



# EXECUTIVE BOARD DECISION

<b>REPORT OF:</b>	Executive Member for Environment & Operations
<b>LEAD OFFICERS:</b>	Strategic Director of Environment & Operations
<b>DATE:</b>	Thursday, 11 August 2022

<b>PORTFOLIO/S AFFECTED:</b>	Environment & Operations
<b>WARD/S AFFECTED:</b>	(All Wards);
<b>KEY DECISION:</b>	Y

**SUBJECT: EB: Lease of Old Bank Lane Car Park to East Lancashire Hospitals NHS Trust**

## 1. EXECUTIVE SUMMARY

The Council constructed and opened Old Bank Lane car park adjacent to Royal Blackburn Hospital in 2018 to provide much needed car parking in the area surrounding the hospital and to ease the significant traffic congestion caused by cars waiting to enter the Hospital car park.

When the car park opened in 2018, it was available for use 24/7 with Automatic number-plate recognition cameras (ANPR) with a combination of pay on foot parking and permit holder parking.

From July 2020 to June 2022, 50% of the car park was used for a Regional Testing Centre, the whole of the car park is now once again operating as a pay on foot and permit holder car park.

The Council generates income from pay and foot and parking permits and pays an annual management fee to the Hospital in exchange for them managing the car park on behalf of the Council 24/7 all year around.

In the past 3 years, the hospital site has had extensive development which has resulted in the loss of parking spaces previously used by hospital staff. As a result, hospital staff are now parking in spaces which would normally have been used by patients and visitors to the Hospital.

The Council has been engaged in discussions and negotiations with East Lancashire Hospitals NHS Trust about the Council leasing the whole of Old Bank Lane car park for permit parking for Hospital staff, which in turn would allow the Hospital car park, to be returned to full use for patients and visitors. During the term of the lease, the Council will not be required to pay the car park management fee.

## 2. RECOMMENDATIONS

That the Executive Board:

- Notes the report

- Approves the proposed grant of lease of Old Bank Lane car park to East Lancashire Hospitals NHS Trust from 1<sup>st</sup> Sept 2022 to the 31<sup>st</sup> March 2028, with a break clause after 3 years.
- Delegates approval to the Strategic Director of Environment and Operations in consultation with the Executive Member for Environment to finalise the lease arrangements with East Lancashire Hospitals NHS Trust as outlined in this report.
- The net additional income to the council from this arrangement be used in support of the Council's Medium Term funding deficit (as reported to the Executive Board in June 2022)

### **3. BACKGROUND**

In 2017, East Lancashire Hospitals NHS Trust estimated that there was an under provision of 250 car spaces at Royal Blackburn Hospital to accommodate the needs of patients and visitors. The traffic congestion caused by cars waiting to enter the Hospital car park created significant blockages on the highway network with traffic often queuing back towards junction 5 of the M65. As a result, those visiting the Hospital for appointments or to visit family members or friends were regularly late. Hospital staff were regularly stuck in traffic; including consultants that were travelling to Blackburn for their afternoon clinics. The traffic congestion meant that clinics sometimes started late, which had a negative impact on patients.

In July 2017, in response to this situation, the Executive Board of the Council approved the construction of Old Bank Lane car park on land adjacent to Royal Blackburn Hospital. Old Bank Lane car park is a 520 space flat surface car park and was constructed to complement the existing parking offer at Royal Blackburn Hospital and alleviate the traffic congestion in the area around the Hospital.

When Old Bank Lane car park opened in 2018, it was available for use 24/7 all year around with Automatic number-plate recognition cameras (ANPR) with a combination of Pay on Foot parking and permit holder parking.

As the car park was open 24/7, it required managing 24/7 all year round which would have been labour intensive and costly for the Council to provide. Therefore the Council secured an agreement with the East Lancashire Hospitals NHS Trust to manage the car park on behalf of the Council for an annual management fee.

From July 2020 until June 2022, 50% of Old Bank Lane car park was utilised for a Regional Testing Centre, whilst the other 50% remained available for parking. The car park is now fully utilised for parking and has reverted back to a mix of permit parking and pay and display parking.

Currently East Lancashire Hospitals NHS Trust purchase 250 permits for staff parking on Old Bank Lane car park and provides pay and display parking for Hospital patients and visitors.

In the past 3 years, the Royal Blackburn Hospital site has undergone further extensive development which has resulted in the loss of parking spaces previously used by hospital staff. This has placed additional pressure on the Hospital car park as staff are parking in spaces which would normally have been used by patients and visitors to the Hospital.

Following lengthy discussions and negotiations with the East Lancashire Hospitals NHS Trust, it is proposed that Old Bank Lane car park, in its entirety, is leased directly to the Trust to use as a 'staff only' permit holders car park, which in turn allows the Hospital car park, to be returned to full use for patients and visitors.

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#### **4. KEY ISSUES & RISKS**

Old Bank Lane car park has 520 spaces and is used as a combination of Pay and Display and Permit holder parking.

Currently permits are limited to East Lancashire Hospitals NHS Trust who purchase 250 permits at per annum. In addition to this, pay and display parking generates additional income for the council.

Following discussions with the East Lancashire Hospitals NHS Trust it is proposed that the Council lease the whole of the car park to the Trust to enable them to locate their staff on Old Bank Lane car park and free up car parking spaces on the Hospital site for patients and visitors. The Hospital will not be able to operate Old Bank Lane car park as a pay and display car park during the term of the lease.

The Lease will be in place for 5 years and 7 months with a break clause after 3 years.

#### **5. POLICY IMPLICATIONS**

None.

#### **6. FINANCIAL IMPLICATIONS**

The current operation of Old Bank Lane is forecasted to generate £158,000 income per annum from permit parking and pay and display parking. In addition, the Council pays an annual management fee of £66,000 per annum to the Trust to manage the car park 24/7 all year around.

The Council has negotiated an annual lease payment from the Trust for the sole use of Old Bank Lane for permit parking for Hospital staff. The Lease payment exceeds the income currently generated from the car park and during the term of the lease, the Council will not have to pay the management fee to manage the car park 24/7 all year around. These lease arrangements will provide a financial benefit to the Council.

#### **7. LEGAL IMPLICATIONS**

East Lancashire Hospitals NHS Trust will have sole use of Old Bank Lane car park on a full repairing and insuring lease for 5 years and 7 months from the 1<sup>st</sup> Sept 2022 to the 31<sup>st</sup> March 2028, with a break clause after 3 years.

#### **8. RESOURCE IMPLICATIONS**

Officers from the Council's Corporate Property team and Legal services team will have to draft a lease for the East Lancashire NHS Trust for their sole use of Old Bank Lane car park from the 1<sup>st</sup> Sept 2022 to the 31<sup>st</sup> March 2028.

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#### **9. EQUALITY AND HEALTH IMPLICATIONS**

**Please select one of the options below. Where appropriate please include the hyperlink to the EIA.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

## 10. CONSULTATIONS

N/A

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

<b>VERSION:</b>	<b>1</b>
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<b>CONTACT OFFICER:</b>	<b>Kelvin Rutter, Service Lead, Environment and Operations Department</b>
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<b>DATE:</b>	29.07.2022
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<b>BACKGROUND PAPER:</b>	N/A
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