

Assessing the Impact of Car Parking Charges on Town Centre Footfall

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Prepared for the Welsh Government [by mruk Research]

1. Executive summary

1.1 Background

1.1.1 The Welsh Government is looking to improve its evidence base on the relationships between car parking charges and town centre footfall. mruk therefore undertook this research in order to examine the relationships between local authority decision making in relation to parking charges in Wales, the views of people visiting town centres across Wales, local stakeholders and examples of best practice across the UK.

1.2 Methodology

1.2.1 mruk undertook a literature review of existing evidence, a series of six in-depth interviews with Local Authorities, 16 in-depth interviews with business owners/ workers and 208 instreet interviews with town centre visitors in five key towns across Wales¹. More detailed information on the methodology can be found in Chapter 2.

1.3 Key findings and conclusions

1.3.1 Charging for car parking is a complex issue. It is only one aspect of a complex interplay of factors influencing willingness to travel by car, time and money spent, and business activity in town centres. It is very difficult to separate the influence of car parking charges from other factors.

1.3.2 Car park charging is often perceived, particularly amongst businesses, as being a key determinant for changes in footfall levels in town and city centres. Over three-quarters of the business owners / workers interviewed suggested that car parking options have an impact on the number of people coming into the town centre and therefore on their custom. However, the available evidence almost entirely anecdotal.

1.3.3 Beyond anecdote, there is very little published evidence which links changes in car park charges to changes in town centre footfall. Local Authorities and other stakeholders similarly rely mostly on anecdote when relating car park charges to footfall. However, their feedback does suggest that a relationship exists.

1.3.4 Visitors to town centres suggested that car park charges impact on how long they to remain in the centre and, consequently, how much they spend whilst there. However, the general availability of spaces is felt by visitors to be more important than cost in their overall decision about visiting. Traffic flow and parking signage are felt by visitors to have the same,

¹ 1 Including councils in Carmarthenshire, Denbighshire, Newport, Swansea and Wrexham, town centre interviews in Aberystwyth, Llanelli, Newport and Ruthin

if not greater, effect on their decision to visit the town centre, how long they spend there, and how much money they spend.

1.3.5 Out of town developments were unanimously cited as being at least partly responsible for having a detrimental impact on footfall and business trade in the town and city centres. The fact that most of these developments offer free parking was felt to give shoppers a reason to go to them over town or city centres.

1.3.6 Whilst a 'blanket' free parking strategy has been suggested to encourage more car park users, these were generally found not to benefit target visitors (for example, the spaces were used primarily by town centre workers who were taking up the spaces all day, rather than shoppers) and consequently had an unexpectedly negative impact on footfall.

1.3.7 Local Authorities often primarily use car park charges as a revenue stream, ignoring or deemphasising the complex, nonlinear effects that they can have on town centre footfall. Some stress the importance of finding a compromise between generating sufficient parking revenue and keeping charges at a rate that will not alienate shoppers and drive them out of the town or city centre.

1.3.8 There are also three broad types of methodological conclusions that can be used to inform future research. Firstly, **there is a lack of robust evidence that can be used to link car parking strategies and town centre footfall**. Robust, numerical information based on recordings of footfall, business revenue, car park usage, and changes to car parking strategies is not available amongst the Local Authorities surveyed. Secondly, **charging for car parking is one of a complex array of factors that can influence town centre vitality**. Disentangling them through qualitative research and a small-scale survey is a challenge. Further research using larger sample sizes would be needed to build a stronger evidence base. Finally, **town centre economies are highly localised and are hyper-specific**. Towns are very different economically; different factors are at play across locations. Parking strategies will need to be tailored to local areas to maximise the impact on footfall.

1.4 Recommendations

1.4.1 **Car park charging should not be viewed in isolation from other factors (availability of parking, signage, traffic flow) which affect willingness to drive in town centres**. An overall systemic approach could be taken to future research which examines this complex interplay, rather than one aspect of it. Further quantitative research with visitors, potential visitors and businesses would allow for robust trade-off testing of potential parking packages. These could be modelled to determine the strategies most likely to improve footfall.

1.4.2 **Local Authorities should be encouraged to consider the impacts of car parking charges in the broadest possible sense, particularly if their primary goal in changing them is to generate revenue**. They should engage with key stakeholders involved in the local economy when changing their car park charges, for example business owners, shoppers, council members etc. This is key to ensuring the optimum charging strategies are adopted.

1.4.3 Local Authorities should be encouraged to collect more robust data on the impact of car park charging in their areas. This will help further planning around car park charging, both at the local and national level.

1.4.4 In developing solutions to encourage greater town centre footfall **the Welsh Government should work closely with Local Authorities and business groups to develop parking strategies** that:

- Take into account other key decision-making factors (e.g. availability of spaces, parking restrictions, car park security etc.)
- Protect sustainable revenue income for councils

1.4.5 In addition, a one size fits all approach to parking strategy is unlikely to work across Wales. The Welsh Government will need to work with Local Authorities to **develop parking strategies that factor in local nuances** in town centre layout and retail offerings which differ between locations. For example, in some areas strategies will need to focus more on parking availability or cost, while in other areas it will be more important to focus on promoting the retail offer in town centres vs. the out-of-town offer.