

P e l l F r i s c h m a n n

Birmingham's Parking Demand Management Study

Strategic Outline Business Case

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Glossary

Acronym	Definition
BCC	Birmingham City Council
BDP	Birmingham Development Plan

BTP	Birmingham Transport Plan
CO ₂	Carbon Dioxide
CAZ	Clean Air Zone
CPZ	Controlled Parking Zone
DEFRA	Department for Environment, Food and Rural Affairs
DfT	Department for Transport
GTD	Green Travel District
LCWP	Local Cycling and Walking Plan
LTP	Local Transport Plan
NO ₂	Nitrogen Dioxide
NPPF	National Planning Policy Framework
RUC	Road User Charging
SOBC	Strategic Outline Business Case
SME	Small to Medium Enterprises
SoS	Secretary of State
TSA	Transport Space Allocation
WMCA	West Midlands Combined Authority
WPL	Workplace Parking Levy

Executive Summary

This Strategic Outline Business Case (SOBC) sets out the findings of the work carried out to investigate options for developing and implementing a Birmingham Workplace Parking Levy (WPL). This document brings together the key findings of an initial feasibility study, however it is noted that to develop a Full Business Case (FBC) further work is required, including early stakeholder engagement and a more detailed assessment of parking in the proposed area.

WPL is a licensing scheme that charges occupied workplace parking spaces used by employees, students, pupils and business visitors. It is charged to the employer, who may pass it on to the employee using the space. Most customer parking spaces are not liable for WPL. The legislation is flexible and allows exemptions and discounts, as well as ability to choose the levy charge rate and provisions. “Exemptions” relate to spaces which do not have to be licensed at all and “Discounts” relate to spaces which need to be licensed but are not chargeable.

Traffic congestion costs Birmingham approximately £632 million a year, impacting on individuals and businesses through increasing travel and delivery time. The city’s population is expected to rise by 150,000 by 2031 and this will only increase pressures on the transport network. Birmingham also faces air quality issues, partly as a result of traffic congestion in the city centre. With a climate change emergency declared it is now more important than ever to ensure future schemes contribute towards reductions in carbon emissions and manage air pollution. Good quality transport is also needed to support inclusive growth. To address these challenges not doing anything (do-nothing) is not an option. The WPL is one of a series of measures being considered to tackle congestion and improve air quality in Birmingham. Having reviewed potential solutions including Road User Charging (RUC), WPL was considered the best option at the present time because it:

- Targets commuters and therefore peak time congestion, which has been identified as a major problem in Birmingham;
- Offers a complementary mechanism to the other parking and charging proposals in the city, particularly those planned in the city centre;
- Is a relatively low-cost and light touch scheme in operation and does not require new or adapting existing technological solutions;
- Will further encourage the uptake of workplace travel plans and responsible parking management policies; and
- Will have a direct and indirect impact in encouraging more sustainable travel behaviour and improving sustainable transport facilities.

The WPL SOBC considered three geographical alternatives, as follows:

- Managing the city core (city centre only);
- Managing employment districts (city centre + Green Travel Districts);
- Managing the wider city (city centre + Green Travel Districts + remainder of city).

This study has identified a city centre core WPL as the preferred option as it will align with the Clean Air Zone (CAZ); has a strong policy fit and would be the easiest of the geographical scenarios to deliver in terms of the scheme itself and also the associated public transport availability.

Small to Medium Enterprises (SMEs) and the most vulnerable will be supported through the scheme exemptions and discounts. A 100% discount may be given to employers who provide 10 or fewer workplace spaces in total at all of their premises within the city centre and workplace spaces for registered disabled Blue Badge holders. Discounts are also being considered for front line emergency services.

Based on an initial assessment of the predicted net revenue, it is estimated that the levy will generate approximately £7.29m gross revenue in the first year of operation. The predicted capital cost of developing and implementing the scheme would be £0.9m. Based on experience elsewhere it is considered that the preferred scenario has the potential to be implemented in three years, becoming operational in 2023/24.

The WPL-funded schemes must be attractive to the business community and make the city centre more attractive for sustainable travel, improve connectivity and compliment the transport schemes delivered through the Clean Air Zone. The package of schemes that are proposed to benefit from WPL funding contributions, is as follows:

- Metro Expansion to East Birmingham;
- Pedestrianisation of the city centre and Moor Street;
- Snow Hill Growth Strategy including transformation of the A38 and investment in public transport;
- Cycle routes and canal improvements; and
- Travel demand management (behavioural change activities to enable sustainable travel).

At this stage, no stakeholder engagement has taken place, however it is recognised that early engagement is essential to improve stakeholder acceptability of this scheme. Recommendations for the next stage of the project include:

- Seeking approval to progress and fully investigate WPL options;
- Identifying project governance and budget for preparation of WPL;
- Undertaking a comprehensive workplace parking survey;
- Developing a communications/ consultation strategy;
- Beginning informal engagement with employers; and
- Preparing the WPL Full Business Case including option refinement and appraisal, impacts and operational principles.

1 Introduction

1.1 Purpose of this report

This report sets out an initial and Strategic Outline Business Case (SOBC) for the implementation of a Workplace Parking Levy (WPL) in Birmingham. It defines the rationale for introducing a WPL in Birmingham and outlines the scheme background, context, its business strategy and associated local, regional and national policy alignment.

The report structure is based on the Department for Transport (DfT) guidance as set out in the Transport Business Cases¹ and sets out the rationale for the introduction of WPL in Birmingham and its policy fit.

The Transport Act (2000) provides the enabling legislation for WPL. It allows for significant variation in WPL schemes, for example in boundaries, level of charge, times of charge, duration, exemptions and discounts. The Nottingham scheme, the only one in operation, demonstrates that it is possible to successfully operate a WPL scheme, but that does not necessarily mean that the 'Nottingham model' would also be successful in Birmingham.

At this early stage, an initial SOBC for a WPL in Birmingham has been produced in order to inform further consideration of the proposal and to bring together some of the key findings of the initial feasibility study. In order to do this, an option for WPL that closely follows the Nottingham scheme is reflected, but it should be considered that this is simply an illustrative scheme to demonstrate potential impacts and revenue, not a final recommendation for action. It cannot be, as the full range of business case assessments have not yet been carried out.

The next stage of work should include starting an engagement programme with employers likely to be affected as well as with other key stakeholders such as neighbouring councils, employers' organisations and transport operators. This in itself will raise more issues and require further detailed assessment of options.

1.2 What is a WPL and how does it work?

WPL is a licensing scheme that charges occupied workplace parking spaces used by employees, students, pupils and business visitors. It is charged to the employer, who may pass it on to the employee using the space. Most customer parking spaces are not liable for WPL.

The legislation is flexible and allows exemptions and discounts, as well as ability to choose the levy charge rate and provisions such as whether it applies 24 hours a day, 365 days a year.

1.2.1 Summary of problems

The WPL scheme is one of a series of measures being undertaken in Birmingham to tackle congestion and improve air quality which is a major issue in the city and is subject to the introduction of a Clean Air Zone (CAZ) in 2020. **Section 3** outlines the key problems Birmingham faces. WPL will help contribute towards schemes to help tackle these problems. Details of what these schemes may look like can be seen in **Section 10**.

¹ The Transport Business Cases, Department for Transport, 2013

1.3 Process of developing a WPL scheme

The process of developing WPL is similar to that for a transport major scheme in that a business case has to be produced, approved by the promoting authority and then submitted to and approved by the Secretary of State (SoS) for Transport. However, it also has differences, including:

- A legally binding scheme order is required to be submitted with the business case (Nottingham scheme order attached in **Annex A** for information);
- A revenue plan listing what the WPL proceeds are to be spent on is required with the scheme order; and
- Consultation and engagement requirements are more stringent due to the need to be able to convince the SoS that employers' views have been sought and taken into account, as well as comprehensive formal consultation.

The required process therefore contains the following key workstreams:

- WPL business case which also includes reference to the items to be funded;
- Communications, engagement and consultation;
- Development of legally sound scheme order;
- Specific research and appraisal work to provide sufficient justification for the proposed scheme;
- Liaison with DfT; and
- Formal sign-off by the West Midlands Combined Authority (WMCA) and the DfT.

2 Business strategy and Policy Alignment

2.1 Business Strategy

2.1.1 Geographical Context

Birmingham is the West Midlands' regional centre and the UK's second largest city with a population of approximately 1.1 million and an economic output of £18 billion. Birmingham is strategically located at the centre of the national motorway network with the M5, M6, M6 toll, M40 and M42 creating a box around the city. The city itself has a complex road network with major radial roads and two ring roads, with a section of the A38 running directly through the centre.

The city centre has and continues to undergo significant development to help manage the expected 150,000 growth in population and 200,000 more daily trips on the roads in the city by 2031².

2.1.2 Why WPL and Why Now?

People who drive to work, particularly at peak times, account for a significant proportion of road users, contributing to congestion that affects both individuals and businesses due to increasing travel and delivery time. To enable economic growth to continue and thrive in the city, more needs to be done to support sustainable and active modes of travel and reduce car dominance in the city centre and address other problems to be solved as set out in **Section 3**. The WPL encourages employers to review and manage workplace parking provision and has the ability to help fund any specified transport scheme including:

- Improvements to active travel modes, including walking and cycling;
- Improvements to alternative, more sustainable modes of transport e.g. public transport; and
- Schemes that will positively contribute towards reducing car dominance and improving air quality, congestion.

Birmingham City Council (BCC) has reviewed other potential funding sources including Road User Charging (RUC), however WPL is considered the best option at the present time because:

- WPL targets commuters and therefore peak time congestion, which has been identified as a major problem in Birmingham;
- WPL legislation is already available (including Regulations covering penalty charges and other outstanding items) and Nottingham has proved that it can be made to work successfully;
- WPL offers a complementary mechanism to the other parking and charging proposals in the city, particularly those planned in the city centre;
- WPL is a relatively low-cost and light touch scheme in operation and does not require new or adapting existing technological solutions;
- WPL, with proper consultation and engagement, is likely to prove more acceptable to the general public than a RUC solution;
- Although RUC could provide more revenue, in this preliminary proposal, WPL (with other identified funding sources) is likely to deliver sufficient funding to meet the identified transport improvements in the Birmingham Transport Plan; and

² Birmingham Connected White Paper, 2014

- Nottingham evidence shows that WPL has not led to significant adverse impact on businesses.

Whilst ‘do nothing’ is a theoretical option it does not:

- Address the increasing and acute problems of congestion or air quality;
- Actively encourage use of sustainable modes of transport, considered to be an essential part of dealing with air quality and congestion problems;
- Comply with Birmingham City Council policy.

Section 4 outlines the impacts of a do-nothing scenario.

2.2 Policy Alignment

Section 2.2 below summarises the key national, regional and local policies and how the WPL scheme aligns with and compliments these.

2.2.1 Council Plan (2018-22)

The Council Plan sets out what Birmingham City Council wants to achieve and how they are going to achieve it. The WPL will support the delivery of the Council Plan through priorities including:

- Outcome 1, Priority 4: Develop our transport infrastructure, keeping the city moving through walking, cycling and improved public transport;
- Outcome 4, Priority 4: Improve the environment and tackle air pollution; and
- Outcome 6: Take a leading role in tackling climate change.

2.2.2 Birmingham Development Plan (Adopted 2017)

The Birmingham Development Plan 2031 (BDP) was adopted by Birmingham City Council in January 2017 to become the City’s statutory planning framework on all development and regeneration until 2031. This plan seeks to define sustainable growth to meet the needs of the growing population whilst strengthening the city’s global competitiveness. The vision for Birmingham set out in the BDP is:

“By 2031 Birmingham will be renowned as an enterprising, innovative and green City that has delivered sustainable growth meeting the needs of its population and strengthening its global competitiveness.”

To help with the achievement of Birmingham’s policies and strategies, the revenue generated from WPL will be reinvested into measures which support the objectives set out in BDP, including:

- To provide high quality connections throughout the City and with other places including encouraging the increased use of public transport, walking and cycling;
- To create a more sustainable City that minimises its carbon footprint and waste; and
- To encourage better health and well-being through the provision of new and existing recreation, sport and leisure facilities linked to good quality public open space.

As well as specific policies including:

- Policy TP38 - A sustainable transport network - Improved choice by developing and improving public transport, cycling and walking networks.
- Policy TP39 – Walking - The provision of safe and pleasant walking environments throughout Birmingham will be promoted.

- Policy TP40 – Cycling – Cycling will be encouraged through a comprehensive city-wide programme of cycling infrastructure improvements (both routes and trip end facilities) supported by a programme of cycling promotion, accessible cycling opportunities, training and travel behavioural change initiatives.
- Policy TP41 – Public Transport - Ensuring that road space is managed efficiently to support public transport through initiatives such as bus priority measures and infrastructure.
- Policy TP44 – Traffic and Congestion Management - Managing travel demand through a range of measures including the availability and pricing of parking.

WPL will contribute towards measures that will support the policies and objectives set out in the BDP above to help achieve the overall vision.

2.2.3 Birmingham Connected (2014)

Birmingham Connected provides a 20-year vision for transport planning activity across the city. It was developed to support the delivery of the policies and strategies set out in the Birmingham Development Plan (above).

The overall vision of Birmingham Connected is:

“By 2031 Birmingham will be renowned as an enterprising, innovative and green city that has delivered sustainable growth meeting the needs of its population and strengthening its global competitiveness”

Birmingham Connected sets out five key outcomes - these are:

- **Efficient Birmingham** – Birmingham Connected will facilitate the city’s growth agenda in the most efficient and sustainable way possible, strengthening its economy and boosting jobs;
- **Equitable Birmingham** – Birmingham Connected will facilitate a more equitable transport system; linking communities together and improving access to jobs and services;
- **Sustainable Birmingham** – Birmingham Connected will specifically reduce the impacts of air and noise pollution, greenhouse gas emissions and energy consumption;
- **Healthy Birmingham** – Birmingham Connected will contribute to a general raising of health standards across the city through the promotion of walking and cycling and the reduction of air pollution; and
- **Attractive Birmingham** – Birmingham Connected will contribute to enhancing the attractiveness and quality of the urban environment in local centres, key transport corridors and the city centre.

To help with the achievement of Birmingham’s policies and strategies, the revenue generated from WPL will be reinvested into measures which support the objectives set out in Birmingham Connected aiming to achieve:

- Increased access to jobs and services;
- Increased community linkages;
- Efficient and sustainable movement of people;
- Reduced greenhouse gas emissions from transport;
- Increase in physical activity;
- Increase in the number of short trips made by active travel modes;

- A reduction in air pollution; and
- Increase in the percentage of the population with good or fairly good health.

The WPL scheme is consistent with and will support the achievement of these key outcomes and associated objectives.

Birmingham Connected includes a vision for Green Travel Districts (GTDs) for areas with a large concentration of people living and working in an environment where movement of people is prioritised. The aim being to help: reduce congestion and transport related pollution and have healthier, safer and more productive communities.

WPL will help to support the achievement of these policies through helping to fund schemes which:

- Prioritise non-motorised transport modes including walking and cycling;
- Develop a connected walking and cycling network; and
- Provide high quality, low carbon, sustainable public transport.

2.2.4 Other Policies

The scheme has also been developed to be consistent with and where possible support other local, regional and national policies as summarised in **Table 2.1** with further details provided in the following sections.

Table 2.1 Policy Context and Alignment

Policy	Strategic Alignment	National, Regional or Local Policy
Transport Act 2000	The Transport Act contains powers for local authorities to introduce a WPL scheme provided it directly or indirectly facilitates the achievement of the authority's transport policies.	National (WPL enabling legislation)
Clean Air Strategy – DEFRA (2019)	The WPL will deliver measures that will reduce road transport-created air pollution, including through: improving sustainable transport modes and developing new infrastructure to encourage more people to shift from their car onto greener, more sustainable modes.	National
National Planning Policy Framework (2018)	The scheme will contribute to the objectives of the NPPF including: <ul style="list-style-type: none"> • Promoting sustainable transport; • Building a strong, competitive economy; and • Ensuring the vitality of town centres. 	National

Policy	Strategic Alignment	National, Regional or Local Policy
'Making Sustainable local transport happen' – DfT (2011)	The scheme will contribute towards the objectives set out in the white paper to “ <i>manage traffic to reduce carbon emissions and tackle congestion</i> ”. Specifically, this objective gives mention to introducing measures together, in a co-ordinated way including parking strategies, Workplace Parking Levy and Low Emission Zones – which Birmingham is already implementing in 2020.	National
'The Future of Transport: A Network for 2030' - DfT (2004)	The scheme supports the objective to create a sustainable, reliable and safe transport network to provide alternatives to the private car for individuals (particularly short journeys).	National
'Movement for Growth' – WMCA Strategic Transport Plan (2017)	The scheme will help to meet the WMCA’s vision by contributing towards measures that will deliver an attractive and sustainable transport system that will create a vibrant economy and deliver clean air; improving the health and quality of life for people of the West Midlands.	Regional
Big City Plan 2011 (Birmingham City Centre Masterplan)	<p><i>The scheme will help support the vision and objectives of the Big City Plan by contributing towards measures that will:</i></p> <ul style="list-style-type: none"> • <i>Provide safe and convenient cycle routes to and within the city centre;</i> • <i>Deliver high quality Rapid Transit Routes into and around the city centre; and</i> • <i>Provide priority access for public transport, pedestrians and cyclists at congested locations.</i> 	Local
Birmingham Transport Plan (2019 emerging)	The WPL is included within Birmingham’s emerging Transport Plan which outlines some ‘Big Moves’ to support the delivery of transformation. The	Local

Policy	Strategic Alignment	National, Regional or Local Policy
	<p>scheme will form part of a range of progressive measures to manage the demand and will contribute towards further measures that will improve the public transport network.</p>	
<p>Birmingham Clean Air Strategy (2019 emerging)</p>	<p>The scheme will work in conjunction with the class D Clean Air Zone being implemented within the A4540 Middleway in January 2020. It will:</p> <ul style="list-style-type: none"> • Contribute towards a reduction in car usage – reducing emissions and improve health; • Improve the wider transport network whilst increasing the range of cleaner, sustainable and active travel modes; and • Invest in the public transport network to encourage more people to shift from private vehicle. 	<p>Local</p>
<p>Local Cycling and Walking Plan (2019 emerging)</p>	<p>The revenue generated from WPL will help deliver measures to meet the aim and objectives of the LCWP by:</p> <ul style="list-style-type: none"> • Providing funding towards improving local infrastructure; paths, cycle parking and public transport; • Enabling better access to bikes and delivering road user training; and • Introducing traffic management measures to make Birmingham’s streets safer and more attractive. • These objectives will, in turn, also improve congestion, deliver air quality benefits and improve the health and well-being of local people. 	<p>Local</p>

2.2.5 Transport Act 2000

The Transport Act 2000 sets out two demand management options for local authorities to undertake to tackle congestion. This includes:

- Road User Charging; and
- Workplace Parking Levy.

The Transport Act contains powers for local authorities to introduce a WPL scheme provided it directly or indirectly facilitates the achievement of the authority's transport policies.

2.2.6 Clean Air Strategy – DEFRA (2019)

The national Clean Air Strategy was published in 2018 with the aim of tackling the top environmental risk to human health in the UK. This strategy sets out the case for action and sets ambitious goals to reduce people's exposure to toxic pollutants – with road transport being the largest source of NO₂.

Revenue generated from the scheme will be invested into measures designed to support current schemes such as the Clean Air Zone and improve air quality, public transport and sustainable travel to encourage more people to take it up.

2.2.7 National Planning Policy Framework (2018)

The National Planning Policy Framework (NPPF) is the government's framework for which local authorities produce planning policies.

It states that:

“Encouragement should be given to solutions which support reductions in greenhouse gas emissions and reduce congestion.”

The WPL is consistent with this policy and will help to encourage more commuters out of their car and onto less polluting, more active modes of transport. The WPL is consistent with the NPPF recommendation that *“planning policies should enable and support healthy lifestyles and encourage walking and cycling.”* The scheme will also work in tandem with the Birmingham CAZ to support the delivery of improved public transport, reducing congestion and consequently greenhouse gas emissions.

2.2.8 ‘Making sustainable local transport happen’ – DfT (2011)

This White Paper is focussed on enabling sustainable mode choices and active travel to reduce dependency on car journeys through greater integration with local land use planning. The document highlights:

- The contribution of transport to the economy;
- The challenge of cutting carbon from the transport system;
- The challenge of making the best use of existing infrastructure to reduce congestion; and
- The promotion of sustainable modes.
- The main objective that the WPL will help achieve is to *“manage traffic to reduce carbon emissions and tackle congestion”*. The white paper gives specific mention to the workplace parking levy and low emission zones.

2.2.9 ‘The Future of Transport: A Network for 2030’ – DfT (2004)

As more people want to travel there is a need to manage the demand and deliver a transport system that helps underpin the international competitiveness of the economy.

WPL investment will help deliver an environmentally sustainable, reliable and safe transport system which is expected to help stimulate regeneration and connectivity, minimise the impact of road traffic on the environment and meet the objectives set out in this document, including:

- Balance the needs of motorists and other road users with wider concerns about the impact on the environment;
- Facilitate smarter individual choices, giving people alternatives to using their car, particularly for short journeys;

2.2.10 ‘Movement for Growth’ - WMCA Strategic Transport Plan (2017)

The West Midlands Strategic Transport Plan (Movement for Growth) was prepared by the West Midlands Combined Authority (WMCA). Its’ vision is to:

“...make great progress for a Midlands economic ‘Engine for Growth’; clean air; improved health and quality of life for the people of the West Midlands. We will do this by creating a transport system befitting a sustainable, attractive and economically vibrant conurbation in the world’s sixth largest economy.”

The plan goes on to list nine objectives to achieve the vision. The policies most aligned to the introduction of a WPL are:

ENV1 – To significantly improve the quality of the local environment in the West Midlands Metropolitan Area.

ENV2 – To help tackle climate change by ensuring large decreases in greenhouse gas emissions from the West Midlands Metropolitan Area.

PUBH1 – To significantly increase the amount of active travel in the West Midlands Metropolitan Area.

The WPL can support the achievement of these objectives by contributing towards new and existing measures that will drive behaviour change through the development of:

- An improved transport system for all users;
- Improved air quality, reduced carbon emissions and improved road safety; and
- Improvements to the public transport.

2.2.11 Birmingham Transport Plan 2019 (emerging 2019)

The Birmingham Transport Plan (BTP) will set out the policy priorities for Birmingham over the next 12 years. It includes new and fundamental changes to the transport network to ensure sustainable economic growth can prevail. It outlines new and existing schemes that are to be delivered to support a change in travel behaviour and the development of a go-anywhere integrated public transport system, supported by walking and cycling.

The principles of road space allocation are included within this transport plan with the aim to provide a comprehensive toolkit for developing a transport scheme that considers the needs and priorities for all users using Birmingham’s transport network. The WPL scheme will complement these principles by contributing toward the funding needed to improve the prioritised modes of transport, in line with their link and place function and the network priorities.

WPL is specifically mentioned in the plan as a method to help manage parking demand and to actively encourage commuters and businesses to use more sustainable modes of travel. WPL-generated revenue will be invested in schemes included within the Birmingham Transport Plan to enhance and improve sustainable and active modes of

transport, which in turn can regenerate areas, improve access to jobs and services and benefit the health and well-being of people in Birmingham.

The four overarching aims of the BTP are:

- The allocation of road space will change away from single occupancy private cars to support the delivery of a public transport system fit for a global city. This rebalance of resource will fundamentally change the way that people and goods are able to move about the city.
- The city centre of Birmingham will be free from traffic and pollution. Improved public transport will be the principle means used to connect the centre to outlying districts and beyond. Access to the city centre for private cars will be limited with no through trips. Walking and cycling will be prioritised.
- Residential neighbourhoods and local centres will be places where people are put first. Cars will no longer dominate street life around homes and schools. Active travel – walking and cycling – will become how most people get around their locality most of the time.
- Parking will be used as a means to manage demand for travel by car through availability, pricing and restrictions. Where redevelopment potential exists, land currently occupied by car parking will be put to more productive use.

2.2.12 Birmingham's Clean Air Strategy (emerging 2019)

The Clean Air Strategy is currently undergoing consultation on the draft version published in January 2019. This document aligns with the government's clean air strategy summarised in **Section 2.2.6** and outlines direct air quality interventions with the aim being to deliver health improvements to citizens, workers and visitors to Birmingham, all within the context of sustainable growth. The Clean Air Strategy goes beyond the council's legal duty to deliver interventions to reduce air pollution to below the legal limit.

The key objectives outlined in Birmingham's Clean Air Strategy that WPL will support are:

- Improving the wider transport network to support smoother and faster journeys, whilst increasing the range of cleaner and environmentally/health-friendly journey options available to travellers e.g. cycling networks, walking schemes;
- Continuing to invest in our public transport network to produce services which the city can be proud of and which encourage more people to shift from private vehicle journeys; and
- Embedding behaviour change as a golden thread that runs through and supports all of our conversations with residents of Birmingham. As we make physical changes to the infrastructure and transport of the city to make it easier to travel in ways that don't contribute to poor air quality, it is important that we support citizens to respond.

WPL will complement Birmingham's pledges by contributing toward the funding needed to provide the necessary investment support in public transport to:

- Introduce a class D CAZ in Birmingham within the A4540 Middleway (Ring Road) in January 2020 to reduce NO₂ levels to below legal limits (40µg/m³) in the shortest possible time; and
- Continue to deliver a world class transport system, which prioritises public transport, cycling and walking.

2.2.13 Local Cycling and Walking Strategy (emerging 2019)

The Local Cycling and Walking Strategy sets out the long-term plan for Birmingham to ensure that active travel becomes the popular choice for short journeys. The vision is to:

“Increase walking and cycling in Birmingham, for transport and leisure, with a particular focus on short journeys and linked trips.”

There are three key objectives set out which are to:

- Enable walking and cycling in Birmingham;
- Develop a great city for walking and cycling; and
- Promote and inspire walking and cycling.

The WPL can support these objectives by encouraging commuters and businesses to use more sustainable and active modes of transport. It can also support the delivery of new walking and cycling infrastructure in the city and encourage measures to be implemented in the workplace.

2.2.14 Big City Plan (2011)

The Big City Plan is a non-statutory planning and regeneration framework for Birmingham’s city centre. It sets out the development goals between 2011-2031 including the delivering major infrastructure projects such as Midland Metro and HS2 which the WPL scheme will compliment.

The main objectives of the Big City Plan that the WPL will support and compliment include:

- Making Birmingham green – reducing the environmental impact of the city’s mobility needs through low carbon transport and improving public transport; and
- Creating a well-connected, efficient and walkable city – delivering high quality Rapid Transit Routes, providing safe and convenient cycle routes and making bus travel more attractive to us.

The scheme will contribute towards improvements in transport connectivity by delivering further transport improvements, connecting more people together, with employment and business improving accessibility for all.

Table 2.2 shows a summary of WPL contribution to policy objectives in emerging Birmingham Transport Plan.

Table 2.2 WPL Contribution to the BTP

Big Policies	WPL Contribution	Outcomes
<p>Reallocating road space - the allocation of road space will change away from single occupancy private cars to support the delivery of a public transport system fit for a global city. This rebalance of resource will fundamentally change the way that people and goods are able to move about the city.</p>	<p>WPL provides funds for improving walking, cycling and public transport use</p> <p>WPL encourages use of alternatives to the car and provides funding to improve these alternative options.</p> <p>WPL will provide additional funding for complementary initiatives</p>	<ul style="list-style-type: none"> • Improved accessibility • Increased use of public transport, cycling and walking • More reliable journeys • Improved access to homes/ jobs

Big Policies	WPL Contribution	Outcomes
<p>Transforming the city centre - the city centre of Birmingham will be free from traffic and pollution. Improved public transport will be the principle means used to connect the centre to outlying districts and beyond. Access to the city centre for private cars will be limited with no through trips. Walking and cycling will be prioritised.</p>	<p>WPL helps to unlock growth by reducing demand for car travel, making available new development sites on ex car parks and providing funds for initiatives to facilitate growth sites.</p> <p>WPL is a demand management tool that will encourage people to use sustainable forms of transport</p> <p>WPL can be used flexibly to encourage the transfer to low emission vehicles. It can work alongside the proposed CAZ.</p>	<ul style="list-style-type: none"> • More investment opportunities • More attractive place to live, work and study
<p>Prioritising active travel in local neighbourhoods - Active travel – walking and cycling – will become how most people get around their locality most of the time. Cars will no longer dominate street life around homes and schools. Residential neighbourhoods and local centres will be places where people are put first.</p>	<p>WPL contributes to higher design standards by encouraging employers to reduce car parking and use it for more sustainable purposes</p>	<ul style="list-style-type: none"> • Improved quality of life • Less people killed and seriously injured in road collisions • Reduction in levels of obesity • Increased employment • Support technological innovation and embrace new forms of mobility
<p>Manage demand through parking measures - parking will be used as a means to manage demand for travel by car through availability, pricing and restrictions. Where redevelopment potential exists, land currently occupied by car parking will be put to more productive use.</p>	<p>WPL is a demand management tool which acts to reduce traffic and provide funding for alternatives</p>	<ul style="list-style-type: none"> • Increased use of public transport, cycling and walking • Managed parking

3 Problems to be solved

The WPL aims to contribute towards addressing existing problems including:

- Car dominance;
- Congestion (which damages the local economy);
- Declining bus patronage;
- Climate change emergency; and
- Poor provision for pedestrians and cyclists.

The sections below outline the main problems identified that the WPL aims to solve.

3.1 Car Dominance

In line with national, regional and local policies, Birmingham City Council's aim is to reduce car dominance in the city (particularly during peak periods) and encourage greater use of sustainable and active modes of transport to improve congestion, reduce air pollution and stimulate economic growth. The dominance of car journeys to/ from and within Birmingham is leading to:

- Traffic congestion;
- Increased travel costs;
- Extended journey times for road-based public transport (e.g. bus), reducing its ability to offer an attractive alternative to the car;
- Poor conditions for pedestrians and cyclists, reducing the ability of these modes to offer an attractive alternative to the car; and
- Harmful environmental impacts including air pollution and noise.

It is estimated that 62% of journeys to work in Birmingham are by car or van³. Traffic flows taken from the 2017 Birmingham Cordon Surveys show the quantity and type of vehicles entering the cordon (city centre ring road) on a daily basis and indicate that on an average day there are:

- 205,826 daily inbound trips; and
- 208,976 daily outbound trips.

Table 3.1 below shows the number and percentage of vehicles crossing the cordon inbound between 07:00 and 09:00 on an average weekday. This shows that over 95% of vehicles travelling into the cordon between these times are light vehicles – consistent with these being journey to work related with a large proportion of these commuters (and in single occupancy vehicles) travelling into the city for work.

Approximately 40% of vehicle trips (less than 30 minutes) on an average weekday have a destination inside the city centre – 35% travelling from outside of the city centre and 5% travelling within the city centre⁴. There is a significant volume of trips within the city centre itself, despite them travelling to destinations which should be accessible by public transport, walking and cycling.

³ WU03UK – 2011 Census

⁴ Birmingham City Council ANPR Report, 2017

Table 3.1 Inbound Vehicles (Source: Birmingham Cordon Surveys 2017)

Vehicle Type	07:00-08:00		08:00-09:00	
	Number	Percentage (%)	Number	Percentage (%)
Light Vehicles	14,602	96%	16802	95%
Bus & Coach	338	2%	393	2%
Heavy Vehicles	347	2%	417	3%

Table 3.2 below, also taken from the 2017 Cordon Survey, shows an average vehicle occupancy of 1.19 between 07:00-09:00, consistent with single occupancy cars forming a significant percentage of light vehicles.

Table 3.2 Inbound Occupancy (Light Vehicle Only) Count Data (Source: Birmingham Cordon Surveys 2017)

	07:00	07:15	07:30	07:45	08:00	08:15	08:30	08:45
Estimated Light Vehicles	3,130	3,517	3,722	3,999	3,956	4,129	4,174	4,244
Estimated Persons per Light Vehicle	3,584	4,080	4,401	4,813	4,803	4,999	4,985	5,112
Average Occupancy per Light Vehicle	1.15	1.16	1.18	1.20	1.21	1.21	1.19	1.20

3.2 Climate Change Emergency

In May 2019 UK Parliament declared a climate change emergency outlining the importance of reducing the country’s emissions, with BCC following suit in June 2019.

The Climate Change Act 2008 sets out the UK’s emission reduction targets and the framework for Climate Change commitments. These legally binding targets are for an 80% reduction in carbon emissions (CO₂) by 2050 (against the 1990 baseline).

The Council monitors carbon reduction data which shows that Birmingham’s CO₂ emissions have decreased by 33.7% against a 1990 baseline. There is still a long way to go, therefore measures which reduce the carbon emissions need to be explored further. The Council has a number of goals to tackle the reduction of carbon emissions and to mitigate and adapt to climate change. The city is aspiring to be net zero carbon by 2030 or as soon after.

Air pollution is the top environmental risk to human health in the UK at this time⁵. The Clean Growth Strategy published in 2017 recognises the need to reduce both CO₂ and

⁵ DEFRA. 2019, Clean Air Strategy. [ONLINE] Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/770715/clean-air-strategy-2019.pdf. [Accessed 7 February 2019].

NO₂ from the transport sector by supporting a move towards more active and sustainable forms of travel including walking, cycling and public transport.

Road transport is the biggest source of NO₂ in the UK accounting for 80% of NO₂ emissions. Birmingham has been given a ministerial directive to reduce its levels of air pollution below the legal European limit of 40µg/m³. As a result, Birmingham is implementing a class D Clean Air Zone within the A4540 Middleway from January 2020. Birmingham is not expected to be compliant in 2020 solely through the Clean Air Zone measures, therefore further measures to improve air quality needs to be undertaken to reduce air pollution levels beyond the legal limits.

3.3 Declining Bus Patronage

Bus patronage across the West Midlands has decreased year on year since 2013/14 with 259 million journeys on local bus services in the West Midlands in 2017/18 – the lowest number and 55 million journeys fewer than 2009/10 when the figures were first published⁶. **Figure 3.1** shows the decline in bus patronage across the West Midlands since 2009.

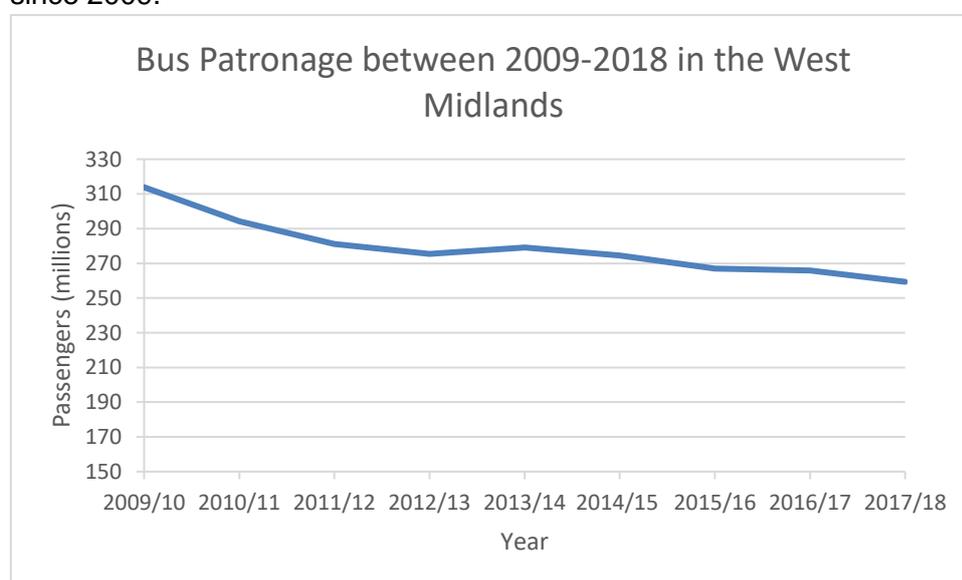


Figure 3.1 Bus Patronage in the West Midlands

3.4 Bus Journey Times & Reliability

Most bus services on radial routes into the city centre share road space with general traffic and do not have segregated provision. Peak hour bus journeys into the city centre now takes on average 20% longer than two years ago. This means 216,000 fewer people are within a 45 minute bus journey to the city centre compared to 10 years ago. This record level of traffic has led to record levels of delay and unreliability on the city's road, further reducing the attractiveness of buses. Longer and more unreliable bus journeys leads to fewer passengers and more car trips and therefore more congestion. Research into real journey times against scheduled journey times undertaken by TfWM estimates £200 million of time is lost each year due to buses not running to timetable, equating to £300 million of lost GVA each year.

⁶ Department for Transport, 2019. Annual bus statistics: year ending, March 2018. [ONLINE] Available at: <https://www.gov.uk/government/statistics/annual-bus-statistics-year-ending-march-2018>. [Accessed 7 February 2019].

3.5 Poor Provision for Pedestrians and Cyclists

The Birmingham Development Plan (BDP) sets out strategies for encouraging walking and cycling in Birmingham through the provision of safe and pleasant walking environments. Results from the 2011 census show that 6% of journeys to work in Birmingham are made on foot and 1% of journeys are by bicycle⁷. The 2017 Household Travel Survey indicates that 24% of car journeys in England are under two miles and 56% are under five miles⁸ – considered to be within acceptable walking and cycling distances, respectively.

There are a number of health problems arising from limited use of active modes. Research has shown that active forms of travel, such as walking and cycling, are associated with a range of health benefits. These include improved mental health, reduced risk of premature death and prevention of chronic diseases such as coronary heart disease, stroke, type 2 diabetes, osteoporosis, depression, dementia and cancer⁹. Research also suggests that countries with highest levels of active travel generally have amongst the lowest obesity rates¹⁰.

3.6 How WPL will help address these problems

Table 3.3 summarises how the net proceeds of the WPL scheme will contribute towards measures to overcome current problems and provide benefits to support economic growth and the health and well-being of citizens.

Table 3.3 WPL benefits

Problem	Benefits of WPL
Car dominance	WPL is a demand management tool that encourages employers to reduce their car parking and employees to consider non-car modes of transport. It also provides revenue to help fund improvements to public transport, cycle and walk modes to provide people with realistic and competitive alternatives to the car.
Air quality	The WPL will complement the CAZ measures and will contribute to improvements in air quality by reducing the reliance on private cars, reducing congestion and encouraging travel behaviour change.
Declining bus patronage & bus journey times and reliability	WPL will contribute funding towards bus priority and other traffic management measures to improve bus journey times and reliability encouraging more people to travel by bus, including those switching from car.

⁷ Office for National Statistics. 2011, Table QS701EW: Method of travel to work. [ONLINE] Available at: <https://www.nomisweb.co.uk/census/2011/qs701ew>. [Accessed 11 February 2019].

⁸ Department for Transport, 2017. Table NTS0308: Average number of trips by trip length and main mode: England, 2017. [ONLINE] Available at: <https://www.gov.uk/government/statistics/national-travel-survey-2017>. [Accessed 11 February 2019].

⁹ British Medical Association. 2012. Healthy transport = Healthy lives. Available at: <https://www.bma.org.uk/collectivevoice/policy-and-research/public-and-population-health/transport>

¹⁰ Bassett D, Pucher J, Buehler R, Thompson D and Crouter S. (2008) Walking, cycling, and obesity rates

Problem	Benefits of WPL
Poor provision for pedestrians and cyclists	WPL will provide funding to improve the provision for walking and cycling and create a safe and pleasant environment e.g. pedestrianisation of city centre and Moor Street. Encouraging walking and cycling can provide benefits to both people and the economy by improving health and fitness, reducing congestion and leading to greater productivity and health.

4 Impact of not changing

4.1 Highway Network

Car dominance is one of the biggest challenges facing Birmingham at this current time. With the city's population expected to rise by 156,000 by 2031, the demand for travel will increase pressures on the highway network¹¹. A significant proportion of the City's growth is envisaged to be delivered around the city centre. This growth is currently constrained by the current capacity of the city's transport infrastructure in the short to medium term. Increased trips on the road network by private vehicles will cause increased journey times, damage local and regional connectivity and ultimately constrain inclusive growth of communities. WPL will act as an enabler of development and growth in the city centre by providing the necessary funding to change the way that people travel.

Over-reliance on cars has led to increasing congestion which costs Birmingham approximately £632 million a year and this figure is expected to rise as the demand for travel increases.¹² Congestion is already a concern for residents and businesses - results from a recent survey conducted by WMCA showed that 62% of people in the West Midlands are dis-satisfied with current congestion levels¹³. The congested road network is undermining economic performance, threatening the competitiveness of business and leading to deteriorating conditions for other modes of transport.

Improvements to connectivity would support economic growth aspirations, connecting people to training opportunities and jobs whilst widening the labour market for employers. By not providing the necessary connectivity improvements, these schemes cannot support existing and future employment opportunities and create inclusive growth.

4.2 Environment (Air Quality + Noise)

Poor air quality has been referred to as a "*public health crisis*" by Public Health England, with road transport responsible for 34% of NO₂ in Birmingham (and 80% of NO₂ near roadsides in Birmingham). Increased congestion and deteriorating air quality also dissuades people from walking and cycling. The failure to reallocate road space to encourage more active and sustainable modes of travel, outlined in the TSA guidance, will not only have a negative impact on obesity and public health but will also inhibit economic growth.

A class D Clean Air Zone is being implemented in Birmingham within the A4540 Middleway from in 2020 to reduce the level of NO₂ concentrations in the city centre to below legal limits. This involves charging the most polluting vehicles that do not meet certain emission standards, entering the city centre. However, much more is needed to tackle air pollution and reduce the number of respiratory related deaths in Birmingham. The impact of not changing will only exacerbate the current situation and produce further health problems for our communities.

Ambient noise has also been identified as a major environmental health problem with transport being a major cause. The European Environmental Noise Directive requires

¹¹ Birmingham City Council, 2017. Birmingham Development Plan. [ONLINE] Available at: https://www.birmingham.gov.uk/downloads/file/5433/adopted_birmingham_development_plan_2031. [Accessed 8 February 2019].

¹² Inrix, 2017. Traffic Congestion Cost UK Motorists over £37.7 billion in 2017. [ONLINE] Available at: <http://inrix.com/press-releases/scorecard-2017-uk/>. [Accessed 8 February 2019].

¹³ Transport for West Midlands, 2018. Congestion Management Plan. [ONLINE] Available at: https://www.tfwm.org.uk/media/3065/tfwm_cm-plan-aw_v3_lr_spreads.pdf. [Accessed 8 February 2019].

countries to map hotspots and reduce exposure to noise including noise from transport. Improvements to public transport availability and accessibility, providing alternative modes to the private vehicle would help address air quality and noise pollution created by road transport. This would also bring about improvements to public health, reducing current pressure on the NHS.

4.3 Public Transport Performance

Congestion also has a negative impact on bus journey times and journey time reliability. Where reliability and punctuality are poor, passengers are dissuaded to use the bus network and may look to use other alternatives having a negative impact on jobs and services. Results from the Birmingham Bus Survey showed that the biggest barriers for people not currently using buses in Birmingham are:

- Journey times – 80% of respondents felt this was the biggest barrier; and
- Reliability of buses – 72% of respondents said this.

Providing investment in bus priority measures will improve bus journey times, helping to tackle the identified barriers, encouraging more people out of their car and on to public transport

With extensive investment happening in the city centre over the next 15 years through developments such as Smithfield, and HS2 it is important to maximise the opportunities of these schemes by improving connectivity between public transport hubs providing local, inter-city and regional links to benefit the wider economy. Poor public transport connecting key areas of growth and employment would mean local areas would not fully benefit from the opportunities that HS2 offers. Adverse environmental impacts resulting from a lack of change and a continued over reliance on cars will hinder neighbourhood regeneration of these areas.

4.4 Parking Surplus

There is a parking surplus in the city centre, where land could be better utilised to achieve other policy targets such as the delivery of new jobs and homes which will in turn provide economic benefits, improved access to markets, improved productivity and inward investment contributing to the national and local economy. However, if change does not happen these targets cannot be achieved.

5 WPL Objectives

As set out above, the WPL scheme is intended to help deliver a range of local, regional and local policy objectives, by:

- Encouraging employers to review and manage workplace parking provision; and
- Helping to fund transport schemes which positively contribute towards:
 - Reducing car dominance and traffic congestion;
 - Improving air quality; and
 - Improving the quality, attractiveness and use of alternative, more sustainable modes of transport e.g. public transport, cycling and walking.

As such WPL's objectives are aligned with those of the schemes that it is intended to help fund.

The following WPL scheme objectives have been established to enable it to contribute towards the delivery of measures designed to help solve the problems set out in **Section 3** above:

Strategic Objectives:

- Encourage modal shift away from private cars towards more sustainable modes of transport to tackle congestion and air quality issues;
- Support economic growth by contributing towards managing congestion and funding transport schemes that provide enhanced connectivity for the city centre; and
- Invest in walking, cycling and public transport to provide alternatives other than the private vehicle.

Specific Objectives:

- To contribute to managing parking demand in the city centre by complementing other parking constraint measures
- To provide a substantial funding contribution to public transport, walking and cycling schemes identified in the Birmingham Transport Plan, including:
 - The Metro extensions to East Birmingham and
 - The pedestrianisation of the city centre and Moor Street.
- To contribute to the improvement of air quality to help the city reduce the legal NO₂ limits of below 40µg/m³ as required for the Clean Air Zone;
- To contribute to achieving a modal share increase for public transport, walking and cycling for commuting journeys in Birmingham; and
- To contribute to increase in levels of cycling across the West Midlands Metropolitan Area to 5% of all trips by 2023, and 10% of all trips by 2033.

6 WPL Scheme Scope and Scenarios

To have a better understanding of and to help develop possible WPL scenarios and a preferred option, a Best Practice Review of Workplace Parking Demand Management measures was undertaken which included:

- A review of a UK WPL scheme - Nottingham City, the only operational scheme within UK;
- A review of a WPL scheme outside the UK – Perth (WA), an example of a similar international scheme that has been successfully implemented;
- A review of a UK scheme currently under consideration – Oxford City;
- UK lessons learnt – High-level review of UK LA's who have or are considering WPL, including some which had considered and not progressed this approach; and
- Consideration drawn from the best practice review for the potential of developing the WPL for Birmingham.

Based on the findings from this review, previous knowledge of Birmingham, and estimates of liable parking numbers, a broad scope for WPL in Birmingham was developed and is summarised below in respect of:

- To whom the WPL charge would be applied;
- The WPL charge; and
- The geographic extent of the WPL scheme.

These are summarised below.

6.1 Who would the charge apply to?

The charge applies to the provider of workplace parking spaces, normally the employer. It is up to the employer whether or not to pass the levy on to employees parking at the workplace. Individual customers, for example at supermarkets or retail centres, are out of scope of the WPL legislation.

Nottingham decided to make use of the flexibility in the law to impose various exemptions and 100% discounts. Exemptions relate to spaces which do not have to be licensed at all, and discounts relate to spaces which need to be licensed but are not chargeable. Most of the Nottingham exemptions and discounts were decided upon after engagement with employers and others.

The Nottingham exemptions and 100% discounts are shown below:

Exemptions:

- Occasional business visitors;
- Business customers;
- Motorbikes;
- Fleet vehicles (vehicles parked at an employer's premises and not used to travel to and from work); and
- Vehicles used primarily to deliver or collect goods.

100% Discounts:

- Employers who provide 10 or fewer workplace parking space in total at all of their premises within the Nottingham WPL boundary;

- Front line emergency services such as Ambulance, Police, Fire and National Crime Agency; and
- Qualifying NHS premises; and
- Workplace parking space occupied by registered disabled blue badge holders.

The Nottingham exemptions and discounts provide a useful starting point when considering a Birmingham WPL. However, the decision on which exemptions and discounts should be adopted in Birmingham will require supporting evidence, including from future parking surveys, and stakeholder engagement and will also need to take account of interface with other projects, e.g. CAZ in which area Birmingham may consider offering a WPL discounts for fully electric vehicles.

6.2 What WPL charge could be applied?

The Nottingham WPL charge (2019/20) is £415 per liable space per annum and provides a useful benchmark. Birmingham may consider a similar charge, with an annual increase in line with inflation with the possibility of an ‘escalator’ to reflect new transport provision coming on stream.

For the purposes of this initial examination of WPL, it has been assumed that the Birmingham WPL will be £500 per annum per liable parking space, with the charge assumed to be applied evenly to all areas within the boundary irrespective of the distance away from the city centre, and at all times of day and night.

6.3 Where could the charge apply?

Three broad WPL area scenarios were identified:

- Managing the city core (city centre only);
- Managing employment districts (city centre + GTDs); and
- Managing the wider city (city centre + GTDs + remainder of city).

The first two scenarios could form phases in the implementation of WPL across the whole of the city or could be considered as stand-alone options in their own right.

It was agreed with BCC that the three scenarios would be subject to an initial assessment against the following criteria: policy fit, acceptability to stakeholders and deliverability. A summary of the assessment can be seen in **Table 6.1** below.

Table 6.1 Assessment of Scenarios

Scenario	Policy Fit	Acceptability	Deliverability
Managing the city core (city centre only)	<ul style="list-style-type: none"> • Contributes to congestion reduction and air quality improvement objectives • Complements CAZ action plan 	<ul style="list-style-type: none"> • Can be presented alongside CAZ measures as comprehensive approach 	<ul style="list-style-type: none"> • Quickest and easiest to deliver as limited numbers of employers and spaces (approx. 20% of Birmingham, off-street, private workplace parking) • Public transport already in place

Scenario	Policy Fit	Acceptability	Deliverability
Managing employment districts (city centre + GTDs)	<ul style="list-style-type: none"> • Contributes to congestion reduction and air quality improvements in employment areas • Implies higher level of public transport improvements required to provide suitable alternatives 	<ul style="list-style-type: none"> • Can be presented alongside CAZ and GTD measures as comprehensive approach. 	<ul style="list-style-type: none"> • Will cover approximately 40% of the city's off-street, private workplace parking • Issues around boundaries e.g. displaced parking into residential areas. • Speed of implementation of non-city centre public transport improvements
Managing the wider city (city centre + GTDs + remainder of city)	<ul style="list-style-type: none"> • Contributes to city-wide objectives • Implies significant Public transport improvements 	<ul style="list-style-type: none"> • Harder to present • as coordinated project, will likely result in a variety of objections 	<ul style="list-style-type: none"> • Will cover all of the city's off-street, private, workplace parking • Serious issues of delivering the necessary public transport improvements

6.4 Revenues estimates

An initial assessment of predicted revenue of each scenario was undertaken. This was based on a £500 charge per annum per liable parking space, key assumptions drawn from the experience of Nottingham's WPL and available information on the volume of private non-residential parking spaces within Birmingham (**Annex D** outlines the assumptions used and the methodology adopted to calculate the number of chargeable spaces).

Table 6.2 summarises the predicted WPL-generated annual revenue in the first year of operation of a Birmingham WPL scheme for the three scenarios using the methodology and assumptions set out in **Annex D**.

Table 6.2 Revenue Estimates

Scenario	Chargeable Spaces	Levy Charge (£ pa)	Revenue (£m pa)
Managing the city core (city centre only)	14,587	£500	£7.29
Managing employment	32,020	£500	£16.01

Scenario	Chargeable Spaces	Levy Charge (£ pa)	Revenue (£m pa)
districts (city centre + GTDs)			
Managing the wider city (city centre + GTDs + remainder of city)	75,629	£500	£37.81

6.5 Preferred Scenario

Managing the city core is the preferred WPL scenario. Whilst the revenue generated by the other scenarios is likely to be greater, the city core scenario is favoured as it:

- Shows the best policy fit;
- Fully complements the CAZ and city centre parking strategy;
- Is a practical and manageable scheme that offers the best potential for being acceptable to employers, other stakeholders and residents;
- Has the potential to generate a revenue stream considered to be sufficient to create an appreciable change in sustainable transport alternatives in the city; and
- Is compatible with further development in the future, including expansion of geographic area should that be appropriate.

Figure 6.1 illustrates the geographical boundary of the preferred scenario - 'Managing the city core', showing its consistency with the Birmingham CAZ and helping to ensure that the scheme boundary is readily understood.

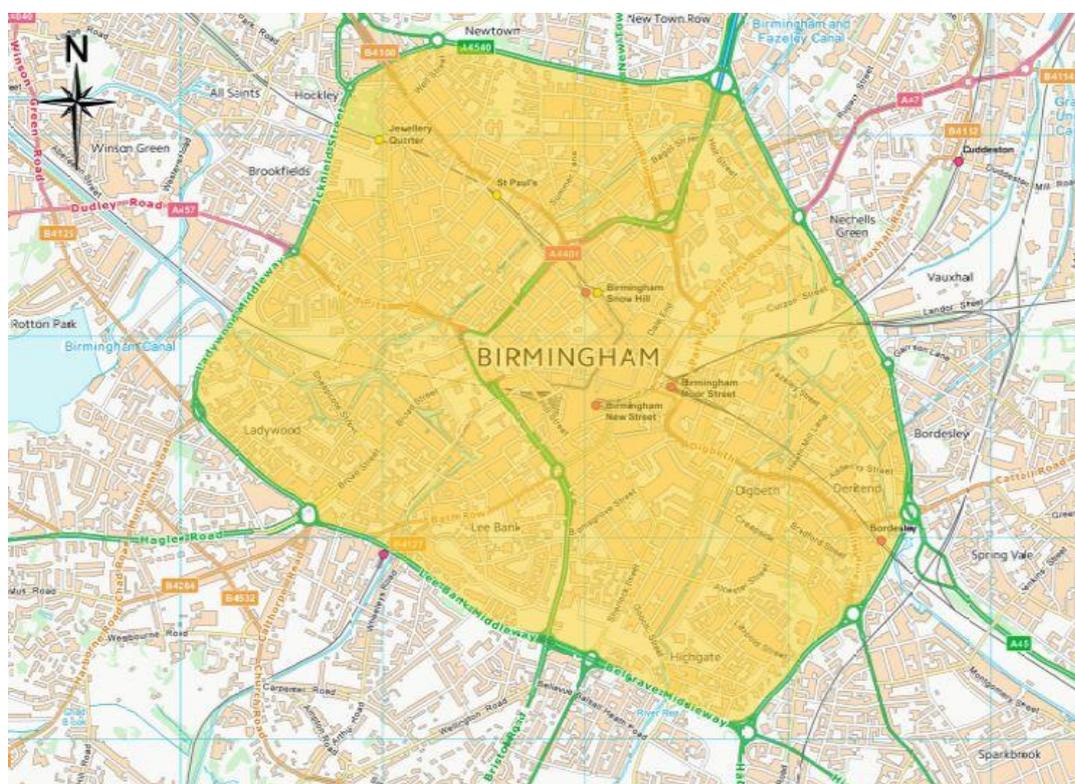


Figure 6.1 WPL Preferred Scenario Boundary

In summary, the currently preferred WPL scenario is to implement the WPL in the city centre only, but with the option to potentially extend the scheme out to wider areas of the city in line with Birmingham's wider policies. The preferred scenario is considered to be the quickest and least complex method to deliver WPL in Birmingham, especially if the Nottingham model and experience is followed.

6.6 Scheme Development, Implementation and Operating Costs

As part of the next stages of the WPL process, further development and sensitivity testing of the preferred scenario will be undertaken alongside employer engagement and public consultation to determine the exact scheme details. The WPL legislation is very flexible and allows authorities considerable choice on items such as charge rate, boundary, exemptions and discounts, variations in times and areas, and what the revenue contributes to. Once finalised, the details must be included in a legally binding scheme order.

The costs of developing the WPL scheme further are currently estimated as £0.6m. This includes allowance for:

- Consultation;
- Undertaking a workplace parking survey;
- Developing the Full Business Case;
- Legal processes and approvals and liaison; and
- Obtaining approval from other stakeholders/ partners, including West Midlands Combined Authority and the Department for Transport.

The scheme implementation costs are estimated as £0.3m, including allowance for appointment of support staff, camera car(s), IT systems, website development and marketing.

The ongoing operational expenditure is assumed to be approximately £0.8m per annum.

Based on experience elsewhere it is considered that the preferred scenario has the potential to be implemented in three years to implement, becoming operational in 2023/24.

7 Measures for success

The following measures have been identified to assess the success of WPL in Birmingham:

- Deliver a scheme that reduces the number of workplace parking spaces in the city centre;
- Contribute to managing congestion particularly at peak times;
- Delivery of schemes which make the city centre more attractive for sustainable travel, improve connectivity and compliment the transport schemes delivered through the Clean Air Zone. The package of schemes that are proposed to benefit from WPL funding contributions, is as follows:
 - Metro Expansion to East Birmingham;
 - Pedestrianisation of the city centre and Moor Street;
 - Snow Hill Growth Strategy including transformation of the A38 and investment in public transport;
 - Cycle routes and canal improvements; and
 - Travel demand management (behavioural change activities to enable sustainable travel).
- Providing ongoing financial contributions towards other schemes which support and accelerate the delivery of the objectives outlined in the Birmingham Transport Plan;
- General acceptability;
- Mode shift to public transport, walking and cycling; and
- Employer compliance with the terms of WPL.
- These measures can be refined during the next stage of WPL development, set out in **Section 12**.

8 Constraints of the scheme

Table 8.1 below outlines the key constraints and risks of implementing a WPL along with the proposed mitigation measure to minimise these, based on experience from elsewhere in particularly Nottingham.

Table 8.1 Constraints of the scheme

Possible risks/ constraints	Proposed mitigation
Adverse impact on businesses	Engagement with business. Acceptable charge level and proper consideration of exemptions and discounts
Insufficient impact on congestion and air quality in comparison to identified impact on employers and employees	Balancing level of charge and other provisions impacts on these groups, including vulnerable groups
Lack of basic information on parking numbers and types	Undertake comprehensive parking survey
Limited number of other examples of WPL in operation	Learn as much as possible from existing examples
Unacceptable level of opposition to WPL	Extensive communications and engagement programme as well as formal consultation. Demonstrate that views are being listened to and acted on.
Employers act to reduce number of spaces quicker than expected leading to reduced revenue	Build in risk management to revenue plans to cover this
Potential for legal challenge	Comprehensive and thorough research, appraisal and scheme preparation work programme, with proper governance

9 Inter-dependencies

9.1 Legal requirements

The Transport Act 2000 Part III sets out the legal framework for a charging scheme. Chapter two of the Act sets out specific legislation for a WPL scheme including the process for implementing a scheme and things that should be considered within the scheme. Schedule 12 sets out the financial provision of charging schemes such as the WPL. The Act requires any surplus proceeds from the WPL scheme to be spent on relevant measures that facilitate the achievement of local transport objectives.

The Workplace Parking Levy (England) Regulations 2009 came into force on 1 October 2009 to enable enforcement of workplace parking levy schemes in relation to Part III, Chapter two of the Transport Act 2000. The regulations set out some of the arrangements for WPL. In particular they provide for:

- Exemptions from the requirement to have a scheme order confirmed;
- Liability to pay licence charges;
- The setting of penalty charge rates; and
- The adjudication of appeals.

The relevant sections of the Transport Act 2000, Nottingham scheme order and WPL Regulations 2009 can be seen in **Annex A** through to **Annex C**.

9.2 Clean Air Zone

The WPL is closely linked with supporting the delivery of the Birmingham CAZ complementary measures. If the delivery of Birmingham's CAZ is not fulfilled this will impact upon the WPL scheme as a proportion of the revenue generated by WPL is likely to be allocated to providing an element of the local contribution towards the CAZ complementary schemes set out in **Section 7**. In the event that these complementary schemes are delayed or even abandoned, there will be a need to amend the justification of the WPL scheme.

9.3 Additional City Council Parking Proposals

The Birmingham Transport Plan outlines further measures to support the management of parking, particularly in the city centre. This includes the introduction of Controlled Parking Zones (CPZ's) to restrict and manage on-street parking. As part of the CAZ, CPZ's will be delivered inside the A4540 Middleway with the aim to better manage long-stay/ commuter parking whilst providing provision for residents and loading activities within the CPZ's in the short to medium term. This will move parking from on-street locations into off-street facilities. Looking further ahead, the long term goal is to reduce overall parking demand through modal shift and travel behaviour change. These measures will compliment WPL as they will remove free on-street parking within the boundary of the proposed WPL scheme and therefore minimise the potential displacement of workplace parking to unrestricted, on-street parking.

10 Revenue Plan

A list of potential schemes that the WPL could contribute towards is provided in **Table 10.1**. These schemes, which have been identified by senior BCC officers, have been aligned with the Birmingham Transport Plan, Parking SPD and the wider climate change/sustainability agenda.

Table 10.1 Potential schemes WPL could fund

Theme	Scheme
City centre	<ul style="list-style-type: none"> • City centre public realm and access improvements • Ring Road improvements • Snow Hill Growth Strategy: <ul style="list-style-type: none"> ○ Snow Hill Station Regeneration ○ A38 enhancement
Sustainable travel	<ul style="list-style-type: none"> • Metro extensions to East Birmingham • Travel demand management (behavioural change activities to enable sustainable travel) • Bus priority measures including traffic cells • Rail: <ul style="list-style-type: none"> ○ Bordesley chords ○ Midlands Rail Hub (Moor Street) • Improvements to cycle network • Improvements to walking network • Park and Ride

11 Stakeholder engagement

At this stage of the project there has been no engagement with stakeholders regarding WPL. However, in the next stages extensive stakeholder engagement will be carried out, informal engagement and formal consultation being critical to the success of WPL.

11.1 Informal consultation and engagement

The first step should be a pre-engagement stage with a wide range of stakeholders, in order to get their views and if possible, support, for the objectives and indicative proposals. These stakeholders will principally be employers, but also includes developers, interest groups, adjacent boroughs and councils and the wider public. This will also help tease out issues that will better prepare a scheme going into public consultation.

The development of the scheme will be an iterative process and this informal consultation stage may need to continue throughout the development of the WPL scheme and in parallel to the formal consultation stage. It is critical to build understanding and ideally support from potentially affected businesses.

To help build the support needed, the proposals should be presented and marketed as an integrated transport improvement programme.

A communications and consultation strategy should be put in place which sets out:

- Aims and objectives - this should outline what the council is ultimately trying to achieve;
- Key messages - this should highlight the transport benefits of the scheme;
- Resources – this should explain what resources are needed and for what purpose; and
- Approach – this should set out the overall communications and consultation approach and how support will be built.

11.2 Formal consultation

The formal consultation stage is required when the details of the WPL scheme are available, normally after the scheme order and business case have been produced and agreed by the council. The formal stage should be a balanced communication of the facts and assessments of the whole transport package including WPL.

As part of the formal consultation, the authority would be expected to publish:

- Proposed transport programme that the WPL contributes to, and an explanation of how the WPL contributes;
- Draft WPL Scheme Order;
- Assessment of impacts (equalities, economic, environmental, business and health) and regulatory assessment (if required);
- Option identification and appraisal in two stages, firstly considering what funding mechanisms are available and why WPL is the preferred option (noting that it may be one funding stream among others); and secondly considering different WPL options (such as different boundaries, for example); and
- Approach to operations and enforcement.

Existing good practice suggests a formal consultation period of at least 12 weeks would be needed.

A consultation report summarising these processes and providing further evidence that the promoting authority has taken note of objections, answered them and included mitigations where appropriate must be submitted in the package of documents required for SoS approval.

A public inquiry could be held if the authority wishes.

12 Next Steps

The next steps are to develop a Full Business Case (FBC), which will require BCC to:

- Identify project governance and budget for preparation of WPL;
- Undertake a comprehensive workplace parking survey;
- Develop a communications/ consultation strategy;
- Begin informal engagement with employers and other key stakeholders; and
- Prepare the WPL Full Business Case including option refinement and appraisal, impacts and operational principles.