicles from one car park to another.

Effects:

The introduction of the report measures is expected to lead to reduced occupancy in most car parks on weekdays, with exceptions such as Abbey Foregate and Raven Meadows. The potential displacement of vehicles to surrounding areas or alternative modes of transport is also considered.

The implementation of a new Resident Parking Zone based on Sunday activity alone would be unusual but may be necessary if concentrated activity in certain areas is observed. If residents have a perception of a change to an unsustainable level then demand/supply in that area could be surveyed to assess the situation and be able to respond to the residents.

Duration of Stay:

The duration of stay profile shows variations both within and outside the river loop. Longer stays are more common outside the loop, with differences observed between on street and off-street parking. The increase in tariffs is not expected to significantly alter these patterns.

Use of Income (in response to the 7th paragraph):

The Road Traffic Regulation Act 1984 stipulates the use of surplus from parking charges and enforcement activity for specific purposes, including deficit repayment, provision of additional car parks, public passenger transport services, or highway/environmental improvements. Only a portion of the additional revenue is subject to these limitations.

Strictly speaking, only on-street and enforcement surpluses are restricted to particular purposes, but off-street surpluses have historically been used similarly. The current proposals aim to balance supply and demand for parking while meeting policy objectives to limit traffic in the town centre. The estimated surplus from the proposed measures could fund public transport services or other defined purposes.

Conclusion:

Funding for parking operations and maintenance must come from the Council's general account, with work carried out subject to available funds. The current proposals aim to ensure adequate funding for planned car park maintenance and address staffing issues within Parking Services.