

Report to Economic Growth Scrutiny Panel

Agenda
Item:

A.4

Meeting Date: 27 February 2020
Portfolio: Environment and Transport
Key Decision: No
Within Policy and
Budget Framework Yes
Public / Private Public

Title: Free After Three Parking Trial
Report of: The Deputy Chief Executive
Report Number: CS 08/20

Purpose / Summary:

This report provides an update on the Free After Three parking trial and confirms the extension of the trial for a further period from April to end of August 2020.

Recommendations:

Report presented for information and comment.

Tracking

Executive:	10 February 2020
Overview and Scrutiny:	27 February 2020
Council:	

1.0 INTRODUCTION

- 1.1 The Free After Three trial started on Thursday 01 August 2019 offering free car parking after 3.00pm in three city centre car parks (Castle, Caldew Riverside and Viaduct) with the aim of supporting local retailers and businesses and to increase use of the city after 3.00pm.
- 1.2 The trial was originally intended to run for a period of eight months from 01 August 2019 to 31 March 2020. After a further period of consultation with stakeholders, Executive at its meeting on Monday 10 February 2020 confirmed its approval to extend the trial for a further period to 31 August 2020.
- 1.3 This report provides an update on the impact of the trial to date, confirms the decision to extend the trial for a further period and highlights the predicted financial implications in relation to income generated from car parking.

2.0 Extending the trial

- 2.1 A Portfolio Holder Decision Notice was published on 23 January 2020 confirming the intention to extend the trial for a further period subject to the outcome of consultation with key stakeholders. The Constitution allows the Portfolio Holder to make non-key decisions in their area of responsibility under £70,000. The trial scheme including the impact of any extension period falls within this financial limit
- 2.2 Formal consultation with stakeholders ended on Friday 07 February 2020. The Council did not receive a single comment in response to the consultation.
- 2.3 Executive approved the extension of the trial at its meeting on Monday 10 February 2020. The trial is now scheduled to end on Monday 31 August 2020 subject to any future decision to extend the arrangements further.
- 2.4 A formal S35c notice will be advertised, end of February 2020, in the local newspaper to confirm the charging arrangements for all car parks to be implemented from 01 April 2020. This notice is published annually to confirm any changes to car park charges from April.

3.0 Reasons for the extension of the trial

- 3.1 Extending the trial will provide data across a longer period to allow for a more robust assessment of the impact of the scheme whilst at the same time, continuing to support

our local retailers and businesses to meet the challenging conditions on the high street. The extension recognises that:

- The closure of Victoria Viaduct to pedestrians and cars has in all-likelihood distorted take-up of the free offer in one of the car parks
- Feedback from car park users was generally positive although further work is needed to assess the impact on footfall in the high street
- Despite the marketing campaign, further work is needed to raise awareness of the scheme – during the trial some car park-users continued to pay for parking after 3.00pm despite clear notices in the car parks
- The ‘cost’ of the trial, measured in lost revenue from sale of car park tickets after 3.00pm, is currently falling within the forecast figures. There is confidence therefore that the cost of the extension period will likewise fall within forecast.
- Extension of the trial into month13 (to end of August 2020) supports the peak, school summer holiday period.

4.0 FINANCIAL IMPACT OF THE TRIAL AND EXTENSION

4.1 Based on current take-up levels and assuming full awareness of the scheme, it is estimated that the trial is costing £3,000 per month based on the loss of income the sale of car park tickets across the three trial car parks. And, taking account of ‘drift’ from other car parks as people seek out free parking alternatives. Across a full year, the cost is predicted to be in the region of £36,000 (£39,000 for the 13 months to end of August 2020 in lost revenue). There are of course other factors affecting car park income which are not accounted for in these assumptions.

Trial Car park	Participation (reduction in ticket sales) Est. Full year	Predicted lost revenue Est. Full year
Caldew Riverside	2,448	£5,832
Castle	2,703	£5,878
Viaduct	6,285	£14,632
Pay by mobile	528	£1,303
Total:	11,964	£27,645

- 4.2 As mentioned above, a further factor to consider is the drift from non-trial car parks as people seek out the free alternative. This is best illustrated in West Walls car park which is just a short walk from Caldew Riverside car park and where we have seen a reduction in ticket sales. There will be other factors to consider but it is safe to assume that many will have sought out the free alternative just a short walk away, relocating existing car park users and not necessarily generating new or additional footfall. The picture for the short stay car park also suggests that car park users are prepared to pay for the convenience of parking closer to the centre – ticket sales and income for the Civic Centre car park are consistent or up. The impact on Lowther Street car park is low.

Drift from other car parks	Participation (reduction in ticket sales) Est. Full year	Predicted lost revenue Est. Full year
Lowther Street	330	£291
Sands Centre	873	£3,432
West Walls	2,679	£5,040
Civic Centre	(+228)	(+£999)
Total:	3,654	£7,764

- 4.3 Income across our car parks is below target creating a pressure on budgets in 2019-20. Clearly, any decision to extend free parking offers impacts on our ability to hit the income targets, adding to a pressure on budgets. This has been identified in the 2020/21 budget process. The current predicted position for 2019/20 year-end is as follows:

All car parks		
2019-2020	Target income:	£1,209,900
2019-2020	Forecast income:	£1,056,951
Shortfall/ Pressure:		Est. £152,948

Includes income from ticket sales, contracts & Penalty Charge Notices

5.0 FEEDBACK ON THE CURRENT TRIAL

- 5.1 During the initial weeks of the trial, officers carried out short surveys with car park users on their level of awareness of the scheme, whether this affected their decision to visit

Carlisle that day and to capture their thoughts generally of the initiative. Car park users were also encouraged to complete an on-line survey. A total of 219 surveys were completed.

- 5.2 Officers also engaged with retailers / businesses in the city centre to gather views on the scheme and whether there had been any noticeable impact in terms of customer numbers.
- 5.3 Users of the trial car parks were invited to complete a short on-line survey. Surveys (39 responses received) were also carried out with local business owners / shopkeepers to ascertain their views on the initiative and to help to assess its impact
- 5.4 There is limited information available to form any clear views as to the impact of the trial on footfall and spend in the city centre.
- 71% of businesses commented that they had not noticed any increase in customer spending; 65% had not noticed any increase in footfall.
 - Feedback on the scheme was generally positive from businesses; a number of business owners commented that the free period should be earlier in the day.
 - Almost 40% of car park users indicated they would simply park in the same car park if the free parking was not available
 - 27% of car park users confirmed that they would have chosen a private car park or an on-street space should the scheme not have been available
 - The closure of Viaduct Rd has impacted on numbers using the Viaduct car park.

6.0 PROMOTION AND AWARENESS RAISING

- 6.1 Publicity and promotion of the trial included:
- Webpage www.carlisle.gov.uk/freeafterthree
 - Printed banners in each participating car parks
 - Changed signage / artwork on the pay and display machines
 - Digital Banner - side of the civic centre
 - Social Media - Facebook (Carlisle City Council and Discover Carlisle), Twitter, Instagram and LinkedIn
 - A4 poster distributed to local businesses
 - Press coverage
 - TIC screen advert
 - Carlisle Focus residents' magazine advert (back page)
 - A6 postcard
- 6.2 Despite the above, we know that a small number of people continued to pay for their parking, purchasing parking tickets after 3.00pm. It will be important therefore to

continue to promote the trial and engage further with local retailers to assist with promotion to maximise awareness and take-up.

7.0 MONITORING AND EVALUATION

- 7.1 Further work is needed to monitor the impact of the trial extension. Whilst it is relatively easy to assess and draw conclusions of the impact of the trial on car park revenue (reduction in sale of tickets) making the link with increased footfall into the city centre is more difficult. Consideration will be given to how we can further gather the view of businesses / retailers in this regard to inform planning and decision making going forward.
- 7.2 Due to the timescales for consulting on changes to car parking charges, Executive will be asked to consider options for the future of the Free After Three trial, considering options as early as June 2020. Options going forward will be as follows:

Option	Action
Extend or vary the trial for a further period	<ul style="list-style-type: none">• Consultation with stakeholders required• Executive to approve options, after consultation and assessing the benefits against financial implications.• S35c notice to be published to confirm arrangements from 01 September 2020
Confirm the arrangements	
The trial ends on 31 August 2020	<ul style="list-style-type: none">• Standard charges will apply from 01 September 2020.• No need for formal action / consultation.• No need to publish S35c notice• Awareness raising needed in the car parks

8.0 CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 8.1 The extension of the Free After Three parking trial for a further period will allow for a more robust evaluation to be carried out on the impact of the trial over a full year and at the same time to continue to provide support for businesses and retailers on the high street to meet the ongoing challenging conditions and to encourage use of the city later in the day. It is anticipated across that other parking initiatives will also be developed and tested across the year to support the local economy, such as:

- 8.2 Scrutiny Panel is recommended to receive the report for information and comment.

9.1 The trial supports the Council in delivering its key priority...

Contact Officer: **Colin Bowley** **Ext: 7124**
Neighbourhood Services Manager

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- ## CORPORATE IMPLICATIONS:

FINANCE – The financial implications of the extension to this trial are set out in the main body of the report with a potential annual reduction in income of approximately £36,000 across a full year; however, the benefits to city centre businesses and retailers will need to be considered as part of the review process. The estimated shortfall in total income

generated from car parking is recognised and a budget pressure identified as part of the 2020/21 budget process.

EQUALITY –

INFORMATION GOVERNANCE –

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 10 FEBRUARY 2020

EX.27/20 EXTENSION OF FREE AFTER THREE TRIAL
(Non Key Decision)

Portfolio Environment and Transport

Relevant Scrutiny Panel Economic Growth

Subject Matter

The Environment and Transport Portfolio Holder reported (CS.07/20) that the Free After Three trial had commenced on 1 August 2019 offering free car parking after 3.00 pm in three city centre car parks (Castle, Caldew Riverside and Viaduct) with the aim of supporting local retailers and businesses and to increase use of the city after 3.00 pm.

The trial was currently scheduled to end on 31 March 2020, with standard charges being applicable in the 'trial' car parks from 1 April 2020 unless action was taken to extend the scheme. Options to extend the trial for a further period formed part of the early considerations. Consideration was also being given to parking provision for large events / pay on exit.

Portfolio Holder Decision (PF.1/20) confirming the intention to extend the trial for a further period, subject to the outcome of consultation with key stakeholders, was published on 23 January 2020. Details of the reasons for extension; the financial impact of the trial / extension; and feedback on the current trial were provided at Sections 3, 4 and 5 of the report.

The Environment and Transport Portfolio Holder further reported that no feedback had been received in response to consultation on the extension of the trial; before moving the recommendation set out.

Summary of options rejected that the extension of the Free After Three trial should
not be confirmed

DECISION

That, having considered the impact and costs of the trial, the Executive confirmed the extension of the Free After Three trial to 31 August 2020 for the reasons outlined in Report CS.07/20.

Reasons for Decision

The trial supports the Council in delivering its key priority – To support business growth and skills development to improve opportunities and economic prospects for the people of Carlisle