City Centre transport proposals

Assessment of impact on retail market

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DKM ECONOMIC CONSULTANTS

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Executive Summary

This report has been written to support the Dublin City Centre Transport Study. It seeks to assess the impact of the proposed changes to transport arrangements on the City Centre retail market in light of concerns raised by the sector. It has been prepared by EY and DKM with consumer research undertaken by Millward Brown.

This report concludes that the overall impact of the proposed NTA changes to the City Centre will be positive and should lead to increased numbers of consumers in the City Centre and subsequently increased retail opportunities.

This conclusion was made based on the following:

- Our assessment of the retail environment in the City Centre suggests a positive outlook, with increased retail sales and more consumers in the City Centre. This growth will be held back if the transport network cannot support convenient access.
- Similar schemes to improve public transport in city centres have been undertaken in a large number of cities globally and assessments made of these suggest that they have had a positive impact on the retail environment
- A survey, undertaken by Millward Brown, shows strong public support for the proposals and suggests that is likely to lead to increased consumer visits to the City Centre and increased shopping and socialising

The retail environment

DKM and EY undertook a joint assessment of the retail conditions to understand the current state of the market.

The key finding is that the retail sector is returning to growth following the recent downturn. This growth will mean more shopping trips to the City Centre which will need to be catered for by the transport system.

The key data which supports this conclusion is:

- GDP growth in 2015 was 7.8%. In 2016 it is forecast to be 3.6%
- Footfall data for the City Centre grew by 2.6% between January 2014 and December 2015
- The retail sales index (excluding motor vehicles) grew by 4.9%% between June 2015 and June 2016

If the Centre continues to grow at this rate then the assessment of public transport supply suggests it will not be able to meet the increased demand and will thus hold back growth. As such doing nothing is not an option.

The international evidence

EY also undertook a rapid evidence assessment of similar schemes in other countries. This was undertaken to understand the lessons that could be learnt for the proposals for the City Centre.

This found a broad evidence base of many similar proposals across a wide range of countries. Many of these had been subject to assessments both before the event and after follow up periods.

The key findings of these reports were:

- Many reported that when proposals were first suggested that was considerable concern from retailers as to the impact on consumers. Follow up interviews after the event suggested that retailers concerns had not materialised.

- Interventions which led to an improved public environment, such as in New York and London, resulted in increased retail sales in the long term

- Traffic specific interventions, such as pedestrianisation and road reallocation, also had positive impacts on retail sales

The Impact on Dublin City Centre

To understand the likely impact of the specific proposals on the City Centre, Millward Brown was commissioned to undertake focus groups and a survey to gauge consumers' responses to the proposals.

They found that there was strong public support for the proposals and that those surveyed suggested that they would visit the City Centre more frequently as a result of the proposals.

This conclusion was based on:

- 55% to 66% of consumers interviewed supported all of the main proposals. Only 3% to 5% of those surveyed supported none of the proposals

- 34% to 38% of consumers said they would visit the City Centre more often as a result of these proposals, compared to only 6% to 11% who would come less often

- 38% to 50% of car users said they would come to the City Centre more often as a result of the proposed changes to the car parking arrangements

Millward Brown also found that 79% of car users choose to drive based on its convenience, with only 5% choosing it to carry bulky items and 3% because it was the only option available. This supported previous survey evidence which suggest that car users are willing to use other modes of transport and also supports the argument that reducing the space available for cars in the City Centre will not reduce footfall or retail sales.

1. Introduction

1.1 Background to the assessment

Dublin City is the economic engine of the country and ensuring its continued development is a critical requirement of land use and transport planning policy. Its strengths include its attractiveness as a location for work for a wide variety of industries, from local SMEs to leading global FDI companies; its residential amenity with many types of housing for all household types; and, in particular in the context of this report, its national and regional primacy in terms of retail and visitor attractions. To continue to attract investment in order to maintain and grow the City Centre, the National Transport Authority (NTA) and Dublin City Council (DCC) commenced a public consultation on a set of transport proposals for the City Centre in June 2015. This "Dublin City Centre Transport Study"[1] sets out the future plans for Dublin's core retail area. It envisages that €150 million will be made available to DCC to put in place proposals with the objectives to:

- Guarantee the future development potential of the City Centre, and improve confidence in the ability of the City Centre to be the key focus of future investment
- Ensure that the city develops in a way which will provide a better living and working environment for residents and visitors alike
- Formulate an agreed set of transport networks, which are integrated and complementary
- Develop a framework for infrastructural investment in the City Centre;
- Build on the existing and future investment in public transport within the city, and ensure that these assets are utilised appropriately into the future
- Ensure that in operation, Luas Cross City can perform in an effective and efficient manner
- Improve the capacity for movement within the City Centre
- Improve accessibility to the City Centre
- Ensure that changes in the City Centre are matched by improvements in public transport across the Dublin region as set out in the NTA Transport Strategy
- Improve the capacity, reliability and usage of public transport – in particular, addressing poor journey times, bus congestion (especially around bus stops) and the negative impact of bus activities on the public realm
- Improve the quality of service for cycling and walking, with a particular emphasis on the 'core' City Centre
- Improve the management of private vehicle, delivery and service vehicle access to the primary retail and business districts

The study sets out proposals which incorporate significant reconfiguration of road space and transport arrangements in the City Centre, including changes in access to the quays and pedestrianisation of College Green from Lower Grafton Street to Church Lane.

[1] http://www.dublincity.ie/sites/default/files/content/RoadsandTraffic/Traffic/Documents/Full%20Report%20DublinCityCentreTransportStudy.pdf

1.2 Context for the assessment

Retail Ireland, which is a business unit of IBEC, Dublin Town (formerly the Dublin City Business Improvement District), Dublin City Business Association and Dublin Chamber of Commerce have identified certain concerns about aspects of the proposals during the consultation process and at subsequent meetings with NTA and DCC. In response to these concerns, NTA and DCC have taken two actions:

- Refinement of the proposals to reflect feedback
- A commitment to assess the likely impact of the proposals on City Centre consumer behaviour

This assessment delivers the second of these two commitments by providing a detailed assessment of the likely impact on consumer behaviour of the refined proposals. It has been produced for the NTA jointly by the consultancy firms EY and DKM and the market research firm Millward Brown.

1.3 Structure of the assessment

This assessment will begin by setting out what we currently know about the retail and transport market in the Dublin area. Section 2 will set out the prevailing retail market conditions in Dublin. It will look at the current state of the market by considering factors such as footfall and retail sales figures alongside the state of the market for retail property. It will then go on to consider what the future holds for the market and trends which are likely to impact the market over the next few years. Section 3 will then go on to consider what we know about the travel patterns in the Dublin area and the relevance of this to the proposals.

Following on from this it will consider the impact the proposals will have on the City Centre. Section 4 looks at the international evidence around similar schemes undertaken in other countries and the lessons which can be learnt for Dublin. Section 5 then sets out the details of the proposed changes to the transport arrangements in the City Centre and considers the evidence as to what impact they might have. Section 6 builds on this by considering what the views of the market are on these proposals, both consumers and retailers, and how this is likely to impact on their behavior.

Finally Section 7 draws together conclusions and recommendations.

2. Retail market assessment

2.1 Introduction

In order to fully understand the likely impact of the future proposed changes to the transport system and their impact on retail businesses it is first necessary to understand the current state of the economy and retail market in the City Centre. This is addressed in this section. It provides an assessment of the retail market, considering both current market conditions and any forecasts available.

It seeks to clearly set out the context for the proposed transport changes. The prevailing economic conditions will have a large impact on future transport demands and the system needs to be able to cope with this. The assessment shows a retail sector and economy returning to strong growth which will inevitably increase demand for transport into the retail locations. The transport system will therefore need to ensure that it can accommodate this growth.

2.2 Assessment of current market conditions

2.2.1 Retail market strategy

The Revised Retail Strategy for the Greater Dublin Area (2008-2016)[2] was adopted by the Dublin and Mid-East regional authorities with the following aims:

- Provide retail in suitable locations, integrated with existing growth areas and public transport investment
- Ensure adequate provision is made to meet the demands of a growing population, while maintaining healthy competition and consumer choice

The strategy acknowledges that ongoing investment and improvements in the public transport network and the types of public transport on offer to consumers will play an ever increasing role in shopping trips, as services and linkages between areas are improved. It will be reviewed in the coming months as part of the emerging Regional Spatial Economic Strategies.

2.2.2 Current state of the retail market

The retail market continues to recover from the recent recession. Retail Ireland Monitor is a quarterly release by Retail Ireland which contains analysis of the latest Central Statistics Office Retail Sales Index figures. The May 2016 edition reports that the retail market continues to grow though points “dark clouds ahead”, especially those linked to Brexit[3]

Figure 1 and Figure 2 show the CSO’s Consumer Price Index. This shows a period of deflation with consumer prices down 3.6% for the last six months of 2015 due to the impact of continued intense retail competition. This turned round at the beginning of 2016, with prices starting to rise again and inflation in the year to June 2016 now stands a 0.4%.

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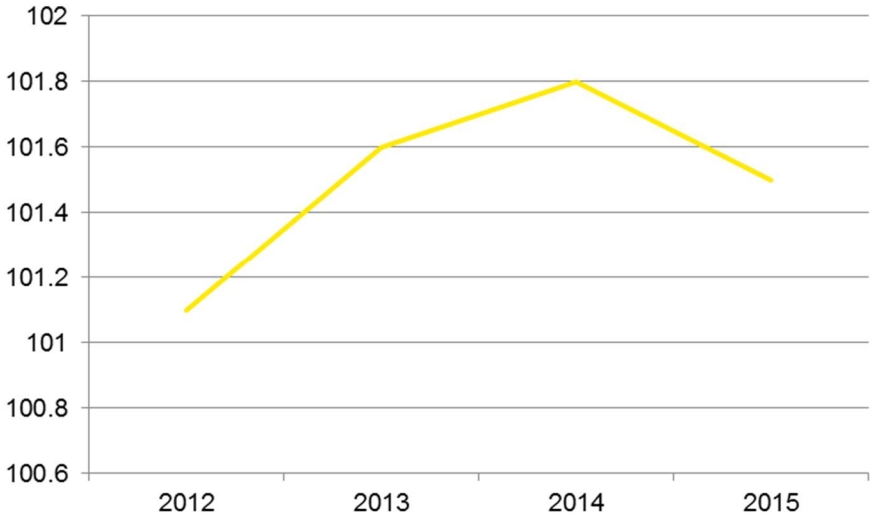
[2] http://emra.ie/dubh/wp-content/uploads/2015/02/Greater-Dublin-Area-Retail-Strategy-2008-2016.pdf

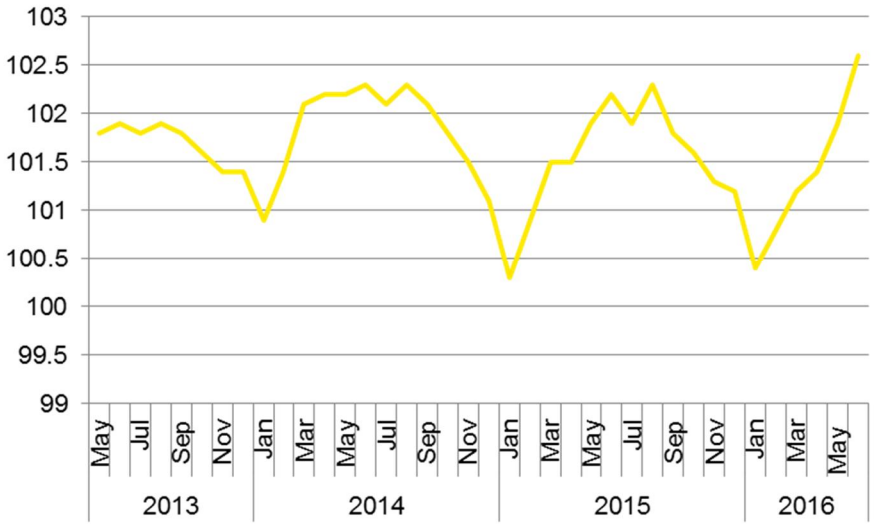
[3] http://www.retailireland.ie/Sectors/RI/RI.nsf/vPages/Services_and_Information~Research_-and-_Data~retail-ireland-monitor---issue-6---may-2016-11-05-2016/$file/Retail+Ireland+Monitor+-+Issue+6+-+May+2016.pdf

Figure 1: Consumer Price Index, All Items, Yearly 2012 - 2015



Source: CSO CPI data (Dec 2011 = 100)

Figure 2: Consumer Price Index, All Items, Monthly 2013 - 2016



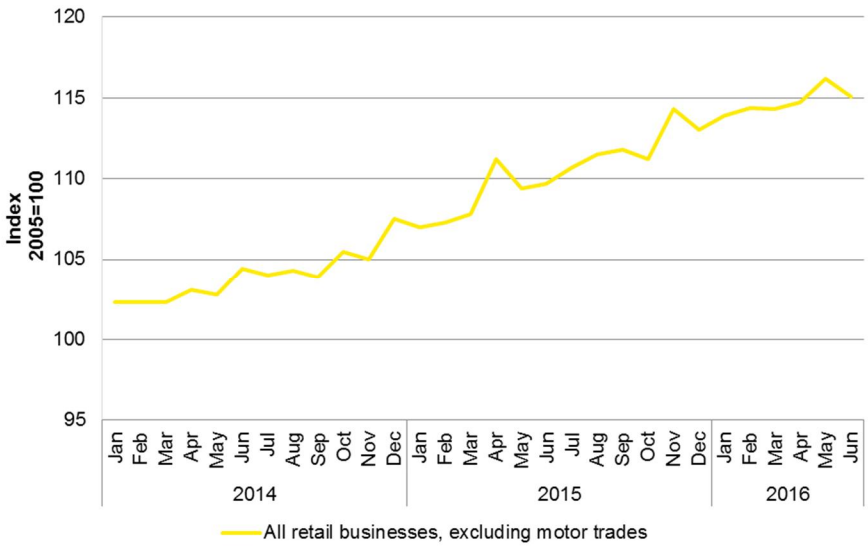
Source: CSO CPI data (Dec 2011 = 100)

Despite this, other economic indicators are showing signs of recovery. In Q1-2016, the employment market reached 1.99 million people, the highest level recorded since Q1-2009. Although total disposable income levels at the end of 2014 were still down 10% on 2008, budget 2016's measures will likely result in average take home pay increasing by 1.5%. Combined with measures adopted in the previous two budgets, Retail Ireland expect that most earners now stand to be between 1.5% and 3.5% better off from 1 January 2016 than they were in 2014, which is likely to lead to increased consumer spending.

In addition consumer confidence has improved during the first half of 2016, with the Consumer Sentiment Index increasing by 5% between May and June 2016[4], indicating a degree of confidence and financial security. Whilst this has fallen slightly following the 'Brexit' result this has not been as large as was feared, suggesting that this is less of a threat to Irish consumers than Irish producers[5].

The key message of improving economic activity leading to improved retail sector opportunities is also supported by Central Statistics Office Retail Sales Index data[6]. Figure 3 shows the growth in retail sales across the Republic of Ireland[7]. This shows that between June 2015 and June 2016[8] the Retail Sales Volume index grew by 4.9%.

Figure 3: All retail businesses, excluding motor trades, 2014 - 2016



Source: CSO Retail Index (Jan 2005=100)

This is further supported by the analysis produced by Retail Ireland in their Monitor publication (Issue 5, 2016)[9]. They concluded that:

"We can now definitely say that 2015 was the year in which the Irish retail sector industry returned to growth."[10]

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4 https://www.esri.ie/news/consumer-sentiment-increases-in-june/

5 https://www.esri.ie/news/irish-consumer-sentiment-softer-but-fall-in-july-not-as-large-as-feared/

6 http://www.cso.ie/en/releasesandpublications/er/rsi/retailsalesindexjanuary2015/

7 Motor trades are excluded on the basis that motor traders are not present in the City Centre and are therefore not relevant to this assessment

8 February 2016 is the most recent month for which data is available

9 http://www.retailireland.ie/Sectors/RI/RI.nsf/vPages/Services_and_Information~Research_-and-_Data~retail-ireland-monitor?OpenDocument

This was based on the finding, contained within their Monitor report, that in the full year of 2015 all 11 major retail categories had posted volume growth and 9 of 11 categories had posted value growth. The areas which posted the strongest value growth were: Supermarkets and convenience markets (3.7% year on year growth); Department Stores (3.0%); Furniture, lighting and homeware stores (13.3%); and Other non-food specialised stores (8.4%). The only sector to see a significant value fall was the fuel sector (9.1%), largely due to falls in energy prices.

The same report also showed that there had been relatively strong trading during the Christmas 2015 period:

"Christmas 2015 has been roundly acknowledged to have been a success and the best since 2008"

2.2.3 Footfall in the City Centre

A further key measure of the health of the Dublin City Centre retail sector is the number of people who visit the Centre itself. The improving economic situation has led to an increase in the numbers of people in the Centre with data showing that numbers have increased by 2.6% between January 2014 and December 2015.

This is based on data provided by Dublin Town on footfall at a number of key locations on both the North and South sides of the main City Centre area. This data is collected by counting the numbers of individuals passing a fixed camera at each location. The current locations of these cameras are[11]:

- Northside: O'Connell Street North; O'Connell Street South; Talbot Street; Mary Street; Moore Street; Capel Street; and Henry Street
- Southside: Dame Street; Grafton Street South; Grafton Street North; South William Street; South King Street; and South Great George Street

Figure 4 shows the total growth in footfall across the City Centre. Between 2014 and 2015 the total number of individuals recorded by the cameras each year grew by 2.6%. The Northside grew more than the Southside (4.6% compared to 0.6%).

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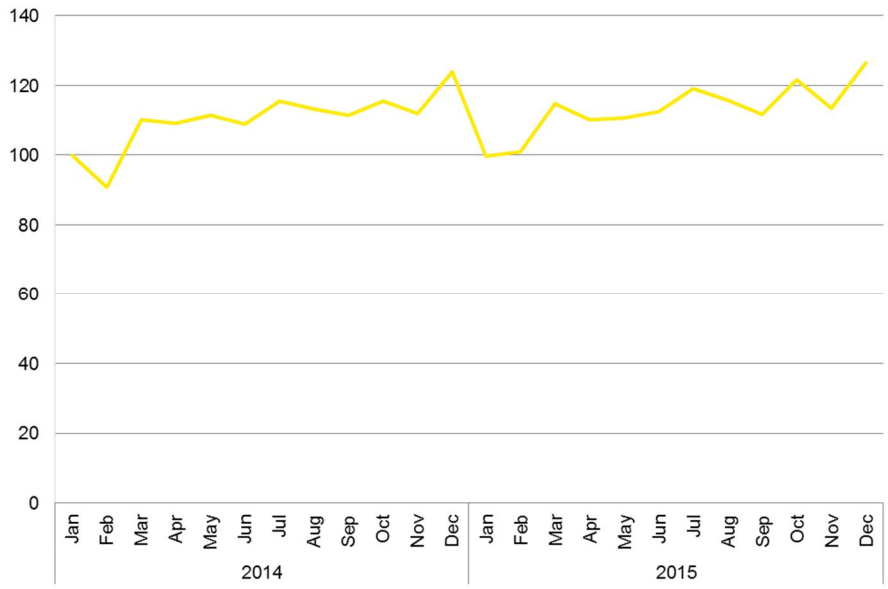
[10] http://www.retailireland.ie/Sectors/RI/RI.nsf/vPages/Services_and_Information~Research_-and-_Data~retail-ireland-monitor---issue-5---february-2016-11-02-2016/$file/Retail+Ireland+Monitor+-+Issue+5+-+Feb.+2016.pdf

[11] Data collection has been ongoing since 2007 however the locations of the cameras have moved during the years meaning it is not possible to get a consistent data series for this entire period to analyse. The most recent camera move was the Dame Street camera in August 2013. Given the seasonality in footfall data, using August to December 2013 would have led to additional complications and therefore the period of 1st January 2014 to 31st December 2015 was chosen.

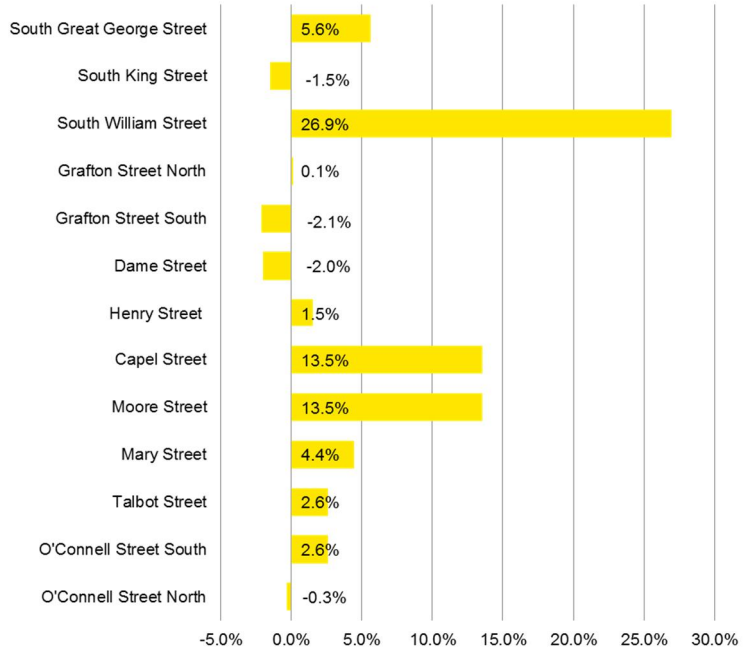
Figure 4: Footfall Growth Index, All locations, 2014 - 2015



Source: Dublin Town Footfall data (Jan 2015 = 100)

Figure 5 shows the growth by location between 2014 and 2015. This shows that on the Northside, there has been significant growth in footfall on Capel Street and Moore Street (both of which grew by 13%). On the Southside, significant growth has occurred on South William Street and South Great George Street (26.9% and 5.6% respectively). Total footfall at Grafton Street South fell by 2.1% and Grafton Street North only grew by 0.1%.

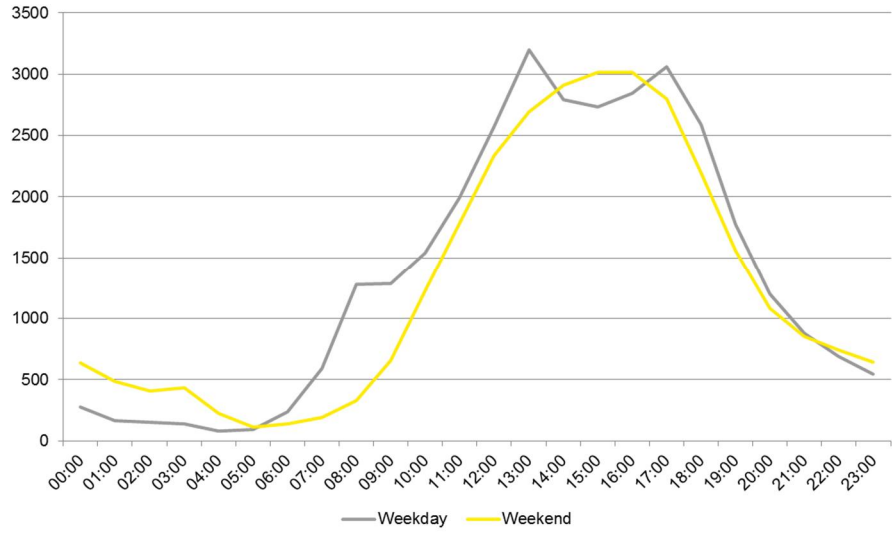
Figure 5: Change in footfall, all locations, 2014 - 2015



Source: Dublin Town Footfall data

Figure 6 shows the footfall data by time of day during 2014 and 2015. Whilst there is a small increase during the morning commute hours of 7am – 9am, the majority of users (67.3% during the week and 67.0% during the weekend) are in the in the City Centre between the hours of 9am – 5pm.

Figure 6: Average footfall per hour, all locations, 2013 - 2015



Source: Dublin Town Footfall data

This shows that the majority of footfall in the City Centre is not related to peak-hour commuters and therefore that a significant proportion of the growth reported in this report relates to people travelling to the City Centre for other purposes.

2.2.4 Retail property market

As discussed, the Irish retail market is experiencing significant improvements across most sectors, with volumes sold up 11% year-on-year in 2015[12]. Inflation remains low (0.39% in the year to June 2016 following a period of negative inflation) meaning prices are not showing the same positive trends, so in value terms the sector still appears somewhat subdued. In particular, the clothing and furniture sectors are showing robust growth. These specific sectors are strong indicators of consumer confidence.

The retail property market was the worst hit of all the property sectors during the financial crisis, reflecting sharp falls in consumer expenditure, retails sales and confidence. A strong rally has been in place since 2014, and the IPD/SCSI Ireland Quarterly Property Index[13] recorded growth of 21% in total returns in 2015, after even stronger returns in 2014.

Market demand is coming from existing occupiers seeking to expand, and new overseas retailers having just entered or seeking to enter the market[14]. While there is still some fallout from the

[12] "*Dublin Retail Market in Minutes Q4 2015",* 2016,. Savills World Research Ireland Retail. http://pdf.euro.savills.co.uk/ireland-research/market-in-minutes/retail-market-in-minutes-q4-2015-final-lr.pdf

[13] https://indices.ipd.com/Default.aspx?ReportingService=IEPAS&Frequency=Q&Currency=EUR&Culture=en-GB&FileFormat=pdf

[14] "*Dublin Retail Update",* Q3 2015, Lisney,.

recession (NAMA-related activity and examinerships of some retail chains, often with the purpose of renegotiating lease agreements), CBRE see a return to normal market conditions in the retail property market, with key money starting to feature again in some locations.

Investment activity is likewise strong, with large retail portfolios such as Project Jewel[15] generating international attention[16]. Local investors are also starting to feature, in addition to overseas investors, in terms of value of transactions. The ownership structure of the retail property sector has undergone significant change in recent years. To quote CBRE:

"The ownership structure of the Irish retail market is now radically different to what it once was, with specialist retail landlords implementing targeted asset management initiatives and breathing new life into retail schemes throughout the country." [17]

Prime Zone A city centre space is expected to reach full occupancy in the short term[18]. Finding suitable prime city space is becoming an issue for existing occupiers wishing to expand. On the Southside this is being reflected in an expansion into the secondary streets around Grafton Street, especially for clothing and restaurants (including Wicklow Street and South Anne Street). The part sale and planned redevelopment of the Stephen's Green Shopping Centre will also be welcome in this regard.

The same does not appear to be the case on the Northside. A particularly disappointing aspect, in terms of city centre retail, is O' Connell Street. This street is now in a period of uncertainty as the implications of the recent High Court decision on the Moore Street national monument for the Chartered Land Carlton Cinema site needs to be clarified.

The importance of this issue is recognised by the City Council in the *Draft Dublin City Development Plan*[19] [20]:

"it is vital, therefore, that pivotal sites remaining undeveloped are fully utilised to help maximise the city centres competitiveness and that the City is made more attractive to shoppers."

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[15] Project Jewel was a NAMA owned property portfolio which was recently acquired by Hammerson and Allianz https://costarfinance.com/2015/09/29/nama-set-to-award-hammerson-and-allianz-exclusivity-on-project-jewel/

[16] http://www.irishtimes.com/business/commercial-property/property-company-hammerson-completes-project-jewel-purchase-1.2395125

[17] CBRE Ireland Real Estate Market Outlook 2016. https://researchgateway.cbre.com/PublicationListing.aspx?PUBID=c2c84f36-08f2-44fd-bf8e-277f20622d3c

[18] https://researchgateway.cbre.com/PublicationListing.aspx?PUBID=c2c84f36-08f2-44fd-bf8e-277f20622d3c#

[19] Chapter 7. http://dublincitydevelopmentplan.ie/downloads/Vol1_Draft-Written-Statement-Web.pdf

[20] At the start of this year Dublin City Council approved the revised and updated 'Scheme of Special Planning Control for O'Connell Street and Environs 2016', which will remain in place for six years. Its objective is: "to guide private investment toward the creation of a busy thriving commercial area in O'Connell Street and environs, while protecting the area's architectural, cultural, civic and historic character". It remains to be seen what impact this will have on the ground, however. http://www.dublincity.ie/main-menu-services-planning-urban-development-plans-special-planning-control-schemes/oconnell-street

There has been an upward pressure on rents in the prime city centre locations: Prime Zone A Grafton Street produced the best annual performance with returns[21] reaching 8.3 per cent in the final quarter of 2015 and 28.1 per cent over the year[22], while Prime Zone A Henry Street also recorded strong growth. Rents for Dundrum and the other main Dublin shopping centres have been more stable over the last year or so, while retail warehouse space rents have strengthened[23].

Overall, the retail property market is reflective of a robust recovery in retail as the economy continues to recover, with ongoing strong interest internationally (from retailers and investors), and vacancy rates practically eliminated in the prime city centre areas. The market is returning to 'normal' operations, as the legacy of the economic downturn fades, with, for instance, key money[24] re-emerging as a feature of deals in prime areas.

2.3 Assessment of future market conditions

2.3.1 Economic trends

Notwithstanding the uncertainties in the external environment (not least anaemic Eurozone growth and 'Brexit') the Irish economy is expected to continue on its strong growth path, and to retain its place as the fastest expanding economy in the EU in the short term at least. This has been aided by improving employment, and pent up investment and consumer demand. The hangover of plentiful labour supply is also facilitating growth without inflationary pressures (as in the early 1990s), but bottlenecks are becoming problematic in a number of areas, including construction, reflecting a loss of much skilled labour over the last number of years.

Table 1: Irish Macroeconomic growth forecasts

Variable	2015 % p	2016 % f	2017 % f
GNP	18.7	4.6	3.1
GDP	26.3	4.9	3.6
Private Consumption	4.5	4.0	2.3
Exports	34.4	6.4	4.5
Unemployment rates	9.4	7.9	7.2
CPI Inflation	-0.3	0.4	1.5
Debt GDP Ratio*	18.7	4.6	3.1

Sources: ESRI QEC Spring 2016, except debt: GDP ratio (Department Of Finance Budget 2016 Economic & Fiscal Outlook)
p - preliminary; f - forecast *General Government Balance.

[21] Return in this context is defined as the rent and capital appreciation as a percentage of the total value of the property.

[22] http://www.irishtimes.com/business/commercial-property/2015-returns-rise-25-says-ipd-index-1.2511140

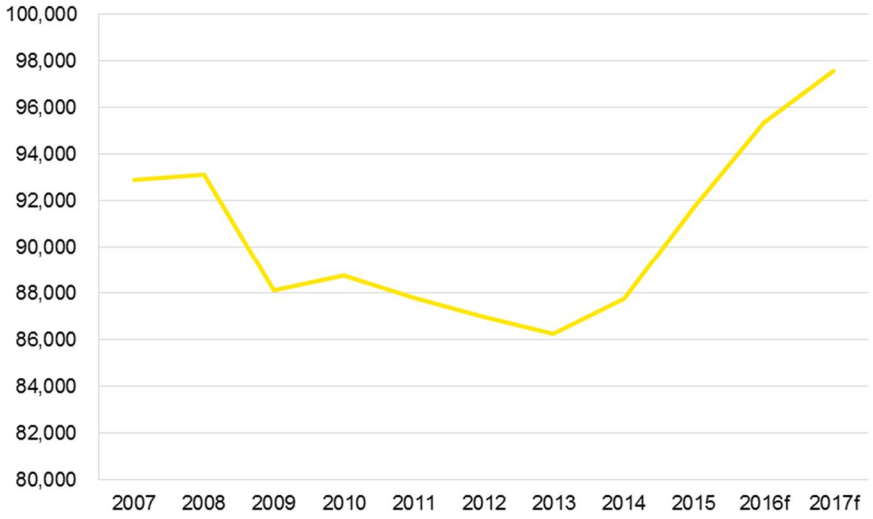
[23] "*CBRE Ireland Bi-Monthly Research Report*", March 2016 https://researchgateway.cbre.com/PublicationListing.aspx?PUBID=c2c84f36-08f2-44fd-bf8e-277f20622d3c

[24] This is defined as a payment required from a new tenant of rented accommodation in exchange for the provision of a key to the premises

Table 1 shows the forecasted path for the Irish economy over the next 2 years with growth remaining above 4% and a solid downward trend in the Debt:GDP ratio (which in turn has led to continued low yields on Irish Government debt).

In the current context, the return to solid growth of private consumption, as shown in Figure 7, after a number of years of weakness, is very encouraging. This is a reflection of improving consumer confidence and spending power as the unemployment rate falls and recent tax cuts feed through, and should underpin prospects for the retail sector going forward.

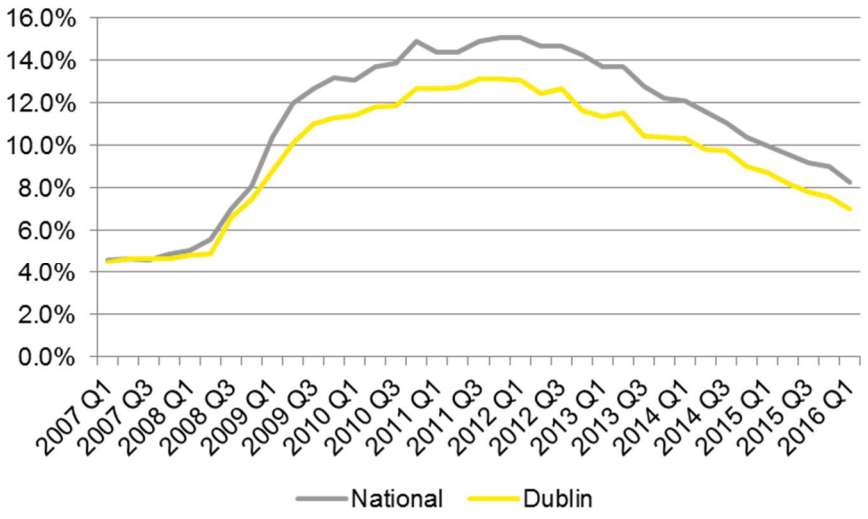
Figure 7: Personal Consumption, 2007-2017f, (2013 € million)



Source: CSO, ESRI

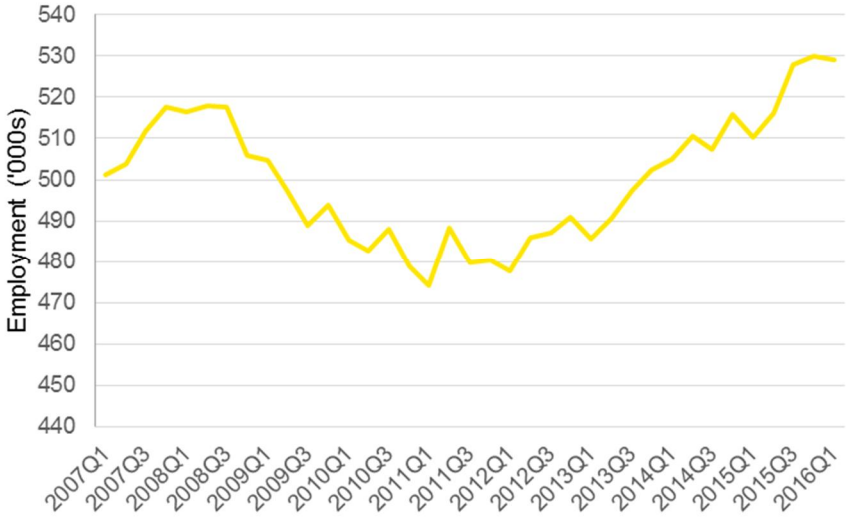
There is clear evidence that the economic recovery has been most strongly pronounced in Dublin to date. The latest statistics confirm the strength of the city economy. As shown in Figure 8 and Figure 9, unemployment in the city has fallen below 8% for the first time since 2008, and is a full percentage point below the national average. Inward commuting further underscores the relative strength of the capital. Notably, services employment in the city region has fully recovered from the recession and is now at an all-time high. Dublin continues to be a major attractor of Foreign Direct Investment (FDI) and is gaining an increasing reputation as a high-tech start-up location, with for instance the FT's *FDI Intelligence European Cities and Regions of the Future* index ranking Dublin 3rd among major European cities in 2016.

Figure 8: Unemployment Rate, Dublin Vs National (%), 2007 - 2016



Source: CSO QNHS

Figure 9: Services Employment, Dublin, 2007 – 2015 ('000s)



Source: CSO QNHS

The housing challenges facing the city show no sign of easing however. Rents continue to rise, as new housing supply lags behind demand – completions fell from 3,200 in 2014 to 2,800 in 2015, which is a major source of concern for the sustainability of growth in the City. New rent regulations introduced in December appear to have had little effect in dampening the upward pressure on rents. House prices, having fallen for a time on the foot of the Central Bank rules on mortgage lending, have started to rise again.

Reflecting strong employment growth (and possibly the lack of housing in the city), Dublin's public transport system is carrying higher numbers of commuters while increasing traffic levels is putting pressure on the road infrastructure, particularly obvious on the M50. Likewise, the pressure on office space continues, with rents up and vacancy rates down throughout the Dublin region, although significant amounts of new space is being rolled out, particularly in the City Centre and Docklands. In the medium term, with the opening of the Luas Cross-City and additional office capacity coming on-stream, the intensity of activity in the City Centre should increase.

Boosted by the 2016 commemorative events, and helped by the weak Euro and Dublin Airport's growing international connections, city tourism grew strongly in the first half of 2016, to the point where hotel capacity is rapidly becoming an issue, however 'Brexit' and the resulting weakness in sterling may dampen growth somewhat. Numbers going through the airport are close to peak levels, as are volumes handled at Dublin Port, which all point to the robustness of the city's economy.

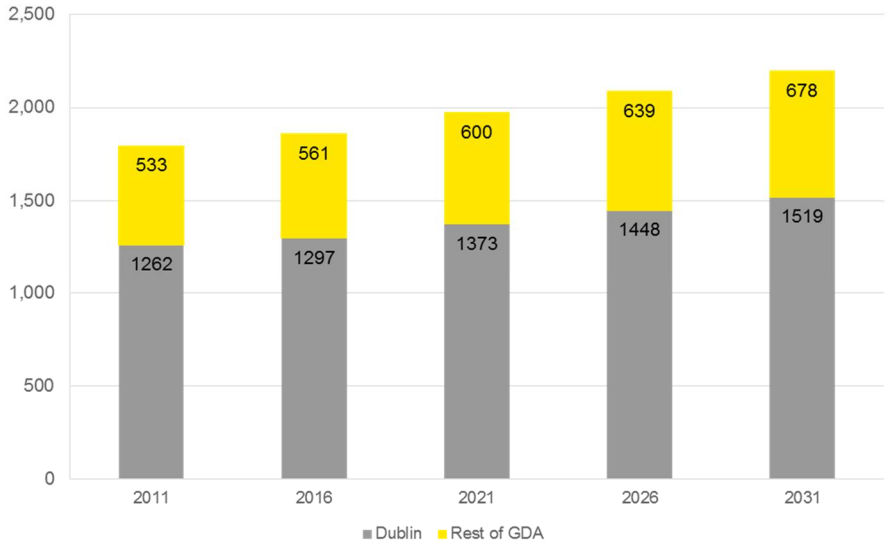
The April 2016 Census confirms strong population growth in the capital, which is now home to 1.35 million people or 28.1% of the national population. Looking forward, the medium term demographic trends for Dublin are expected to be positive. The latest CSO projections foresee Dublin's population exceeding 1.5m by 2031, while that of the Great Dublin Area (GDA) is expected to reach almost 2.2m, although these are likely to be revised upwards on foot of the recent Census results. The population is also expected to age over this time period: notably the proportion of the population under 15 and 25-34 will fall, while the population 55+ will rise.

As shown in Figure 10 and Figure 11, Dublin's labour force has been growing strongly since the recovery started to take hold in early 2013. Notwithstanding the fact that the population is expected to age somewhat in the coming years, the potential labour force (defined as the population aged 20-64) is expected to continue growing: CSO projections indicate that this age cohort will grow by approximately 17% between now and 2031. These indicators point to continued economic strength in the Dublin economy, and indeed continued demand for housing and pressure on the transport system.

In the same vein, the *Dublin Action Plan for Jobs 2016-2018*, launched in January 2016, sets out Government policy for promoting employment in the capital over the coming years[25]. It sets as its objective "Our goal for Dublin is to achieve sustainable full employment, with a further 66,000 people in employment by 2020". The focus is on building on Dublin's role as a driver of national economic growth, and its international reputation in key sectors. The start-up economy and innovation are seen as important elements of the plan, as is improving quality of life in Dublin. Specifically, one of the actions is that "IDA Ireland will deliver 430 FDI investments for Dublin over the period 2015-2019". Tourism is also seen as a driver of increased employment in the city in the coming years, with a target to "deliver a 7 percent increase year on year in visitor numbers to reach 6.2 million", as well as a doubling of visitor spend, by 2020.

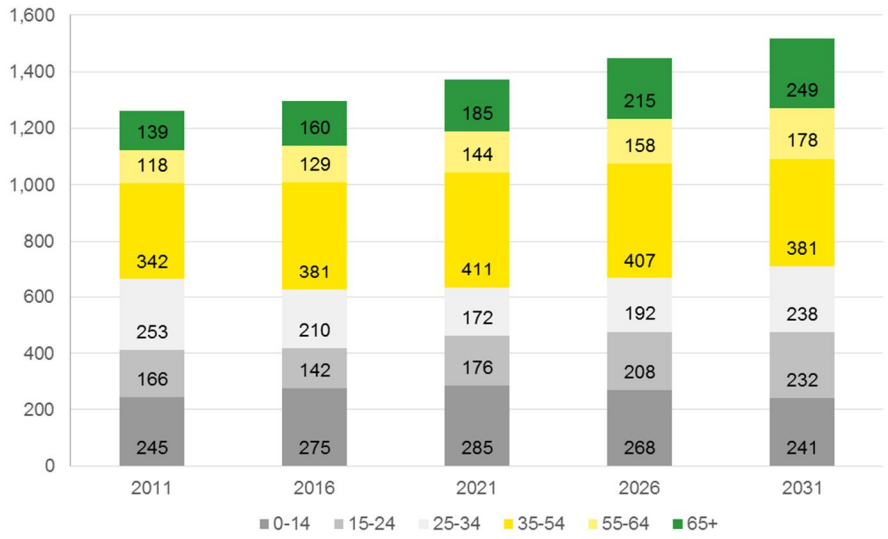
25 https://www.djei.ie/en/Publications/Publication-files/Action-Plan-for-Jobs-Dublin-2016-2018.pdf

Figure 10: Dublin and GDA Population Forecast 2011-2031 ('000s)



Source: CSO Regional Population Forecasts (M2F2 Traditional)

Figure 11: Dublin Projected Age Distribution, 2011-2031 ('000s)



Source: CSO Regional Population Forecasts (M2F2 Traditional)

In terms of location of housing and employment development, the government has designated six Strategic Development Zones (SDZs) in Dublin City and county, as shown in Figure 12, where development will be fast-tracked, alongside a roll-out of required infrastructure, in a planned way.

Figure 12: Dublin Strategic Development Zones

Source: Dublin Action Plan for Jobs 2016-2018

The planned employment and population numbers for these zones are very ambitious, with a number of them envisaging eventual population and employment levels exceeding 20,000 over their full build-out period. It must be noted that these targets for population and employment in the SDZs were developed before the economic downturn, and in a number of them the targets are being revised. However, the SDZs will remain as zones for focused development going forward.

More generally, the Housing Agency's 2015 report *National Statement of Housing Supply and Demand 2014 and Outlook for 2015-17* [26] highlights housing need in the four local authority areas in the coming years, and finds that the City Council and Fingal areas have the greatest need. The main scope for increased population, and indeed development in general, is Fingal County. This has the greatest area of undeveloped land in Dublin, and has been the fastest growing county in Ireland in the last two inter-censal period (2006-2011 and 2011-2016). The *Regional Planning Guidelines* foresee continued strong population growth in Fingal, concentrated around Swords (potentially an additional 60,000), Balbriggan and Blanchardstown.

26 http://www.housing.ie/getattachment/Our-Publications/Latest-Publications/FINAL-TO-PRINT-Housing-Supply-Demand-Report-v4.pdf

2.3.2 Retail trends

There are no independent forecasts which provide detailed assessments of the likely future growth for the retail sector. However, as set out in Section 2.3, economic conditions are expected to continue improving and this should lead to an improving retail outlook and strong future retail growth in the City Centre.

In addition there is a number of emerging market trends which are likely to change the way people shop and which will have an impact on the City Centre. Three, in particular, worth considering are:

- New key trading days: There has always been a seasonal trading pattern to retail sales which can be seen in the footfall data in Section 2.2.3. However, these patterns are beginning to change with people shopping at different times to before. The Retail Ireland Monitor report[27] picks up on the emergence of "Black Friday" and "Cyber Monday", the two shopping days which traditionally follow Thanksgiving Day in the USA, as a new trading pattern in Ireland.

- Longer trading hours: There has also been a shift in trading hours with more shoppers looking for longer trading hours and more late night shopping. This can be clearly shown using the footfall data referenced in Section 2.2.3. Looking at some of the streets were there has been significant growth in numbers it can be seen that footfall in Capel Street post 5pm grew by 16.1% between 2014 and 2015 and on South William Street it grew by 26.4%.

- Online trading: According to E-commerce Europe[28] Irish e-commerce sales reached €5.3b in 2014 with a forecast of €5.9b in 2015 (11.3% growth). Whilst the strong retail figures shown in Section 2.2.2 shows that this has not prevented physical retailers from growing, it has presented a number of challenges. In particular it has increased customer expectations of convenience, especially around delivery arrangements. This led to schemes such as Dublin Town operating the successful "Shop and Drop" scheme during Christmas 2014 or Brown Thomas's "Click and Collect" schemes, where items are purchased on the internet and the buyer goes to the shop to collect them are gaining increasing popularity with both retailers and shoppers in Dublin, including those in the City Centre.

These changes, and others like them, will mean that the both the City Centre itself, and the transport system which supports it, will need to evolve to ensure that they continue to deliver the shopping experience that users will be looking for.

2.3.3 Retail property market trends

In the short term, Prime Zone A rents on both Grafton Street and Henry Street are expected to continue to experience growth - CBRE expects 10% rental growth in Grafton Street in 2016/17. This is reflective of the lack of available space in these zones, notwithstanding the spillover to secondary streets, on the Southside at least, in a context of ongoing strong economic growth focused particularly on Dublin (see discussion of economic prospects).

The planned development of a plaza at College Green, along with the opening of the Luas Cross City and the related changes in traffic arrangements, are themselves among the major changes in prospect for City Centre retail. The view from the agents on their impact for retail in the immediate

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[27] http://www.retailireland.ie/Sectors/RI/RI.nsf/vPages/Services_and_Information~Research_-and-_Data~retail-ireland-monitor---issue-5---february-2016-11-02-2016/$file/Retail+Ireland+Monitor+-+Issue+5+-+Feb.+2016.pdf

[28] http://www.ecommerce-europe.eu/ireland

environs of College Green Plaza is broadly positive[29] and they should facilitate the ongoing spread out of retail and related activities from Grafton Street to the surrounding areas.

Efforts to achieve the same on the Northside have not been successful to date, with question marks hanging over the future of some key sites on, or adjacent to, O' Connell Street. There is, however, an expectation that Luas Cross City may benefit the North City Centre more than the South, as it will bring shoppers from along the route of the Green Line directly into O' Connell Street for the first time. This points to the potential opportunity to expand the prime retail space on the Northside in the same way as on the Southside, if O' Connell Street can be redeveloped.

Not surprisingly, given the level of investor interest in Dublin and the lack of scope for expansion in the City Centre, a number of major retail planning applications have recently been lodged for edge-of-town centres, notably for Blanchardstown Shopping Centre, the Square, Tallaght, and the Frascati Shopping Centre and Blackrock[30], with the last of these expected to commence later this year. A further new planning application for Liffey Valley, incorporating a 22,000 square metre extension to include an Olympic size ice-skating area has also recently been lodged[31].Both Blanchardstown and Dundrum have recently changed hands, while Liffey Valley is currently on the market. It is also expected that the detailed planning application for the retail-led town centre in the Cherrywood SDZ (see further discussion) will be submitted this year, with construction expected to commence towards the year-end.

The implication is that significant renewal/expansion of edge-of-town retail space is in prospect in the medium term. In the context of ongoing strong consumer expenditure growth, prime City Centre retail will continue to be highly attractive, though it may lose market share given the limitations on scope to add capacity. Expansion of activity into adjacent streets can be expected to continue on the Southside, and pedestrianisation of College Green may facilitate this.

Finally, the expectation amongst all property agents is that a new phase will emerge in the investment market in 2016, characterised by a slowdown in deleveraging activity, and an increase in secondary trading of those assets purchased over the last number of years, as those investors look to generate income from their existing assets but also consider development and refurbishment opportunities.

2.4 Conclusions on retail market conditions

This assessment provides a view on current and future market conditions. The key driver behind the retail market performance is the general state of the economy and consumers' confidence in both the current state and its future state. A strong economy will increase confidence and lead to growing sales and increased profitability for retailers.

All of the evidence and data presented shows that the economy has returned to strong growth (GDP growth of 7.8% in 2015). Whilst this is currently forecast to slow to 3.6% in 2016 (a fall from the previous forecast for 2016 of 4.8%), this still places it as one of the fastest growing EU economy. This strong growth, and rising employment, is driving growth in consumer spending (3.5% in 2015)

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29 http://www.irishtimes.com/business/commercial-property/piazza-plan-for-college-green-good-news-for-retailers-1.2590977

30 https://researchgateway.cbre.com/PublicationListing.aspx?PUBID=c2c84f36-08f2-44fd-bf8e-277f20622d3c#

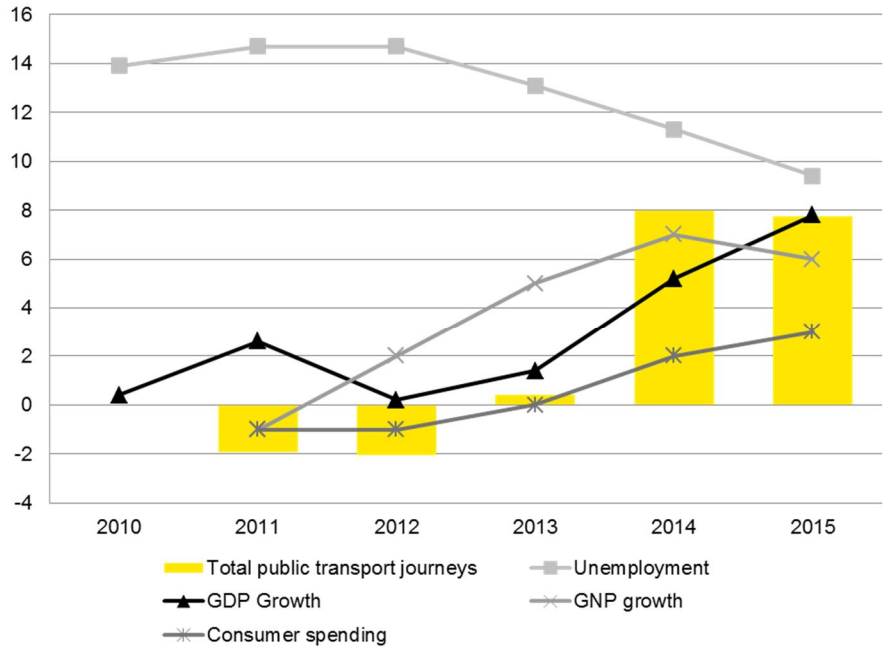
31 "*CBRE Ireland Bi-Monthly Research Report"*, March 2016
https://researchgateway.cbre.com/PublicationListing.aspx?PUBID=c2c84f36-08f2-44fd-bf8e-277f20622d3c

and consumer confidence is also growing as consumers anticipate that this growth path will continue.

This increased confidence is feeding into retail sales, which is demonstrated by the strong growth in retail market sales (up 7.1% in 2015). Whilst footfall is rising (up 2.6% in the last 2 years), the rate of growth is slower than retail sales. This shows that there are more people in the City Centre and those in the City Centre are spending more. The increase in retail sales is also feeding into a recovering retail property market (the IPD/SCSI Ireland Quarterly Property Index recorded growth of 21% in 2015).

This assessment of the retail sector shows increased confidence and increased numbers of individuals willing to spend increased sums of money on shopping. The economic growth, and associated employment growth, will also mean increased demand for travel. Figure 13 shows the relationship between economic growth, consumer spending and employment and public transport demand.

Figure 13: Economic indicators and public transport journeys (% Year on year growth)



Source: CSO, Transport Infrastructure Ireland, National Transport Authority

As set out in Section 5.2, the current transport system lacks the capacity to manage this increased demand effectively. In addition, there may be threats to the City Centre in the medium term as the out of town shopping centres are planning substantial redevelopments. This gives all the more reason for the City Centre to develop its unique advantages and consolidate its current growth.

3. Patterns of travel to the City Centre

3.1 Introduction

Section 2 shows a picture of an increased numbers of people travelling into Dublin City Centre. It does not however show where these people are travelling to or what mode of transport they are using. This is addressed in this section. It uses the most recently available user surveys to establish key insights around travel patterns.

It seeks to establish the relative popularity of the City Centre versus out of town shopping[32] as well as reasons for the choice of mode of transport. It shows that the City Centre remains popular with users and that more use public transport than use cars (though they are willing to switch modes as required).

This is not a recent trend. Traditionally, in a time of low car ownership rates in the city and region, public transport would have been the only option for travel into the City Centre for many people. As car ownership grew, public transport maintained its strong role, as improvements such as the DART opening in the 1980s; the development of the QBC network in the 1990s; and the opening of Luas in the 2000s, significantly increased capacity for public transport serving the City Centre. As the level of commercial activity within the canals grew during the period of economic growth from the late 1990s, the role of the car in supporting this has in fact diminished. Far fewer cars, for example, crossed the canal cordon in the AM peak hour at the height of the boom, than in the preceding period, yet there were far more jobs and other activities in the City Centre. Many on-street parking spaces were removed and few, if any, free spaces remain close to the retail core.

As such, the proposals set out in the City Centre Transport Study can be read as further steps in supporting the on-going expansion of commercial activity in the core area, continuing the work that has been done to date at various points in the city's recent history, all of which have had a positive impact on the vitality and viability of retail in the City Centre, as reflected in the development of additional floorspace; trends in rents and yields; and in the level of footfall. This, when combined with the increasing retail demand predicted in Section 2.4, suggests that a much improved public transport system feeding the City Centre is required.

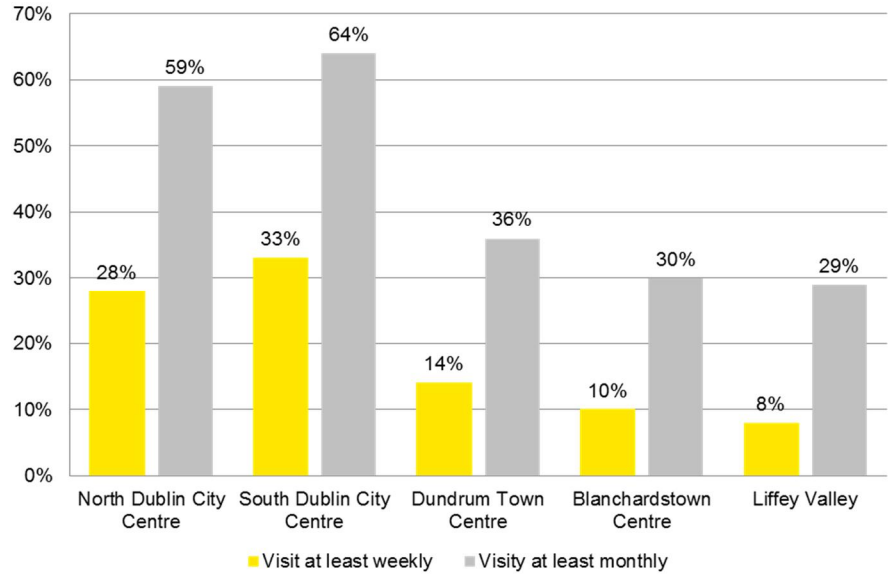
3.2 Travel destinations

The majority of residents of the Greater Dublin Area routinely visit the City Centre. This is based on a survey undertaken of 500 residents undertaken by RedC[33] in 2016. This showed that up to 64% of the people surveyed visited the City Centre at least once a month. Figure 14 shows that the Southside of the City Centre is the most popular destination, though the Northside is also popular. It also suggests that most residents visit both the City Centre and one of the M50 shopping centres on a regular (monthly) basis.

[32] In this assessment out of town shopping is considered to be the three M50 shopping centres of Dundrum, Blanchardstown and Liffey Valley.

[33] "*Dublin Town Henry Street Research*", March 2016, RedC, , ref 152516

Figure 14: Frequency of visiting by area, 2016



Source: RedC, Dublin Town Henry Street Research 2016

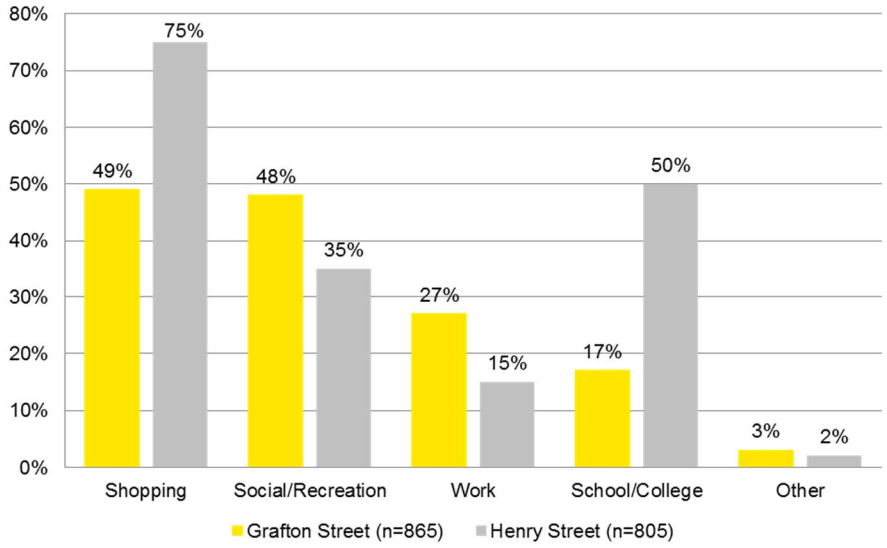
3.3 Travel reasons

The most common reason for visiting the City Centre is for shopping. This is based on market research undertaken by Millward Brown for the NTA in 2014[34]. The majority of people who visit Henry Street go for shopping (75% of people who visited, visited for the purposes of shopping). However Grafton Street is equally a shopping and social/recreation location (49% visited for shopping compared to 48% visiting for social/recreation reasons).

Figure 15 shows the majority of users to the City Centre have come for shopping or social reasons, including for those who stated more than one reason for their visit, with 49% and 75% giving this reason for visiting Grafton Street and Henry Street respectively. The proportion of users who stated that work was a reason for their visit was lower, at 27% for Grafton Street and 15% for Henry Street.

[34] "*NTA Dublin City Centre Shopping Survey*", 2014, Millward Brown, https://fe49d9ec8511d2dc0553-f8f415f79bf5d37d632aa2f721fb6d7c.ssl.cf3.rackcdn.com/wp-content/uploads/2015/02/Dublin_City_Centre_Shopper_Survey_Report_MB_1.pdf

Figure 15: All reasons for coming to the City Centre by location, 2014



Source: Millward Brown, Dublin City Centre Shopper Survey Report 2014

3.4 Travel modes

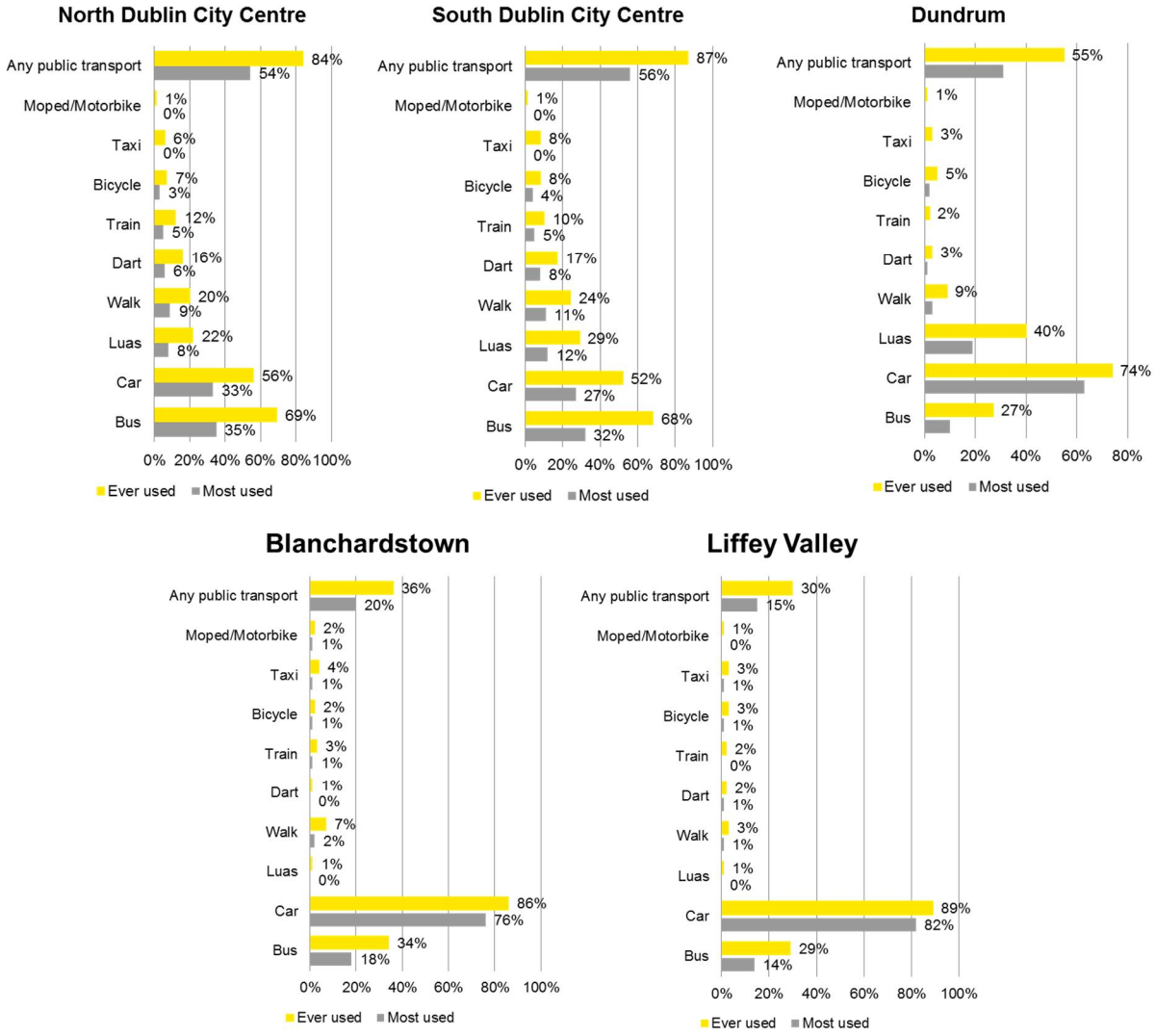
Public transport modes were the most commonly used modes for traveling to and from the City Centre (up to 87% of people in 2016 used public transport at some point compared to up to 56% using cars at some point). In comparison, cars remain the most common means of travelling to the M50 shopping centres. This is based on the same market research undertaken by RedC in 2016[35].

Figure 16 shows the modes of transport to the different retail locations across the city. It shows that the modes of transport to the City Centre are relatively similar on both the Northside and Southside. It also shows that bus is the most common mode of transport (35% of people going to the Northside are most likely to use the bus compared to 32% for the Southside). When all modes of public transport are added together they form the majority of journeys.

These figures also show that most people use multiple modes of transport. Though 56% of users have travelled at some point by car to North Dublin City Centre, 87% have travelled by public transport to South Dublin City Centre at some point. This implies that there must be significant overlap between these modes of transport and shows that many users are happy to travel via different modes depending on their needs.

35 ibid

Figure 16: Transport used to get to Area, All respondents, 2016



Source: RedC, Dublin Town Henry Street Research March 2016

3.5 Conclusions on travel patterns

This section provides an assessment of current travel patterns. It shows a picture of a popular City Centre which is visited by the majority of people surveyed on a regular basis. Whilst they visit for a range of reasons the majority of trips are for the purposes of spending money on either shopping or social activities. These users travel to the City Centre using an equally wide variety of transport modes. Car is certainly a well-used mode, but more individuals travel by bus than by car. This is in stark contrast to the out of town shopping centres where car is by far the most dominant mode of transport.

This all demonstrates the importance of public transport to the retail sector in the City Centre and shows that good public transport is critical to the success of the City Centre. As the increases in demand predicted in Section 2 materialises then this will only increase the pressure. The evidence shows that most people are willing to use public transport (only 13% stated they had not use it) therefore highlighting the fact that sufficient public transport will be a critical factor in maintaining the forecast retail growth in the City Centre.

4. International Evidence

4.1 Introduction

Sections 2 and 3 have presented a picture of a rapidly growing Dublin City Centre which is attracting ever increasing numbers of users and making heavy demands on the City Centre itself and public transport. Before going on to discuss the specific issues and solutions for Dublin it is first useful to consider the international evidence around interventions in this area. This is addressed in this section.

A large number of the interventions proposed by the NTA and DCC have been undertaken before in other countries and many have been the subject of rigorous assessments of the impacts. The overwhelming message which comes out of these studies is that they have improved the public environment, making it more attractive to shoppers and leading to higher retail sales. This is the case even when the scheme has led to a reduction in the amount of parking available (for instance by turning on street parking into a bicycle lane).

4.2 The value of a good public environment

Attractive city centres are characterised by vibrant footpaths and public spaces, ease of movement, and efficient access arrangements, no matter what mode of transport is chosen. Copenhagen, Stockholm, Brussels, Budapest, Istanbul, London, Madrid, Rome, Florence, Milan and Amsterdam are only some of the cities where it is not possible to drive freely through defined areas. In fact, it is difficult to find a European city comparable to Dublin that has not moved to increasing restrictions on through traffic. People no longer expect to be able drive through or within centres unimpeded, but they do like to spend time on foot in city centres, enjoying the experience and the retail and cultural opportunities that they offer. City and transport authorities have found that the available road space is of more value when diverted to users other than cars, with the exception of those cars travelling to essential destinations in the City Centre itself, which include car parks which support retail activities.

The impact of the public environment on businesses has been studied for a long time. In 1999, Begg developed his "Urban competitive maze"[36], a framework for considering various influences on urban economic performances. This placed a high quality pedestrian environment and public environment as an essential component of a strong business environment.

This result was supported by a report published by Transport for London in 2003[37]. During interviews with a wide range of retailers they found that 85% of respondents identified the environment as important in attracting custom, 92% were concerned that traffic intrusion was having a negative impact on their businesses and 57% felt a good environment made it easier to attract and retain staff. They also found that retailers *"would only locate in the best possible environment we can find"* and that some businesses had considered relocating due to a poor quality environment. Improvement of the quality and "*walkability*" of central London and other established centres was seen as vital to their continued competitiveness and economic success. Excellence in pedestrian planning and urban design was seen to be critically important

The available evidence supports the case that improvements to the public environment can lead to direct benefits to the retail sector:

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[36] D Begg, "*Cities and Competitiveness"*, 1999

[37] Transport for London, "*Economic benefits of good walking environment*", 2003

- Leicester, UK (1992): A report [38] found a statistically significant correlation between traffic levels in the Centre and the level of vacant shop premises

- London, UK (2002): A report [39] concluded that *"On balance, schemes which support pedestrian improvements in town and city centres generate value for retail businesses. Following a possible 'adjustment period' of up to 12 months following any pedestrian schemes, there is an upturn in turnover and town centre vitality"*

- Pontypool and Princesshay, UK (2011): A report [40] found a 10% increase in footfall in Pontypool and a 19% increase in Princesshay (Exeter) following major improvements to the public environment

- New York, USA (2007): A report [41] found that improvements to the public realm and environment had positive commercial impacts

4.3 Transport intervention as a means of improving the public environment

Globally, proposals to improve the public environment which have impacted on traffic access (and especially car access and parking) have tended to generate the most interest and concern from users of those areas of the city which would be impacted. In particular retailers have often expressed significant concerns as to the negative impact that would be felt on their businesses.

This has led to many of the areas proposing such schemes to undertake research to more fully understand the likely impacts.

They have tended to focus on three types of interventions:

- Pedestrianisation: The complete removal of car access to certain areas

- Traffic calming: Reducing numbers or speed of cars in certain areas

- Reallocation of road space: Turning roads available for car use (or parking) into public transport routes or cycle paths

As set out in the following section, these measures have been shown to have positive impacts on the retail sector in the affected areas.

4.3.1 Pedestrianisation

Management of the private car in order to maximise the numbers of people accessing commercial districts is becoming more common. An example of this is Istanbul. The pedestrian zone of Istiklal

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[38] Newby, L. Spencer Wort., S and Wiggins, P. *"Paved with Gold? A study of the economic impact of pedestrianisation and its relevance to Leicester"*, 1992, Produced by Environ, Best practice research unit Report no.7

[39] Transport for London, *"The benefits of town centre pedestrianisation and public realm schemes"*, 2002

[40] Landscape Institute, *"Why invest in Landscape?"*, 2011

[41] Ellen, L, Schwartz, A. Voico, I. ,"*The impact of Business improvement districts on property values: Evidence from New York City"* , 2007, Brookings Wharton Papers on Urban Affairs, 1 - 31

Caddesi is not only a major tourist destination, but is also an important hub for Istanbul commerce, culture, and history. This street, built mainly in the 1800s, became congested with cars throughout the past decades. The city decided to reinstate the old trolley car lines and make the street a pedestrian zone. Public transport stops strategically placed on both ends of the street provide access to businesses, nightlife, and cultural amenities. Meanwhile, taxis and private mini-buses provide other access points. Before the scheme was implemented, retailers were concerned that denying cars access would hurt their businesses. As it turned out, revenues increased, and the area now has up to 3 million visitors a day[42].

In addition, Oslo is planning to ban cars from the City Centre by 2019 to make it "better for shops and everyone", Hamburg has announced plans to go car free by 2020, and Birmingham has announced plans to pedestrianise the City Centre.

Further evidence of impacts include:

- Germany and UK, (1975 -1993): A review[43] of pedestrianisation studies in Germany and UK over a 25 year period found 83% of retail business, 28% of hotels and 63% of restaurants reported an increase in business. It was, however, found in some cases that there was a reduction in turnover during the transition period.

- Union Street, Aberdeen, UK (2003): A report[44] ahead of the pedestrianisation of Union Street found that 90% of users surveyed thought it made the City Centre more attractive and that they would spend more in the Centre. A 4% increase in retail turnover was predicted.

- Coventry City Centre, UK (2007): An assessment[45] of a new civic square was shown to have led to a 25% increase in footfall on Saturdays with a corresponding £1.4m increase in trade

- Valdemero, Spain, (2013): A report[46] found that pedestrianisation had a strong impact on tourism and commerce in a historic part of the city

4.3.2 Traffic calming

Traffic calming has been another common approach. It may seek to reduce the congestion in the Centre and therefore the number of cars on the road. Alternatively, it may look to improve pedestrian safety and comfort by slowing the speed of cars to allow for safer and easier movement between shops. It is often linked to pedestrianisation and some of the reports in Section 4.3.1 include the impact of traffic calming in their overall assessment of impact.

Specific evidence of impacts include:

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42 http://thecityfix.com/blog/persuading-for-pedestrian-zones-part-2/

43 Hass-Klau, C. , *"Impact of pedestrianisation and traffic calming on retailing: A review of evidence from Germany and UK"*, 1993, Transport Policy 1 (1) p21-31

44 Pieda Consulting, *"Union Street pedestrianisation: STAG Part 1ELAI Assessment",* 2003

45 NWDA/RENEW Northwest.. *"Economic Value of Urban Design Final Report.",* 2007, www.placesmatter.co.uk/webfm_send/23

46 Sastre, J. Sastreb, A. Ana Maria Gamo, A and Tomás Gaztelu, T. "*Economic impact of the pedestrianisation in historic urban centre: The Valdemoro case – study (Spain)"*, 2013, Procedia - Social and Behavioral Sciences 104 (2013) 737 – 745

- New York, USA (2013): A review by the Department for Transport[47] looked at a number of schemes which calmed traffic and improved pedestrian access to areas of the City. Looking at the impact on sales receipts they concluded "*… that improved accessibility and a more welcoming street environment created by these projects generate increases in retail sales in the project areas*". In some cases the improvement in sales was over 20 percentage points more than in comparison streets

- Nørrebrogade Copenhagen, Denmark (2015): A study of traffic calming found retailers tended to over-estimate the number of users arriving by car and that four years after the scheme was introduced the majority had a positive impression of the scheme

4.3.3 Reallocation of road space

Many city centres experience some degree of congestion, and new public transport schemes are required to ensure people can access central areas. In many cases, this requires the reallocation of road space from private cars to public transport, cycling and walking. This often involves the removal of car access to certain areas (as with the College Green bus gate) or the removal of on street parking to allow for the addition of lanes for public transport or bicycles, and / or widened footpaths. Many of these have been subject to assessment and the impacts found have been very similar to the pedestrianisation results.

Evidence of impacts include[48]:

- Cross Europe (2004): Case studies of nine cities in Finland, UK, Belgium and Germany that implemented significant road space reallocation projects showed that in the majority of cases, retail trade increased[49]

- San Francisco, USA (2003): A report[50] found 66% of retailers felt the bicycle scheme had been good for sales and only 6% of overall responses were negative

- New Zealand (2013): A review[51] across New Zealand in central city locations, found the spending gap between drivers and cyclists was only $4 per trip ($47 to $43, respectively). Non-drivers also spent more time in the shopping areas, suggesting *that "…the longer-term spending by sustainable users is likely to be higher than that of private vehicle users"*

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[47] New York City Department of Transport, *"The economic benefits of sustainable streets"*, 2013

[48] A review of the impact of many of the bicycle schemes can be found here http://www.citylab.com/cityfixer/2015/03/the-complete-business-case-for-converting-street-parking-into-bike-lanes/387595/

[49] European Commission , *Directorate General for the Environment, Reclaiming city streets for people: Chaos or quality of life*, 2004

[50] Drennen, E. *"Economic Effects of Traffic Calming on Urban Small Businesses"* 2003, Department of Public Administration San Francisco State University

[51] T Fleming, S Turner and L Tarjomi, *"Reallocation of road space"*, 2013, NZ Transport Agency research report 530

- Toronto, Canada (2009): An assessment[52] of a scheme which removed parking and replaced it with bicycle lanes found that users arriving by foot and bicycle visited the most often and spent the most money per month. It also found more retailers who believed that a bike would increase business than retailers who believed those changes would reduce business.

4.4 Conclusions on the international evidence

This section provides an overview of the available international evidence. It shows that the impact on retail businesses is a common concern when such schemes are proposed. When such schemes have been subjected to detailed examination however these concerns have not been supported by the evidence. Instead the evidence shows that such schemes can be of significant benefit to retailers as they improve the public environment and attract users to the area who may have been previously deterred from visiting due to the perceived lower quality environment. Though there is some evidence of adjustment periods, the long term evidence all points to such schemes being good for business.

As such it shows that the quality of the Dublin City Centre environment, and how it is viewed by its users, will be more important to its success than the ability of users to access it by car. Not only will it need to be designed to a high quality but it will also need to be maintained at this level otherwise the investment will be lost. Whilst the current plan has set the direction for the City Centre it could provide more detail on the proposed enhancements, how they will look and how they will be maintained.

To improve confidence in the new public environment and to attract maximum users we would recommend:

- Publishing more detail on the proposed look of the new proposed enhancements to the City Centre as soon as they becomes available. This will need to clearly articulate how it will be different to the existing environment and what the benefits to the user are

- Ensuring plans are in place to maintain the public environment at the highest possible standard

[52] The Clean Air Partnership, *" Bike Lanes, On-Street Parking and Business: A Study of Bloor Street in Toronto's Annex Neighbourhood"*, 2009

5. City Centre transport proposals

5.1 Introduction

Sections 2 and 3 set out the nature of the challenge to the transport system in the Greater Dublin Area. They present a picture of increased desire to travel into the City Centre for both retail and social reasons and show how much of this increase will be picked up by public transport. This was then followed by Section 4 which set out the international evidence around changes to transport arrangements; however that section did not consider the proposed changes or assess the specific impact of those changes. This is addressed in this section. It considers the published strategy for transport and assesses the likely impact of the changes proposed.

Building on from Section 3.4, it shows that the importance of the car to the City Centre is easy to overestimate, both in terms of its relative use and the total spend of car users (car users account for about one fifth of total spend).

5.2 Rationale for the proposals

Section 2 sets out a positive assessment of the current market conditions facing Dublin City Centre. It also sets out a forecast which shows that a path of strong growth is anticipated leading to increased numbers of users in the City Centre.

However this forecast will put increased pressure onto the transport systems in the City Centre. As shown in Section 3.4 up to 87% of users will travel into the City Centre at some point using public transport. This means that the current public transport system faces significant challenges in the years ahead. Failure to address these challenges will present a significant risk to achieving the full potential of the City Centre as it will prevent users from reaching the City Centre.

Detail on the challenges faced by the transport system is set out in the "Transport Strategy for the Greater Dublin Area 2016 – 2035"[53] Section 3. It sets out a number of shortcomings with the supply of transport and states that:

"… demand at present is not being fully met by the available transport system in a manner which will facilitate long term economic growth "[54]

All of this demonstrates that doing nothing is not a viable option if the City Centre aims to continue on its current expansionary path. Significant change, as set out in Section 5.3, is required to ensure that future supply of transport can meet the predicted increased in demand.

Whilst this will inevitably require additional management of private cars in the City Centre, such measures are not new and should instead be seen as part of a transformation in usage which has been going on for a long time. In Dublin, both Henry Street and Grafton Street were pedestrianised in the 1980s. Since then, road space has continually been reallocated for increasing pedestrian activity; to deal with increasing demand for buses and deliveries; and to accommodate Luas and ensure it was given the operating environment and space needed for success. The current

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53 https://fe49d9ec8511d2dc0553-f8f415f79bf5d37d632aa2f721fb6d7c.ssl.cf3.rackcdn.com/wp-content/uploads/2016/04/Transport_Strategy_for_the_Greater_Dublin_Area_2016-2035-1.pdf

54 "*Transport Strategy for GDA 2016 – 2035*", Section 3.5 p37, https://fe49d9ec8511d2dc0553-f8f415f79bf5d37d632aa2f721fb6d7c.ssl.cf3.rackcdn.com/wp-content/uploads/2016/04/Transport_Strategy_for_the_Greater_Dublin_Area_2016-2035-1.pdf

proposals are another evolution in that process, as the City Council and the NTA seek to make arrangements to accommodate the Luas Cross City line which is under construction; to improve the sometimes poor and congested pedestrian environment in parts of the City Centre; and to provide an efficient and reliable bus service through the Centre. Despite the huge success of the Luas system, Dublin Bus still carries about four times more passengers every day (Luas carries about 80,000 passengers per day compared with around 325,000 on Dublin Bus). As such it is of critical importance to the continued growth of the city that the conditions are in place for the effective growth in this mode of transport.

5.3 Proposed future changes to the transport system.

The proposed changes to the traffic systems focus on the road bus and rail networks as well as rendering the City Centre easier to navigate for pedestrians and cyclists. The description below is a summary of the City Centre Transport Study.

5.3.1 Traffic proposals

A number of measures aim to reduce congestion in the city, where traffic volumes at certain junctions have reached 70,000 vehicles per day. The proposed changes will allow the road network to be used more efficiently by all modes of transport accessing the City Centre. These are summarised as follows:

- Certain streets will be converted to allow public transport, cyclist and pedestrian access only
- Road space will be released by removing traffic from the central area. This will begin on the approaches to the M50 and will utilise the M50 to encourage routes towards the canals
- Appropriate and adequate car parking access will be maintained for retail and commercial functions
- A City Centre Zone[55] will be introduced to manage deliveries
- City Centre taxi ranks will be expanded and rationalised[56]

5.3.2 Bus/Bus Rapid Transit proposals

In order for Dublin to accommodate the growing number of commuters, shoppers and visitors coming to the city over the next decade and beyond, the carrying capacity of the bus network must be increased.

The increase in carrying capacity will be achieved by the enlargement of the bus fleet combined with additional services on busy routes and the introduction of new routes:

- Additional road capacity and junction priority will maximise the performance of the bus network

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[55] This would involve a managed delivery system in the City Centre utilising potentially a second HGV zone in the City centre which includes all Commercial vehicles and where the emphasis will be on provided timed deliveries within the City centre

[56] Whilst this will mean more space in total for taxis, there are certain locations in the centre of Dublin, such as O'Connell Street, St. Stephen's Green North and Dawson Street, which need to be relocated due to the introduction of Luas Cross City. Other ranks may also be relocated to better manage how taxis entering service will access the traffic network, while new ranks may be located in areas such as Temple Bar/Drury Street/South William Street.

- Specific routes will see the introduction of a high capacity Bus Rapid Transit (BRT). Interchange arrangements will be improved to optimise bus corridors.

A more efficient bus network will be key to making the bus a more viable option for many users and to encouraging users to transfer from cars onto public transport.

5.3.3 Rail proposals

While the bus network is, and will remain, the largest public transport network in terms of passenger volumes, rail transport also plays a significant role in accessing the City Centre. The 2014 Canal Cordon Survey[57] showed that 19% of AM peak hour trips across the canal are made by rail and Luas. The following combination of new infrastructure and improved interchange between rail and other modes of transport will contribute to improving city centre access:

- Luas Cross City, linking the two Luas lines
- Increased capacity and frequency of DART services
- Phoenix Park Tunnel Link[58] will become operational in 2016, linking the Kildare commuter line to Connolly, Tara, Pearse and Grand Canal Dock stations
- Enhance interchange between rail and other public transport modes

5.3.4 Cycling proposals

The success of the *dublinbikes* scheme is testament to the growing importance of cycling and it is envisaged that the popularity of this mode of transport will continue to increase. As a result, the continued development of a high quality, safe cycling network is a key objective of DCC and the NTA. This will serve to increase the number of recreational and shopping trips made by bike to the City Centre. As such, the following will be implemented:

- Primary cycle routes outlined in the GDA Cycle Network plan[59] will be developed as a strategic cycle network in the City Centre
- Segregated cycle lanes will be developed but in areas where this is not possible other measures will be implemented for cyclist safety, for example lower speeds or vehicle restrictions
- Where possible, contraflow cycling will be introduced on one-way streets
- Cycle parking design and location will also be considered

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57 https://data.dublinked.ie/dataset/traffic-volumes-city-centre-bridges-count

58 The Phoenix Park tunnel runs for just under 700 metres between Heuston Station and Cabra. It is currently being upgraded and will be completed by the end of 2016. This upgrade will mean that from the end of next year commuters coming in on the Kildare to Dublin Heuston line will have the option of travelling directly to Connolly, Tara Street, Pearse and Grand Canal Dock Stations.

59 https://www.nationaltransport.ie/publications/transport-planning/gda-cycle-network-plan/

5.3.5 Pedestrian proposals

Enhanced pedestrian movement through the city will facilitate access to all modes of public transport as well as contributing to the elimination of the barrier between North and South shopping areas within the city by creating an unbroken pedestrian link between the South Quays and St. Stephen's Green. A multitude of different types of pedestrians traverse the city. Residents, commuters, tourists and shoppers all have a range of needs for which the pedestrian environment must cater for:

- Wider footpaths and pedestrian priority at key junctions will be implemented
- A 'strategic' pedestrian network will be developed in order to set out priority routes and link key Dublin tourist destinations for tourists
- The needs of mobility impaired pedestrians will be considered and good signage, surfaces and lighting will also be factors
- Where possible, areas of open public space will be established

5.3.6 College Green traffic management proposals

Dublin City Council has just started a process of public consultation regarding proposed Traffic Management Measures at College Green[60] and surrounding streets. These proposals will improve the safety for pedestrians and cyclists in the College Green area, assist in the efficient operation of Luas Cross City and provide an efficient north-south bus and Luas transport corridor. It removes all east-west vehicular traffic from College Green, providing a revised layout where pedestrians, cyclists and public transport can operate in a safer and more efficient manner and without potentially dangerous conflicting movements.

In the new proposed simplified arrangement, buses and the Luas will run Northwards and Southwards along Grafton Street Lower and through College Green, connecting to Westmoreland Street and College Street at the Northern end and Nassau Street at the Southern end. Together with the removal of the junction link to Dame Street, this layout facilitates an efficient North South public transport corridor. Taxis, subject to a trial to ensure that they do not impede bus or Luas operations, will be permitted to use the same corridor.

This proposal will free up the road space which will allow for the creation of a civic plaza area in College Green from Church Lane to Lower Grafton Street with all through traffic except pedestrians and cyclists being removed. It will open the way for a complete redesign of this space and the removal of the many traffic management and signage infrastructure elements which currently clutter this area.

5.4 Concerns raised and changes made.

Since the publication of the initial Dublin City Centre Transport Study, a number of organisations, particularly those representing the interests of the business community in the city, have expressed concerns over possible impacts on the economy of the City Centre.

These concerns focus on the proposed changes in private vehicle access to the City Centre, related to the following reasons:

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60 http://www.dublincity.ie/sites/default/files/content/Planning/Documents/CollegeGreenConsultationDocument.pdf

- Driving is the second most important mode of transport for shoppers and those who enter the city by car account for the highest average spend
- The proposals may result in the relocation of tourist coach drop of/pick up sites, impacting associated businesses in the City Centre
- Commercial vehicles may be hindered in their ability to conduct deliveries
- The proposed redevelopment would have a disproportionate impact on bulky goods retailers, who rely on consumers having access to a nearby car park

In response to this DCC and NTA engaged in consultation with key stakeholders arising from which various changes to the initial proposals have been developed. The changes proposed by DCC and the NTA largely focus on the issue of car access to car parks for retail purposes.

Some of the key changes to the study include:

- The retention of car access on Bachelor's Walk to turn left onto O'Connell Street, facilitating access to car parks and retailers
- Making Eden Quay public transport/cycling/pedestrian only at O'Connell Bridge to replace the Bus only section at Bachelors Walk; and
- The replacement of the proposed bus-only section of the South Quays with the provision of additional bus lanes on the South Quays and the retention of a general traffic lane.

The revised proposals have also increased the amount of detail around the use of buses and taxis in areas around the City Centre. Revisions to the plans for the College Green area were also made as described in Section 5.3.6.

5.5 Assessment of the potential impact of the changes to the transport system

The changes to the transport system contained within the City Centre Study aim to increase the overall numbers travelling to the City Centre. Due to the limited capacity of the road network this will require that a significant proportion of the growth is catered for by public transport, walking and cycling.

Evidence provided by the Millward Brown 2014 report for the NTA[61] as well as market research undertaken by the Dublin Institute of Technology in 2011[62] show that this approach should not have a negative impact on city centre retail. The Dublin Institute of Technology research showed that the number of users travelling in by cars is typically overestimated by retailers. The Millward Brown research asked consumers in the City Centre about their travel and spending pattern over the previous 4 week period and asked how they travelled in and how much they spent. It showed that whilst those who come in by cars spend the most per trip (€117 compared to €75 for those arriving by rail in 2014), they do not have the highest overall spend as more people travel to the City Centre

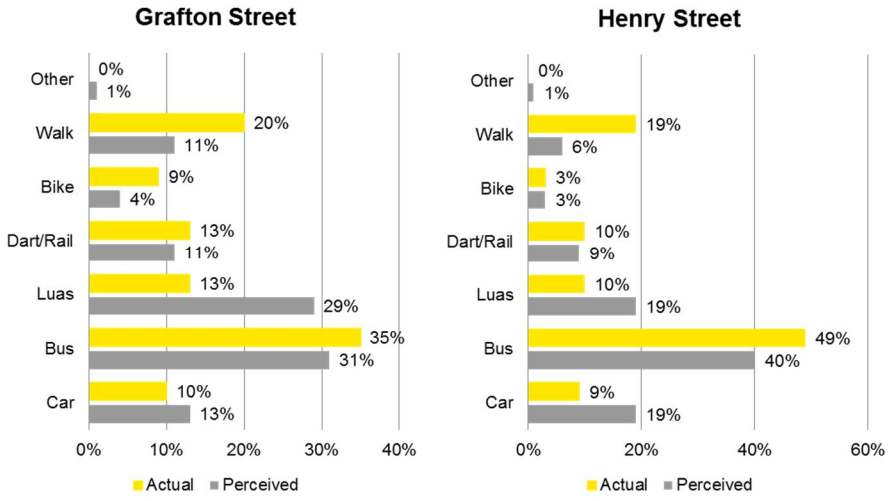
[61] NTA Dublin City Centre Shopping Survey, Millward Brown, 2014, https://fe49d9ec8511d2dc0553-f8f415f79bf5d37d632aa2f721fb6d7c.ssl.cf3.rackcdn.com/wp-content/uploads/2015/02/Dublin_City_Centre_Shopper_Survey_Report_MB_1.pdf

[62] Report on Shopper travel behaviour in Dublin City Centre, 2011, D O'Connor J Nix S Bradshaw E Shiel, http://arrow.dit.ie/cgi/viewcontent.cgi?article=1010&context=comlinkoth

by those other modes, and therefore by accommodating a significant increase in this number overall, the vitality and viability of retail in these locations will be enhanced.

The Dublin Institute of Technology research showed that the number of retail users travelling in by car is often overestimated. Figure 17 shows actual versus perceived modes of transport based on a survey of retailers taken in 2011. Henry Street retailers overestimated the number of car journeys by 10 percentage points whilst Grafton Street retailers overestimated by 3 percentage points. They underestimated the use of the bus by a similar amount.

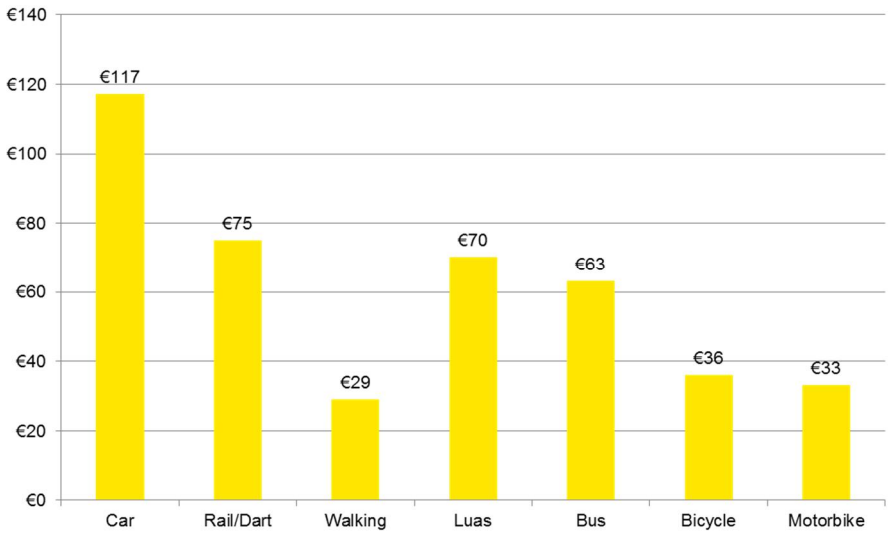
Figure 17: Perceived versus actual travel behaviours, All respondents, 2011



Source: Dublin Institute of Technology, Report on shopper travel behaviour in Dublin City Centre 2011

The Millward Brown 2014 report for the NTA provided more up to date figures on both modes of travel and spends. Figure 18 shows how much users of different modes of transport spent per journey in 2014. On an individual basis, car users spent the most (€117) with rail, Luas and bus users all spending around the same amount on average (around €70).

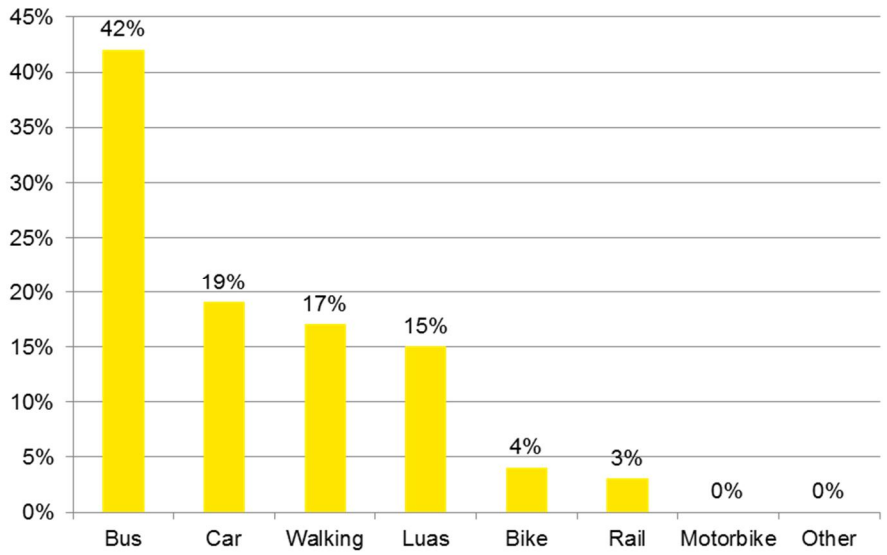
Figure 18: Average spend by mode of transport, All respondents, 2014



Source: Millward Brown, Dublin City Centre Shopper Survey Report 2014

However, spend by mode in isolation gives an incomplete picture. It needs to be aligned with proportions travelling by the different transport modes, which then gives a different overall picture. Figure 19 shows the main mode of transport by the respondents in the on-street survey, indicating that over two fifths of shoppers travelled by bus, with less than one fifth travelling by car. Overall public transport, walking and cycling accounted for 81% of shoppers.

Figure 19: Main mode of transport for shoppers, All respondents, 2014



Source: Millward Brown, Dublin City Centre Shopper Survey Report 2014

In addition the evidence presented in Section 3.4 shows that users are flexible between modes of transport and will use both car and public transport as required. This, combined with the move towards e-commerce and home delivery (highlighted in Section 2.3.2) shows that increasing the capacity of public transport, and improving the environment for walking and cycling as proposed, will not deter users from the City Centre and should not lead to a shift to the M50 shopping centres.

5.6 Conclusions on City Centre transport proposals

This section provides an assessment of the likely impacts on the City Centre of the proposed changes. It builds on the evidence provided in sections 2, 3 and 4 and shows that, in line with international evidence, the changes should not have a negative impact on retail in the City Centre. In fact they are far more likely to have a positive impact.

The evidence suggests that basing the future growth of commercial activity in Dublin City Centre on public transport, walking and cycling will not lead to a reduction in the total amount spent in the City Centre. Whilst those using these modes may spend less per journey, evidence shows that they will come in more often and thus spend more in total. Moreover, in order to facilitate an equivalent increase in footfall using the private car as the primary mode rather than public transport, the City Centre would require significant increases in road capacity directly into the Centre, to such an extent that its amenity and attraction would be greatly diminished.

There is some evidence, however, that changes of the type proposed may have a temporary effect as the changes are absorbed and understood by users, which could lead to a short term dip in sales. It is therefore worth considering what mitigation could be taken to reduce the impact in the short run.

6. Market views on proposals

6.1 Introduction

Section 5 sets out an assessment of the likely impact of the proposed changes, based on the currently available evidence of the impact of previous changes. However, in order to have the best possible confidence in the conclusions of this report, it was decided that this needed to be augmented by an understanding of consumer responses to the specific proposals which are set out in Section 5.3. This is addressed in this section. The findings are based on interviews and surveys undertaken with users of the City Centre, both retailers and consumers.

The work was split into two sections:

- Consumer views: This was based on focus groups and surveys with consumers both in the City Centre and within the Dublin Region. This was undertaken by Millward Brown.
- Retailer views: This was based on a series of discussions between the NTA, supported by EY and DKM, and representatives of key retailers.

This work found that overall there was significant support for the proposals in general, though there were also concerns about some of the details as to how and when it would be implemented. Overall between 55% and 66% of individuals surveyed supported all of the key proposals and 34% – 38% suggested that they would visit the City Centre more often. Only 6% – 11% suggested that they would visit less often as a result. The retailer discussions suggests a more cautious view on the impact of the changes and that they would need reassuring that this would not impact on their business.

6.2 Consumer views

In order to understand the views of the consumers who travel to the City Centre, the NTA commissioned Millward Brown to undertake focus groups and survey interviews with people across the Dublin region. A number of key questions were asked[63]:

- What do they think of the proposals overall?
- What do they like/dislike about the proposals?
- If the proposals were to go ahead, will they visit the City Centre more or less frequently?

In order to answer these questions Millward Brown undertook six focus groups of regular visitors to the City Centre along with 400 on-street interviews with shoppers in the City (hereafter the City Centre Study) and 517 in home interviews with people living in the wider Dublin region (hereafter the Region Study). This was done in order to get the widest and most representative view of likely consumers within the City Centre itself.

The main results were based on views on four of the key proposals which form the City Centre plan:

- Introduction of Bus Rapid Transit Lanes

63 Questions were also asked about modes of travel and frequency of travel but as these largely replicated the results in previous sections they are not included in this section.

- Luas Cross City
- Development of the cycle network
- Development of the new civic space at College Green

In addition they also separately asked about views on the proposed changes to parking arrangements alongside the taxi rank proposal and the changes to the Luas pricing.

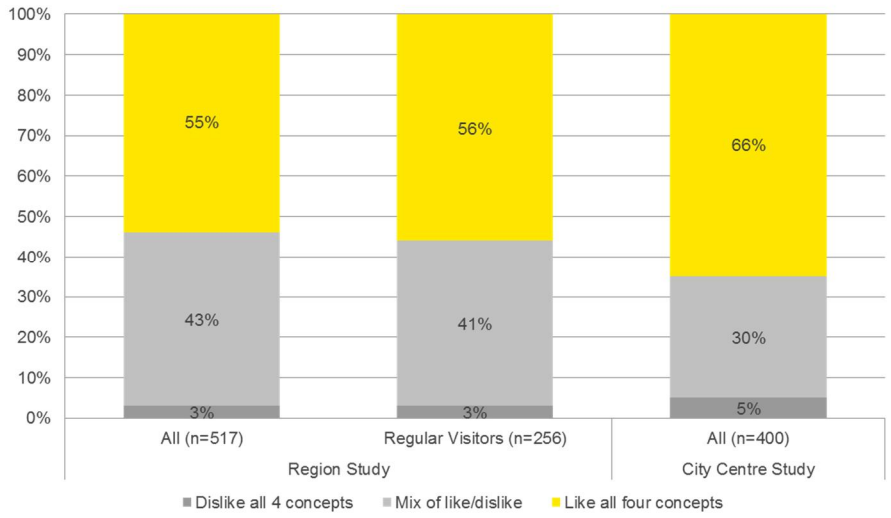
The full results of this study have been included at Annex A.

6.2.1 Overall impressions of proposals

This study suggests that consumers are largely in favour of the overall proposals set out in Section 5. Participants in the focus group believed that the proposed plans would make the City Centre more accessible to public transport, pedestrians and cyclists and that they would attract more people to the area. It was also suggested that the proposals would be good for tourism.

This was supported by the results of the surveys. The results, shown in Figure 20, show that between 55% and 66% of all consumers support all of the proposals. Support is slightly stronger from those who were surveyed in the City Centre compared to those in the wider region. Only 3% to 5% suggested that they were against all of the proposals.

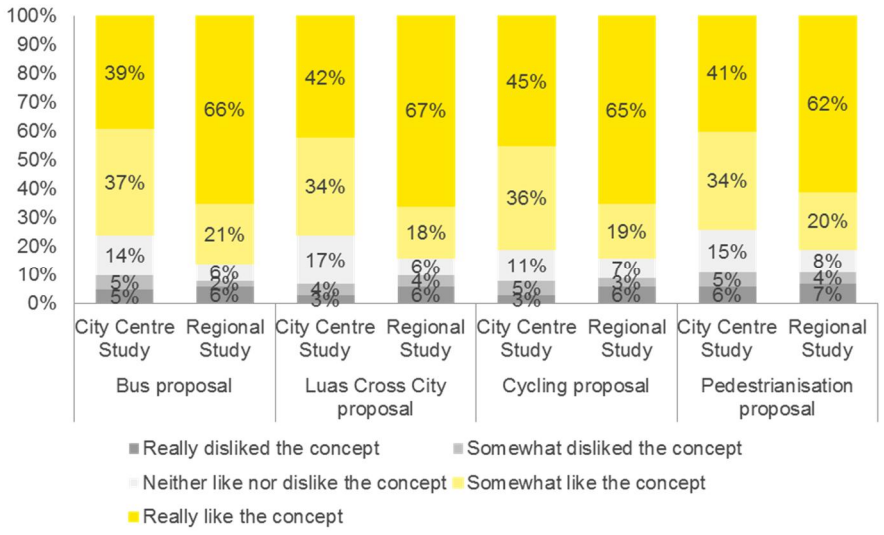
Figure 20: Overall impression of City Centre proposals, All respondents, 2016



Source: Millward Brown

The study also asked for consumers' views on each of the individual proposals. This is shown in Figure 21. Support for each of them was also high, with between 75% and 87% of consumers responding that they really liked or somewhat liked each of the proposals. The least popular proposal was the pedestrian proposal (75% of the Dublin Region study consumers liked this proposal) whilst the most popular proposal was the bus proposal (87% of the City Centre study consumers liked this proposal). This shows that there is no particular proposal disliked significantly more than the others and suggests that those who reported a mix of like and dislike in Figure 20 do not all dislike a single proposal.

Figure 21: Overall impressions of the four proposals, All respondents, 2016

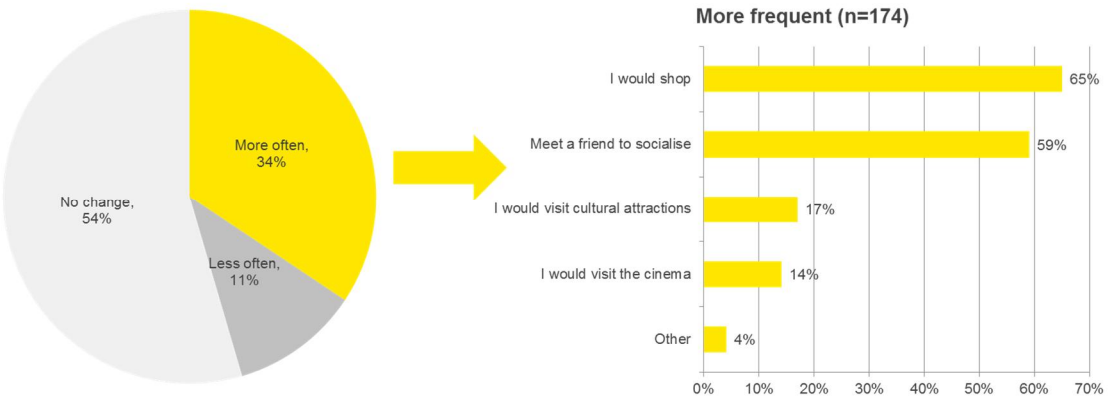


Source: Millward Brown

The study then went on to consider whether this overall good impression of the new proposals would lead to more trips to the City Centre itself. The focus groups reported that the proposals will result in more frequent visits to the City Centre, mainly for shopping and socialising, especially to socialise in the new pedestrianised areas. The focus groups also reported that one of the main reasons for currently avoiding the City Centre was the heavy traffic which leads to increased time needed to get there and increased hassle in navigating through the streets once in the Centre.

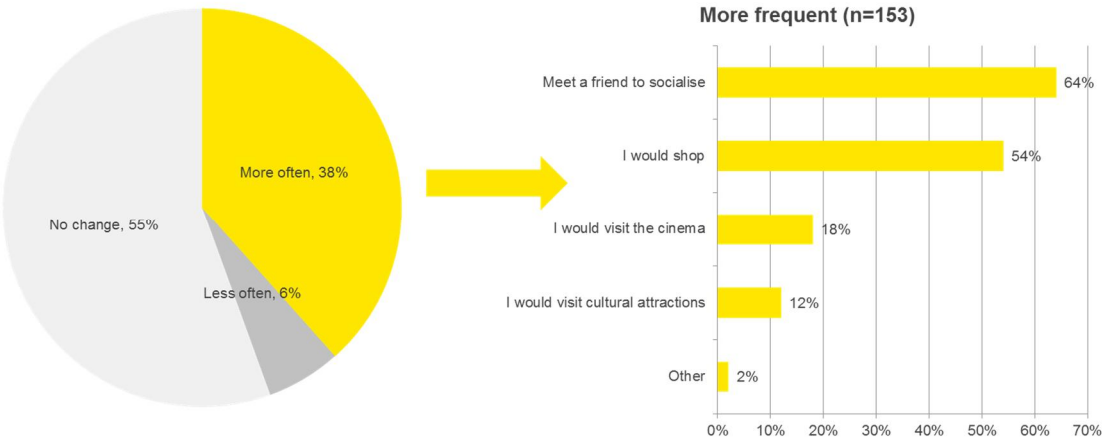
This result was again supported by the survey results. Figure 22 and Figure 23 show that between 34% and 38% of consumers would come to the City Centre more often as a result of the proposal. Of those who would come more often, the majority would come to either shop (54% to 65%) or socialise with friends (59% to 64%). This shows that the proposals will not only draw consumers into the City Centre but will also lead to an increase in retail activity.

Figure 22: Impact on likelihood of visiting City Centre, Region Study, 2016



Source: Millward Brown

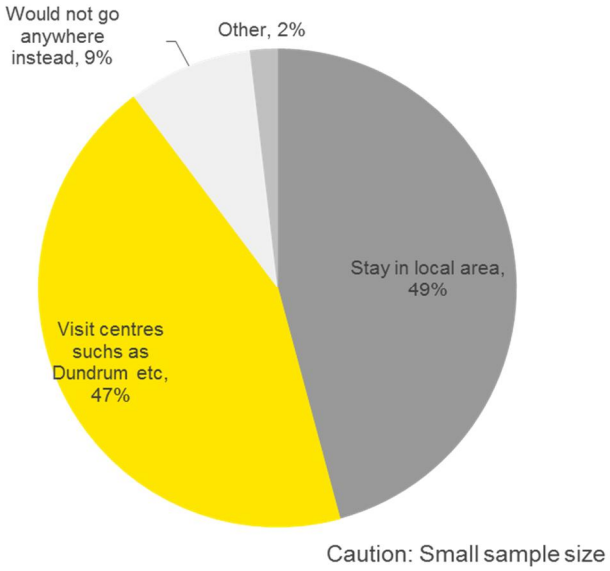
Figure 23: Impact on likelihood of visiting City Centre, City Centre Study, 2016



Source: Millward Brown

Only 6 % to 11% of those surveyed suggested that they would visit the City Centre less often. The survey then asked these individuals where they would go instead. Figure 24 shows that the majority would not go to a different venue, such as one of the M50 shopping centres, but would instead stay in the local area (49%) or not go anywhere (9%)[64]. This result shows that the total number of consumers who will divert from the City Centre to the M50 shopping centres will be extremely small, (around 3% of the total consumers surveyed suggested that they would go to another shopping location).

Figure 24: Alternative destinations to City Centre, Region Study, 2016



Source: Millward Brown

64 Extreme care should be taken with this result as it is based on the low base of only 57 responses. This means that results may not be representative of the wider views of Dublin consumers. The City Centre study responses are not included as the base was considered too low.

The study also looked at the impact of two proposed changes to the Luas service: a 50c fare for Cross City travel; and free travel with a parking ticket. Both were found to have a positive impact on the numbers likely to visit the City Centre. 55% were more likely to shop on both sides of the City Centre if the 50c fare was introduced, whereas 33% would be more likely to shop more frequently in the City Centre following the introduction of a free Luas ticket with a parking ticket.

The focus groups concluded that if the plans as proposed were executed in full the majority could see themselves coming into the City Centre more frequently, especially to socialise in the new pedestrian areas, to people watch and soak up the atmosphere.

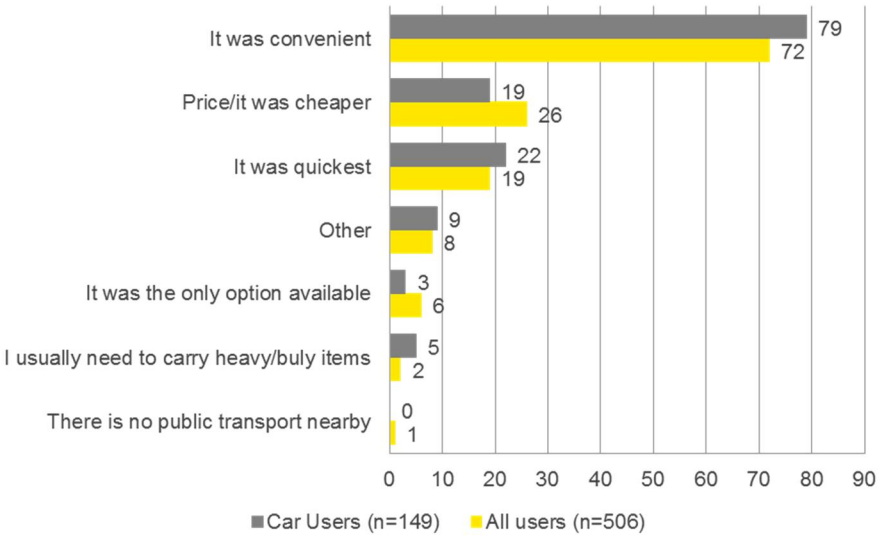
6.2.2 Impact on car users

Given the specific concerns around the impact of the proposals on car users[65] and the potential for them to be deterred from coming to the City Centre, Millward Brown was also commissioned to address this issue and ask specific questions around the use of cars and the impact of the proposals on car users.

Reasons for travel choice

The regional study asked which modes of travel consumers use[66] and why they use them. Figure 25 shows that the majority of users (72%) pick their mode of transport based on convenience. This is even truer for car users (79%). The majority do not choose it because it is the only mode of transport available (only 3% of car users) or because they need to carry heavy/bulky items (5% of car users). This would suggest that car users have other choices but do not use them because they are not perceived as convenient enough. This in turn suggests that they would be willing to shift to other modes of transport, including public transport, if this became more convenient than using a car.

Figure 25: Reason for choosing mode of transport, Region study, 2016



65 Car user was defined as car being the preferred method of travel into the City Centre

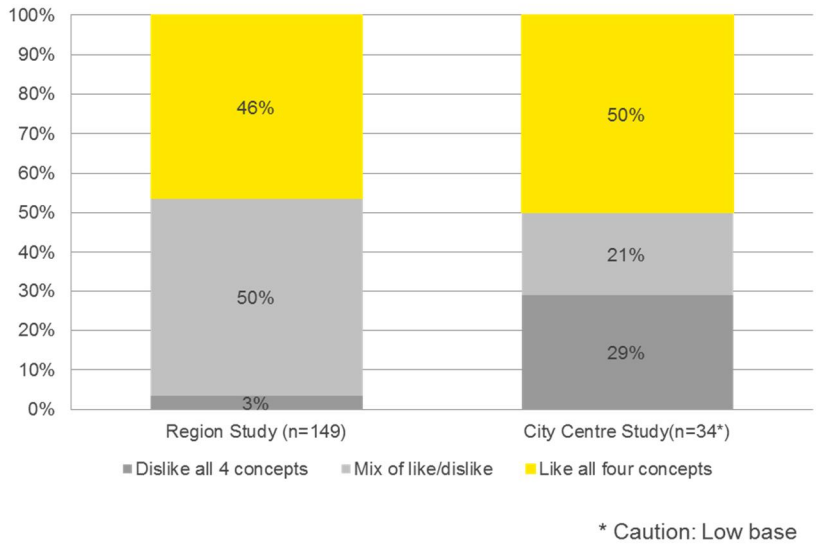
66 The results as to the modes of transport used are highly similar to the results reported in Section 13.4. To avoid confusion the set of results from this survey have not been replicated in this report but can be found in the annex to the rear of this document

Source: Millward Brown

Views of proposals

The survey also specifically asked car users for their views on the City Centre proposals. Figure 26 shows that car users' impressions of the proposals were slightly less positive than overall users with between 46% and 50% of the car users viewing all of the proposals positively (compared to 55% to 66% for all consumers). Despite this the majority of car users still view some or all of the proposals positively, demonstrating support for the proposals even amongst this key group[67].

Figure 26: Car user's impressions of City Centre proposals, All respondents, 2016



Source: Millward Brown

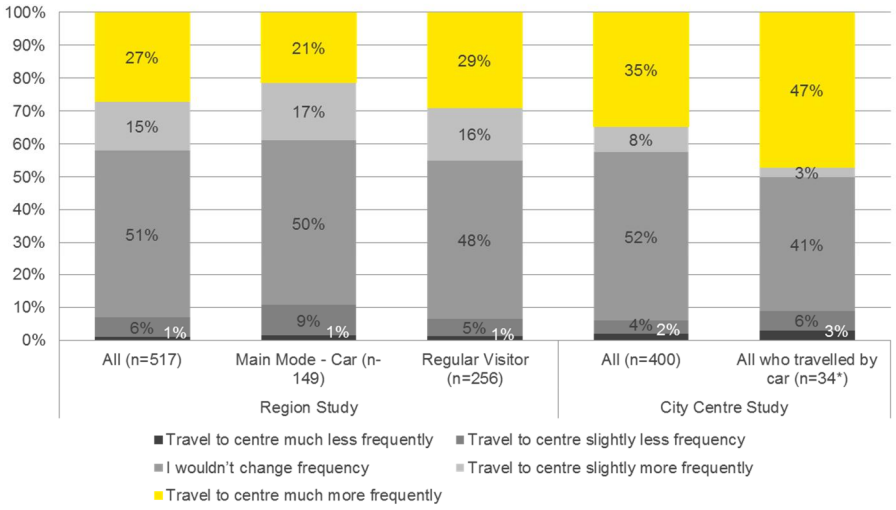
Impact of car parking changes

The survey also specifically asked about the implementation of the car parking proposals. Figure 27 shows that this proposal would lead to more visits to the City Centre rather than less. Only 9% to 10% of car users were likely to come in less frequently as a result, compared to 38% to 50% who would come in more often.

The focus group also reported that they would be happy to park further out and use a public transport shuttle to bring them into the Centre. This was further supported by the survey, which found that the proposal to introduce free Luas travel with a parking ticket would make 36% of car users visit the Centre more frequently than they current did.

[67] Whilst the percent of car users in the City Centre study who are opposed to all four proposals seems high at 29% it should be noted that this is based on a very low base and as such may not be reliable.

Figure 27: Car parking access: Impact on likelihood of visiting City Centre, All respondents, 2016



Source: Millward Brown

6.2.3 Concerns and issues

The focus groups also allowed the participants to express thoughts and concerns about the proposals in a way that the survey itself could not. A number of particular concerns came out of this work:

- Price of public transport: Public transport could become more expensive as a result of the proposals. Some in the groups expressed fears that they would become increasingly dependent on public transport and that this would be used to raise the prices.
- Capacity of public transport: Would the current public transport system have the capacity to manage or will the changes simply lead to increased waiting times? It was expressed that a ten minute wait would be acceptable.
- Disruption: The current works have caused significant disruption in the City Centre and the impact of future works would cause further disruption. This also linked to concerns about how quickly the proposals could be delivered and skepticism about the ability to deliver.
- Convenience: The proposals could lead to reduced convenience and the need to carry around heavy shopping items at times, whilst also requiring people to learn new routes around the City
- Car parking: The proposals could mean parking became more restrictive. It might also lead to difficulty in accessing car parks or to cars being pushed out of the City Centre.

6.3 Retailer views

In addition to gathering evidence on the views of consumers the NTA, EY and DKM, held meetings with key retailers[68] to understand their views and concerns.

[68] Brown Thomas, Arnotts, Marks and Spencer and Dublin Town, as representatives of the retail community.

These meetings initially discussed retailer's perceptions of the current market conditions. The majority felt that the current conditions were good and that the retail market was now growing (though one preferred to describe the situation as "stable"). Whilst they felt that the M50 shopping centres were growing faster than the Centre itself, the Centre was seen as a "destination" in its own right, rather than just as a shopping location.

It was discussed that it was important that the growth in the City Centre retail market was maintained and that changes did not prevent accessibility for customers, no matter how they choose to arrive. Any proposals for the City Centre needed to allow for vehicle access for both deliveries and people accessing shopping by car, whilst also ensuring that any increase in the use of bicycles did not result in collisions with pedestrians.

The retailers indicated they were "willing to accept short term pain for long term good" however they had a number of specific concerns as to the plans and how they would impact on their business. These were:

- Footfall: A key concern raised by all of the retailers was the potential for these plans to reduce footfall in the City Centre. A number of the retailers mentioned footfall reductions on Grafton Street and linked this to the College Green bus gate. The impact of the Luas Cross City construction works on footfall in the City Centre was also mentioned. It was felt that this was driving a shift of shopping from the Southside to the Northside.

- Car parking and usage. Another concern was the need to ensure that key retail car parks remained fully accessible from all directions. The NTA plans to develop signage were welcomed on this front and it was recognised there was more that retailers themselves could do more to prevent shoppers collecting deliveries causing congestion in car parks.

The meetings also discussed potential mitigation measures which could be taken to help reduce the impact of the proposed changes. The retailers discussed their own plans to increase the convenience of deliveries to support customers changing patterns of shopping. Other mitigations discussed included:

- Improving signage around the City Centre;

- Developing apps to support shoppers in finding suitable parking in the City Centre;

- Increasing marketing. In particular marketing both halves of the city together and a campaign to help Grafton Street recover by explaining that the area is open for business and this is how to get there with the Luas works; and

- Improving to taxi access to Lower Grafton Street.

6.4 Conclusions on market views of proposals

This section builds on the work of the previous sections by considering the views of the Dublin consumers who visit the City Centre alongside the views of the retailer who operated in the Centre. It confirms the finding of Section 4 which suggested that the key driver behind visits to a City Centre is a strong attractive public realm. The majority of consumers (55% to 66%) were in favour of the proposals and the focus groups reported it would create a more attractive City Centre. Whilst car users are less convinced by the overall proposals than the wider population, they are still largely supportive of the proposals and the survey suggest that the car parking proposals will not push them to other shopping locations. In addition, the linking of free Luas travel to car parking might also encourage more of them to visit the Centre.

The meetings with the retailers suggested that they still had concerns and issues which they felt needed to be addressed but would be supportive if they felt that the proposals would not damage their business. Based on the study undertaken by Millward Brown it would seem that the proposals

should lead to more consumers coming for the shops and bars of the Centre meaning increased retail opportunities.

Millward Brown in their report make the following recommendations:

- Plans need to be communicated clearly and simply
- Plans need to be backed with assurance to allay skepticism
- Communications should be less technical and clear so that consumers can visualise the changes. They should also show an understanding of consumer issues and a preferable solution to what they are doing at present.

In addition EY would recommend:

- Publish alongside detail on the improved public environment, details of how to travel to the City Centre as changes are implemented
- Provide clear signage to the City Centre car parks
- Encourage retailers to establish home delivery services and/or pick up services to assist customers travelling by non-car modes
- Provide clear marketing of the benefits of the City Centre and the difference it offers to other retail destinations.

7. Conclusions

7.1 Key findings

The purpose of this report has been to draw together the available data and to assess what insight it can provide into the likely impacts of the proposed changes. To do this EY, DKM and Millward Brown have drawn from a wide variety of different data sources including: publically available statistics and reports; footfall data from Dublin Town; survey findings; and international research reports. We have also undertaken specific surveys to understand the views of the public on the proposals

The evidence provided in Section 2 shows that the economy continues to grow and that this is feeding into improved retail sales which are of direct benefit to the shops in the City Centre. It also shows that this has been reflected in greater numbers in the Centre (as shown in the footfall numbers). Combining this with Section 3, it shows that this increase in numbers will drive an increase in the use of public transport, which remains the most popular mode of transport into the Centre. The supply of public transport remains limited, the challenges associated with this are set out in Section 5.2, and failure to address these challenges will hold back the Centre's development and divert users to alternative shopping destinations.

Due to the limited space available for alternative transport usages, it is inevitable that for public transport to be improved then there must be a knock on effect on the use of cars. Given car users tend to spend the most per journey (see Section 5.6) it is natural that this would cause concern that retail would suffer as a consequence. However, the international evidence presented in Section 4 shows that many towns and cities across the world have made changes to transport which involved reducing car access, but in no cases have they had more than a temporary negative impact. In the majority of cases the impact has been shown to be overwhelmingly positive.

Section 6 supports this position and shows that the majority of consumers support the proposals and see them as helping to deliver a better and more attractive City Centre. The current centre is seen as heavily congested, with traffic which makes it difficult to navigate and hard to get to. The survey also shows that the majority of consumers would come to the Centre more frequently and with the intention of shopping and socialising.

The evidence presented in Sections 4, 5 and 6 comes together to present a picture of a strong public environment being the key to drawing in users and delivering a positive retail environment. As long as the changes to the City Centre deliver this environment, and allow users to conveniently access it, then the evidence suggests that reducing car access should not have a negative impact.

Our conclusion is therefore that the evidence supports the proposals having a positive impact on retail in the City Centre.

7.2 Recommendations

As stated above, in order to deliver a positive impact on the retail conditions in the Centre, it will be vital to ensure the best possible public environment and to give both consumers and retailers confidence in this. Based on this work we have reached the following recommendations:

- Deliver at speed: In order to maximise the potential benefits, the proposed changes will need to be delivered rapidly, with a minimum of delays and with consideration given to reducing the impact during the work
- Inform the public: Good, clear, communication will be vital to maintain public support and encourage people to adapt to the new systems which have been put in place
- Market the benefits: Clear marketing of the benefits of the new City Centre will help to encourage the minority who may have been put off by the changes and encourage new visitors

- Maintain the public realm: The benefits accrued to the changes will soon dissipate if the environment is not kept to a high standard
- Provide clear navigation support: The public will need support in navigating the new system, be this through improved signage or the use of mobile phone apps
- Provide new opportunities for large/bulky items: In order to transfer away from cars, better methods of managing large/bulky items will be needed. This could be drop off locations at transport hubs or collect by car/home delivery services at major shops

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