



Rural Economy and Connectivity Committee

SCDI consultation response

Workplace Parking Levy

The Scottish Council for Development and Industry (SCDI) is Scotland's Economic and Social Forum. We are an independent and inclusive economic development network representing all sectors and all geographies of the Scottish economy. Our mission is to convene our members, partners and stakeholders across the private, public and third sectors to deliver inclusive and sustainable economic growth for Scotland.

For more information on this consultation response, or to engage on any other issue, please contact the SCDI Policy Team:

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Workplace Parking Levy

1. Should Scottish local authorities have the power to introduce a workplace parking levy within their area?

SCDI agrees that Scottish local authorities should have the power to introduce a Workplace Parking Levy. We do not believe that such a levy will be appropriate in every area. Any proposal should be based on wide consultation with employers and careful planning. The purpose of any such levy should be accelerating modal shift; supporting investment in public transport infrastructure; and delivering related economic, environmental and health benefits. The anticipated outcomes of such a levy will not be realised by implementation alone, but only through an integrated place-based strategy.

2. Why do you think Scottish local authorities should have the power to introduce a workplace parking levy? Key arguments made by supporters of the workplace parking levy are listed below – with which do you agree?

- | | |
|--|-------|
| • It will help reduce traffic congestion | AGREE |
| • It will help local air pollution | AGREE |
| • It will help reduce greenhouse gas emissions | AGREE |
| • It will provide funds to help improve sustainable and active travel facilities | AGREE |
| • It will encourage car commuters to switch to walking, cycling, bus or rail | AGREE |
| • Other(s) (please specify) | N/A |

3. Do you have any other comments about the Workplace Parking Levy proposals?

SCDI's Connectivity Commission published a report last year, [Scotland's Big Mo: Inclusive Growth, Industrial Strategy and the Future of Mobility](#) (2018), which found that connectivity, for people and for freight, is changing globally. Over the next decade, it is likely to be transformed at an accelerating rate. In transport, digital technologies are expected to significantly alter the demand for services and the way in which they operate – with opportunities and risks for connectivity, capacity, congestion and integration. This could, in turn, lead to a wide range of changes for our economy, society and environment, both positive and negative, including where we live and in how we access employment, services and amenities.

Addressing the issue of investment funding and how this could be generated from government agencies, funders and industry will be critical going forward, as the dynamics of the required infrastructure and the business models for delivery and use of that infrastructure evolves. The Scottish Government needs to act as a focal point to establish and implement new ways of funding road and rail infrastructure, including the digital and energy infrastructure to support Connected and Autonomous Vehicles and [Mobility as a Service \(MaaS\)](#), to meet the new investment demands as well as offset the potential offset loss of revenue from Fuel Duty. There is also the

potential that the pay as you go and dynamic pricing systems that will underpin MaaS will generate revenue streams which can be effectively captured and utilised. SCDI was also a member of the Glasgow Connectivity Commission, which recently published a report – [*Connecting Glasgow: Creating an Inclusive, Thriving, Liveable Cities*](#) (2019) – which highlighted funding issues and a range of options for transport investment.

Evidence from Nottingham, the only UK city to implement such a levy to date, suggests that it has delivered reduced levels of congestion and pollution; increased investment in public transport infrastructure; and higher levels of public transport use. There remain significant issues with congestion in Scotland in some of the UK's worst congestion hotspots. There has also been a lack of behavioural change and modal shift over recent years, with single-person car journeys remaining relatively static as a proportion of overall journeys.

Scottish local authorities also face particularly serious fiscal challenges in funding transport services and infrastructure. Levy revenue should be focused for investment in transport policies, programmes or projects. The issue of a Workplace Parking Levy highlights the need for a wider conversation about the future of funding for transport, recognising the projected decline in revenues from Vehicle Excise Duty and Fuel Duty, and the need to tackle challenges such as climate change, demographic change and inclusive economic growth.

Nevertheless, it is appropriate that there is discretion for local authorities. A levy will not be appropriate in every area without public transport alternatives. Local authorities must be able to decide – after wide consultation and careful planning – whether to implement such a levy – and, if so, how such a levy is designed and applied – according to local socio-economic needs, priorities and circumstances.

If a Workplace Parking Levy is introduced it should not discriminate against either the private sector or the public sector. Encouraging and investing in modal shift in workplaces of all sectors will be required if the anticipated outcomes are to be realised.