



## **CABINET – 1<sup>ST</sup> SEPTEMBER 2021**

**SUBJECT: CAR PARKING CHARGES**

**REPORT BY: CORPORATE DIRECTOR FOR ECONOMY AND ENVIRONMENT**

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### **1. PURPOSE OF REPORT**

- 1.1 To update Cabinet on the latest position with the Economic impact on town centres caused by the coronavirus pandemic and to seek a Cabinet steer on a further period of free car parking to support the local economy.

### **2. SUMMARY**

- 2.1 Many businesses within the County Borough have faced significant challenges as a result of Covid-19 and the lockdown and/or trading restrictions that have resulted. This includes many town centre businesses and particularly the town centre hospitality sector.
- 2.2 Supporting town centres is a key feature of the Council's over-arching regeneration strategy (A Foundation for Success) the Area Regeneration Masterplans that sit under the over-arching strategy and its Covid economic recovery plan.
- 2.3 The length of Welsh Government lockdown periods and the resultant restrictions on the retail and hospitality sector have placed significant pressure on the high street and businesses within our town centres. This has continued to make the economic position extremely challenging for our town centre businesses. The Welsh Government easing of restrictions from 7<sup>th</sup> August 2021 signals the real start of recovery which will see our town centre businesses try to recover from the economic impact of the pandemic over the coming months.
- 2.4 On 17<sup>th</sup> June 2020 the Chief Executive, in consultation with the Leader, Cabinet Members and Acting Section 151 Officer took a delegated powers decision to temporarily suspend car parking charges until 31<sup>st</sup> December 2020 as part of the Covid economic recovery plan. On 9<sup>th</sup> December 2020 Cabinet took a further decision to extend the suspension of car parking charges until 31<sup>st</sup> March 2021. On 24<sup>th</sup> March 2021 Cabinet reviewed the position again and took a further decision to continue the suspension of car parking charges until 30<sup>th</sup> September 2021.
- 2.5 In light of the continued economic challenges and continued imposition of trading restrictions this report therefore seeks the thoughts of Cabinet on whether to continue with the suspension of car parking charges beyond 30<sup>th</sup> September 2021.

### 3. RECOMMENDATIONS

3.1 It is recommended that Cabinet: -

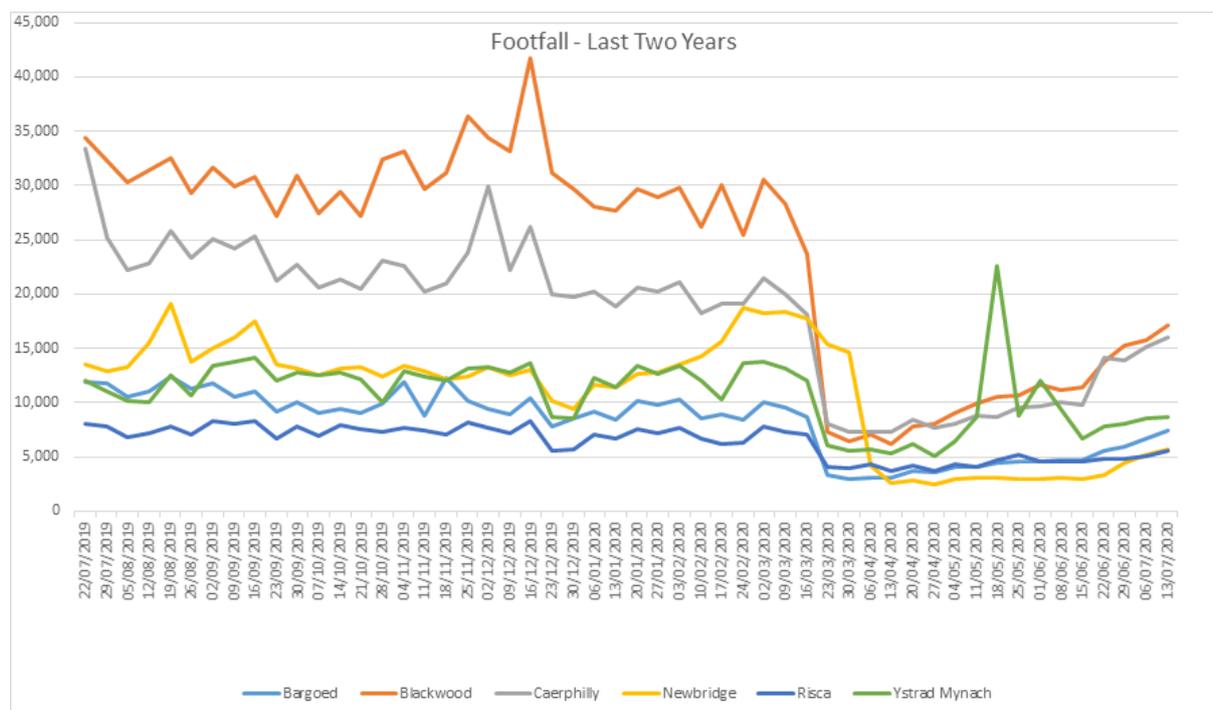
- 3.1.1 Agrees to extend the period of free car parking in town centres for a further 12 months until 30<sup>th</sup> September 2022.
- 3.1.2 Agrees that the projected income shortfall of £660k is funded from the previously approved Covid-19 Earmarked Reserve.
- 3.1.3 Requests the Joint Scrutiny cross party task and finish group to undertake a further review of town centre car parking charges in light of the effects of the pandemic on the economy of our town centres.
- 3.1.4 Agrees that the residents' season ticket only use of the three car parks in Blackwood (Gordon Road, Libanus and Highland Terrace) should be removed for the duration of the free parking.

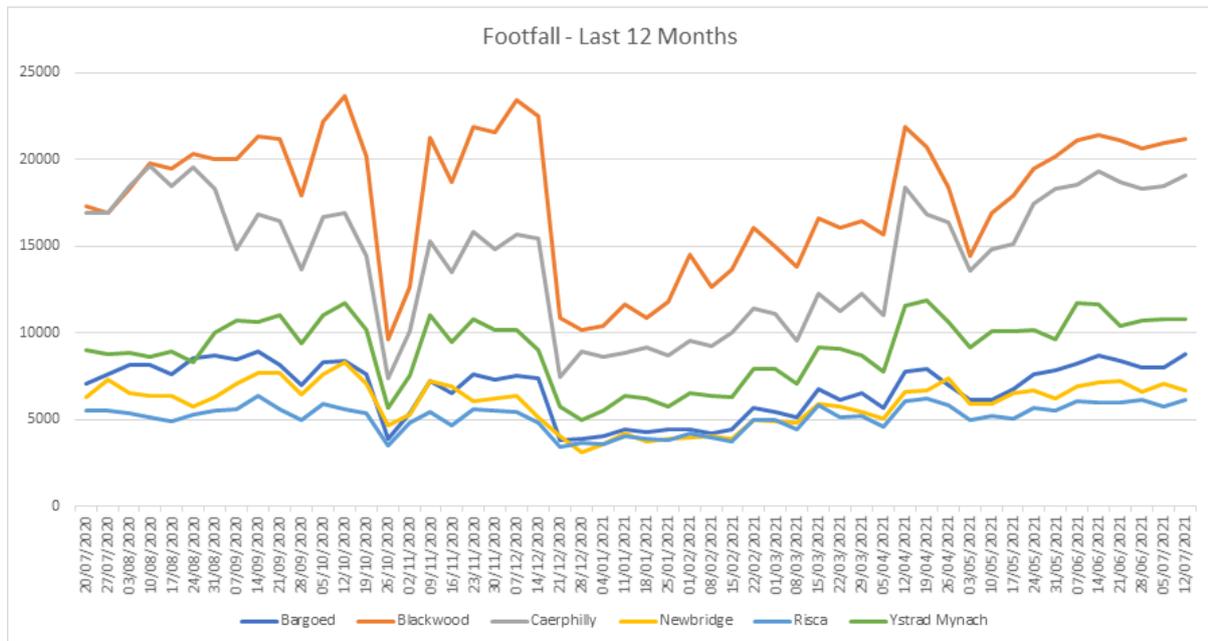
### 4. REASONS FOR THE RECOMMENDATIONS

4.1 To support the Authority's local town centre economy in the current, challenging economic climate and to support local residents in "staying local" for shopping.

### 5. THE REPORT

5.1 As outlined above, the economic climate remains extremely challenging for town centres and the continued use of lockdown and/or trading restrictions is contributing to the challenging economic trading conditions. This is illustrated by the town centre footfall graphs below:





- 5.2 One of the key messages in the fight against Covid-19 has been “stay local” which equally applies to shopping and routine, daily exercise.
- 5.3 One of the key ways in which the Authority has assisted in supporting this “stay local” message is to offer residents the benefit of free car parking at its town centre car parks.
- 5.4 As the Authority has previously committed to offer free car parking at its Town Centres until 30<sup>th</sup> September 2021, a new decision is required which takes the Authority beyond this date and this report therefore seeks the view of Cabinet with regard to the period beyond the 30<sup>th</sup> September 2021.
- 5.5 In considering a new decision it is important that Cabinet are aware of the options available and potential risks associated with these options.
- 5.6 On 15<sup>th</sup> December 2020 a joint task and finish group of the Environment and Sustainability and Regeneration and Housing Scrutiny Committees presented its final report to a joint meeting of both Scrutiny Committees.
- 5.7 At this meeting the joint Scrutiny Committee agreed 16 recommendations for consideration by Cabinet. The key recommendations in relation to car park charges at Town Centre car parks were:
- Standardisation of hourly tariffs for short and long term parking.
  - Installation of new, modern pay and display machines capable of card and cash payment.
- 5.8 These new pay and display (P&D) machines were ordered and installed in the first quarter of 2021 at a cost of circa £300k (with Welsh Government Grant Support of £170k). These machines are subject to 12 months warranty but as yet have not been tested due to tariff free parking being in existence. Officers have explored whether the machines could be used to issue tickets without any charge, and while this is possible with some reconfiguration of the machines / software, it is considered

that the potential cost and resource implications would outweigh any benefits and make it an unviable option.

- 5.9 It should also be noted that this requires a new Traffic Regulation Order (TRO) to be put in place which would take circa 6 months to achieve. Furthermore, in order to issue tickets without any charge the P&D machines would need to be recalibrated and the tariff signs would need to be amended, the total cost of which would be approximately £16K. Valuable staff resources (approximately 4 hours per week) would also be taken up in restocking the machines and dealing with complaints. There is also a risk that certain mischievous individuals could obtain an infinite number of tickets for their own amusement.
- 5.10 In the event that car parking charges were to be removed on a permanent basis then it is likely that the £170k Welsh Government Grant would need to be repaid.
- 5.11 As outlined above, the economic impact of Covid-19 is still being felt by town centre businesses and the future of town centres is likely to change forever in light of the influence of Covid-19 in areas such as on-line shopping. Consequently, the future “look and feel” of our town centres is likely to change as they re-model themselves in a post covid recovery world which will take time.
- 5.12 Given that there is a long and complex legal process required to make changes to car park tariffs, times etc. (referred to as a TRO process) then Cabinet only has 2 options from 1<sup>st</sup> October 2021. These options are:
- i). Re-introduce charges in line with the County Borough wide tariff joint Scrutiny recommendation.
  - ii). Continue with an extended period of free town centre parking subject to further review.

The advantages and disadvantages of these options are set out below in order that an informed decision can be made by Cabinet.

### 5.13 Re-introduction of Charges

#### 5.13.1 Advantages

- Avoids loss of income of circa £55k per month
- Increases “churn” in town centre car parks and avoids valuable shopper spaces being taken by employees parking all day (this issue is currently the subject of a number of complaints in Blackwood and Caerphilly).
- Allows the new pay and display machines to be used and tested while still under 12 months warranty.

#### 5.13.2 Disadvantages

- Anecdotally at odds with assisting town centre businesses to recover from the economic impact of Covid.
- Introduction of charges from 1<sup>st</sup> October 2021 may not allow sufficient time for new town centre models to become embedded in a post Covid recovery landscape.

## 5.14 Extending the Period of Free Town Centre Parking

### 5.14.1 Advantages

- May assist town centre businesses with recovery from the economic impacts of Covid.
- Allows for a further review (possibly by the Scrutiny cross party task and finish group) of a future town centre car park charging strategy.
- Potential alignment with town centre re-modelling/Covid recovery strategy.

### 5.14.2 Disadvantages

- Loss of income of circa £55k per month.
- New pay and display machines would remain unused, untested and the 12 month manufacturer warranty would expire (dependent on the period involved).
- Will not stimulate “churn” in short term town centre visitor parking.
- Enables employees to park free of charge all day using valuable town centre visitor car parking spaces with no mechanism in place to control this practice. Complaints from residents of overspill parking would continue.

## 5.15 Residents’ Season Tickets

5.15.1 There are three car parks in Blackwood (Gordon Road, Libanus and Highland Terrace) which are reserved for resident season ticket holders for which the cost of an annual permit is £93. This charge has been suspended since the start of the pandemic and usage of the car parks has not been restricted / non-residents have been able to use the facilities. Although we have received a small number of complaints from residents about non-residents using the facilities, there are a number of alternate car parks located in close proximity (Market Traders, Thorncombe Road 2 and Woodbine Road) which can be used by residents if/when there are no spaces available. It is considered that it would not be appropriate to issue free resident season tickets whilst the parking charges are suspended as this would not be consistent with the current on-street parking regime where residents are still required to pay £15 for a residents’ parking permit. Consequently recommendation 3.1.4 (above) clarifies this matter.

## 5.16 **CONCLUSION**

Clearly the economic impact of Covid-19 has been felt by Town Centre Businesses and the re-modelling of town centres is at the heart of assisting businesses to recover. However, this will take time to achieve and any decision relating to car parking charges is an important consideration in this context.

As can be seen from this report, there are a number of advantages and disadvantages attached to re-introducing or continuing with the suspension of car parking charges and it is important that all of these factors are considered in the decision making process.

## **6. ASSUMPTIONS**

- 6.1 The report has assumed that the challenging economic climate for businesses and residents may last beyond September 2021 but this will need to be kept under review.

## **7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 The report links to a number of corporate well-being objectives, namely.
- Objective 2 – Enabling employment.
  - Objective 4 – Promote a modern integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment.
  - Objective 5 – Creating a County Borough that supports a healthy lifestyle in accordance with the sustainable development principle within the Wellbeing of Future Generations (Wales) Act 2015.
  - Objective 5 – Support citizens to remain independent and improve their well-being.
- 7.2 Economic Recovery contributes to the Well-being objectives as set out above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act and it is aimed at improving the economic, environmental, social and cultural well-being and recovery of the area.
- 7.3 As such it aligns with the following well-being goals:
- A Prosperous Wales – Providing more jobs and housing in the area will create more wealth for the local population.
  - A Resilient Wales – Providing additional and more diverse employment will make the area more resilient to external economic factors.
  - A Wales of Cohesive Communities – providing local employment and more diverse will help to stabilise and develop local communities and prevent outmigration.
- 7.4 The report's recommendations are consistent with the five ways of working as defined within the sustainable development principle in the Act. The five ways of working of the sustainable development principle, listed in the Act are:
- Long Term – The importance of balancing short-term needs with the need to safeguard the ability of future generations to meet their long-term needs;
  - Prevention - How acting to prevent problems getting worse, may help public bodies meet their objectives;
  - Integration – Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies;
  - Collaboration – Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives;
  - Involvement – The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.

- 7.5 No Integrated Impact Assessment has been completed. On 17<sup>th</sup> June 2020 the Chief Executive, in consultation with the Leader, Cabinet Members and Acting Section 151 Officer took a delegated powers decision to temporarily suspend car parking charges until 31<sup>st</sup> December 2020 as part of the Covid economic recovery plan. On 9<sup>th</sup> December 2020 Cabinet took a further decision to extend the suspension of car parking charges until 31<sup>st</sup> March 2021 (links to the reports are as follows). On 24<sup>th</sup> March 2021 Cabinet reviewed the position again and took a further decision to continue the suspension of car parking charges until 30<sup>th</sup> September 2021.

[Link to Cabinet report 9th December 2020](#)

[Link to Cabinet report 24th March 2021](#)

- 7.6 In light of the continued economic challenges and continued imposition of trading restrictions this report therefore seeks the support of Cabinet on continuing with the suspension of car parking charges beyond 30<sup>th</sup> September 2021.

## **8. FINANCIAL IMPLICATIONS**

- 8.1 Any extension of free parking beyond September 2021 will result in lost income of circa £55k per month. The loss of income is not eligible for funding through the WG Covid-19 Hardship Fund as the waiving of the charges is deemed to be a local decision.
- 8.2 The lost income for the 2020/21 financial year was absorbed within the wider underspend on the Council's revenue budget.
- 8.3 The lost income for the period 1<sup>st</sup> April 2021 to 30<sup>th</sup> September 2021 has been funded from the Covid-19 Earmarked Reserve, as approved by Cabinet at its meeting on the 24<sup>th</sup> March 2021.
- 8.4 The projected loss of income for the period 1<sup>st</sup> October 2021 to 30<sup>th</sup> September 2022 is £660k. Cabinet is asked to consider a recommendation that this shortfall is also funded from the Covid-19 Earmarked Reserve.
- 8.5 As outlined above there is likely to be a requirement to refund the £170k WG grant received for the new pay and display machines in the event that free town centre car parking becomes permanent.

## **9. PERSONNEL IMPLICATIONS**

- 9.1 There are no personnel implications associated with this report.

## **10. CONSULTATIONS**

- 10.1 The report reflects the view of the listed consultees

## **11. STATUTORY POWER**

- 11.1 Local Welsh Government Act 2000. This is a Cabinet function.

## **12. URGENCY**

- 12.1 All Cabinet decisions will be subject to a “call-in” procedure whereby the relevant Scrutiny Committee can ask for the implementation of the decision to be delayed until it has considered the matter and, if the Scrutiny Committee is so inclined, to ask Cabinet to reconsider its decision.

Author: Mark S Williams, Corporate Director for Economy and Environment

Consultees: Councillor James Pritchard, Deputy Leader & Cabinet Member for Infrastructure and Property  
Councillor Eluned Stenner, Cabinet Member for Performance, Economy & Enterprise  
Robert Tranter, Head of Legal Services and Monitoring Officer  
Stephen Harris, Head of Financial Services & S151 Officer  
Marcus Lloyd, Head of Infrastructure  
Clive Campbell, Transportation Engineering Manager  
Dean Smith, Principle Engineer, Traffic Management  
Rhian Kyte, Head of Regeneration and Planning  
Councillor Tudor Davies, Chair of Environment & Sustainability Scrutiny  
Councillor Adrian Hussey, Vice Chair of Environment & Sustainability Scrutiny  
Councillor John Ridgewell, Chair of Housing & Regeneration Scrutiny  
Councillor Mike Adams, Vice Chair of Housing & Regeneration Scrutiny

Background Papers:

Council 6<sup>th</sup> October 2020 – Report on “Decisions taken by the Chief Executive During the Pandemic”.

Cabinet 9<sup>th</sup> December 2020 – Car Parking Charges

Cabinet 24<sup>th</sup> March 2021 – Car Parking Charges