



Northern Ireland
Assembly

Committee for Regional Development

OFFICIAL REPORT (Hansard)

Off-street Parking (Functions of District
Councils) Bill: Mid Ulster District Council

26 November 2014

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Trevor Clarke (Chairperson)
Mr Seán Lynch (Deputy Chairperson)
Mr John Dallat
Mr Ross Hussey
Mr Declan McAleer
Mr Stephen Moutray

Witnesses:

Councillor Cáthal Mallaghan	Mid Ulster District Council
Mr Adrian McCreesh	Mid Ulster District Council
Councillor Kenny Reid	Mid Ulster District Council
Mr Anthony Tohill	Mid Ulster District Council

The Chairperson (Mr Clarke): I welcome you to the Committee meeting. I do not know who is leading off. Cáthal, you can introduce the rest of your team.

Councillor Cáthal Mallaghan (Mid Ulster District Council): Thank you, Chair, and thanks to your members and officials for inviting us here. We know the importance of a quick deputation when it comes to councils, so we will try to reflect that here today.

We acknowledge that many of you have been councillors in your political careers. Sometimes, we feel that there is a gap between council and central government, but we welcome the opportunity to come here and present to you, because you will get to see exactly what we are trying to present. We also understand that this is your fifth or sixth presentation from councils. We will try not to repeat too much of the information you have received already.

Today, I am joined by Kenneth Reid, deputy chair of the Mid Ulster District Council, Anthony Tohill, chief executive of Mid Ulster District Council, and Adrian McCreesh, chief executive of Cookstown District Council. He also has responsibility for development.

The council very much welcomes the opportunity for the transfer of off-street car parking to councils under local government reform and fully supports the introduction of the Bill to provide councils with the necessary powers to provide that service.

The council is strongly of the view that the Bill should complete its passage through the Assembly without any amendment that would restrict future use by the council. One of the core principles of local government reform is to create stronger local government, where councillors will have a much greater say in shaping how local areas are developed and how local services are delivered. The Bill,

as tabled, contains no conditions or restrictions on the disposal of transferring assets, as that would be contrary to the core principle.

The council is committed to ensuring the vibrancy and vitality of its town centres and fully understands the important role that appropriate parking facilities can play in rejuvenating high streets and town centres. The council recognises the strong relationships between parking provision and high street footfall and how making it easier to park will support local shops, local jobs and tourism.

The council is committed to ensuring the vibrancy and vitality of its town centres. It fully understands the important role that appropriate parking facilities can play in rejuvenating high streets and town centres. The council recognises the strong relationship between parking provision and high-street footfall and how making it easier to park will support local shops, local jobs and tourism. The council is committed to providing adequate car-parking provision, and it wishes to act in the best interests of its town centres, residents, consumers, workforce communities and visitors when developing any future town-centre regeneration proposals.

Car parks are being looked at not in isolation but as part of the overall transfer package that will allow councils to use assets and powers to regenerate and grow their town centres. We see them as central to traffic flow, attracting consumers and the best use of our towns' assets. We are still waiting on details from the Department on exactly what is transferring — we still have not been furnished with any of the maps or drawings that will give us the full itinerary of the assets — including the most recent financial figures based on the tariffs currently being used in the town-centre car parks.

We have learned that all the powers transferring from central government to local government, including planning and DSD powers, such as the public realm schemes, are not cost-neutral to councils; most of them are coming with unnecessary budgets. We sincerely hope that car parking does not fall into that same category.

Councillor Kenny Reid (Mid Ulster District Council): Thank you very much. Good morning, everyone. I have a cold; I am not coming across very clearly, so I apologise about that.

We are repeating what you have already heard from the Fermanagh and Omagh delegation about technical issues and budget transfer. Car parks have a limited lifespan. Therefore, they require periodic reinvestment to remain in service as a safe place of use. Despite their ability to bring in revenue, reinvestment has not always been forthcoming, which has left some in a state of disrepair. A total of 24 off-street car parks are due to transfer to Mid Ulster Council. The DRD has indicated that £27,000, or just over £1,000 per car park per year, will maintain the car parks sufficiently. However, that will not cover the cost of maintenance.

The council awaits information from the DRD, as has been stated, on the conditions of the car parks, including areas such as lining, signage, street lighting, drainage, barriers, boundary walls and fences, surfaces, kerbing, pay machines and variable messaging systems. The council is aware that there are a number of commercial rights of way across car parks, and it awaits information from the DRD on the associated lease arrangements.

I will now hand over to my colleague Mr Tohill, the chief executive of Mid Ulster Council.

Mr Anthony Tohill (Mid Ulster District Council): Thank you, Councillor. Good morning, Chair and members of the Committee. Thank you for the opportunity to attend here today.

I will pick up briefly on what Councillor Reid said about maintenance. It is important to note the historical spend on car-park maintenance by the Department. The regional transportation strategy 2002-12 originally proposed £40 million, over 10 years, for car-park maintenance. The Department ended up spending £29.2 million. So, on average, the spend on car-park maintenance by the Department during the 10 years of that transport strategy was almost £3 million per annum. The amount of money being proposed to transfer to local government is around £200,000. Something is amiss with the historical spend against what is currently being spent on car-park maintenance.

Hopefully, the Committee will understand the desire of local government to get to the bottom of these issues and ensure that what is transferred to us in maintenance budgets is adequate to enable us to maintain the car parks. I appreciate that the Committee now has clarity, but if any further clarity is required regarding the submission we sent in by way of written evidence, that is fine.

We noted the suggestion that the revenue from car parks will fund future maintenance. However, that revenue surplus is being top-sliced by DFP. There is no doubt or ambiguity about that; that is what we, in local government, have been told by DFP. We are getting the car parks minus the surplus. In our case, that is car parks minus £288,000.

We note that the Department traditionally received money from in-year monitoring rounds — it might not have been in its budget from the outset — to enable car-park maintenance to be undertaken. We feel that, if we do not get the money transferred up front, there should be an opportunity for councils to bid for such expenditure.

I suppose, members, the key reason why we do not feel that any restrictive clause or further restrictions are required in this Bill is that sufficient restrictions to off-street car parking already exist. They are contained in planning legislation, both in regional planning policy (PPS 3) and in the area plans for our town centres. Each town centre has restrictions in place under planning legislation providing the protection that this Committee is seeking to put into the Bill. So, from our point of view, it is unnecessary: it would be an added layer of bureaucracy and red tape at a time when government is supposed to be making things a little bit easier by reducing rules and regulations.

I will now hand you over to Adrian McCreesh, the acting chief executive of Cookstown Council, who will speak about the importance of car parking to our town centres.

Mr Adrian McCreesh (Mid Ulster District Council): Thank you for the opportunity, Chairman and members. I will labour for a few moments the importance of retail and the role that our town centres play as economic drivers. Fundamental to this is the role that car parks play in supporting the performance of town centres.

In my experience of regenerating Cookstown and its surrounding villages over many years, our car parks and facilities have played a critical role in rejuvenating our high streets and, indeed, the urban environment. They help shape the town centres and create their culture. Speaking from a mid-Ulster perspective, I know that the new council has already committed itself to providing adequate facilities for our town centre to retain car parking, not just now, but moving into the future — whatever the uncertainties about retail and about the longevity of town centres as we know them.

Customers demand convenient parking. They demand parking that is close or accessible to our local shops. That is a fact. They demand a scenario where shopping and retail are accessible with free, or at least cheap and affordable, car parking. If such parking is not available in town centres, we know as well as you do, they go elsewhere: they go to out-of-town shopping centres and they buy online. Increasingly that is the trend, and it is a challenge for all our provincial towns. The result of this trend is lower footfall in town centres. That results in empty shops, dilapidation and job losses, and, subsequently, from a council perspective, a decrease in our income. We are all coming at this from the same angle. In many ways, we are all trying to achieve the same outcome here.

There are three master plans in mid-Ulster: Cookstown, Dungannon and Magherafelt. These, as you know, are designed to shape the future strategic direction, growth and performance of our town centres, supported by car parking. In each of the master plans in place for our three towns, adequate car parking and accessibility is highlighted as a critical factor for future success. Parking strategies in each plan highlight the critical need for the provision of parking for our town centres as they develop and change, and they will change.

Town centres will change continuously; they are not set in stone. As we move forward, the pace of change will probably increase, rather than decrease. There is an emphasis in our master plans on the need to improve car parking immediately. We have flagged that up and the accessibility of our town centres over the years in order to enhance retail opportunities.

Our master plans also reinforce the need to improve linkages to, and in some cases, redevelop, town centre car parks. But there is the stipulation that existing spaces be maintained and additional operating car parks be provided.

Chairman, town centres have faced significant challenges in the last number of years due to changes in consumer behaviour, economic uncertainty, the recession, and the technological changes that I have referenced. As these changes continue, any restrictions or conditions placed on the transfer of car parks may impede councils' efforts to develop their town centres, in future regeneration schemes, and from taking up development opportunities that may arise in the future. Policy and legislation, in our view, must be designed to support a flexible, adaptable and dynamic approach to town centre

regeneration, because we are operating in a dynamic, fast-changing environment — not one that is set in stone and that can be easily legislated for. Thank you, Chairman.

Councillor Mallaghan: Thanks, Adrian. Chair, if you are happy, I will give you a quick summary. There is simply no plausible economic or strategic rationale for introducing unnecessary legislation restricting future usage at this point.

Indeed, one could say that it flies in the face of councils' community planning powers designed to enable local government to act in accordance with current and future social, environmental and economic needs. The government reform was, among other things, predicted upon the creation of strong councils equipped to shape their localities, and any proposed revision in the legislation would be regressive. Additional stipulations or restrictions are unnecessary and would act only to delay and complicate the delivery of the agreed proposals in the master plans.

The reform of local government and the transfer of car park functions is an important milestone for Mid Ulster District Council. We need to ensure that we have the flexibility to provide the strategic shaping that our town centres need in the challenging environment over the next decade. The council wishes to have the same level of flexibility that was afforded to DRD to make unrestricted decisions on future regeneration plans for our town centres linked to the assets in its ownership. Councils are best placed to make the decisions at local level that affect their local economy.

The Chairperson (Mr Clarke): Thank you. Anthony, I have a question, and I did not want to interrupt you, because you were in full flow at the time. You referred to £287,000. Do you have the figures there?

Mr Tohill: Yes, Chairman. The figure that we originally received for the surplus for car parks in Mid Ulster was £288,000. I understand that the figures are being revised and that, over the next couple of weeks, we will receive figures that show a revised surplus. However, the current figures show a surplus of £288,000.

The Chairperson (Mr Clarke): You heard that we asked officials for those figures, and even those are not going to represent the true snapshot, because there is a six-month lead-in for car parking and it is down now to £237,000. I am concerned about that, because that is not very reflective because there is the busy period. You have the busy period with higher charges included, which is at £237,000, if I do my maths right. Obviously, it is going to be somewhat less than that.

Mr Tohill: Whatever the surplus is, Chair, it has been taken off us, so we are getting the car parking minus the surplus. We have concerns about the accuracy of the figures, and we also have concerns about the budget provision for maintenance of the car parks, which is also taken into account in the transfer.

The Chairperson (Mr Clarke): That is where I had the difficulty. I could not understand why councils would not want that, because they had an opportunity for it to be an income generator. I am stumped today, because this top-slicing has really taken the wind out of me.

Mr Tohill: That is how it has been explained to us from the outset. I read with interest some of the Hansard reports of the Committee, and I was surprised that there seemed to be that doubt as to how this was being treated by DFP, but it has been clear to local government from the start that the money was being top-sliced.

The Chairperson (Mr Clarke): To substitute other —

Mr Tohill: Yes. For example, when planning comes across to our council, it will run at a deficit of approximately £400,000 to £500,000. DFP is proposing to take the £300,000 off us that we would make on income on car parking to set against the cost of running other services such as planning.

The Chairperson (Mr Clarke): Does it give you additional funding with that?

Mr Tohill: No. The surplus on car parking is being taken off us. It is not for me to speak for Fermanagh and Omagh, but it could end up having to pay money back to the Department.

The Chairperson (Mr Clarke): It will have to?

Mr Tohill: It could do.

The Chairperson (Mr Clarke): So the £237,000, if that is what the figure will be — it will not be that; it will be less — is not building in the maintenance regime either.

Mr Tohill: It includes maintenance estimates that the Department has made, but we would be looking at the historical spend over the period of the last regional transportation strategy, where it was approximately £3 million a year. The spend by the Department on car park maintenance has greatly reduced over time, so car parks are being handed over to us at a time when spend on their maintenance is at its lowest.

The Chairperson (Mr Clarke): You have an advantage on me Anthony. I think you are reasonably new in post, but you have an advantage in that you have probably read up on this. This was somewhat down the road before I came to the Committee, so I was not across the detail at the start of it.

However, my understanding today is different to what it was when I was introduced to this. I actually thought that councils were looking a gift horse in the mouth with this stuff. I could not understand where you were coming from, but I am starting to get it today, I have to say. I still do not see why you are against the restriction, given the nature of the restriction that we want, however that is not really much in my thoughts today after what I have heard. I am more interested in what arrangements are going on to do with the transfer of the other functions and how, effectively, you are paying for it. I was very supportive of this because I was in local government, and we did want control of our town centres and regenerate our towns. Car parking charges were too expensive. People did not use our car parks, and we wanted to control that. The bit that is getting me about this is the £237,000, which will drop. If councils decide that they want to do a bit of free car parking to bring people into towns, that will be coming off that again.

Mr Tohill: That is correct, Chair.

The Chairperson (Mr Clarke): This is not how I first saw it.

Mr Lynch: Thanks, men, for the presentation. Anthony, you knew that it was minus the surplus, and you still agreed with the transfer in that context.

Mr Tohill: Local government still views car parks as important. We have outlined the importance of the regeneration of our town centres, and we still welcome the transfer. What we are trying to do is have the transfer coming to us on something that is truly rates neutral. We are not looking for favours here. We are not looking a gift horse in the mouth. All we want is a fair chance, and a fair opportunity to run this service with a fair budget.

Mr Lynch: Similar to other councils, you have experience of a lack of information coming back from the Department.

Mr Tohill: Local government reform is a big challenge. This is one strand of it. All of the Departments and us are running business as usual, and these are additional pressures that are being put on to us all. I will not be critical of the Department. We certainly would have liked the information before now. We are getting into our budget-setting process, and, in the not-too-distant future, we will have to strike the first rate for our new council. We need to know the liability that is coming to us from the transfer of off-street car parking.

Mr Lynch: I can understand. I want to touch on the restrictions. You, in particular, have made a strong case that there should be no restrictions. Anthony, you outlined that there are restrictions already.

Mr Tohill: Yes, the restrictions are in planning legislation. The restrictions covered are exactly what I have read from what I assume to be the Committee's possible intentions on this, which are to protect car parking and ensure that it is retained in town centres. That is exactly what is in the planning legislation and exactly what is in our current area plans.

I know that there is some concern that, with planning coming to local government, councils will be able to ride both horses, but it will take five years for them to develop new area plans. Until such times,

planning decisions will have to be made using the existing area plans as material consideration. To us, the restrictions are already there, and there is no need for any additional restrictions.

Mr Lynch: You heard the officials saying that it is cost neutral. You are saying that it is not.

Mr Tohill: At this time, I could not recommend to my council that the transfer of off-street car parking is rates neutral.

The Chairperson (Mr Clarke): I want to come back to the point made prior to the one about cost neutral, which was on the restriction.

Anthony, we are not picking on you here, but you said that it could take five years to develop planning. I have a particular view of officials, whether they are from local government or otherwise. It is nothing personal, but, sometimes, they can use opportunities to raise revenue.

The clause we are talking about would not have been time bounded. That is why we want protection for our town centres. Local government officials have used their imagination in the past to sweat assets in order to bring in revenue, and that is where I would like to see the protection. It is nothing personal against you; it is just a general suggestion about council officials, regardless of what council they are from.

You will have the power for planning in five years. Our restriction would not have been time-bound. The restriction that we were looking at, as you know, was more to do with the fact that some of us are still looking at the local government aspect of it and trying to protect our town centres to make sure that that provision is always there. You will have control of planning, and you can suggest, in five or six years' time, whether you can have a development with or without that car park. I am just making that point; I am not trying to be rude to you — I have never met you before.

Mr Tohill: Chair, I hear what you say. Over time, there has been a requirement on officials to be as imaginative as they can. We are living in very difficult financial times, and there is always an onus and pressure on to keep the rate base as low as we can.

The Chairperson (Mr Clarke): I think that Mid Ulster does quite well historically.

Mr Tohill: It is not too bad. The Committee is hearing quite clearly that we are very protective of our car parks in our town centres, and we are not going to give up what we value dearly. We would be very concerned about a blanket restriction. There may be car parks in our town centres that are possibly not the most visually appealing and may require an environmental improvement scheme, so we may want to plant a couple of trees or take out some spaces to do the area up. A blanket restriction that covers all spaces and all car parks would be particularly onerous for us.

The Chairperson (Mr Clarke): That is fair enough.

Mr Dallat: Chairperson, like yourself, I suppose the purpose of having these meetings is to change minds. It seems to me that the gift horse is looking more and more like a Trojan Horse.

The Chairperson (Mr Clarke): Where did we hear that this week?

Mr Dallat: Don't even go there.

Obviously, you are getting figures late. Do you have any idea what the cost will be to ratepayers if this goes ahead in its present form?

Mr Tohill: Thank you, Mr Dallat. Like the other councils, we are trying to do some local due diligence on what we feel the true cost of maintaining the car parks will be to council. At this moment in time, the only conclusion that we could draw is that it will not be rates neutral and that the council will have to put money aside to protect and maintain its car parks.

Mr Dallat: Finally, we saw some of the car parks last night. We saw a very good one that was done up for the G8. Do you have any basis on which to quantify what it would take to bring those car parks in your area up to a standard whereby you can be relatively sure that you will not be snowed under

with compensation claims from people falling in potholes or street lights falling down on them and all those things?

Mr Tohill: We do not have those figures at the moment, but we will work them up. Other councils have provided figures to the Committee. I do not expect the situation in Mid Ulster to be that different. I will go back to the historical spend. If the Department was spending on average £3 million a year on car park maintenance, you cannot suddenly drop that down to £200,000 or £300,000 and maintain the same quality of car park surface. The Department has given us information on the claims history in our car parks, and it is very low in Mid Ulster.

Mr McAleer: You may have just answered my question. I was going to ask whether the Mid Ulster council has carried out any sort of independent assessment of the 24 car parks that will be transferred.

Mr Tohill: To repeat, we are commencing that process. That is difficult to do when we do not have a map of the car park showing the boundary in which we are supposed to inspect. As you know with car parks, it is not just about the surface and the kerb. There are boundary and retaining walls in some of our car parks, as well as steps, and we do not know whether they should be included in a condition survey. So, we are awaiting some more information from the Department before we send people out to take a real hard look at the condition of the existing car parks.

Mr McAleer: Just to be clear, at this point are you not in a position to recommend to council that it inherit those car parks?

Mr Tohill: If my responsibility is to Mid Ulster District Council, I could not recommend to the council that the transfer be rates neutral.

The Chairperson (Mr Clarke): Are you not heartened today, Anthony?

Mr Tohill: Sorry, Chair?

The Chairperson (Mr Clarke): Is there no comfort for us today? You just heard that there is loads of meat left on the bone.

Councillor Reid: That will be good news for the ratepayers, because the councils are all in a position whereby the whole restructuring of councils would give savings to the ratepayer.

The Chairperson (Mr Clarke): You just heard one of the officials say that there is still meat on the bone. I am heartened by that, because some of the decisions —

Councillor Reid: Our ordinary eight colleagues in council, irrespective of what party they are from, will be very glad to hear that, but, unfortunately, I doubt that that will be as forthcoming.

The Chairperson (Mr Clarke): Do not take the wind out of our sails, please. About the only good thing that I have heard today is the Department saying that there is still meat on the bone.

Councillor Mallaghan: Chairman, I think that your intervention was timely. It was a good opportunity to bring clarification to the Committee, and it was very welcome.

The Chairperson (Mr Clarke): Are members content? Is there anything that you want to add?

Mr McCreech: Can I just add one comment? We referenced the value of town centres. In the west in particular, our town centres are the economic drivers, especially in rural economies. I will reinforce for members' benefit how that relays on the ground. For example, in Cookstown, there are 349 properties in our immediate town centre, and they employ over 2,000 people. That is one quarter of our entire active workforce. So, retail is of major significance to us. No mid-Ulster council will speculate unduly with the future of car parks, because we know the significant role that they play in high-performing town centres.

The Chairperson (Mr Clarke): Adrian, I think that you are preaching to the converted. Nearly everyone in this room represents a rural constituency. I am glad to say that none of them is a Belfast-based councillor, because many times, most things centre on Belfast and it is as though no one lives

outside Belfast. I do not think that we have any Belfast representatives on this Committee. We are all on the same page with that one. I certainly see the importance of that for the areas that we all represent, and I am sure that my colleagues see the same. As far as this Committee is concerned, there is life outside Belfast. Thanks for the presentation.