

Measuring the impact of two free hours car parking on town centre businesses

Introduction

The Vale of White Horse District Council has operated a two free hours car parking scheme in Vale Council-owned car parks since 9 December 2011 in the towns of Abingdon, Faringdon, Wantage and in the settlement of Botley. Officers have now undertaken three business surveys – one that was carried out in 2011 before the two hours' free car parking initiative was introduced, one carried out in December 2012 (one year after the introduction of two free hours) and one that was carried out in December 2013. This cumulative survey evidence assesses the impact that two free hours car parking has had on town centre businesses. Readers should note that as time has gone on, the number of businesses responding to the survey has reduced. One of the reasons for this is because of changes in the retail environment – as shops and cafés have changes in ownership, the new owners are unable to tell us how free car parking has impacted upon their business.

How has the free two hours' car parking impacted on your business?

Officers attempted to survey all town centre businesses to estimate the impact on businesses using direct e-mail, social media and also through business networking organisations. In November 2012, 97 businesses responded to the survey. In November 2013, 74 businesses responded. There are a total 489¹ town centre businesses in the towns (including business services, catering and retail), so this represents a 15 per cent response rate (2013) and 20 per cent response rate in 2012. Compared with the industry average, this is a high response rate with most e-surveys typically generating a 10 per cent response rate.

The survey contained the following questions:-

- what impact, if any, has the introduction of two free hours car parking had on your business?
- what effect has the introduction of two hours free parking in your town had on number of people visiting your business?
- how much do you think the footfall to your businesses has increased by, per week, as a result of the introduction of two hour free car parking?

¹ Source: Vale Council Retail Vacancy Survey 2012

- what effect, if any, has the introduction of two hours free parking in your town had on your turnover?
- how much do you think your business turnover has increased by per week, as a result of the introduction of two hours free car parking?
- do you have any other comments about the two hours free car parking initiative in Vale's towns?

A summary of the research findings

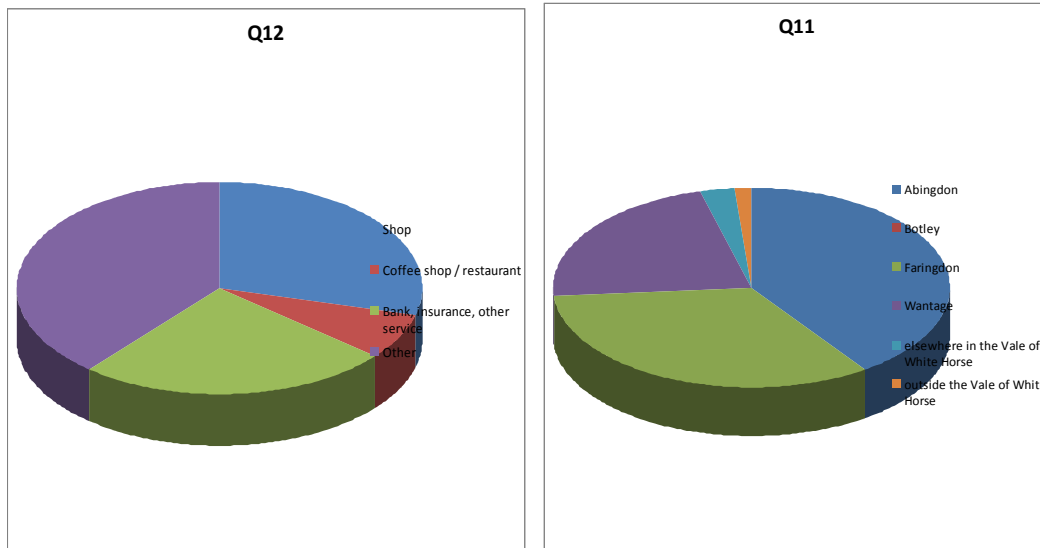
Statement – “Free car parking has ...”	Per cent of businesses agreeing with statement	
	2012	2013
.. made it easier for clients / customers to access my business	61 per cent	69 per cent
... attracted more people to shop in the town centre, increasing footfall on the high street	51 per cent	69 per cent
... increased the number of visitors to my business/shop	35 per cent	51 per cent
... encouraged shoppers to stay longer in the town, increasing customer spend	45 per cent	65 per cent
... increased client/customer well being as they no longer feel time pressured	48 per cent	66 per cent
... reduced the cost to staff and customers/clients working/visiting my business	35 per cent	18 per cent
... attracted shoppers into town centres who would have otherwise shopped elsewhere	44 per cent	73 per cent
... meant that people who have to use their cars to access shopping opportunities have not felt excluded	35 per cent	75 per cent

Responses to the whole survey are expanded upon in the following paragraphs.

Of the 74 businesses that chose to take part in this survey, there is a good, and proportionate, spread between Abingdon, Faringdon, Wantage but no businesses responded from Botley. 29 of the 74 firms polled (40 per cent) are based in Abingdon, the largest of the retail centres, and there was a fairly even spread between the town centres in Faringdon (24) and Wantage (16). Unfortunately, no businesses from Botley businesses responded to the survey.

Officers asked businesses which sector they represented. Over one-quarter were shops, one-tenth were coffee shops/ restaurants, just under one-quarter were banking, insurance or service businesses and around a third were ‘other’ including home-based businesses. Most businesses were from Abingdon (40 per cent), Faringdon (33 per cent), Wantage (22 per cent). Businesses from Botley did not respond to the survey.

Which business sector are you in? Where is your business location?

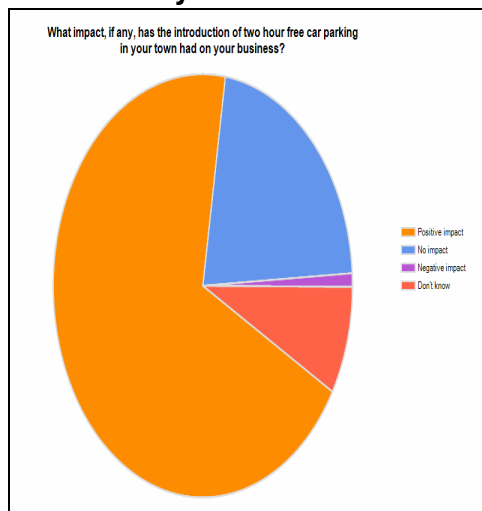


General Impact

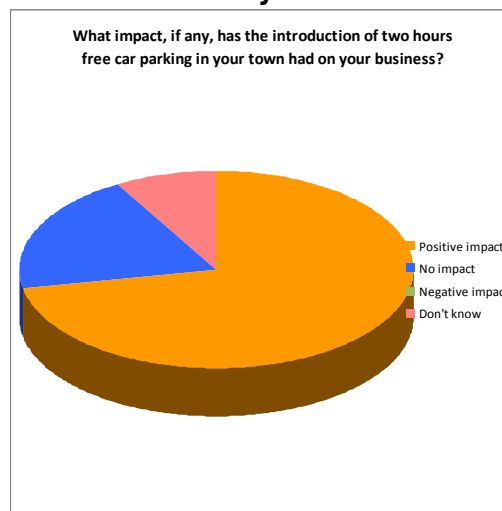
Almost 70 per cent of businesses reported that the two free hours car parking had a positive impact on their business. A slightly higher proportion of businesses reported a positive impact in 2013 compared with 2012.

Impact on your business

2012 survey

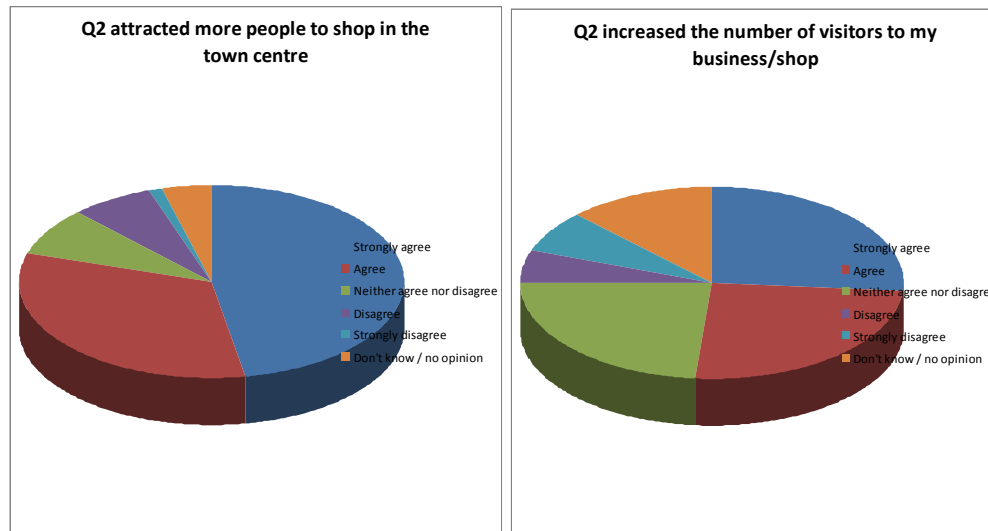


2013 survey



Officers asked whether businesses believed that free parking had impacted on local shopping during 2013. Over 75 per cent of businesses agreed that it had attracted more people to shop in the town centre, with almost half 'strongly agreeing' that it had attracted more people to shop in the town centre. Ten per cent of businesses disagreed with this statement, with one business 'strongly disagreeing.' Officers also asked businesses whether they felt the free car parking had increased the number of visitors to their business

/ shop. Just over half agreed or strongly agreed with this statement with one-quarter neither agreeing or disagreeing which is around the same as 2012.



Officers asked businesses to quantify the impact on footfall to their business and also the impact on their turnover during 2013. One-third of businesses told us that two free hours' car-parking had increased footfall, one-third said it had no impact on footfall and a third were unable to report the impact.

Of those businesses who said it had increased their footfall:

- 25 per cent (or 17 businesses) reported that footfall had increased by 0 to 5 per cent
- 15 per cent (or 11 businesses) reported footfall had increased by 5 to 9 per cent
- 7 per cent (or 5 businesses) reported an increase in footfall of 10 – 15 per cent
- 3 per cent (or 2 businesses) reported an increase in footfall between 15 and 20 per cent

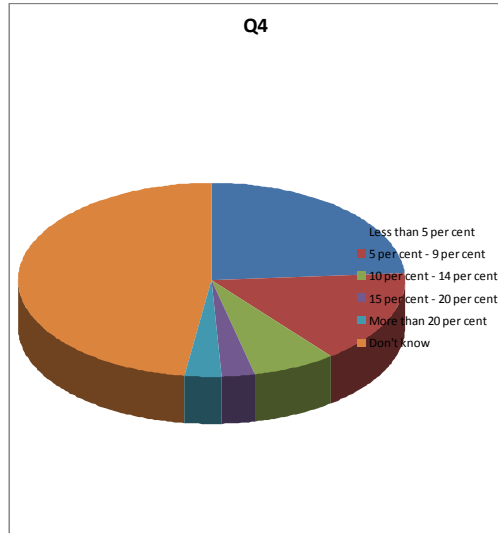
Impact on business turnover was, understandably, more difficult for businesses to estimate. One-third (or 24 businesses) reported that it had increased their turnover, another one-third (or 26 businesses) reported that it had no effect, two businesses reported a reduction and 20 businesses or 25 per cent were unable to say.

Of those businesses who said it had increased their turnover:

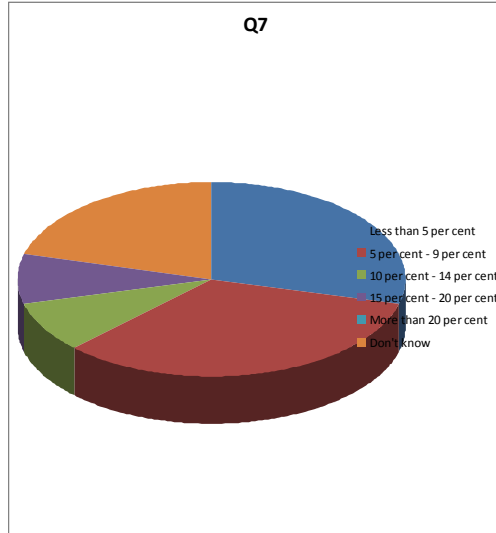
- 30 per cent (or 7 businesses) reported that turnover had increased by 0 to 5 per cent
- 33 per cent (or 8 businesses) reported turnover had increased by 5 to 9 per cent
- 8 per cent (or 2 businesses) reported an increase in turnover of 10 – 15 per cent

- 8 per cent (or 2 businesses) reported an increase in turnover between 15 and 20 per cent

Impact on footfall to your business



Impact on your business' turnover



Impact on your turnover

Officers asked businesses to put a figure to the amount of extra spending that they estimate that the free car parking brought to them. Just over one-third of businesses reported their turnover had increased by 5-9 per cent, a quarter of businesses reported that it had increased their turnover by more than 20 per cent, and a sixth of businesses between 10 and 20 per cent.

Twenty-three businesses were able to quantify the impact that free car parking had on their turnover. Responses ranged from £5 per week to £295 per week. Another three businesses responded that the impact had been positive but they were unable to quantify. On average, businesses who responded said the free parking had increased their turnover by £55 per week.

Qualitative impacts on your business

Those surveyed were presented with ten statements relating to a range of possible impacts associated with free car parking and were asked to indicate with which of the statements they agreed. They could agree with all, some or none of the following statements.

Statement – “Free car parking has ...”	Per cent of businesses agreeing with statement	
	2012	2013
.. made it easier for clients / customers to access my business	61 per cent	69 per cent

... attracted more people to shop in the town centre, increasing footfall on the high street	51 per cent	69 per cent
... increased the number of visitors to my business/shop	35 per cent	51 per cent
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A greater proportion of businesses have agreed with the statements that free car parking has had a positive impact on the town centre or on their own businesses in 2013 compared with 2012.

Fewer businesses report a rise in the number of visitors to their respective premises (51 per cent), though there is a feeling the scheme has managed to attract more shoppers into the town generally who might have shopped elsewhere (73 per cent).

Relatively few businesses believed that it had reduced the cost to staff and customers/clients working/visiting my business and this is probably because for staff working all day the costs of parking have risen.

54 local businesses (75 per cent) believe that those who find it unavoidable to use their cars to reach shopping destinations in town - perhaps rural or older customers - have "not felt excluded" from visiting. It seems free parking has contributed to what may, in some sense, be considered a greater sense of 'community', as those living in surrounding villages might feel more attached to the town in the light of this scheme.

Other comments received

When offered the opportunity to offer further written feedback on the impact of the scheme, 54 businesses took up this opportunity - almost 70 per cent. Overall, the comments are split fairly evenly between praise and criticism.

One complaint seems to be the increased cost and lack of availability of parking for employees and residents since the introduction of the two hour free parking. Officers received five comments from businesses suggesting that costs of parking to employees and residents wishing to park all day have increased dramatically. The most common suggestion was to make it cheaper to buy longer-term parking permits. One business said that there

were not sufficient all-day parking permits for the Civic Car Park and they were looking to move out of the town because of difficulties with staff parking (a loss of 20 jobs to the town).

Five businesses suggested that two hours free was not long enough, and suggested a raised time limit, perhaps upwards of three hours, ensuring customers do not feel rushed or feel the need to cut short their visit to the town. This seems particularly important for hairdressers because average time spent in a salon exceeds two hours. A number of the shops also commented that in order to go round a few shops and have lunch, more than two hours was required.

A number of businesses said they found the survey difficult to complete because they don't ask their customers whether the free car parking has meant they could spend longer in the town. One business suggested that the best thing would be to get feedback directly from the people using the car park. Another business commented that when the parking was free after 4pm, they definitely had a post-4pm rush, but now the parking is free throughout the day, this has spread out customer visits throughout the day which takes the pressure off the business.

Additional comments

Businesses were offered the opportunity to provide any additional comments or feedback they might wish to pass on near the end of the survey. These are documented below.

<p>As a service business it is difficult to pin down the benefit of the 2 hours free parking but most people who make appointments to come and see us do comment that they were very pleased to find that they could park for 2 hours for free.</p>	<p>I think it is a good initiative - however the car park attendants are often over zealous when issuing tickets not giving visitor any lee way. I have had at several customers complaining that they have received tickets when they were less than 10 minutes late. They can get distracted when they are visiting or on holiday and lose track of time. It is very upsetting when they return to their car and have a ticket. This puts visitors off returning to the town.</p>
<p>The two hour free parking encourages people to come into Abingdon to shop which is great. However, we are a firm of stockbrokers so our clients make appointments beforehand. We have found that clients are happier coming to see us because of the free parking and feel a great deal happier at also being able to go on and do some</p>	<p>I am a big fan of the free parking in the town, however there is an issue with it. People now seem to come do just what they have to and then leave avoiding having to pay a parking fee, this is not helping the town as people are no longer stopping to see what else the town has to offer but are leaving straight away to avoid the charges. I think if we want people to</p>

<p>shopping afterwards - which they did not do previously. Please do not discontinue it - it is a benefit.</p>	<p>stay and look around the rest of the town we need to increase the time of free parking so they are not rushing to get out before their time is up. Maybe 3 or even 4 hours if possible would prevent this from happening and more businesses would benefit.</p>
<p>It's still a HUGE barrier for drivers to have to go to the machine to punch in their details. MUCH better would be to introduce DISC PARKING for all residents/locals. Visitors without discs can still use the machine system. The DISC can be sold to residents for a nominal sum (eg £2-£5) to cover costs of making/printing the discs - and can be appropriately branded</p>	<p>The 2 hours free parking has been very helpful to my business. If we are to see small market towns like Wantage survive and prosper anything and everything that helps must be a positive.</p>
<p>Very difficult to measure the success in terms of footfall or t/o as the scheme started quite closely to when the shop opened but we do get a lot of favourable comments from our customers. In the last week alone I can think of four different people who have commented favourably.</p>	<p>The 2 hr free parking has not increased the number of clients I see but it has reduced the cost for them. A greater concern is the lack of permit spaces in the civic hall car park. We are considering relocating because of the difficulties staff have parking nearby. With 20 members of staff this will have an obvious impact on the town.</p>
<p>Free parking is an absolute necessity - especially now that Tesco offer free parking (Faringdon)</p>	<p>I feel it's a very positive move and really encourages people to come into Wantage.</p>
<p>My shop was opened after the introduction of the free parking. I do not think I would stay in Abingdon if there was no free parking. Abingdon needs to compete with neighbouring towns which already have better traffic flow as well as free parking.</p>	<p>I think the free parking entices people to the area and benefits the wider community. I see an increased number of clients because they can park centrally and freely for a meeting.</p>
<p>There is no doubt that local people regard the two hours free parking as a benefit which positively affects their decisions regarding the destination they take for shopping or business. If free parking was withdrawn we strongly believe that fewer people would visit the town centre and that they would head for other local shopping centres or other towns where free parking was still available - Witney for example. It is hard to quantify the benefit of this policy in</p>	<p>Due to the refurbishment work on Bury St it is impossible to answer the above questions. What I can definitely say is that without the 2hrs free parking a lot of the town centre businesses would not have survived. From the time that Bury St was covered in scaffolding the footfall dropped significantly and has yet to fully recover, if the 2hrs Free Parking is taken away Abingdon's existing trade will be severely affected and there will be no chance of it ever</p>

<p>terms of the affect on each individual business but taken as whole it is bound to assist more shops and businesses to continue trading, and to thrive in the long term, thereby securing increased future income through business rates.</p>	<p>recovering! All I can say is that pre the building work our turnover had held steady, at a time when I know other towns were suffering, on that basis I can only attribute that to the introduction of the Free Parking. (Abingdon Bury Street)</p>
<p>We are still not out of recession, people still haven't got money to throw around, been charged to go and get the basics is costing enough as it is. If the free parking isn't available, they will go elsewhere, it is as simple as that.</p>	<p>I am in favour of the free parking continuing particularly in Faringdon where the town centre businesses are now affected by a new Tesco store which is not in the centre of town. The car park has been noticeably busier since the free parking was introduced.</p>
<p>All last year our business in the Precinct was covered in scaffolding and the shop front was dug up in the run up to Christmas. The whole town suffered from those works (which had to be done) As yet we still have empty units and little movement into the new big units in the Precinct so it's difficult to get an accurate handle on footfall changes . Our business does not have a footfall counter to correlate to our EPOS tills which show transactions numbers. Without surveying our own customers before and after properly its difficult to say what effect free parking has had. But I do think if we did not have two hours free parking our turnover would have seriously decreased to the extent that we could have gone bust !! One thing is for sure we don't have customers s literally running out the shop to avoid an £80 fine as they used to do !</p>	<p>In Wantage, the two hour free parking is largely negated by motorists ignoring the street parking restrictions on single/double yellow lines and park with impunity where they want. However the Council car park conditions are strictly enforced. Until the on-street parking enforcement issue is resolved by the Council car park staff taking on this enforcement responsibility, the on street parking problems will continue un-abated. A recent e-mail from the Leader of the Council (Matthew Barber) indicated that negotiations were on-going, but that this would not be resolved until 2015. So what will happen during 2014?</p>

Conclusions

Overall, businesses have stated that the two hour free parking scheme has had a positive effect on footfall, number of customers and turnover in businesses in the Vale's market towns – Faringdon, Abingdon and Wantage.

In summary, 60 per cent of business surveyed prior to the implementation of two free hours car parking believed it would have a positive impact on their business. One year on, 70 per cent of businesses reported that it had a positive impact on their business. In 2013, 71 per cent of businesses reported that it had a positive impact on their business.

- **Easier to access my business:** 69 per cent reported that free parking had made it easier for customers to access their business, and 69 per cent said it had attracted more people to shop in the town centre, increasing footfall on the high street.
- **Impact on footfall:** 51 per cent reported an increase in customers to their business. 37 businesses were able to quantify the impact on footfall; with 17 businesses reporting an increase of under 5 per cent, 11 businesses reporting an increase in footfall by 5 – 9 per cent, 5 businesses reporting a 10 – 20 per cent increase in footfall and 2 businesses reporting an increase of more than 20 per cent.
- **Impact on turnover:** 23 businesses reported that they believed they had benefited from increased turnover as a result of the free car parking initiative. Responses ranged from £5 per week to £295 per week. Another three businesses responded that the impact had been positive but they were unable to quantify. On average, the 23 businesses who responded to this question reported their turnover had increased by £55 per week on average.

Additional comments received ranged from requests for longer time period (3-4 hours). There was a request for dedicated parking for individual business owners, and requests for short-term visitor parking on Wallingford Street, Wantage. One respondent suggested it was a real inconvenience having to get a ticket and suggested that parking discs for residents / shoppers would work.

This survey suggests that the two hours free parking scheme has been a success, as businesses cite increases in footfall, customers and revenue.

Officers may need to think about another way of measuring impact in future because as time goes on, and businesses change, officers will find there are fewer businesses that can say how the free car parking initiative has impacted on their business. Officers may need to alter the evaluation and potentially could consider:-

- a business survey that asks hypothetical questions about how the business believes the free car parking has impacted on their business
- more reliance given to the 'harder' measures (such as car park usage and footfall)
- a shopper's survey that asks questions about shopping habits and how they have altered as a result of the free car parking initiative.