

Car Park income data – July – September 2019 and 2020

Summary:	This report and Appendix provides members of the Overview and Scrutiny Committee with details of the impact of COVID on the level of car park income earned by the Council during the current financial year.
Options considered:	The information is presented for members of the Overview and Scrutiny Committee's information, understanding and discussion.
Conclusions:	As above
Recommendations:	The Overview and Scrutiny Committee is asked to comment on the information and data as appropriate.
Reasons for Recommendations:	To inform understanding of the financial and service pressures created for the Council through the loss of income seen across the year from car parking income due to the Coronavirus pandemic, as well as understanding the very significant numbers of tourist visitors accommodated in coastal areas of the District through the peak summer months of July, August and September which created other demands and pressures on the authority in terms of beach safety, cleansing of public conveniences, increased emptying of litter bins, street and beach cleansing etc..

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

Cabinet Member(s)	Ward(s) affected
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Cllr Eric Seward, Cabinet Portfolio Holder for Finance and Assets	All
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1.0 Introduction

- 1.1 At the meeting of the Overview and Scrutiny Committee held on 15th December 2020, members asked a number of questions as to whether the District Council could or should offer periods of free parking to support local town centre and high street businesses recover from the impacts of the COVID pandemic on the local economy.
- 1.2 In responding to these questions, Cllr E Seward, Cabinet Portfolio Holder for Finance and Assets commented that car parking income contributed significantly to the District Council's overall budget and indeed supported the provision of many discretionary services – including public conveniences, Blue Flag beaches, beach lifeguard services, additional cleansing and litter bin emptying etc associated with the District's tourism economy.
- 1.3 Cllr Seward advised that the issue of car parking charges was therefore a complex one for the District Council, and recognising the challenges many local businesses, and indeed the Council, had faced in responding to COVID and in supporting recovery, Cllr Seward advised that the Cabinet was not proposing any changes to car parking charges in the District during the 2021/22 financial year.
- 1.4 Cllr Seward also explained that as part of the Government's response to the COVID pandemic and impact on local authority finances during the current financial year, that some of the "lost" income the authority would see as a result of the pandemic, particularly the first national lockdown when use of car parks was significantly reduced compared to more "normal" years, would be met by the Government through the Sales, Fees and Charges Compensation Scheme (SFCS).
- 1.5 Notwithstanding the above, members of the Overview and Scrutiny Committee asked whether they could have a better understanding of car park charging and the impact of COVID on levels of income received by the authority compared to projections and the Chief Executive advised that this information could be provided at the next meeting of the Committee.

2.0 Car Park income comparisons – July – September 2019 and 2020:-

- 2.1 North Norfolk District Council operates 30 Pay and Display Car Parks in locations across the District – with three charging regimes Standard, Coastal and Resort. During 2019/20 financial year the net income generated for the Council through the car parking service was £2,325,815.21 (excluding season ticket and penalty charge income).
- 2.2 The charges levied in the different car parks is as follows:-
 - Standard (inland towns exc. Holt) – 30 minutes - £0.50; £1.00 for 2 hours; thereafter £0.70 per hour; max charge £5.00 per day
 - Resort (largely town centre car parks in coastal towns and Holt) - 30 minutes - £0.60; £1.30 for the first hour; thereafter £1.00 per hour; max charge £7.00 per day
 - Coastal (largely long-stay car parks associated with beaches / attractions) - 30 minutes - £0.60; £1.50 per hour; max charge £7.00 per day

In addition, the Council charges a flat rate charge of £2.00 per visit for use of the car park at Holt Country Park.

- 2.3 During the quarter April – June 2020 there were significant restrictions on travel associated with minimising the risk of COVID transmission with people being required to Stay at Home for the period 23rd March through until 10th May, meaning car park income reduced very significantly to being a fraction of what would be expected in a normal year through missing the start of the tourism season with the Easter and VE Day Bank Holidays. Thereafter people were able to travel for exercise and the good weather did see day visitor numbers to the coast increase, but most town centre businesses did not open until 15th June; with tourism businesses unable to open until 4th July.
- 2.4 Over the first three quarters of the 2020/21 financial year car parking income was £473,662 (23%) lower than in the 19/20 financial year and £499,703 (24.5%) lower than the 20/21 budgeted figure, and this under-recovery against the budgeted figure will form part of the Council's claims under the Government's Sales, Fees and Charges Compensation Scheme (SFCS).
- 2.5 Income figures for all car parks for the period July – September 2019 and 2020 are provided at Appendix 1 for information and comparison purposes.
- 2.6 These figures clearly show the impact of the Coronavirus pandemic on levels of car park use and income – with, as a general trend, coastal and resort car parks seeing significantly higher levels of use and income during the July – September period in 2020 compared to 2019 reflecting the high numbers of visitors to the District – both staycationing tourists and day visitors; compared to lower levels of use and income of car parks at inland towns – although in most cases these figures might have been influenced to some extent by short-stay free-parking operating for different reasons in Fakenham, Holt and North Walsham reducing increasing choice and reducing income from “short-stay” visits to these towns.
- 2.7 Car parking income will also be lower than budget projections in the final quarter of the financial year due to the further national lockdown from 6th January through until at least the end of February.

3.0 Financial and Resource Implications

- 3.1 This report provides some high level information about the relative performance of car parking income to the Council during the 2020/21 financial year. Overall income in quarters 1, 3 and 4 was or will be significantly lower than in previous years due to the national Coronavirus lockdowns; whereas income during quarter 2 was above usual levels due to very high numbers of tourists and day visitors spending time in the District during these peak summer months as international travel was severely limited due to the global pandemic.
- 3.2 Whilst income in car parks in coastal tourist locations over the three months Jul, August and September 2020 was significantly (22.5%) above 2019 levels; levels of income in inland towns over the same period was 23% lower than in 2019 reflecting national trends of a slow recovery of confidence in many high streets, town and city centres beyond coastal and rural tourist destinations.
- 3.3 In terms of the reduced level of income from car parking across the full year against the approved budget, the Council will make claims under the

Government's Sales, Fees and Charges Compensation Scheme so as to minimise the impact on the Council's overall budget as appropriate.

4.0 Legal Implications

4.1 There are no legal implications arising directly from this report.

5.0 Risks

5.1 Risks associated with a significant reduction in car park income to the Council over the year will be minimised through the Council making a claim under the Government's Sales, Fees and Charges Compensation Scheme (SFCS).

6.0 Sustainability

6.1. This report does not in itself raise any issues in respect of sustainability.

7.0 Equality and Diversity

7.1. This report does raise any issues in respect of equality and diversity.

8.0. Section 17 Crime and Disorder considerations

8.1. This report does not directly raise any issues relating to Crime and Disorder.

9.0 Recommendation:-

The Overview and Scrutiny Committee is asked to comment on the information and data as appropriate to Cabinet to inform preparation of the 2021/22 budget and the Cabinet proposal not to change car parking charges in the next financial year.