

Minutes of the meeting of the EXECUTIVE SCRUTINY COMMITTEE held on MONDAY 16 JANUARY 2017 at 6.30 pm

- Present:** Councillor Eastman (Chair),
Councillors Alexander, Bald (Substitute for Councillor Bint), Clifton, A Geary Miles, Morris, Petchey, Wales and Walker
- Officers:** D Sharkey (Corporate Director Place), S Bridglalsingh (Service Director [Legal and Democratic Services]), T Blackburne-Maze (Service Director [Public Realm]), A Moss (Interim Head of Highways) and S Heap (Committee Services and Scrutiny Manager)
- Apology:** Councillor Bint
- Also Present:** Councillors Bint, R Bradburn, McLean, P Geary and Gifford (Cabinet member for Place) and 19 members of the public.

ES08 MINUTES OF PREVIOUS MEETING

RESOLVED -

That the Minutes of the meetings of the Executive Scrutiny Committee held on 15 November 2016 and 5 December 2016 be approved and signed by the Chair as correct records.

ES09 DISCLOSURES OF INTEREST

Councillor Eastman informed the Committee that he drove a low carbon vehicle.

Councillor A Geary disclosed that his wife was a city centre employee who drove a low carbon vehicle.

Councillor McLean also informed the Committee that he drove an electronic vehicle.

Councillor Wales advised that she was a city centre employee.

ES10 CALL-IN OF DELEGATED DECISION 20 DECEMBER 2016: PARKING CHARGE REVIEW

The Committee considered the decision made by Councillor Gifford (Cabinet member for Place), acting under delegated powers, on 20 December 2016 in respect of the Parking Charge Review.

It was noted that on 25 October 2016 that Councillor Gifford had decided that:

“That the proposals contained within the hierarchy at the Annex attached (*attached as an Annex to these Minutes*) are approved with effect from 1 April 2017 with amendments to give effect to phasing the increases for the Low Carbon Vehicle Permit and the Multi Occupancy Vehicle permit over the next two financial years.”

It was reported that the decision had been called-in by Councillors Bint and McLean on the following grounds:

“The decision was described by members of the public as being ‘invidious’, ‘unfair’ and ‘regressive’, and I agree with all those comments. More formally, the reasons for this call-in are as follows:

1. All the fee changes are increases, yet there is no rationale being put forwards for a net increase in fees, and the justification put forwards by most officers for the changes is to address inconsistencies between the different fee levels. Given the massive (£11M) annual surplus on parking, there can be no justification for a net increase for any reason other than traffic management reasons, and no such justification has been put forwards. Any net increase in parking tariffs based on the rationale in the paper and as expounded by officers at the meeting is therefore unjustified and unacceptable.
2. There can be no justification for reducing the attractiveness of relatively low-carbon modes of travel. Yet that is precisely what the officer report seeks to achieve. The modes of travel facing these fee increases are precisely the modes of travel that the Council should be trying to make more attractive, so more people use these modes of travel, compared to other forms of parking (i.e. a single-occupancy private car). The increase of these tariffs is therefore contrary to the Council’s adopted objectives for reducing total carbon footprint and contrary to the Council’s adopted objectives for modal shift, and is therefore unacceptable. If the current Administration has adopted a position of climate change denial, as indicated by these proposals, the public deserves to know!
3. Members of the public spoke of the profound impact of these changes on various groups of CMK employees and employers, and there is nothing in the officer paper to show that these considerations – including the overall impact on jobs and the local economy, and the overall impact on people’s travel choice including purchasing decisions of electric and hybrid cars – have been assessed. The decision is therefore unacceptable by virtue of not assessing the likely impact.
4. There are a number of questionable points put forward in the paper or verbally by officers at the meeting. For example, the verbal assertion that “motorists are being subsidised” (when actually motorists are contributing £11M of surplus being used to subsidise non-motorists). There is a written assertion (para 2.4) that officers are engaged in price-fixing discussions with competitors that would be illegal under Chapter 2 of the Competition Act. Paragraph 3.1 indicates that the authors of the papers believe this is a revenue raising proposal, contrary

to the assurance of the Corporate Director. The decision is therefore unacceptable by virtue of being based on improper, factually incorrect and inconsistent officer advice.”

The Committee heard from Councillor Bint, who presented the call-in, together with a response from Councillor Gifford (the responsible Cabinet Member). The Committee also heard from one witnesses called by Councillors Bint and McLean and officers of the Council advising the responsible Cabinet member.

In addition to the reasons submitted as part of the call-in request, Councillor Bint explained that it had been made clear at the mediation meeting that the reason behind the decision was to continue to encourage low carbon travel and modal shift rather than income generation. Councillor Bint also read out representations he had received regarding the proposed increase to parking charges. Councillors Bint emphasised that increasing charges to park low carbon vehicles would work against the Council’s Policy to encourage the use of such vehicles and increase the parking costs for users disproportionately.

The Committee heard from the witness called by Councillors Bint and McLean that the cost and availability was a big issue for city centre businesses when it came to attracting and retaining staff, particularly those at the lower end of the income scale such as apprentices. The witness also referred to personal safety issues for employees who had to walk a distance to their vehicles, especially after dark.

Councillor Gifford explained that the proposed charges were designed to encourage behavioural change and to bring the fees for lower carbon vehicles and car share in line with increases to other parking tariffs over a number of years. Councillor Gifford acknowledged the level of increase which was why she had agreed to phase the introduction. However, she recognised that, even with the increases, car parking remained relatively cheap in Milton Keynes when compared to most towns.

Officer colleagues provided clarification as to the use of parking revenues and suggestions of price fixing with other car parking providers in Milton Keynes.

The witness presented by Councillors Bint and McLean, in response to a question, reiterated the potential impact on Central Milton Keynes employees of increased parking costs.

In response to questions Councillor Gifford emphasised that:

- (a) The new charging hierarchy was not intended to generate additional income and ultra-low carbon and electric vehicles still qualified for free parking. The Council would continue to offer discounts on parking fees to users of low carbon vehicles. It was hoped the fee hierarchy would encourage the wider use of ultra-low carbon and electric vehicles;

- (b) The parking income in the Budget 2017/18 was based on selling the same number of permits as at present, but did not take account of any modal shift, or change in vehicle ownership; and
- (c) As the revised arrangements were not expected to impact on employment it had not seen as necessary to undertake an Economic Impact Assessment. It appeared that the number of available car parking spaces was of more concern to local employers than the cost of parking for owners of low carbon vehicles.

The Committee heard from eight members of the public during consideration of the item. While one member of the public supported the new charging structure, the remainder expressed concern at the extra costs for employees and the size of the proposed increase. It was pointed out that the majority of employees could not afford low carbon and electric vehicles and that parking costs were having an impact on recruitment and retention. The Committee also heard from Councillor P Geary who, amongst other things, referred to the lack of an Economic Impact Assessment.

In debate the apparent limited consultation on the increase in fees and the lack of both an Economic Impact Assessment and an Equalities Impact Assessment were referred to.

RESOLVED -

1. That the decision be referred back to Councillor Gifford, as the decision taker, for the following reasons:
 - (a) the rationale for the change in charging levels has not been substantiated on any other ground other than that of finance;
 - (b) critical evidence in the form of an Economic Impact Assessment, an assessment on the impact on the low carbon strategy and an Equalities Impact Assessment was lacking when the decision was made; and
 - (c) little or no consultation with the Central Milton Keynes Business Community has taken place on the specifics of this issue.
2. That prior to any further decision being taken by the decision maker, the decision maker be advised to take account of an Economic Impact Assessment, an assessment on the impact on the low carbon strategy and an Equalities Impact Assessment and to undertake consultation with the Central Milton Keynes Business Community.

THE CHAIR CLOSED THE MEETING AT 10.22 PM