ABERDEEN CITY COUNCIL

COMMITTEE	**Operational Delivery**
DATE	Operational Delivery: 14 March 2019
REPORT TITLE	Alive @ 5
REPORT NUMBER	OPE/19/087
CHIEF OPERATING OFFICER	Rob Polkinghorne
CHIEF OFFICER	Mark Reilly
REPORT AUTHOR	Jack Penman
TERMS OF REFERENCE	Remit 3

1. PURPOSE OF REPORT

1.1 To report back on the progress of the first three months of the trial period of the “Alive @ 5” scheme.

2. RECOMMENDATION(S)

That the Committee:-

2.1 Notes the content of the report and the positive steps taken to introduce the Alive @ 5 scheme;

2.2 Acknowledges that the change to the structure of parking charges in off street car parks has not impacted significantly on the aspirations of the Alive @ 5 scheme;

2.3 Instructs the Chief Officer of Operations and Protective Services to return parking charges at the 5 car parks involved back to the original charging rates, on completion of the trial period; and

2.4 Instructs the Chief Officer of Strategic Place Planning to investigate appropriate means of supporting the “Alive @ 5” scheme through engagement with local transport providers and continue to engage with Aberdeen Inspired.

3. BACKGROUND

3.1 **Actions to Date**

On 6 March 2018, Council approved the budget for 2018/19. Included within this budget was an allocation of £80,000 to support the "Alive @ 5" scheme. Alive @ 5 seeks to encourage people to stay in the city centre for longer into the evenings, improving the economic vibrancy of the area and supporting the aspirations of the City Centre Masterplan.

3.1.1 The most notable example of a similar scheme is in Newcastle. The scheme has been credited with generating increased income for the city's economy. It not only focussed on providing free car parking after 5pm, but incentivised people to come to the city centre with late night weekday shopping and evening meal deals at restaurants, cafes and pubs. Public transport operators also offer more frequent early evening services to help bring people to the centre. Free evening street entertainment has also been deployed as means of extending visitor stay in the centre.

3.1.2 Approval was granted at the Operational Delivery, and City Growth and Resources Committees to vary the opening hours and charging prices in 5 Aberdeen City Council operated multi storey off-street car parks; Denburn, Chapel Street, Frederick Street, West North Street and Marischal College, to offer free parking after 5pm until 8am for a 6-month trial period (1st October 2018 – 1 April 2019). This change was subsequently implemented and the offer of free parking after 5pm was matched by a private car park operator over the pre-Christmas period.

3.1.3 Aberdeen Inspired and Aberdeen City Council carried out extensive advertising of Alive @ 5 (under the title of Alive after 5) through the local press, radio and on social media. The logo was made available for local retailers, entertainment venues, pubs and restaurants to use in their publicity.

3.1.4 The initial trial period coincided with the Christmas Market and the extended shopping hours over the festive period.

3.1.5 Where available, data from 2018 has been compared with that from 2017 to assess the potential impact of the scheme. Owing to the short period of time being considered, and the available data, exact like for like comparison is not possible. Furthermore, the influence of other variables such as the weather, different/expanded city centre events and significant changes to the local transport network will have impacted on people's behaviours.

3.1.6 Whilst the data from the Local Public Transport providers is used in the assessment of the scheme, it should be noted that they were not directly involved within the initial trial period of Alive @ 5. Their support would be critical if it were to move forward.

3.2 **Car Parking Data Review**

3.2.1 Car Park Income

3.2.2 £80,000 was budgeted to cover anticipated loss of earnings expected by the trial of the amended car park pricing structure within Aberdeen City Council car parks.

3.2.3 Aberdeen City Council switched to a cashless ticket operator in May 2017. As such a comparison of the two years 2017-2018 has included only 1st May-31st December.

3.2.4 Total revenue generated for the months out with the trial period is up 8% as shown in table 1.

	1 May 2017 - 30 Sep 2017	1 May 2018 - 30 Sep 2018	Difference	% Change
Total	£467,310.50	£508,555.60	£41,245.10	8%

Table 1 Total revenue for comparable dates out with trial period

3.2.5 For the first three months of the trial, October through December there was a reduction of income of 7% as shown in table 2.

	1 Oct 2017 - 31 Dec 2017	1 Oct 2018 - 31 Dec 2018	Difference	% Change
Total	£329,607.80	£308,275.20	-£21,332.60	-7%

Table 2 Total revenue for trial months

3.2.6 Total revenue from the 5 car parks has increased in 2018 by 2% for this period on the previous year as shown in table 3.

	1 May 2017 – 31 Dec 17	1 May 2018 – 31 Dec 18	Difference	% Change
Total	£796,918.30	£816,830.80	£19,912.50	2%

Table 3 Total revenue for all comparable dates

3.2.7 These figures are shown graphically in appendix A.

3.2.8 Occupancy Data

3.2.9 Where available, data has been obtained from the loop sensors at the entrance and exits to car parks involved in the scheme. This enabled an average occupancy rate to be calculated for each car park. When comparing the data for 2017 and 2018 the occupancy rates follow a similar pattern with a slight increase noted in the period of October to December during the trial period.

3.2.10 Data from private car parks has indicated that for the months the trial was ongoing the average occupancy did not significantly alter. This data is commercially sensitive so has not been included within this report.

3.2.11 The occupancy data is shown graphically in appendix B.

3.3 Economic Analysis

3.3.1 No discernible trend in occupancy data could be obtained during the trial period.

3.3.2 The data does not demonstrate that the parking aspect of the Alive @ 5 initiative had any impact on incentivising footfall into Aberdeen City. Footfall is lower at all counter locations for the period between October and December 2018 than from the previous year. However, there are restrictions within the data and the environment that make this difficult to measure.

3.3.3 Footfall in Aberdeen City Centre is down in general (circa 10% lower 2018 than 2017; 13% lower than 2016) (Source: Springboard). The result of this is that the baseline for the data has changed, with like-for-like comparisons being less appropriate. The population of Aberdeen region has also not been growing in the past couple of years. Migration to the region and disposable household income have also been falling in the region.

3.3.4 Retail spend in Aberdeen City in 2018 was lower than previous years. Economic factors may have played a far more substantial role in the data than any other variable.

3.4 Aberdeen Inspired

3.4.1 Aberdeen Inspired aim to develop 'Alive After 5' with and for their levy payers. The concept links the day and night time economies with a package attractive to both businesses and consumers within the city centre. This includes free parking after 5pm and it is envisaged that this will be supported by retailers opening for extended hours, with the potential to benefit restaurants, bars, theatres and cinemas.

3.4.2 "Alive After 5" is part of Aberdeen Inspired's campaign to celebrate the diverse and vibrant evening and night time economy Aberdeen City Centre provides. By showcasing the city's evening offering to 'Eat, Shop, Drink, and Discover', Aberdeen Inspired hope to encourage residents to become tourists in their own city and explore all that is on offer. Aberdeen is growing into a 24-hour city, with late night gyms, retail leisure and entertainment facilities available, and the city centre is becoming more accessible than ever, with something new to discover each time you visit.

3.5 Public Transport

3.5.1 Due to the data being commercially sensitive, passenger data from the two main public transport operators has been provided as percentages. It should be noted that while the evening bus services have been impacted generally by the down turn in the night time economy the latter part of the year is often stronger for operators in terms of patronage owing to the numbers of students travelling and the Christmas period.

3.5.2 The views of one of the operators have been summarised in appendix C.

Operator 1

3.5.3 Operator 1 notes a general decline in patronage between 2017-2018 compared to the 2016-2017 figures, data has been provided for the weeks 1-40 and the Alive @ 5 period.

	% change in patronage (weeks 1 – 40)	% change in patronage (Alive @ 5 period weeks 40-52)
2016 to 2017	-4.2%	-2.12%
2017 to 2018	-8.7%	-11.45%

Table 4 Operator 1 patronage change

Operator 2

3.5.4 Operator 2 notes that compared to the same period of October – December in 2017 the growth rate in evening patronage in 2018 was 14 percentage points lower.

3.5.5 Involvement of the local public transport providers in the scheme should be encouraged going forward. By encouraging an accessible and reliable public transport network, people will be encouraged to relax and enjoy the night time economy as it moves from daytime to night time.

3.6 **Transport Policy**

3.6.1 Local Transport Strategy - sets an overall vision for transport in the city based around encouraging and enabling more sustainable travel choices. It seeks to increase modal share for public transport and active travel, reduce the need to travel, reduce dependence on the private car and improve air quality and the environment.

3.6.2 City Centre Masterplan – seeks to bring forward a 20-year programme of ambitious but achievable schemes for the city centre. It sets out schemes to broaden the offering of the city centre and will be supported by Active Travel proposals to improve public space and movement. One clear aim of the CCMP is to reduce the current dominance of the car in the city centre and empower residents and visitors to make sustainable travel choices.

3.6.3 Nestrans - Regional Car Parking Strategy- This strategy aims to support and influence increases in the proportion of journeys undertaken by sustainable modes, particularly by bus and rail. It notes that parking charges should reflect the need to support economic vitality but also be set in the context of the costs associated with using other modes of transport in order that it does not dis-incentivise use of more sustainable modes.

3.7 **Review**

3.7.1 In preparation of this report it was clear that the aspirations of Alive @ 5 are relevant and supportive of the CCMP. The desire to bring people into the city centre must be supported by increasing the offering available to them to bridge the gap from daytime to night-time economy.

3.7.2 In reviewing transportation policy and the CCMP, the provision of reduced price or free parking does not clearly fit with aspirations to reduce private vehicles in the city centre and to increase active and public transport use. The location of the multi storey car parks on the periphery of the city centre does not entirely conflict however the benefits being offered are restricted to the driving public only (in 2011 31% of households in Aberdeen did not have access to a car or van).

3.7.3 The trial period for reduced parking charges was introduced to support the Alive @ 5 launch and generate an interest in visiting the city centre in the evening. It was acknowledged by the Council that there would be a cost attached to this trial. As inferred earlier, it has been challenging reviewing data from car parks due to the variables that have occurred over the past year such as weather, events and economic climate. The analysis of parking income has shown that the agreed allocation of £80,000 was adequate.

3.7.4 Opportunities to include and encourage the use of public transport to support Alive @ 5 should be explored through engagement with public transport providers.

3.8 **<u>Parking control experiences elsewhere</u>**

3.8.1 A report by COST entitled Parking policy measures and their effects on mobility and the economy examined cases where cities have relaxed their parking restrictions to stimulate greater trade. A summary is included in appendix D.

4. FINANCIAL IMPLICATIONS

4.1 Evidence available to date indicates that the £80,000 reduction in the off-street parking budget for 2018-2019 allowed for the Alive @ 5 trial appears to be accurate. Appendix E presents the estimated revenue without the trial in place for 2018.

4.2 In the event the scheme is applied all year round it is reasonable to assume that the loss in parking income would be £160,000.

5. LEGAL IMPLICATIONS

5.1 None.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Reduced income from off-street parking operations resulting in less funds being available for the management, maintenance and enforcement of parking controls and traffic schemes within the city.	M	Funds for upkeep would have to be agreed from a different source.
Legal	There is a risk that with potentially less funds being available for the management, maintenance and enforcement of parking controls and traffic schemes that the Council may not be able to fully enforce the parking controls which were taken on under Decriminalised Parking Enforcement.	L	Any shortfall in funds for enforcement would need to be found to enable the continuing enforcement of parking restrictions.
Customer	There is a risk that the provision of free parking after 5pm could result in capacity issues within these car parks at certain times during the year, limiting availability for parking to customers. With no alternative service being offered to no drivers there could be a perceived equality issue.	L	Parking availability will continue to be communicated through matrix signs.
Environment	There is a risk that the provision of free parking could generate additional car trips into the City	L	Air quality would continue to be monitored.

	Centre. This could further exacerbate air quality issues in the City Centre Air Quality Management Area (AQMA) at a time when the Council is being encouraged to develop proposals for Low Emission Zones (LEZs)		
Reputational	There is a risk that the Council is seen as having an inconsistent transport policy by offering fee car parking while the LTS and CCMP are based upon reducing car traffic into the city centre and encouraging travel by more sustainable modes and reducing the dominance/impact of cars to achieve an improved sense of place in the city centre.	L	Continue to promote sustainable modes of transport.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The recommendations of this report may have a positive impact on the economy.
Prosperous Place	The recommendations of this report may increase visits to the city centre.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not required

9. BACKGROUND PAPERS

Council Decision 6 March 2018

Alive @ 5 – OPE/18/097 -
https://committees.aberdeencity.gov.uk/documents/s87508/Alive%205%20report.pdf

10. APPENDICES

Appendix A
Appendix B
Appendix C
Appendix D
Appendix E

11. REPORT AUTHOR CONTACT DETAILS

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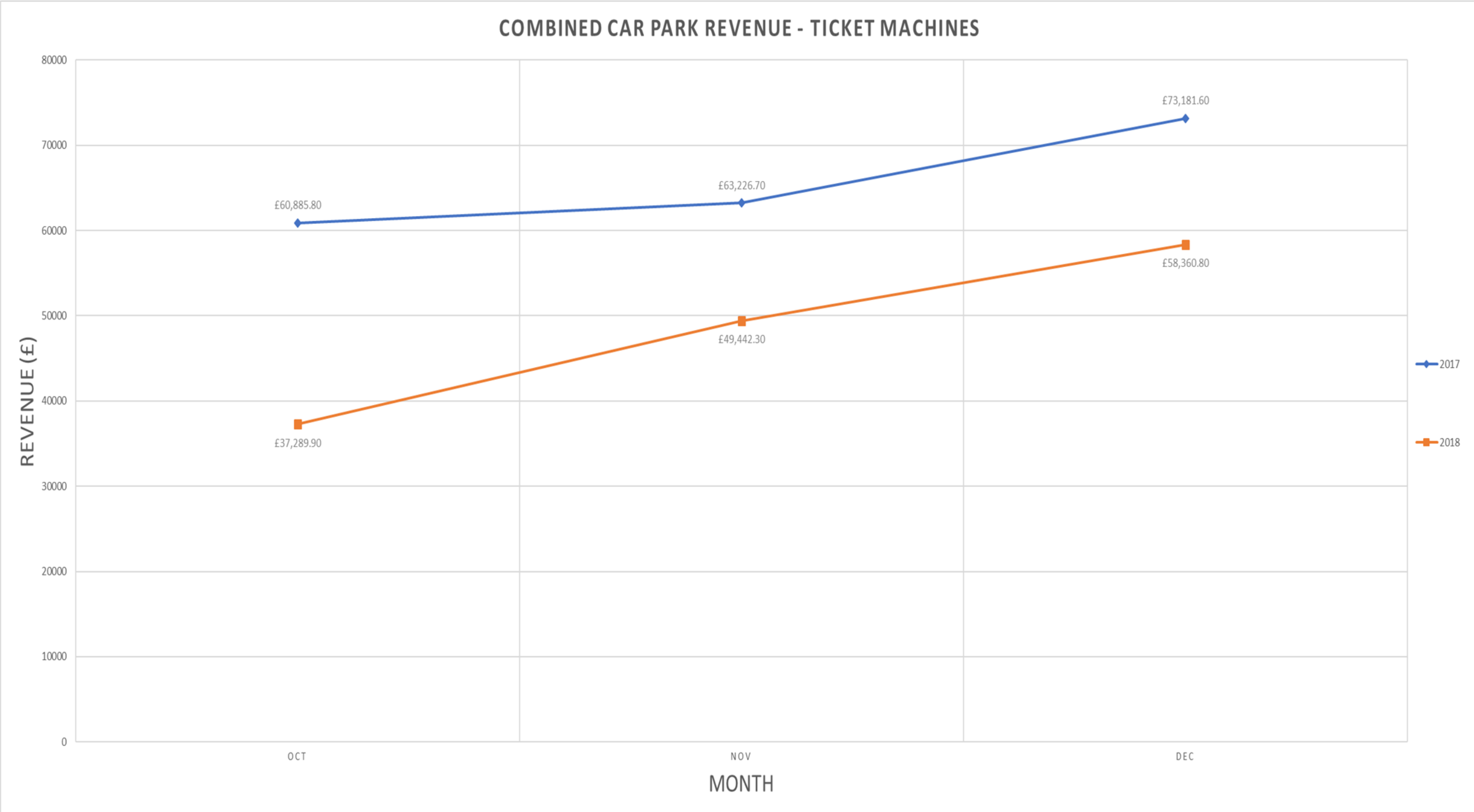
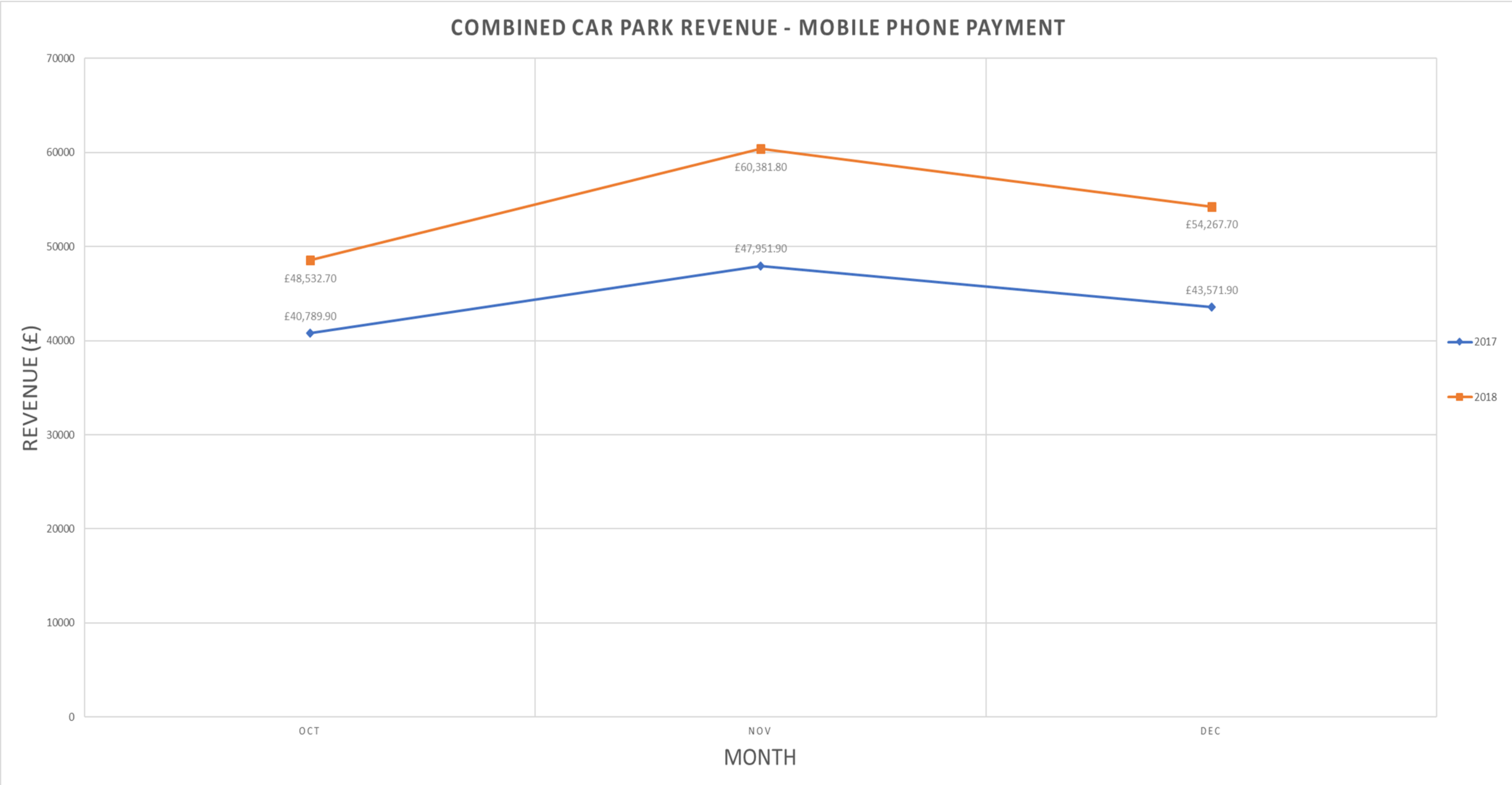
Appendix A

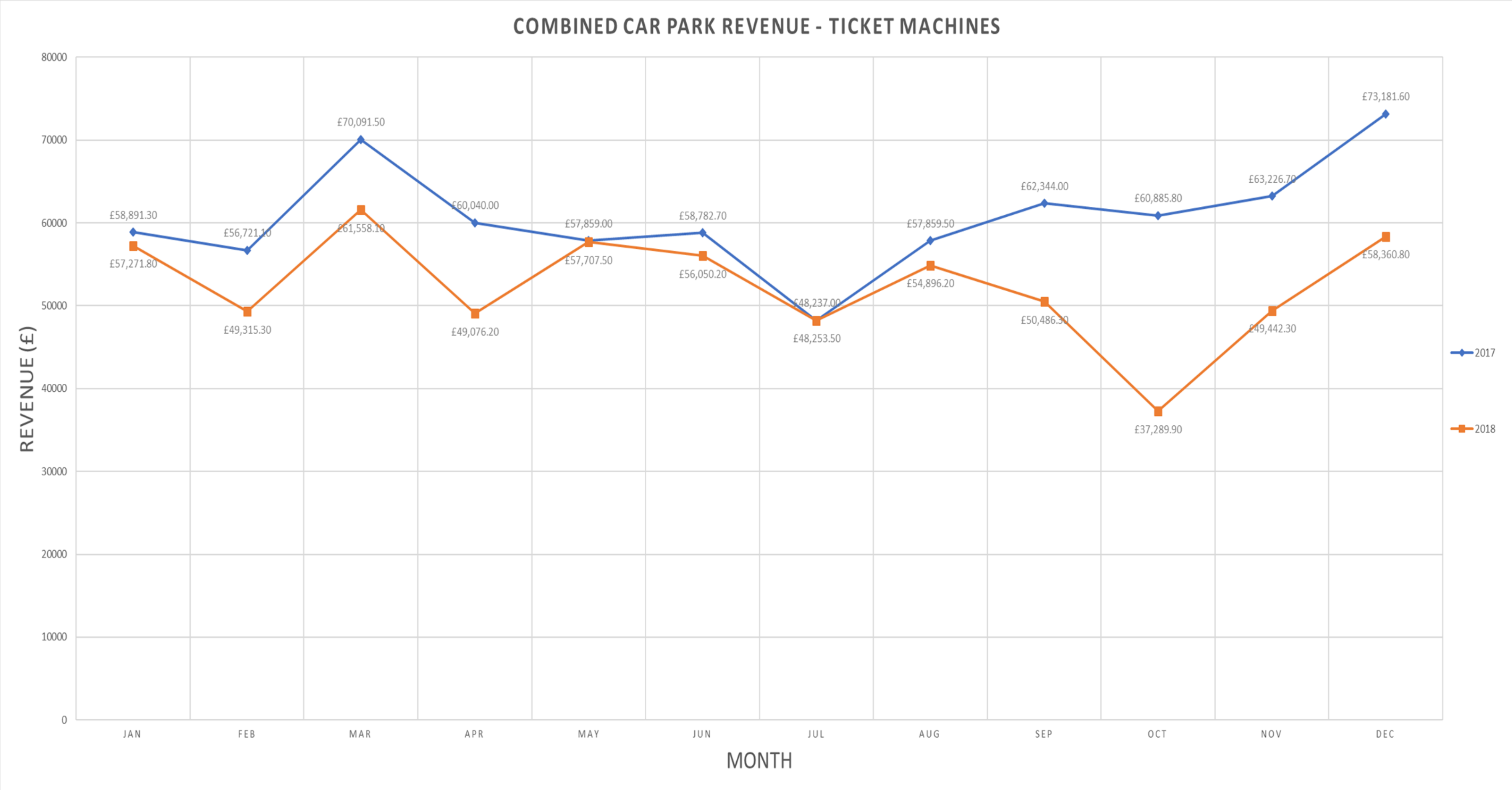
Graph 1 – Ticket Machine revenue for all car parks during trial months.



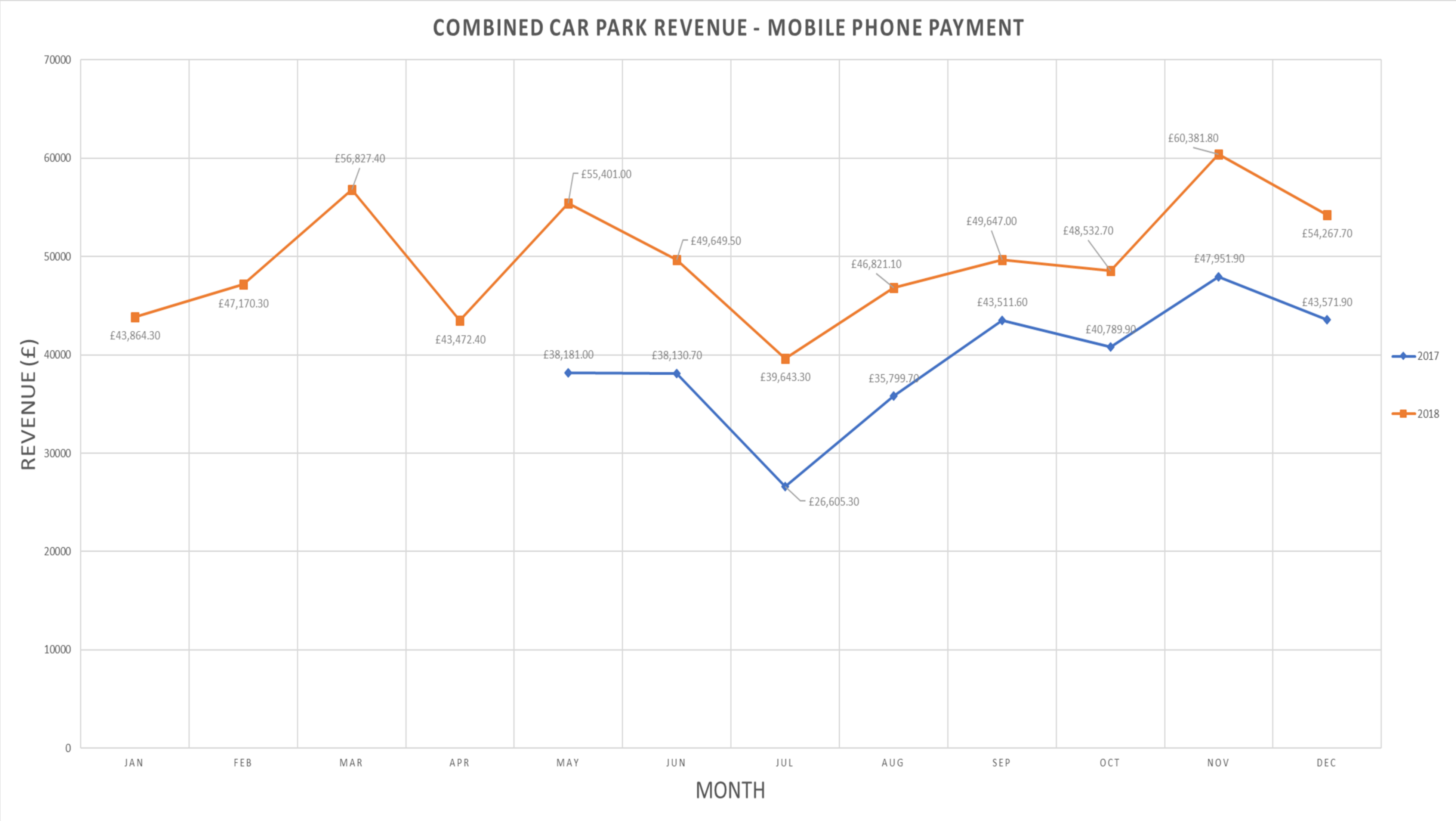
Graph 2 Mobile Phone revenue for all car parks during first three trial months.



Graph 3 Ticket Machine revenue for year.

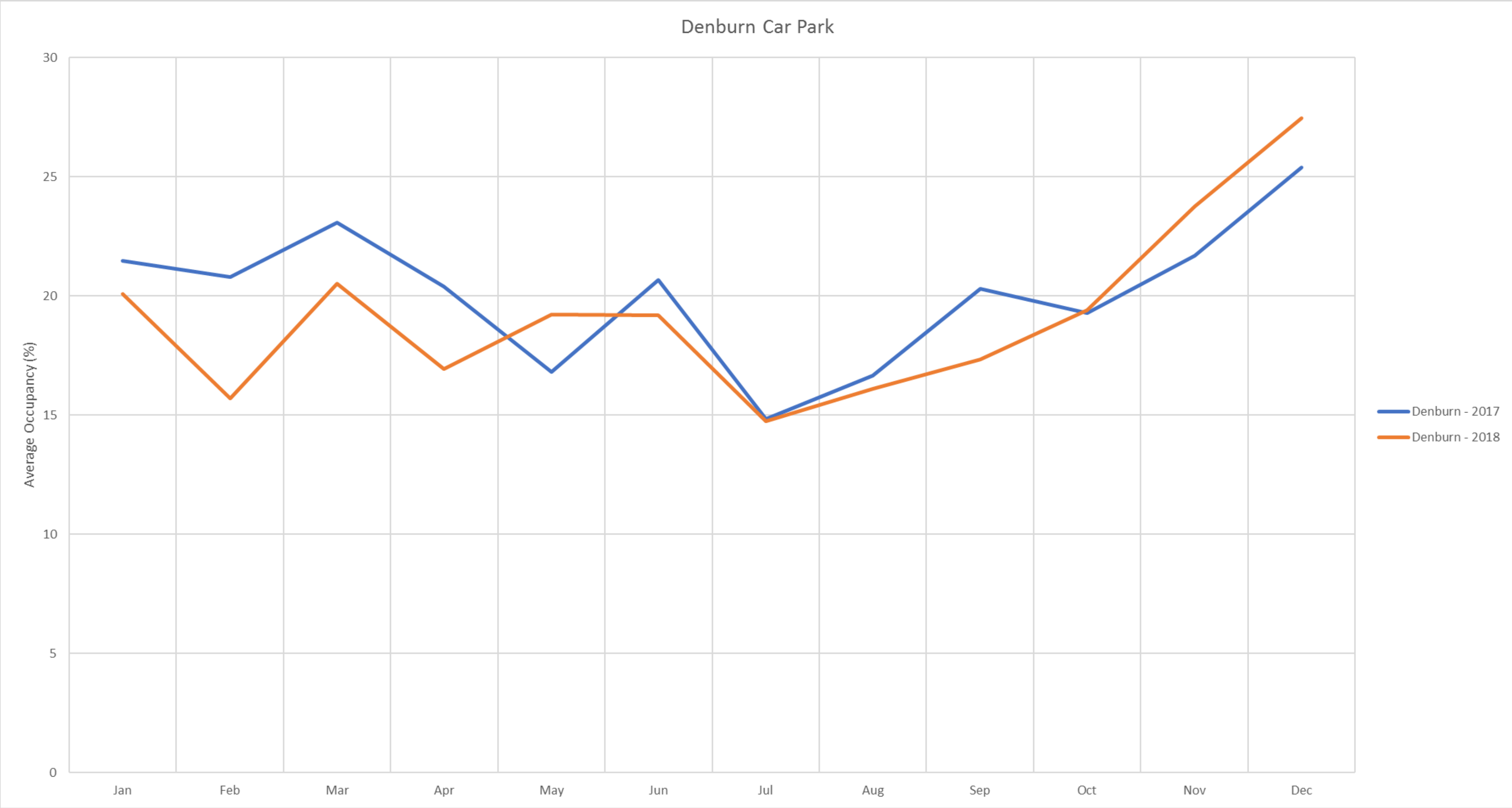


Graph 4 Mobile Phone revenue for year.

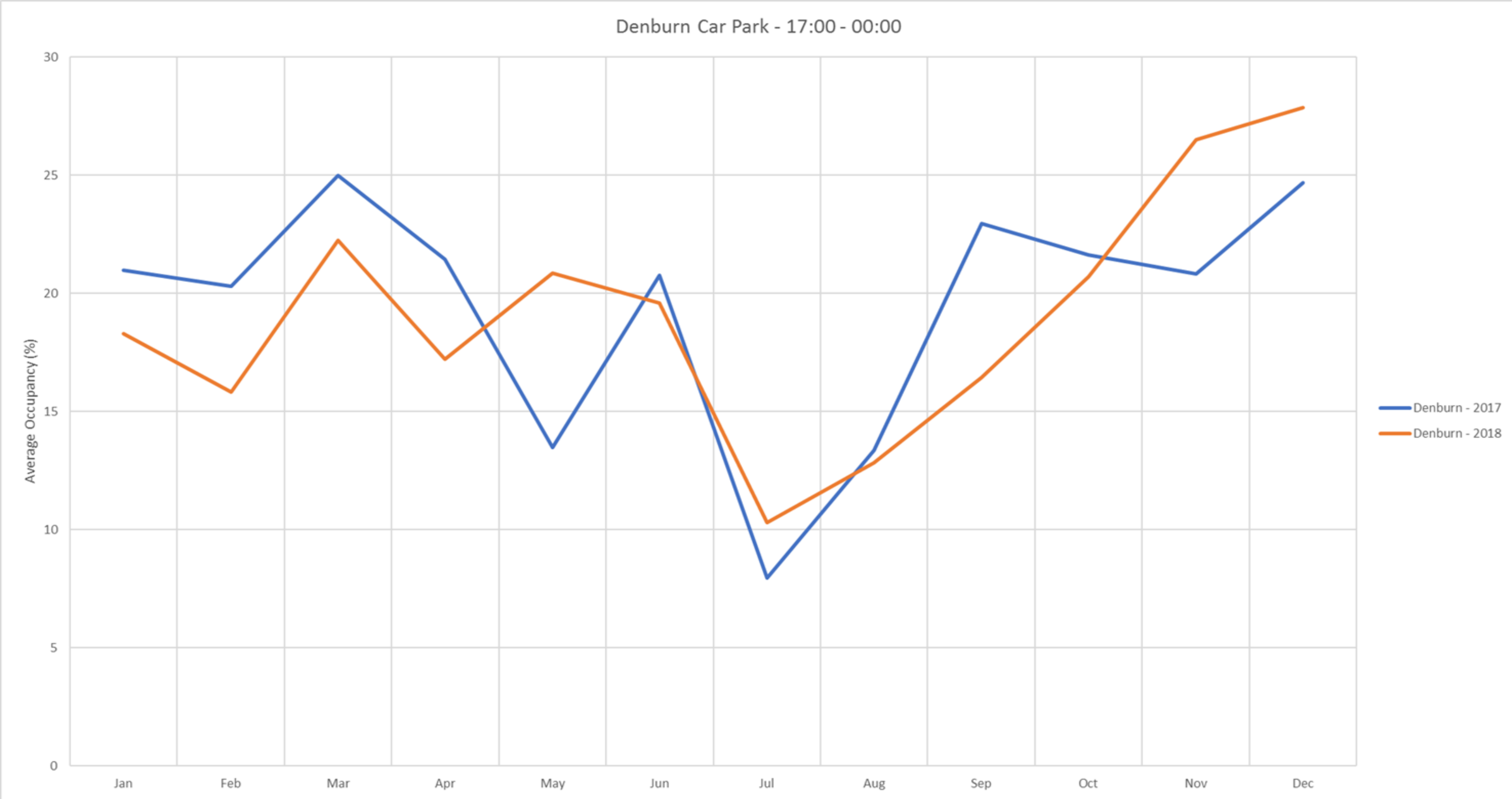


Appendix B

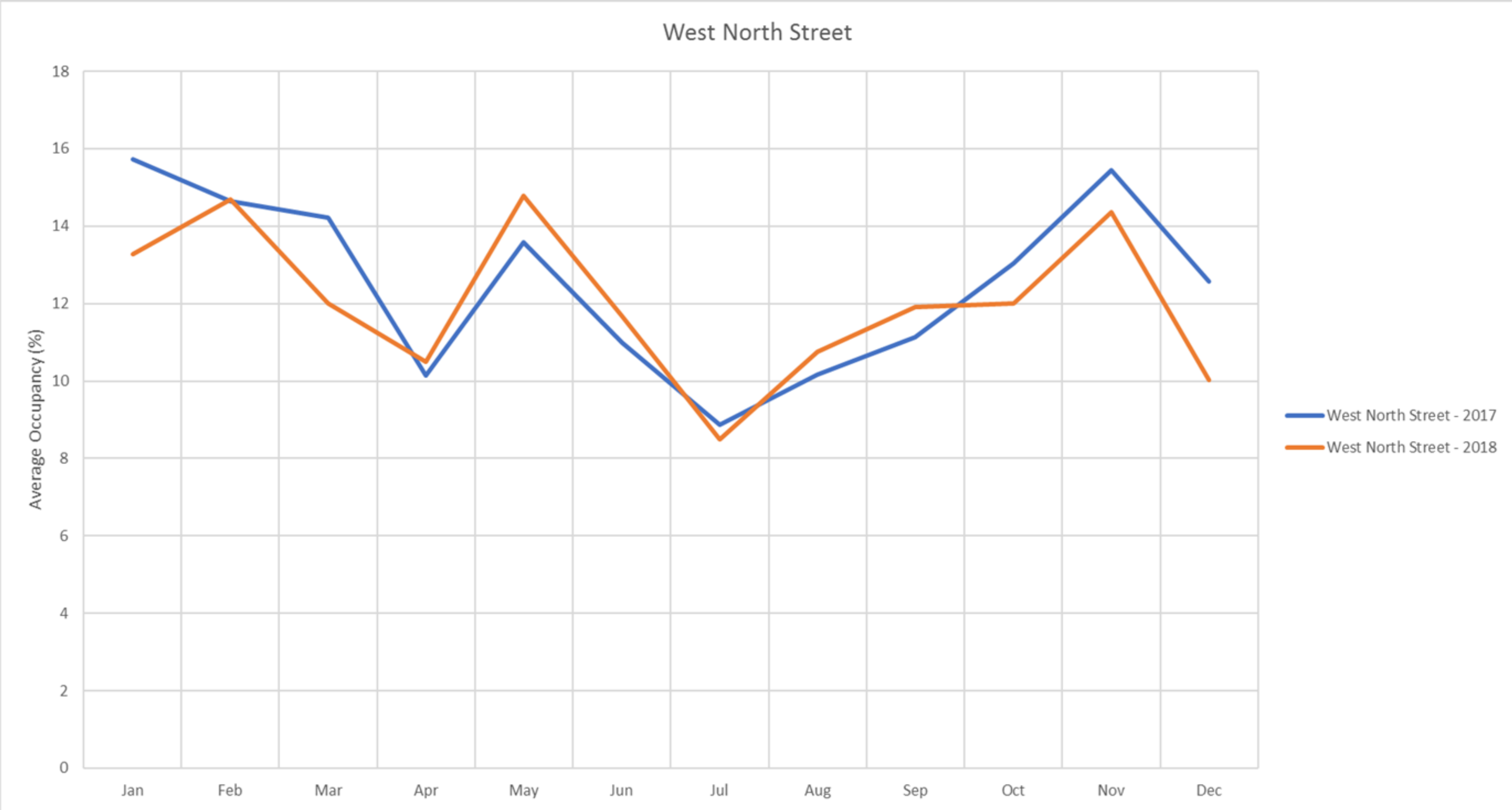
Graph 5 – Denburn Car Park Occupancy 24 Hour



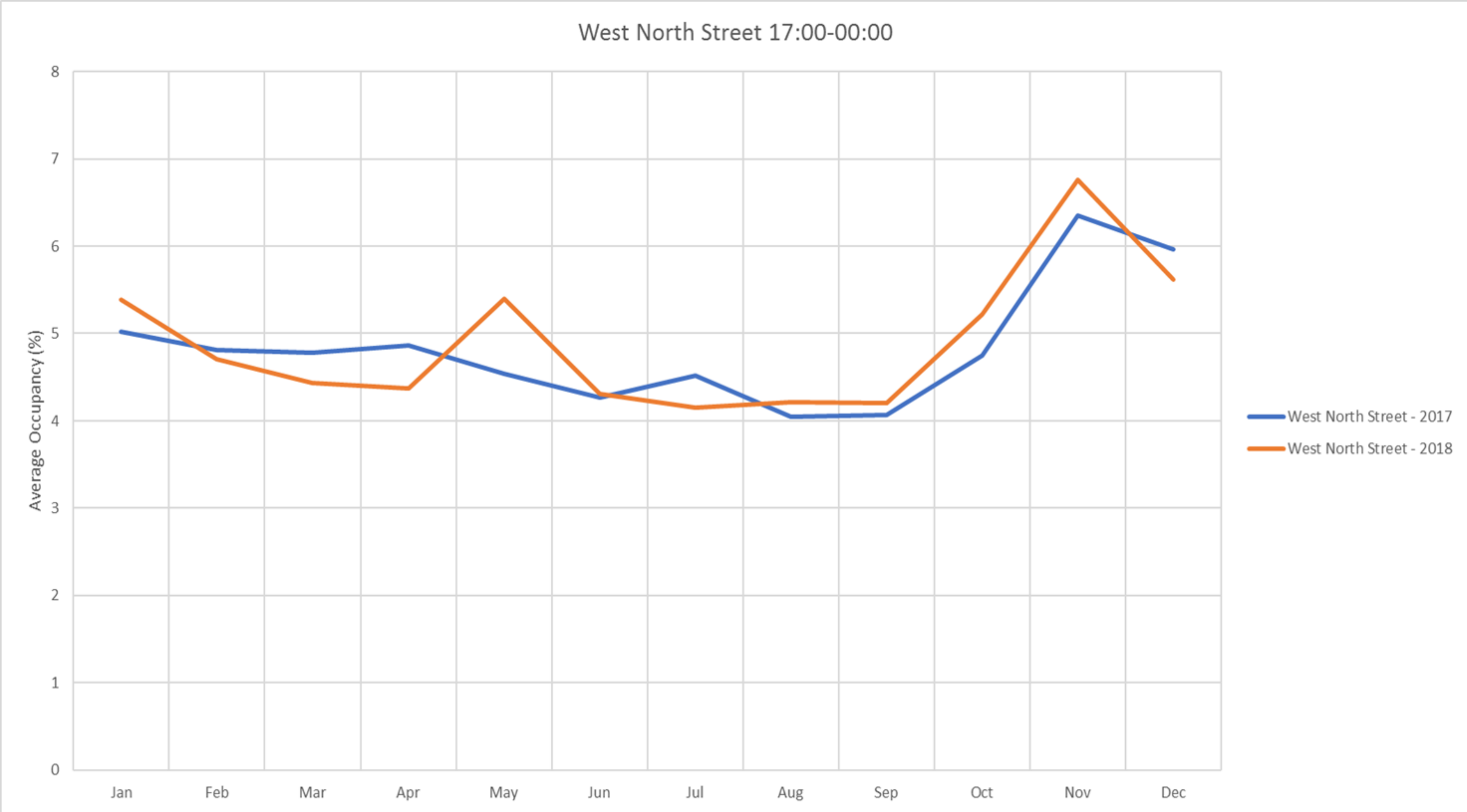
Graph 6 Denburn Car Park Occupancy 17:00 hours – 00:00



Graph 7 West North Street Car Park Occupancy 24 Hour



Graph 8 West North Street Car Park Occupancy 17:00 hours – 00:00



Appendix C

An operator has noted that car parking in the city is “already incredibly cheap, with a wide choice of locations available. Much of this is controlled by private operators, who it is argued already use cheap parking as an incentive for customers.” It is noted that “it is already very challenging for bus operators to compete with this pricing model, as services still need to cover their cost of operation and do not get cheaper to operate at night.”

They note that public transport engagement could have been “key to helping people access leisure activities and restaurants/bars in a sustainable way. It would have also allowed people to have a drink and socialise.” They note this as “a potential missed opportunity of the trial.”

If the trial is to be pursued, they “would be happy to engage fully with the project and support its success through marketing and customer communications. With the ability to retail discounted tickets via their mobile app this could incentivise people into the city centre, furthermore this data could be used to monitor the uptake of the project to report back to the project partners.”

Appendix D

Oslo, Norway.

Weekend parking was made free, instead of this attracting lots of additional shoppers, fewer people parked for longer (and some of those were retail staff). Occupancy rose to almost 100%, parking duration by 30% and so there was less turnover and it became more difficult for people to park. Most retailers were negative about the experiment and it was abandoned in 2000.

Herford, Germany.

The first half hour of parking was made free. This increased occupancies, drew some more short-term visitors into town, but also led to a deterioration in the traffic environment.

Appeldoorn, Netherlands.

Parking fees were increased at the same time as a cheap public transport ticket was introduced. The latter brought an increase in people coming into town, whilst parking occupancy remained as it was before. However, the view of most retailers was that people were choosing where to shop mainly on grounds of the quality of the shops, not the parking opportunities.

Madrid, Spain.

Expensive parking fees have not affected the buoyancy of the retail economy.

Dutch study

The report cites a study conducted in the Netherlands that argues that:

- Cities and towns with unique qualities/features can implement restrictive parking policies with little effect on their retail sector.
- Where there are several similar competing towns and cities, then parking policy can be a deciding factor for people in deciding where to go and shop.
- Therefore, a regional parking policy can be helpful in that it can help to maintain the relative positions of existing centres within the region, and also help to prevent the development of new, competing centres.

342 - Parking policy measures and their effects on mobility and the economy:

www.cordis.lu/cost-transport/src/cost-342.htm

Appendix D

The revenue for the comparable months of 2017 and 2018 (out with the trial period) has shown an average increase of 8%.

	Difference in comparable months		
	2017	2018	%
May	£96,040.00	£113,108.50	15%
June	£96,913.40	£105,699.70	8%
July	£74,842.30	£87,896.80	15%
August	£93,659.20	£101,717.30	8%
Septmber	£105,855.60	£100,133.30	-6%
	Average:	8%	

Applying this average % increase to the revenue figures for the months of October, November and December 2017 gives a prediction of what the revenue for 2018 without the Alive @ 5 trial would be. This is shown in the table below and in graph 9.

Month	2017 Revenue	Estimated 2018 Revenue	Actual 2018 Revenue	Difference
October	£101,675.70	£109,903.77	£85,822.60	£24,081.17
November	£111,178.60	£120,175.69	£109,824.10	£10,351.59
December	£116,753.50	£126,201.74	£112,628.50	£13,573.24
			Total:	£48,006.00

Doubling this figure and accounting for seasonal variations, to estimate the expected revenue over the full 6 months of the trial, would approximate the agreed £80,000 reduction.

£160,000 is estimated to cover a full year. It should be noted that many factors would however influence actual revenue and this estimate is provided based on available data.

Graph 9 – Actual Revenue and Expected revenue for comparable months.