

**Forward Plan reference number:** Not applicable

<b>Report title: Coronavirus Outbreak – Temporary Closure of Park and Ride services</b>	
<b>Report to:</b> Councillor Kevin Bentley – Deputy Leader and Cabinet Member for Infrastructure and Councillor David Finch - Leader of the Council	
<b>Report author:</b> Andrew Cook – Director, Highways and Transport	
<b>Date: 27 March 2020</b>	<b>For:</b> Decision
<b>Enquiries to:</b> Helen Morris, Head of IPTU - email helen.morris@essex.gov.uk	
<b>County Divisions affected:</b> All Chelmsford and Colchester divisions	

## 1. Purpose of Report

- 1.1 The Coronavirus outbreak is a major public health emergency. The Government's current advice is for the population of the United Kingdom to travel only when it is essential to do so.
- 1.2 This report asks the Cabinet Member to consider a temporary closure of the Colchester and Chelmsford Park and Ride services from normal operating hours on Saturday 28<sup>th</sup> March 2020, following a reduction in passenger numbers and to assist with the targeting of resources in the most effective way during this outbreak.

## 2. Recommendations

### Cabinet Member for Infrastructure:

- 2.1 That all three Park and Ride sites controlled by Essex County Council be closed for an initial period of three months from the close of normal operating hours on Saturday 28 March 2020.
- 2.2 That the Executive Director, Place and Public Health be authorised to extend the initial three month closure for a period of one month on three occasions if they consider it is necessary.
- 2.3 That the Director, Highways and Transportation be instructed to negotiate with the contractors involved in running the park and ride sites and services with a view to minimising the cost of the cancellation.

### Leader of the Council:

- 2.4 Pending Government determination of emergency funding and the outcome of negotiations with the suppliers, the allocation of £550,000 from the general reserve to fund the anticipated loss in income as a result of the suspension for 3 months.

### **3. Summary of issue**

- 3.1 The United Kingdom is having to respond to the coronavirus outbreak. As of Monday 23 March 2020 the Government advised residents to travel only when essential with restrictions to be backed by regulations made under the Public Health (Control of Diseases) Act 1984.
- 3.2 On 25 March 2020 the Coronavirus Act 2020 became law. That includes extensive powers to enforce social distancing and to ban events and gatherings. Most organisations have closed workplaces and places where people gather. Schools closed with effect from 20 March 2020.

#### **Impact of closure**

- 3.3 As a result of people responding positively to the Government's advice and ECC's own requests, there has been significant reductions in passengers travelling on the Park and Ride services which are operating at less than 5% of normal volumes. Those currently using Park and Ride services have access to a car so there are therefore alternatives available for them to make their journey if it is necessary. The car parks and roads are currently much quieter than normal. The resources used to support Park and Ride services can better be allocated elsewhere, for example to support commercial bus services where there are no alternatives available to those travelling and where driver shortages are making maintaining a service difficult.
- 3.4 Whilst the Park and Ride service is one that the Council is not under a statutory duty to provide, the Park and Ride service is a valued service. In particular, it provides a high quality and sustainable service into the centres of Colchester and Chelmsford and to Broomfield Hospital and Colchester General Hospital. Those currently using the service have access to a car.
- 3.5 Following the Government's announcement against all non-essential travel, both hospital sites have made provision for their staff to park on site. Both Chelmsford and Colchester will have parking capacity for key workers who are currently using Park and Ride. There is, also, public parking available for patients who need to attend the hospital for appointments. There is currently very little demand for park and ride services in Essex.
- 3.6 Closing Park and Ride services will mean that communities are temporarily deprived of these services. However, Park and Ride services have seen a significant fall in demand as people comply with the Government's Guidance on travel restrictions.
- 3.7 Accordingly, the Cabinet Member is asked to consider a temporary closure of the Park and Ride services. The closure should be for the shortest possible period. Park and Ride services will reopen as quickly as possible.
- 3.8 All bus operators are facing pressures as drivers self-isolate and they have a challenge to keep their commercial bus networks available. Both First and

Arriva will re-deploy Park and Ride drivers to other high priority services. The sites are operated by Chelmsford City Council and Colchester Borough Council.

- 3.9 There is 1 FTE within ECC who currently works on Park and Ride and is currently fully committed on this service. Once the Park and Ride service has fully closed this resource will be deployed to other COVID 19 related activity.
- 3.10 The Council will expect to pay significantly less to the operators during the period of closure, although we need to recognise that the large majority of their costs reflect investment in vehicles and other equipment. The bus companies support the suspension of the service but they have not yet agreed the amount by which the cost will be reduced.

#### **4. Options**

- 4.1 **Continue to operate Park and Ride services at a reduced frequency:** we have piloted this approach in the past week but usage has now dropped so much that even a reduced service is not sustainable. The Council will struggle to operate a reduced service going forward due to the lack of staffing resources due to staff being in self-isolation. Those using the service have alternatives available.
- 4.2 **Temporarily close Park and Ride services:** If we do this, passengers and the community will be deprived of a service and will have to make alternative travel arrangements for their essential journeys. However, as people comply with Government advice the level of usage has left the service unsustainable and a temporary closure to reflect that guidance is the appropriate course of action. Those using the service have alternative travel options available.

#### **5. Issues for consideration**

##### **5.1 Financial implications**

- 5.1.1 **Park and Ride has a revenue budget envelope of £614,000 for 2020/21 made up of :**

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<b>2020/21 Budget</b>	<b>£000</b>
Expenditure	
Sandon First Eastern Park and Ride	918
Chelmer Valley First Eastern Park and Ride	904
Colchester Park & Ride	910
<b>Total Expenditure</b>	<b>2,732</b>
Income	
Sandon First Eastern Park and Ride	(1,039)
Chelmer Valley First Eastern Park and Ride	(634)
Colchester Park & Ride	(445)
<b>Total Income</b>	<b>(2,118)</b>
<b>Total Controllable Budget</b>	<b>614</b>

UgoBus, which operates the shuttle bus from Chelmer Valley to Broomfield Hospital Shuttle, has the following revenue budget envelope:

<b>2020/21 UgoBus (Hospital Shuttle Bus)</b>	<b>£000'</b>
Total Expenditure	83
Total Income	(83)
<b>Total Controllable Budget</b>	<b>0</b>

5.1.2 The key financial impacts in the temporary closure of the park and ride sites for a period of three months across Essex are as follows

### Income

£530,000 of estimated ticket fare income will not be received.

- included in this is £38,000 associated with the new fare for concessionary pass holders
- £21,000 of Broomfield Hospital reimbursement for the shuttle will not be received

For every month the Park and Ride continues to be closed it is estimated a further £177,000 of income will be lost.

### Expenditure

The budget contains contract costs associated with the provision of park and ride services alongside site management and operation, but negotiations will take place with the counterparties to reduce the amount we pay, particularly if the bus operators are able to access alternative financial support from government schemes.

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In the first instance contractors should look to financial support made available by Central Government to cover costs where applicable. Open book accounting will be required to ensure where possible that any payments made to the contractor for variable costs not incurred and/or costs covered by central government support are recovered. This will be kept under constant review to ensure transparency and minimise the risk of duplicate funding being applied.

	April - June £000'	July - March £000	2020/21 Annual Impact £000'
<b>Expenditure</b>			
Running Costs	683	2,049	2,732
Ugo Bus	21	62	83
<b>Total Expenditure</b>	<b>704</b>	<b>2,111</b>	<b>2,815</b>
<b>Income</b>			
Ticket Income	0	(1,589)	(1,589)
Ugo Bus reimbursement	0	(62)	(62)
<b>Total Income</b>	<b>0</b>	<b>(1,651)</b>	<b>(1,651)</b>
<b>Net Position</b>	<b>704</b>	<b>460</b>	<b>1,164</b>
<b>Controllable Budget expected</b>	<b>154</b>	<b>461</b>	<b>614</b>
<b>Overall MTRS Impact</b>	<b>550</b>	<b>(0)</b>	<b>550</b>

### 5.1.3 Funding Requirements

Demonstrated in the table above, in the worst case scenario, a closure of Park and Ride for 3 months would have net costs of £704,000, compared to a net budget of £154,000, leaving a net revenue pressure of £550,000.

It is proposed that this will be funded from the General Reserve pending the Government determination of emergency funding.

Financial assumptions:

- Income for park and ride stops for 3 months
- Arriva & First contractual payments continue as normal
- Mitie site management contractual payments continue as normal
- Chelmsford City Council contractual payments continue as normal, however negotiations will take place to reduce these
- Colchester Borough Council contractual payments continue as normal, however negotiations will take place to reduce these.

## **5.2 Legal implications**

5.2.1 The Council is not under a duty to provide these services but has entered into a contract for their provision, with the exception of the Broomfield Hospital Shuttle which is directly provided by Ugobus, which is part of ECC. Under section 2A of the National Health Service Act 2006 the Council is required to take such steps as it considers desirable to improve the health of people in Essex.

5.2.2 It will be important to carefully negotiate with the providers to ensure that there is no unlawful state aid in paying them whilst they are not delivering a service and that anything we pay them genuinely represents the losses they cannot recover elsewhere.

## **6. Equality and Diversity implications**

6.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

6.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

6.3 Closure of Park and Ride services would ordinarily have a disproportionate impact on older people. However, in the current emergency circumstances, use of the Park and Ride service will be more limited. Alternatives are available and driver resources can be re-directed to other services the loss of which could have an even greater impact on protected groups, key workers and those on low incomes.

## **7. List of appendices**

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## **8. List of Background papers**

None

<b>I approve the above recommendations set out above relating to my portfolio for the reasons set out in the report.</b>	<b>Date</b> 27 March 2020
<b>Councillor Kevin Bentley, Cabinet Member for Infrastructure</b>	
<b>I approve the above recommendations set out above relating to my portfolio for the reasons set out in the report.</b>	27 March 2020
<b>Councillor David Finch, Leader of the Council</b>	

**In consultation with:**

<b>Role</b>	<b>Date</b>
<b>Andrew Cook, Director, Highways and Transportation</b>	27 March 2020
<b>Executive Director for Finance and Technology (S151 Officer)</b>	27 March 2020
<b>Stephanie Mitchener on behalf of Nicole Wood, Director, Legal and Assurance (Monitoring Officer)</b>	27 March 2020
<b>Paul Turner</b>	

**Exemption from call in**

I agree that it is in the best interests of the Council for this decision to be implemented urgently and therefore this decision is not subject to call in (paragraph 20.15(xix) of the constitution applies).

**Councillor Mike Mackrory – Chairman of the Corporate Policy and Scrutiny Committee**

**Date: 27 March 2020**