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| Report of: | Head of Economic Prosperity |
| Contact Officer: | Dean Piper |
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| Portfolio Leader: | Innovation and High Streets |
| Key Decision: | No |
| Report Track: | Cabinet: 10/06/21 |

Cabinet
10 June 2021
Car Parking Payback – Pilot Initiative

1 Purpose of Report

- 1.1 The purpose of this report is to set out a proposal to launch a pilot initiative to incentivise shoppers to visit Cannock and Rugeley Town Centres by providing a discount on the cost of their car parking ticket. The initiative also aims to encourage more footfall into the town centres and help local businesses / traders to recover from the pandemic and the effect of the lockdown restrictions. It is proposed that the scheme is funded via the Council's Additional Restrictions Grant (ARG) and Welcome Back Fund allocations.

2 Recommendation(s)

- 2.1 That Cabinet support the proposal to launch a pilot initiative for 3 months to incentivise shoppers to visit Cannock and Rugeley Town Centres, revising its current ARG policy to allocate an element of its ARG funding to fund the costs associated with the project.
- 2.2 To delegate authority to the Head of Economic Prosperity in consultation with the Portfolio Leader for Innovation and High Streets to implement all actions required to deliver the pilot initiative.
- 2.3 That the Head of Economic Prosperity presents a report to Cabinet at the end of the Pilot scheme to report outcomes and potential options going forward.

3 Key Issues and Reasons for Recommendations

Key Issues

- 3.1 The Council in its Corporate Plan 2021-24 sets out as a key priority the need to 'Re-shape Town Centres' and a key objective is to review the Council's Car

Parking Strategy. Cabinet agreed in January 2021, that as part of this work, a feasibility study be undertaken to look at the implementation of a trial scheme whereby people visiting shops or hospitality venues in Rugeley Town Centre could have their car parking refunded. This followed an earlier request from Rugeley Town Council for the Council to provide free parking in its car parks in Rugeley Town Centre.

- 3.2 As part of the Council's Economic Recovery work, Officers are currently prioritising the processing of grant applications for the various schemes established by Government i.e., Re-Start Grants, Additional Restrictions Grant (ARG). The Council has been allocated approx. £2.9m of ARG funding and to date approximately 70% of the funding has been distributed to local businesses in line with the agreed ARG Policy. Cabinet agreed in February 2021, to allocate £300k of the funding to support Training and Apprenticeship initiatives which will be delivered in partnership with Staffordshire County Council.
- 3.3 Pressure to spend ARG monies exists, even though allocations can be spent in theory up to March 2022 the government are looking for authorities to fully commit the funding by the end of June 2021. In return, the Council is likely to receive a further 'top-up' payment of £634,751. Local Authorities can use ARG funding for business support activities. This may primarily take the form of discretionary grants, but Local Authorities could also use this funding for wider business support activities.
- 3.4 It is proposed to use an allocation of the ARG monies to support Cannock and Rugeley Town Centres recover from the pandemic by introducing a new pilot initiative aimed at boosting footfall and trade for local businesses. The proposal is to offer shoppers with the ability to get a refund of £2 on the cost of their parking ticket if they spend £10 or more in participating shops and hospitality businesses. Suitable initiatives will also be explored to support Hednesford Town Centre, but these will be focused on other ideas to boost footfall, as car parking charges do not apply in Hednesford.

Reasons for Recommendations

- 3.5 To detail how a proportion of ARG monies could be spent on the Council's priorities around recovery of town centres.

4 Relationship to Corporate Priorities

- 4.1 This report supports the Council's new Corporate Plan priority to 'Support Economic Recovery'.

5 Report Detail

- 5.1 To support the short-term recovery of Cannock and Rugeley Town Centres it is proposed to launch a pilot initiative to incentivise people to shop locally and to boost footfall and trade for town centre businesses and traders. The Council has been asked previously to consider free parking in Rugeley Town Centre. However, this is not a viable proposition as it would be more costly for the Council to give free car parking for all, and the Council has suffered a dramatic drop in its

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income because of COVID-19 which it now needs to recover. Instead, it is proposed to offer for a trial period a 'payback' scheme for both Cannock and Rugeley Town Centres which offers shoppers a refund on the cost of car parking in return for spending money in local shops and funding this scheme from the Council's Additional Restrictions Grant money (allocated by HM Government).

- 5.2 The premise of the scheme is relatively simple. Shoppers parking at a Council car park within Cannock or Rugeley Town Council will receive a refund of £2 of the cost of their car parking ticket if they spend more than £10 on goods/service within a participating shop or hospitality business. The customer would receive the refund on presenting their car parking ticket or showing the text message / email receipt from the Pay by Phone service. The refund will apply to one transaction at a time only. The car parking machines will need to be reprogrammed by the software company to be able to issue 'double tickets', one ticket to be displayed in the car in the usual way and the other 'refund voucher' to be presented to the participating business if they spend £10 or more on an individual transaction.
- 5.3 For shoppers parking at a Council car park in Cannock, the cost of car parking will be either fully or partially covered by the refund, depending on the car park and the length of stay. For example, if a shopper parks at Beecroft Road car park for up to 2 hours, the cost of parking is free and there is a net benefit of 80p, for 2 – 3 hours, the net cost is £1. In Rugeley, shoppers parking for up to 2 hours, will get a full refund and a credit of up to 20p. Parking for 2 – 3 hours will only cost 70p after the refund. It is hoped that shoppers will be incentivised to take advantage of the offer and actually stay for longer in the town centres and spend more money locally.
- 5.4 Each participating business would be offered a cash grant of £500 from the Council's ARG funding allocation from HM Government to be able to issue the refunds to customers with a valid ticket/voucher and in return they would be asked to monitor the number of tickets refunded and submit weekly returns to the Council providing feedback on whether the business had seen any increase in trade compared to the equivalent period in 2019 or 2020 (if they were trading then). Businesses would be requested to sign an agreement to commit to issuing the refunds to customers and provide light touch monitoring returns and would receive the grant by providing contact details and bank account details (if not already held by the Council). Businesses would be required to display a sticker in their shop window to signal to the customer that they are participating in the initiative.
- 5.5 It is proposed that the initiative would be launched to coincide with the final stage of the Government's Roadmap on 21st June for easing lockdown restrictions (subject to this being confirmed on 14th June). However, should stage 4 of the roadmap be delayed then it will be possible to proceed with the initiative as non-essential retail, hospitality and other leisure / entertainment businesses were allowed to re-open on 17th May.
- 5.6 Any grant monies not used by the business on issuing refunds to customers could be retained by the business to support other operational costs i.e., fixed property costs, overheads; this is in recognition that retailers and hospitality businesses are recovering from the pandemic and will benefit from direct financial assistance from the Council.

- 5.7 Crucially, there would be no loss of car parking income to the Council as the customer still purchases a ticket from the car parking machine or Pay by Phone App in the usual way.
- 5.8 In terms of implementing the scheme, there are a number of key actions that will need to be delivered as follows:
- i. Software company to make change to car park ticket machines so that 'double tickets' with voucher portion can be issued.
 - ii. Officers to work with Rugeley Town Council and Cannock Town Centre Partnership to recruit businesses to participate in the scheme, with a focus on independent retailers, hospitality businesses. Both Rugeley Town Council and Cannock Town Centre Partnership have indicated their support for this initiative.
 - iii. Additional Restrictions Grant Policy to be amended to include allocation for the initiative and agreement with relevant Portfolio Leaders confirmed.
 - iv. Set up relevant paperwork to administer the scheme including short application form, agreements, monitoring forms etc.
 - v. Develop marketing and comms plan to promote the initiative to include press release, Facebook ads, radio campaign, posters, window stickers, update to website etc.
- 5.9 The pilot will need to be evaluated by Officers and a report detailing uptake from businesses, numbers of refunds issued to customers, impact on car parking income, town centre trade etc will be produced. The outcome of the report will need to be factored into the wider car parking review and Strategy work.
- 5.10 Officers will engage with Hednesford Town Council and local traders to identify suitable ideas to boost footfall for Hednesford Town Centre. One idea could be to launch a 'loyalty card' scheme again engaging with local businesses / traders and developing a range of potential offers and discounts to incentive shoppers.

6 Implications

6.1 Financial

Of the £2,910,314 allocation available from the Additional Restrictions Grant (ARG) monies, the report is proposing to allocate a total of £50,000 to fund the car parking payback initiative. This is sufficient to support 100 local businesses if a £500 grant is offered. Subject to demand, further funding could be allocated if sufficient balances exist within the ARG allocation.

The Council has received an allocation of £89,000 by MHCLG from the Welcome Back Fund which has been established to support High Streets recover from the pandemic. It is estimated that £5,000 will be sufficient for marketing and publicity associated with the scheme.

There will be no loss of car parking income to the Council.

6.2 Legal

Participating businesses that receive a grant will be expected to sign up to an agreement setting out what they will be required to do in administering the scheme and refund of car parking fees to customers.

6.3 Human Resources

The initiative will be administered using existing Officer resources and partnership working with Rugeley Town Council and Cannock Town Centre Partnership.

6.4 Risk Management

Officers will develop a risk log for the project.

6.5 Equality & Diversity

None.

6.6 Climate Change

An increase in vehicular traffic in the town centres could have a detrimental impact on the Council's climate change agenda in the short-term, however this is balanced against the economic impact of the initiative and its role in assisting in the recovery of the town centres.

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| 7 Appendices to the Report |
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None.

Previous Consideration

Car Parking Charges in Rugeley – Cabinet – 28 January 2021

Background Papers

Additional Restrictions Grant Policy