

**Forward Plan reference number:** Not applicable

<b>Report title: Coronavirus Outbreak – Reopening of Park and Ride services</b>	
<b>Report to:</b> Councillor Kevin Bentley – Deputy Leader and Cabinet Member for Infrastructure and Cllr Christopher Whitbread, Cabinet Member for Finance	
<b>Report author:</b> Andrew Cook – Director, Highways and Transportation	
<b>Date: 29 June 2020</b>	<b>For:</b> Decision
<b>Enquiries to:</b> Rachael Price – Lead for Commercial Operations email rachael.price@essex.gov.uk	
<b>County Divisions affected:</b> All Chelmsford and Colchester Divisions	

## 1. Purpose of Report

- 1.1 This report asks the Cabinet Member to agree how the park and ride sites, which are currently closed temporarily, will reopen.

## 2. Recommendations

### Deputy Leader and Cabinet Member for Infrastructure:

- 2.1 To introduce a car parking charge at both Chelmsford Park and Ride sites for customers who wish to park only from 6 July 2020 reduced by 100% until 1 October 2020.
- 2.2 To introduce a Park and Pedal charge at all three sites from 6 July 2020 reduced by 100% until 1 September 2020.
- 2.3 To reopen the Park and Ride sites for Park and Pedal on 6 July 2020 with the Chelmer Valley Park and Ride site reopening on 1 August 2020.
- 2.4 To introduce reduced Park and Ride bus services from 6 July 2020 with a phased return to the pre-COVID services, dependent on usage of the bus service with the Chelmer Valley Park and Ride site reopening on 1 August 2020.
- 2.5 To remove the ticket machines on both Chelmsford Park and Ride sites when they reach the end of their life in December 2020.
- 2.6 Authorise the Director, Highways and Transportation to raise the age of eligibility for the child ticket from age 16 up to age 18 from 1 September on a permanent basis. in order to meet demand for transport into the town and city when schools and colleges return.

- 2.7 Authorise the Director, Highways and Transportation to introduce a discounted ticket offer of 12 tickets for the price of 11 when social distancing measures are no longer recommended on public transport services.

**Cabinet Member for Finance:**

- 2.8 Agree that £93,000 of the previously agreed drawdown to fund anticipated lost income can be re-purposed to fund the pressure of the reduced service, which is estimated to be between £327,000 and £760,000.
- 2.9 Note that the pressure may be reduced depending on the outcome if there are further negotiations which will further reduce this accordingly.
- 2.10 Agree that the remaining estimated shortfall of between £234,000 and £667,000 be funded from the emergency reserve pending any additional funding from government. Any income received above the estimated shortfall will reduce the draw down accordingly.

**3. Summary of issue**

- 3.1 This paper refers to the three ECC Park and Ride sites, namely Colchester, and Chelmer Valley and Sandon, Chelmsford.
- 3.2 The Cabinet Member agreed to the temporary closure of the Colchester and Chelmsford Park and Ride services for an initial period of three months from Saturday 28 March 2020, following a reduction in passenger numbers and to assist with the targeting of resources during the COVID-19 outbreak.
- 3.3 As of 9 May 2020 the government announced that people should return to work. The advice sets out that people who cannot work from home and must travel for work should first consider alternatives to public transport, such as walking and cycling. Those driving their own cars have been asked to avoid busy areas. In addition, on 25 May the government advised that outdoor markets and car showrooms could open from 1 June and non-essential shops and indoor markets could begin to open from 15 June.
- 3.4 On 12 May 2020 the Department for Transport (DfT) provided guidance for bus travel. The guidance recommends:
- keeping two metres apart from others wherever possible
  - wearing a face covering
  - using contactless payment where possible
  - avoiding rush hour travel where feasible
  - washing or sanitising hands as soon as possible before and after travel
  - following advice from staff and being considerate to others.

<https://www.gov.uk/government/news/new-guidance-published-to-ensure-transport-network-is-safe-for-those-who-need-to-use-it>

- 3.5 Major bus operators have been told by the Department for Transport that in order to receive continuing funding from the COVID Bus Service Support Grant (CBSSG) from June 2020 they must maintain social distancing on their vehicles while in operation. The bus operators' interpretation of this is that once the social distancing capacity of a particular vehicle has been reached they will not be able to allow additional passengers to board until the passengers already on board alight; DfT have approved this interpretation. On popular routes, the commercial sector is ensuring demand can be met by running larger vehicles or adding additional vehicles along the timetable route. For the Park and Ride bus services social distancing means the maximum capacity is ten per vehicle, but the frequency of the service provided will reflect demand. Initially the demand is expected to be low but as the passenger confidence in using public transport grows and demand rises, the frequency of the bus service will increase.
- 3.6 With effect from 15 June 2020 the Government introduced new public health regulations requiring people to wear face coverings on public transport, subject to exemptions.

### **Impact of people returning to work and the reopening of non-essential shops**

- 3.7 As a result of people responding to the Government's advice to return to work and shops reopening the number of passengers travelling on local public bus services has increased from 10% to 15-20% of pre-COVID numbers and this figure is continuing to rise. Traffic data from Thursday June 18<sup>th</sup> 2020 showed urban road usage has increased from 50% to 77% of pre-COVID levels.
- 3.8 Those passengers who could use the Park and Ride services have access to a car so they therefore have an alternative transport mode available to them to make their journey if it is necessary. The long and short stay car parking sites in Chelmsford and Colchester are open and currently have capacity. As a result of the number of employees working from home and/or businesses being closed, Business Parks currently have ample car parking spaces. The Anglia Ruskin University site is still closed, staff are working from home and teaching, and examinations are currently virtual. There is no evidence of parking issues at any destinations; this will continue to be monitored.
- 3.9 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 using the service have access to a car. 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 hospitals have parking capacity for key workers and there is also public parking available for patients who need to attend the hospital for appointments.
- 3.10 The impact of reopening of outdoor markets on 1 June and reopening of non-essential shops and indoor markets from 15 June has resulted in an increase in the number of people travelling into town and cities and there is once again a need for park and ride services. Road and car park usage in towns will

continue to be tracked. The evolving situation will be monitored moving forward to inform decisions about the requirement and need for the Park and Ride bus service. It is therefore proposed to reopen the sites on 6 July 2020 with Chelmer Valley reopening on 1 August 2020.

- 3.11 In addition, it is proposed to introduce 'Park and Pedal' at the sites, where people pay to park and use their own bicycle for their onward journey will encourage residents to park at the site and cycle into the town and city centres, business parks and hospitals and is in line with the government advice to promote walking and cycling. Introducing a parking charge, discounted by 100% for first two months, at the Chelmsford sites will bring it in line with the Colchester site and realise potential revenue in the longer term. Once the 100% discount expires, this £3 charge for all day parking only will be levied via Mi Permit App, a digital car parking payment scheme. The Mi Permit App can be downloaded onto any smart phone for free. Clear instructions will be available online and in the form of a written leaflet available at each site and staff will be available on site to help individuals upload their information onto the system. In addition, the customer can, should they choose, complete the information in advance at home or through the app. This approach has been in operation at Colchester P&R since the start of April 2019 without issue. It is used for all parking payments across the county's car parks and makes sense for motorists, who then only have one system to use, rather than having different systems for different locations. The system makes clear the types of ticketing options available, including season tickets and multiple passenger group deal tickets.
- 3.12 Removing the Essex County Council owned ticket machines from both Chelmsford sites as they reach their end of life (from December 2020) would reduce ongoing costs at the P&R sites for a declining number of ticket sales. In order to maintain social distancing customers are encouraged to use the app but could still use cash or contactless cards to purchase tickets on the bus. This approach will result in the £36,000 total replacement cost of the machines being avoided and annual ongoing savings of £7,000 per annum will be realised as cash collections from the machines will no longer be needed. The removal of the machines was part of a consultation that was undertaken, along with consultation on other proposals, pre-COVID. There was support for this decision at the time of consultation.
- 3.13 At the time of consultation, members of the public were asked about various measures designed to increase usage of the Park and Ride services. There was broad support for these measures, but given current guidance on the need to reduce reliance on public transport due to COVID, it is not considered appropriate to implement those changes designed to increase usage at this time. Currently DfT guidance limits the number of passengers using bus services. When these social distancing measures are lifted raising the child ticket from age 16 to age 18 and introducing a discounted ticket offer (12 tickets for the price of 11 when purchased through the app) will encourage more people to make sustainable journeys, into the town and city centres.

## 4. Options

- 4.1 Continue with the temporary closure of the Park and Ride Sites for another two months until 1 September (not recommended):** Passengers and the community will not have the option of the park and ride bus service and will have to make alternative travel arrangements for their essential journeys. However, as people comply with Government advice to avoid public transport and use alternate modes where possible, the level of usage will likely remain low. Those using the service have alternative travel options available. As highlighted above, there are parking spaces currently in town and city centres and at main sites of employment.
- 4.2 Open the Park and Ride Sites as Park and Pedal only for July and August (not recommended):** This option would allow car drivers to park and cycle from the sites into the town and city centres, local hospitals and business parks. In order to encourage this behavioural change it is recommended that parking should be discounted by 100% for the first two months. Allowing park and pedal at the sites will reduce the amount of traffic travelling into the town and city centres. Passengers will be deprived of a bus service but those using the service have an alternate travel option available.
- 4.3 Open the Park and Ride Sites as Park and Pedal, plus a reduced bus service from 6 July 2020 to 1 January 2021 (not recommended):** This option would allow car drivers to park and cycle from the sites into the town and city centres, local hospitals and business parks. In order to encourage this behavioural change, it is recommended that park and pedal should be discounted by 100% for the first two months. Residents wishing to use the park and ride service will also have a bus service available. It is believed that as residents continue to follow advice to avoid public transport, passenger numbers will remain low. Based on current local bus passenger usage which is 13% of pre-COVID and taking into account the mandatory social distancing rules which means 10 passengers maximum can be carried, a reduced 20-minute frequency will be sufficient to allow passengers to maintain social distancing on the service. Both cycling and bus will reduce the amount of traffic travelling into the town and city centres.
- 4.4 Open the Park and Ride Sites as Park and Pedal, plus a phased return to pre-COVID frequency bus service from 6 July 2020 to 1 January 2021 (recommended):** This option would allow car drivers to park and cycle from the sites into the town and city centres, local hospitals and business parks. In order to encourage this behavioural change, it is recommended that park and pedal should be discounted by 100% for the first two months. Residents will have a park and ride service but while the social distancing guidance is in place the maximum number of passengers allowed to use each bus service is reduced. The phased return will also mean a reduced number of bus services will be provided. Initially a twenty-minute frequency service will be provided, and passenger usage will be monitored daily. As passenger usage increases additional bus services will be provided to ensure passengers can safely social distance on the vehicle. There is a risk that if residents continue to follow

advice to avoid public transport passenger numbers will remain low, but this phased return will ensure that resources match the demand for the service. Both cycling and bus will reduce the amount of traffic travelling into the town and city centres.

#### 4.5 Open the Park and Ride Sites as Park and Pedal, plus pre-COVID

**frequency bus service (not recommended):** This option would allow car drivers to park and cycle from the sites into the town and city centres, local hospitals and business parks. In order to encourage this behavioural change, it is recommended that park and pedal should be discounted by 100% for the first two months. Residents will have a park and ride service and the service frequency will be returned to the same as pre-COVID. There is a risk that if residents continue to follow advice to avoid public transport passenger numbers will remain low, but this higher level of service will be attractive and allow passengers to maintain social distancing. Both cycling and bus will reduce the amount of traffic travelling into the town and city centres.

### 5. Issues for consideration

#### 5.1 Financial implications

5.1.1 Park and ride has a net original revenue budget envelope of £614,000 for 2020/21 as shown below.

<b>2020/21 Park &amp; Ride Budget</b>	<b>£'000</b>
Total Expenditure	2732
Total Income	(2,118)
<b>Total Controllable Budget</b>	<b>614</b>

UgoBus has the following net revenue budget envelope:

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

5.1.2 The recommended option to Open the Park and Ride Sites as Park and Pedal, with a phased return to pre-COVID frequency bus service has the following financial impact:

**Income**

- A loss in income of approximately £772,000 for the period 6 July to 1 January 2021. The income budgeted for this period is £1.059m
- Any parking income associated with the offer of park and pedal will help to reduce this loss of income. It is estimated that Park and Pedal income could range between £17,000 (2% uptake) to £450,000 (50% uptake) from 1 September 2020 to 1 January 2021.
- A loss in income on Ugobus of approximately £83,000 as the service is not running.
- Income levels will be reviewed on a monthly basis as part of financial reporting. Should usage levels not increase in line with anticipated demand, service levels will need to be reconsidered and a further decision will be required.
- Predicted usage has been based on estimates from service experience of likely take up.

### **Expenditure**

- The Park and Ride budget funds contract costs associated with the provision of park and ride services alongside site management and operational costs, it is assumed these will continue as normal totalling £1.371m for the 6 month period.
  - Since the sites were closed negotiations with operators have been completed in line with PPN02/20. The outcome of these negotiations and associated impact on the budget is outlined in the PPN02/20 Support and Financial Impact section below.
- The Ugobus budget funds the cost associated with running the hospital shuttle bus, it is assumed these continue
- Any additional costs associated with re-opening the site (such as signage) is anticipated to be fully funded from received S106 contributions
- Additional costs associated with park and pedal including but not limited to signage and bike storage will be fully funded by received S106 contributions and any successful cycling funding bids.

### **Financial Risks**

- The implementation of charging for parking at Chelmsford sites is not completed within two-month period to enable charging from 1 September 2020 limiting the ability to receive income
- Standard rated VAT is charged for parking and applicable to Park and Pedal but is currently zero rated on Park and Ride. These charges require separate identification. There is a risk that these cannot be separately identified impacting our ability to identify how much VAT is payable to HMRC.

### **Financial Opportunities**

- Income levels could be higher than estimated in the earlier table as this is based on service estimates of take up. If income is higher, then less will be drawn down from reserves.

- Any cost saving from negotiations following closure during June will also reduce the draw down.

## **PPN02/20 Support and Financial Impact**

Negotiations were undertaken to reduce contractual payments associated with Park and Ride whilst the sites were closed. The outcome of these negotiations is a saving of between 31% and 34% for April and May 2020, totalling £93,350. Negotiations for June 2020 are still ongoing.

It is recommended that all savings negotiated are applied to reduce the call on Council reserves.

## **Funding Requirements**

The recommended option would have a net cost ranging from £634,000 to £1.067m depending on the uptake of park and pedal. The net budget for this period is £307,000, therefore this creates a net budget pressure ranging from £327,000 to £760,000.

A previous decision to temporarily close the Park and Ride sites agreed for £550,000 to be drawn down from the general reserve to fund the anticipated loss in income over a 3 month period. Following successful negotiations with suppliers, £93,000 of this funding is no longer required. It is requested that the £93,000 be re-purposed to contribute to funding the additional pressure resulting from the restricted service recommended in this report. Any further successful contract negotiations will reduce the call on reserves accordingly. The remaining estimated shortfall of between £234,000 and £667,000 will require funding on a one-off basis and this is sought from the emergency reserve.

### **5.1.2 The financial implications associated with the recommendation to remove ticket machines**

- the four ticket machines are due to reach the end of their operational lives in December 2020. The alternative option for ticket purchase either via use of the app or on board the bus is already in use and as such, there is no cost involved in applying this solution.
- There is a one off cost in removing the machines of approximately £6,000 which would include making the areas in which they stand good again
- the annual ongoing saving of no longer having to empty and maintain the machines is £7,000 per annum. It is proposed that this is used to mitigate the pressures identified in this paper.
- There is an additional one-off capital cost avoidance of £36,000 in December 2020 of not having to replace the obsolete machines. No provision has been made in the approved capital programme for this investment and so there is no cashable saving to be made.

### **5.1.3 The financial implications associated with the recommendation to implement a parking charge for parking only:**

- There is no associated cost for introducing Mi permit app as it is already in operation for car parking across the county's car parks
- If the introduction of a parking charge creates a loss of bus fare income, the net loss of annual income will need to be contained within the overall service budget. There are currently no further proposals to mitigate this should it crystallise.

#### **5.1.4 The financial implications associated with raising the child ticket from 16 up to 18 :**

- For every child that takes up a seat that would be otherwise occupied by an adult £2.60 of income will be lost at Chelmsford Sites and £2.00 of income will be lost at Colchester
- Worst case scenario for every 10 adult passengers we forego for 10 children per bus we will lose £26.00 per bus, per trip at Chelmsford sites and £20.00 per bus per trip at Colchester

### **5.2 Legal implications**

5.2.1 The Council is not under a duty to provide these services but is under a general duty to act reasonably when taking decisions.

5.2.2 Under section 2A of the National Health Service Act 2006, the Council is required to take such steps as is considered desirable to improve the health of people in Essex. The approach is set out with consideration to national guidance issued to promote public health.

5.2.3 The Equality Impact Assessment for the options should give particular consideration to protected characteristics such as age and disability. Relevant considerations are as set out in the Equality Impact Assessment.

5.2.4 The Council is in contract for the provision of park and ride services and must give due consideration to any relevant contractual arrangements in place. The Council must continue to monitor the contractual and financial implications of changes to the park and ride service so that there is no unlawful state aid in paying contractors whilst they are not delivering a service and that anything the Council pays for services not provided genuinely represents losses that cannot be recovered elsewhere. Any contractual variations made as a result of COVID-19 will need to be reviewed and, if necessary, further amended to reflect the position resulting from this decision.

## **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 The equality impact assessment indicates that the proposals in this report have a small potential adverse impact on elderly and disabled people. Introducing Mi Permit for longer term and overnight parking may have an impact on English National Concessionary Transport Scheme (ENCTS) pass holders (elderly and disabled pass holders) as every car driver will have to register their car. Blue Badge holders who wish to park only will continue to park for free if their blue badge pass must be on display. To mitigate this potential impact, clear instructions will be available online and in the form of a written leaflet available at each site and staff will be available on site to help individuals with registration of their vehicle. In addition, the customer can, should they choose, complete the information in advance at home or through the app.

## 7. List of appendices

Appendix A - Equalities Impact Assessment

## 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>
<b>Councillor Kevin Bentley, Deputy Leader and Cabinet Member for Infrastructure</b>	01 July 2020
<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>
<b>Cllr Christopher Whitbread, Cabinet Member for Finance</b>	01 July 2020

**In consultation with:**

<b>Role</b>	<b>Date</b>
<b>Andrew Cook, Director, Highways and Transportation</b>	01 July 2020
<b>Nicole Wood, Executive Director, Finance and Technology (Section 151 Officer)</b>	01 July 2020
<b>Stephanie Mitchener on behalf of Nicole Wood, Director, Legal and Assurance (Monitoring Officer)</b>	1 July 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: 1 July 2020**