

EXECUTIVE SUMMARY
EXECUTIVE BOARD
27th July 2020

RESUMPTION OF CAR PARKING CHARGES

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

Car parking charges in the Council's town centre car parks were suspended in March 2020 at the onset of the Covid 19 pandemic. Since that time the town centre car parks have remained open, but free of charge to use.

This report outlines the financial implications of reintroducing parking charging at various dates. It also sets out the impact of introducing the 20 pence increase in parking tariffs which were to have started from the 1st April 2020. The report includes recommendations for Executive Board to consider.

2. KEY DECISIONS REQUIRED, IF ANY

A decision is required on when to reintroduce car parking charges in our town centre car parks and whether to also include the planned increase in parking tariffs.

3. BACKGROUND AND EXPLANATION OF ISSUES

The County Council Highways & Transportation Service manages 57 car parks in town centres around Carmarthenshire. Some of the peripheral car parks in the smaller towns and villages are free to use but there is a charge levied for parking in the main town car parks. This provides the County Council an income of circa £2.4 M per year.

The Council had agreed in March 2020 in the Council's Revenue Budget Strategy 2020/21 – 2022/23 to implement 20 pence increase in charges on all tariff bands to be implemented from the 1st April 2020. Due to the suspension of parking charges in March 2020 the increase was not implemented.

Revenue from car parking funds essential highways and transportation services that are essential to support town centres

There is no data available on the usage of the car parks through the Covid 19 pandemic as customers have not been required to purchase a parking ticket. In order to understand the potential loss of income due to the suspension of charges financial forecasts have been based on daily equivalent parking patterns from 2019/20. The impact of Covid 19 on car park usage is however appreciated.

When parking charges are increased there is also normally an elasticity in demand as some customers will opt to use alternative travel or parking options. This elasticity can be of a short and medium term and will be influenced by a range of factors including location, journey purpose, the date and time of the journey and the duration of parking required. For the purpose of providing a comparison between forecasts demand elasticity has not been included.

Income figures also do not include for the Penalty Charge Notices which would have been issued within the car parks.

To aid decision making two income scenarios have been considered, namely with and without the 20 pence price increase, for the following three timelines:

- a. Parking charges are reintroduced from the 17th July. This would coincide with the end of the academic year and the start of the school summer holidays.

b. Parking charges are reintroduced at the end of August, the end of the school summer holidays.

c. Parking charges are not reintroduced until January 2021, after the Christmas holiday.

The financial implications are set out in the following table: -

Period	Potential Income Loss at 2019 Rate	2019 Rate Cumulative Loss	Potential Income Loss at 2020 Rate (20p increase / band)	2020 Rate Cumulative Loss
Wed 1st April 2020 to Fri 17th July 2020	£ 779,663	£ 779,663	£ 878,786	£878,786
Sat 18th July 2020 to Sun 30th August 2020	£ 334,651	£ 1,114,314	£ 376,792	£ 1,255,579
Mon 31st August 2020 to Sun 3rd January 2021	£ 956,927	£ 2,071,242	£ 1,071,830	£ 2,327,409

Note: minor variables such as the influence of the free parking pilot where various towns benefit from free parking for periods on selected days and the town centre free parking event days have not been included within this analysis.

4. IMPLICATIONS

The management of traffic and car parking can have a significant influence on travel patterns within town centres. It can be used as a tool to encourage sustainable modes of travel, to discourage certain travel patterns and to stimulate economic activity by encouraging visitors.

During the Covid 19 pandemic consistent public messages from national government have encouraged greater walking and cycling as a travel option and measures are being formulated to 'lock-in' these beneficial modal changes. Central government messages have also discouraged the use of public transport where possible due to difficulties in maintaining social distancing on buses and trains and this change will need to be addressed in the long term for a number of reasons associated with climate change and congestion.

Carmarthenshire is a predominantly rural County and has a greater reliance on private cars. As a consequence car parking within our towns is a key factor in supporting their economic vitality and their recovery following the impacts of Covid 19.

The reintroduction of parking charges will therefore have wider implication with respect to town centre economies and sustainable travel patterns and the long-term viability of public transport as revenue for parking supports the provision of essential highway and transportation services.

In considering the report it is recommended that Executive Board approves:

1. The reintroduction of parking charges in town centre car parks with effect from Monday 31st August 2020.
2. The proposed 20p increase be postponed until Monday 4th January 2021.

DETAILED REPORT ATTACHED

NO

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: **S Pilliner**

Head of Highways & Transport

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	YES	YES	YES

1. Policy, Crime & Disorder and Equalities

Council agreed to the introduction of 20 pence increase on parking charges which was to be implemented from the 1st April 2020 and has supported selective free parking periods in town centres.

2. Legal

The introduction of increased parking charges requires a legal process advertising the increases. This will need to be completed prior to any increase in charging rates.

3. Finance

The financial implications arising from the recommendations within the report are set out below:

The financial loss from the suspension of charges since the start of the financial year to the 30th August including the approved 20p increase in tariff fees is estimated at £1,255,579.

There is an additional financial loss of £114,903 from delaying the 20p increase in tariff to 3rd January 2021.

The Wales Government has not yet confirmed if car parking charges will be eligible for a claim from the Local Authority Hardship Fund, however it is anticipated that support will be available from WG for the loss in car parking income during the lockdown period (first 3 months of this financial year).

If the decision is made to extend free car parking of the Town Centre car parks to the 30 August 2020, this extension is estimated to cost the Authority £377k in loss of income. Currently WG have given no commitment to support this additional lost income and therefore the Authority should at this moment in time provide for such lost income within its own budget monitoring.

WG are currently differentiating between local and national decisions and this appears to influence their decision on the availability of funding of additional costs and lost income.

Should the implementation of the 20p increase in car parking charges, (agreed as part of the budget) be deferred until 3rd Jan, there will be a further loss in income for the period 31 August 2020 to the 3rd Jan 2021 of an estimated £115k.

5. Risk Management Issues

Risk Assessments and Safe Working Practices are in place with respect to Covid 19 for parking operations. The financial impacts associated with reintroducing parking charges are set out within this report.

6. Physical Assets

The Pay & Display machines can be brought back on-line to support the reintroduction of parking charges.

7. Staffing

The Council's Civil Enforcement Officers regularly patrol town centre car parks and have already restarted on-street patrols and are monitoring car parks. Cash collections from Pay & Display machines are normally undertaken by contractors but were suspended when charging was suspended. These will need to be brought back on-line.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: S Pilliner

Head of Highways & Transport

1.Scrutiny Committee N/A

2.Local Member(s) N/A

3.Community / Town Council N/A

4.Relevant Partners N/A

5.Staff Side Representatives and other Organisations N/A

EXECUTIVE BOARD PORTFOLIO
HOLDER(S) AWARE/CONSULTED

YES

Include any observations here

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:

THERE ARE NONE