

Forward Plan reference number: Not applicable

Report title: Temporary closure of Colchester and Sandon Park and Ride	
Report to: Councillor Kevin Bentley, Deputy Leader and Cabinet Member for Infrastructure	
Report author: Andrew Cook, Director, Highways & Transportation	
Date: 29 January 2021	For: Decision
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County Divisions affected: All Essex	

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 Sandon Park and Rides following a reduction in passenger numbers since the reopening in July 2020 and to enable bus drivers to be reallocated to routes serving essential services.

2. Recommendations

- 2.1 That the Colchester and Sandon Park and Rides be closed for an initial period of two months from the close of normal operating hours on 06 February 2021.
- 2.2 That the Director, Highways and Transportation be authorised to extend the initial two-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 authorised to agree the contractual payments that will continue to be made to contractors involved in the operation of the Colchester and Sandon Park and Rides provided that contractors enter into a legally binding commitment
 - (a) to maximise savings
 - (b) to reduce their charges to reflect and show their savings
 - (c) to direct staff and resources which would be used on the contract to other transportation routes; and
 - (d) to be transparent with the Council about the savings they realise so that ECC can be sure that there are no unlawful subsidies.

3. Summary of issue

- 3.1 Essex County Council provides two Park and Ride sites in Chelmsford, Sandon and Chelmer Valley, and one in Colchester. 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 centre of Chelmsford and Colchester. However, following the Government's requirement that people work at home and closure of hospitality and non-essential shops, and advising people to stay local where possible and minimise the number of journeys, there has been a significant reduction in the passengers on the Park and Ride services. For this reason, a decision has been taken previously for the Chelmer Valley Park and Ride to be temporarily closed from the close of operating hours on 30 January 2021. The current services at Sandon and Colchester are running at 2% of normal volumes and there is currently very little demand for these services.
- 3.2 Whilst consideration has been given to leaving the site open for parking and walking or cycling, it is proposed that the sites are fully closed to encourage residents to exercise locally. It may be unlikely that residents who cannot work from home would want to park and then cycle to the city or town centres for work given the distance of the sites from the city and town centres, although that is something that the Council may wish to encourage in the longer term when traffic levels revert to normal.
- 3.3 It is currently the position that the buses are largely empty and some residents have contacted the Council to ask why this service continues to be provided.
- 3.4 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 into the city and town centre are currently much quieter than normal.
- 3.5 The resources used to support these Park and Ride services will then be available to key bus routes which serve hospitals, although such services are currently provided commercially. Additional buses are needed on some routes in order to maintain social distancing and serve the demand in these routes. The resource will also be used to maintain services where there are no alternative routes available to those travelling and for key routes where driver shortages are making maintaining the service difficult to provide.
- 3.6 The Council will pay less to the bus operators and MITIE (who provide facilities management services to the sites) during the period of closure although some of the payments reflect investment in vehicles and other equipment and cannot be reduced.
- 3.7 Accordingly, the Cabinet Member is asked to consider a temporary closure of the Colchester and Sandon Park and Rides. The closure should be for the shortest possible period and the service will reopen quickly when restrictions end.

4. Options

- 4.1 Continue to operate Park and Ride services at a reduced frequency (not recommended):** we currently run Colchester and Sandon on a reduced timetable, but usage has now dropped so much that even a reduced service is not sustainable. Those using the service have alternative modes of travel available. Maintaining a reduced service will not enable driver resource to be reallocated to essential routes serving hospitals and other key worker sites.
- 4.2 Temporarily close Colchester and Sandon Park and Ride services (recommended):** This option will enable driver resource to be reallocated to other key routes hospitals. Existing users of the site can make alternative travel arrangements for their essential journeys. However, as people comply with Government advice the level of usage has left the service very lightly used. Those using the service have alternative travel options available.

5. Next steps

If the recommendation is approved, ECC will close Colchester and Sandon Park and Ride on 6 February 2021.

6 Issues for consideration

6.1 Financial implications

6.1.1 The Park and Ride services at Sandon and Colchester respectively have the following revenue budget envelope for 2020/21 and draft for 2021/22:

Table 1 – 2020/21 and draft 2021/22 budget allocations

	Sandon P&R		Colchester P&R	
	2020/21	2021/22	2020/21	2021/22
	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000
Expenditure				
Contractual	837	837	794	794
Other	81	81	115	115
Total Expenditure	918	918	910	910
Income				
Fare Income	(1,028)	(1,055)	(434)	(434)
Other Income	(11)	(12)	(10)	(11)
Total Income	(1,039)	(1,067)	(445)	(445)
Total Controllable Budget	(122)	(149)	465	464

Option 1 – Continue to operate Park and Ride services at a reduced frequency

6.1.2 If the park and ride sites remain open, ECC can claim under the MHCLG income guarantee scheme and secure 75% of 95% of the lost budgeted income less any cost savings negotiated. The balance of lost income is recovered through the COVID Bus Services Support Grant (CBSSG). Therefore, keeping the park and ride facilities open means ECC can deliver the original budget as set out in the Medium Term Resource Strategy (MTRS) and as per the table 1 above.

Option 2 – Temporarily close the park and ride services (as recommended)

6.1.3 If ECC close both the Sandon and Colchester park and ride sites, on average, £118,000 of total budgeted fare income will not be received per month (Sandon averaging £83,000 and Colchester averaging £35,000). However, ECC will continue to claim under the income guarantee scheme at an average for both sites of £32,000 per month from February whilst the sites remain closed, but will be unable to claim under the CBSSG grant and that revenue stream will therefore be foregone. Through commercial negotiation, the cost base has been reduced by an average of £75,000 per month across the 2 sites (Sandon averaging £48,000, Colchester averaging £27,000) and this will help to offset the lost income such that the net impact of closing the facilities for the maximum period of 5 months is an additional £65,000 deficit as indicated in the below table.

6.1.4 Whilst this is financially more costly, the decision to close is being taken because the resource can be redeployed within the commercial network to help address staff absences created through sickness.

	2020/21 (Feb 21 - Mar 21)			2021/22 (3 months Apr 21 - Jun 21)		
	Sandon £'000	Colchester £'000	TOTAL £'000	Sandon £'000	Colchester £'000	TOTAL £'000
Expenditure						
Contractual	52	83	135	58	113	170
Other	13	19	33	20	29	49
Total Expenditure	65	102	167	78	141	219
Income						
Fare Income	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
Total Income	-	-	-	-	-	-
Net Position	65	102	167	78	141	219
Controllable Budget Expected	(23)	76	53	(16)	125	109
Overall MTRS Impact	89	26	114	94	17	110
MHCLG Grant Income	(63)	(18)	(82)	(67)	(12)	(79)
Remaining MTRS Impact	25	7	33	27	5	32

6.1.5 It is proposed that the maximum additional deficit over and above the existing allocations in the 2020/21 budget and draft 2021/22 MTRS of £65,000 be

funded from existing budget allocations within the highways and transportation portfolio that are not currently committed.

Financial assumptions

- Fare income stops for 2 months, with a further rolling 3 months
- Fare income profile used is reflective of seasonality experienced in 2018-2020.
- Covid-19 Bus Services Support Grant will not be claimed for during the full closure period.
- Contractual savings are achieved as negotiated for the full period of closure

6.2 Legal implications

6.2.1 The Council is not under a duty to provide these services but has entered into a contract for their provision.

6.2.2 The Council will be paying a reduced rate for bus operation and facilities maintenance services whilst services are not being provided although there are no specific contractual terms for this. It will be important to carefully negotiate with the providers to ensure that there is no unlawful subsidy and that any payments made reflect actual losses that cannot be covered elsewhere or are otherwise contractually sound.

6. Equality and Diversity implications

7.1 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.

7.2 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).

7.3 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

8. List of Background papers

None

I approve the above recommendations set out above for the reasons set out in the report.	Date
Councillor Kevin Bentley, Deputy Leader and Cabinet Member for Infrastructure	02/02/21

In consultation with:

Role	Date
Andrew Cook, Director Highways and Transport	01 February 2021
Executive Director, Finance and Technology (S151 Officer)	
Stephanie Mitchener on behalf of Nicole Wood	28 January 2021
Director, Legal and Assurance (Monitoring Officer)	29 January 2021
Katie Bray on behalf of Paul Turner	