2020 CONSULTANCY

ROYSTON TOWN CENTRE CAR PARKING CHARGES ASSESSMENT

FOR NORTH HERTFORDSHIRE COUNCIL

SEPTEMBER 2023

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1.0 INTRODUCTION

2020 Consultancy were commissioned by North Hertfordshire Council to undertake parking surveys within Royston town centre car parks between 2pm and 5pm. The purpose of the parking surveys was to understand parking behaviours in the town once the free parking offer commences from 3pm. Between 8am and 3pm, the car parks have charges in place. Surveys were undertaken to monitor usage during the free period.

Following on from these parking surveys, 2020 Consultancy have been recommissioned to undertake analysis and assess the impact there would be if parking charges were in place between 3pm and 6pm. This will enable the council to understand the potential income that could be generated during this time to determine the impact on the concession that is currently supplemented.

As part of this project, the council have requested three scenarios to be considered and tested relating to the introduction of parking charges between 3pm and 6pm. Option 1 involves the extension of the existing 2023/2024 parking tariff for Royston town centre car parks, which involves a £0.80 charge per hour, and differing rates for longer periods that is dependent on the car park. Option 2 involves a £0.50 flat rate between 3pm and 6pm, meaning visitors will pay that charge regardless of the length of stay between the period. Option 3 is the same as option 2, apart from the flat rate being £0.80 instead of £0.50.

There are seven council managed car parks in Royston that have been included in the scenario testing. Financial forecasts have been provided for each car park and include:

- Market Place, Market Hill;
- Angel Pavement, Market Hill;
- Priory Gardens, Fish Hill;
- Upper Warren, The Warren;
- Lower Warren, The Warren;
- Civic Centre, King James Way;
- Princes Mews, Princes Mews.

To acknowledge the risk of varying fluctuations based on a variety of considerations that are outlined in chapter 6, each financial forecast contains a small and large decrease forecast. The small forecast assumes a 10% reduction in demand based on parking

charges, and the large forecast assumes a 20% reduction in demand based on parking charges.

2.0 THE CONTEXT OF PARKING CHARGES IN TOWN CENTRES

Town centre vitality is a key issue across many of the towns in the UK, including large towns, and smaller market towns. Various studies have been undertaken into the economic impacts of town centres, and the future of high streets, with the evidence clearly suggesting that vibrant town centres are core to a healthy and prosperous economy. However, a number of factors make it difficult to maintain the vitality of some town centres, and to enable previously vibrant centres to regain their vitality.

The role of car parks has been changing in recent years, before, during and after the pandemic. Prior to the pandemic, there was a subtle change occurring in the usage of car parks, from the traditional town centre trips, shifting towards a greater mixture of retail and leisure. This change was exacerbated significantly due to the Covid-19 pandemic where retail facilities were closed for several months over a period of 14 months between March 2020, and May 2021. The shift away from car parking trips for retail purposes has been largely a result of the increase in online shopping.

In addition to this, out of town shopping centres that provide a more concentrated level of retail, and leisure facilities has reduced the demand for trips into traditional town centre environments. Although there will be a cost for parking integrated into these facilities, having no parking charges in place in the car park will make this attractive to residents, and visitors to the area.

Due to the increase in investment into out of town shopping centres, it's expected that the value of property owned out of town has now overtaken that held in town centres. There has been a continued increase in out of town retail floor space, whilst at the same time, there has been a continued reduction in-town retail floor space. Furthermore, the economic downturn have added further pressures to household budgets, and so to consumer spending. The economic downturn has also resulted in pressure on local authorities revenue streams that can include car parking charges.

In more recent time, the introduction of car parking spaces has been relatively piecemeal, and focused on regeneration and redevelopment of areas. Historically, car parks were sited in the most desirable locations to be as close as possible to town centre

environments. In North Hertfordshire, the towns such as Royston, Hitchin, and Letchworth are focused around serving the high street and the core town centre environment, which is the key trip generator in the towns. In comparison, a town such as Stevenage has parking for the town centre, but there are a satellite of car parks serving various new developments and shopping centres, providing a different model.

While plenty of commentary and reporting is available in relation to car parking charges, it is currently unclear how much of it goes beyond anecdote, or the aggregated recollections of members of the business community. As a consequence, it's difficult to provide a justification for the introduction of parking charges, or provide a justification for retaining free parking periods such as the free from 3pm initiative that is in operation in Royston through data alone.

It's worth noting that there are two key aspects of why parking charges can be introduced in town centre car parks. Firstly, car parks are not free to provide regardless of whether the operator is public or private. Town centres have high density of use and a short supply of available land. This makes space in the town centre relatively expensive. Land owners who decide to provide car parking have to calculate the opportunity costs of not having an alternative use. Furthermore, car parks have a limited lifespan meaning the costs of depreciation must be recovered to enable reinvestment. Finally, the general costs of management, maintenance and enforcement must be taken into account.

Secondly, the introduction of parking charges will change driver behaviour. Due to the increasing levels of car ownership, parking pressures in town centres can be extreme, especially during peak periods. Unrestricted parking will lead to congestion, obstructions, pollution and spaces being occupied by the wrong users at inappropriate times.

Parking charges can be utilised to manage demand, targeting specific types of users at different times of the day. For example, parking charges can be introduced to prevent long-stay parking i.e. Royston's free parking from 3pm. This prevents all-day parking, which will be most likely commuter and business parking. This type of car park user isn't likely to spend as much as visitors travelling into the town centre. This can have a negative impact on the town centre, and if this is frequently occurring across town centre car parks, can have a noticeable impact on the local economy.

Parking charges can also manage the distribution of traffic within town centre car parks. Introducing short-stay and long-stay parking tariffs can direct vehicles to the most appropriate car park. Short-stay car parks should generally be closest to the most in-demand key trip generators such as high streets. Long-stay car parks are more likely to be used by users seeking all-day parking. These car parks often work more efficiently away from the core area to ensure visitors can access this area. This is likely to increase spending, and boost the local economy. Providing different parking tariffs based on whether the car park is short-stay or long-stay will mange parking behaviour. A long-stay parking user is unlikely to pay a higher rate to park in a short-stay car park.

Parking charges can also be used to manage demand in car parks. Concessions or lower rates can be introduced in car parks that have issues with under utilisation for specific reasons such as location. It's also possible to introduce a higher parking tariff for the most desirable car parks. Likewise, a local authority may make the decision to introduce car parking charges in the more desirable car parks, but provide free parking in less desirable car parks.

Alongside the distribution and management of parking behaviour in car parks, parking charges can also provide a useful platform to encourage modal shift to more sustainable transport. If there are no parking charges in town centre car parks, the likelihood of a resident, commuter, or visitor using sustainable transport is much lower than it would be if there were parking charges in place. Unless the sustainable transport option is also useable without charge, there will be a financial incentive to travel by car.

There is a much greater emphasis on parking strategies and action plans focusing on carbon reduction, and modal shift to resolve parking capacity issues as opposed to seeking to provide additional parking spaces in town centres.

3.0 JUSTIFYING PARKING CHARGES

Local Authorities may feel they can justify the implementation of parking charges in town centre car parks because there is a perception that everywhere does it. However, introducing parking charges is not as straightforward as this. Introducing parking charges will be a highly political and contentious issue, which will require a full justification. If a local authority cannot demonstrate suitable reasons for introducing parking charges, it's almost certain that local members and committees will not provide sufficient support to enable the implementation to progress. This applies to initiatives such as in Royston.

Considering the introduction of parking charges is generally a two-stage process, with both stages having a number of steps involved in the process. Stage one is to determine whether the introduction of parking charges in an individual town is justifiable. Under no circumstances should a local authority ever consider a blanket approach across multiple towns. Each town should be considered individually as the offering of a town will change.

If the outcome of stage one is that one or more specific town centres justify parking charges, it will be possible to move onto stage two. As highlighted across the country, there is a multitude of different payment tariffs, and pricing structures in place in town centre environments. Stage two of the process provides the opportunity for the local authority to consider the most suitable parking tariff and structure for implementation.

There is a misconception that when parking charges are introduced, the negative impact on town centre economies, and the reduction of visitors to the town is related to stage one of the process. This isn't the case, as otherwise all town centre locations where there are parking charges in place would experience this downturn, in which there is evidence to suggest isn't the case. If the introduction of parking charges is to create a negative impact on the town centre, this will be directly related to stage 2.

Failure to set the appropriate parking tariff structure will increase the potential for parking charges to create a negative impact on the town significantly. The most common reason this will occur is if the parking tariff is excessively high in relation to the town's offering. For example, if the cost of parking in Royston was the same as Birmingham, this would likely result in a reduction in the town centre economy, and visitors travelling to Royston. This is because there aren't enough trip generators, to justify the high parking tariff structure.

4.0 PARKING CHARGE OPTIONS

There are a number of different approaches that can be considered when introducing parking charges, or changing the hours when parking charges are in operation. Some options wouldn't be relevant for North Hertfordshire Council to consider as they are designed for more larger towns and cities, with far greater parking provisions.

As part of this assessment into the free from 3pm initiative in Royston town centre car parks, three parking charge tariff options have been considered. These include:

- Option 1 - 2023/2024 North Hertfordshire tariff structure 8am-6pm;
- Option 2 - Flat rate of £0.50 between 3pm and 6pm;
- Option 3 - Flat rate of £0.80 between 3pm and 6pm.

For the 2023/2024 North Hertfordshire tariff structure option 1, there would be no concessions in place in council managed Royston car parks between 3pm and 6pm. The cost of parking per hour would remain in line with the period between 8am and 3pm. As there would be no concession, this option would generate the most income for the council if existing parking behaviours remained the same.

However, as there would be no concessions, this option would be the most likely to see a reduction in occupancy between 3pm and 6pm, due to the higher cost of parking involved. The additional cost per hour would be £0.80 for all car parks. For short-stay parking acts, this may not discourage use significantly. However, for longer-stay parking acts, the price increase could be between £1.20 and £5.00 for three or more hours, which is dependent on the car park chosen i.e. it's £1.20 in the Civic Centre, and £5.00 in Princess Mews.

Option 2, which proposes a flat rate of £0.50 between 3pm and 6pm is the option most likely to minimise the impact of car park occupancy between 3pm and 6pm. As a flat rate, the tariff will remain the same regardless of the length of parking. The option will be more favourable for long-stay visitors as £0.50 for a three hour period will be seen as much better value for money compared to £0.50 for one hour. However, this option will generate the lowest sum of income for the council as the lowest cost tariff option.

Option 3, which proposes a flat rate of £0.80 between 3pm and 6pm is likely to have an impact on car park occupancy between 3pm and 6pm, although it's not possible to determine the level of impact at this stage. What was established during the duration of

stay surveys undertaken across council managed Royston town centre car parks is that the vast majority of parking acts are only up to an hour between 3pm and 6pm. 63% of parking acts between this time are no more than one hour. Based on this, the impact could be higher than it would if there were high amounts of longer stay parking.

4.1 PERCENTAGE INCREASE AND DECREASE ON FINANCIAL TOTALS

There are several factors that need to be considered when forecasting revenue for car parks. Projected revenues need to take in several variables when considering total revenues. Variables such as implementation period, town centre offering, public transport, and Weather at the time of implementation. In experience it is justified to consider a higher and lower total revenue based on these variables. It is often that increases or decreases in projected revenues are only experienced for a short time after implementation, likely to be 1-2 months. Once this period is over revenues are likely to stabilise back to standard. These higher and low total revenue projections are offered within this assessment to help manage members expectation.

4.2 IMPLEMENTATION

When and if any of the aforementioned options are implemented, the process should be assessed based on when best to implement the tariff change. This is because the outcome can vary considerably based on when this is implemented due to unknown variables such as stakeholder response and economic vitality. If the implementation of tariff increases were actioned at the start of summer this could lead to a revenue loss due to the nicer weather being a possible factor of car park users using alternative means of transport. If changes were implemented around October/November, the effects on revenue are likely to be minimal due to the poorer weather and the need for users to shop for Christmas. Subsequently, any effects felt by the implementation are likely to dissipate before the following summer. In Conclusion, the exact implementation time for proposed changes to tariff charges should be assessed by officers.

5.0 SCENARIO TESTING OF PARKING CHARGES IN CAR PARKS

As outlined above, three parking charge options have been considered as an alternative to the existing free from three initiative that currently exist in council managed car parks in Royston town centre. To maximise overall analysis the data has been divided into weekday forecasts and Saturday forecasts to enhance the future considerations that can be made.

5.1 BASELINE DATA

Prior to testing different parking charge tariff scenarios, there is a need to have baseline data available that can be used to calculate income that can be generated with parking charges. Whilst occupancy survey data would demonstrate how many tickets would need to be purchased, this doesn't provide the length of stay. Therefore, the duration of stay surveys undertaken as part of the work already undertaken have been used as the baseline data. This data provides a breakdown of how long each visitor stayed in the car park between 2pm and 6pm when the surveys were conducted.

The car parks below have been included within the scenario testing:

- Angel Pavement;
- Civic Centre;
- Market Place;
- Princess Mews;
- Priory Gardens;
- Upper Warren;
- Lower Warren.

Table 1 below provides the baseline data for the analysis on all the above car parks for weekdays.

Car Park	Spaces	Acts	0-1 Hour	1-2 Hour	2-3 Hour
Angel Pavement	22	32	25	4	3
Civic Centre	226	138	78	29	31
Market Place	34	64	47	13	4
Princess Mews	62	57	35	14	8
Priory Gardens	12	18	15	2	1
Lower Warren	19	25	15	2	8
Upper Warren	94	83	48	15	20

Table 1 – Duration of stay data for Royston town centre car parks for Monday-Friday

Table 2 below provides the baseline data for the analysis on all the above car parks for Saturdays only.

Car Park	Spaces	Acts	0-1 Hour	1-2 Hour	2-3 Hour
Angel Pavement	22	23	17	3	3
Civic Centre	226	104	62	26	16
Market Place	34	62	55	5	2
Princess Mews	62	76	47	22	7
Priory Gardens	12	18	14	4	0
Lower Warren	19	28	16	7	5
Upper Warren	94	42	17	7	18

Table 2 – Duration of stay data for Royston town centre car parks for Saturdays.

It should be noted that the baseline data used for the forecasting of daily, monthly, and annual income is based on parking acts that start from 3pm onwards, whereas the parking data collected during the surveys commenced from 2pm. Consideration was given to including vehicles that were within the car park from 2pm, but this was rejected based on the difficulty in understanding both how long they had been within the car park, and how much money they had used for their parking session.

The data utilised to forecast the potential income is based on the parking surveys that were undertaken across Royston town centre car parking in June 2023. This is the only reliable data that can be used to forecast daily, monthly, and annual income. Whilst this is

the only reliable data, forecasting monthly, and particularly annual income should be caveated. The data is isolated across a two-week period in the months of June and July. Therefore, the data takes no consideration of seasonal fluctuations, meaning the robustness is limited.

However, the surveys were undertaken during a neutral period of the year (subject to perhaps a slight increase due to the summer months albeit outside of school holidays), which provides a solid baseline to project from. Whilst in reality the months of January-March would probably provide a lower demand, the months of August, and November-December would probably provide a higher demand.

To generate more robust data to use as a baseline for the forecasting task would require regular surveys each month, or more accurate parking ticket data. Currently this isn't possible as from 3pm car park visitors are not required to purchase a ticket, meaning surveys are the only accurate method to understand usage over days of the week.

In addition to the above, it should be noted that the parking survey data is representative of a Tuesday and Wednesday only across the weekday period. These days were chosen to provide a comparative between a non-market day in Royston (Tuesday), and a market day in Royston (Wednesday). Wednesday in particular is unlikely to provide a true reflection of weekday parking in the town centre due to the market day impacting parking, due to both a loss of parking (Market Place), and potentially attracting more visitors into the town.

Tuesday is more likely to provide a true representation of weekday parking behaviour. With that being said, it's likely that both Monday and Friday will provide different behaviours, especially since the Covid-19 pandemic. With the increase in working from home, and a four-day working week, there is emerging evidence (anecdotal at the moment, although this is likely to be confirmed with updates to traffic models) that Monday is a common work from home day, and Friday is becoming a more recreational day for visitors to town centres. There isn't likely to be much deviation between Tuesday and Thursday parking behaviours.

Based on this, the monthly, and annual income forecasts are useful for illustration purposes to demonstrate the potential income generation based on the scenarios utilised as part of this study, it should be noted that there is limited robustness to the data. If there

is a desire for more robust data to be collated to form part of a business case for the introduction of parking charges in Royston from 3pm, it is recommended that additional surveys are undertaken across town centre car parks. This should include both Mondays and Fridays, as well as within additional neutral months i.e. March, October etc. This should exclude any school holiday periods within this time.

5.2 OPTION 1 - 2023/2024 NORTH HERTFORDSHIRE TARIFF STRUCTURE 8AM - 6PM

The first scenario tested is to remove any concessions from the existing parking tariff for council managed car parks between 3pm and 6pm, resulting in the same tariff that operates currently between 8am and 3pm. This ranges from £0.80 to £5.00 based on the car park.

Table 2 below illustrates the potential income that can be generated in the seven Royston car parks if the above parking charge tariff was introduced. This includes two projections; a small income; and a larger income. The large income reduction considers the possibility of a noticeable reduction in usage in the car park as a result of the removal of the free from three initiative. This reduction has been calculated at 20%. It's highly unlikely the reduction would be this severe. The smaller income reduction assumes a less severe reduction in income due to new parking tariff changes, with the decrease assumed to be 10%.

Table 3 also provides the daily, monthly and annual financial projections based on option 1 with an assumption that there is no change in existing usage. This has been calculated using the baseline data provided above in table 1 and does not include for any considerations in increases or decreases based on economic stability, timing of implementation or resident buy in variables.

Car Park	Daily Income	Monthly Income	Annual Income	Projected Annual Income (Small)	Projected Annual Income (Large)
Angel Pavement	£38.10	£803.15	£9,639.30	£8,675.37	£7,711.44
Civic Centre	£125.70	£2,649.76	£31,802.10	£28,621.89	£25,441.68
Market Place	£74.00	£1,559.92	£18,722.00	£16,849.80	£14,977.60
Princess Mews	£90.40	£1,905.63	£22,871.20	£20,584.08	£18,296.96
Priory Gardens	£19.10	£402.63	£4,832.30	£4,349.07	£3,865.84
Lower Warren	£30.00	£632.40	£7,590.00	£6,831.00	£6,072.00
Upper Warren	£97.40	£2,053.19	£24,642.20	£22,177.98	£19,713.76
Total	**£474.70**	**£10,006.68**	**£120,099.10**	**£108,089.19**	**£96,079.28**

Table 3 – Potential income generated from car parks, on weekdays between 3pm-6pm option 1

Table 3 illustrates that based on option 1 there is an overall income generated per day from all car parks of £474.70 and a total monthly income of £10,006.68. In total the car parks based on this scenario would generate an annual revenue of £120,099.10.

Table 4 also provides the Saturday, daily, monthly and annual financial projections based on option 1 with an assumption that there is no change in existing usage. This has been calculated using the baseline data provided above in table 2 and does not include for any considerations in increases or decreases based on economic stability, timing of implementation or resident buy in variables.

Car Park	Daily Income	Monthly Income	Annual Income	Projected Annual Income (Small)	Projected Annual Income (Large)
Angel Pavement	£30.10	£130.33	£1,565.20	£1,408.68	£1,252.16
Civic Centre	£92.20	£399.23	£4,794.40	£4,314.96	£3,835.52
Market Place	£59.80	£258.93	£3,109.60	£2,798.64	£2,487.68
Princess Mews	£107.80	£466.77	£5,605.60	£5,045.04	£4,484.48
Priory Gardens	£17.60	£76.21	£915.20	£823.68	£732.16
Lower Warren	£32.10	£138.99	£1,669.20	£1,502.28	£1,335.36
Upper Warren	£57.60	£249.41	£2,995.20	£2,695.68	£2,396.16
Total	**£397.20**	**£1,719.88**	**£20,654.40**	**£18,588.96**	**£16,523.52**

Table 4 – Potential income generated from car parks, on Saturdays between 3pm-6pm option 1

Table 4 illustrates that based on option 1 there is an overall income generated per day from all car parks of £397.20 and a total monthly income of £1,719.88. In total the car parks based on this scenario would generate an annual revenue of £20,654.40

5.3 OPTION 2 - FLAT RATE OF £0.50 BETWEEN 3PM AND 6PM

The second option tested is to charge a flat rate parking charge of £0.50 between the hours of 3pm – 6pm, which would mean a flat rate of £0.50 is charged to any user wishing to park between these times regardless of the length of time they park.

Table 5 below illustrates the potential income that can be generated in the seven Royston car parks if the above parking charge tariff was introduced. Table 3 provides the daily, monthly and annual financial projections based on option 2 with an assumption that there is no change in existing usage. This has been calculated using the baseline data provided above in table 1 and does not include for any considerations in increases or decreases based on economic stability, timing of implementation or resident buy in variables.

Car Park	Daily Income	Monthly Income	Annual Income	Projected Annual Income (Small)	Projected Annual Income (Large)
Angel Pavement	£16.00	£337.28	£4,048.00	£3,643.20	£3,238.40
Civic Centre	£69.00	£1,454.52	£17,457.00	£15,711.30	£13,965.60
Market Place	£32.00	£674.56	£8,096.00	£8,096.00	£6,476.80
Princess Mews	£28.50	£600.78	£7,210.50	£6,489.45	£5,768.40
Priory Gardens	£9.00	£189.72	£2,277.00	£2,049.30	£1,821.60
Lower Warren	£12.50	£263.50	£3,162.50	£2,846.25	£2,530.00
Upper Warren	£41.50	£874.82	£10,499.50	£9,449.55	£8,399.60
Total	**£208.50**	**£4,395.18**	**£52,750.50**	**£48,285.05**	**£42,200.40**

Table 5 – Potential income generated from car parks, on weekdays between 3pm-6pm option 2

Table 5 illustrates that based on option 2 there is an overall income generated per weekday from all car parks of £208.50 and a total monthly income of £4,395.18. In total the car parks based on this scenario would generate an annual revenue of £52,750.50.

Table 6 below illustrates the potential income from Saturdays that can be generated in the seven Royston car parks if the above parking charge tariff was introduced. Table 6 provides the daily, monthly and annual financial projections based on option 2 with an assumption that there is no change in existing usage. This has been calculated using the baseline data provided above in table 1 and does not include for any considerations in

increases or decreases based on economic stability, timing of implementation or resident buy in variables.

Car Park	Daily Income	Monthly Income	Annual Income	Projected Annual Income (Small)	Projected Annual Income (Large)
Angel Pavement	£11.50	£49.80	£598.00	£538.20	£478.40
Civic Centre	£52.00	£225.16	£2,704.00	£2,433.60	£2,163.20
Market Place	£31.00	£134.23	£1,612.00	£1,450.80	£1,289.60
Princess Mews	£38.00	£164.54	£1,976.00	£1,976.00	£1,580.80
Priory Gardens	£9.00	£38.97	£468.00	£421.20	£374.40
Lower Warren	£14.00	£60.62	£728.00	£728.00	£582.40
Upper Warren	£21.00	£90.93	£1,092.00	£982.80	£873.60
Total	**£176.50**	**£764.25**	**£9,178.00**	**£8,530.60**	**£7,342.40**

Table 6 – Potential income generated from car parks between, on Saturdays 3pm-6pm option 2

Table 6 illustrates that based on option 2 there is an overall income generated per weekday from all car parks of £176.50 and a total monthly income of £764.25. In total the car parks based on this scenario would generate an annual revenue of £9,178.00.

5.4 OPTION 3 - FLAT RATE OF £0.80 BETWEEN 3PM AND 6PM

The third option tested is to charge a flat rate parking charge of £0.80 between the hours of 3pm – 6pm, which would mean a flat rate of £0.80 is charged to any user wishing to park between these times regardless of the length of time they park.

Table 7 below illustrates the potential income that can be generated on Saturdays in the seven Royston car parks if the above parking charge tariff was introduced. Table 7 provides the daily, monthly and annual financial projections based on option 3 with an assumption that there is no change in existing usage. This has been calculated using the baseline data provided above in table 1 and does not include for any considerations in increases or decreases based on economic stability, timing of implementation or resident buy in variables.

Car Park	Daily Income	Monthly Income	Annual Income	Projected Annual Income (Small)	Projected Annual Income (Large)
Angel Pavement	£25.60	£539.65	£6,476.80	£5,829.12	£5,181.44
Civic Centre	£110.40	£2,327.23	£27,931.20	£25,138.08	£22,344.96
Market Place	£51.20	£1,079.30	£12,953.60	£11,658.24	£10,362.88
Princess Mews	£45.60	£961.25	£11,536.80	£10,383.12	£9,229.44
Priory Gardens	£14.40	£303.55	£3,643.20	£3,278.88	£2,914.56
Lower Warren	£20.00	£421.60	£5,060.00	£4,554.00	£4,048.00
Upper Warren	£66.40	£1,399.71	£16,799.20	£15,119.28	£13,439.36
Total	**£333.60**	**£7,032.29**	**£84,400.80**	**£75,960.72**	**£67,520.64**

Table 7 – Potential income generated from car parks on weekdays between 3pm-6pm option 3

Table 7 illustrates that based on scenario 3 there is an overall income generated per day from all car parks of £333.60 and a total monthly income of £7,032.29. In total the car parks based on this scenario would generate an annual revenue of £84,400.80.

Table 8 below illustrates the potential income that can be generated on Saturdays in the seven Royston car parks if the above parking charge tariff was introduced. Table 8 provides the daily, monthly and annual financial projections based on option 3 with an assumption that there is no change in existing usage. This has been calculated using the baseline data provided above in table 1 and does not include for any considerations in

increases or decreases based on economic stability, timing of implementation or resident buy in variables.

Car Park	Daily Income	Monthly Income	Annual Income	Projected Annual Income (Small)	Projected Annual Income (Large)
Angel Pavement	£18.40	£79.67	£956.80	£861.12	£765.44
Civic Centre	£83.20	£360.26	£4,326.40	£3,893.76	£3,461.12
Market Place	£49.60	£214.77	£2,579.20	£2,321.28	£2,063.36
Princess Mews	£60.80	£263.26	£3,161.60	£2,845.44	£2,529.28
Priory Gardens	£15.20	£65.82	£790.40	£711.36	£632.32
Lower Warren	£22.40	£96.99	£1,164.80	£1,048.32	£931.84
Upper Warren	£33.60	£145.49	£1,747.20	£1,572.48	£1,397.76
Total	**£283.20**	**£1,226.26**	**£14,726.40**	**£13,253.76**	**£11,781.12**

Table 8 – Potential income generated from car parks on Saturdays between 3pm-6pm option 3

Table 8 illustrates that based on scenario 3 there is an overall income generated per day from all car parks of £283.20 and a total monthly income of £1,226.26. In total the car parks based on this scenario would generate an annual revenue of £14,726.40.

5.5 SUMMARY OF PARKING CHARGE SCENARIO TESTING

Three options have been considered as part of the car park charge scenario testing exercise in council managed car parks in Royston town centre. Option 1 involves extending the existing tariff that is in operation between 8am and 3pm through till 6pm, which results in removing the existing concession in place. Option 2 introduces a £0.50 flat rate charge that is required regardless of length of stay between 3pm and 6pm. Option 3 provides an alternative flat rate charge of £0.80 that is required between 3pm and 6pm.

Option 1 will generate the highest amount of income due to the higher tariff charges. If there was no reduction in occupancy rates with the introduction of the option 1 parking charge, an additional £120,099.10 would be generated each year across the seven car parks. It's assumed that introducing this parking tariff to cover the period between 3pm and 6pm would result in a reduction in parking demand. A 10% decrease in parking demand would reduce the annual income to £108,089.19. A 20% decrease in parking

demand would reduce the annual income to £96,079.28. Due to this option having the highest tariff in place, option 1 is the most likely option to demonstrate the highest percentage of reduction in parking demand.

Option 2 will generate the lowest amount of income as this is the lowest tariff charge under consideration from the three options. If there was no reduction in occupancy rates with the introduction of the option 2 parking charge, an additional £52,750.50 would be generated each year across the seven car parks. This is over 50% reduction compared to option 1. Although the tariff is minimal, there may still be a slight reduction in parking demand. A 10% decrease in parking demand would reduce the annual income to £48,285.05. A 20% reduction in parking demand would reduce the annual income to £42,200.40. Due to this option having the lowest tariff in place, option 2 is the most likely option to demonstrate little, if any change in parking demand.

Option 3 will generate an additional £84,400.80 if there was no reduction in occupancy rates with the introduction of the option 3 parking charge. There is a chance that there may still be a slight reduction in parking demand. A 10% decrease in parking demand would reduce the annual income to £75,960.72. A 20% reduction in parking demand would reduce the annual income to £67,520.64.

Table 9 provides a summary of the tariff options for weekdays only, and the expected income generation for each of the car parks within Royston town centre if parking charges were extended between 3pm and 6pm, or if there was no concession in place.

Table 10 provides a summary of the tariff options for Saturdays only, and the expected income generation for each of the car parks within Royston town centre if parking charges were extended between 3pm and 6pm, or if there was no concession in place.

Car Park	Option 1	Option 2	Option 3	Projected Annual Income O1 Large	Projected Annual Income O1 Small	Projected Annual Income O2 Large	Projected Annual Income O2 Small	Projected Annual Income O3 Large	Projected Annual Income O3 Small
Angel Pavement	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£7,711.44	£8,675.37	£3,238.40	£3,643.20	£5,181.44	£5,829.12
	1-2 hours….1.60	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….3.90	2-3 Hours….0.50	2-3 Hours….0.80						
Civic Centre	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£25,441.68	£28,621.89	£13,965.60	£15,711.30	£22,344.96	£25,138.08
	1-2 hours….0.90	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….1.20	2-3 Hours….0.50	2-3 Hours….0.80						
Market Place	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£14,977.60	£16,849.80	£6,476.80	£8,096.00	£10,362.88	£11,658.24
	1-2 hours….1.60	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….3.90	2-3 Hours….0.50	2-3 Hours….0.80						
Princess Mews	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£18,296.96	£20,584.08	£5,768.40	£6,489.45	£9,229.44	£10,383.12
	1-2 hours….1.60	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….5.00	2-3 Hours….0.50	2-3 Hours….0.80						
Priory Gardens	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£3,865.84	£4,349.07	£1,821.60	£2,049.30	£2,914.56	£3,278.88
	1-2 hours….1.60	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….3.90	2-3 Hours….0.50	2-3 Hours….0.80						
Lower Warren	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£6,072.00	£6,831.00	£2,530.00	£2,846.25	£4,048.00	£4,554.00
	1-2 hours….1.40	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….1.90	2-3 Hours….0.50	2-3 Hours….0.80						
Upper Warren	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£19,713.76	£22,177.98	£8,399.60	£9,449.55	£13,439.36	£15,119.28
	1-2 hours….1.40	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….1.90	2-3 Hours….0.50	2-3 Hours….0.80						
TOTAL				**£96,079.28**	**£108,089.19**	**£42,200.40**	**£48,285.05**	**£67,520.64**	**£75,960.72**

Table 9 - Summary of income generation on weekdays for Royston town centre car parks

Car Park	Option 1	Option 2	Option 3	Projected Annual Income O1 Large	Projected Annual Income O1 Small	Projected Annual Income O2 Large	Projected Annual Income O2 Small	Projected Annual Income O3 Large	Projected Annual Income O3 Small
Angel Pavement	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£1,252.16	£1,408.68	£478.40	£538.20	£765.44	£861.12
	1-2 hours….1.60	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….3.90	2-3 Hours….0.50	2-3 Hours….0.80						
Civic Centre	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£3,835.52	£4,314.96	£2,163.20	£2,433.60	£3,461.12	£3,893.76
	1-2 hours….0.90	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….1.20	2-3 Hours….0.50	2-3 Hours….0.80						
Market Place	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£2,487.68	£2,798.64	£1,289.60	£1,450.80	£2,063.36	£2,321.28
	1-2 hours….1.60	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….3.90	2-3 Hours….0.50	2-3 Hours….0.80						
Princess Mews	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£4,484.48	£5,045.04	£1,580.80	£1,976.00	£2,529.28	£2,845.44
	1-2 hours….1.60	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….5.00	2-3 Hours….0.50	2-3 Hours….0.80						
Priory Gardens	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£732.16	£823.68	£374.40	£421.20	£632.32	£711.36
	1-2 hours….1.60	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….3.90	2-3 Hours….0.50	2-3 Hours….0.80						
Lower Warren	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£1,335.36	£1,502.28	£582.40	£728.00	£931.84	£1,048.32
	1-2 hours….1.40	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….1.90	2-3 Hours….0.50	2-3 Hours….0.80						
Upper Warren	0-1 Hours….0.80	0-1 Hours….0.50	0-1 Hours….0.80	£2,396.16	£2,695.68	£873.60	£982.80	£1,397.76	£1,572.48
	1-2 hours….1.40	1-2 hours….0.50	1-2 hours….0.80						
	2-3 Hours….1.90	2-3 Hours….0.50	2-3 Hours….0.80						
TOTAL				**£16,523.52**	**£18,588.96**	**£7,342.40**	**£8,530.60**	**£11,781.12**	**£13,253.76**

Table 10 - Summary of income generation on Saturdays for Royston town centre car parks

6.0 IMPACT OF POTENTIAL VARIABLES

It is paramount that within the projections certain variables are accounted for with the financial projections. If North Hertfordshire Council do wish to implement one of the above options within the council managed car parks in Royston, then numerous affecting factors need to be considered. These factors include:

Timing of implementation – The timing of parking implementation is likely to increase or decrease the above projections based on when the implementation is actioned. For example, if these parking charges were introduced at a period of high occupancy such as summer holidays or Christmas holidays than it would likely lead to an increase in projected income. Conversely, if the parking charges were introduced during a period of low occupancy such as early within the year, then it would likely lead to a decrease in the projected income in each of the town centre car parks.

Economic Stability – Due to there not being a forecast date for the possible implementation of new car parks charges within Royston between 3pm and 6pm if they occur at all, factors such as economic stability need to be featured within the overall projections. This is due to the unpredictability of inflation and possibility of economical increases or decreases within the period of this report and possible implementation.

Stakeholder response – It is difficult to forecast the reaction of stakeholders to new or modified parking charges, and especially the introduction of charges when there have been no charges between a specific period. In the experience of 2020 Consultancy there is likely to be some impact to turnover by the introduction of parking charges, yet in experience this is likely to only be felt between a period of 3-6 months.

Considering the above, it is fundamental that the financial projections shown in tables 3-8 above included a higher projected income, and lower projected income. It's not recommended to base any decisions on the financial projections alone, but to consider them in conjunction with all known factors. It is difficult to include a one boot fits all percentage increase/decrease in the standard projections as there are so many unknown variables such as the level of communication between council and residents of the proposed increases and the overall nature of residential satisfaction with parking overall.

7.0 CONCLUSIONS

The impact of car parking charging on town centre footfall is clearly a contentious topic. Much of the debate is rooted in the fact that car parking charging is a complex issue and one that is part of a mix of factors that affect the impact of car parking more generally, as well as the health of local economies at a more macro level. For example, issues around sustainability, town or city centre offering and location, and government and Local Authority budgets to name a few.

The literature review and primary research indicated that car parking charges are only one of a number of factors at play in influencing footfall and town centre vitality. It showed that organisations with agendas as diverse as the Federation for Small Businesses and Sustrans share the view that an integrated approach to transport policy is needed, and which is tailored to the needs of local economies. Overall, this research has indicated that the following parking related factors are important determinants of people's behaviour in relation to town centres.

- Availability of spaces;
- Restrictions on parking (i.e. how long people can park for);
- Proximity of parking to intended destination;
- Traffic flow;
- Signage;
- Overall retail offering;
- Out of town retail offering;
- Price of car parking;
- Security of car park;
- Incentives for parking.

These factors are subject to ongoing changes, making it difficult to determine the extent to which they are responsible for changes in behaviour. 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.

Whilst there is not much existing quantitative evidence on the impact that car parking charging has on footfall, it is possible to identify clear examples, at least anecdotally, of

where charges have had either a positive or negative impact on footfall and business custom. For example, 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 town centre workers who were taking up the spaces all day, rather than shoppers) and consequently had a negative impact on footfall.

As the examples above suggest, the impact that similar charging strategies can have in different town or city centres emphasises the point that charging must be tailored to the demographic and retail/ business offering nuances of the local area, in order to optimise the positive impact that charging has on footfall and the overall health of the local economy. Remaining engaged with the key stakeholders involved in the local economy, for example business owners, shoppers, council members etc., is also key to ensuring the optimum charging strategies are adopted.

After reviewing the car parks across Royston, if option 1 was to be introduced there would be a greater decrease in car park use from residents initially as the charges are higher than option 2 and 3. Option 2 is likely to have the most amount of positive buy in from residents due to the small nominal fee, whereas subsequently option 3 would have slightly less buy in from residents due to the increase in cost over option 2. It is likely that the residential support for parking charges would increase once the increase in revenue is subsequently used to improve all car parks across Royston.

Of the three potential parking charge tariff structures considered as part of this study, all options have benefits and drawbacks. It is for the council officers, and elected members to make the decision on the option progressed, if parking charges are introduced in Royston between 3pm-6pm. As highlighted in chapter 5, the income generated differs based on the option. As expected, the greater the income generated, the higher the tariff costs, which may have a negative impact on local economies.

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