

Report of the Interim Director of Environment

Executive Board
28th September 2015

Llanelli Car Park

For Executive Board to consider a Council Motion to Pilot Free Two Hour Car Parking for a Six month Trial Period

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1.0 INTRODUCTION AND BACKGROUND

1.0 County Council at its meeting on 15th April 2015 considered the following motion:

"This Council acknowledges the current challenges facing Llanelli Town Centre and; to show its support for local businesses and traders, to generate footfall within the Town Centre and compete with out-of-town retail parks, requests the Executive Board to implement a 6 month trial of 2 hour free parking in Council car parks in Llanelli Town Centre."

1.1 County Council resolved that the Motion be supported and the proposal to implement a 6 month trial of 2 hour free parking in Council car parks in Llanelli Town Centre be referred to the Executive Board for consideration.

1.2 This report provides information along with options for Executive Board to consider, relative to the resolution made. The report provides information on :

- Parking Policy
- Information and evidence on car parking performance for Llanelli.
- Research undertaken on the impact of parking charges on town centres and
- Implications that will arise should Executive Board decide to introduce free car parking

1.3 The report also requests Executive Board to consider the motion within the context of the wider support provided for town centres, together with the current budget decisions that need to be implemented.

2.0 PARKING POLICY

2.1 The County Council Policy on parking and charging is set out in the Integrated Parking Strategy (IPS). The Strategy reflects wider national and regional transport policy which aims to strike a balance between the economic, environmental and social priorities for a modern day society.

2.2 The IPS acknowledges that parking charges help balance the needs of local communities, individuals who rely on public transport, local economies and business needs with the needs of the environment. The Integrated Parking Strategy sets the following aims and objectives to help the authority achieve this:

- To facilitate parking provision and management that maximises the use of existing stock by encouraging churn.
- To ensure that parking facilities are safe, accessible and convenient and that they comply with the Disability Discrimination Act
- To promote more sustainable travel choices through parking provision and pricing at the same time as maintaining economic viability.
- To be consistent with national and regional parking objectives and with the strategic transport policy in the Council Local Development Plan

2.3 The strategy prioritises actions to achieve the objectives. The actions include the following:

- To prioritise short stay car parking in town centres. This maximises the number of vehicles that can use the space in one day and thus the economic benefit to the local business community. This is supported by long stay car parking on the periphery of towns.
- To encourage Shopmobility in Town Centres to support the Disabled
- To improve integration with public transport e.g. facilities near rail and bus stations.
- To provide coach and other parking.

2.4 The County Council's Integrated Parking Strategy is consistent with the Wales Transport Strategy, the former Regional Transport Plan and now the Local Transport Plan for the Swansea Bay City Region. These important strategies and plans seek to:

- Encourage safer, healthier and more sustainable travel.
- Improve the sustainability of transport by improving the range and quality of, and awareness about transport options including those which improve health and well being.
- Improve the efficiency, reliability of the movement of people and freight within and beyond south west Wales to support the regional economy.
- Improve integration between polices, service provision and modes of transport in South West Wales.
- Implement measures which make a positive contribution to improving air quality and reducing the adverse impact on health and climate change including reducing carbon

emissions.

The former Regional Transport Plan also confirmed that the local authorities should work collaboratively to adopt a consistent approach to charging relative to economic activity and the availability of public transport or other alternatives in the specific area.

3.0 CONTEXT

3.1 In working to these objectives, the County Council supports a mix of transport interventions and services within town centres. For example, investment is made into the maintenance and support of highway and parking infrastructure, the public transport system through direct revenue support for services and concessionary fares, bus stations and publicity, cycling and walking facilities and Shopmobility.

3.2 The Council recognises price is also a key demand management tool to encourage turnover of parking space, thereby reducing congestion, stimulating traffic flow to improve air quality and road safety. The greater the churn of cars parking, the more people are spending money in town centres. Charges are also set relative to the socio economic factors of town centres. There are different charge rates and charge bands for Carmarthen, Llanelli and the rural towns

3.3 The Council motion suggests that the introduction of free car parking will demonstrate council support for businesses to generate footfall and to help the town centre compete with out of town retail parks. It reflects the typical perception of the impact of charges on town centres without the wider benefit and consideration of why charges are levied in town centres. There is generally a considerable amount of opinion and speculation over the relationship between car parking provision and town centre prosperity.

The perception that charges have a detrimental impact on town centres is not unusual and several studies have been undertaken to examine whether there is any evidence to demonstrate a link.

3.4 The British Parking Association undertook research in conjunction with the Association of Town and City Centre Management. Their work concluded that there is no clear relationship between car parking charges and the amenities on offer in a location.

3.5 The Transport Research Laboratory (TRL) undertook a review of parking measures and policies in 2010. The TRL work recognised the importance of parking and pricing policy and confirmed that modern car parking policies strive to use parking facilities efficiently by linking optimal parking supply and price and that *too much supply is as harmful as too little, prices that are too low are as harmful as those that are too high.*

The TRL review confirmed that there are two roles of parking :

1. To balance supply and demand
and
2. Use parking to meet other policy objectives such as Traffic management goals,

accessibility for business and shoppers.

3.6 The TFL report recognised there are often conflicting perspectives on parking whilst parking charges represent only a relative small proportion of a journey's cost. It also confirmed that if parking policy is viewed independent of transportation policy and as long as on and off street parking is treated independently, there will be a dysfunction, leading to a degradation of public transport services and infrastructure.

3.7 Whilst charging for parking has been traditionally treated as a step function, with prices increasing incrementally at infrequent intervals, parking demand is a continuous function, having experienced steady growth over recent years due to increases in traffic growth. As a result, parking charges tend to lag behind increases in demand so pressure is continuously placed on the highway network. In this way parking pricing policies applied in isolation from other interventions may not be an effective management measure.

3.8 Other studies undertaken have also arrived at a similar conclusion i.e. the main motivation for choosing parking location is convenience rather than expense. Research undertaken by the RAC identified that the average annual parking cost is circa £42 per vehicle registered and £47 per household. By contrast, the amount spent on fuel is circa £1,600 per annum. A typical family motor car averaging 10,000 miles per annum will cost between 37 and 42 pence per mile travelled to own and run.

3.8 There is therefore a need for careful application of policy if the right balance is to be achieved. The right balance will assist with:

1. Sustaining a public transport network as much as possible
2. Ensuring there is no excess of demand over supply for parking.

3.9 From a Carmarthenshire perspective revenue from car park charges has helped sustain:

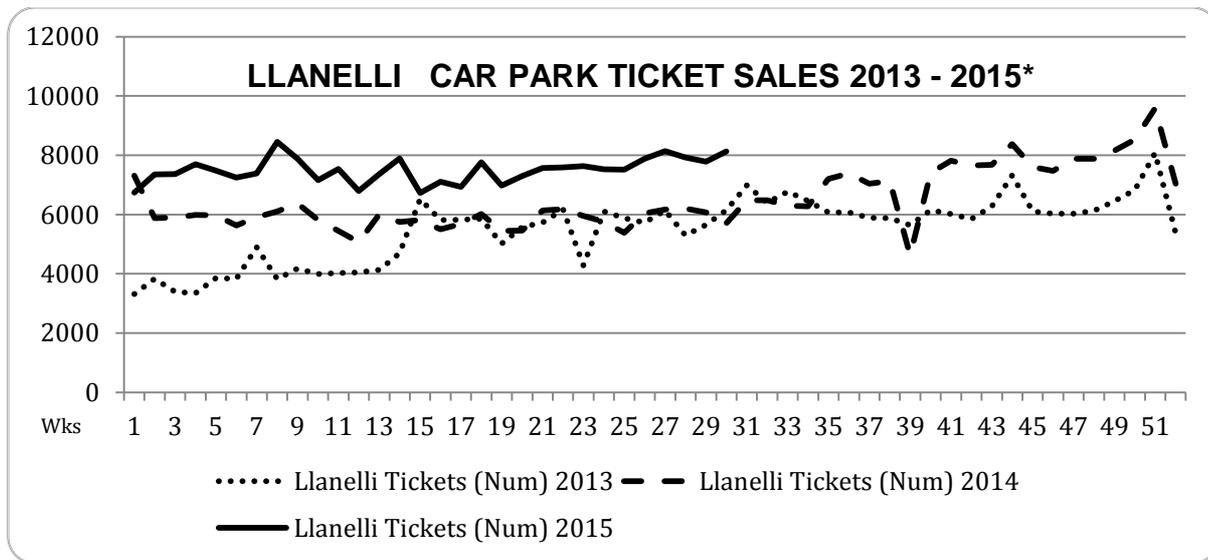
- public transport
- major capital investment into the Multi Storey car park
- the highway infrastructure
and
- Shopmobility

thereby ensuring the authority is able to support a mix of transportation options for the town centre. This is consistent with the policy objectives set out above and good practice identified in the research.

4.0 LLANELLI TOWN CENTRE

4.1 The performance of the Llanelli car parks has been analysed to establish trends on usage and the implications of introducing a pilot scheme for free two hour car parking for six months. The competitive position of Llanelli Town Centre car park charges relative to other towns across South West Wales has also been explored

4.2 The trend in terms of overall ticket sales for the Llanelli car parks is positive both for year on year sales and in year sales, as demonstrated in the graph below:



* Changes were introduced in late August 2014 with the introduction of charging for Sundays and Blue Badge holders.

4.3 There are seasonal variations across the year, sales are also influenced by the free car parking days introduced for events run by the town centre outside of the core Christmas trading period.

4.4 The average income per week, relative to ticket sales for the calendar year 2013 was £7,240 compared to £8,948 in 2014 and to in 2015 to date it is £10,227 per week.

4.5 There are four price bands for tickets ranging from one hour to 4+ hours in the short stay car parks. The distribution of sales by price band in Llanelli is:

- 17.81% of ticket sales related to a 1 hour charge band.
- 14.90 % sales relate to the 2 hour charge band.
- 5.18% relate to a 3 hour charge band.

and

- 61.11 % relate to the four hour plus charge band.

People are purchasing tickets for a longer stay charge band in Llanelli. This may be due to the marginal difference of 40p between the 2 hour and the four hour charge band. This may also suggest that people are not overly price sensitive when making a choice around parking at Llanelli as they opt for a 4 hour band at a twenty percent premium.

4.6 Llanelli Competitive Position.

A comparison of car park charges in Llanelli compared to similar towns across South Wales is

set out below.

Town	1 Hour Charge	2 Hours Charge	3 Hour Charge	4 Hour Charge
Llanelli	1.20	1.60	1.80	2.00
Neath	1.30	1.80	2.30	2.80
Port Talbot	1.30	1.80	2.30	2.80
Aberystwyth	1.30	1.80	2.50	3.50
Carmarthen	1.60	2.20	3.40	3.40

The charges for Llanelli are extremely competitive when compared with towns of a similar demographic and function.

5.0 CURRENT ISSUES.

5.1 An analysis of the revenue reduction for Llanelli indicates that free 2 hour car parking for a period of 6 months will lead to an estimated revenue reduction ranging from a minimum £130,000 and greater if people change parking behaviours as income generated from the 3 and 4 hour band amounting to circa £249,000 would get reduced. Other towns are also likely to demand a similar reduction. Should this happen a further minimum revenue reduction of £586,434 would arise.

5.2 Revenue from car parking sustains key highway and transportation related services for the Council, any reduction in revenue will therefore have an impact on service provision such as public transport. Public transport support helps sustain over 800,000 passenger journeys per annum, with many of the journeys concluding at town centres. A reduction in revenue for public transport will impact on visitors to the towns and also have a longer term impact on Social Care and Health system as keeping people mobile helps sustain independence for longer. Many elderly people rely on public transport.

5.3 There are also a number of initiatives that are in abeyance due to ongoing uncertainty following receipt of the Council motion. The initiatives include:

- price increase of 20 pence per charge band for the current year to date
- evening charges for 2 car parks (John Street Carmarthen and Eastgate Llanelli)
- charging at Llanelli Leisure Centre that have not been introduced to date.

5.4 The County Council has approved a policy whereby town centres are offered five free car parking days per year out of the core period

Llanelli town did not make use of all free car parking days in 2014/15. Only three of the five free days were taken up by the town and to date no request have been received for 2015/16.

6.0 CONCLUSION and OPTIONS for CONSIDERATION

6.1 Whilst there is a perception that parking pricing spoils economic activity by discouraging customers, there is evidence that parking pricing provides economic benefits as it increases turnover of parking spaces. It makes finding a space easier, reduces the number of parking spaces required at a location which can provide longer term financial benefits and reduce traffic problems such as congestion and air quality. General levels of provision may also affect modes of travel, in turn impacting on the quality of the shopping environment.

6.2 The provision of free car parking will reduce revenue for the Council which would result in a reduction in investment for other highway and transport related services leading to further loss of services. It may also not have the desired outcome in terms of trade for the town. However it is recognised there is a need to respond to the concerns of the town centre traders. A number of options are therefore set out for consideration. The options for consideration are:

6.2.1. Executive Board may wish to accept the motion and address the minimum £130,000 revenue impact by imposing deeper cuts to services which may have a disproportionate impact on others, such as those who use the public transport network. This option would also generate similar demands from town centres across Carmarthenshire with additional minimum revenue implications of £586,434. The County Council would also have to invest in modifying ticket machines and undertaking detailed surveys to measure the impact of the change, if it is approved.

6.2.2 Executive Board may wish to retain the existing charges together with those charges that are held in abeyance and then encourage the town centre to maximise the take up of the free car parking days available to the town centre. This would help address a current budget pressure of £109,000 on the parking account.

6.2.3 Alternatively Executive Board may wish to retain the existing charges but postpone the introduction of evening charges and the 20p increase for the current year, but introduce next year. The revenue implication is £109,000 within the current financial year.

6.2.4. Executive Board may wish to introduce a two hour period of free car parking between 3:00 p.m. and 5:00 p.m. each day for a period of one month in October. Such an initiative would enable a further analysis of demand to measure the impact of free parking.

6.2.5 Retain all current and planned charges but seek town centre trader support for the introduction of a scheme whereby traders are able to discount the cost of their goods/services where users have produced evidence of parking on the day of purchase. This can be facilitated with a double ticket issue. This could benefit trade for shops and help sustain existing services that are important to the town centre.

6.2.6. Retain all charges but explore an option to introduce a pay on exit system at the multi storey car park in lieu of the pay and display / pay on foot system. Such an option would require capital investment of circa £61,000 and further investment in staffing resource of approximately circa £54,000 to ensure there was permanent cover on site for

addressing customer payment problems and ensuring cash machines are topped up.

6.2.7. The Leisure Centre car park at Llanelli is under constant pressure as the public are using the facility as a long stay general car park to the detriment of leisure centre customers and the leisure centre. It is therefore proposed that charges are introduced at the leisure centre, to discourage non centre users to park at more appropriate locations. Appropriate dispensations for leisure centre users are accommodated within the charging system.

6.2.8. Executive Board may wish to reintroduce the Llanelli Task Force to be chaired by the Leader.