

Analysis of Prestatyn T.C.'s proposal to subsidise DCC car parks - (FAQ style)

## 1. Our role in car parking matters

### 1a) *Why does car parking sit within Highways & Environmental Services ?*

Two reasons;

- i) we look after and maintain the assets, and
- ii) car park provision affects road users in general, so we have a direct interest as the Highway Authority.

### 1b) *How does off-street parking provision affect highway users ?*

- i) it affects demand for on street parking ,
- ii) it can lead to illegal parking, and the associated obstructions .
- iii) it can generate additional traffic movements, searching for on-street spaces,
- iv) it can generate congestion around high-occupancy car parks, especially any that are full or nearly full. These additional movements can affect pedestrian safety and the free flow of traffic.

## 2. The Town Council's Interest

### 2a) *Why is the Town Council keen to subsidise charges ?*

The Town council is interested in the level of economic activity in the town (and so is the County Council ). The cost of car parking *can* be a deterrent for shoppers, so (according to the TC) it follows that, if you make car parking cheaper, you will generate additional shopping trips, and/or retain more of your current trips.

### 2b) *What's wrong with the logic outlined above ?*

The logic assumes that car parking price is the dominant factor when shoppers choose a destination (or that it has a high significance). But the available evidence suggests that the dominant factor is actually the 'attractiveness' of the whole shopping environment / experience. The ability to park, at reasonable cost, is secondary to the attractiveness of the shops.

### 2c) *So what policy should DCC be adopting ?*

When it comes to parking; in most cases, the evidence points to ease of parking being more significant than the cost. For that reason; our parking strategy needs to be very mindful of space availability. It shouldn't be based on cost alone.

The council's pricing regimes should vary according to demand. This needs to be a fundamental principle for the council going forward. This principle will therefore be embedded in the paper that is being presented to the council's Communities Scrutiny Committee in July (on car parking charges).

### **3. Role of car park charging regimes in shaping behaviour patterns**

#### ***2a) Why are charges made in car parks ?***

Lots of reasons, including

- I) to pay for the provision and maintenance of the car parks,
- II) to optimise the economic benefits that we can obtain from the available spaces (see below).

In busy shopping car parks we are trying to optimise turnover (space generation), with an eye on the typical (pedestrian) 'shopping trip' time. In this way we can maximise the 'potential spend' in a town. For example; we don't want employees parking in shoppers' car parks (or in on-street parking bays either). So, we need to use pricing regimes to attract employees to the more outlying car parks, and deter them from taking shoppers' spaces.

There's no such thing as a free car park – somebody has to pay for it to be built and maintained. However, because most of our car park assets are 'already paid for', car park income effectively becomes another revenue stream for the council. This revenue income can be used to keep our roads in a safer & better condition that would otherwise be the case.

As part of the F&F process, the highways budget was cut by £250,000 this year, with further cuts possible in 2017-18. Given that background, I think members could legitimately be asked for their view on the general level of car park charges, as part of the F&F process. Especially as charging is an absolute necessity in any event, i.e. to control behaviour.

#### ***2b) What can happen if you mess with car park charging regimes ?***

Lots of things, including

- i) people cruise round the town looking for the free or cheap spaces, sometimes wasting more fuel than they are saving in charges (but this doesn't stop them).
- ii) Unexpected changes in behaviour (for example the 'Holywell experience' – see Appendix).
- iii) In Llangollen we increased the duration of the medium tariff from 3hrs to 4hrs, and there was a big reduction in the numbers of all day tickets purchased.

### **4. Prestatyn Town Council proposals**

#### ***3a) What are the Town Council's proposing ?***

That the Fern Avenue and Ty Nant car parks should be free, and that PTC will compensate DCC for the anticipated shortfall in income at Kings Avenue car park.

#### ***3b) What are the likely behavioural changes in the town if DCC agrees to this proposal ?***

- i) Migration of (most of) the vehicles currently in the PTC free car parks, to the lower end of Ty Nant.
- ii) Migration of (many of) the vehicles from the DCC run car parks at Offa's Tavern, and Kings Avenue.
- iii) Possibility of more employee car parking in Ty Nant

### **3c) What are the cost implications for the council ?**

There will be a loss of income from the car parks that are made free, and also from the Kings Avenue and Offa's tavern car parks.

The amount of lost income depends upon which car park charging regime is in force. The DCC charges are currently being reviewed, and the matter is going to scrutiny on 9 July, and will then come to cabinet (hopefully on 28 July) with options for revised charging levels.

### **3d) How will the PTC contribution be calculated ?**

For this year (2015-16) we will provide the TC with an estimate of likely lost income, i.e. based on the existing DCC charges. The amount paid by the Town Council will be the actual difference between last year's income, and this year's income (plus the subsidy that they already provide for Fern Avenue).

In all cases, the anticipated income will be affected by occupancy levels and 'price elasticity \*'. For future years, we will therefore be attempting to model both of these factors.

*\* price elasticity is the amount by which demand drops-off after a price increase. It will vary car park by car park, according to demand. In paid-for car parks, occupancy levels will be taken as a measure of demand.*

### **3c) What are officers recommending ?**

Firstly, that DCC should not abdicate its responsibility for policy in this area, because;

- i) The policies adopted affect our ability to deliver on safety & the free flow of traffic, and
- ii) The policies adopted can affect levels of economic activity (which the council also has a keen interest in)

Secondly; that we should accept the PTC offer on condition that;

- i) There are no asset transfers to the Town Council
- ii) The arrangement is temporary, and can be ended at any time buy the council, e.g. if there is any movement in relation to the development of Ty Nant
- iii) PTC will compensate DCC for the whole of the lost income on all of its town centre car parks (but the coastal ones will not be included in any calculations).
- iv) From 2016-17 onwards; the losses will be based upon predictions, of spend, using the new charging regime (i.e. if the experiment continues), A first draft of the model used to undertake these calculations is attached for information (but it will not be needed for the 2015-16 subsidy).

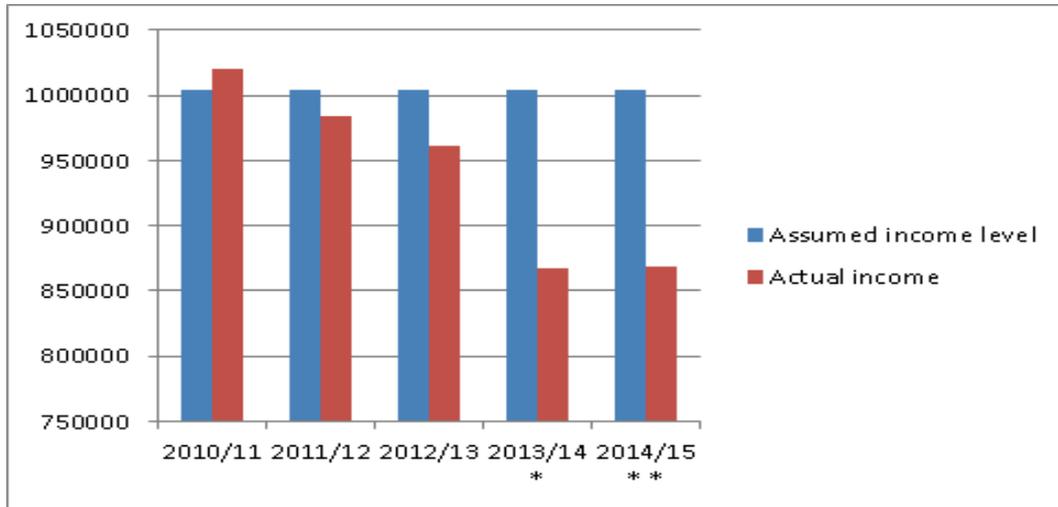
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## Appendix One – current DCC income levels v Assumed

The graph below shows car park income versus "target income" over the past 5 years: Income has now stabilised. The shortfall last year was £137k. This year's predicted shortfall is £135k.

The target income level is an entirely arbitrary figure. It should be amended if/when we change the charging regime.



# Free parking in Holywell 'an absolute nightmare'

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**TRADERS and community leaders in a town which fought for free parking for a quarter of a century are now calling for the charges to be brought back in after less than five months.**

Fees levied on motorists stopping in Holywell were scrapped in October, meaning people can now park in council-owned car parks in the town free of charge. The car parks affected are located at Tower Gardens, at the top of Well Hill, at the old Somerfield site and near the Lidl store. Flintshire councillor Rosetta Dolphin, of Holywell, estimated more than 200 parking places were affected.

Campaigners who had fought for free parking for about 25 years said they were jubilant. But now – less than five months since the new arrangements came in – some are claiming overflowing car parks and a lack of spaces are “killing trade”.

Holywell Mayor Cllr Ted Palmer said parking officers are now monitoring the car parks in the town after rumours commuters working in places as far away as Chester are parking up in Holywell for the day before sharing a lift to work. They want the a review of the situation and members of Holywell’s Town Centre Sub Committee will meet with representatives from Flintshire Council to find a way out of the “nightmare”.

Cllr Palmer said: “The situation is under review at the moment. We said a long time ago that something would need to be done. There should be a short stay limit I think.” He added: “At the end of the day the town council have fought for this for 25 years so we can’t rock the boat. “We were all saying the car parking charges were killing the town. Now they have gone and people are saying the same. “There are rumours people are car sharing and they are meeting at the car parks then going to work. The car parks are being monitored now.”

The decision to scrap the 20p charge it used to cost to park in Holywell was greeted with widespread acclaim in October. But since the introduction, businesses and shoppers said the move had been “detrimental”, fearing visitors cannot find anywhere to park and are being driven away from the town.

Helena Aspinall, who lives in Gorsedd, said she usually drives into Holywell four times a week. Mrs Aspinall said: “Visitors and shoppers to the town cannot find parking spaces. “There is a particular problem in the Somerfield car park which is adjacent to the library. “The car park behind Mr Bevan's is apparently full at 7.30am. She added: “It is an absolute nightmare, it is having a knock-on effect on trade.”