



REPORT TO: MORAY COUNCIL EMERGENCY CABINET 12 AUGUST 2020

SUBJECT: CAR PARKING CHARGES

BY: DEPUTE CHIEF EXECUTIVE (ECONOMIC GROWTH, HOUSING & ENVIRONMENTAL SUSTAINABILITY COMMITTEE)

1. REASON FOR REPORT

- 1.1 To inform the Emergency Cabinet of the financial implications for delaying the reinstatement of the car parking charges.
- 1.2 This report is submitted to the Cabinet following a decision of Moray Council on 25 March 2020 to temporarily suspend all delegations to Committees as a result of the Covid-19 pandemic (para 2 of the minute refers).

2. RECOMMENDATION

- 2.1 **It is recommended that the Emergency Cabinet considers when to reinstate the car parking charges.**

3. BACKGROUND

- 3.1 Charging for the use of car parks was suspended at the end of March 2020 in light of the Coronavirus pandemic. All enforcement activity (including disabled bays etc.) was also suspended, and the car park attendants stood down. The two multi-storey car parks had been closed to minimise anti-social behaviour (reopened on the 13 July 2020, and the surface car parks are free to use without charge).
- 3.2 The reinstatement of charges was discussed at a sounding board meeting on the 2 July 2020, where views were sought to inform the Chief Executive's decision under his emergency delegated authority.
- 3.3 It was felt by the Chief Executive that a broad consensus had been reached at the meeting of the 2 July 2020 which indicated support for a decision by him to reinstate the charges with effect from the 1 August 2020.
- 3.4 The reinstatement of the charges was publicised and subsequent concerns were raised by businesses and the public as to timing of the charges claiming that businesses need time to recover and the charges would act as a

deterrent to people coming into the town centre to shop. Concerns were also raised over the lack of sanitisation available next to the pay machines.

- 3.5 This matter was discussed again at the sounding board on the 16 July 2020. At this meeting no consensus was reached with a range of views expressed about when the charges should be reinstated. Starting from when the schools return on the 12 August, to after Christmas, with a number of members indicating support for deferral of charges until the end of October with a further review at that point. In light of those discussions, the Chief Executive decided to again exercise his emergency delegated powers to defer introduction of charging until the end of August at the earliest, with the matter of reinstatement of charges to be considered at this meeting of the Emergency Cabinet.

4. MATTERS FOR CONSIDERATION

- 4.1 The table below gives a basic method of calculating the income that could be generated over the next 3 months if the car parking charges were reintroduced

	Cars			
Survey Aug 2019	717			
Survey Jul 2020	354			
Survey excludes Greyfriars and HQ Annex				
Avg monthly income for Greyfriars and HQ Annex	£2,941			
	Aug	Sep	Oct	
Actual Income 2019	£66,282	£84,220	£67,953	
Predicted Income 2020	£32,708	£41,560	£33,533	
Predicted Income Greyfriars and HQ Annex	£1,451	£1,451	£1,451	
Total Predicted Income 2020	£34,159	£43,011	£34,984	

- 4.2 A survey of the car parks was carried out week beginning 6 July 2020 and the total count across the Elgin charged car parks was 354. The count did not include Greyfriars and Annex HQ (week day charges introduced October 2019), Batchen Street (Closed) and St Giles (Closed) multi storeys and Station Car Park (small occupancy).
- 4.3 The total was compared with the nearest equivalent survey which was carried out in August 2019 (717). This was used as a ratio to predict what the equivalent income would be over the next 3 months as a percentage of last year's income.
- 4.4 A total was taken as the occupancy in each car park is not representative if a charge was applied as users tend towards the premium car parks when free rather than say Lossie Green and Lossie Wynd which currently have very low occupancy.

- 4.5 This prediction is only a broad indication of what income the council would generate if a charge was applied as there are many factors which are not taken into account including:
- How many more people will return to the centre for shopping and /or employment
 - Impact reintroduction of charge would have on use of car parks
 - Current number of users that are using the free car parks as residential parking and would not if charged
 - Any future relaxation of restrictions e.g. reduction of social distancing.
- 4.6 It is noted that there is currently no sanitisation available next to the pay machines. With 52 machines over 15 car parks this would require dispensers placed next to the machines and refilled regularly by the car park attendants.
- 4.7 The Council in partnership with Elgin Bid and Highlands and Islands Enterprise have sought grant funding to install sanitisation stations in each of the car parks. It is not known if this bid will be successful as it is highly competitive with only a proportion of bids likely to receive grant funding and it would be a number of months before grant award and order and delivery of the stations could be completed.
- 4.8 The service is currently assessing the viability of using a phone app to pay for car parking and will be putting together a business case for approval. If viable this will obviously assist with hygiene, with users being able to avoid hand contact with the machines. Assuming there is a positive business case then it would take about 6 weeks from the point of contract award to being used as a method of payment.
- 4.9 It should be noted that a number of push button machines throughout the centre of Elgin do not have sanitisation facilities next to them, these include, ATM machines, fuel dispensers and pedestrian crossings, with the expectation that people now carry their own sanitiser.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The Council's Corporate Plan 2019/24, approved in draft by council on 3 March 2020, will provide direction and focus for financial planning and the alignment of budgets to priorities.

(b) Policy and Legal

There are no policy or legal implications.

(c) Financial implications

Corporate Management Team Additional Expenditure Warning

When the council approved the budget for 2019/20 on 27 February 2019 (para 4 of the Minute refers), the three year indicative budget before the council showed savings required in 2020/21 of £12.2 million and £6.7 in 2021/22. Although the final figures will vary, it is clear that the Council will have to reduce its costs significantly across all services in future years. All financial decisions must be made in this context and only essential additional expenditure should be agreed. In making this determination the Committee should consider:

- Is there a statutory requirement to incur the expenditure?
- Are there any alternative actions available to avoid or reduce the cost?
- Are there alternative ways in which the service could be provided?
- What are the risks and consequences of not allocating the funding?
- Does the expenditure contribute to long term financial stability?

If in light of these factors the spend is considered essential or reduction in income unavoidable, the relevant Committee should consider how it could be accommodated within the service budget, including what other activity would have to cease or diminish with what impact and risk. Only following these considerations should a request be made to the Council for additional budget allocation.

The survey taken in July this year shows currently about a 50% reduction in occupancy in the car parks therefore it is estimated that the loss of income over the next 3 months (August – October) to the Council would be £112,154 at an average per month of £37,385.

The Council is forecast to have a budget gap of £5.4m in 2020/21 and £6.7m in 2021/22 without taking account of the impact from Covid-19 virus.

(d) Risk Implications

There are no risks associated with this report.

(e) Staffing Implications

There are no staffing implications arising from this report, as the car park attendants are currently monitoring the car parks, carrying out maintenance, and assisting with the Spaces for People pedestrianisation.

(f) Property

There are no property implications.

(g) Equalities/Socio Economic Impact

There are no equalities implications.

(h) Consultations

This report has been prepared in consultation with the Deputy Chief Executive (Economy, Environment & Finance), The Principal Accountant, Legal Services Manager, Environmental Protection Manager, Democratic Services Manager and the Equalities Officer. Any comments have been taken into consideration.

6. CONCLUSION

- 6.1 It is clear that there has been a reaction to the Council committing to reinstate the car parking charges from the 1 August 2020 as outlined in paragraph 3.4. However the consequences of delaying the charges could result in an average loss of income of £37k per month, at a time when the Council faces a significant budget gap made worse by the COVID-19 virus.**

Author of Report: Head of Environmental and Commercial Services

Background Papers:

Ref: