

What is the Workplace Parking Levy?

At Holyrood today politicians will vote on the Transport Bill. A lot of time has been devoted to discussing the workplace parking levy which will probably be introduced as part of that.

So what is it? It is an optional power to be granted to local authorities in Scotland to impose a levy on parking at your place of work. The charge would be paid by employers and there is an option for employers to pass that charge on to their employees.

In [Nottingham](#) the council has imposed the tax in an effort to reduce congestion on the roads. The current levy is £415 where the employer has more than 11 parking spaces. (If they have fewer spaces there is no levy payable.)

The Scottish Conservatives have consistently opposed the levy claiming that it will be a tax on the poorest workers. They claim that under the new legislation local authorities will have the power to implement a tax on workers parking at their place of work, of up to £500 a year. They say that this means that a person who lives in an adjacent local authority to Edinburgh, such as Midlothian, West Lothian, East Lothian or the Borders, could be charged an extra £500 by Edinburgh Council.

As opponents to the tax they have said that it is discriminatory and will cost someone on minimum wage the same as it would as someone on a high salary. Workers who have no option but to drive to work could be £500 worse off every year

which would have a big impact on a families budget. This would be doubled in families where both parents need to use their car to get to work.

Police Scotland have also spoken out against the tax raising concerns of the impact that it would have on Police Officer safety..

Liam Smith, Centre Director at Fort Kinnaird, said: “Our team at Fort Kinnaird work tirelessly to ensure our work does not adversely impact the environment; diverting 97% of waste from landfill; achieving a BREEAM ‘Very Good’ rating for sustainability; building excellent cycle access; and working with City of Edinburgh and East Lothian councils to ensure good bus options for staff and customers.

“Nonetheless, we do not believe a Workplace Parking Levy would help deliver the environmentally and economically sustainable retail sector we all want to see.

“A Workplace Parking Levy could put the £53m GVA Fort Kinnaird contributes annually to the Scottish economy, and the 2000 jobs it supports, at risk by adding an additional cost to retail businesses already operating in an extremely challenging environment which includes a significant business rates burden, changing shopping habits and the rise of online retail.

“In addition, despite the good public transport options in place for people to come to Fort Kinnaird, work shift patterns require staff to be on site at hours when these are often not available, and travel by car is the only safe and practical option for some. We would therefore have very real concerns for the health, wellbeing and safety of staff if the introduction of a Workplace Parking Levy resulted in the option of car transport being significantly curtailed or removed altogether.

“We would be delighted to work with Scottish Government and

partners to deliver a programme which effectively tackles the climate emergency in an economically sustainable way but do not believe the Workplace Parking Levy will achieve that shared goal.”

Neil Bibby Labour MSP, who put forward amendments to remove the levy from the Transport Bill, said:“The SNP’s Workplace Parking Levy has been sold as a new revenue stream to fund struggling public services, but in reality it will hit public sector budgets for £5 million they simply don’t have.

“When cash-strapped public bodies are handed the bill, it’s more than likely that – like other employers hit by the car park tax – they will pass it on to their workers.

“Councils need adequate funding – not a sticking plaster which will hit the poor and siphon funding from colleges and universities.

“Only Scottish Labour is fighting to end the cuts to councils.”

Scottish Greens are supportive of the proposals for the levy and the bill’s proposals for Low Emission Zones. Green transport spokesman John Finnie MSP said:“When the Transport Bill was first published it was lacking ambition. I’m delighted therefore that we’ve been able to bring pressure to bear to make it a much more empowering piece of legislation. On buses Scotland has for far too long allowed private operators to call the shots, cutting services at a whim and leaving communities cut off. I’m pleased that we’ve finally ditched Thatcher’s disastrous bus laws and delivered the power to local councils to run their own services. This will allow local communities to directly hold their local representatives to account for the quality of the services they receive.

“The new powers over workplace parking levies will allow local government in our biggest cities to tackle congestion, air

pollution and the climate emergency. Councils have been asking for these powers for years, and I'm delighted that Greens have been able to deliver this simple and effective change, which will raise much needed funds to improve local public transport services.

"The Bill also includes other important measures such as tackling pavement parking, prohibiting parking in cycles lanes and a framework for implementing low emission zones which will all help improve our polluted public spaces."

Friends of the Earth Scotland's Air Pollution Campaigner, Gavin Thomson, said: "Some of the rhetoric surrounding the workplace parking levy through this process has been wilfully misleading. For MSPs to back urgent action on climate, but make these misleading objections to reducing fossil fuel car use in city centres is inconsistent at best, and dangerous hypocrisy at worst.

"WPL is an optional power, specifically requested by our two biggest city councils to cope with transport challenges of city centres. It would only be introduced if local authorities choose to do so, having taken into account local circumstances and after consultation with people likely to be affected.

"We need to have realistic, evidence-based conversations about the choices we must make to reduce climate emissions from our transport system. Some MSPs would rather peddle the fantasy that everyone will be able to drive their car wherever they like, and park wherever they want with no restrictions and no regard for the consequences on other people or the planet.

"Workplace parking levies have a track record of bringing much needed investment to transport infrastructure, and creating healthier places to live and work. The revenue from this levy can be used to help councils set up and run their own bus companies, which was also included in the final Transport Bill."

The City of Edinburgh Council responded to the Scottish Government consultation supporting the proposals for a Workplace Parking Levy as they had promised to do in terms of the [council's commitments](#). The council suggested it would be good for businesses in Edinburgh. The council also believes it would help in implementing the low emission zone planned for the capital. Here is what they said :

City of Edinburgh Council believe that there is a strong case for considering WPL as part of the wider debate around the principles of the Transport Bill and the parking provisions therein. As the Bill process progresses, CEC would be seeking support for an amendment

to the face of the Bill giving this power to local government. The council shares many of the Scottish Government and the Scottish Parliament's ambitions for Transport to be accessible, sustainable and connected, supporting the economy and providing access to employment and providing reliable journey time for people. The Council's transport vision is similarly ambitious, but this reflects the scale of the challenge that the city is facing. There is no one policy which will provide an answer to these complex challenges, it will take a combination of actions at the Council's disposal to effect change.

The Transport Bill would need to go further than it currently states and provide Local Authorities with the legal powers to implement Workplace Parking Levy Schemes if it is to ensure that we can make meaningful progress towards our ambitions. This power would allow our Council to further contribute to long term reductions in carbon emission from transport, through changes in behaviour and transport use. It may also contribute towards improving the economy through reducing journey times in peak travel periods.

Workplace Parking Levies could also generate significant income for investment in the city's transport which can be utilised to invest in sustainable transport infrastructure, such as bus lanes, segregated cycle routes and pedestrianised

areas. A workplace parking levy scheme in Edinburgh would provide an opportunity to fund improved transport infrastructure whilst simultaneously tackling issues on transport related air pollution, carbon emissions, private car use and traffic management.

Edinburgh is a city with a high level of inward commuting from neighbouring areas.

Continued population growth and commitments to build more new housing in the city, alongside our thriving jobs economy, will put enormous demand on our transport. According to the Department for Transport's measure for traffic volume, in 2017 Edinburgh's traffic volume was estimated at around 3.0 million vehicle miles per day. This is almost three times the volume of traffic in Aberdeen and five times the volume in Dundee.

Edinburgh is one of the largest urban areas in Scotland and faces severe challenges with congestion and pollution. Since 1999 the share of journeys made by public transport, walking and cycling have remained broadly the same and it is clear that more radical action will need to be taken if we want to significantly change this behaviour and decrease our carbon footprint in the city. There is also a clear economic and health cost from running a city with long journey times especially in the peak working hour period. Road Transport is the main cause of local air quality problems in Scotland. In urban areas, like Edinburgh, periods of traffic congestion generate excess air pollutants with a high corresponding rate exposure to public. Councils need to consider all possible means of improving air quality.

City of Edinburgh Council significantly invests year on year in transport and infrastructure across the city including sustainable transport from bus services to improving cycling routes and provision. However, as many other cities recognise, a growing population, rapid housing development, and a thriving economy means that we need the tools to manage the consequences of that success, such as the increased demand on our transport infrastructure.

In this context the purpose of an Edinburgh WPL would be to contribute to:

- Ensuring that Edinburgh's status as one of the world's great cities in terms of public transport and sustainable transport provision
- Ensuring future investment in the city's transport infrastructure
- Encouraging greater modal shift away from use of private cars around the city
- Reducing the growth and impact of traffic congestion in our city
- Contributing towards lower emissions and pollution within our city
- Supporting a shift in public behaviour around choice of transport, use of public transport and active travel.

Developing Edinburgh-specific WPL Resources:

Using available data initial estimates on the potential income projections of a WPL in Edinburgh vary from around £3 million up to £15 million per year. This is dependent upon the details chosen for any scheme for example, size of business it applies to, exemptions for certain sectors (e.g. health and emergency services) and whether the scheme maintains or exempts geographies across the city. The highest value represents a full Edinburgh boundary option and assumes the density of workplace parking spaces between Nottingham and Edinburgh are broadly similar. Clearly, more detailed work would be done on these projections and city intelligence in respect of workplace parking should the council gain the power in legislation.

A Workplace Parking Levy can complement the low emission zones agenda

City of Edinburgh Council welcomes the proposal for developing low emission zones and believe that a WPL could further support and enhance government policies on the environment. We believe that the ability to introduce a workplace parking levy would complement and not compete with the delivery of the low emission zones, by securing additional investment and modal

shift, arising from the reduction over time in the provision of non-residential parking spaces. Together these schemes would greatly increase the ability of the city to move to a low carbon economy.

Local Authorities in England and Wales have far more options available to them to address traffic management and emission issues. Scottish authorities should not be denied the opportunity to consider these options to help manage the city's transport better.

Evidence that a WPL works

There is evidence that a workplace parking levy can accomplish many positive outcomes in an urban city. In Nottingham, the Workplace Parking Levy contributed towards the city achieving a high public transport mode share for the AM peak period. This increased to above 40% for the first time and remains at a historically high level. Since 2010, a survey of commuters showed that 8.6% of those using sustainable modes of transport mentioned that the WPL package played an important role in their decision to swap away from the car.

There is evidence from Nottingham on the cost of congestion to the economy. In Nottingham commuters account for about 70% of congested peak traffic in Nottingham. A workplace parking levy directly impacts this by reducing the number of spaces available to use by private car. Since its operation Nottingham has observed a 25% reduction in car parking spaces at work premises. It was estimated that congestion costs Nottingham £160m every year. Over half of this cost falls directly to businesses. This means a similar scheme could bring to Edinburgh a benefit to businesses from fewer private cars travelling on our roads during peak working hours. Public transport improvements serve key

employment sites meaning that businesses will also benefit from any the additional investment in public transport improvements made available from a workplace parking levy.

There is also evidence from Nottingham that the workplace parking levy created access to more funding. Nottingham's WPL has helped to lever in funding to more than double the size of

the city's tram network through a £570m extension to the tram system, a £60m redevelopment of the city's Railway Station and to support the bus network. Since the WPL was introduced an additional £200m has been levered in for improvements to the bus fleet using WPL revenue as seed, match or grant funding. There is evidence from Nottingham that a scheme can be run efficiently and at low cost with the support of local business. A key advantage of the scheme is the modest operating cost.

The WPL operational budget is currently £0.485m per year. This is proportionally much lower than for road user charging schemes.

Conclusion

As stated City of Edinburgh Council believes that there is merit in the Rural Economy and Connectivity Committee considering whether the Transport Bill should include a power for local authorities to implement local parking levies subject to consultation and engagement with key partners. There is clear evidence from the example of a workplace parking levy scheme, that it can deliver outcomes which support the Government and Parliament agenda on transport and that this can be done with no evidence of a negative impact on business growth and the local economy. The Council would be happy to provide further input upon request