

**CYNGOR SIR POWYS COUNTY COUNCIL.**

**CABINET EXECUTIVE  
July 2020**

**REPORT AUTHOR:** County Councillor Cllr Heulwen Hulme  
Portfolio Holder for Environment

**REPORT TITLE:** #SupportLocalPowys – Two Hours Free Parking  
Summer 2020

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**REPORT FOR:** Decision

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**1. Purpose**

1.1 As part of the #SupportLocalPowys campaign to help boost the local economy, two hours free parking in the Council's off-street pay and display car parks is being proposed during the school summer holidays.

**2. Background**

2.1 The Council is promoting residents to shop locally in an effort to boost the local economy of Powys as the Covid-19 restrictions are lifted. One of the aims of the #SupportLocalPowys campaign is to promote the traditional shops that are found on our high streets and in smaller communities that are either open now or will be opening as restrictions begin to be relaxed.

2.2 To help facilitate this specific aim it is considered that 2 hours free parking may assist the local economy by encouraging people to visit our high streets during the traditionally busy summer holiday period.

2.3 Following the relaxation of the lockdown restrictions, parts of some high streets have been repurposed to aid social distancing. As part of this initiative, half the displaced on-street parking is currently being compensated by 1-hour free parking in the nearest pay and display car park. This new proposal will replace this decision for the school holiday period. It is proposed that the compensatory parking will be reinstated at the end of the summer holidays.

**3. Advice**

3.1 The coronavirus (COVID-19) crisis has had a significant impact on the lives and health of many Powys citizens, but it has also had severe economic consequences. The lockdown had an immediate impact on the way in which our town centres operated, with many businesses within these areas, notably retail, hospitality and leisure sectors, being required to close. As a result, income for this sector, saw a reduction in the first quarter of 20/21 of 97%.

Since the easing of the restrictions began, car park income has risen from virtually nothing, up to 20% of forecast at present, and is expected to continue to rise through the summer and autumn as the recovery phase moves forward. It is not yet known what the permanent residual effects on people's behaviour will be in terms of parking, such as the effects of more people working from home or more people being active, choosing to walk and cycle instead.

3.2 Welsh Government are considering supporting any loss of income due to the pandemic based on the policies in practice before the pandemic occurred. Should our policies indeed remain the same, the service would be seeking to recover a forecast loss of £920K for the full year (£125K loss for the August period) from Welsh Government. Welsh Government have confirmed that 'funding permitted' they will support all lost income from parking due to the pandemic through the hardship grant; but they will not cover losses that have been incurred because of a change in policy or agreed concession. Therefore, any losses because of a change in Policy or agreed concession will need to be funded by the Council.

3.3 Local authorities in Wales and England have adopted different strategies with regards to the pandemic and the recovery phase, with some offering concessions from the beginning of the crisis and some extending it until December. Others such as Pembrokeshire, have not and do not plan to give any concessions for car park charging and continue to charge.

3.4 Whilst car park charging is often perceived, particularly amongst businesses, as being a key determinant for changes in footfall levels in town and city centres, the available evidence is almost entirely anecdotal. A report prepared for the Welsh Government in 2015 'Assessing the Impact of Car Parking Charges on Town Centre Footfall' concluded that visitors to town centres suggested that car park charges impact on how long they to remain in the centre and, consequently, how much they spend whilst there. However, the general availability of spaces is felt by visitors to be more important than cost in their overall decision about visiting. Traffic flow and parking signage are felt by visitors to have the same, if not greater, effect on their decision to visit the town centre, how long they spend there, and how much money they spend.

3.5 Last financial year (2019/20) the service generated £1.5m from car parking charges; in 2020/21 the service is budgeted to generate £1.7m, which equates to on average £32K per week over a 52 week period. The car park service has also been negatively affected on the generation of penalty charge notice income resulting from the pandemic. In 2019/20 the service generated £186K from on/off street parking enforcement; in 2020/21 the service is budgeted to generate £200K, but due to the COVID-19 pandemic the service is forecasting a loss of income at circa £91K. The service will be seeking to recover this loss of income from Welsh Government. Noting that all such income generated by the parking services team is reinvested in the Highways service.

3.6 Various concessions could be offered ranging from free parking for all times of the day, to more structured concessions such as 1hr for free or free from 10am or free after 3pm etc. However, following a review by the team and the Portfolio Holder it is proposed that a 2hr free parking initiative would, on balance, offer the most optimum concession. This consideration is based on perceived use i.e. providing ample time for a town centre shopping visit/experience. It also sympathetically reflects the various representations that have been received from the business community. As this is a change in Policy the associated loss of income would not be recoverable from Welsh Government. Therefore, any additional income loss as a result of this concession, would need to be funded by the Council.

#### **4. Resource Implications**

4.1 The loss of income from providing 2 hours free parking has been compared against normal income projections, given Welsh Government have confirmed they will support lost income due to COVID. Other factors built into the calculation are that August is an above average month for income, and up to 2hr tickets make up circa 80% of the tickets sold and accordingly circa 60% of the income received. The additional loss from charges is estimated at £75K to grant up to 2hrs free of charge. Additionally, income from Penalty Charge Notices is likely to be continued to be adversely affected. It is therefore estimated the total cost that would need to be funded corporately (should WG agree other longer stay losses) is circa £85K for August only.

4.2 The Head of Finance (Section 151 Officer) confirms that the estimated lost income will not be recoverable from the Welsh Government due to the change in policy, funding will be identified corporately to meet the loss so that it does not fall on the service budget.

#### **5. Legal implications**

5.1 There are no legal obstacles to making this decision, but the correct procedure will have to be followed, for example by varying the existing parking order.

5.2 The Head of Legal and Democratic Services ( Monitoring Officer ) has commented as follows: “ I note the legal comment and have nothing to add to the report”.

#### **6. Data Protection**

6.1 Personal data will not be processed for this proposal over and above what is already undertaken for the parking service and the issuing of any Penalty Charge Notice for failing to comply with the terms of use of the car park.

#### **7. Comment from local member(s)**

7.1 N/A

## **8. Integrated Impact Assessment**

8.1 An impact assessment is not considered necessary since this proposal is a temporary beneficial arrangement for all users of the car park and does not affect the current concession of exempting blue badge holders from all parking charges.

## **9. Recommendation**

9.1 To provide 2 hours free parking in all of the Council's pay and display car parks for the period 26 July 2020 to 31 August 2020 inclusive.

9.2 To maintain the 1 hour free parking for half the spaces lost on street as part of the social distancing measures put in place in the most appropriate pay and display car park from 1 September 2020 until such time as those measures are removed.

9.3 That the loss of income due to this policy change, estimated at circa £85k, will be funded corporately to cover the lost income for August that cannot be reclaimed against Welsh Government funding.

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