AGENDA ITEM NO. 9(1)

REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE - 1ST APRIL 2014

SUBJECT: REVIEW OF THE IMPACT OF CAR PARKING CHARGES ON TOWN CENTRES

REPORT BY: ACTING DEPUTY CHIEF EXECUTIVE

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1. PURPOSE OF REPORT

1.1 To provide an overview of the current charging system for the Council's pay and display car parks and advise on the impact that the charges are having on town centres within the Borough.

2. SUMMARY

2.1 The parking charges are necessary to regulate the use of the Council's pay and display car parks and contribute towards their maintenance. The current charging system is generally slightly cheaper than in neighbouring towns and there is no evidence to suggest that the current car parking charges are having a detrimental effect on the local economy.

3. LINKS TO STRATEGY

3.1 To work towards the Council's corporate objective of improving peoples' living environment through targeted actions, regulation, information and advice.

3.2 Engineering Division Objective: to provide safe and efficient transport and land drainage infrastructure through quality services delivered by means of cost effective management, maintenance and improvement of the networks.

3.3 The report links to the Safer and Prosperous themes of "Caerphilly Delivers", the Local Services Board (LSB) Single Integrated plan.

4. THE REPORT

4.1 The town centre car parking strategy has evolved and improved since 1996 to provide a balance between provision for commuters, workers, shoppers and visitors. At two to three year intervals, studies of car park usage, ticket sales and income are undertaken and when appropriate changes to the tariffs proposed. Tariffs were last changed in September 2010 (and April 2007 before that).

4.2 Appendix 1 includes a list of all pay and display car parks owned and operated by the Council together with the current charging tariff. The variation in tariffs is a reflection of the attractiveness of the car parks (i.e. demand, location and size) and whether it is aimed at short stay or long stay parking. The lower tariff for Ystrad Mynach is in recognition that this is the only Council owned car park in the town.

4.3 Appendix 2 provides a comparison of the Council's parking tariffs with neighbouring local authorities. Newport has radically altered their approach owing to city centre redevelopment disruption and Torfaen and Blaenau Gwent do not charge. Torfaen is unusual in that its parking charging regime is dictated by that of the privately owned Cwmbran Town Centre Shopping, who decide not to charge. The current charging system is considered similar or slightly cheaper than in comparative neighbouring towns.

4.4 The identified short stay car parks are directed towards shoppers and visitors and are generally well used. The long stay car parks are directed towards both shoppers and workers.

4.5 In Appendix 3 the graph shows the annual income for the Council's off street car parks since 2006/07. The decline in income in 2008/09 and 2009/10 is considered to reflect the downturn in the UK economy at its lowest point. Since then annual income has increased as signs of economic recovery have emerged. This is similarly reflected in the annual ticket sales shown in the table in Appendix 3 (note owing to an upgrade in back office systems this information is only available since 2011/12). The income generated also contributes towards the cost for operating, enforcing and maintaining all of the Council's 82 off-street public car parks.

<u>Impact on town centres – car park operations</u>

4.6 Car parking charges would not be sustainable should shoppers choose to shop elsewhere. Any decision to shop elsewhere will be dependent on many factors one of which is the cost of parking. Other factors include the cost and time taken to travel, the attraction of the shops and the availability of convenient parking. Drivers have to pay to park in most towns but not at most superstores. Shoppers use town centres instead of superstores for various reasons but primarily because of the diversity of shops and the service they receive.

4.7 The parking charges in Bargoed, Blackwood, Caerphilly and Ystrad Mynach compare favourably with other similar sized nearby towns, except Cwmbran. The cost of parking for shoppers when considering shopping in another town is only a very small part of the cost of the journey. Most shoppers are more concerned about the availability of parking and the likelihood of finding a space close to the town centre. Parking charges are necessary as a demand management tool, particularly to differentiate between long and short stay. If charges are too low in short stay car parks, some drivers will use them in preference to less convenient long stay car parks.

4.8 With few exceptions (most notably the Twyn car park in Caerphilly town), the overall parking provision in the main towns is generally sufficient to cope with demand for most of the time. A charging and enforcement regime is necessary to control the car parks and ensure availability for shoppers and visitors. Maintaining a balance of short stay and long stay car parks enables the most attractive car parks closest to the town centres to be available for shoppers and visitors, with workers directed to the long stay car parks sited further away. This helps to support the aims of the Council to promote regeneration and economic vitality for the towns.

4.9 As the information in Appendix 3 shows, car park usage in the town has increased in recent years. Based on this information there is no evidence to suggest the current car parking charges have had a detrimental effect on the local economy.

<u>Impact on town centres – traders perspective</u>

4.10 There is currently much debate nationally about town centre parking, particularly following recommendations in both the Portas and Grimsey Reviews, which have been reported in the media as the two main documents on town centre regeneration in recent years. Recommendations include:

- 'Local areas should implement free controlled parking schemes that work for their town centres and we should have a new parking league table' - *Portas Review*

(Recommendation 9).

- 'Make it easier for motorists to shop by building in a two hour free high street and town centre car parking system to the overall business plan for the location' *Grimsey Review (Recommendation 17).*

4.11 Evidence of practices across the country show that free parking increases shopper numbers. That is why the Association of Town and City Centre Management, working in towns and cities across the UK, is promoting free or limited free parking.

4.12 Within the county borough the three largest town centres of Bargoed, Blackwood and Caerphilly have differing levels of car parking provision, and all three have some free car parking offered by private superstores/shopping centres.

4.13 The greatest tension in car parking is in Blackwood, which competes with Cwmbran for retail spend. Retailers comment that the car parking charges deter people from using the town and make it difficult for them to recruit staff who have to pay to park. The perception is that there is a leakage of consumer spend to Cwmbran where parking is free in this private shopping centre.

4.14 In respect of footfall, the annual figures and chart in Appendix 4 show that footfall in these town centres is declining year on year despite the increase in car park usage and ticket sales. Although this forms part of a wider national trend due to the economic downturn, there is a view nationally amongst retailers and those engaged in town centre planning that parking charges is one of the key issues in town centre regeneration.

4.15 The nature of the county borough's town centres is that they are local centres servicing needs based shopping and consequently the retail offer reflects this. In contrast, larger shopping destinations cater for what people want and so have a far stronger retail provision. It seems that customers accept that they need to pay to park for a destination shop, but consider it should be free in their local town centre.

4.16 Figures recently released by the Local Data Company show that the number of vacant shops on the UK's high streets fell for the first time since July 2010 and now stands at 13.9%. In Wales the trend for vacant properties has tended to be slightly higher than the national figure, although it should be noted that locally, within the county borough's five principal town centres, the figure of vacant units seems slightly lower than in other comparable towns across South East Wales. In comparison to neighbouring valley town centres Caerphilly is economically performing better and a new report produced for Welsh Government ranks Blackwood at number 8 in the top 20 retail destinations in Wales.

5. EQUALITIES IMPLICATIONS

5.1 This report is for information purposes, so the Council's Equality Impact Assessment process does not need to be applied.

6. FINANCIAL IMPLICATIONS

6.1 None. However, should Members wish to pursue an option involving an element of free parking, this would have a significant detrimental impact on the Council's income given 80% of ticket sales in the Council's pay and display car parks is for 1 and 2 hour stays.

7. PERSONNEL IMPLICATIONS

7.1 None.

8. CONSULTATIONS

8.1 The comments received from the list of consultees have been incorporated in this report.

9. RECOMMENDATIONS

9.1 It is recommended that Members note the report.

10. REASONS FOR THE RECOMMENDATIONS

10.1 For information purpose only.

11. STATUTORY POWER

11.1 Road Traffic Regulation Act 1984

Author:	Clive Campbell – Transportation Engineering Manager
Consultees:	Cllr. T Williams - Cabinet Member for Highways, Transportation & Engineering Cllr. D T Davies - Chair of Regeneration Scrutiny Committee Cllr. E M Aldworth - Vice Chair of Regeneration Scrutiny Committee Sandra Aspinall – Acting Deputy Chief Executive & Director of Education Terry Shaw – Head of Engineering Services Pauline Elliott – Head of Regeneration and Planning Dean Smith – Principal Engineer (Traffic Management) Kasro Khuder – Senior Assistant Engineer (Traffic Management) Janice Bennett – Group Manager, Business Enterprise Support Andrew highway – Town Centre Manager Stephen Harris – Acting Head of Corporate Finance Michael Eedy – Finance Manager Sian Phillips – HR Manager

Background papers: none

Appendices
Appendix 1 – Existing pay and display off-street car park sites within the county borough
Appendix 2 – Car park charging comparisons with neighbouring authorities
Appendix 3 – Pay and Display Car Park Income and Ticket Sales
Appendix 4 – Annual footfall figures for town centres