



## Workplace Parking Levy - proposed amendment to Transport (Scotland) Bill – SPT response

**Date of meeting** 21 June 2019

**Date of report** 21 May 2019

### Report by Assistant Chief Executive

#### 1. Object of report

To recommend approval of SPT's draft response to a request from the Scottish Parliament's Rural Economy and Connectivity (REC) Committee for a written submission regarding a proposed amendment to the Transport (Scotland) Bill in relation to a Workplace Parking Levy. SPT's draft response is attached at Appendix 1 and was submitted as draft subject to Committee approval within deadline of 22 May 2019.

#### 2. Background

- 2.1 Further to earlier reports<sup>1</sup>, members will be aware that the Transport (Scotland) Bill is continuing to progress through the Scottish Parliament. On 7 March 2019, the REC Committee published its 'Stage 1 Report on the Transport (Scotland) Bill'<sup>2</sup>. The report raised concerns about suggestions that a proposed amendment for a 'Workplace Parking Levy' would come forward at Stage 2 of the Parliamentary Bill process, and the Committee highlighted in their report that this may not allow time for the appropriate level of scrutiny of such a potentially important provision.
- 2.2 A 'Workplace Parking Levy' is a form of travel demand management and potential method for the raising of revenue through applying a levy on workplace premises based on the number of parking spaces available. The amount of levy applied per space would be set by the local authority. The occupiers of the premises are given flexibility as to whether they recover the cost of the levy from employees who utilise those parking spaces.
- 2.3 There has been a growing interest in the application of Workplace Parking Levy as a measure to relieve traffic congestion, encourage greater use of public transport and active travel, reduce emissions, and raise revenue for greater investment in sustainable transport measures. Supporters of a Parking Levy cite the example of Nottingham, the first UK city to introduce it, as a successful model which can be applied elsewhere.
- 2.4 First discussed in 2004, there was significant early opposition from the business community and others to the proposed Nottingham levy, but it was approved by the

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<sup>1</sup> See most recent report to Strategy and Programmes Committee:

[http://www.spt.co.uk/documents/latest/SP100519\\_Agenda4.pdf](http://www.spt.co.uk/documents/latest/SP100519_Agenda4.pdf)

<sup>2</sup> <https://sp-bpr-en-prod-cdnep.azureedge.net/published/REC/2019/3/7/Stage-1-Report-on-the-Transport--Scotland--Bill/RECS052019R4.pdf>

Department for Transport in 2009 and went 'live' in 2012. Cost of developing the Nottingham scheme was circa £4m. The Nottingham model<sup>3</sup> levies a £415 charge on each parking space made available to employees at businesses with 11 or more spaces. Nottingham City Council has utilised the revenue of circa £10million per annum to invest in the city's tram network and it has been reported that since the Levy was introduced, there has been a concurrent 9% reduction in traffic, a 15% increase in public transport use, and a 33% reduction in carbon emissions<sup>4</sup>.

- 2.5 On 10 May 2019, SPT received an invitation from the REC Committee to provide a written submission on a proposed Workplace Parking Levy in Scotland. The Committee noted that John Finnie MSP, supported by the Scottish Government, had lodged an amendment to the Transport (Scotland) Bill that would allow Scottish local authorities to introduce a Workplace Parking Levy, if they think it appropriate. Further information on the context and policy narrative on the proposed amendment, provided by Mr Finnie, is available on the Scottish Parliament website<sup>5</sup>. Acknowledging that the timescales for written submissions were tight, the Committee requested that responses be provided by 22 May 2019.

### 3. Outline of proposals

- 3.1 SPT's response to the request for written submissions is attached at Appendix 1. The key point of SPT's response is:

- Workplace Parking Levy is only one of a range of measures<sup>6</sup> available to manage travel demand and raise revenue. SPT believes a much wider and deeper discussion at national level (potentially through the forthcoming consultation on the draft National Transport Strategy) is required on how best to address both of these issues prior to making decisions on the most appropriate ways forward and any legislative provisions required.

- 3.2 Notwithstanding the above, the other key points in SPT's response are:

- SPT supports the principle of ensuring a valid, objective and evidence-based case is made for implementing a Levy and agree that it should “...align with the strategic transport considerations in the local area”<sup>7</sup>;
- Given the above, it is therefore disappointing that there is no reference to Regional Transport Strategies in the proposed amendment, as they would be the natural vehicle for considering the 'strategic transport' implications' of a Levy (or different Levies across council areas);
- The proposed amendment contains provisions to exempt NHS premises from any Levy. While SPT is supportive of the proposed process for exemptions, we believe that the amendment should stay silent on which organisations or premises should be given special status, and that decisions on such exemptions should be made on an objective, evidence-based, case by case basis in the development of a proposed Levy;
- While SPT believes that it would, in most circumstances, not be equitable for businesses to pass the costs for the Levy on to individual employees, we

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<sup>3</sup> <https://www.nottinghamcity.gov.uk/wpl>

<sup>4</sup> <https://www.edinburghnews.scotsman.com/news/politics/workplace-parking-tax-how-uk-s-only-levy-scheme-works-1-4869587>

<sup>5</sup> [https://www.parliament.scot/S5\\_Rural/REC\\_WPL\\_amendment.pdf](https://www.parliament.scot/S5_Rural/REC_WPL_amendment.pdf)

<sup>6</sup> For example: <https://www.glasgow.gov.uk/CHttpHandler.ashx?id=45064&p=0> .Examples of funding sources for transport, Connecting Glasgow report, p46.

<sup>7</sup> Ibid (5) p2, paragraph 12.

believe it is appropriate that the proposed amendment stays silent on this issue, thereby allowing for local flexibility; and

- Any proposal for a Levy must be mindful of the impact on already pressurised local government finance and resources, and take account of that in development of such a proposal.

#### 4. Conclusion

- 4.1 In principle, there is merit in the concept of Workplace Parking Levy, and the experience from Nottingham most certainly appears positive. It is therefore appropriate that legislative provision for the introduction of a Workplace Parking Levy in Scotland deserves serious consideration.
- 4.2 However, the desire to introduce a framework for the Levy at a relatively late stage in the Transport Bill process is perhaps endemic of a wider frustration at the apparent lack of effective travel demand management tools and funding mechanisms currently available in Scotland. SPT therefore believes that, prior to the introduction of legislation for Workplace Parking Levy, a wider national discussion is needed regarding demand management measures and funding in order to identify the most appropriate menu of options to address the many and varied issues facing the urban, rural and island communities of Scotland. Recent timebound policies such as the climate emergency declared by the Scottish Government and target of 'net zero' carbon emissions by 2045 make the need for those discussions even more pressing.
- 4.3 Officers will continue to engage in dialogue on the Bill and update the Partnership as it continues through Parliamentary process.

#### 5. Partnership action

The Partnership is recommended to approve SPT's draft response at Appendix 1.

#### 6. Consequences

Policy consequences	<i>In line with the RTS.</i>
Legal consequences	<i>None at present.</i>
Financial consequences	<i>None at present.</i>
Personnel consequences	<i>None at present.</i>
Equalities consequences	<i>None at present.</i>
Risk consequences	<i>None at present.</i>

<b>Name</b>	<b>Valerie Davidson</b>		<b>Name</b>	<b>Gordon MacIennan</b>
<b>Title</b>	<b>Assistant Executive</b>	<b>Chief</b>	<b>Title</b>	<b>Chief Executive</b>

For further information, please contact *Bruce Kiloh, Head of Policy and Planning* on 0141 333 3740.

**SUBMITTING EVIDENCE TO A SCOTTISH PARLIAMENT COMMITTEE****DATA PROTECTION FORM**

<b>Name:</b>	<b>Bruce Kiloh</b>
<b>Date:</b>	<b>13 May 2019</b>
<b>Organisation: (if required)</b>	<b>Strathclyde Partnership for Transport (SPT)</b>
<b>Topic of submission:</b>	<b>Transport (Scotland) Bill - Workplace Parking Levy Amendments – SPT response</b>

**I have read and understood the privacy notice about submitting evidence to a Committee.**

**I am happy for my name, or that of my organisation, to be on the submission, for it to be published on the Scottish Parliament website, mentioned in any Committee report and form part of the public record.**

**I understand I will be added to the contact list to receive updates from the Committee on this and other pieces of work. I understand I can unsubscribe at any time.**

Non-standard submissions

Occasionally, the Committee may agree to accept submissions in a non-standard format. Tick the box below if you would like someone from the clerking team to get in touch with you about submitting anonymously or for your submission to be considered but not published. It is for the Committee to take the final decision on whether you can submit in this way.

**I would like to request that my submission be processed in a non-standard way.**

## **RURAL ECONOMY AND CONNECTIVITY COMMITTEE**

### **TRANSPORT (SCOTLAND) BILL – WORKPLACE PARKING LEVY AMENDMENTS**

#### **SUBMISSION FROM STRATHCLYDE PARTNERSHIP FOR TRANSPORT (SPT)**

Strathclyde Partnership for Transport (SPT) is the Regional Transport Partnership and public transport authority for the west of Scotland, established by the Transport (Scotland) Act 2005, and covering 11 full council areas and part of one other, with a population of 2.14 million. SPT has a range of planning and operational responsibilities including the statutory Regional Transport Strategy (RTS), operating the Subway, supporting socially necessary bus services, ticketing, bus stations, and project development and delivery. Further information on SPT is available at [www.spt.co.uk](http://www.spt.co.uk).

#### **Policy Context**

Workplace Parking Levy (WPL) is only one of a range of interventions which can be utilised in managing demand for travel and raising revenue for sustainable transport measures. We believe that a much wider and deeper discussion at national level is required on how best to address both of these issues prior to making decisions on the most appropriate way forward and any legislative provisions required. SPT's comments in this response should therefore be considered within that context.

As is well established, Scotland is a country of contrasts and the 'one size fits all' approach is rarely fit for purpose in tackling transport issues. Therefore, while WPL may be considered appropriate in some places (e.g. large urban areas), it will likely not be an option for others (e.g. remote rural areas / islands). We believe an appropriate forum for the wider discussion needed on demand management and funding could be the forthcoming consultation on the draft National Transport Strategy, with any legislative changes or amendments required being considered as part of a further new Transport (Scotland) Bill.

#### **Structure of the WPL Framework**

SPT welcomes the flexibility afforded to local authorities in creating a scheme that best fits the requirements of their area. While we believe that, in most circumstances, it would not be equitable for businesses to pass the costs for the WPL on to individual employees, we believe it is appropriate that the proposed amendment stays silent on this issue, again leaving local authorities with the flexibility to tailor a scheme to meet an area's requirements.

#### **Scheme Consideration and Implementation**

We believe that the proposed process for consideration and implementation of a WPL scheme is robust. We would however highlight the ongoing pressure on local authorities in terms of finance and resources, and the creation of a WPL could add a considerable burden in that regard. It would therefore be essential that appropriate resources are in place prior to the instigation of any WPL scheme.

## **Local Transport Strategy**

SPT supports the principle of ensuring a valid, objective and evidence-based case is made for implementing a WPL and agree that it should “...align with the strategic transport considerations in the local area”.

We are therefore disappointed to see no reference to Regional Transport Strategies (RTSs) in the proposed amendments. Being the only statutory level of transport strategy in Scotland (LTSs and the NTS are voluntary), it is appropriate that RTSs would be the natural vehicle for considering the ‘strategic transport’ implications of a WPL. In particular, should a number of local authorities in a region of Scotland be considering implementing WPLs (and potentially, different types of WPL), the RTS would be an essential tool in taking a balanced, objective, regional and strategic view of the most appropriate way forward.

## **Process for Exemptions**

SPT is supportive of the proposed process for exemptions. However, we believe that the amendment should stay silent on which organisations or premises should be given special status, and that decisions on such exemptions should be made on an objective, evidence-based, case by case basis in the development of a WPL.

## **Amendment and Revocation of a Scheme / Standstill Period and Powers of Inquiry**

SPT is supportive of these provisions.