

## Decision under Delegated Powers

### To continue to offer free parking in the town centre car parks on a short-term basis

#### Officers Requesting Decision

Alan Twells – Head of Regulatory Services

#### Officer Making Decision

Chief Executive – Rob Mitchell

#### Recommendation

1. That all Council Town centre car parks remain free to support local businesses and the economy as part of the COVID 19 recovery process.
2. To review town centre car park charges after mid-June 2020 and monthly thereafter.

The financial implications to the Council's budget from the loss of income will be monitored and reviewed on a regular basis by the Senior Leadership Team (SLT).

#### Reason

The recommendation is for free parking to be continued during the current COVID 19 restrictions in place and the subsequent easing of restrictions up to at least the end of June 2020. It will then be reviewed on a regular basis to extend as deemed necessary by the Senior Leadership Team.

The main reasons are as follows

1. To support the access to free parking for parking for NHS and relevant Key Workers.
2. To encourage shoppers and town centre visitors back into Loughborough
3. To support the re-vitalisation of local shops and businesses
4. To continue to mitigate the risks against spreading the virus by reducing staff, contractor and customer interactions especially at the pay stations.
5. To demonstrate the Councils support to the local economy and avoid any negative perceptions of the Council

The Council recognise that town centre shops and businesses will need a lot of support once lockdown measures are eased. Many businesses will be struggling or may even fail following several months of closure and no income. The government has also recognised the long-term implications of the pandemic. Hence, they have given District Councils funding to support businesses and to kick-start the economy. Charnwood has received £1.7 million from the government to support businesses. Part of this funding will off-set the significant loss of income to the Councils overall budget.

#### Authority for the decision

The Head of Paid Services is delegated under the Council's Constitution, Section 8, Scheme of Delegation to Officers, Page 8 – 4 to 8 – 5

“9. To authorise urgent expenditure.

10. To deal with emergency issues or those that are urgent, including authority to make temporary changes to management arrangements for a period of up to 3 months and generally to give effect to anything that is required to be done in those circumstances that are not otherwise provided for in the delegation arrangements.”

Additionally, the Head of regulatory Services under The Council’s Constitution, section 8, Scheme of Delegation to Officers Page: 8-27, Street Management, bullet point 7:

*“To use car parking promotions as an operational tool to encourage users to park in Council town centre car parks when it is considered beneficial to the town and the Council.”*

A COVID 19 response report will be going to Cabinet to confirm this Decision.

### **Decision and Date**

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*Approved 18<sup>th</sup> June 2020*

### **Background**

The Government introduced national restrictions on working and movement on the 23<sup>rd</sup> March 2020. Following the government’s ‘stay at home’ announcements, the Council implemented working restrictions for staff, services and all non-essential travel. Throughout the lockdown period the number of drivers using the car park has fallen dramatically as local shops and businesses closed and visitors have stopped coming into town.

The car parks remained open in the town centre, but the Senior Leadership Team made a decision, through the Business Continuity Group, to introduce free parking from Friday 27<sup>th</sup> March 2020. The decision to introduce free parking was to support the Country’s COVID 19 response and provide free access to NHS staff and Key Workers, and it reduced the contamination risk between the public, contractors and staff. Car Parking numbers during this period had significantly reduced.

Not only does parking income provide important financial support to other Council support services, but it also helps with the turnover of visitors and, therefore, supports the vitality of the town centre and local businesses. Free parking was initially a temporary measure based on operational practicalities and safety. Parking charges will *still* need to be re-introduced once the lockdown is eased and as the virus is controlled.

An options paper – “The re-introduction of parking charges to Town centre car parks” was presented to the Senior Leadership Team on 6<sup>th</sup> May 2020. The following options were presented:

1. All car parking remains free – this is how car parks are currently being operated during the Government ‘lockdown’ period.
2. Re-introduce all car park tariff fees – i.e. a full return to normal operation
3. A 2 hours free tariff. That is an interim concession as part of a phased return to normal operation. (This option does have significant operational issues to implement)

4. A 60p per day tariff charged all week as an alternative concession leading to a phased return to full tariff fees.

SLT have recommended option 1 for the short to medium term with a further review of this in mid June 2020. This was based on the continued support for NHS staff, Key Workers, Staff returning to work, visitors and shoppers returning to Loughborough.

### Comments from HR

HR Adviser: Anna Cairns (19/5/20)

There are no significant impacts on staffing to consider.

### Financial Implications

The main income codes are listed below showing income for 2019/2020:

Subjective code	Text	2019/20 Amount	Per Month
J0502	Car Park Charges	*£850k	£71k
J0505	Staff Car parking Charges	£5.5k	£460 (from wages only)
J0581	Season tickets	£11k	£920
J0584	Parking Penalty	£29k	£2.4k
		<b>£896k</b>	<b>£75k</b>

*\*Including Browns Lane Leisure Centre car park*

*Note that while the term "loss of income" is used. This is in the context of parking income which is only one budget line used to support all Council Services. The term is used in context of the whole Council's budget.*

The approximate loss of income per month based on last year is approximately £75k from all car park income codes and approximately £225k up to the end of June 2020

However, this loss of income has been partially off-set by the Government support funding.

Loss of income will be monitored in Agresso budgets for car parks.

### Risk Management

The financial implications are identified above. There is a risk that the longer the free parking goes on the greater the financial implications and greater the expectation from the Town Centre and members of public.

Free parking means a loss of income from the Council's budget of £75k per month so £225k for the first quarter up to the end of June 2020. This loss of income is to be off set by the central government funding. If the free parking is extended to December 2020, the loss of parking income will be approximately £650k.

The free charging has been recommended to support the re-start of the town centre economy and ensure its mid to long term vitality. The risk of not having free parking is that Council's parking policy will be perceived to be a contributing factor to the success or otherwise of the town centre economy.

Another risk is the public perception of re-introducing parking charges. There may be a public backlash once parking charges are implemented. Publicity and PR will be essential during the free parking period and leading up to the re-introduction of charges. A positive message that this is to support local businesses.

Risk Identified	Likelihood	Impact	Overall Risk	Risk Management Actions Planned
Loss of parking income to the Council for 1 <sup>st</sup> Quarter of 20/21	3	3	9	Off set by Government funding contribution
Failure to support the town centre economic recovery through offering free parking	3	2	6	Offer free parking with dates for the temporary support period
Failure to communicate the re-introduction of fees after a temporary period will lead to negative publicity	3	2	6	Publicity campaign throughout the free period and leading up to the re-introduction of charges

Key Decision:

Yes / No

Background Papers:

- Minutes from SLT meeting – 6<sup>th</sup> May 2020
- Options Paper: The re-introduction of parking charges to Town Centre car parks