Policy Position Paper: Workplace Parking Levy (WPL)



Agreed Position November 2024

We understand some of the rationale behind the proposed introduction of a WPL in Edinburgh, and fully understand the context of this as part of the City's ambitions to become net zero by 2030 and to reduce congestion. However, we have some concerns around unintended consequences (e.g. the potential impact on shift workers, difficulties with implementation, costs for employers, etc.) and some members questioned the potential effectiveness of a Levy in achieving its aims. We raised these concerns in the City Council's Spring 2024 consultation and welcomed the subsequent decision from the City Council not to introduce a WPL in the current climate.

Context

In March 2022, Scottish Government passed legislation allowing Local Authorities to charge businesses for providing workplace parking – and companies can pass the cost onto their staff. The WPL is designed to cut the number of car journeys and protect the environment, with employers who provide on-site parking obliged to apply for a licence and pay a fee based on the number of staff parking spaces being used. Edinburgh's 2024 consultation looked at the positive and negative impacts of a Levy, the potential cost of a licence, and possible uses for the revenue (which was ring-fenced for improving transport). In May 2024 the city's Transport and Environment Committee voted against continuing work to explore a potential Levy.

Rationale

- We supported additional funding for public transport, but this would need to be put in place before a Levy in order to enable commuters to switch away from the car
- There is some evidence from employers who have put in place schemes to discourage car usage, that a WPL may have limited effectiveness in changing behaviour, whilst the revenue raised is unlikely to be sufficient to fund transformational change
- Employers outside the city centre were concerned about the impact on attracting and retaining staff, given costs and constraints on alternative transport in some areas
- Implementation difficulties and potential operational costs for employers are a concern

Data: Evidence Gathered

Workplace Parking
Licensing and the
Transport Scotland
Act

- Scottish Government has set a target of cutting the number of car journeys by a fifth in the next eight years. They say WPL will help reduce congestion and air pollution by forcing more workers to use public transport or walk or cycle to work.
- Current statistics suggest around half the short journeys taken in Scotland are by car, the majority of which see just one person in the vehicle this legislation is designed to reduce the climate impact of these sorts of journeys.

Key Policy Maker and Stakeholder Position

UK Govt. - Nottingham is the only UK city with a WPL. Spaces cost £485 each - only for businesses with 11 or more employees. Around 80% of businesses pass the cost onto workers and money raised has been used to fund infrastructure incl. a tram line Scot Govt. - Passed legislation allowing LAs to implement in March 2022 CEC - The City Mobility Plan committed to exploring a potential WPL, but the Council voted against continuing this following consultation in 2024

Data: Evidence Required

- Up-to-date data on e.g. commuter patterns, employers affected CEC
- Assessment of impact in Edinburgh and potential effectiveness in achieving aims CEC
- More detail on how the scheme would be implemented CEC

Chamber Asks

- Meaningful discussion with impacted businesses on how the scheme will be administered and applied.
- Consideration of increased cost burden on businesses and employees, especially in the current economic climate
- Greater clarity needed on potential fees & process