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## International Case Studies for Scotland's Climate Plan

# Workplace Parking Levy, Nottingham, UK

### Facts & Figures

£25.3 million raised for public transport in 3 years of operation

Just 18% of employers pay the levy

Nottingham's workplace parking levy is the first of its kind in the UK

42% of the city's workplace parking spaces are liable for the levy

More than 40% of journeys to work are now by public transport.

With the money raised from the levy, Nottingham City Council invested in 45 new electric buses - the biggest fleet in Europe

### Overview

A levy on large employer's parking at workplaces was introduced in 2012 in Nottingham, England. The charge of £379 per year is levied on approximately 25,000 spaces across the city (42% of total spaces).

In the first three years of operation, the workplace parking levy raised £25.3 million of revenue, all of which has funded improvements in the city's transport infrastructure, including the largest fleet of electric buses. Recent research indicates that the levy has significantly contributed to a 33% fall in carbon emissions, and a modal shift which has seen public transport use rise to over 40%.

### Aims

The workplace parking levy (WPL) was introduced as a way of meeting four key aims of the city council;

- Provide attractive alternatives to the car
- Continue to develop high quality public transport
- Protect the city's commerce and inward investment
- Improve the city's environment and sustainability

The revenue raised by the WPL is all spent on improving the city's transport infrastructure - a challenging task in a time of limited budgets.

### How it works

Those employers who are liable to pay the levy are charged £379 per workplace parking place per year. Employers are liable to pay this charge if they have 11 or more parking places used by employees. Spaces exempt from licensing include those for occasional business visitors, customer vehicles and delivery vehicles. Discounts of 100% are available for licensed spaces registered to Disabled Blue Badge holders, NHS premises and emergency services.

Collection rates stand at 100% with no penalty notices issued and the whole system is operated by a team of fewer than 10 members of staff.

## Benefits

Nottingham's Workplace Parking Levy (WPL) has delivered multiple benefits for local people, businesses and the environment. The WPL raised over £25 million in its first three years of operation, all of which was spent on improving the city's transport infrastructure. The city's tram network has been extended, the main railway station significantly renovated, and a new fleet of 45 electric buses introduced.

This investment in public transport is understood to be a major factor in attracted inward investment from new businesses locating in Nottingham, resulting in an extra 2000 new jobs. In addition, over 40% of journeys to work are now taken by public transport.

### Carbon

33% fall in carbon emissions since 2005, of which 13% is estimated to be as a result of modal shift to public transport and active travel.

### Economic

The WPL raised £25m for public transport in its first 3 years of operation. It is very low cost to run with fewer than 10 FTE employees.

### Social

40% of journeys to work are now by public transport. Employers also cite good public transport as a key factor in locating their business in the city.

### Timescales

The first scheme of its kind in Europe, Nottingham's WPL took 12 years to implement. However, the City Council estimate that any other part of the UK aiming to introduce such a levy would be able to do so in around 3 years.

The WPL has no end date.

### Costs

Nottingham's WPL generates around £9million a year for the city.

The scheme costs less than 5% of the revenue to run, with costs limited to fewer than 10 FTE employees and the necessary resources such as office space to accommodate them.

*"The Workplace Parking Levy has allowed Nottingham City Council to deliver Europe's largest fleet of electric buses, new tram routes and £6.1million of improved cycling routes to provide great alternatives to using cars to get around the city. The result is that we are continually reducing the environmental impact of transport in Nottingham."*

Councillor Nick McDonald, Nottingham City Council's Portfolio Holder for Business, Growth and Transport



## Contact for further details:

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