

CABINET – 9TH DECEMBER 2021

Report of the Chief Executive

ITEM 14 URGENT DECISION – EXTENSION OF FREE PARKING

Purpose of Report

This is a report on the action taken by the Chief Executive made under urgency provisions.

Action Requested

To note the action taken by the Chief Executive made under urgency provisions.

Policy Justification and Previous Decisions

Under section 8.3 of the constitution which relates to the delegation of Executive functions there is provision for the Chief Executive, Strategic Directors and Heads of Service to take such action as is required in the case of an emergency or urgency subject to:

- (i) consultation with the Leader (or, in the Leader's absence, the Deputy Leaders);
- (ii) consultation with the Chief Executive and relevant Strategic Directors in each case; and
- (iii) report on the action taken being made to the next meeting of the Cabinet.

The decision taken by the Chief Executive being reported to this meeting of Cabinet is:

- DD203 – Free Car Parking

The decision can be found in the Annex to this report.

Implementation Timetable including Future Decisions

As detailed within the report attached as an Annex.

Report Implications

As detailed within the report attached as an Annex.

Background Papers: None

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Annex

Report of the decision taken by the Chief Executive.

Decision under Delegated Powers

Extension of free parking for Sundays, evenings and daytime up to 1 hour and free permits for town centre staff in Beehive Lane car park to support the town centre Bedford Square re-generation programme

Officers Requesting Decision

Karl Harrison, Car Parks & Civil Parking Enforcement Manager & Alan Twells, Head of Regulatory Services on behalf of the Bedford Square Gateway Project (BSGP) board.

Officer Making Decision

Rob Mitchell – Chief Executive

Recommendation

To extend the following free parking tariffs from 8 November 2021 to the end of January 2022 within Beehive Lane car park, as detailed below:

1. Monday to Saturday – Free Parking for up to 1 hour. All tariffs over the one hour period to remain unchanged and,
2. Sundays and evenings – Replace the 60p charge for Sundays and Evenings with 'Free' parking.

And to give authorisation for:

3. Continuation of the unlimited free staff parking for town centre shops and businesses affected by the on-going project works and road closures associated with the Bedford Square Gateway Project, from 8th November 2021 to end of January 2022.

All recommendations subject to a review prior to the end of January 2022.

Reason

The Bedford Square Gateway Project (BSGP) was initially planned to be complete in time for Loughborough Fair in November 2021. However, the planned project program has had to be extended up to the Summer of 2022. Disruptions to the town centre businesses are likely to continue until project completion

Initial authorisation for free parking for up to 1 hour, evenings and Sundays was given in a Delegated Decision in May 2021 (DD 102), for a period of up to 7 weeks. It was then further extended in an addendum to the delegated decision up to 7 November 2021 (start of the fair week).

The Bedford Square Gateway Project board have put forward a programme of works up to Summer 2022 which details further town centre disruptions including loss of on-street parking, road closures and diversions.

The extension of the free parking and introduction of town centre staff permits is to support on-going re-generation works in the town centre, which has had led to a loss of on-street parking and impacted town centre businesses especially during road closures.

A further delegated decision is required to extend the 'free' parking offer, and record the financial impacts on the parking account for 2021/22. It is not currently anticipated that the BSGP works will require further promotions in to next financial year 22/23.

As well as free parking for the public, the BSGP has requested free parking permits for staff associated with shops and businesses in the town centre. Initially this was limited to those businesses where private, on-site parking was impacted (i.e. Bleach Yard and Mills Yard). However, it was later recommended by the BSGP to extend the offer to other town centre businesses. The BSGP board can provide a scope for those businesses entitled to apply for the free parking and a list of applicants to date.

There have been 65 town centre staff permits issued which allow free parking 7 days a week at an equivalent cost of £6 per day (60p on Sundays). A delegated decision is required to authorise the free town centre staff permits and extend the offer to the end of January 2022, subject to a review at the end of this period.

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

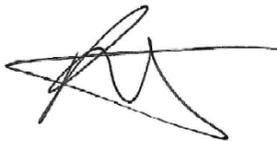
“9. To authorise urgent expenditure.

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.”

Decision and Date



Robert Mitchell (he, him, his)

Chief Executive

22/11/2021

Background

The Bedford Square Gateway Project is still underway in the town centre and as a result, there has been a full closure of the town centre to vehicles from Bedford Square for several weeks. Intermittent road closures and parking space reduction are scheduled to continue into next financial year. These are as detailed by the BSGP project manager:

The current state of the proposed road closures is as follows:

- Road closure: Ward's End/Devonshire Square - 15/11/21 to 03/12/21
- Road open: Ward's End/Devonshire Square - 04/12/21 to 03/01/2022
- Road closure: Ward's End/Devonshire Square - 04/01/22 to 25/02/22
- Road closure: Devonshire Square only - 26/02/22 to 11/04/22

As well as the loss of on-street parking spaces, Southfields Road Extension car park is also closed (It is being used as a site compound for the Bedford Square contractors). Southfield offices which would normally be open to the public at evenings and weekends is also being used by the NHS vaccination Hub.

There has been significant disruption to shops and businesses in the town centre just. The free parking initiative replaces some of the on-street parking that would have normally been available to the public and is a good promotion to encourage shoppers during the town centre disruption.

The initial Delegated Decision for free parking up to 1 hour, evening and Sundays was for 7 weeks from May 2021. An addendum to this DD extended the promotion up to the fair week. This was the date that town centre works were initially expected to finish. Also, roads and access to the town centre would normally be closed off the week of the fair anyway. The period between Loughborough Fair and Christmas is the busiest time of year for the car parks. There is usually a significant increase in the numbers using the car parks and therefore income at this time of year.

The cost of free parking given away for the period up to October 2021 equates to about £24k. This was estimated to be approximately £5k per month, however recent numbers show an increase in numbers and free parking given away. In September 2021, 'free' parking provided equated to **£6,700** which is probably a reflection of the car parks, getting busier and customers taking advantage of the free parking promotion.

Note that the free parking promotion is not without its operational difficulties and has resulted in some customer complaints. This is because the software is not designed for this type of free tariff. Many customers go to the pay station to be told parking is free. By the time they reach the exit barrier the free period (and an extra 10 minutes) has expired so drivers get stuck at the barrier.

Town centre permits were initially offered to businesses that lost their own private parking spaces during the road closures. In particular, Bleach Yard and Mills Yard. The 'free' parking permit offer was extended to other town centre shops and businesses as a 'compensation' gesture for the town centre disruption. There are now 66 permits issued and free parking given to businesses which currently equates to approximately £950 per week. This figure has risen as take up of the scheme has been encouraged.

Various parking options were presented to the Chief Executive, who consulted Councillor Jonathan Morgan, Leader of Charnwood Borough Council, with potential benefits and costs in the form of reputational risk and potential loss of income.

Options for free parking up to 1 hour, Sundays and Evenings and Town Centre permits for all day parking:

1. Return all tariffs to the standard tariff rate for all users and receive income during the busiest period of the year between November and December
2. Offer free parking promotions only when the roads are closed due to the BSGP
3. Continue to support free parking promotions while on-going disruption takes place to access and parking in the town centre during the Christmas period and the New Year i.e. to the end of January 2022, as provisionally agreed with the Chief Executive.
4. Continue to support 'free' parking promotions while on-going disruption takes place to access and parking in the town centre. BSGP works where disruption is likely are currently scheduled up to the end of February 2022.

Option 1 - would return the car park to normal tariffs. 'Free' parking promotions were originally advertised as a temporary offer in support of the town centre and because on-street spaces were being lost. The public do not necessarily expect to get free parking while the re-development takes place and had been set an expectation that the offer was short term.

During the fair week, customers understand that there are road closures and Granby Street car park is closed to accommodate rides and stalls. There is an expectation to park and pay in Beehive Lane car park. The period between Loughborough Fair and Christmas is historically the busiest period of the year for the car parks and brings in the most income. In previous years, when all the car parks were available the car parks have gone to full on several occasions.

The road closure schedule already minimise the traffic and parking disruption during the lead up to Christmas as no diversions are planned for the period 4th December 2021 to 3rd January 2022

Return to normal tariffs would reduce complaints associated with the drivers just going over the free parking period and getting stuck at the barrier and using the help line.

However, there is intermittent further disruption expected from the on-going Bedford Square Gateway Project (BSGP) including road and pavement works, road closures, and traffic diversions up to February 2022. It will be a difficult recovery year for the town centre shops and businesses. The continuation of the free parking for shoppers and visitors, and parking permits for staff will be an additional mitigation for disruption and could be a supportive gesture to the town's economic revival (if not the Council's budget recovery).

Options 2 - is a hybrid option of switching on and off the free promotion, to coincide with car park closures and road diversions. This would be confusing for users and would result in frustration for all involved. It would also be difficult to achieve operationally as it requires software changes to manage the car park tariffs. Several changes would likely rely on the car park software supplier's input. There would need to be a very detailed schedule to manage the tariff switches and supplier charges would apply.

The staff permits can be switched on and off a little easier to match road closures but the dis-continuity of service and expectation would cause complaints from the shops and businesses.

Option 3 – continue with the 'free' parking promotions and town centre staff permits during the Fair and Christmas 2021 and into the New year – i.e. the end of January 2022.

There are a further 2 weeks of road closures and diversions expected from mid-November up to the beginning of December 2021. However, during the important Christmas period, the BSGP board has scheduled the contractor works to minimise the disruption during December. The BSGP has stated there will be no road works or traffic diversions in the period between 4 December 2021 and 3rd January 2022. This means that access to Beehive and Granby Street car park should be fairly normal but there will be a loss of on-street parking and there is the on-going closure of Southfields Extension car park and Southfields offices car park is not available.

Customers may be more inclined to visit the town centre during Christmas and beyond with the support and promotion from the Council.

While only a short period of 2 weeks, there is still more disruption expected between November and Christmas which is likely to raise an expectation of supporting measures and or compensatory parking support. A further road closure is to be implemented in January and February 2022.

Option 4 – continue the free parking option until there is some continuity with the town centre works, disruption is minimised and the BSGP nears completion. This is expected to be February 2022 when road works will end (However, there will still be on-going BSGP works – Devonshire Square in particular).

Further road closures and diversions are scheduled for the beginning of January to the end of February 2022. While road works and diversions will be minimised during the crucial Christmas period the shop keepers and businesses will still perceive there to be a 'Start-Stop' approach to the town centre improvement works. Again, it is likely to raise an expectation of supporting measures and or compensatory parking support by the Council.

Operationally, there will be on-going problems at the barrier should 'free' parking continue but these are being managed by wardens and support from the CCTV team.

Further road closures and diversions are likely to have a significant impact on the shops and businesses so the continuation of staff parking would help compensate for the disruption.

Comments from HR

There are no significant impacts on staffing to consider.

Financial Implications

It is not possible to claim back the loss of income from the 'free' parking because the Bedford Square Regeneration Project is a CBC scheme. However, the temporary arrangement for 'free' parking will result in a direct loss of income from the Beehive Lane car park budget account. In addition to the 'normal' expected Beehive income loss, there will be an additional loss as many short stay parkers will migrate from Granby Street car Park to Beehive.

This loss of income is directly as a result of the BSGP and is in addition to the loss associated with the COVID recovery stated in the MTFS.

Free Parking for up to 1 hour, evenings and Sundays

The free 1 hour, evenings and Sundays are individually only 60p tariffs but there are a lot of shoppers and visitors coming back to the car park. The cost from 24 May to 17th October 2021 is approximately £24k.

The weekly equivalent cost of 'free' has increased as a result of the town centre road closures and diversions. This is probably because the diversion has put drivers off going to the Granby Street car park. Some but not all will migrate to Beehive Lane car park (others may not come to Loughborough or find alternative parking). Loss of income at Granby Street has not been included in this DD.

The higher end of the current weekly costs is running at £1,700 per week. This higher number is used to extrapolate figures up to the new year because further road closures are scheduled and it is the busiest part of the year.

Option 3 costs – up to Sun 30 Jan 2022:

- Total cost from 24 May to 17 Oct 2021 = £24,000
- Estimated 18 Oct to 30 Jan 2022 i.e. 15 weeks @ £1,700 = £25,500
- **Total up to 30 Jan 2022 = approx. £49,500**

Option 4 costs – up to Sun 26 Feb 2022:

- Total cost from 24 May to 17 Oct 2021 = £24,000
- Estimated 18 Oct to Sun 26 February 2022 i.e. 19 weeks @ £1,700 = £32,300
- **Total up to 26 Feb 2022 = approx. £56,000**

Town centre staff parking

The parking cost from Town centre staff permits from 6 Sept to 17 Oct 2021 is £4,700. There are approximately 160 staff permits uses a week which equates to £950 per week

Option 3 costs – up to Sun 30 Jan 2022:

- Total from 6 Sept – 17 Oct 2021 = £4,700
- Estimated 18 Oct to 30 Jan 2022 i.e. 15 weeks @ £950 = £14,250
- **Total up to 1 Jan 2022 = approx. £19,000**

Option 4 costs – up to Sun 26 Feb 2022:

- Total from 6 Sept – 17 Oct 2021 = £4,700
- Estimated 18 Oct to 1 Jan 2022 i.e. 19 weeks @ £950 = £18,050
- **Total up to 26 Feb 2022 = approx. £22,500**

OPTION 3 - TOTAL COST up to 30 Jan 2022 = £68,500

OPTION 4 - TOTAL COST up to 26 Feb 2022 = £78,000

Cost or loss of income will be monitored in the Agresso budgets for car parks. This free parking concession will be reported via the budget monitoring process.

Free parking promotions and staff permits are not expected to be offered after the end of February 2022. Therefore, no further service pressures are currently envisaged for financial year 2022/23

In addition to this cost to the Beehive account, Southfield Road Extension car park is closed for the remainder of the year (authorised in separate DD186 2021) as part of the BSGP. There is a £66k income budget and approx. £4k maintenance budget for this site.

A net cost of £62k will be reported for Southfields Road extension car park for 2021/22 with further service pressures predicted for 2022/23.

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 are to the Council but conversely, the greater the expectation from the Town Centre trade and members of public for it to remain in place.

The reasons for additional parking income losses needs to be recorded and re-iterated through budget monitoring processes and reporting to Members.

On top of the major town centre disruption, there would be a pressure to the Council if free on-street parking was taken away from the public and then a 'free' alternative parking concession was not offered. It will be made clear in comms that the free parking offer is to replace the lost parking spaces in the town centre, and support shops and businesses during the disruption

The longer the free parking goes on for the greater the expectation by public and businesses. Re-introducing parking charges may be contentious (never mind introducing tariff increases at a later date). However, a fixed date especially if it is in the new year should set expectations if it is communicated well.

If free parking permits are not offered to local businesses then a claim for alternative compensation may be made for loss of trade.

Risk Identified	Likelihood	Impact	Overall Risk	Risk Management Actions Planned
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Further loss of income if the scheme is extended continually. (Approximately, £2,600 per week for both promotions)	3	2	6	Further authorisation required should the scheme be extended beyond the agreed options in 2022. Service pressures will be needed if the scheme goes into the new financial year 22/23
Poor financial performance recorded against the Street Management budget account	3	2	6	Car park budget monitoring reports record additional support measures for the Town centre regeneration scheme
On-going operational issues with the free parking especially during high footfall events e.g. Loughborough Fair. Complaints received as a result	4	1	4	<ol style="list-style-type: none"> 1. Make sure signage is up to date 2. Wardens / CCTV advised on response 3. Consider setting barriers to 'Free to Pass' at critical evening periods e.g. Loughborough Fair

Key Decision:

Yes / No

Background Papers: