

COUNCIL

8 July 2021

Report of the Chief Executive

## **STIMULATING TOWN CENTRES POST COVID-19**

### **PURPOSE OF REPORT**

The report outlines a request from Ashbourne Town Team for the introduction of a short-term, partial dispensation of car parking charges to apply to all town centres, in order to provide a stimulus for town centres post Covid-19.

### **RECOMMENDATION**

1. That consideration be given to the implementation of Option 1 for the month of September 2021.
2. That Council approves a supplementary revenue estimate for 2021/22 to cover the estimated shortfall in income associated with recommendation 1, to be funded from the Covid Funding Reserve.

### **WARDS AFFECTED**

All Wards

### **STRATEGIC LINK**

‘Prosperity’ is highlighted in the Corporate Plan 2020-24 as a District Council priority due to low local wages and high local house prices. The recommendation in this report would support the District Council’s specific aims to: *Support businesses to encourage productivity, growth, and higher wage jobs in rural and urban locations*; and to *Promote investment to stimulate the economy of our market towns*.

## **1 BACKGROUND**

- 1.1 On 5<sup>th</sup> November 2020, the second of three Covid-19 national lockdowns were announced by the Government in response to rapidly increasing COVID-19 cases. A third national lockdown was announced on 6<sup>th</sup> January 2021 and restrictions continue to remain in force until 19<sup>th</sup> July at the earliest.
- 1.2 The impact of the Coronavirus pandemic and the three national lockdowns on the Derbyshire Dales has been widespread and ongoing. In the Derbyshire Dales, it has affected jobs, health, incomes, communities, environment, public services and more. Despite the plethora of financial support packages that have been put in place by the District Council to support businesses, it is likely that many businesses will not survive and if they do, it is likely to be some considerable time before they will recover to the their pre-March 2020 state, if at all.

- 1.3 The District Council, as the principal place-shaping agency for the Derbyshire Dales, has a key role in leading the economic recovery of the district. In this regard, a post COVID-19 Economic Recovery Plan for the district that links to the Local Plan and existing Corporate Plan and Economic Plan, was considered and endorsed at the Council meeting on 9<sup>th</sup> November 2020. A further report was also endorsed at Council on 22<sup>nd</sup> April 2021.
- 1.4 In addition to the economic recovery measures outlined in the earlier reports, regular representations have been received, principally from Ashbourne Town Team, asking the District Council to consider a short period incentive of reduced car parking charges, in order to encourage visitors back to the town centre following the removal of national restrictions. Officers have therefore been asked to consider this request, hence the reason for this report.
- 1.5 In considering this request, it is important to have regard to the combination of factors which have an impact upon the vibrancy and vitality of town centres, including disposable income of the local community, nature and volume of UK and overseas visitors, the level of digital connectivity, strong local business networks, and an immediate catchment which drives footfall and passing trade. Irrespective of the level of car parking charges, the national restructuring of the retail sector, influenced by the rise in online sales, means every town faces the challenges of declining high street spend and footfall. Reducing car parking charges, is not therefore considered to be the panacea for all of the challenges facing our town centres. It is also not a financially viable option for the District Council given the critical importance of car parking income to sustaining our overall financial position, which is already under strain.
- 1.6 However, it is evident that COVID-19 has added to the existing challenges town centre businesses currently face. Social distancing measures may impact profitability and some customers, now accustomed to online purchasing and home delivery, may not return to high street retailers. In order to respond to this request, consideration has been given to a series of options for a 'one-off', short term incentive for the month of September, for all town centre car parks in each of our four market towns plus Matlock Bath, which would have the benefit of extending the summer season. These options include:

		<b>ESTIMATED COST (£)</b>
<b>OPTION 1</b>	Free Parking after 2pm for the month of September 2021 (as per customary Christmas arrangements)	£45,325
<b>OPTION 2</b>	Free parking on Saturdays only for the month of September 2021	£55,874
<b>OPTION 3</b>	Free parking on Saturdays and Sundays only for the month of September 2021	£106,951
<b>OPTION 4</b>	Free parking for the month of September 2021	£201,269

- 1.7 In the event that Members wish to consider the offer of a car parking incentive, Option 1 is considered to be the most appropriate option having regard to the Council's current financial position.

## **2 OTHER CONSIDERATIONS**

- 2.1 In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

### **2.2 Legal**

The Council has the power to set its fees and charges and thus has the power to waive such charges as they deem appropriate. The use of the Covid Reserve Funding is in line with the fund requirements. Therefore the legal risk is low.

### **2.3 Financial**

There is a report elsewhere on the agenda for this meeting that shows that the Council's latest Medium Term Financial Plan has a budget gap of £298,000 for 2022/23, rising to £564,000 in 2023/24, based on current assumptions, which may or may not turn out to be correct. This demonstrates that any ongoing reduction in parking charges would not be financially sustainable, based on those assumptions.

However, that report also indicates that during 2020/21 the Council has received several government grants to support spending associated with the coronavirus pandemic, not all of which have been spent or committed at the current time. Therefore, the cost of £45,325 for the option 1 parking charge dispensation in September 2021 could be met in 2021/22 from the Covid Funding Reserve.

The financial risk of Option 1 is assessed as Low; Option 2 is assessed as Medium and Options 3 and 4 are assessed as High.

## **3 CONTACT INFORMATION**

- 3.1 Paul Wilson, Chief Executive – [paul.wilson@derbyshiredales.gov.uk](mailto:paul.wilson@derbyshiredales.gov.uk) Tel: 01629 761126

## **4 BACKGROUND PAPERS**

- 4.1 Various correspondence from Ashbourne Town Team