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MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 16 March 2023 at 5.30 pm

Present

Councillors

J M Downes (Chairman)
J Buczkowski, Mrs C Collis, N V Davey,
R J Dolley, R Evans and J Wright

Apologies

Councillors

Mrs S Griggs and R F Radford

Also Present

Councillors

S J Clist, B Holdman and B G J Warren

Also Present

Officers

Andrew Jarrett (Deputy Chief Executive (S151)), Matthew Page (Corporate Manager for People, Governance and Waste), Adrian Welsh (Strategic Manager for Growth, Economy and Delivery), Luke Howard (Environment and Enforcement Manager), Zoë Lentell (Economic Development Team Leader) and Sarah Lees (Member Services Officer)

48 **APOLOGIES AND SUBSTITUTE MEMBERS**

Apologies were received from:

- Cllr Mrs S Griggs
- Cllr R F Radford

49 **PUBLIC QUESTION TIME**

The following members of the public asked questions in relation to agenda item 6: Car Parking and Permit Tariffs:

Bruce Evans

What plans are there for St Saviour Street and Market Place Car Parks in Crediton?

Crediton needs people to visit the town. It also needs workers to run local businesses.

Crediton is a jewel in the crown of the local area and any rises should be proportionate.

Nick Quinn (Local Resident)

The report proposes options to increase Car Parking and Permit charges but the "Way Forward" section contains errors and does not provide detailed justification.

The overnight permit charge was last reviewed, and changed, in 2019 – not 2016.

There are no detailed figures to ‘*justify*’ the very large increases, of 30% for General parking and 58% for Permits.

Even these percentages are not properly applied in the options given:

Appendix 3 – the Gross Income for Option 1 is 30%, for Option 2 it is 38%.

Appendix 4 – the Gross Income for Option 1 is 70%, for Option 2 it is 81%.

Stating ‘*others have raised parking charges*’ is not a justification for this Council to increase their charges, as the MDDC Parking Services have consistently been in surplus.

The report suggests that the increases are supported, because a Residents survey had said the Council should protect services. But the report does not make it clear how *services will be protected* by the increased income from these proposed extra charges.

What is missing from this report is:

The actual costs of the service;

The potential surplus generated by each of the increase proposals and

The use to which the expected surplus would be put.

My questions are:

1. What is the current cost of the Parking Service?
2. What will the surplus (income over costs) be for each of the options?
3. What will the surplus, from each option, be used for?

Mrs Kate Clayton-White

Our comments relate to the increase in allocated spaces fees detailed in appendix 4 from the report compiled from Cllr Warren and Luke Howard. Our initial euphoria at the Council’s decision to pause the proposed hike in car parking charges had wilted after reading the recent report by yourselves. In the first option you propose to increase the current charges of £425 by 50% to £637.50 with no explanation to justify this increase. You say that costs have risen sharply since Covid. What cost for our car sized piece of tarmac. The second option shows a 6.8% uplift applied to each of the past 7 years where fees stayed the same to generate the fee of £675. This whole idea of adding backdated increases seems decidedly dodgy.

The Council chose not to increase our rent during those years so the very idea of squeezing out additional income now by implementing backdated so called charges and seeking to ask current renters to pay for this deficiency in financial planning is grossly unfair. Why is this increase being applied to allocated space fees when pay

and display car park costs, dear to maintain, are included in the 6.8% calculation? £675 represents a whopping increase of 59% on current charges.

According to the ONS the average CPIH inflation figure for those 7 years was 3% and the RPI inflation figure was 4.45% giving figures of £506 and £550 respectively, far less than your proposed £675. Cash cow and milking are phrases that still seem to apply here. You seek to defend the uplift in charges by referring to a recent resident's survey where 50% of replies said that the Council should protect services but did this mean that 50% didn't agree? The flip side of statistics.

The feeling we got from the last Council meeting was that an increase in line with inflation would be more appropriate but that increase must be generated from our current fee not from hypothetical inflationary charges. Increases based on the current CPIH and RPI inflation rates would give £465 and £485 respectively rounded up to the nearest £5. These are much fairer and affordable increases than those proposed by yourselves.

Allocated spaces are rented by people facing a cost of living crisis, please do not try to sort out your financial woes by voting to implement the unjustifiable and stringent increases outlined in your report. Analysis of the 2022/2023 budget book suggests carparks will generate nearly £490k profit this year. So why do both options result in inflation busting increases yet again and how can you justify increases which include 7 years of questionable backdated charges?

Jo Webber

We need people to come to Mid Devon. We are being asked to 'shop local' but local businesses risk reduced footfall if charges are increased. Remember this! We should be proud of the three market towns and we should work together to promote tourism and the Mid Devon shopping experience. Everyone will be affected. How would you feel if you had to pay the increased charges? Are the proposed increases in line with inflation, if not, why not?

Stacey Gray

It has previously been noted, by myself, business owners and members of the public that the recently proposed parking charges, would be detrimental to businesses at best and for some financially untenable. It has also been noted that such high charges would act as a deterrent, not as a welcome, to visitors of the town and those that live on the outskirts. This is the opposite of the wider regeneration plan proposed by MDDC. It is my hope today that during this meeting a balanced and reasonable increase is proposed and that as part of that there are also wider considerations. Can I ask that MDDC consider free parking in the evening to encourage and revitalise our much-needed night-time economy? Can I ask that MDDC consider a 30 minute or 1-hour free parking offer to ensure the use of our much need amenities such as the Post Office and Banks remain uncostly to those that need them – including but not exhaustive of businesses and our older community?

I understand, that parking charges are seen as a way to bring in much needed revenue, but a vast increase in the long term is short sighted and is counter to encouraging footfall and dwell time to our town. Ultimately, I ask you, is the long-term prosperity of Tiverton a high priority? And if so, I ask that MDDC look at the long-term

impact that this could cause and the negative view of our town that would grow. People's opinions are formed in moment. Let's aim to make their first and lasting impression one of positivity. One that encourages them to stay longer and plan to return. I know that in itself this is not all that is needed, but it is a link in the chain towards ensuring economic prosperity.

So can I end with.... Is this committee and MDDC committed to thinking long term and for the benefit of the next generation? All of your decisions, big or small have a lasting impact. It may only seem like parking charges, but it has a bigger impact that will ripple. And at the moment this only appears to be for the negative. It is my hope that you are all thinking of our community as it stands today and also considering the impact of decisions to our town for the next generation.

The Chairman stated that each of the questioners would receive a written response.

(The answers to these questions is contained in the separate answer sheet which is being published as a supplement to the minutes).

50 **DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT (00:15:00)**

No interests were declared under this item.

51 **MINUTES (00:16:00)**

The minutes of the meeting held on 12 January 2023 were confirmed as a true and accurate record and **SIGNED** by the Chairman.

52 **CHAIRMAN'S ANNOUNCEMENTS (00:17:00)**

The Chairman stated that this was the last meeting of the Group before the election in May.

53 **CAR PARKING AND PERMIT TARIFFS: REVIEW AND WAY FORWARDS (00:18:00)**

The Group had before it, a report * from the Environment and Enforcement Manager providing options for the Economy PDG to make recommendations to the Cabinet to determine and display and permit tariff increases for the financial year 2023 – 2024.

The Chairman commenced the discussion by stating that it had become evident was that the Cabinet were not approving the recommendations of this Group with regard to car parking. He requested that a working group be set up under the new administration, including Members of the Economy PDG, to oversee the strategic considerations relating to future car parking fees and charges, leaving the inflationary aspects to be delegated to the S151 Officer.

The contents of the report were outlined with particular reference to the following:

- The previous advanced notice of car parking charges had been pulled following the decision of full Council on 22nd February 2022. The recommendations of this Group would go to the Cabinet for a decision on 4th April 2023.

- In response to the question raised by Mr Nick Quinn, the cost of the parking charges is £782,652.53 up until the 14 March 2023. There was no surplus, the proposed increases were about trying to reduce the current losses. Further financial information relating to the different projections proposed (and requested by Mr Quinn) is contained in the separate answer sheet which is being distributed alongside these minutes. In response to the questions posed by Ms Stacey Gray, no one wants to raise fees and charges in the current cost of living crisis but good parking facilities needed to be provided and maintained with adequate security. Again further information is contained in the separate answer sheet which is being distributed alongside these minutes.
- The first option included inflationary increases on all elements associated with car parking from 2016 and 2019 (when the scheme was last reviewed). Considerable costs had been incurred as a result of resurfacing and maintenance, particularly in relation the multi storey car park (MSCP). Any surpluses generated would need to be ploughed back into car parking services. Doing nothing was not an option. Whatever was decided would likely take place after the election and 21 day's notice would need to be given.

Discussion took place regarding:

- The extent of the consultation that had taken place regarding proposed increases. Officers had been in touch with local businesses and did listen to public feedback but lessons had been learnt for the future.
- Changing the tariff only required 21 days notice.
- It was requested that in future inflationary increases be shown as a percentage and in a separate column.
- A proposal was made to freeze all current charges and a thorough review take place regarding future increases. The question was asked as to what effect this would have on the Council's budget? It was confirmed that a £250k shortfall would result with the Cabinet needing to find this somewhere else in order to plug the gap. This would be a significant loss of income.
- Members were in a difficult position, if increases didn't come into force then there would be a knock on effect to other services. Decisions made did not always make councillors popular but they had a responsibility to balance the budget. Dipping into reserves would already need to take place as a result of shortfalls in other areas, not implementing any sort of increase would just make that hole bigger.

RECOMMENDED to the Cabinet that it approves:

To adopt Appendix 3, option 2 in relation to Parking Fees with the below amendments;

- a) An increase on the 24 hour vend at the MSCP in Tiverton to £15.
- b) The removal of the free 15 minute vend at Phoenix House and the introduction of a 50p charge for a 30 minute vend at Phoenix House.
- c) The retention of the free 30 minute night time stay in all three towns.
- d) Overnight Parking, Sunday and Bank Holiday Parking should have a flat £2 rate for all sites.

To adopt Appendix 4, Option 1 in relation to Permit Fees with the below amendments;

- e) An increase of the annual Allocated Space charge to £460.
- f) An increase of the annual day/night permit to £460.

(Proposed by Cllr B Evans and seconded by Cllr Mrs C Collis)

Reason for the decision

As set out within the report.

Note: * Report previously circulated; copy attached to the signed minutes.

54 ECONOMIC DEVELOPMENT TEAM UPDATE (01:25:00)

The Group had before it, and **NOTED**, a report * from the Director of Place updating Members on activities undertaken by the Economic Development Team during the last quarter.

The contents of the report were summarised with particular reference to:

- The Shared Prosperity Fund
 - Shop Front Enhancement schemes in Tiverton and Crediton
 - Forthcoming digital skills workshops
 - The expansion of new work hubs
 - Two new members of staff would be joining the Economic Development Team shortly
- Note: * Report previously circulated; copy attached to the signed minutes.

55 CHAIRMAN'S ANNUAL REPORT FOR 2022/2023 (01:27:00)

The Group had before it a draft report * from the Chairman summarising the work of the Group and the Economic Development Team over the past 12 months.

The following was suggested, and **AGREED**, to be included within the Chairman's report as well as sending a letter from the Chairman to the Cabinet setting out the Groups wishes regarding 3R as follows bearing in mind the effect of decisions made in relation to 3R as they may or may not affect the economy in Mid Devon.

"This Group wishes to leave a small but vital legacy that will be used to positively help the next committee and possible wider membership in its financial decision making. It essentially wishes to know what the economic advantages and disadvantages have been to Mid Devon?"

The Cabinet had been asked that a report be sought that seeks to understand the way that 3R has been run and how the company's current situation has been arrived at. The narrative of this report will be influenced by the wording and instructions given to the author of the report and it is this "brief" that will determine the reports areas of interest and commentary. It is the imperative that the author is specifically asked to look at "all" aspects of how the company has arrived at the place it finds itself today.

The Economy PDG therefore ask the Cabinet to ensure the author is required to create a balanced and wide reaching report that gives commentary on as many aspects of this journey as possible, specifically asking for commentary on the effects that decisions made externally to its own board by the original Cabinet back in 2019/20 resulting in a raft of external reports resulted in shareholder restrictions and demands being placed upon the company.

The Group request that opinion is given on the effects of the most recent decision of Members to refuse it latest business plan.

Finally the Group asks that the report gives a clear and unbiased opinion on the immediate and medium term financial impact to itself and this authority of how those decisions have effected current and short term predicted financial performance of the company and its ability to move forward.

Given this report is seen as the primary document that will seek to enable informed decision making on 3R and our wider economic ambitions by the next administration, it is our duty to ensure they are given as much information as possible.

The Group very much hope that the Cabinet will agree the inclusion of this information is vital to inform the decisions required by the next administration.”

A copy of the final report would be submitted to full Council at their meeting on 26 April 2023.

Notes: (i) * Report previously circulated; copy attached to the signed minutes.

(ii) Cllr J Buczkowski requested that his abstention from voting in favour of the additional submission in relation to 3R be recorded.

56 IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (01:47:00)

The items identified for the next meeting were **NOTED**.

(The meeting ended at 7.18 pm)

CHAIRMAN

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