

# Norfolk County Council

## Record of Individual Cabinet Member Decision

**Responsible Cabinet Member:** Cllr Wilby (Cabinet Member for Highways, Infrastructure & Transport)

**Background and Purpose:** The Norwich Park & Ride (P&R) service is currently operating with only 35-40% of its pre-covid passenger numbers. Passengers not having returned as much as they have to local bus services due to, for example, changes in work patterns and the availability of car parking in the city.

This low level of patronage means that the service is no longer self-financing and the Council are now having to pay the net cost of the operation (approx. £500,000 for this financial year) otherwise we would have had to shut down the service altogether.

The Postwick site was not re-opened along with the other sites in summer 2020 as it was being used by the Department of Health & Social Care (DHSC) as a covid testing centre. The lease for this ends on 2 August 2022 so we need to decide if Postwick should re-open (and accept that the County Council will need to pay additional subsidy to support it) or if we should keep it closed until passenger numbers across the service at the other four sites (Airport, Thickthorn, Harford and Sprowston) have recovered more, to minimise the financial risk for the Council.

### **Decision:**

**To re-open the Postwick P&R service when passenger numbers at the other sites (Airport, Thickthorn, Harford and Sprowston) have recovered to 75% of their pre-covid level.**

**Is it a key decision?** No

**Is it subject to call-in?** Yes

**If Yes – the deadline for call-in is:** 4pm Thursday 11 August 2022

**Impact of the Decision:** As outlined in the report

**Evidence and reason for the decision:** As outlined in the report

**Alternative options considered and rejected:** As outlined in the report

**Financial, Resource or other implications considered:** As outlined in the report.

**Record of any conflict of interest:** None recorded

**Background documents:**

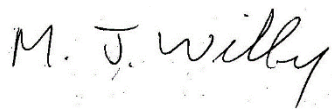
- None

**Date of Decision:** 3/8/2022

**Publication Date of Decision:** 4/8/2022

**Signed by Cabinet Member:**

I confirm that I have made the decision set out above, for the reasons also set out.

**Signed:** 

**Print name:** Cllr Martin Wilby

**Date:** 03/08/22

**Accompanying documents:**

- Individual Cabinet Member Decision report – Postwick Park & Ride Re-opening

Once you have completed your internal department clearance process and obtained agreement of the Cabinet Member, send your completed decision notice together with the report and green form to [committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk)

# Individual Cabinet Member Decision Report

**Item No:**

**Report Title: Postwick Park & Ride Re-opening**

**Date of Meeting: N/A**

**Responsible Cabinet Member: Cllr Wilby** (Cabinet Member for Highways, Infrastructure & Transport)

**Responsible Director: Tom McCabe** (Executive Director of Community & Environmental Services)

**Is this a Key Decision? No**

**If this is a Key Decision, date added to the Forward Plan of Key Decisions: N/A**

## **Executive Summary**

The Norwich Park & Ride (P&R) service is currently operating with only 35-40% of its pre-covid passenger numbers. Passengers not having returned as much as they have to local bus services due to, for example, changes in work patterns and the availability of car parking in the city.

This low level of patronage means that the service is no longer self-financing, and the Council are now having to pay the net cost of the operation (approx. £500,000 for this financial year) otherwise we would have had to shut down the service altogether.

The Postwick site was not re-opened along with the other sites in summer 2020 as it was being used by the Department of Health & Social Care (DHSC) as a covid testing centre. The lease ends on 2 August 2022 so we need to decide if Postwick should re-open (and accept that the County Council will need to pay additional subsidy to support it) or if we should keep it closed until passenger numbers across the service at the other four sites (Airport, Thickthorn, Harford and Sprowston) have recovered more, to minimise the cost to the public purse.

## **Recommendation:**

- 1. To re-open the Postwick P&R service when passenger numbers at the other sites (Airport, Thickthorn, Harford and Sprowston) have recovered to 75% of their pre-covid level.**

## **1. Background and Purpose**

- 1.1 The Norwich P&R service was, before the pandemic, a commercially run operation with a performance contract held between the operator (Konectbus) and the Council.
- 1.2 When the pandemic first hit in March 2020 all sites closed because there were virtually no passengers, and the government messaging was to steer clear of public transport. Shortly after this the Postwick site was leased to the DHSC as a covid testing centre.
- 1.3 When services started to re-open in summer 2020, we reopened the four sites that serve the city centre (Airport, Thickthorn, Harford and Sprowston) and the Costessey site that serves the Norfolk & Norwich University Hospital (NNUH) and University of East Anglia (UEA). Postwick remained a DHSC covid testing centre.
- 1.4 Passenger numbers since that time have struggled to recover due to changing work patterns and the availability of car parking in the city centre. Whilst general local bus services have recovered to on average 75-80% of pre covid passenger figures, the P&R service sits at around 35-40%. This is despite many media campaigns to encourage use.
- 1.5 The operator has worked with the Council to reduce costs as much as possible (e.g. by cutting the service frequency from every 15 to every 20 minutes) and has been claiming all the government's covid financial support that the service is eligible for, but the losses were something that the operator could not sustain any longer.
- 1.6 To avert the risk of the operator terminating the contract and withdrawing the service, the Council agreed to subsidise the net loss of the service from November 2021, as Park & Ride is an important part of our transport strategy. The subsidy needed for this financial year is estimated to be £500,000 - more is being done to increase passenger revenue to decrease this amount, but all government covid financial support ends on 4<sup>th</sup> October 2022, so this brings an added pressure. This does not include Costessey which is paid for by the NNUH and the UEA.
- 1.7 The lease with the DHSC for the Postwick site ends on 2 August 2022 and the site will return to Konectbus. However, they cannot commit to operating a service from the site until they have the assurance from the Council that the net loss of the service would be covered.
- 1.8 Postwick was always the lowest performing of the sites, with passenger revenue from the site not covering that site's operational costs, and so with

passenger levels at the other sites only at 35-40% the best we can expect from the Postwick site is estimated about 25% (and this may remove passengers from the other sites, particularly Harford, as people may be driving round as Postwick is closed). This means that another £100,000 to £200,000 of funding will need to be found by the Council this financial year to re-open Postwick.

- 1.9 It is not expected that passenger levels at the other sites will reach 50% of their pre-covid level until April 2023 at the earliest, unless there are some drastic changes to lifestyle, working patterns or availability of parking in the city centre.
- 1.10 The contract with Konectbus for the P&R service ends in September 2023 and we will be re-tendering this autumn. This gives us a chance to re-evaluate how the P&R service is delivered as a whole and to explore options for each of the sites to get the best value for money and passengers.

## **2. Proposal**

- 2.1 To re-open the Postwick P&R service when passenger numbers at the other sites (Airport, Thickthorn, Harford and Sprowston) have recovered to 75% of their pre-covid level.

## **3. Impact of the Proposal**

- 3.1 For people coming from the east of Norwich this means that their nearest P&R site is Harford or Sprowston. Whilst not ideal, it is still possible to access the P&R service by driving a further 2.5 miles to the next nearest site.
- 3.2 The Postwick P&R service is also used by residents of Postwick who walk over to the site to catch the P&R bus. Whilst Postwick has been closed and a testing centre we have supplied a demand responsive taxibus service to enable local residents to access Norwich at certain times of the day (journeys to and from work and midday shopping journeys). This has been well used and would continue whilst Postwick remains closed. Fares for using this service are in line with the P&R fares (£3 return, £2 single and free for those with concessionary passes). This can be provided at minimal cost to the Council – about £6,000 for this financial year.
- 3.3 The proposal therefore does have an impact, but both of these can be mitigated against.

## **4. Evidence and Reasons for Decision**

- 4.1 Current passenger figures show that the Norwich P&R service has not recovered since the pandemic and the re-opening of services to the level that is needed to make it financially sustainable. However P&R is still an important part of our transport strategy and so we should do what we can to keep the

service running but to minimise the cost and financial commitment to the Council.

- 4.2 With current passenger figures at 35-40% of pre-covid levels, and an expectation that they will not reach 50% until April 2023 at the earliest, one way to minimise the cost to the council is to keep the Postwick site closed until passenger levels at the other sites have reached a certain level – the suggested level is 75% to ensure we do not expose the Council to a financial commitment any bigger than it is now.

## **5. Alternative Options**

- 5.1 We could re-open the Postwick service now, at a cost of £100,000 to £200,000 (per year, pro-rata for 22/23) to the Council.
- 5.2 We could re-open the Postwick service now but with a lower level of service to the other sites, say one bus every 40 minutes rather than one bus every 20 minutes. This would reduce cost (on the operational costs but not the site costs) but would not encourage people to use the service (as generally people prefer frequent services) and so the net financial position would likely be the same.
- 5.3 We could re-open the Postwick service when the other sites have recovered to a lesser degree, say 50%, but this would still mean a financial commitment by the Council over and above the current commitment of up to £500,000 this financial year.

## **6. Financial Implications**

- 6.1 We are currently subsidising the Norwich P&R service over the 4 sites of Airport, Thickthorn, Harford and Sprowston by approximately £500,000 this financial year. This figure reduces the more passenger revenue we get, but passenger levels remain at 35-40% of pre-covid levels for several months despite many media campaigns.
- 6.2 Re-starting the service from Postwick when the DHSC give up the lease on 2 August 2022 will add an estimated £100,000 to £200,000 to this subsidy in a full year (pro-rata for 22/23) which has not been allowed for in the current budget. The exact amount depends on the level of service offered and the number of passengers it attracts.

## **7. Resource Implications**

- 7.1 **Staff:** None

**7.2 Property:** Not re-opening Postwick for a period of time does mean that the site will be empty. Konectbus now park their P&R buses there overnight and so there is an increased level of security at the site.

**7.3 IT:** None

## **8. Other Implications**

**8.1 Legal Implications:** None. Our duty as the local transport authority is still being covered as there are still options for people to access local bus and other P&R services.

**8.2 Human Rights Implications:** None

**8.3 Equality Impact Assessment (EqIA):** This proposal does not disproportionately affect any user or user group over another. There are alternative services in place which people can access and the demand responsive taxibus service is wheelchair accessible and accepts concessionary travel passes to enable free travel for older and disabled eligible people (which is better than the P&R service as this does not offer free travel for those groups).

**8.4 Data Protection Impact Assessments (DPIA):** N/A

**8.5 Health and Safety implications:** None

**8.6 Sustainability implications:** Delaying the re-opening of the Postwick site and service enables the P&R service as a whole to recover to a more sustainable level, which will have longer term benefits for sustainable travel into Norwich city centre.

**8.7 Any Other Implications:** None

## **9. Risk Implications / Assessment**

**9.1** There is a risk that the longer the Postwick site remains closed the longer it will take for passengers to return once it does open, but this can be addressed with good marketing and communication.

**9.2** There is also a risk that the site being empty makes it prone to illegal activity, but there is increased security due to the buses being parked there.

## **10. Select Committee Comments**

**10.1** N/A

## **11. Recommendation**

- 1. To re-open the Postwick P&R service when passenger numbers at the other sites (Airport, Thickthorn, Harford and Sprowston) have recovered to 75% of their pre-covid level.**

## **12. Background Papers**

12.1 None

### **Officer Contact**

If you have any questions about matters contained within this paper, please get in touch with:

**Officer name: Niki Park**

**Telephone no.: 01603 224351**

**Email: [niki.park@norfolk.gov.uk](mailto:niki.park@norfolk.gov.uk)**



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