

Workplace Parking Levies

Workplace parking levies are a new tax which would be paid for parking at work. It's being proposed as a result of the negotiations between the SNP and the Scottish Greens over the Scottish budget.

Who is proposing it?

The draft Scottish Budget was agreed by the Scottish Government, (SNP minority), with support from the Scottish Green Party on 31 January. In return for Greens' support for the Scottish Budget, the Scottish Finance Secretary, Derek McKay, has promised that the Scottish Government and the SNP's MSPs will support an amendment to the Transport (Scotland) Bill which will empower Scottish local authorities to introduce workplace parking levies in their local areas, if they choose.

How would it work?

The power to do this has existed in England for nearly a decade but only one authority, Nottingham City Council has introduced the tax. The money raised in Nottingham has been set aside to pay for public transport improvements and is paid at the rate of £415 per parking space annually by all premises with more than 11 spaces available for staff use. Where employers make a charge on their staff to recoup the cost of the tax,

Various exemptions apply for fleet vehicles which are normally kept at workplaces overnight and for delivery vehicles etc. The tax is designed to discourage workers commuting to their place of work by private car and is charged to the employer annually. In Nottingham, 40% of employers pass all or some of the cost of the tax directly onto workers.

Who would be affected?

For members with no or little real choice about driving to work the workplace parking levy is in effect a tax on going to work. Its impact will be regressive, impacting most on those who can only just afford to run a car and it will be punitive on those whose pattern or place of work or other responsibilities makes car use essential. This includes shift workers who need to be at work or get home at times when public transport is not practical, or non-existent. The tax is talked about as if it could somehow only impact rich car users with access to car parks in city centres where few others can afford to park but in reality it could apply to all kinds of workplaces from factories to prisons, regardless of their location. Workers who need their cars to pick up children from school or childcare or who care for elderly relatives or who work more than one job could all be particularly vulnerable to the tax.

The workplace parking levy is being opposed by all of the opposition parties in the Scottish Parliament except the Scottish Greens and by a wide range of business organisations and trades unions.

In response the Scottish Government, and the Scottish Greens, argue that there will be no requirement on councils to introduce the levy, only the power to do so if local circumstances suit, and that full consultation will be undertaken before individual schemes are approved. The reality, however, is that the Scottish budget, with support from the Greens, again, continued the underfunding of local councils. Edinburgh City Council have said that they want to introduce the tax and that they want it to be paid for by workers, so as to discourage car usage. Glasgow and the other cities would be next likely to follow suit and other councils are possible thereafter.

The Scottish Government have made clear that their support for the Green's amendment to the Transport Bill, which gives the power to impose the tax, is contingent upon NHS workplaces being exempt. Some have also already argued that schools should be exempt. However, the reality is that the tax will hit hardest those with least choice and least ability to pay it, regardless of where they work.

The time is now to engage members and their employers on what a parking levy could mean in their workplace.

Key messages:

Based on the Nottingham scheme, and excluding NHS and schools, this means that the workplace parking levy could impact:

- **Any workplace with more than 10 spaces for staff use**
- **Workplaces, or places with working patterns, that make relying on public transport difficult or impossible**
- **Workers with other reasons for needing to use their car to get to work including caring responsibilities or second jobs**