

Committee(s)	Dated:
Markets Committee	25.11.2020
Subject: Concessionary Parking at Smithfield in January 2021 in the event of a No Deal EU Exit	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	Support A Thriving Economy Shape Outstanding Environments
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Director of Markets & Consumer Protection	For Decision
Report author: Mark Sherlock, Markets & Consumer Protection	

Summary

In the event of a no-deal UK exit from the EU, it is anticipated that traffic volumes have the potential to be significant; this is explained in more detail in the Main Report. During EU exit planning meetings between the Superintendent of Smithfield Market and Smithfield Market Tenants' Association (SMTA), the SMTA has requested a temporary reduction in the car park tariffs from 9pm Sunday 3rd January 2021 until 10am Monday 1st February 2021 (29 days between the hours of 2100-1000hrs). This is to encourage the use of the car park to alleviate parking pressures around the Market due to increased road and traffic congestion as a result of a no-deal EU exit.

In considering this request, officers have compiled three options for Members consideration in the event of a no-deal EU exit, taking into account the current decline in car park income as a result of Covid 19 controls; increased Congestion Charge coverage; hours of operation and car park charges:

- a) Agree to the SMTA request in total (maximum 29 days of night-time hours).
- b) Reduce the concessionary period to Market trading days/nights only from Sunday 3rd January 2021 until Monday 1st February 2021 (21 nights) between the hours of 2100hrs and 1000hrs. (Officers recommend this option)
- c) No concession.

Recommendation(s)

It is recommended that the current tariff be reduced to free for all visitors to the Rotunda car park from 9.00pm on Sunday 3rd January 2021 until 10am on Monday 1st February on trading days only (21 nights) as set out in option b) above.

This option would enable the car park operator to leave the barriers raised during this period which will significantly aid the flow of vehicles in and out of the Rotunda car park, thereby helping to ease the flow of traffic around the Market and surrounding roads.

Main Report

Background

1. Since September 2019, the challenges that Smithfield could face as a result of a no deal EU exit have been registered on Pentana as a medium risk with a score of 12. As government negotiations have continued with the EU in the current transition period, the risk score has been regularly reviewed and reduced to 8. In recent months the likelihood of a trade deal has varied up until the recent deadline of 17th October that the Prime Minister set. As no deal had been agreed at that date, the risk increased. There subsequently started an intense period of negotiations for an additional fourteen days (this report is written in the middle of these talks) between the Government and the EU with the hope that a deal can be agreed.
2. Initial meetings with the SMTA in September 2019 identified a number of mitigation measures that could be implemented to reduce the impact of anticipated substantially increased traffic levels at the Market in a no-deal scenario.
3. In such a case, trade tariffs would be introduced which will have a significant impact on the volumes of product and times of trade at the Market. Currently, 40% of lamb carcass produced in the UK goes to Europe. Should European demand for British lamb reduce due to the additional costs of tariffs and border controls, the excess carcass product could end up at Smithfield as the final point of consolidation in the food supply chain. This alone will generate higher numbers of Heavy Goods Vehicles (HGVs) at the Market (and thereby more collection and delivery vans), stretching carcass delivery operations to the limit in processing much higher quantities of carcass meat.
4. A number of larger traders at the Market also import significant volumes of boxed meat, primarily poultry. Transport companies currently endeavour to utilise their HGVs on a 24 hour cycle, completing a delivery to the UK (Smithfield) with return product to the EU within this cycle, before utilising the same vehicle for a return journey. Should a tariff regime be in place, it is highly likely that the volume and spread of vehicles that currently come to Smithfield could change dramatically.

5. There are some additional traffic improvement measures that officers plan to progress and implement where possible to help ease congestion around the Market. The Market has lost eight designated loading bays in West Smithfield for long term project work relating to the Museum of London and the Poultry Market domed roof replacement. These bays had the capacity to park up to fourteen HGVs or twenty eight vans. A review of the utilisation of these bays is being conducted in consultation with the Department for the Built Environment (DBE) to ensure they are being properly utilised by project works and that any spare capacity is returned to the Market for EU exit planning purposes.
6. A review of the current permissible on-street parking provision and hours of operation is also being undertaken in consultation with DBE. In addition to this, representation has also been made to DBE for a temporary relaxation of the 'ring of steel' measures in place between Giltspur Street and West Smithfield in order to afford additional lorry waiting areas and improve access routes to the Market and ease potential congestion. This request is currently pending decision.

Current Position

7. On 20th October 2020, the Smithfield Market Tenants' Association (SMTA) submitted a request that free parking in the Rotunda car park should be approved for January 2021 from 9pm on the 3rd January to 10am on Monday 1st February for all workers and customers arriving after 9pm and leaving before 10am the following day.
8. The concession, therefore, would be offered to vehicles between the hours of 9pm and 10am. Vehicles parking outside of these hours will be deemed to be unrelated to Market operations and so will be charged the normal hourly rate of £3.50 per hour or part thereof for the full duration of their stay.

Options

9. Officers have identified three options for Members consideration:
 - a) Agree to the SMTA proposal requested on the 20th October 2020, that the current tariff, be reduced to free for all visitors to the Rotunda car park from 9pm on Sunday 3rd January 2021 to 10am on Monday 1st February (29 days), for all workers and customers arriving after 9pm and leaving before 10am the following day.
 - b) Reduce the concessionary period requested by the SMTA to 9.00pm on Sunday 3rd January until 10am on Monday 1st February 2021 for Market trading nights only (21 nights).
 - c) No concession.

Financial Implications

10. From revised calculations, due to declining car park revenue created by Covid-19 and impacts from increases to the Congestion Zone charges and area, it is estimated that the SMTA proposed concession under option a) could reduce revenue for the car park by up to £18,000.

11. Should Members wish to approve a concession for Market trading nights only for the month of January under option b, this could reduce car park income by up to £12,600.
12. Members may wish to consider not approving any concessionary period in order to maximise and protect income streams for the car park. As a result of Covid 19 and increases to the congestion charge, revenue from the car park has declined by £91,000 to the end of October compared to last year and is currently £97,000 behind budget.

Conclusion

13. Officers have identified three options for Members' consideration in response to the SMTA's request for temporary concessionary car parking rates in January 2021, one of a number of mitigation measures in response to a no deal EU exit scenario. The recommended option b) would provide for concessionary rates during an anticipated period of substantially increased trading activity at the Market in January 2021.

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