
CHRISTMAS SHOPPING PERIOD PARKING PROMOTION

Responsible Cabinet Member – Councillor David Lyonette, Transport Portfolio

Responsible Director – Richard Alty, Director of Place

SUMMARY REPORT

Purpose of the Report

1. The purpose of this report is to seek Members approval for a car parking promotion during the December Christmas Shopping period.

Summary

2. Cabinet has previously approved free parking from 3.30 pm on each of the four Thursdays leading up to Christmas to promote local trade.
3. The Distinct Darlington Board (Darlington's Town Centre Business Improvement District) has proposed a new parking promotion for the Town centre during the run up to Christmas. Parking promotion was identified as an important element of the Distinct darlington Business Plan.
4. Distinct Darlington have allocated £15.5K for marketing during the run up to Christmas and have also committed funding to run a number of Town centre events, activities include:
 - (a) Launch of the ice rink on 7th December with TFM broadcasting live on this day;
 - (b) A 'Buy Local' feature in Darlington Together in the run up to Christmas;
 - (c) TV advertising using an existing Darlington Town Centre advert for two weeks starting 24th October;
 - (d) Filming a second advert to promote the Christmas offering in the town centre i.e. ice rink, parking promotions, late night shopping, etc. this has been confirmed to run on ITV 1st – 6th December. This TV advert can include a feature on a Darlington Town Centre parking promotion;
 - (e) Christingle Market running from 5-8 December.

5. To assist Town Centre businesses in gaining further value from the promotional activities described above, the Distinct Darlington Board has requested that the Council offer free parking in Council operated car parks and on street parking bays after 3:00PM for the period from 7th December until 24th December.
6. To support their request, Distinct Darlington have canvassed businesses on the proposed parking promotion and have evidence that the majority of retailers and restaurants will take advantage of the offer by staying open late when the 'free after three' offer is running.
7. Based on parking revenue in previous years it has been estimated that this would result in a loss (net of VAT) of an estimated £37,500 in revenue from parking.
8. In previous years the 'Free after 3:30PM' promotion on the four Thursdays preceding Christmas are estimated to have reduced income by around £10,000 (net of VAT).
9. The Distinct Darlington Board has agreed to cover 50% of the estimated reduction in revenue. Meaning that if the promotion is enacted the Council would bear the risk of losing the remaining income. This could be greater or less than the estimated figure though is not expected to vary substantially from the estimate.

Recommendations

10. It is recommended that Members approve the 'Free after 3:00PM' Christmas parking promotion to take place from Saturday 7th December until Tuesday 24th December 2013.

Reasons

11. The recommendation is supported by the following reasons :-
 - (a) This is a temporary parking promotion, timed to coincide with the Christmas shopping period.
 - (b) Distinct Darlington have committed to reimbursing the Council with 50% of the estimated loss of parking revenue.
 - (c) Distinct Darlington is funding a range of Town centre promotional activities during the run up to Christmas, and if the parking promotion is approved will include this within a TV advertising campaign.
 - (d) A survey of Town Centre businesses has shown that most will stay open late during the last two weeks leading up to Christmas.

- (e) It is anticipated that the promotion will help to spread some of the demand for parking further throughout the day, thereby reducing pressure on parking spaces at the peak time, which is usually between 12:00 Noon and 2:00PM. Depending upon the impact of the promotion in 2013, encouragement to spread demand maybe a useful strategy to adopt as one element of the parking contingency plan required to mitigate against the temporary loss of Town Centre parking spaces when the Feethams developments are taking place.

Richard Alty, Director of Place

Background Papers

No Background papers were used in the preparation of this report

OJW: Extension 6047

S17 Crime and Disorder	No impact
Health and Well Being	No impact
Carbon Impact	This promotion will encourage more people to drive to the Town Centre, negatively impacting on the Council's policy of reducing Carbon emissions.
Diversity	No impact
Wards Affected	Central Ward
Groups Affected	Town centre businesses. All Town Centre visitors arriving by car including disabled visitors.
Budget and Policy Framework	This report does not represent a change to the Council's budget or policy framework.
Key Decision	This is not a Key Decision
Urgent Decision	Yes
One Darlington: Perfectly Placed	Parking promotion helps support the Town Centre Economy.
Efficiency	No impact

MAIN REPORT

Information and Analysis

12. The Distinct Darlington Board (Darlington's Town Centre Business Improvement District) has proposed a new parking promotion for the Town centre during the run up to Christmas.
13. Distinct Darlington have allocated £15.5K for marketing during the run up to Christmas and have also committed funding to run a number of Town centre events, activities include:
 - (a) Launch of the ice rink on 7th December with TFM broadcasting live on this day;
 - (b) A 'Buy Local' feature in Darlington Together in the run up to Christmas;
 - (c) TV advertising using an existing Darlington Town Centre advert for two weeks starting 24th October;
 - (d) Filming a second advert to promote the Christmas offering in the town centre i.e. ice rink, parking promotions, late night shopping, etc. this has been confirmed to run on ITV 1st – 6th December. This TV advert can include a feature on a Darlington Town Centre parking promotion;
 - (e) Christingle Market running from 5-8 December.
14. To assist Town Centre businesses in gaining further value from the promotional activities described above, the Distinct Darlington Board has requested that the Council offer free parking in Council operated car parks and on street parking bays after 3:00PM for the period from 7th December until 24th December.
15. Based on parking revenue in previous years it has been estimated that this would result in a loss (net of VAT) an estimated £37,500 in revenue from parking.
16. Cabinet has previously approved free parking from 3.30 pm on each of the four Thursdays leading up to Christmas to promote local trade. The 'Free after 3:30PM' promotion on the four Thursdays preceding Christmas are estimated to have reduced income by around £10,000 (net of VAT).
17. The Distinct Darlington Board have agreed to cover 50% of the estimated reduction in revenue, that is a fixed sum of £18,750. Meaning that if the promotion is enacted the Council would bear the risk of losing the remaining income. This could be greater or less than the estimated figure though is not expected to vary substantially from the estimate.
18. It is hoped that that the parking promotion, combined with the Distinct Darlington Christmas events and marketing will bring more shoppers into the Town Centre, thereby minimising the that income will be reduced further than estimated.

Financial Implications

19. Estimated loss of £43,000 (net of VAT) in revenue from parking, with 50% reimbursed to the Council by Distinct Darlington. Net cost to the Council's parking revenue estimated at £21,500.
20. There is a financial risk that loss of revenue is greater than estimated; in agreeing to the promotion Members should be aware that Distinct Darlington will not provide any additional funding to that agreed and that the Council is bearing this risk.

Risks

21. The parking promotion is intended to help support Christmas trade in the Town Centre, particularly to encourage late night shopping.
22. Risks are:
 - (a) **The promotion is not sufficiently publicised.**
Distinct Darlington are leading on marketing the Town Centre and as described in point 12 have allocated resources to a professionally produced advertising campaign.
 - (b) **Business do not open late, to take advantage of the promotion.**
Distinct Darlington have contacted Town Centre businesses, and surveyed retailers, most retailers have stated their intention to open late throughout the period of the parking promotion.
 - (c) **That there is little or no evidence, to assess the impact of the promotion.**
Distinct Darlington and the Council will work together to evaluate the impact of the parking promotion. Mechanisms for assessing the impact of the parking promotion include, evaluation of:
 - i) Data on Town Centre Footfall
 - ii) Data on occupancy of off-street car parks
 - iii) Data on strength of retail sales
 - iv) Data on the number of retailers opening late during the promotion.

Consultation

23. Distinct Darlington has consulted with Town Centre Businesses on options for promoting the Town Centre, in the busy shopping period up to Christmas.

Outcome of Consultation

24. Support from Town Centre businesses for the 'Free after three' promotion and agreement by the Distinct Darlington Board, to back that option.