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Dear Sirs,

Consultation on Parking Charges

Whilst Midhurst Chamber of Commerce acknowledges Chichester District Council's need to investigate all potential revenue streams at this time, our evidence indicates that proposals to introduce car parking charges in Midhurst are entirely disproportionate: that is to say that the economic damage inflicted on the town will far outweigh the small projected revenue to the Council.

Our specific concerns are as follows:

1. There are at least 20 specialist businesses operating in the town centre (eg three shipping firms, two railway consultants, three national charities, mail order suppliers, etc.) which could be located anywhere but choose to base themselves in Midhurst largely because of its free parking in addition to the relatively low cost of commercial premises.

With modern communication technology, many of these firms could now easily operate from home or rural business parks, and since there is virtually no demand for the secondary commercial premises in the town centre which they currently occupy (eg small offices above shops), these units are likely to remain empty for some time, impacting on non-domestic rates revenue, local employment and the number of workers in the town centre supporting its cafes, shops etc.

19 of the town centre businesses who took part in our recent survey (see appendix 1) can be classified in this way, of which 17 (89%) stated that they will consider relocating if parking charges are introduced. We have received letters from two of these businesses (see appendix 2) stating their intention to consider relocating.

2. Chichester District Council's own consultants (Centre for Local and Regional Economic Analysis at the University of Portsmouth) have predicted that during the first six months following the introduction of parking charges "the estimated loss would be around £0.6m to £0.7m" to the town's businesses.

Midhurst's traders agree with the consultants. Of the 87 town centre businesses that

answered the question in our survey, 58 (67%) anticipate a significant reduction in their turnover if parking charges are introduced, with a further 20 (23%) expecting a minor reduction. Only 9 of them (10%) anticipate no change to their turnover.

We note that projected earnings from parking charges in Midhurst are just £50k per annum, so it will take Chichester District Council at least 12 years to recover what it will cost Midhurst's traders during the first six months.

We further note that this conclusion was published in February 2007, drawing on data from 2004-06, a period of economic growth in stark contrast to the current climate of global recession. Consumers are now far more cost-conscious than they were in 2004-07, so the actual impact is likely to be even higher than the £0.6m to £0.7m calculated at that time.

3. Many of Midhurst's businesses are already in a precarious state, and any further reduction in turnover (even for the six month period predicted by Portsmouth University) is likely to result in closure. Of the 85 town centre businesses who answered the question in our survey, no less than 65 (76%) believe that parking charges could threaten their business' future, and 34 businesses (41%) are specifically considering relocating or closing if parking charges are introduced.

Midhurst has already lost a number of long-established businesses in recent years (eg Midhurst Sports, Richard Green's, Somerfield, Midhurst Music & Video) and most of their premises have remained empty ever since. West Street (adjacent to Grange Road car parks, where charges are being proposed) has been particularly badly hit, with five shop premises already vacant – three of which have been vacant for more than three years – and one of the largest businesses in the street on the brink of closure. Should parking charges cause further closures in this street then we could reach a 'tipping point' at which the proportion of vacant property makes the remaining businesses no longer viable due to lack of footfall. In such circumstances it will become extremely difficult to encourage new businesses into the vacant units.

Chichester District Council has itself identified Midhurst's urgent need of economic regeneration, and has recently instigated the 'Midhurst Vision' programme, sourcing business premises grants, retail training etc. in an attempt to minimise further business closures. This would appear to be in direct contradiction to the likely impact of parking charges proposed by the same Council.

4. Of the 83 town centre businesses who answered the question in our survey, 75 (90%) stated that they and their staff will consider finding alternative free parking (eg nearby residential streets) should charges be introduced. Midhurst is a low-wage town, and the proposed cost of £120 per annum for a parking season ticket will be prohibitive for many workers.

Even if shoppers all continue to use the car parks (which in itself seems unlikely), this quantity of workers taking up space in Ashfield Road, Lamberts Lane (both of which are already dangerously congested at school times), Taylors Field, Pretoria Avenue etc. will cause considerable traffic problems and inconvenience to residents.

Chichester District Council has already stated that such problems can be dealt with by residents' parking schemes, but this will require yet more administration, cost and inconvenience, and we would question whether this can be justified by such a small potential revenue in the car parks.

5. Midhurst's retail economy relies heavily on browsing. With so many small independent shops, many selling specialist goods, the retail environment is unhurried as visitors to

the town browse for gifts and treats, perhaps stopping for a leisurely lunch in one of the town's cafes or restaurants. This is in contrast to the more practical shopping which one might undertake in a city like Chichester, which is more consistent with a fixed stay in a car park.

Regardless of the cost of parking charges, the necessity for visitors to 'clock watch' in order to return to their cars at a particular time will have a devastating impact on this critical element of the town's economy. Visitors tell us that they love the relaxed atmosphere of the town, and whilst it is difficult to quantify in economic terms, our traders realise what a valuable commodity this is.

In summary, the results of our survey, the qualitative evidence of our public meeting, the views of our membership, and our considerable experience of the Midhurst retail and business environment, leads Midhurst Chamber of Commerce to conclude that the imposition of parking charges would have a devastating effect on our already beleaguered independent businesses. For many, sadly, it could well be the 'straw that broke the camel's back'.

Whilst we cannot prove the exact negative financial impact – any more than it can be proven otherwise – it is our considered opinion in light of all of the evidence that somewhere between 10 and 30 businesses in the town centre would either close or relocate as a direct result of parking charges. If we are right, then the direct impact on non-domestic rates revenue and the indirect impact of greater unemployment in the town will dwarf the projected revenue from parking charges.

Midhurst Chamber of Commerce applauds the excellent work which has been recently carried out in the town by Chichester District Council's Economic Development team and urges the Council not to counteract the first signs of positive impact from this work at such a difficult time. A projected annual revenue of just £50k from parking charges cannot possibly justify the potential loss of £0.6m to £0.7m to the town's traders or the very real risk of widespread business closures which we have identified.

Yours faithfully,

A handwritten signature in black ink that reads "Simon Clark". The signature is written in a cursive, flowing style.

Simon Clark
Business Manager
Midhurst Chamber of Commerce

**Appendix 1:**

The following questionnaire was circulated to 253 Midhurst businesses. We received 126 completed responses, 88 of which were from businesses in the town centre. The town centre results are summarised below.

CAR PARKING SURVEY SEPTEMBER 2009

How critical is free parking to your business?

Irrelevant 1% Not very important 3% Important 21% Very important 75%

What impact would parking charges have on your annual turnover?

Increase 0% No change 10% Minor reduction 23% Significant reduction 67%

Do you believe that parking charges could threaten your business' future?

No 24% Yes 76%

Do you have free staff or customer parking at your premises?

No 85% Yes 15%

What is the estimated annual cost to your business and staff if parking charges are imposed?
(Initially, the charge will be £1 per day)

£0 - £100	£100 - £200	£200 - £500	£500 - £1,000	More than £1,000
<input type="checkbox"/> 7%	<input type="checkbox"/> 6%	<input type="checkbox"/> 27%	<input type="checkbox"/> 22%	<input type="checkbox"/> 38%

If charges are imposed in the car parks, will you or your staff consider finding alternative free parking nearby (eg in residential streets)?

No 10% Yes 90%

Which of the following best describes your customers?

Mostly locals 14% Both locals and visitors 81% Mostly visitors 5%

Which of the following best describes how customers use your business?

Weekly shop	Occasional large purchases	Frequent small purchases	N/A
<input type="checkbox"/> 15%	<input type="checkbox"/> 26%	<input type="checkbox"/> 29%	<input type="checkbox"/> 30%

Did free parking influence your decision to open or buy a business in Midhurst?

No 16% Yes 31% N/A (eg for long-established businesses) 53%

Will you consider relocating or closing your business if charges are introduced?

No 59% Yes 41%