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# **Leicester Workplace Parking Levy Consultation**

## **EDTCE Scrutiny**

Date of meeting: 24<sup>th</sup> February 2022  
Lead director/officer: Andrew L Smith

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### **Useful information**

- Ward(s) affected: ALL
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- Report version number: v1.0

## **1. Summary**

1.1 Following initial consultation in Summer 2021 of outline proposals, the council launched a 12-week formal consultation on 16<sup>th</sup> December with details of a proposed Workplace Parking Levy for Leicester. The consultation is due to end on the 13<sup>th</sup> March 2022.

1.2 This paper provides a summary of the Workplace Parking Levy proposals for discussion, signposting to the consultation documents.

1.3 A presentation will be given at the scrutiny meeting providing an overview of proposals and updating on progress with the consultation exercise.

## **2. Recommended actions/decision**

2.1 Scrutiny commission members are requested to consider and comment on the proposals set out within this report and the consultation documents.

## **3. Scrutiny / stakeholder engagement**

3.1 A report was presented to EDTCE commission on 7<sup>th</sup> September 2021 outlining the initial thinking on a Workplace Parking Levy (WPL) alongside consultation on a draft Leicester Transport Plan.

3.2 Extensive consultation took place during the summer on the Draft Local Transport Plan and initial WPL proposals involving directly contacting c400 potential stakeholders, c170 attended Teams/Zoom video meetings and widespread coverage was achieved through published, televised and social media and through documents being made available at council buildings. The consultation exercise is summarised here..... [Draft Leicester Transport Plan and initial workplace parking levy consultation report](#)

3.3 Following careful considerations of comments received and completion of background evidence work, including assessments conducted by DMU and other external bodies, a 12-week consultation on details of a proposed WPL was launched on 16<sup>th</sup> December 2021. All consultation materials can be found through this link: [Workplace Parking Levy consultation.](#)

3.4 The consultation continues to be widely communicated through direct correspondence to stakeholders, interested groups and individuals, arranged stakeholder meetings and through the media.

3.5 Approximately 650 emails have been sent to stakeholders inviting them to comment on the proposals. This has for example included business organisations, local councils,

Department for Transport, education sector, NHS, transport operators and representative groups and disabled access and environmental groups, together with all respondents to the Summer 2021 consultation exercise.

3.6 Meetings through video conferences are taking place with a large number of stakeholders including those groups referenced in paragraph 3.5 above. Additional meetings are being arranged on request.

3.7 Over 2000 respondents have submitted representations so far through the council's consultation portal.

3.8 A large majority of responses received to date raise concerns and further questions relating to schools, predominantly from school staff. Face to face video sessions are taking place with school heads and business managers, unions and governors. A Frequently Asked Questions document has also been developed to address the questions raised.

3.9 The results of the consultation will be published in due course with a council response for each issue raised.

#### **4. Background and options with supporting evidence**

4.1 The workplace parking levy (WPL) business case that is currently subject to consultation includes extensive supporting evidence including studies conducted by external bodies such as DMU and Nottingham City Council. The business case also includes consideration of alternative options for addressing and funding transport challenges and also options considered for the WPL scheme details such as charge level, area of operation and exemptions/discounts.

4.2 The Workplace Parking Levy consultation documents are available for members to review at the links below. The business case and supporting evidence is necessarily detailed and extensive given the nature of the proposal and members attention is drawn initially to the WPL Business Case Summary document which is a good introduction and summary of what is proposed:

[Workplace Parking Levy - Leicester City Council - Overview](#)

[Workplace Parking Levy Business Case](#)

[Workplace Parking Levy Business Case Summary](#)

[Leicester workplace parking levy draft scheme order and explanatory notes](#)

[Draft Leicester Transport Plan 2021-2036](#)

[Draft Leicester Transport Plan and initial workplace parking levy consultation report](#)

[Bus services improvement plan](#)

[Desktop parking analysis report \(Nottingham City Council\)](#)

[Workplace parking levy: an evidence-based review of policy and prospects for Leicester \(DMU\)](#)

[Workplace parking levy economic impact study \(DMU\)](#)

[Workplace parking levy traffic modelling report \(AECOM Ltd\)](#)

## 5. Detailed report

5.1 A summary presentation will be made at the EDTCE Scrutiny session.

5.2 In 2019 the council committed to **consult on a fair workplace parking levy (WPL) to be used exclusively to fund a dramatic improvement to the city's transport system.** Since then detailed work has been underway to develop a new Local Transport Plan for the city and at the same time consider the suitability and options for establishing a WPL to support the plan. This has involved the council commissioning transport, economic, environmental and access studies and support has been sought from external bodies such as DMU and Nottingham City Council. Discussions have also taken place with other local authorities that have also been investigating WPL including Bristol, Oxford and some London Boroughs.

5.3 The **purpose of a WPL** is to encourage car commuters to consider using other modes of transport, and to provide consistent funding to deliver essential sustainable transport improvements. All monies raised have to be spent on transport schemes.

### 5.4 What benefits could a WPL bring to Leicester:

A Workplace Parking Levy would fund essential transport interventions outlined in the draft Leicester Transport Plan to help tackle our priority city challenges and meet Government targets:

- **Climate Emergency**
  - Transport accounts for 25% of Leicester's carbon emissions
  - LCC net zero carbon ambition by 2030
  - Government targets including 50% trips by walking/cycling by 2030
- **Congestion/City Growth**
  - Leicester experiences significant peak period congestion with significant associated time and financial costs for commuters and businesses
  - Over 60,000 additional homes planned in and around the city by 2036
  - This would mean c60,000 more vehicles across the morning/afternoon peak periods
- **Health**
  - Tougher air pollution targets are expected from Government - success in tackling air pollution will have a positive impact on reducing respiratory/heart disease and associated health service resources/costs
  - A third of Leicester residents are physically inactive – cycling and walking lowers the risk of developing cancer and heart disease with associated benefits for health service resources/costs

### 5.5 Proposed WPL Scheme details:

The proposal is based on the successful WPL scheme introduced in Nottingham in 2012. The proposed key features have been determined through an assessment of options for Leicester which can be found in the business case.

The proposals being consulted on include:

- Boundary: Leicester City Council administrative area
- Charge to employer: £550 per chargeable place per year (*Note: The WPL would, in the first instance, be a charge on employers who provide liable workplace parking places for employees. Employers can choose if and how to pass the cost of WPL to their employees who use the spaces*)

- Operation: 24 hours a day all year
- Exemptions:
  - Motorbikes / personal mobility vehicles
  - Delivery vehicles/ visitors / customers
- Discounts:
  - 100% discounts:
    - Workplaces with 10 or fewer qualifying places
    - Blue light emergency services
    - Registered Blue Badge Holders
  - NHS 50% (University Hospitals and Leicester and Leicestershire) Trusts discount for first 3 years reflecting unique circumstances established by Government for staff parking during Covid and also linked to NHS Trust transition plan.

### 5.6 What WPL would fund:

The potential income from a WPL for the city has been estimated at c£9m per annum. Together with match funding this could provide a total investment fund for transport improvements in the city of around £450m over 10 years. Sustained funding at this level would provide a 'once in a lifetime' opportunity to transform transport across the whole city and at the same time deliver against the immediate big city challenges we are facing, referred to in paragraph 5.4 above.

- i) A '**Bus Service Improvement Plan**' has recently been developed by the new '**Leicester Buses Partnership**' formed by the council and local bus operators. This innovative partnership is the first of its kind for Leicester and is focussed on delivering high quality, reliable and affordable bus services across the city. Key proposals include:
  - Over **400 high quality electric tram-like buses by 2030**
  - **25 electric 'Mainline' services** serving all city neighbourhoods
  - **Five electric 'Greenline' express commuter services** including **3 cross city electric bus links to park and ride sites** and **2 new electric orbital bus services** on the inner and outer ring roads
  - **New commuter bus lanes** to deliver **reliable services at a good frequency**
  - **Flexible ticketing** across all main operators and '**best fare**' for any journey travelled
  - **Quality waiting facilities with real time displays**
  - **Discounted bus fares** for elderly, disabled, unemployed and young persons
- ii) A **world class city-wide network of cycleways** building on the high-quality segregated cycle and pedestrian routes constructed already in the city centre, with additional new routes linking to local neighbourhoods and employment areas across the whole city.
- iii) **Connected healthy neighbourhoods** with safe attractive walking and cycling routes linking to local facilities, community hubs and schools – helping to deliver the concept of 15-minute neighbourhoods with cleaner air and more active people.
- iv) **Transforming Leicester Rail Station** - building on the £22m recently secured for phase 1, future WPL funds could be used to carry out later phases to support new and improved inter-city services, for example to Coventry and Birmingham, and also to stimulate regeneration in the station area.

## 5.7 Supporting Employers/Employees

The proposed WPL charge takes into account an assessment by DMU of the impact on employers/employees, together with the need to generate funds to make a transformational difference to sustainable transport in the city.

Benefits to/support for employers and employees could include:

- **Employers**
  - 100% small business discount (c90% businesses would not be liable)
  - Supporting employers outside of city centre with city wide bus/cycle/walk investments
  - Comprehensive business support package funded from WPL to support new sustainable travel options
  - Advice on assessing/reducing WPL liabilities
  - Transport grants e.g. cycle parking/showers
  
- **Employees**
  - Better travel options for all employees (c40% residents in the city have no car)
  - Access to expanded multi operator bus network/improved frequencies/lower fares
  - Access to expanded cycle network providing low-cost travel
  - Personal travel planning
  - Potential travel discounts on bus and bike hire services
  - Less congested roads for those that need to travel by car

## 5.8 Consultation and Next Steps

The consultation period ends on 13<sup>th</sup> March and comments are welcomed on the concept of a WPL for the city and also alternative proposals for the WPL scheme.

In terms of next steps, following the completion of the consultation exercise, the council will carefully review the responses before determining the way forward. Should the WPL proposal be taken forward it would need Secretary of State for Transport approval. The earliest that WPL could commence would be Spring 2023.

## 6. Financial, legal, equalities, climate emergency and other implications

### 6.1 Financial implications

The financial implications of a Workplace Parking Levy are set out within the published Business Case. In particular, after deducting the cost of running the scheme, the base case assumes additional income of £95m over a 10-year period, which would be available for investment in sustainable transport.

The Council as an employer would pay charges for its own workplace parking spaces.

Stuart McAvoy, Acting Head of Finance, Ext 37 4004

### 6.2 Legal implications

The report presented is to update that there is consultation exercise pending in respect of the Workplace Parking Levy (WPL) Scheme.

The powers to introduce a WPL are contained in the Transport Act 2000. Although a WPL scheme is developed, consulted on and implemented by the Local Transport Authority, it must be approved by the Secretary of State for Transport. A WPL must be promoted and income collected by the Local Transport Authority. A WPL is a charge imposed by the Local Transport Authority on employers (not employees, although the employer can pass the charge on) for each liable commuter parking space within their site.

The last government (2010-2015) stated in December 2011 that it “*will require any future [WPL] schemes to demonstrate that they have properly and effectively consulted local businesses, have addressed any proper concerns raised and secured support from the local business community. This will make sure that future schemes will not impose a burden on business.*”

The Authority in following its consultation strategy, will need to ensure that the findings of the consultation are analysed prior to any decision being made to ensure that the decision making is lawful, follows a fair process and is reasonable.

Subject to the findings of the consultation and analysis, the WPL will adhere to the Authority’s approval/governance processes and approval to submit a WPL Scheme Order will be included as part of future report recommendations. A legally sound WPL Scheme Order together with the approved full Business Case will need to be drafted to submit to the Secretary of State for Transport for confirmation and there is legal support engaged for this.

*Mannah Begum, Principal Solicitor, Commercial and Contracts Legal, Ext 1423*

### 6.3 Equalities implications

A draft Equalities Impact Assessment has been completed prior to formal consultation and is available on request. When making decisions, the Council must comply with the Public Sector Equality Duty (PSED) (Equality Act 2010) by paying due regard, when carrying out their functions, to the need to eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act, to advance equality of opportunity and foster good relations between people who share a ‘protected characteristic’ and those who do not.

In doing so, the council must consider the possible impact on those who are likely to be affected by the recommendation and their protected characteristics.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The report provides an update on the proposed Workplace Parking Levy and on the consultation currently underway. A draft Equalities Impact Assessment has been completed prior to formal consultation and as the equality impact assessment is an iterative process that should be revisited throughout the decision-making process, the draft WPL EIA needs to be updated to reflect any feedback due to consultation as appropriate.

Sukhi Biring, Equalities Officer, Ext. 37 4175

## 6.4 Climate Emergency implications

As identified within the draft Local Transport Plan, transport is one of the largest sources of carbon emissions in Leicester, making up 25% of the city's carbon footprint in 2019, with transport-related emissions falling much slower than those from other sources. Following Leicester City Council's declaration of a Climate Emergency in 2019, and the council's ambition to reach carbon neutrality, tackling these emissions is a vital part of the council's work.

The draft plan sets out a vision for transport in the city, with the Climate Emergency and need to achieve carbon neutrality identified as one of the plan's four key objectives. The vision includes measures such as supporting and enabling a shift to sustainable travel options such as public transport, walking and cycling, and providing the necessary infrastructure for decarbonisation of transport, especially zero emission vehicles, following a guiding principle of a sustainable travel hierarchy. The plan also highlights many co-benefits of these changes such as improved air quality, health outcomes and accessibility. Implementation of the Local Transport Plan is therefore a vital part of the council's work to deliver upon its Climate Emergency ambitions. The proposed Workplace Parking Levy, if progressed, would provide a key source of stable funding, allowing the council to plan a long-term programme of actions identified within the draft plan, and would therefore be expected to have a significant positive impact upon the goal of achieving carbon neutrality.

Aidan Davis, Sustainability Officer, Ext 37 2284

## 6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

The potential health benefits of the Workplace Parking Levy are wide reaching and interconnected.

Road traffic is the main source of pollution in the city. A decrease in fuel emissions from decreased private vehicles on the road as well as an increase in walking, cycling and electric public transport will improve the air quality in Leicester. Poor air quality leads to increase in and exacerbation of cardiorespiratory disease and cancer, alongside other conditions. Although NO<sub>2</sub> levels continue to decline in the city, annual average NO<sub>2</sub> levels continued to exceed WHO targets. Associated health effects are likely to contribute to inequality. It has been shown that "greater burden of potential environmental impact is borne by deprived populations than by the more affluent", this is mainly due to low-income communities more likely to have pre-existing medical conditions, less opportunities and live in areas with poorer indoor and outdoor environments.

A further benefit of the Workplace Parking Levy is an increase in active travel such as walking and cycling. Obesity, particularly childhood obesity is rising. 38.4% of year 6 children in Leicester are overweight or obese, this is significantly higher than the England average of 35.2%. In 2016/17, around one third of children travelled to school via car. Therefore, creation of an environment in which active travel is the norm is essential to reducing obesity related ill health (such as heart disease, diabetes and cancer) in future. On par with the physical health effects are the mental health benefits of active travel which include increased concentration, more enjoyment of life and reduced stress. These health impacts not only benefit individuals but will contribute to the wellbeing of the population, improve the strain on healthcare services and promote healthy aging.



Additional potential public health impacts of the Workplace Parking Levy include: reduction in road traffic accidents, more dementia friendly streets and reduction of stress from living near noisy and traffic laden roads. In summary, the introduction of the workplace parking levy, and associated impacts are likely to have a positive effect on mental and physical health moving forward.

Evidence from the experience of WPL in Nottingham show that the levy has had a statistically significant impact in reducing traffic congestion in the City which if replicated in Leicester could in the medium to longer term result in significant improvements in outcomes from respiratory, cardio-vascular and cancer related mortality and morbidity.

Rob Howard, Consultant in Public Health, Ext 37 4829

## **7. Background information and other papers:**

7.1 EDTCE Scrutiny meeting of 7<sup>th</sup> September 2021:

[Leicester Transport Plan & Workplace Parking Levy consultation](#)

## **8. Summary of appendices:**

8.1 NA