

ECONOMY AND ENVIRONMENT COMMITTEE: MINUTES

Date: Thursday 9th June 2016

Time: 10.00 a.m. to 11 a.m.

Present: Councillors: I Bates, E Cearn, B Chapman (substitute for Councillor Mason) D Connor (substitute for Councillor Clark) L Harford, D Harty (substitute for Councillor Schumann) N Kavanagh, A Lay, M McGuire, L Nethsingha (substitute for Cllr Jenkins) M Shuter and J Williams

Apologies: Councillor J Clark, D Jenkins, M Mason and J Schumann.

227. DECLARATIONS OF INTEREST

None.

228. MINUTES

The minutes of the meeting held on 24th May were agreed as a correct record. Due to the short time period between the May and June Committee meetings, the action log was not included for the current meeting.

229. PETITIONS

There were no petitions to be considered.

230. SECTION 106 ALLOCATIONS

This report sought Committee approval to the allocation of Section 106 funding contributions from developments in St Neots. It was explained that since April 2015 the ability to pool Section 106 contributions had been limited to a maximum of five contributions per identified project. However, some market towns still had Transport Plan contributions received or expected from signed S106 Agreements. The report identified that currently St Neots had received £1,232,761 S106 contributions for Market Town Transport Strategies (MTTS) of which half had been received and which required to be spend by 2018 through allocating the funds to schemes which could be delivered before the deadline. The report recommended that funding should be used for the following schemes:

- a) Public Footpath 32 between Monarch Road and Queens Garden (£50,000)
- b) Upgrading Urban Traffic Control (UTC) signals in St Neots town centre (£15,000)
- c) Cycle route St Neots Road between Crosshall Road roundabout and Ford Close (£150,000)
- d) Great North Road Cycle Route missing link between Queens Gardens and Lowry Road (£400,000)

The report also highlighted that Ramsey MTTS Section 106 currently contained £7,706 with no further contributions expected. The deadline for spending this fund was £2,706 by June 2021 and £5,000 by November 2022. Councillor Reeve the local member for Ramsey had e-mailed Committee Members in advance of the meeting suggesting that this money should be allocated to speed calming measures and in particular the project planned for Ramsey Forty Foot. Officers recommended that allocation of this small sum which had longer deadlines for the spend completion should be considered when the future Transport Strategy for Huntingdonshire was adopted, with officers also looking at whether the Section 106 monies were eligible for the scheme suggested by Councillor Reeve.

Committee Members comments / questions included:

- Councillor Chapman one of the Members for Little Paxton and St Neots North highlighted that the St Neots Neighbourhood Plan which had been the subject of a three year development process and which had received 97% support in a local referendum, was now the premier legal plan document, as the local district plan had not been adopted and as the St Neots MTTS was so out of date. The latter having been drawn up when the population of St Neots was only 24,000 when it had now increased to 40,000. He wished to highlight the need to support projects which met the transport needs of the area and to ensure projects aligned with the priorities in the Neighbourhood Plan.
- Another Member expressed her disappointment with the report, being concerned that the County Council was proposing to allocate the Section 106 monies in a way which did not reflect any overall plan to mitigate the impact of development.

Councillor Chapman proposed that the report should be deferred to a later, appropriate meeting to enable officers to undertake discussions with the Town Council in order to ensure the monies were used for the identified highest need transport priorities included in the St Neots Neighbourhood Plan. This was seconded by Councillor Harford and supported by Committee Members, following clarification that delay would not materially affect the likelihood of the money being spent by the 2018 deadline, depending on the nature of the new schemes that come forward. The Executive Director suggested that it should be possible to prepare a revised report in time for the scheduled July Committee meeting, but agreed that stating that it should come back to the next practical, available meeting would provide flexibility should this not be possible.

It was highlighted that for those Members not familiar with the layout of St Neots, a map would have been useful. It was requested that the report back should provide diagrammatic representation of proposals to help aid understanding for both Members of the Committee and the wider public.

It was resolved unanimously to:

Defer the report and ask officers to consult with St Neots Town Council regarding using the Section 106 monies for identified Neighbourhood Plan transport improvement priorities and following this, to bring a revised report back to the next appropriate meeting and if practicable, the July meeting.

231. **ALTERNATIVE FUNDING ARRANGEMENTS FOR CAMBRIDGE PARK AND RIDE SERVICES**

The Committee received a report on a proposal from Stagecoach for alternative funding arrangements for the Cambridge Park and Ride service. It was highlighted that the cost of running the five park and ride sites around Cambridge was funded through a combination of income from on-site car parking charges and departure charges paid by the bus and coach operators. For 2016/17 the Business Plan required income of £1,162,751 from car parking charges and £270,000 from departure charges, a total of £1,432,751.

As had been well publicised, the ridership from the Park and Ride sites had fallen by around 14% since the introduction of the parking charges which had impacted on the revenue received by the bus company. As a result, the departure charge had been waived for two years to compensate for this loss, with the assumption that patronage would increase back to previous levels. However, this increase had not occurred and the operator (Stagecoach) was concerned that the reintroduction of the departure charge would require a significant increase in price to the user or a reduction in the service level provided. If the current system continued, the net effect would be an increase in fares from £2.70 to around £3. As a result, the operator has asked the County Council to consider whether an alternative funding model could fund the service and increase patronage back to previous levels or higher.

It was explained that the current system involved fare paying passengers having to pay to park and a separate ticket to ride, purchased from the same machine. Concessionary pass holders who travelled free and users who parked and then either walked or cycled also had to pay to park. The income from the parking was retained by the County Council. Given the reduction in patronage on the service and perceived concerns about the ticket machines, Stagecoach, were proposing that the parking charge was removed and the service funded through a combination of increased bus ticket prices and the removal of free concessionary journeys as detailed in the report. In terms of fares, all full paying passengers would pay 80p more than at present so arrivals at the site with more than one person per car would pay more than the current parking charge. In terms of concessions, a £2.50 charge would be levied where there was currently no charge.

In terms of the impact on the County Council, it was explained that there was a risk that it would not be possible to remove concessionary travel benefits which was to provide around half of the funding the Council would receive under these proposals. In addition, although other authorities had removed concessions from their park and ride services, this did not set legal precedent and the decision could be open to challenge. For these reasons, the option was not recommended.

Two other options were also presented namely:

- a) **Separate parking and riding payment systems** - this would retain the £1 charge and the departure charges, but change the method of payment. The current system could be changed in a number of ways but essentially parking would be paid for through one process and the bus fare through another. The expectation would be that simplifying the system would encourage users back

onto the service, and this in turn would enable the operator to afford to pay the departure charge.

A variation would be to move to a pay on departure system. The main issues highlighted were the cost and time it would take to install exit barriers and adapting the sites accordingly and also the delays that would be caused by queuing and especially where someone arrived at a barrier and did not have the necessary means to pay.

b) Reintroduce the previous system of free parking and current fare - This would mean that the operator would be able to pay the departure charge, but there would be a loss of income of over £1m that would need to be funded from an alternative source with no obvious alternative other than to make further cuts from highways budgets. In addition it was highlighted that additional income would be lost from increased use of the sites expected in future years. An example being that current parking income was still steadily rising through the use of the site by construction workers at the Biomedical Campus for example, and through arrangements being brokered with a hotel near to the Madingley site. Although this option was considered the most likely to increase patronage, it could not be guaranteed as passengers that had either found alternative places to park, ways to travel or travelled less often, might be happy to continue with their current arrangements.

The officers' view was that after analysing the strengths and weaknesses of the current Stagecoach proposal and the other alternatives presented, it was considered that the current parking charge and means of levying it were still the most appropriate. However the report invited Members to consider whether further analysis of some of the alternative changing methodologies should be further pursued.

Committee Members comments / questions included:

- One Member believed that the report highlighted that in the past Members had only looked at half the story, namely the parking side and had not looked at the commercial bus service side of the operation. His suggestion was that as the Council did not know the scale of Stagecoach's profits and as it only controlled the parking element, it should consider taking the bus service in-house and either tender for it again or run it itself. He believed that by doing this it might be possible to run a cheaper service, as well as being able to keep the fares. In response it was explained that the deregulation of bus services prevented a County Council from running a bus service in competition with private companies. While the Council could operate a service from the park and ride site which it owned, if a bus company started a service outside of the site in competition, the Council would be obliged to withdraw its service. In addition, to run a service would require a depot and servicing facilities and therefore it was not practicable or cost effective for the Council to run the service itself under present legislative restrictions.
- Councillor Nethsingha while supporting recommendations a) and b) of the Officer's report considered that recommendation c) reading "to consider whether further work should be undertaken on alternative funding arrangements" required

to be more specific regarding which options should be further looked at. She expressed her frustration regarding what she saw as a lack of joined up working, citing different reports on parking being presented to the Cambridge Joint Area Committee (CJAC), the City Deal Board receiving a report on workplace parking charges and the current report discussing parking on the park and ride sites. None of the reports appeared to reference any of the other reports. She suggested a joined- up approach was required to all aspects of parking, including both on-street and off-street parking, to dissuade people from driving into Cambridge. She was also of the view that the ultimate aim should be free parking at park and ride sites and suggested this could be financed from the significant surplus generated by on-street parking. As a response the Executive Director explained that the same officers were collaborating on the various reports referred to, clarifying that they were going to the particular committee which had the appropriate powers to take the decision on the specific aspect of parking included within the report. He gave assurance that officers were working with other Councils' officers to ensure a co-ordinated approach. On removal of parking charges, he reminded Members that the £1 charge had been introduced to help offset the £1m which had been removed from the ETE Budget as part of Council agreed budget reductions. Removal of it would require £1million pound more reductions to front line Highways services as there was no other way of raising such a large amount of money. He also highlighted that the On-street parking surplus was allocated already to transport in Cambridge and that the cost to run the Park and Ride service was currently close to £2m if also taking into account concessionary fares. Members thanked him for this clarification as it was recognised that some Members and the public may have lost sight of why the charge had been introduced in the first place.

Councillor Nethsingha proposed the following amendment to recommendation c) as an addition to expand on the current wording:

“Further work to include:

1. A joined up approach taking into account City Deal work on Work Place Parking, and Cambridge Joint Area Committee Parking Review;
2. The ideal aim should be free parking at Park & Ride to discourage people from driving in;
3. Consideration should be given to using any money available in the on-street parking fund to subsidise Park & Ride costs and investment;
4. Work should be done looking at whether bringing the Park & Ride bus service in-house would bring a larger income stream to the Council – looking to how this works in Oxford and other cities.

This was seconded by Councillor Harford and fully supported by the whole Committee.

In further discussion on the amendment the following issues were raised by Members:

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- Members highlighted that proposal for free parking at the Park and Ride sites should be seen as a future ambition rather than immediate requirement, with one Member suggesting that the Council should consider lobbying Central

Government regarding the current restrictions on Councils' running their own bus services, as the important imperative was to do what was right for Cambridge. The Council should request special powers to run its own bus service as part of any final devolution deal. He also suggested that joined up working in future could include one report being presented to one Committee.

- One Member in supporting the need for joined up working, expressed her concern that there could currently be duplication work being carried out by officers in different councils.
- Serious concerns were expressed that Stagecoach would consider charging concession holders, resulting in greater isolation and without first improving their service provision, especially in rural areas. The point was also made by one Member that charging concessionary pass holders would create a dangerous precedent, which if agreed, could open the floodgates for charging for other services currently provided for the poorest members of the Community. In response the Executive Director clarified that the proposals on concessionary fares from Stagecoach was to help bridge the £1m deficit that would result from dropping parking charges as an 80 pence increase in fares was only likely to bring in £0.5 million additional revenue. He also made the point that Stagecoach operated an efficient ten minute service from the park and ride sites from 6.30 a.m. to 8.30 p.m. and this included many loss making trips depending on the times and the day of the week.
- The need to identify the impact on partners being clearly included in future reports with detail also provided of the finance implications of options.
- A 14% drop in usage at park and ride sites could be seen as equating to 14% more cars being on the roads than needed to be. The Member who suggested this was also astonished to think Stagecoach believed that charging by person rather than by car would improve congestion as opposed to making more people use their own transport, as such a measure would discourage car sharing.
- The Vice Chairman highlighted that the paper put into sharp focus the dilemma councils were facing with diminishing resources and how to pay for services and whether to penalise people using certain modes of travel. There needed to be going forward open consultation with the public, explaining the choices that were available in such a financial climate, including paying less but receiving a reduced service or paying for a service on demand.

The Chairman suggested that as a further amendment to the additional text provided by Councillor Nethsingha, that officers should prepare an initial comprehensive list of the main options as currently identified to be circulated to Members of the Committee following the meeting for any comments (*Note: to ensure Members concurred that all*

suggestions discussed had been included and giving the opportunity to suggest any further ones not included for further investigation). This was supported by the Committee.

In terms of timing, the Executive Director suggested that as the additional options work required a considerable amount of officer resources and time which might also result in further options being formulated, the aim should be for officers to first work with spokes and come back with a revised options report to Spokes in October, with a plan of bringing a report to the November meeting.

It was resolved unanimously:

- a) To note the range of options for funding the Cambridge Park and Ride service;
- b) Not to accept the offer of alternative funding arrangements for the Cambridge Park and Ride presented by Stagecoach;
- c) To agree to ask officers to undertake work on alternative funding arrangements and prepare a comprehensive list on the issues raised in the debate, including the following;
 - 1. A joined up approach taking into account City Deal work on Work Place Parking, and Cambridge Joint Area Committee Parking Review;
 - 2. The ideal aim should be free parking at Park & Ride to discourage people from driving in;
 - 3. Consideration should be given to using any money available in the on-street parking fund to subsidise Park & Ride costs and investment;
 - 4. Work should be done looking at whether bringing the Park & Ride bus service in-house would bring a larger income stream to the Council – looking to how this works in Oxford and other cities.
 - 5. The full financial implications of any alternative proposals

and to circulate the list for initial comments to the Members of the Committee to ensure all options have been identified.

232. DATE OF NEXT MEETING 10 A.M. THURSDAY 14th JULY 2016

Councillors Shuter sent advance apologies.

Chairman
14th July 2016