**EXECUTIVE BOARD - 18th DECEMBER 2007**

<table>
<thead>
<tr>
<th>Title of paper:</th>
<th>Workplace Parking Levy (WPL)</th>
<th>Key Decision: YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Officer(s):</td>
<td>Barry Horne, Corporate Director Environment &amp; Regeneration</td>
<td>Wards affected: ALL</td>
</tr>
<tr>
<td>Portfolio Holder(s):</td>
<td>Councillor Brian Parbutt Portfolio Holder for Transport, Economic Development and Skills</td>
<td>Date of consultation with Portfolio Holder(s): 19th November 2007</td>
</tr>
<tr>
<td>Contact Officer(s):</td>
<td>Barry Horne</td>
<td></td>
</tr>
</tbody>
</table>

**Summary of issues raised:**
This report sets out proposals for a decision in principle to introduce a Workplace Parking Levy (“WPL”) scheme in Nottingham from April 2010, having considered the results of recent public consultation on WPL (including a public examination).

**Summary of recommendations:**
- Note the rationale behind and the effects and benefits of the WPL scheme and the scheme proposals as published for public consultation.
- Recognise the wide and substantial participation in the public consultation process and note the officers’ considered responses to the representations received.
- Agree to accept 17 of the Examiner’s recommendations.
- Determine the Council’s position with respect to the Examiner’s remaining 3 recommendations.
- Agree, in the light of public consultation, to proceed in principle with a WPL scheme, to come into force in April 2010, with its proceeds being used for NET Phase Two, Link buses and Nottingham Station improvements.
- Authorise the necessary further preparatory work required to achieve the above, including any further targeted consultation deemed necessary.
- Delegate authority to the Portfolio Holder for Transport, Economic Development and Skills to make any adjustments to the scheme, or scheme order, prior to the WPL Order being submitted to the Full Council for approval before it is formally made.
- Approve the funding arrangements

**Summary of Implications:**
Approval of the recommendations will enable the WPL programme to progress to meet a 2010 implementation timeline and will enable the City Council further to demonstrate its commitment to providing its share of the required 25% local contribution towards the cost of NET Phase Two.

**Impact on corporate objectives:**
The introduction of a WPL scheme would directly and indirectly reduce the growth in congestion and provide a revenue stream to deliver public transport improvements, which directly contributes towards the Corporate Objective - to increase the use of public transport.

**Benefits to customers/service users:**
The WPL package would indirectly and directly reduce the growth in congestion and deliver high quality sustainable public transport, which offers a realistic alternative to the use of private cars.
1 **KEY DECISION**
This matter is the subject of a key decision because it will have significant effect on communities living or working in an area compromising two or more wards in the City.

2 **RECOMMENDATIONS**
The Executive Board is recommended to:

2.1 Note the rationale behind and the effects and benefits of the WPL scheme and the scheme proposals as published for public consultation, as set out in (a) this report, (b) the appended documents and (c) documents previously published by the Council in connection with the public consultation exercise and the public examination and referred to in the appended documents.

2.2 Recognise the wide and substantial participation in the public consultation process and note the officers’ considered responses to the representations received (paragraph 5.2 and Appendix C).

2.3 Agree to accept 17 of the Examiner’s 20 recommendations, (paragraph 6.4).

2.4 Determine the Council’s position with respect to the Examiner’s remaining 3 recommendations, (paragraph 6.6, 6.7, 6.8)

2.5 Agree, in the light of public consultation, to proceed in principle with a WPL scheme, to come into force in April 2010, with its proceeds being used for NET Phase Two, Link buses and Nottingham Station improvements.

2.6 Authorise the necessary further preparatory work required to achieve the above, including any further targeted consultation deemed necessary.

2.7 Delegate authority to the Portfolio Holder for Transport, Economic Development and Skills to make any adjustments to the scheme, or scheme order, prior to the WPL Order being submitted to the Full Council for approval before it is formally made.

2.8 Approve the funding arrangements set out in section 9.

3 **REASONS FOR RECOMMENDATIONS**

3.1 Approval of the recommendations is necessary if the WPL scheme is to proceed and to a 2010 implementation date, which in turn will provide the necessary funding stream for local public transport improvements including NET Phase Two.

4 **BACKGROUND**

4.1 Nottingham is growing; more than £1 billion of public and private funds are being invested, which in turn is leading to increased traffic volumes and spreading of the peak traffic periods thus creating longer periods of congestion. A recent East Midlands Development Agency report put the cost of congestion to the Nottingham economy at around £160 million per annum.

4.2 To maintain and further enhance the economic vitality of the City, Nottingham needs to increase the capacity of its transport networks. Because of Nottingham’s geography and historical constraints, the opportunities to develop new roads or alter existing ones are limited and would not be sustainable. Fundamental to the development of the Local Transport Plan (LTP), therefore, is delivery of enhanced and integrated public transport infrastructure supported by a need to reduce car dependency.

4.3 People who drive to work and enjoy free parking account for a significant proportion of road users, contributing, especially in the peak periods, to congestion that affects both individuals and companies in lengthening travel and delivery times and increasing unreliability. The City Council considers that the decision to drive to work is influenced by the availability of free or relatively cheap workplace parking.
4.4 The Council has progressively increased parking charges for both on street and off street parking in the city centre to discourage all day commuter parking. The introduction of a WPL scheme would be seen as a logical extension to this parking policy.

4.5 The City Council agreed in principle to consider a WPL scheme in July 2000. Since then the WPL scheme has featured in the previous and current LTP.

4.6 The proposal is to implement a scheme that, through charging for the use of workplace parking, encourages employers to manage their workplace parking spaces and influence employee behaviour through the adoption of company travel plans.

4.7 The aim of a WPL is to place a modest charge upon the use of parking spaces, to encourage employers to manage and potentially reduce the amount of free workplace parking spaces, and promote the use of alternative modes of transport. It also provides local authorities with a source of revenue for funding a step change in the provision of public transport infrastructure and service provision.

4.8 In October 2006 the Department for Transport (DfT) gave programme entry approval to NET Phase Two and agreed to fund 75% of the costs of the scheme. The remaining 25% local contribution is expected to be predominantly funded by the WPL, should the WPL proceed. The DfT approval is based on a programme and related project cost estimates for a start of work in 2010. To meet this programme and to provide funding information to the NET Phase Two public inquiry, it was necessary to undertake a formal public consultation on the WPL scheme prior to the NET public inquiry to test the robustness of this source of the local contribution before the Council made a decision on whether to proceed with the WPL. Portfolio Holder approval for the WPL Public Consultation was granted in July 2007 (Portfolio Holder Decision 386).

4.9 The scheme, proposed for public consultation, comprised of the following components:

- There would be a City wide charge;
- All organisations providing workplace parking would require a licence; and
- There would be charging exemptions for disabled spaces, customer parking and emergency and NHS frontline services, parking at employers with 10 or less liable parking spaces, fleet vehicle spaces, loading / unloading only spaces and powered two wheel vehicles.

The charging exemption for organisations providing 10 or less liable parking spaces within the City, would mean that over 3,000 small employers would not pay any charge. Around 500 larger employers would have to pay the charge. Schools and other educational establishments with more than 10 liable spaces would be charged.

4.10 It was proposed that if it proceeded, the WPL would be introduced in 2010 at £185 per space per annum, increasing by stages to £350 in 2014. Further years’ increases would be restricted to annual inflation only. These figures are in line with projections for the charge in previous consultations plus inflation. The proposed annual increases during the first 5 years would reflect the phased introduction of improved public transport provision facilitated by the WPL – initially more Link buses and better integrated bus services, ticketing and information, then NET Phase Two and Nottingham Station improvements.

4.11 The WPL public consultation itself ran for just over 12 weeks from 16 July to 12 October. It included direct mailings to all businesses and residents within the City Council's administrative boundary as well as over 300 other key stakeholders and
widespread publicity. (More detailed information on the public consultation is available in Appendix A).

4.12 The consultation process also included a week long Public Examination of the WPL proposals, which was chaired by an independent Examiner.

4.13 In September the Regeneration, Infrastructure and Sustainability Standing Panel reviewed a report on the WPL scheme proposals. The Panel’s views and officers’ response to these are contained in Appendix F.

5 Public consultation

5.1 A total of 2,485 representations were received during the WPL public consultation period; of these 959 (38.6%) were received from city residents, 1,237 (49.8%) from non-city residents, 101 (4.1%) from businesses, 57 (2.3%) from various organisational bodies and 131 (5.2%) from unknown sources.

5.2 Of the representations received from within the City Council area 68% put forward a statement of support for the WPL Scheme and 30% a statement of objection; across all representations (i.e. including from outside the City Council area), 42.8% support and 54.8% object. A further summary analysis of the representations can be found in Appendix B.

5.3 Each representation was reviewed and all the relevant issues raised were identified and recorded within the WPL consultation database. The comments could be grouped into 81 common issues which centred around 19 themes. These are presented in Appendix C together with officers’ responses.

5.4 A number of challenges were identified through the public consultation process including the additional costs to businesses, the impact on commuters travelling outside of peak times and the equity of the scheme. However there was also a widespread view that public transport is important and that there is a need for further improvements as reflected further in paragraph 6.3 below.

6 Public Examination

6.1 Whilst not legally required, the WPL Public Examination was proposed and held by the Council to encourage and enhance public participation in the consultation exercise and to allow for independent scrutiny of the proposals. It was intended to be a structured debate rather than being an adversarial hearing and was conducted in a relatively informal manner designed to create the right atmosphere for discussion.

6.2 The independent Examiner has since produced a report on the scheme proposals (see Appendix D), which is structured, in line with the terms of reference, to assess whether the scheme has the potential to meet its objectives, to identify specific weaknesses, risks and alternatives to the scheme and to make recommendations.

6.3 The Examiner stated in his report that ‘the WPL scheme has the potential to deliver the public transport benefits to Nottingham through expenditure on LTP projects, including NET Phase Two. It would probably have a very small direct effect on growth in traffic congestion, and a somewhat larger indirect effect through its support of public transport improvements’. He also suggested that Road User Charging, as an alternative option, should continue to be considered and investigated. He then identified a number of weaknesses and risks that led to him proposing 20 recommendations.
6.4 Having given the report thorough consideration, officer recommendation is that 17 of the Examiner’s recommendations should be accepted and where necessary further work be undertaken in respect of them as part of ongoing scheme development (see Appendix E).

6.5 It should be noted that the majority of these recommendations had already been identified by the Council and were planned to be delivered as part of the original scheme implementation.

6.6 Members’ direction is sought on the Examiner’s remaining 3 recommendations:

6.7 **RECOMMENDATION 9.1:** that at fire, police and health premises with more than 10 liable spaces the Council should discount only parking places for emergency service vehicles and disabled persons’ vehicles.

In addition to the Examiner’s recommendation, 32 consultees also questioned why this group should escape charging when other key service personnel such as public transport operators and teachers would not.

It should be noted that if this recommendation were pursued, an additional 3,900 parking spaces would be included within the scheme (based on OSPA 2005 data). The majority of emergency vehicles would not be charged as they would fall under the current ‘fleet’ vehicle exemption - vehicles that are not used for commuting purposes.

In order to incorporate these changes to the scheme, additional consultation with the directly affected organisations would be required, as well as further liaison with the Department for Transport.

6.8 **RECOMMENDATION 9.3:** that a 100% discount should be given for the first 10 spaces in every case.

Contained within the literature circulated as part of the public consultation, consultees were clearly asked for their opinion on a number of operational variations. One of these was the minimum number of spaces before the charge became payable.

While 5 respondents suggested that the first 10 spaces should be exempt within their written representations, 29 either questioned why small businesses should receive a discount at all or specifically suggested that all businesses should be included within the scheme and therefore all car parking spaces charged.

If this recommendation was pursued it would effectively remove 6,000 liable parking spaces from the scheme. This would result in an increase in the charge for liable spaces in order to meet the targeted amount of revenue required.

In order to incorporate this change to the scheme, additional consultation may be required, as well as further liaison with the Department for Transport.

6.9 **RECOMMENDATION 8.5:** that [the Council] should hold talks with Government and seek answers to the questions about NET Phase Two [why the opening date of 2013 is critical; whether the starting date could be deferred; what would be the consequences of any delay].

The development programme for NET Phase Two has a target operational commencement date, agreed with the Government, of 2013. Significant slippage
would mean a very real risk of the funds being allocated elsewhere, with no guarantee of the schemes reinstatement in the programme at a later date. Any delays to this date will impact on the project’s affordability and defer the delivery of benefits that the tram extensions will bring.

A delay will also result in further uncertainty about the proposed tramline extensions, which will cause uncertainty for those communities who will be affected by them.

7 TIMESCALE FOR IMPLEMENTATION OF PROPOSALS

7.1 If the Board decides that WPL should proceed, future timescales are as follows:
   - Further scheme development including development of detailed operational and enforcement requirements – Spring 2008
   - Further “mini consultation” (if required) on any changes to the detail of the WPL scheme – Spring 2008
   - Submit WPL scheme order to Full Council – Summer 2008
   - WPL order made by NCC and application for Department for Transport confirmation – Summer 2008
   - Implementation of the scheme – Autumn 2008 – April 2010
   - Scheme becomes operational – April 2010

8 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

8.1 As part of the development of the Draft Business Case an Options Appraisal was undertaken to look at alternatives to the WPL scheme. These alternatives included Road User Charging (RUC), core business rate retention, supplementary business rates, increasing council taxes and sale of Council assets. These were all assessed against the scheme’s success criteria (as set out in the WPL Draft Business Case) and none of these was able to meet the criteria.

8.2 The alternative options have been considered again in the light of consultees’ representations, and the detailed investigation that this topic received at the Public Examination. It remains the view of officers that there is no suitable alternative to WPL that will meet Council’s objectives in the timescales involved.

8.3 With regard to RUC, this option will continue to be considered through the Council’s involvement in the investigation of implementing a RUC scheme through the Transport Innovation Fund, jointly with Nottinghamshire County Council and the cities and counties of Leicester and Derby. The relationship between this work and the WPL scheme will be monitored as both programmes develop.

9 FINANCIAL IMPLICATIONS

9.1 Portfolio Holder approval for developing the Workplace Parking Levy proposals in 2007/08 was received on 13 August 2007 (Portfolio Holder Decision 397), with the costs to be met from the WPL reserve created for that purpose. The estimated cost of works up to the completion of the Public Examination phase was estimated at £650,000.

9.2 The total cost of developing the scheme to March 2008, as detailed in the report, is now estimated to be £990,000:-
<table>
<thead>
<tr>
<th>Expenditure</th>
<th>£’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary costs</td>
<td>30</td>
</tr>
<tr>
<td>Direct costs (including public examination)</td>
<td>118</td>
</tr>
<tr>
<td>Advisor fees</td>
<td></td>
</tr>
<tr>
<td>- project management</td>
<td>287</td>
</tr>
<tr>
<td>- legal</td>
<td>344</td>
</tr>
<tr>
<td>- economic &amp; transport modelling</td>
<td>116</td>
</tr>
<tr>
<td>- financial modelling</td>
<td>65</td>
</tr>
<tr>
<td>- other</td>
<td>20</td>
</tr>
<tr>
<td>Internal fees</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>990</strong></td>
</tr>
</tbody>
</table>

9.3 Within the City Council’s current balance sheet is an earmarked reserve created to meet future projected shortfalls in the funding of the NET Line One Private Finance Initiative (PFI) contract. At 1 April 2007 the balance of this fund was £3,181,000. As a consequence of changes to the profile of PFI grant payments from central Government, and a delay to the start of availability payments to the concessionaire, it is now considered that this fund balance will not be needed for Net Line One and is available for other purposes. Portfolio Holder Decision 397 enabled £450,000 to be transferred to supplement the existing £200,000 provision for Workplace Parking Levy development costs.

9.4 In order to finance the additional expenditure in 2007/08, it is now proposed to transfer a further £340,000 into the WPL reserve from the NET Line One fund balance.

9.5 Following the development of detailed operational and enforcement requirements and the results of any additional consultation exercise, a further report will be required, to identify the costs (and resources) to progress WPL through to scheme commencement in 2010.

10 **VALUE FOR MONEY**

10.1 The Value for Money of the package of the levy (direct impacts) and levy-funded transport schemes (indirect impacts) is based on consideration of the quantified cost: benefit analysis and performance against the wider New Approach To Appraisal (NATA) elements as set out in DfT guidance. With a monetised benefit to cost ratio of 2.7 using a 20% ‘optimism bias’ premium, the levy package can be placed firmly in the High Value for Money category used by Government in considering transport investment proposals. The additional non-monetised benefits of the proposals, in terms of wider economic benefits and improved accessibility and integration further strengthens and confirms the placement of the package in the High Value for Money category.

11 **LEGAL IMPLICATIONS**

11.1 The Transport Act 2000 provides powers to local authorities to introduce WPL schemes. The scheme must be set out in a WPL Order made by the local authority. Confirmation of a WPL Order must then be obtained from the Secretary of State for Transport before a WPL scheme can commence.

11.2 The WPL legislative scheme must be completed before any WPL scheme can commence. This requires the issuing of WPL Regulations by the Secretary of State for
Transport. Officers are in ongoing negotiations with the Department for Transport to identify the requirements for the WPL Regulations and to ensure that timing of the WPL Regulations supports the City Council’s project timescales.

12 **RISK MANAGEMENT ISSUES**
12.1 The WPL scheme is being developed utilising a comprehensive risk management strategy. A full risk register is in place and is actively managed and monitored in line with the WPL Project Plan.

13 **CRIME AND DISORDER ACT IMPLICATIONS**
13.1 An umbrella partnership was formed in 2004 called ‘Respect for Transport’ which includes Nottingham City Council, Nottinghamshire County Council, NCT, NET, JC Decaux (shelter provision company), Nottinghamshire Police and the Greater Nottingham Transport Partnership/Big Wheel. Its goal is to jointly develop and promote safe and sociable behaviour on public transport.

13.2 The WPL will provide funding to improve bus infrastructure which will contribute towards this goal.

14 **EQUALITY AND DIVERSITY IMPLICATIONS**
14.1 The scheme has undergone a consultation to engage with the public, employers and a range of stakeholder organisations. Consideration of the issue raised during the consultation exercise has included the potential impact of the scheme on specific groups.

14.2 It is also proposed that parking places occupied by disabled persons’ vehicles will be exempt from the WPL.

15 **LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION**
15.1 NCC Responses to the Public Consultation
15.2 Public Examination Topic Papers (1 to 5)
15.3 WPL Draft Business Case and Appendices

16 **PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**
16.1 Portfolio Holder Decision 386 and 397

**CHIEF OFFICER:** Barry Horne, Corporate Director, Environment & Regeneration

**CONTACT OFFICER:** Pat Armstrong (0115 9156713), Jason Gooding (0115 9156608) and Bryn Edwards (0115 9156456)
Floor 4 ½, Lawrence House, Talbot Street, Nottingham
1. Introduction

This document provides a detailed description of the consultation activities undertaken by Nottingham City Council during formal public consultation on the proposed Nottingham City Workplace Parking Levy (WPL) scheme.

Public consultation on the WPL scheme ran for just over 12 weeks from 16th July to 12th October. The consultation activities carried out during this period were specifically designed so that the appropriate stakeholder groups were suitably informed for them to participate in the consultation process and to comply with local and national guidance on public consultation (see section 4).

2. Public Consultation Schedule

<table>
<thead>
<tr>
<th></th>
<th>12-week public consultation exercise – two strands:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a) Submission of Written Reps</td>
</tr>
<tr>
<td></td>
<td>(b) WPL Public Examination</td>
</tr>
<tr>
<td>W/c 16 Jul (Week 1)</td>
<td>Written representations received during the first 7 weeks were logged by Council officers in a database that identified the representor and the key points made. Consultees were asked at the outset to indicate whether or not they wished (if so invited by the Chair) to make submissions at the Public Examination. The Council provided the Chair of the Public Examination with copies of all representations received by Friday 31 August 2007, and a summary of the issues raised (note that later representations received in the build up to the Public Examination were also submitted to the Chair).</td>
</tr>
<tr>
<td>W/c 23 Jul (Week 2)</td>
<td></td>
</tr>
<tr>
<td>W/c 30 Jul (Week 3)</td>
<td></td>
</tr>
<tr>
<td>W/c 6 Aug (Week 4)</td>
<td></td>
</tr>
<tr>
<td>W/c 13 Aug (Week 5)</td>
<td></td>
</tr>
<tr>
<td>W/c 20 Aug (Week 6)</td>
<td></td>
</tr>
<tr>
<td>W/c 27 Aug (Week 7)</td>
<td></td>
</tr>
<tr>
<td>W/c 3 Sep (Week 8)</td>
<td>The Chair identified the list of issues for the Public Examination, and the consultees he wanted to invite and hear from in respect of each issue.</td>
</tr>
<tr>
<td>W/c 10 Sep (Week 9)</td>
<td>The Chair published the list of issues and invited consultees to participate.</td>
</tr>
<tr>
<td>W/c 17 Sep (Week 10)</td>
<td>On 21 September the Council provided the Chair its written response to consultees’ written representations.</td>
</tr>
<tr>
<td>W/c 24 Sep (Week 11)</td>
<td>A pre-Public Examination meeting was held on Monday 24 September 2007.</td>
</tr>
<tr>
<td>W/c 1 Oct (Week 12)</td>
<td>5-day Public Examination</td>
</tr>
<tr>
<td>W/e 12 Oct</td>
<td>Consultation ended</td>
</tr>
<tr>
<td>8 Oct – 30 Nov</td>
<td>The Chair wrote his report on the Public Examination.</td>
</tr>
<tr>
<td>Dec</td>
<td>The Council produced its report on WPL consultation</td>
</tr>
</tbody>
</table>
3. WPL Scheme Information

The following information about the WPL Scheme was made available as part of the public consultation exercise:

**Business Case**

A draft business case was produced to specify the details and impacts of the proposed WPL Scheme for public consultation. The draft WPL order (including the draft WPL scheme) was included as an appendix to the draft business case.

The draft business case was made available via the website (see below), at libraries and at principle offices of the Council.

**Website**

A specific website ([www.nottinghamwpl.com](http://www.nottinghamwpl.com)) was created. The website featured the following specific information about the scheme:

- Background information
- How the scheme would work
- Impact on employers
- Impact on employees
- Impact on residents
- Draft Business Case
- Frequently asked questions

In addition the website provided details about the public consultation and the public examination. Members of the public and businesses were able to submit representations via the website.

All the documentation produced in relation to the WPL Scheme and the public consultation, including the draft WPL business case and appendices, were made available to download from the website.

**Hotline**

A dedicated telephone hotline was manned during office hours throughout the consultation period. The purpose of the hotline was to handle requests for information and to answer any basic queries. The local Nottingham number was publicised on the WPL website.

**Employer Leaflets and Business Arrow**

An 8-page leaflet, outlining the details of the proposed WPL Scheme, was written specifically for Nottingham employers. 9,700 copies were sent, with a formal consultation letter to businesses within the Nottingham City Council administrative area. This was distributed on the 17th July.
Employers were referred to the WPL website and the hotline for further information.

The contents of the leaflet also featured in the Nottingham City Council’s business publication “the Business Arrow”, with 9,700 copies distributed on the 1st August.

In addition to this the employers leaflets were also distributed by hand during the first week of the consultation to all multiple occupancy sites within the city centre as some of these occupiers may not have been included within the initial direct mailing.

Large print and Braille versions were created, as well as audio tapes of the employer leaflets, however none of these were requested.

Residents leaflets
A 4-page leaflet, outlining the details of the proposed WPL Scheme was written specifically for Nottingham residents. 113,500 copies were distributed within the City Council’s monthly resident publication “the Arrow”. Distribution began on the 18th July. Residents were referred to the WPL website and the hotline for further information.

Large print and Braille versions were created, as well as audio tapes of the residents leaflets, however none of these were requested.

Other Key Consultees
300 CD-ROM’s containing the draft business case, appendices and supporting documents were produced and distributed by post to the key stakeholder groups. These included both local and national bodies including:

- Neighbouring Local Authorities and Core Cities
- Emergency Services
- Business and Transport organisations
- Public Transport Operator and User organisations
- Local Government organisations
- Development and Utility agencies
- Education and Healthcare bodies
- Environmental groups
- Trade Unions
- Disability, Faith, Charity, Community and Minority groups

4. Public Consultation Advertising and Communications

To ensure the public consultation adhered to the latest local and national guidance, several documents were used to ensure the right stakeholder groups were identified
and the most appropriate method was used to communicate to these groups. The following documents were used:

i. Nottingham City Council “Consultation Toolkit – June 2006”
ii. CFIT “A Guide to Local Authority Consultation with the Motorist - 2001”
iii. Cabinet Office “Code of Practice on Consultation – January 2004”

Utilising the recommendations contained within these documents the following specific groups were identified:

a. residents
b. employers
c. other key stakeholders
d. those that regularly enter the area
e. those that maybe affected by the scheme
f. Public transport users

Below is listed the advertising and communications activities that were undertaken to inform these groups.

**Poster Campaign**

A poster campaign was deployed to advertise the public consultation. All posters invited people to visit the website for more information and submit a representation.

Each advertising location was chosen to inform a specific group. The locations were:

**Bus shelters**

1750mm x 1185mm sized posters were positioned on the inside and outside of 25 bus shelters. The bus shelter advertising was expected to reach 80% of the population of the city plus 77% of the population of the suburbs.

The bus shelter advertising campaign ran from 31\textsuperscript{st} July for 2 weeks.

**City Information Points**

1750mm x 1185mm sized posters were positioned in 14 City Information Points, which are freestanding poster display units. The City Information Points were expected to reach 80% of the population.

The City Information Point advertising campaign ran from 31\textsuperscript{st} July for 2 weeks.
**Tram Advertising**

1525mm x 500m sized posters were positioned inside 30 NET Line One Trams.

The Tram advertising campaign ran from 23rd July for 4 weeks.

**Bus Advertising**

1524mm x 510mm sized posters were positioned on the rear of 35 Nottingham City Transport buses and 660mm x 203mm posters were positioned inside 90 buses. The bus advertising campaign was expected to reach 60% of the population of the City of Nottingham.

The campaign ran from 31st July for 4 weeks.

**Train Station Advertising**

A 1750mm x 1185mm sized poster was positioned on the concourse of the Nottingham City Train Station.

The Train Station advertising campaign ran from 23rd July for 4 weeks.

**Radio Advertising**

A 30 second audio advert was recorded to inform people of the WPL Scheme and the public consultation. It also directed listeners to the website for further information and the opportunity to submit a representation.

The advert featured on three specific radio stations; the three radio stations were:

- Trent FM (with a potential listener group of 242,00)
- Heart FM (with a potential listener group of 257,000)
- Smooth FM (with a potential listener group of 159,000)

The radio advertising campaign ran from 23rd July for one week.

**Newspaper**

Full page adverts were placed in the Nottingham Evening Post on the 17th July (approx 60,000 circulation) and the Metro on the 17th July 2007. The advert informed people about the WPL Scheme and the public consultation. It also directed readers to the website for further information and the opportunity to submit a representation.
Media Activities

During the course of the public consultation the WPL Scheme featured in a number of radio and TV media articles. These included:

Local Level:
- Radio Nottingham ran a full week of transport-related items before the Public Examination covering the Big Day Out, explanation of WPL, news on the train station funding, how Nottingham transport compared (favourably) with Europe;
- Radio Nottingham carried items throughout the Public Examination Week, including an in-depth interview with Barry Horne at the conclusion of the hearing;
- Nottingham Evening Post ran a ‘for’ and ‘against’ page ahead of the Public Examination and covered each day of the Public Examination with balanced and non-inflammatory articles;
- Heart FM ran a feature on WPL on the 25th & 26th October;
- East Midlands Today ran a feature during the Public Examination week; and
- The Politics Show “BBCTV” ran a feature on congestion in the region and WPL, including contributions from Cllr Brian Parbutt in the studio on October 6th.

National Level:
- The Times published a factual article on WPL ahead of the public examination;
- Radio 1 Newsbeat ran a feature ahead of the Public Examination week;
- BBC Breakfast;
- Radio Five Live aired an interview ahead of the Public Examination; and
- Radio 4 “You & Yours”, aired a feature and a discussion in the studio.

Trade Media:
- Surveyor, Planning, Fleet Management, Employee Benefits and Local Transport Today magazines published an update on WPL in September/October;
- Transport Times published an article written in Barry Horne's name in their October issue; and
- MJ Magazine published an article on WPL, predominantly from the Chamber of Commerce point of view, followed by a letter from Councillor Jon Collins.
Stakeholder Engagement

Michel Frater wrote a letter of invitation to large Nottingham City employers to discuss the WPL scheme further in detail. The following employers took up this opportunity for a small group or one-to-one discussion:

- University of Nottingham;
- Nottingham Trent University;
- Notts & Derbys Chamber of Commerce;
- Experian;
- Boots;
- Imperial Tobacco;
- Capital One; and
- KPMG.

WPL specific meetings occurred during the consultation period. These included:

- A WPL presentation to the Greater Nottingham Transport Partnership - 9th August
- A meeting with Boots representatives - 13th August
- A meeting with Peter Stevenson of CBI - 17th August
- An open debate with the Federation of Small Businesses – 27th September

5. Response Management

The main objective of the WPL consultation team was to thoroughly and accurately analyse and record all the representations received during the consultation process.

A process was developed so that all the representations were received, recorded, reviewed and stored in a consistent manner.

A web based consultation response management system, PERCS, was also used to assist with the recording and reporting of representations during the consultation.

Representations were accepted via letter, email or the website. All of the representations received electronically were acknowledged with an automated reply whilst those who wrote in were sent an acknowledgement letter.
Each representation was recorded in PERCS including personal details, background information (e.g. support/objection/neutral etc.), and demographic information. Each representation received a unique reference number as part of this process.

The representation text was then reviewed and all relevant issues were identified. These were then coded under the relevant theme and sub-theme identified for the consultation, and subsequently recorded within PERCS.

An electronic copy of the coded representation was then uploaded onto the system and a hardcopy filed for reference.

This process continued throughout the consultation period.

Respondents were divided into 5 groups to enable more detailed analysis of the representations.

These groups consisted of:

- **Business** – businesses that responded from within the City of Nottingham administrative boundary.

- **Residents** – respondents who provided address details that were within the City of Nottingham administrative boundary. The administrative Ward for each resident was also recorded.

- **Non-NCC Residents** – respondents who provided address details that were outside of the City of Nottingham administrative boundary.

- **Other Key Stakeholders** – respondents from other significant bodies (e.g. educational establishments, charities, voluntary organisations, local and national interest groups).

- **Unknown** – respondents who did not provide any address details.

Further additional detailed information was also recorded if provided by the respondents to assist with the analysis of the consultation. This included:

- **Method** – how they responded (e.g. email, website, letter).

- **Ward** – what Ward each resident resided within.
• Source – how they were informed of the consultation (e.g. advertising, mailing etc).

• Type – did they object, support, neutral or mixed in their response.

• Sub type – was their response with reasons, without reasons, with caveats etc.

• Attend Public Exam – did they state whether they would like to attend the Public Examination (yes, no, not stated).

• Confidentiality – did they state that they wished their details to remain confidential (yes, no, not stated).

Coding
Each representation that was received as part of the public consultation was reviewed and all the relevant issues raised in this correspondence were identified and subsequently recorded within the PERCS WPL consultation database.

The comments could be grouped into 81 common issues which centred around 19 themes. (Listed in Annex I).

PERCS overview
The PERCS system was provided by a company called Land Aspects and is a tried and tested web based system which has been designed to manage large scale public consultations.

The system has the ability to store all related correspondence and facilitates the recording, management, reporting and communication of all data that relates to the consultation exercise.

6. Public Examination
The WPL Public Examination was held to encourage and enhance public participation in the consultation exercise and to allow for independent scrutiny of the proposals.

The WPL Public Examination was modelled on the statutory "Examination in Public" ("EiP") process. EiPs are used to provide an independent assessment of Regional Spatial Strategies, which set out planning policies for a particular region. The procedures at an EiP are much the same as those employed for the WPL Public
Examination, thus giving the Public Examination a greater degree of rigor and independence.

The Public Examination was intended to be a structured debate rather than being an adversarial hearing with parties set against each other. The “round table” discussion was conducted in a relatively informal manner designed to create the right atmosphere for discussion.

**Chair of the Public Examination**

An independent Chair for the Public Examination was supplied by the Planning Inspectorate. His terms of reference were made publicly available on the WPL website, where they continue to be available. A programme officer was recruited to act the point of contact for the Chair and to manage the administrative aspects of the Public Examination.

**Representations**

At the end of week 7 of the Public Consultation (31st August), the Chair was provided with all representations received at that stage so that he could begin to consider he issues he would select for debate and investigation at the Public Examination. Additionally a summary document, providing further analysis and highlighting major trends amongst all the representations, was provided to the Chair to aid his considerations.

The Chair was then given a week to consider the representations and identify a range of areas that would be discussed, and identify the consultees that he wished to invite to participate in the Public Examination. The areas of discussion were published by the programme officer on the WPL website on the 12th September.

Representations received during the period 1st – 21st Sept were also sent to the Chair to further assist identification of the key issues for investigation. Additionally those consultees that were invited to the Public Examination were given the opportunity to submit further details to expand on their representation if they felt it was necessary.

**Examiner’s topics for discussion and questions**

Following the consideration of the representations, the chair provided a list of questions that he wished the Council to answer ahead of the Public Examination (see Annex II). The questions were grouped into 5 specific topic areas, which provided the structure of the Public Examination. The topics were:
Nottingham City Council’s Response

The Council then wrote five individual topic specific response papers. The papers responded to the chair’s list of questions and generally stated the Council’s position in relation to each of the topic areas that would be discussed at the Public Examination.

The topic papers were submitted, along with all supporting reference documents, to the chair at the end of week 10 of the public consultation (21st September). The topic papers and all supporting reference documents were then made publicly available to download from the WPL website (and still continue to be available).

Public Examination

A pre-Public Examination meeting took place on 24th September. The purpose of the pre-meeting was to explain how issues would be handled and confirm which parties would be attending. The chair also put forward the finalised timetable for the Public Examination which was:

- Traffic Impacts of the WPL Scheme (All of Monday and Tuesday am)
- Economic Impacts of the WPL Scheme (Tuesday pm and All of Wednesday)
- Alternatives to the WPL Scheme (All of Thursday)
- Scope of the WPL Scheme (Friday am)
- Operational Issues of the WPL Scheme (Friday pm)

The 5-day Public Examination was held at the Britannia Hotel, Nottingham between the 1st and the 5th October 2007. Each day was divided into a morning session (10:00 to 12:30, with a ten minute break) and an afternoon session (13:30 to 16:30, with a ten minute break).

Having considered the Council’s topic specific response papers, the chair produced a document that listed what he felt were the key issues for discussion within each topic area (see Annex III). Within the document, the chair summarised the Council’s
response to each issue as he saw it, and, in some cases, posed further questions to open the debate and aid his understanding.

At the beginning of the week, the Council was given the opportunity by the Chair to deliver a 30 minute presentation outlining the WPL proposals. The Council was also given the opportunity to sum up the 5 days at the end of the Public Examination.

The debate for each issue began with the Chair reading aloud his summary and then opening the issue out for debate.

During the 5 days the Public Examination was attended by:

**Chairman**
- Brian Dodd, The Planning Inspectorate

**For the Council**
- Charles George QC, Counsel (representing Nottingham City Council)
- Barry Horne, Corporate Director of Environment & Regeneration,
- Chris Deas, Nottingham City Council
- Pat Armstrong, Nottingham City Council
- Grant Butterworth, Nottingham City Council
- David Carter, MVA Consulting
- Mark Ambler, PricewaterhouseCoopers
- Craig Pember, PricewaterhouseCoopers
- Charlotte Semp, Turner & Townsend
- Robbie Owen, Bircham Dyson Bell
- Tom Henderson, Bircham Dyson Bell

**Consultees**
- Simon Goodwin
- Noel de Saive, Jakob Gerhardt Fine Wines Ltd
- John Dowson, Derbys. & Notts Chamber of Commerce
- David Thornhill, Nottinghamshire Transport 2000
- Gordon Court
- Richard Leake
- Michael Brown
- David Binchy, Games Workshop
- James Fletcher, Games Workshop
- Roger Speakman, Imperial Tobacco Ltd
- Dean Hutchby, Cavalier Metal Works Ltd.
- Amanda Simpson
- Joan Middleton
- Peter Gibson, Alliance Boots Ltd.
- Dave King, Alliance Boots Ltd.
- Andy Godfrey, Alliance Boots Ltd
- Simon Boardman, Imperial Tobacco Ltd.
- Dave Armiger, Rushcliffe Bourgh Council
- Ann Critchley-Ward
- Jim Froggatt, East Midlands Transport Activists Roundtable
- Keith Lee
- Tony Cooper, Speedo International
- Peter Lacy
- Liam Doyle, Road Haulage Association
- Jules Hall, Indigo Planning

Full transcripts were made of each day’s proceedings and these were then made publicly available on the WPL website.

**Report**

Following the Public examination, the Chair was then required to write a report for the Council on the Public Examination. In reporting back the Chair was asked to:

(a) assess whether the WPL scheme has the potential to achieve its objectives as outlined in the draft WPL business case – namely to facilitate further investment in public transport infrastructure in Nottingham (in particular NET Phase Two) as part of an overall package to reduce the growth in traffic congestion;

(b) identify any significant weaknesses (including risks) with regard to the achievement of the above objectives;

(c) based on the level of operational detail developed so far, and to the extent possible, identify any significant weaknesses (including risks) in the manner in which it is proposed to operate the WPL scheme;

(d) identify any alternatives to the WPL scheme that have been put forward and which would equally achieve its objectives and meet the NET Phase Two timescales; and
(e) make recommendations in relation to (a), (b), (c) and (d) above.

7. Post Public Consultation

The public consultation closed on Friday the 12th October. Following this all responses were processed and made available for analysis.

The WPL proposals were then re-evaluated by the Council in the light of consultees’ representations and the findings of the Chair’s report. The Council then produced a number of reports on consultation which were submitted to the Council’s Executive Board for a decision on WPL. These reports include:

- Summary analysis of the public consultation representations
- The Council’s responses to the Issues raised within representations
- The Council’s responses to the Examiner’s recommendation
ANNEX I – LIST OF ALL COMMON ISSUES AND THEMES

**Theme 1 - The concept of WPL**

Need for the scheme - NA1
Conformity with NCC’s Transport Strategy – NA2
Simply to raise revenue - NA3
No other authorities are pursuing WPL - NA4
WPL will not deliver benefits and revenues - NA5
Charging businesses only - NA6
Charging Business Visitors - NA7
Monitoring Scheme Effectiveness – NA8
How will NCC manage its own car parks - NA9
Equity of the Scheme - NA12

**Theme 2 - Suggested Alternatives to a WPL Scheme**

Other forms of congestion charging - NB1
Positive responses - NA10
Increased road capacity - NB2
Improve Public transport first - NB4
Positive responses - NB5
Other ways to generate funds for Public Transport improvements - NB7

**Theme 3 - The Boundary of the Charging Zone**

Charging area should be smaller - NC1
Charging area should be larger - NC2
Other suggestions - NC4
Phased implementation - NC5

**Theme 4 - Days and Hours of Operation**

Specified days of week - ND1
Specified hours of the day - ND2

**Theme 5 - Level of Charge**

The proposed charge is too low - NE1
The proposed charge is too high - NE2
Additional options for WPL charge - NE3
Future increases for the charge - NE4
Positive responses - NE5

**Theme 6 - Scheme Operations**

Enforcement Process – NF1
Seasonal adjustments - NF4
Other operational issues - NF7

**Theme 7 - Consultation and Public Examination**

Inadequate public consultation - NI1
Inadequate information - NI2
Public Examination - NI3

**Theme 8 - Discounts and Exemptions – Proposed**

Fire services premises - NJ1
Police services premises - NJ2
NHS sites - NJ3
Parking places for disabled persons' vehicles - NJ4
Powered two wheelers – NJ5
Ten or less spaces - NJ6

**Theme 9 - Discounts and Exemptions – New Proposals**

Car share vehicles - NK1
Charities & Voluntary organisations - NK2
Vehicles used by low income workers - NK3
Vehicles used by shift workers - NK4
Vehicles used by and for religious purposes - NK6
Low-emission vehicles - NK7
Educational establishments - NK8
Other suggested exemptions - NK10
First 10 spaces free - NK11

**Theme 10 - Traffic and Transport Modelling**
General modelling - NL1

**Theme 11 - Public Transport and Alternative modes to the car**
Poor public transport options - NM1
NET - NM2
Safety of public transport - NM3
Reliability of public transport - NM4
Times of operation of public transport - NM5
Travel plans - NM6
Responder will not benefit from NET - NM7
Positive responses towards NET Phase Two - NM8
Cost of Public Transport - NM10
Negative responses against the NET Phase Two - NM11
Journey time - NM12

**Theme 12 - Use of revenue**
Disagree with priorities for use of revenue - NN1
Agree with priorities for use of revenue - NN2
Additional areas for using revenue - NN3
Theme 13 - Business Impacts

Business impacts - NO2
Positive inward investment impacts - NO3
Negative inward investment impacts - NO4
Staff retention and recruitment - NO5
Positive inward investment - NO7
Passing the Charge on - NO8

Theme 14 - Environmental Impacts

Environmental impacts - NP1 & NP2

Theme 15 - Social & Economic Impacts

Equity, different effects on different groups in society – NQ1
Positive social impact - NQ4
Disabilities - NQ6
Low income & part time workers - NQ7
Child Care - NQ8

Theme 16 - Traffic Impacts

Displaced parking - NR1

Theme 17 - Financial Modelling

Methodology - NS1
Assumptions for Operating Costs - NS2

Theme 18 - WPL Legislation

The scheme is unlawful according to the Transport Act 2000 - NT1
Theme 19 - Other

Charge all businesses - NU1

School commuting - NU2
ANNEX II – LIST OF EXAMINER’S PRELIMINARY QUESTIONS

TOPIC 1

1.1. How many commuters travel by car on a typical working day?
1.2. How many commuters travel by public transport on a typical working day?
1.3. How many of the daily commuters fall in the following groups as characterised by the Draft Business Plan:
   (i) low-income car users
   (ii) those who travel during non-peak times
   (iii) those who have difficult journeys by public transport
   (iv) those who have time constraints due to caring responsibilities
   and what is the degree of overlap between those categories?
1.4. How many commuters travel on NET line 1 on a typical working day?
1.5. How many commuters will travel on NET line 2 on a typical working day?
1.6. Year by year, how many trips would be diverted by WPL from car to public transport?
1.7. Year by year, how many trips would be diverted by WPL from car to NET?
1.8. What sort of measures do the Council envisage seeing in company travel plans? How will these reduce congestion?
1.9. How many workplace parking spaces are there in Nottingham?
1.10. How many spaces will be liable for the full charge?
1.11. Who and where are the main employers, and how many employees does each have? (These should be shown on a map, with the City boundary marked)
1.12. Where and when precisely does peak hour congestion occur, and what are the typical delays?
1.13. How does the Council respond to the proposition that early and late journeys to and from work have no impact on congestion?
1.14. How does the Council respond to the proposition that many commuters have no practicable PT alternative, especially for orbital journeys in the suburbs?
1.15. How does the Council respond to the proposition that congestion is not an issue outside the City Centre, and that the charging zone should be more limited (for example inside the ring road)?
1.16. How does the Council respond to the proposition that the NET trams are already overcrowded in peak hours, and that fare evasion is commonplace?
1.17. The Government’s Response (2000) to Breaking the Logjam (1999) said that public transport must be improved to offer motorists a real choice before charging starts. How will the Council meet this test?

1.18. How does the Council respond to the proposition that some workers (especially women travelling at night) will be exposed to risk on foot in some employment areas?

1.19. What is the potential for parking to be displaced onto the streets surrounding workplaces? Has this been modelled in forecasting the effect of WPL on congestion?

1.20. What proportion of congestion is caused by people taking children to and from school (not as part of a work journey)?

1.21. How does the Council respond to the proposition that public transport is expensive, infrequent, unreliable and impractical for many people?

1.22. What is the government’s stated policy for councils on WPLs and where is this to be found?

**TOPIC 2**

2.1. What is the projected annual income of the proposed WPL scheme (year by year)?

2.2. What is the gross projected annual operating cost of the proposed WPL scheme (year by year)?

2.3. What evidence is there that the costs will not simply be absorbed by the employers (higher prices/lower profits) and/or the employees (reduced wage increases/lower disposable income)?

2.4. How does the Council respond to the proposition that the benefits of the proposed scheme will go chiefly to NET users, whilst the costs will fall widely, including upon those who have no realistic PT choice?

2.5. What is the year by year profile of spending on NET, bus services, Nottingham Station improvements and other PT improvements? How does this profile match the forecast net income from WPL?

2.6. How does the Council respond to the proposition that businesses on the fringes of the City who do not experience congestion and have no reasonable PT service may choose to relocate outside the City boundary?

2.7. How does the Council respond to the proposition that amongst those who have no practical alternative to using the car, the cost, if passed on, will be felt more keenly by those on low incomes?

2.8. Is it correct that the business rate is based partly upon the number of car parking spaces that a business has?
2.9 How does the Council respond to the proposition that the introduction of the WPL would cause businesses to leave the city, and would deter new ones from entering it?

2.10 How does the Council respond to the proposition that the WPL would lead to problems of staff recruitment?

TOPIC 3

3.1 How does the Council respond to the proposition that other PT alternatives should be explored, such as more Park and Ride schemes, better bus services, more cycleways, and river taxis?

3.2 How does the Council respond to the proposition that there should be a congestion charge in the City Centre?

3.3 Shoppers and those visiting leisure facilities, drivers passing through the city, and delivery vehicles also contribute to congestion. Why should they not pay a charge?

3.4 What is the Council’s response to the proposition that a charge on everyone entering the city centre during the rush hour would be a fairer system, targeted directly at the problem?

3.5 What is the Council’s response to the proposition that since only a relatively small number of people will benefit from the NET extensions, it would be fairer to fund them from a small increase in general taxation rather than a large increase in tax for a small number of people?

TOPIC 4

4.1 Why are police premises, fire premises and NHS premises exempted for WPL purposes?

4.2 Why are educational premises, charitable and voluntary organisations’ premises and religious premises not exempted?

4.3 What is the rationale for exempting premises with 10 spaces or fewer?

4.4 What is the rationale for not exempting the first 10 spaces on every site?

4.5 What is a “trade business”, and why are they exempt?

4.6 What are “individual privately paid for workplace car park places”, and how will they be identified?

4.7 How does the Council respond to the proposition that transport providers should be exempt since there is no public transport for the drivers of the first and last buses, trams and trains?

4.8 How does the Council respond to the argument that it is unfair to penalise those such as teachers who have to carry heavy materials into work every day?
4.9 How does the Council respond to the proposition that those who use their cars for business, as well as for commuting in the first instance should be exempt?

4.10 How does the Council respond to the proposition that those who car share should be exempt?

**TOPIC 5**

5.1 How will the Council in practice distinguish between and regulate those spaces allocated for business customers (unlicensed), and those allocated for suppliers, agents etc (full charge)?

5.2 How will employee spaces in retail car parks be identified and policed?

5.3 Have the Council considered the potential costs and timing of increasing parking restrictions around employment centres in order to prevent displacement?
ANNEX III – LIST OF EXAMINER’S DISCUSSION ISSUES FOR THE WPL PUBLIC EXAMINATION

TOPIC 1

The Council say that by providing award winning bus services and establishing NET Line One, public transport usage has been increased by 8% between 2000 and 2005. Reliability and user satisfaction with Line One are said to be very high. The Council has also actively supported bus operators through a Greater Nottingham Bus Strategy and is developing a 10 year vision for commuting in Nottingham by bus. There are good bus feeder services for NET Line One and effective public transport integration. Other bus initiatives include the Link Bus network providing access to key out of town employment, education and health facilities.

The WPL Scheme is said to have two objectives: (1) to reduce congestion, and (2) to fund the LTP public transport proposals, particularly the NET Phase 2 lines.

It appears likely that the WPL would raise funds (can the proceeds of the scheme be used for revenue support for buses?) to meet the second objective (and I shall explore the detail under Topic 2).

What is less clear is how far the scheme would reduce congestion, and in particular peak hour congestion.

Topic 1; Issue 1

There is no doubt that peak hour congestion exists: it is observable and is regularly monitored. There is however an issue about the extent and severity of the congestion. The Council give average network speeds for the peak: but what are the comparable average network speeds outside the peaks, for example mid-morning and mid-afternoon?

Also, the Council give peak hour junction delay times: only two appear to be particularly high, on the A453 at Clifton (over 9 minutes at the Crusader Roundabout) and on the A52 near Stapleford (6 minutes at the Sherwin Arms Roundabout). On the face of it this appears to support the position of several respondents, that really severe congestion is confined largely to these two corridors, and that a more targeted solution would be appropriate. (Do the average network speeds shown on Figure 1 include the junction delays shown?)

Several respondents believe that congestion is not an issue outside the City Centre, and that the charging zone should be limited (for example to the area within the Ring Road). Others believe that only the A52 and A453 corridors are seriously congested.

The Council say that congestion occurs throughout urban Nottingham, especially around the Ring Road and on the main routes outside the Ring Road, including Mansfield Road, Derby Road, University Boulevard and the A453 through Clifton. Future year forecasts of traffic demand point to further congestion on these busy approaches to the Ring Road. There are particularly high levels of congestion between Junctions 24, 25 and 26 of the M1 and the Ring Road.
The WPL package would serve these outer areas of the City, including employment and education sites and, through continuing funding for the Medilink service (revenue?), the key City hospitals along the Ring Road itself. If approved NET Phase Two would provide additional park and ride sites on the edge of the urban area.

**Topic 1; Issue 2**

Whatever the extent and severity of the congestion, it is unlikely to be uniform across the City. Many respondents claim that their particular workplace is not a major contributor to congestion. In order to examine that proposition, it is necessary to know where the major employee car parks are situated, and where they draw their workers from. *What is the hard evidence on these points?*

**Topic 1; Issue 3**

In order to assess the potential for significant change (and the potential income which might be generated by the scheme) it is necessary to know how many employee spaces exist, how many commuters travel by car, and how many might be diverted to public transport. The Council say that around 100,000 commuters use cars, and just under 40,000 commuters use public transport, to reach employment in the City (they also say that the latter represent under 20% of commuter trips but that does not seem to be right?). As one would expect, the proportion of commuter trips using public transport is greater for the City Centre than for the City as a whole (map of City centre?). Many respondents make the point that simple journeys to the City Centre on radial routes are likely to be conveniently made by public transport, whereas orbital journeys are not.

There are 3,500 employers within the city boundary, and just over 500, occupying nearly 1,100 properties with 37,000 parking spaces, would be liable for the WPL.

*How many of the 100,000 drivers would be likely to be diverted to public transport, and on which routes? How would the public transport system absorb the diverted trips?*

*Year by year, how many trips would be diverted by WPL from car to public transport?*

*Year by year, how many trips would be diverted by WPL from car to NET?*

**Topic 1; Issue 4**

Employers could respond to the WPL scheme by absorbing the costs or by passing them on to consumers. That would have no impact upon congestion. They could pass some or all of the costs onto employees, which might have some impact upon travel behaviour. The degree of impact would depend upon the ability and willingness of individual employees to absorb those costs, and upon the availability of realistic public transport alternatives. Finally, employers could decide to reduce the number of employee car parking spaces, and force employees to find alternative means of getting to work or to change jobs.

The impact on congestion is therefore dependent on a large number of variables, all difficult to forecast. A great number of respondents give detailed examples of the alternative journeys available to them. Typically they are two or three times as long as the
journey by car, more complex, and generally less reliable. Their examples are supported by the Big Wheel’s ‘Triptimes’ facility. It is hard to imagine an employee giving up their car lightly in those circumstances.

However, according to the Council’s model, sufficient trips could be diverted to remove over 2 million car journeys a year from the network.

**Topic 1; Issue 5**

The Council rely heavily on the belief that Workplace Travel Plans would help to change employee behaviour. They would provide advice to businesses on how to prepare travel plans.

*What would the plans contain, and is there empirical evidence that such plans have had a measurable effect?*

**Topic 1; Issue 6**

Many respondents say that they would look for on-street parking close to their place of work rather than pay a charge. The Council are aware of the issue but do not appear to have addressed it in any detail. Should approval be given to proceed with the implementation of the scheme they envisage undertaking a comprehensive study to establish a list of problem sites.

*What is the potential for parking to be displaced onto the streets surrounding workplaces? Has this been modelled in forecasting the effect of WPL on congestion? And have the costs of extending parking controls been assessed and factored into the costs of the WPL scheme?*

**Topic 1; Issue 7**

Many people perceive that journeys made by drivers taking children to school, and by drivers making shopping trips, contribute to peak hour congestion.

The Council say: ‘although travel patterns are slightly different between the [morning and afternoon peak] periods, with some limited schools-related traffic in the morning peak periods and more social, retail and other traffic in evening peak periods, the majority of travel is directly related to travel to/from work by employees or travel for business purposes, deliveries and servicing. It is estimated that around 70%-75% of morning peak travel demand in Nottingham is travel to work, with other business related travel adding to this total.’ What does ‘directly related to’ mean – does that include combined school/work and work/leisure trips? What is ‘other business-related travel’ and how much does that add to the 70-75%? For the purposes of the debate can we take it that 25-30% of morning peak travel is for purposes other than travel to work?

So far as schools are concerned, traffic flows in the immediate vicinity fall by 35% to 40% during school holidays, but the effect upon the radial routes in and out of the city is much less. Flows fall by around 10% in the morning peak and by only 2-3% in the evening peak during school holidays.
**Topic 1; Issue 8** (see also Topic 2; Issue 3 and Topic 4; Issue 4)

The Council accept that it is not practical to expect to achieve a significant behavioural change amongst car users unless there is a realistic alternative to use of the car. This would be true of any measure designed to reduce traffic levels whether it be road user charging, a WPL, or physical constraints on network capacity. Net Phase 2, if approved, would not be in operation until at least 2013. The WPL would begin charging drivers from 2010.

*Where would the proceeds be spent in 2010-2012, and how would that reduce congestion?*

*The Government's Response (2000) to Breaking the Logjam (1999) said that public transport must be improved to offer motorists a real choice before charging starts. How would the Council meet this test?*

**Topic 1; Issue 9**

Modelling forecasts that without the WPL package car journeys would increase by over 17% in the peak periods between 2006 and 2021, and by 20% in the interpeak. Overall growth in highway demand is expected to be higher still due to increased numbers of goods vehicles. Due to increases in congestion encouraging some modal shift, and further park and ride provision, public transport demand (journeys?) is expected to increase by over 9% in the peak periods and a little less in the interpeak. *What are the comparable figures for 2006-2021 with the WPL?*

The Council say that with the WPL package public transport journeys *into the City centre* (not within the City as a whole) would grow by over 20%, and that park and ride usage (how measured?) would grow by 45%.

Modal shift and other travel behaviour changes resulting from the WPL package are forecast to remove over 2 million car vehicle journeys per year from the City. *How many of the current 100,000 daily car commuters does that represent?*

The reductions in car vehicle journeys with origins or destinations in Nottingham would be ‘relatively small’ in 2011 and 2012 (figures?) when the WPL charge would be low and before NET Phase Two opened. Reductions of 2.35 million in 2013, 2.5 million in 2015, 2.65 million in 2018 and 2.8 million in 2021 are forecast (person equivalents?). Growth in car journeys to and from central area locations between 2006 and 2021 would be 15% without the WPL package and 8% with the WPL package.

**Topic 1; Issue 10**

Many respondents say that they have no practical PT alternative, especially along orbital routes. The Council accept that orbital bus routes are unlikely to be commercially viable. They suggest that employers might take account of the difficulty of individual employees’ journeys in deciding whether and how to pass on the charge. *Is this a realistic expectation? Is it equitable?*
Topic 1; Issue 11

Many respondents say that public transport is expensive, infrequent, unreliable and impractical for many people. The Council say that bus usage per person is higher in Nottingham than anywhere in England outside London. Passenger satisfaction levels are high on both NET Line One and the bus network. Over 95% of the bus fleet offers easy access using low floor vehicles and all buses on the main routes are less than 5 years old. Nottingham’s public transport fares are some of the lowest in the country with all day travel available for £2.70 including integrated tickets. The Council accept that single fares can seem expensive when compared to free workplace parking, though they are competitive when compared to public paid-for parking in the city centre.

The Council accept that using public transport is impractical for many travellers. 85% of households have regular daytime services to the City Centre, employment sites, hospitals and universities, but for many with dispersed travel patterns, public transport would not offer genuine alternatives. But, by providing increased accessibility and better services the WPL package would offer many travellers on main routes into the City an alternative to driving and this in turn would reduce congestion (relatively rather than absolutely?) for those who continued to drive.

Topic 1; Issue 12

Several respondents say that the NET trams are already overcrowded in peak hours, and that fare evasion is commonplace.

The Council estimate that about 5,500 commuters (13.75% of PT commuters and 3.92% of all commuters) rely on NET Line One for journeys to and from work each weekday. In addition to peak usage, where commuting journeys are dominant, the system is busy throughout the day and provides both inter-peak and off-peak commuters with high levels of service from the start of operations at 0600 to closedown at 2400 with minimum headways of 20 minutes. In the peak period trams on Line One are busy, but apart from at the height of the peak period (approximately 0815-0830) when the busiest trams carry over 200 passengers, there is capacity on the network. NET Line One has a reliability record of over 99% against performance targets.

A constraint on providing greater service frequency is the number of trams in the current fleet. NET Phase Two would allow the fleet to be increased, and through services would operate from the north to the west and south west.

Fares are collected by conductors on the tram, and tickets can also be bought in advance. Cash-based tickets only account for around one third of journeys on the system, with the majority being pre-paid, including season ticket and travelcard type integrated tickets. Although there is some fare evasion, many travellers have a ticket even if they are not inspected during the journey. During peak times conductors are deployed at high volume boarding points to collect fares and check tickets in advance of travel.

A further 7,000 commuters would use NET Phase Two on a typical weekday. Park and ride demand for NET Phase Two is expected to be a little less important than on Line One,
but more commuters are expected to switch directly to NET from their cars than on Line One.

---

**TOPIC 2**

Many respondents feel that the scheme is fundamentally unfair because it would not discriminate between those on moderate or high incomes who choose to travel by car in the peak, regardless of other options which might be open to them, and those who have less income, and/or travel outside the peak, and/or less choice, and/or caring responsibilities. There are no clear figures for the numbers who might fall within these groups, or within more than one. Estimates (admittedly based on very little local hard evidence) provided by the Council suggest that around 20% of car commuters might be regarded as having low incomes, that just under 20% of car commuting takes place outside core public transport operating hours (1900 and 0700), that a perceived lack of public transport is the reason why around a third of employees use a car for their journey to work, and that only a very small percentage of commuters combine their journey to work with trips to child minders, schools, or with other caring responsibilities.

The Council say that the one-third of car commuters who perceive a lack of public transport alternatives offer a significant opportunity to achieve modal shift through improved information about public transport services, company travel plans, and actual improvements in the accessibility and frequency of public transport.

**Topic 2; Issue 1**

It is clear that many people travel to or from work outside peak hours. These people do not contribute significantly to congestion, and have fewer alternatives (especially those who actually operate the public transport system). The Council say that congestion is growing outside peak periods, and that ‘there are also sustainability benefits associated with deploying a demand management measure that promotes modal change even in uncongested conditions’. What does this mean? Simply that public transport is more energy efficient and less polluting than car use? That is clearly true in general terms, but an individual car journey made at a very quiet time might well be less polluting and more energy efficient than an almost empty bus, even if one were available. For that reason several respondents suggest road user charging as an alternative (see Topic 3). In any event, whilst all charging schemes are underpinned by the objective of sustainability, the specific objectives of the WPL scheme are to reduce congestion and to fund NET Phase 2. Why should people who travel at uncongested times face the same degree of charging as those who travel in the peak, and might have better alternatives?

The Council appear to recognise the validity of this argument when they say that it would be up to the employers to decide how to pass on the charge to employees, and that the employers might exempt out-of-peak users, spread the cost across employees who use the same space, or use pay-as-you go systems. However that might be felt to be unfair as workers operating similar shift patterns at different sites might be treated very differently. The Council also recognise that the proposed discount and exemption criteria or the enforcement regime might be modified to exempt shift workers. How might this best be done?
What sort of measures do the Council envisage seeing in company travel plans? How would these reduce congestion?

Topic 2; Issue 2

Some respondents say that they are not opposed in principle to using alternatives to the car, but that they would face genuine difficulties if they tried. These include: those, especially women, who would have to walk through areas known to be high risk for crime, especially after dark; those, like teachers, who have to carry heavy materials to and from work; and those who have to use their car for visiting clients during the day. Is it right that such people should be charged at all, or at the same rate as those who simply choose to use their car for commuting when there is a good public transport alternative?

The Council accept that people perceive travelling in their car to work as a safe option, especially those making the journey at night and women on their own, and that changing travel behaviour for such groups would be difficult. Measures to improve safety on and around public transport would help to address some of these fears. However, they say, it might be necessary to work with employers to investigate ways in which the levy is implemented by them to see if their parking policy could identify any vulnerable groups and help them.

Topic 2; Issue 3 (see also Topic 1: Issue 8 and Topic 4; Issue 4)

From the figures provided by the Council, it appears that part of the proceeds of the WPL between 2010 and 2013 would be spent on constructing NET Phase 2. At that stage the NET scheme would provide no useable benefit for the commuters paying the Levy. How does that stand against the Government’s policy that public transport must be improved to offer motorists a real choice before charging starts.

What is the precise package of measures on which the levy will be spent?

Can the income be spent on revenue support, or must it be used for capital spending?

Topic 2; Issue 4

What evidence is there that the Levy would not simply be absorbed by the employers (higher prices/lower profits) and/or the employees (reduced wage increases/lower disposable income)?

The Council say that the WPL package would encourage businesses to consider the extent of parking they provide. Evidence from similar schemes in Australia suggests that this would lead to a reduction in spaces provided with surplus land then being used for a more economically productive purpose. The WPL package would also encourage sustainable and environmental commuter travel planning. The Council would provide advice to businesses on how to prepare travel plans.

In 2005 it was estimated that 34% of businesses would pass on most or all of the charge to employees. Nearly two-thirds of employers with over 200 employees said that they would pass on some of the costs. The same report said that workplace parking was seen as a benefit, and that PT was perceived as inadequate. The proposed WPL charge equates to a
daily rate of 71p (initially) and £1.35 (at the top rate). The Council see this as ‘favourable’ when compared to public parking rates and public transport fares but they do not take into account the costs of driving for the person being charged.

**Topic 2; Issue 5**

Many respondents say that the benefits of the proposed scheme would go chiefly to NET users, whilst the costs would fall widely, including upon those who have no realistic PT choice. The Council say that the improved public transport infrastructure, services and travel options arising from the WPL package would bring significant benefit to those who choose to use public transport. Those who currently commute by car would have more choice, whether for the whole of their journey or part of it through using park and ride facilities. This would lead to the transfer of some trips from car to public transport, reducing the growth in congestion. This would benefit those who commute by car regardless of whether they have workplace parking provided or not. It would also mean less pollution and quieter roads for those who choose to cycle or walk.

The Council say that free workplace parking encourages car use which adds to congestion. It is therefore considered reasonable to target such parking as a means of reducing congestion. The aim is to encourage commuters to seek sustainable alternatives to the car and to support that behaviour through provision of reliable, high quality public transport. Public transport users are already making a contribution to transport investment through the fares they pay. The Council recognise that some car users have compelling reasons to use a car for the journey to work, such as the lack of a viable public transport service. However, they say, as with any taxation system, it is not realistic to expect that every person who pays should receive an equal benefit. WPL revenue would be used to fund a package of measures designed to improve public transport across the conurbation for the benefit of all sections of the community. Whilst the largest proportion of money raised by the WPL would be used for NET Phase Two, substantial spending would go towards continued support of bus services and improvements to transport integration. This would include the Link Bus network providing access to key out of town employment, education and health facilities. The Council say that the benefits from improved public transport would be broadly spread. Those drivers who switched to PT would improve journey times for those who remained.

**Topic 2; Issue 6**

Several respondents say that businesses on the fringes of the City who do not experience congestion and have no reasonable PT service may choose to relocate outside the City boundary. The Council considers this to be unlikely because the financial impact of the levy on most affected businesses is only a small percentage of turnover.

It is also said that the introduction of the WPL would deter new businesses from entering the City. The council say that the excellence of PT in the City would attract rather then deter new businesses, although their own research suggests that high-tech manufacturing and service sectors are particularly cost-sensitive.
**Topic 2; Issue 7**

*How does the Council respond to the proposition that amongst those who have no practical alternative to using the car, the cost, if passed on, would be felt more keenly by those on low incomes?*

**Topic 2; Issue 8**

Some respondents say that because the business rate is based partly upon the number of car parking spaces that a business has, the WPL is in effect taxing businesses twice. The Council say that business rates go directly to central Government for national distribution, whilst the WPL is ring-fenced for local public transport improvements. The share of local tax paid by businesses is falling while that paid by residents is rising.

**Topic 2; Issue 9**

Several respondents say that the WPL would lead to problems of staff recruitment. The Council say that the WPL package would provide access to a larger pool of employees, thus increasing the recruitment capability and skill set of an organisation’s workforce. NET Phase Two would serve about 1120 workplaces (located within 800metres of the proposed tram stops), to which about 53,300 employees commute.

**TOPIC 3**

**Topic 3; Issue 1**

Many respondents say that other PT alternatives should be explored, such as more Park and Ride schemes, better bus services, more cycleways, and river taxis.

The Council say that Nottingham has one of the largest P&R networks in the UK. 4500 spaces are associated with NET Line One, and NET Phase 2 will add a further 2400. Bus-based P&R schemes would not work well because of the lack of road capacity on the main corridors, and the lack of potential for bus lanes.

Buses cannot provide sufficient capacity on key routes, because of their limited size, boarding and alighting times, and lack of city centre kerb space. Trams have a better image and are more attractive to car drivers. Unless buses had total separation from other road traffic they would not provide the long term answer to growing traffic congestion.

Buses will continue to play a key role in meeting the transport needs of the city, and in many areas they will continue to be the most appropriate method of transport. A particularly important role would be to operate feeder services into NET from surrounding residential areas and to key employers, such as Boots. Experience on Line One shows that buses still operate viable services along the core route, and feeder services continue to evolve.

Parts of the city centre bus route (the ‘loop’) have over 200 buses per hour and bus stop provision in the city centre is already at capacity. NET Phase Two would use existing infrastructure within the centre, allowing valuable city centre road space and bus stop capacity to be released that can be re-allocated to enhance bus frequencies and reliability to other parts of the city.
High Occupancy Vehicle (HOV) lanes are meant to encourage increased vehicle occupancy, to increase overall capacity and reduce overall traffic flows, particularly for commuting journeys. The Council do not favour them because they take up too much road space and are difficult to police.

The WPL would be used to provide cycle routes and secure cycle parking, but cycling cannot in itself provide the level of alternative transport provision required. River taxis fit well into city transport provision where there are high levels of pedestrian movements across short stretches of waterway that lack bridges. In the UK the number of locations where river taxis or waterbuses can be successful are limited. They cannot offer a major solution to Nottingham’s transport needs. Long distance river routes would be slow and suffer in that possible boarding and alighting points in Nottingham are a long way from key demand points. Journey times are affected by locks.

**Topic 3; Issue 2**

Several respondents suggest that a charge on everyone entering the city centre during the rush hour would be a fairer system, targeted directly at the problem. The Council say that such a scheme would be more expensive to operate, would take longer to put in place, would generate more opposition, would be technologically risky, and would not be in place in time to fund NET Phase 2.

**Topic 3; Issue 3**

*Shoppers and those visiting leisure facilities, drivers passing through the city, and delivery vehicles also contribute to congestion. Why should they not pay a charge?*

**Topic 3; Issue 4**

Several respondents argue that since only a relatively small number of people would benefit from the NET extensions, it would be fairer to fund them from a small increase in general taxation rather than a large increase in tax for a small number of people.

The Council have considered a number of alternative funding sources. They include core business rate retention and supplementary business rate, both proposals which would generate around £11m a year but would require primary legislation. A similar amount raised through Council Tax would mean a 12% increase which would be unacceptable to central Government. It would also mean that only City residents were paying, whereas over half the commuters live outside the City boundary.

Other local sources such as planning gain, and land and asset sales, could make a contribution, they would not guarantee sufficient funding.

---

**TOPIC 4**

**Topic 4; Issue 1**

Police premises, fire premises and NHS premises would have a 100% discount for WPL purposes. The Council say that this is because national policy says that emergency service vehicles should not be charged for. However, those who operate such vehicles may travel to work by private car, just like any other worker, and many of those who work at such
premises do clerical or administrative jobs which have no direct connection with emergency services or emergency service vehicles. Are there any convincing, logical reasons why such people should be exempt from charging, when other key service personnel, such as public transport operators and teachers, are not?

One reason which the Council give for exempting such premises is that emergency services are operated at times when public transport is unavailable. The same is true for public transport operators, and for those who work shifts which start or finish wholly or partly outside the normal hours of PT operation. It may be that the Council attach special weight to emergency service operators. In that case, the exemption should logically apply only to those who operate the emergency services, and not to the many others who simply happen to occupy the same premises. In the case of hospitals that would be a very large number. In the case of doctors’ surgeries or health centres, there might be no staff who operate emergency services.

The Council recognise that there may be issues of equity, will consider whether it would be fairer to discount or exempt only those parking places occupied by emergency service vehicles.

**Topic 4; Issue 2**

Respondents ask why educational premises, charitable and voluntary organisations’ premises and religious premises are not exempted. The Council does not seek to justify its decision in those individual cases, nor in the many other case raised by respondents: these include central government departments, spaces used by low income workers and key workers, spaces occupied by employees who drive to work but also use their car for the purposes of their job, spaces occupied by shift, flexible and part-time employees, spaces occupied by vehicles in a car share scheme, spaces occupied by low emissions vehicles, spaces occupied by teachers who have to carry heavy materials into work every day, and spaces occupied by those who operate trams and buses. In essence the Council’s response is that any concessions for these people must be made by the employers, who could decide whether and how to pass on the charge.

**Topic 4; Issue 3**

Many respondents have queried the rationale for exempting premises with 10 spaces or fewer, and do not understand why the first 10 spaces on every site should not also be exempted. All commuters contribute to congestion, regardless of the size of the business.

The Council believe that the administrative cost of licensing and regulating workplace parking provision would be proportionately higher for small businesses than for larger businesses, and they do not wish to make Nottingham an unattractive location for the setting up of new businesses. They say that the majority of the workplace parking in Nottingham is provided by a comparatively small number of firms. Charging small businesses would be likely to reduce the financial efficiency of the scheme, as the revenue generated from those small firms would be offset by the cost to the Council of enforcing the scheme at many more premises.
The Council say that the simplest way of defining a small business is by the number of workplace parking places it provides, and they have chosen ten or fewer spaces as the cut off.

Allowing ten free spaces for every business would lose the revenue from 5,000 spaces and would result in a shortfall for planned PT spending. To recoup that shortfall, annual WPL charges would have to be higher.

**Topic 4; Issue 4** (see also Topic 1; Issue 8 and Topic 2; Issue 3)

The Council have set the proposed WPL charges at levels which they calculate will provide the income needed to support PT, in particular NET Phase 2. Charging would start 3 years before NET Phase 2 could be open for passengers. In response to arguments that the proposed charges are too high and that the charging area is too geographically extensive, the Council stress the need to raise particular levels of revenue. It is not clear how those levels have been determined, nor how the Council can justify charging for facilities which would not exist at the time the WPL was imposed.

---

**TOPIC 5**

**Topic 5; Issue 1**

Respondents question how in practice the Council would distinguish between and regulate those spaces allocated for business customers (unlicensed), and those allocated for suppliers, agents etc (full charge). The Council propose to require relevant users to display a WPL permit, rather requiring relevant spaces to be marked out on the ground.

The Council say that business customers, particularly at retail premises, might come and go without any formal contact with the premises occupier, and might occupy a parking place for a short period of time. It would be unreasonable to expect the premises occupier to require its business customers to display WPL permits in their windscreens. By contrast, it might be expected that other business visitors, particularly long term agency staff attending their regular place of work, would have formal contact with the business they are visiting and would occupy parking places for longer periods. It would be reasonable for the premises occupier to issue business visitors with a WPL permit for display in their windscreen.

The Council is considering applying the requirement only to those business visitors who are attending their regular place of work.

They say that where unlicensed workplace parking was being provided to liable business visitors, it might be difficult to identify on first inspection, as the vehicle might belong to a private or business customer. However, if the same vehicle was seen to be parked regularly over a period of time, it would be likely that the occupant was either an employee or a regular business visitor, and enforcement action could be taken.
Respondent ask how employee spaces in retail car parks would be identified and policed. The Council say that in mixed use car parks, such as those at retail centres, the number of unlicensed parking places would far outweigh the number of employee vehicles. They recognise that this type of parking is difficult to checks, especially at peak times. However it only accounts for 7% of the workplace parking provision. In these car parks, checks could be carried out at times when there were few customers’ vehicles. Officers could then check that permits were being displayed and that spaces used by employees have been licensed.
APPENDIX B – SUMMARY ANALYSIS OF PUBLIC CONSULTATION RESPONSES

1 Introduction

Consultation on a Workplace Parking Levy ("WPL") scheme for Nottingham was launched by Nottingham City Council on 17 July 2007 and ran until 12 October 2007. The consultation also included a Public Examination, which was held between 1 and 5 October 2007.

This report statistically analyses the representations received from consultees during the consultation period and seeks to identify themes and trends in order to provide a deeper level of knowledge and understanding of the consultation exercise.

1.1 Structure of Summary Report

The key findings are presented in the following sections:

- Section 2 – General Findings
- Section 3 – Business Analysis
- Section 4 – NCC Residents Analysis
- Section 5 – Non-NCC Residents Analysis
- Section 6 – Other Organisations Analysis
- Section 7 – Analysis of Representation Themes

Section 2 sets out the headline statistical analysis of the respondents as a whole. Also presented in this section is the Top 10 most frequently raised issues concerning the “principle” of the WPL scheme and the Top 10 most frequently raised issues concerning the “detail” of the WPL scheme.

Sections 3, 4, 5 and 6 analyse the "Business", "NCC Resident", "Non-NCC Residents" and “Other Organisations” groups respectively. Each of these sections features two levels of analysis:

1) headline statistics providing basic details about the individual group; and

2) the issues most frequently raised by that group

Note that while representations from the “Unknown” group (i.e. those representations where no consultee information was provided) were included in Section 2, there is no individual analysis of this group.
2 General Findings

2.1 Headline Statistics

2.1.1 All representations received

A total of 2485 responses were received to public consultation on the proposed WPL scheme.

The 2485 responses were submitted by 101 businesses, 959 NCC residents, 1233 non-NCC residents, 57 other organisations (e.g. interest groups) and 135 consultees of unknown origin.

<table>
<thead>
<tr>
<th>No. of Respondents</th>
<th>% of all Detailed Written Reps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business</td>
<td>101</td>
</tr>
<tr>
<td>NCC Residents</td>
<td>959</td>
</tr>
<tr>
<td>Non-NCC Residents</td>
<td>1,237</td>
</tr>
<tr>
<td>Other Organisations</td>
<td>57</td>
</tr>
<tr>
<td>Unknown (Unknown location)</td>
<td>131</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,485</strong></td>
</tr>
</tbody>
</table>

Of the 2485 representations, 1062 were considered to have generally supported the WPL Scheme, 1362 generally objected to the WPL Scheme, 11 represented mixed views and 50 represented neutral views.

<table>
<thead>
<tr>
<th>No. of Representations</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support the WPL scheme</td>
<td>1062</td>
</tr>
<tr>
<td>Objections to the WPL scheme</td>
<td>1362</td>
</tr>
<tr>
<td>Neutral towards the WPL scheme</td>
<td>50</td>
</tr>
<tr>
<td>Mixed views about the WPL scheme</td>
<td>11</td>
</tr>
</tbody>
</table>
2.2 **Key Issues**

Listed below in ascending order are the top 10 most frequent themes raised by consultees in their written representations.

### 2.2.1.1 Poor public transport options

391 respondents complained about the current provision of or lack of public transport as an option for commuting. The clear majority of respondents raising this issue were Non-NCC Residents and a high proportion of businesses on behalf of their employees (32 businesses, 66 NCC Residents, 244 Non-NCC Residents, 15 Other Organisation and 34 unknown).

### 2.2.1.2 Simply to raise revenue

371 respondents viewed the WPL as a cash raising mechanism, the majority viewing WPL as merely another tax or a “stealth” tax (371). Other respondents questioned why WPL should be paid on top of either Council Tax, Business Rates or general vehicle related taxes (e.g. Road Tax, Petrol Tax etc.).

### 2.2.1.3 Equity of the scheme

289 respondents stated that they thought the scheme was unfair, unjust or unacceptable.

### 2.2.1.4 Business impacts

243 respondents raised concerns about the impact WPL will have on the existing businesses within Nottingham. A majority of these respondents thought that the WPL would force existing businesses out of the area or that it would have a detrimental impact on them.

### 2.2.1.5 Journey time of public transport

231 respondents stated that travelling to work by public transport would significantly increase journey time and therefore it was not a viable alternative to travelling by car. This was by far a more pertinent issue for Non-NCC Residents than it was for NCC Residents (8 businesses, 40 NCC Residents, 163 Non-NCC Residents, 4 Other Organisations and 16 Unknown).

### 2.2.1.6 Responder will not benefit from NET

199 respondents questioned why they had to pay the WPL when they would derive no direct benefit from the proposed NET extension, as the future lines would not be located near their work or homes.
2.2.1.7 WPL will not deliver benefits and revenue

163 respondents claimed the WPL scheme will not deliver its stated benefits and revenue. In most cases inability to reduce congestion was specifically mentioned. Other respondents did not believe the scheme would generate the stated amount of revenue.

2.2.1.8 Charging area should be smaller

163 Respondents suggested that the charging area should be smaller than the proposed boundary (e.g. the city centre, instead of the Nottingham City administrative boundary) as many suggested that congestion only occurred in and around this city centre area.

2.2.1.9 Positive responses about the scheme

142 respondents detailed specific reasons or areas of the WPL scheme that they were in support of.

2.2.1.10 Alternative uses for revenue

121 Respondents suggested alternative uses for the revenue generated by the WPL Scheme. Suggestions included:

- more dedicated bus routes;
- more cycle paths;
- reduced bus fares;
- school buses;
- trolley or bendy buses;
- improve the road infrastructure;
- improve park and rides facilities;
- provide public transport for shift workers;
- encourage car pooling;
- develop access to mainline rail stations from surrounding areas;
- canal or river taxis.
3 Business Group Analysis

3.1 Headline Statistics of the Business Group

101 businesses submitted representations about the WPL, representing 4.1% of all representations submitted. In total the business group raised 420 issues.

<table>
<thead>
<tr>
<th>Total No. of Business Representations</th>
<th>Total No. of Issues Raised by Businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>420</td>
</tr>
</tbody>
</table>

Of the business representations 4 were considered to generally support the WPL Scheme, 83 generally objected to it and 14 represented neutral views.

<table>
<thead>
<tr>
<th></th>
<th>No. of Representations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support</td>
<td>4</td>
</tr>
<tr>
<td>Objections</td>
<td>83</td>
</tr>
<tr>
<td>Neutral</td>
<td>14</td>
</tr>
</tbody>
</table>

Of the 101 businesses that submitted a representation 82 were from within the NCC administrative boundary, and 19 were from outside of the boundary.

3.2 Most Frequent Issues

This section considers the top 5 most frequently raised issues by businesses.

3.2.1 Business impacts

66 businesses raised concerns about the impact WPL would have on existing businesses within Nottingham.

Most business respondents thought that the WPL would force businesses out of the area. A number of the businesses also believed that absorbing the cost of the levy would put them at a significant disadvantage, render them less competitive or affect levels of service. There was also mention of the fact that passing on the charge to employees would strain relationships with employees.

3.2.2 Poor public transport options

39 Businesses raised concerns about the current public transport options available.
Many businesses stated that the current options were either inadequate or do not deliver a viable alternative to the car for their employees in comparison to using their cars; it was suggested that this is especially the case where employees live outside of Nottingham.

3.2.3 Simply to raise revenue

30 businesses viewed the WPL as merely a mechanism for raising revenue for the Council.

Most businesses viewed the WPL a little more than another tax for them to pay. Two businesses specifically questioned why they had to pay another charge on car parking spaces that are already included within business rates.

3.2.4 Equity of the scheme

21 businesses stated that they thought the scheme was unfair, unjust or unacceptable.

3.2.5 Staff retention and recruitment

19 businesses stated they believed that the WPL scheme, if passed on to employees, would have a negative impact on staff retention and recruitment as they believe many employees would seek employment elsewhere.
4 NCC Residents Group Analysis

4.1 Headline Statistics of the NCC Residents Group

959 NCC Residents submitted representations about the WPL, representing 38.6% of all representations submitted. In total the NCC Residents group raised 954 issues, within their written representations.

<table>
<thead>
<tr>
<th>Total No. of NCC Residents Representations</th>
<th>Total No. of NCC Residents Issues Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>959</td>
<td>954</td>
</tr>
</tbody>
</table>

Of the NCC Residents representations 652 were considered to have generally supported the WPL Scheme, 290 generally objected to the WPL Scheme, 5 represented mixed views and 12 represented neutral views.

<table>
<thead>
<tr>
<th>No. of NCC Resident Representations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support                     652 (68%)</td>
</tr>
<tr>
<td>Objections                  290 (30.2%)</td>
</tr>
<tr>
<td>Neutral                     12 (1.3%)</td>
</tr>
<tr>
<td>Mixed                        5 (0.5%)</td>
</tr>
</tbody>
</table>

4.2 Most Frequent Issues

This section sets out the top 5 most frequently raised issues within the representations submitted by NCC Residents.

4.2.1 Poor public transport options

84 NCC Residents raised concerns about the current public transport options available. Many of the NCC Residents stated that they did not have an adequate or viable alternative to the car available. It was also mentioned that there was no direct route via public transport, that more than one bus was required or that they would have to travel into the city centre and then back out again. References to poor conditions on public transport were also cited, alongside the need to use their cars for work or business, or a preference for commuting by car.
4.2.2 **Simply to raise revenue**

73 NCC Residents viewed the WPL as a tax, frequently using such terms as “merely another tax” or referring to the WPL as a “stealth tax”.

Some NCC Residents went further and questioned why the WPL should be paid on top of either Council Tax or Business Rates. Others queried why motorists should have to pay another tax for using their vehicle in addition to other vehicle related taxes e.g. petrol duty and road tax.

4.2.3 **Equity of the scheme**

67 NCC Residents stated that they thought the scheme is unfair or unjust.

The following were specifically listed as being discriminated against:

- low income and part time workers;
- motorists;
- a small number of paying businesses;
- employees;
- those living outside of Nottingham;
- those who work in the charging area.

4.2.4 **Support for the concept of the scheme**

60 NCC Residents detailed specific reasons of support of the WPL scheme.

4.2.5 **Additional areas for using revenue**

43 NCC Residents suggested alternative uses for the revenue generated by the WPL. A broad range of additional options for spending were put forward which included:

- improve roads into the town;
- improve bus services, discount tickets (especially season tickets);
- improve park and ride facilities;
- improve facilities for and financially incentivise cycling to work;
- provide public transport for shift workers;
- provide school buses.
5 Non-NCC Residents Group Analysis

5.1 Headline Statistics of the Non-NCC Residents Group

1237 Non-NCC Residents submitted representations about the WPL; representing 49.8% of all representations submitted. In total the Non-NCC Residents group raised 2416 issues.

<table>
<thead>
<tr>
<th>Total No. of Non-NCC Residents Representations</th>
<th>Total No. of Non-NCC Residents Issues Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>1237</td>
<td>2416</td>
</tr>
</tbody>
</table>

Of the Non-NCC Residents representations 857 were considered to generally support the WPL Scheme, 365 generally objected to the WPL Scheme, 10 represented neutral views and 5p represented mixed views.

<table>
<thead>
<tr>
<th>No. of Representations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support</td>
</tr>
<tr>
<td>365 (29.5%)</td>
</tr>
<tr>
<td>Objections</td>
</tr>
<tr>
<td>857 (69.3%)</td>
</tr>
<tr>
<td>Neutral</td>
</tr>
<tr>
<td>10 (0.8%)</td>
</tr>
<tr>
<td>Mixed</td>
</tr>
<tr>
<td>5 (0.4%)</td>
</tr>
</tbody>
</table>

5.2 Most Frequent Issues

This section considers the top 5 most frequently raised issues in the representations submitted by Non-NCC Residents.

5.2.1 Poor public transport options

298 Non-NCC Residents raised concerns about the current public transport options available. Many of these stated that they did not have an adequate or viable alternative to the car available, particularly because they were located outside of the city boundary. It was also mentioned that there was no direct route via public transport, that more than one bus was required or that they would have to travel into the city centre and then back out again. Reference to poor levels of service and capacity of the current infrastructure was also cited alongside the need use their cars for work or business, or a preference for commuting by car.
5.2.2 Simply to raise revenue

233 Non-NCC Residents viewed the WPL as merely another tax with particular reference to it being a stealth tax, or additional tax on motorists or businesses. Many Non-NCC Residents also commented that they already pay enough taxes or that existing taxes such as car tax or business rates should be sufficient.

5.2.3 Journey time

170 Non-NCC Residents raised this issue stating that using public transport would increase their journey time when compared to using their cars, or it was not a viable option because of the time it would take.

5.2.4 Equity of the scheme

167 Non-NCC Residents raised the issue that the scheme was unfair, unjust or unacceptable, with the more detailed responses referring to:

- the lack of alternatives available;
- no choice but to drive;
- the location where they live being outside the city boundary or being too remote;
- WPL charging people for coming to work, or penalising people who work for larger companies.

5.2.5 Responder will not benefit from NET

133 Non-NCC Residents raised this issue. Many of these referred to the fact that they would derive no direct benefit from the future NET extension due to it not being located near to where they live or work. A number of responses also questioned why they should fund something they will not use.
6 Other Organisations Group Analysis

6.1 Headline Statistics of the Other Organisations Group

57 Other Organisations submitted representations about the WPL, representing 2.3% of all representations submitted. In total the Other Organisations group raised 232 issues.

<table>
<thead>
<tr>
<th>Total No. of Other Organisations Representations</th>
<th>Total No. of Other Organisations Issues Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>57</td>
<td>232</td>
</tr>
</tbody>
</table>

Of the Other Organisations who responded to consultation, 17 were considered to generally support the WPL scheme, 30 generally objected to it, 9 represented neutral views and 1 represented mixed views.

<table>
<thead>
<tr>
<th>No. of Representations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support</td>
</tr>
<tr>
<td>17 (29.8%)</td>
</tr>
<tr>
<td>Objections</td>
</tr>
<tr>
<td>30 (52.6%)</td>
</tr>
<tr>
<td>Neutral</td>
</tr>
<tr>
<td>9 (15.8%)</td>
</tr>
<tr>
<td>Mixed</td>
</tr>
<tr>
<td>1 (1.8%)</td>
</tr>
</tbody>
</table>

6.2 Most Frequent Issues

This section considers the top 5 most frequently raised issues by the Other Organisations group.

6.2.1 Negative business impacts

24 Other Organisations raised concerns about the impact WPL will have on existing businesses within Nottingham. Many of these responses indicated that they thought that the WPL would have a detrimental impact on services, especially in the case of the charities.

6.2.2 Poor public transport options

20 Other Organisations raised concerns about the current public transport options available. Many of the Other Organisations stated that employees did not have an adequate or viable alternative to the car available, particularly where they were located outside of the city boundary.
6.2.3 **Positive response**

15 Other Organisations stated specific aspects of the WPL scheme that they supported.

6.2.4 **Simply to raise revenue**

15 Other Organisations criticised the WPL as merely another tax.

6.2.5 **Passing the charge on**

11 Other Organisations indicted that in many instances that they would have to pass on the charge to their employees.
Introduction

Each representation that was received as part of the public consultation has been reviewed and all the relevant issues raised have been identified and subsequently recorded within the WPL consultation database.

The comments can be grouped into 81 common issues which centre around 19 themes. Council officers then gave detailed consideration to these issues, and prepared a response to each of them identifying (where relevant) how the proposals could change to accommodate the issues raised.

This report sets out a summary of the issues raised by the public for each theme and provides a summary of the officers responses.

For further detail and a copy of all the responses see background paper “NCC Responses to the Public Consultation”.
The concept of WPL

1.1 Public Consultation Representations

Many respondents indicated that they felt the WPL Scheme was unfair, unjust or unacceptable. Reasons stated for this opinion included a lack of public transport alternatives that resulted in no other choice than to drive to work and therefore incur the charge or that the scheme penalises employees of larger companies. The need for the WPL Scheme was also challenged.

A large number of respondents viewed the WPL Scheme as a tax (it was described by some as a ‘stealth’ tax) or merely a cash raising mechanism.

It was questioned whether the WPL Scheme would actually deliver its stated benefits; in particular whether the scheme would actually reduce congestion and whether it would result in a significant behavioural change. This was a particular issue for non-NCC residents and businesses.

Respondents also objected to the fact that the WPL Scheme would only charge businesses, suggesting the charge should include either all motorists, all city residents, all of Greater Nottingham or shoppers.

1.2 Council’s Response

The WPL is designed to target car use by commuters, one of the main contributors to congestion in the city. Since congestion in Nottingham is strongly correlated with the peak periods, WPL is considered a fair means of charging for the costs of that congestion as it targets one of the main contributors. The aim is to encourage commuters to seek sustainable alternatives to the car and to support that behaviour through provision of reliable, high quality public transport.

It is recognised that some car users who would be affected by the WPL will inevitably have compelling reasons to use a car for the journey to work, such as the lack of a viable public transport service. However, as with any taxation system, it is not realistic to expect that every person who pays would receive an equal benefit. This point was also noted by the Examiner in his Public Examination report (Appendix D).

WPL revenue will be used to fund a package of measures designed to improve public transport across the conurbation for the benefit of all sections of the community.

In regard to the scheme being a tax, the WPL scheme will not simply be imposed to raise revenue – it also has a demand management aspect. It directly targets those who contribute towards congestion in Nottingham, and encourages them to switch to alternative modes of transport funded by the revenues generated by the WPL scheme. It should also be noted that the Transport Act 2000 requires as a matter of
law that the revenues generated by the Levy must be ring-fenced for spending on transport measures that will meet the objectives of the Local Transport Plan and therefore deliver improvements in sustainable transport to support the economic vitality of Greater Nottingham.

The benefits of the WPL Package will be two fold. Firstly, the direct impact will be to encourage some commuters to change behaviour due to the cost of the levy (where this is passed on by employers) and to encourage employers to manage their staff parking and introduce travel plans that could also change behaviour. The indirect impact of the WPL package will be provided by the investment of the revenue to provide enhanced public transport facilities and services that will allow greater choice and encourage some travellers to switch modes. Of these impacts, the latter is expected to be by far the most important contribution towards tackling congestion. This was discussed further at the Public Examination.

In response to suggestions that charging should also occur for parking other than at businesses, the legal powers created by the Transport Act 2000 only allow local authorities such as Nottingham City Council to introduce a levy on workplace parking in their areas. “Workplace parking”, as defined by the Transport Act 2000, includes parking by employees, suppliers, visitors who are “on business”, and pupils or students at an educational establishment.

Parking at private residences and parking by people shopping or visiting leisure facilities does not fall within the definition of “workplace parking”, and so the Council cannot impose a levy for this type of parking.
2 Suggested Alternatives to a WPL Scheme

2.1 Public Consultation Representations

Some respondents suggested road user charging (RUC) as an alternative to the WPL Scheme, with many believing that it would be a fairer alternative. In particular, systems similar to the successful London congestion charging scheme have been highlighted as offering a potentially fairer, more effective means of tackling congestion and probably capable of raising greater revenue.

This issue was particularly raised by Non-NCC Residents. However, it should be noted that more respondents put forward a statement of support towards WPL as an option.

A number of alternatives ways to generate funds for Public Transport Improvements were mentioned and it was also suggested that public transport should be improved first before the WPL scheme is implemented.

2.2 Council’s Response

In the past, the Council has considered it inappropriate to pursue road user charging for the following:

- a considerable amount of work on transport demand management and complementary transport improvements had already been done with employers, and the WPL was seen as a logical continuation of that work;

- road user charging implied a ‘charging cordon’ around the city centre, in outer suburban areas or city boundary. The City Council considered that this would encourage dispersal of employment and reduce the attractiveness of Nottingham, particularly as a retail centre; and

- congestion patterns around the city are heavily correlated to travel to work; existing alternative transport networks are best placed to accommodate changes at these times e.g. in terms of frequencies of bus services. The overall LTP strategy was to improve these alternatives to offer improved transport choice as opposed to penalising car ownership.

- the requirement that any fund raising scheme should be in place by 2010.

The Council has jointly participated in a Transport Innovation Fund (TIF) bid to examine options for road user charging within the 3 Cities sub-region (Nottinghamshire, Derbyshire, Leicestershire) and this complements the LTP strategy by offering a longer-term perspective. Upon conclusion of the TIF study the options and interrelationships with WPL will be considered further.
Should some form of RUC scheme emerge through the TIF Sub-Regional Partnership it would be a matter for the Council at that stage to consider options for amending, reducing or removing the WPL scheme in the light of the circumstances at that time.

The Council has assessed in some detail the various merits of the following alternative funding sources that have been recommended:

- **core business rate retention** – a Core Cities discussion paper proposed that cities be allowed to retain up to 10% of the business rates, which for Nottingham, would generate approximately £11m per annum in additional revenue income, although no estimate of the loss of monies from the central pool has been made. Whilst this would provide a significant annual income for the City Council it remains a proposal and would require primary legislation.

- **supplementary business rate** – an Institute for Public Policy Research issued a briefing paper which discusses the merits of a Supplementary Business Rate. Based on the figures provided, a supplementary business Rate of 4p would generate annual income of 11m for Nottingham City Council. This equates to an increase of approximately 10% on the 2007/08 business rate poundage. The Government is considering the introduction of a supplementary business rate but this would require primary legislation.

- **increasing council taxes** – the current Band D Council Tax would need to be increased by £146 to generate the required income stream of £10.8m which represents a 12% increase. In recent years, central Government have effectively capped the increases that authorities can make and in 2007/08 this increase was limited to 5%.

- **the sale of assets** – it is set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting – England) Regulations 2003 that capital receipts, such as those raised by the selling of assets, cannot be used directly to meet revenue expenditure, such as the PFI payments necessary for NET Phase Two. Further more, assets bring in income that the Council can use for the provision of services. If the assets were sold, this income would have to be found elsewhere or services reduced.

In response to the suggestion that public transport should be improved before WPL, over the first Local Transport Plan period significant expenditure was directed towards public transport improvements. Key public transport improvement schemes delivered during this period were:
• NET Line One which has added substantial new public transport capacity. Operating performance is of a high standard with system reliability and punctuality figures in excess of 99% as recorded in 2005/6;

• the ‘Turning Point’ which is reducing the barrier effect of the Inner Ring Road, improving conditions for bus users, and safety for pedestrians, while enhancing interchange;

• introduction of new bus lanes and bus priority measures;

• integrated rail / tram station in Hucknall;

• improved Bulwell Interchange;

• introduction of the ‘Kangaroo’ integrated bus ticket;

• 1,400 bus stops were upgraded;

• upgrading of Beeston Bus Station; and

• introduction of the ‘Link’ Bus network.

The Council therefore consider that public transport investment has delivered significant improvements in terms of both infrastructure and services during the first LTP period. This has resulted in an 8% increase in public transport usage, the highest rate of any of the UK’s Core Cities.
3 Boundary of the charging zone

3.1 Public Consultation Representations

A large number of respondents suggested that the charging area should be smaller. Many suggested that it should be reduced to the city centre (this particular issue was raised by many non-NCC residents). A small number of respondents suggested the charging area should actually be larger, to include neighbouring councils.

It was also suggested that the WPL scheme should be introduced by way of a phased implementation; starting in the city centre and then moving out as public transport improvements are in place and benefits are delivered.

3.2 Council’s Response

In reality congestion occurs throughout urban Nottingham not just the city centre and there is a need to invest in improved transport across this wider area. The WPL has been designed as a City wide scheme to ensure application of the levy is fair and does not discriminate against any location within the city. The revenues raised by the levy will fund public transport that benefits everyone, including those who don’t use it, by helping to take car trips off other roads and improving journey times throughout the city.

Acting on its own the Council does not have the power under the Transport Act 2000 to extend the charging area beyond the administrative boundary of the City of Nottingham. For the charging area to be any larger, a joint WPL scheme would have to be agreed with the neighbouring local traffic authorities. The Council does not consider that it is appropriate at this stage to consider a joint WPL scheme.

A phased implementation, starting with the city centre first, would either reduce the rate at which revenue becomes available to fund public transport alternatives (particularly NET Phase Two) or require a significant increase in the cost of the levy for those organisations that are in the reduced charging area. The Council considers that it is fair to charge those who are currently causing congestion, in order to provide funding for public transport measures that will address that congestion, even though there is lead time for those transport measures to become operational.
4 Days and Hours of Operation

4.1 Public Consultation Representations

Respondents challenged either:

- The 365-day nature of the WPL charge - in particular the perceived lack of fairness of charging a year's charge in the case of part time use of a liable space; or

- The lack of 'time of day' sensitivity within the WPL charge – especially in the case of workers who work shifts, flexi-time or non-regular hours as it was argued that they do not contribute to congestion as they travel out of peak hours. This particular issue was of greater pertinence for Non-NCC Residents.

4.2 Council’s Response

At present it is proposed to licence workplace parking on an annual basis, notwithstanding that the space may not always be in use over the course of the year. It is spaces and not employee vehicles that are licensed, and therefore where an employee uses a space intermittently, it may be expected that other employees are using the space at other times. Therefore the employer could pass on the charge proportionately according to actual use by each employee.

In the Council’s opinion it would simply not be operationally feasible to issue workplace parking places licences on an hourly, weekly, or monthly basis.

In response to the second point, WPL is a charge on workplace parking, not on the use of the road by workplace vehicles.

From an operational perspective, the Council can only reasonably be expected to monitor cars parked in a car park at a particular time; it cannot monitor the times at which those vehicles arrive and depart.

The Council’s opinion is that the level of charge to be passed on to shift and flexible workers (if at all) would be best regulated at the employer level.

As part of the implementation of WPL, advice and guidance will be made available to employers to help them develop company travel plans and parking policies which benefit employees. For example, part time or shift workers might share designated spaces to spread the cost.
5 Level of Charge

5.1 Public Consultation Representations

A number of alternative options for the WPL charge were suggested; these included banding of different areas and increasing the charge in line with the number of parking spaces provided.

Concern was also expressed about the level of charge and the future increases.

5.2 Council’s Response

The Council has considered the use of zones for the WPL but currently proposes to charge a single flat rate across the City. The reason for this is that it would be much easier to administer and also more equitable. If a zone based system was to be used any reduction in revenue generated from an outer zone(s) would have to found by increasing charges to the inner zone(s).

The Council considers that to increase the charge in line with the number of parking spaces provided would be unfair on larger companies and believes that organisations with more parking spaces will be incentivised to reduce the number of spaces they make available as they will be charged the Levy on a per space basis rather than a flat rate per company.

With regards to the level of the charge, it is currently intended to start the charge lower in the early years of the scheme and increase it over the first five years in line with the phased introduction of improved public transport provision. As highlighted in Section 8 of the Workplace Parking Levy Draft Business Case, the WPL proposals have been developed to generate a specific level of funding but not to create a surplus. The proposed increases are designed to meet the funding requirement of the current public transport improvement programme.
6  **Scheme Operations**

6.1  **Public Consultation Representations**

A range of specific enforcement questions were raised about the scheme as well as how the scheme would cater for seasonal adjustment in car parking requirements.

6.2  **Council’s Response**

The Council is proposing to require that all employees and liable business visitors display a WPL permit in their windscreen when parked in a workplace parking place. This would enable the Council to distinguish between those spaces which are intended to be included on the licence, and those which are not.

Officers will have legal powers under section 190 of the Transport Act 2000 to enter any premises where they believe workplace parking is being provided for the purpose of enforcing the WPL scheme and carrying out compliance checks.

It is proposed that recording equipment, including access to mobile CCTV, will be used to assist officers in accurately calculating the number of cars and collecting evidence of any expected infringement of the licence. It is expected that officers will be able to access DVLA records to check vehicle ownership details to assist them with gathering evidence, for example in the case of identification of unlicensed employee parking.

Regarding variations, an organisation would be allowed to make variations to the licence if it wished to change the maximum number of workplace parking places that may be provided. A variation would result in the issue of a new licence which would run to the date the previous licence expired. Thus the variation is “permanent”, in the sense that it would be effective until a further variation application is made, or the annual licence expires. An administration charge will be applicable.
7 Consultation and Public Examination

7.1 Public Consultation Representations

There was some questioning of the public consultation process and public consultation information provided.

7.2 Council’s Response

By virtue of section 185(1) of the Transport Act 2000, a local authority considering a WPL scheme may, at its discretion, undertake consultation on proposals for a WPL scheme. Nottingham City Council took the decision that it was appropriate to exercise this discretion, and thus launched consultation on its proposals for a WPL scheme in the week commencing 16 July 2007.

The consultation period closed on Friday 12 October 2007, up until which point the public had been invited to submit representations in writing to the Council. The consultation period ran for over 12 weeks, which is consistent with Government guidelines regarding the length for written consultations (Cabinet Office Code of Practice on Consultation, January 2004).

However the Council wanted to go further than simply inviting written responses to its proposals. That is why it included a “Public Examination” of the WPL proposals as part of the consultation, to take place during the 12-week period.

By incorporating the Public Examination into the consultation process, the Council has had the benefit of considering not only the written responses received during the 12 weeks, but also the independent Examiner’s report and recommendations. This has improved the quality of the information that the Council has at its disposal as it decides whether or not to go ahead with a WPL scheme, and if so how the scheme will be designed.
8 Discounts and Exemptions – Proposed

8.1 Public Consultation Representations

The Fire, Police and NHS 100% discount was questioned within representation; in many cases respondents specifically questioned why employees who work at emergency services premises should receive free workplace parking, when they would not.

It was also questioned why smaller businesses with ten or less car parking spaces would receive a discount. Respondents raised the point that smaller businesses still contribute to congestion and often (in the case of accountants and solicitors) generate large incomes capable of paying a WPL charge.

In his report on the Public Examination the Examiner recommended that only emergency services vehicles should receive a 100% discount. As for the ten or less space discount, the Examiner recommended that all businesses should receive the first ten spaces for free (and not just those who had ten or less liable spaces in total).

8.2 Council’s Response

Exemptions can be created nationally, in legislation issued by the Government, or locally within a Council’s WPL Order. To date the Government has not “national-imposed” exemptions.

Therefore the Council is free to create its own local exemptions, which must be prescribed in its WPL Order. However, before a WPL scheme can come into force, the WPL Order must be confirmed by the Secretary of State for Transport. Thus it is to be expected that the Secretary of State would wish to see that a WPL scheme includes exemptions that accord with national policy, before confirming any WPL Order.

The initial stance for consultation was that all workplace parking places at emergency services premises would receive a 100% discount. This would mean that such premises would have to apply for a licence, but would not pay any charges for the parking places. It was considered that it would be beneficial for the Council to require a licence from such premises (as opposed to granting an outright exemption) in order to provide information that would assist with operation and enforcement of the WPL scheme.

The Council recognises, if it accepts the representations and the Examiner’s recommendation to modify this aspect of the scheme, that further work would be required to identify its impact on the scheme and the equity of modifying the proposed discount.
Regarding the ten or less spaces discount, the Council believes that the administrative
cost of licensing and regulating workplace parking provision is proportionately higher
for small businesses than for larger businesses, and the Council does not wish to
make Nottingham an unattractive location for the setting up of new businesses.
Further, the majority of the workplace parking in Nottingham is provided by a
comparatively small number of firms. Charging small businesses is likely to reduce
the financial efficiency of the scheme, as the revenue generated from those small
firms would be offset by the cost to the Council of enforcing the scheme at
significantly higher numbers of premises.

It should be noted that the Council’s initial proposal for providing a 100% discount for
premises with ten or less spaces would still enable around 80% of parking spaces to
be liable, ensuring the objective of targeting the major source of congestion is
maintained.

However in accordance with the Examiner’s recommendation the Council’s Executive
Board will consider whether the scheme should be changed to offer a 100% discount
for the first ten spaces at all premises.

All of the proposed exemptions and discounts will be considered again in the light of
consultation responses. However, any changes to the proposed scheme will be
subject to the imperative that the scheme must remain both fair and at a level of
complexity that is enforceable, will encourage behavioural change, and will be cost
effective – generating the revenue required to fund local transport improvements, in
particular NET Phase Two. Variations to exemptions and discounts would potentially
result in changes to the level of the annual charge.
9 Discounts and Exemptions – New Proposals

9.1 Public Consultation Representations

There were a range of additional exemptions that were suggested by respondents including:

- Charities and voluntary organisations;
- Education establishments;
- Premises more than 10 minutes from a public transport alternative;
- Vehicles used for religious purposes;
- Vehicles of low income workers;
- Vehicles of key workers;
- Vehicles of part-time or shift workers;
- Vehicles of employees who use their car for the purposes of their job;
- Vehicles used by central government workers;
- Vehicles used by drivers of trams and buses; and
- The first ten spaces for all businesses.

In his report on the Public Examination, the Examiner recommended that the Council should offer an exemption to business visitors who attend premises on an infrequent basis or for a short period, as opposed to those who commute regularly to the same premises. The Council had indicated a willingness to consider this change in the build up to the Public Examination.

9.2 Council’s Response

In order to implement an effective WPL scheme, a line has to be drawn for exemptions and discounts. Where vehicles are used for travel to and from work, the Council are of the view that, in general, the WPL charge should be applied irrespective of the purpose and activities of the organisation. It is then for the employer to decide if it will pass on the cost of the levy to its employees, and if so by what amount and by what means. Where an organisation, such as a charity or a school, is concerned about its ability to absorb the cost of the levy, it can decide to pass on the charge to its employees. Where it does so, it is to be expected that the charge will be passed on equitably.
It has always been an integral part of the scheme’s proposals to provide extensive WPL advice and guidance to employers to help them develop company travel plans and parking policies in the build up to the start of the WPL scheme and as an ongoing service once the scheme was in place.

This would be an expansion of the current services that both the Council and other partners already provide to employers in Nottingham. By working with the Council and these partners, these organisations would be able to access the necessary support and information to assist them in developing and implementing successful travel plans that will provide a number of economic, social and environmental benefits both for the employers and their employees.

Having considered the consultation representations it is recognised that some individuals may be able to make a convincing case for special treatment, but it would be difficult to frame a robust and easily enforceable definition which would ensure that deserving cases were exempted whilst others were not. The Councils recommendation is that any concessions for these groups must be made by the employers, who can decide whether or not to pass the charge on.

Regarding the proposal to exempt the first ten spaces for every business, the Council is seeking further advice from the Executive Board regarding this proposal as outlined above.
10 Traffic and Transport Modelling

10.1 Public Consultation Representations

The modelling techniques used to predict the impacts of the WPL Scheme were questioned by some consultees.

10.2 Council’s Response

Underpinning the WPL Package forecasting work is a series of forecasting models utilising the Nottingham Multi-Modal Model framework. This structure was initially developed during 2001 and covers the City of Nottingham and surrounding districts of Gedling, Rushcliffe and Broxtowe, comprising the internal study area. The framework comprises of two network models, representing the highway and public transport networks, linked by a demand model and including a park and ride forecasting model.

The forecasting methodologies are based on established techniques using a series of computer models that consider changes in detailed travel demand patterns resulting from demographic changes and from new or improved transport infrastructure or service provision.

The Council believes the modelling is an appropriate tool for assessing impacts.
11 Public Transport and Alternative modes to the car

11.1 Public Consultation Representations

The current public transport provision was cited as being poor or lacking by a large amount of respondents particularly by non-NCC residents and businesses.

The cost, long journey times and times of operation were stated as reasons why public transport is not currently considered by some respondents as a viable alternative to commuting by car.

Questions were also raised about the safety (for women and at night) and the reliability of travelling by public transport at present.

Many respondents, particularly Non-NCC Residents, complained that in their opinion, they would not receive any direct benefit from the future NET Phase Two extension as the proposed route would not be located near their home or work.

11.2 Council’s Response

Over the first Local Transport Plan (LTP) period (2001-06), significant expenditure was directed towards public transport improvements. Key public transport improvements schemes delivered during this period were:

- NET Line One which has added substantial new public transport capacity. Operating performance is of a high standard with system reliability and punctuality figures in excess of 99% as recorded in 2005/6;
- the ‘Turning Point’ which is reducing the barrier effect of the Inner Ring Road, improving conditions for bus users, and safety for pedestrians, while enhancing interchange;
- introduction of new bus lanes and bus priority measures;
- integrated rail / tram station in Hucknall;
- improved Bulwell Interchange;
- introduction of the ‘Kangaroo’ integrated bus ticket;
- 1,400 bus stops were upgraded;
- upgrading of Beeston Bus Station; and
- introduction of the ‘Link’ Bus network.
The Council therefore considers that public transport investment has already delivered significant improvements in terms of both infrastructure and services. This has resulted in an 8% increase in public transport usage, the highest rate of any of the UK’s Core Cities.

NCC and Nottingham County Council have also established a vision for transport in the Greater Nottingham (GN) area, as presented and approved in the LTP2 (Local Transport Plan for Greater Nottingham 2006/7 – 2010/11) and the suite of documents accompanying the plan. These include the GN bus strategy, since developed further into the GN bus vision for commuters, and the Accessibility Strategy.

The Plan seeks to improve the capacity for people to access the City and district centres through investment across modes and the implementation of innovative and robust demand management policies to make best use of the existing transport networks.

Regarding the cost of public transport, local authorities are highly constrained by law in their ability to influence fares on bus services. Even fares on tendered services must reflect general fare levels within the area to avoid unfair competition with commercial operators. Nonetheless, the fares in Nottingham are not high compared with similar cities.

In terms of safety, there is a perception that using buses can be unsafe from a personal security point of view. Whilst actual crime levels do not support this perception, it is nevertheless important to work to allay this fear. Funding will be used to support the ‘Respect for Transport’ initiative which was formed in 2004 and includes Nottingham City Council, Nottinghamshire County Council, NCT, NET, JC Decaux (a shelter provision company), Nottinghamshire Police and the Greater Nottingham Transport Partnership/Big Wheel. Its goal is to jointly develop and promote safe and sociable behaviour on public transport.

Regarding the benefits of the scheme, it is important to remember that even those who must continue to use a car will benefit from implementation of a WPL through experiencing a lower level of congestion. This point is especially relevant when considering the misconception that the benefits of the WPL Scheme will go chiefly to NET users while the costs will fall on a wider group.

The benefits from improved public transport will be broadly spread. Whilst the most obvious beneficiaries are those travellers who will experience improved services on the NET network. Other groups will receive direct benefits through improvements and additions to the Link bus network and from improvements to Nottingham station. There also should be perceptible benefits even for those who cannot (for some
practical reason) switch to public transport from the car. By helping to take car trips off other roads and improving journey times throughout the city commuters are expected to perceive benefits from shorter journey times.
12 Use of revenue

12.1 Public Consultation Representations

Some respondents disagreed with the priorities for use of the revenue generated by the WPL Scheme. In a number of cases the NET Phase Two extension was specifically questioned.

12.2 Council’s Response

The Transport Act 2000 requires the revenues generated by the Levy be spent on measures that will meet the objectives of the Local Transport Plan and therefore deliver improvements in sustainable transport to support the economic vitality of Greater Nottingham. It is clear that a large proportion of the revenue raised will go towards meeting the City’s contribution towards the cost of implementing NET Phase Two. However, significant funding will also be allocated to other improvements in public transport such as upgrading Nottingham railway station and maintaining and improving bus services, especially the Link Bus network providing access to key out of town employment, education and health facilities.
13 Business Impacts

13.1 Public Consultation Representations

Many respondents, in particular businesses, believed the WPL Scheme would have a negative impact on existing business within Nottingham, forcing existing business out of the area or having a general detrimental impact. It was also felt that the scheme would have a negative impact upon future inward investment in Nottingham.

There was additional concern, in the main by non-NCC residents, that the WPL scheme would have a negative impact upon staff retention and recruitment.

There was also indication that in some cases employers would have no other option than to pass the charge on.

13.2 Council’s Response

In practice, the levy represents a very small part of business turnover, less than 0.5% for most businesses according to research carried out by accountancy firm PricewaterhouseCoopers (Appendix L - WPL Draft Business Case) and those same businesses will benefit from reduced traffic congestion that will reduce their operating costs. Most businesses have a good understanding of their cost structures and the Council’s opinion very few will be influenced by this relatively small change in costs, recognising the benefits of trading in a successful and thriving City with an improving transport system that has gained national recognition.

The levy will also provide an incentive for firms to review the costs of providing free parking for employees on what is often very valuable land. Re-organising site layout can lead to better and more productive use of land and property and provide an opportunity for investment, stimulating greater efficiency.

The research by PricewaterhouseCoopers also looked at the reaction of employers to a WPL scheme and it suggests about one third of employers might pass on all or some of the cost to employees with a third suggesting no charge would be passed and around one third undecided. Nevertheless, 71% of liable organisations reported that they would not reduce planned recruitment and the majority also expected to maintain levels of investment. This suggests that businesses do not expect to encounter major difficulties in recruiting and retaining staff as a result of WPL.

Given that few organisations currently operate parking management or travel plans there is considerable scope for such businesses to develop policies that could mitigate against negative perceptions of the levy. Support and guidance for businesses to develop such policies will be provided as a key part of implementing the WPL.
14 Environmental Impacts

14.1 Public Consultation Representations

There was doubt as to whether the WPL Scheme would have any significant positive environmental impact.

14.2 Council’s Response

Survey data around the city indicates that if a relatively small proportion of car users change their travel behaviour, the impact on congestion, and thus CO2 emissions is noticeable.

The NET Phase Two (part of the WPL package) Environmental Statement also concluded that whilst CO2 emissions in Nottingham would inevitably rise as a result of traffic growth, the anticipated transfer from car to tram and traffic rerouting associated with the direct impacts of NET on highway capacity should reduce CO2 growth, allowing for the indirect emissions that occur at the source of the electricity generation for powering the NET system.
15 Social & Economic Impacts

15.1 Public Consultation Representations

Respondents suggested that the WPL scheme would have a negative impact upon low income and part time workers as the ‘flat’ fee would financially impact upon this group to a greater extent.

It was also believed that the WPL scheme would have a negative impact upon those who require child care. Many stated that public transport was not a viable alternative to the car for delivering their children before they went to work and therefore they would have no option but to incur a charge (on top of child care fees).

15.2 Council’s Response

Having considered the consultation responses the Council’s view remains that these categories of worker would not be exempt, or receive a discount on their parking as part of the scheme. However, experience with employee parking schemes and company travel plans suggest there are ways in which employers can help mitigate impacts. Each eligible parking space would be subject to the annual charge, but this does not mean the full cost would necessarily have to be born by an individual employee. Where employers decide to pass on some or all of the charge they could develop a parking policy that takes account of low income and part-time worker or those with child care responsibilities. As part of the implementation of WPL, advice and guidance will be made available to employers to help them develop company travel plans and parking policies which benefit employees. For example, these categories of workers might share designated spaces to spread the cost.
16 Traffic Impacts

16.1 Public Consultation Representations

Concern was expressed that the WPL Scheme could potentially, either through the charge itself or a reduction in workplace parking provision, displace employees into parking on-street, often in residential areas, causing disturbance and further congestion.

16.2 Council’s Response

This subject was reviewed at the Public Examination several times and also forms part of the Examiner’s recommendations.

The current Traffic Management legislation, The Road Traffic Regulation Act 1984, gives powers to the local transport authority to implement Traffic Regulation Orders (TRO) to address any areas that are impacted upon by problematic parking. A range of options can then be utilised depending upon the local area and the type of parking issues.

The Traffic Management team has extensive experience in delivering and enforcing these types of schemes successfully and has dealt with displaced parking issues that arose from the introduction of large-scale schemes such as NET Line One and City Centre Pay and Display.

Should approval be given to proceed with the implementation of the scheme then it is envisaged that a comprehensive study will be undertaken to build upon this previous work and establish a detailed list of existing and potentially new problem sites within the city and a range of appropriate solutions.
17 Financial Modelling

17.1 Public Consultation Representations

Questions were raised about the methodology of publicly raising the funds through the WPL Scheme over a period of time; in particular there was concern that once the WPL Scheme was in place it would become a continuous permanent feature.

Questions were also raised about the costs of administering a WPL Scheme.

17.2 Council’s Response

Modelling work carried out has assumed that the WPL will end in line with current assumptions used for the development of the NET Phase Two concession. WPL is to be used to help repay the financing of NET Phase Two construction which is why it must continue after the construction period. The Council wishes to remain flexible with regard to how long the WPL scheme is in place. Therefore at present the draft WPL Order provides that the scheme will apply indefinitely.

However, at a future date the Council would have to decide whether to continue the WPL scheme beyond the repayment of funding for NET Phase Two or replace it with an alternative funding source if a suitable alternative becomes available.

Regarding administering the scheme, the Council considers that WPL represents a financially efficient, high value for money proposal, with relatively low development and operating costs. Initial forecasts suggest that the costs of implementing and running the Levy will equate to only 12% of the income it will generate.
18 WPL Legislation

18.1 Public Consultation Representations
Some representations questioned how the Council could impose a levy upon parking on privately owned land.

18.2 Council’s Response
The Transport Act 2000 created the legal powers that allow local authorities such as Nottingham City Council to impose and recover charges for workplace parking places provided on privately owned land.
19 Other

19.1 Public Consultation Representations

It was suggested that the WPL Scheme should include, and therefore charge, all businesses. This is a similar point to that in Theme 10.

Respondents claimed that a majority of the morning congestion is caused by school commuting and that the effect of this can be noticed by its absence during school holiday periods. Many went a step further and specifically questioned why parents were not included within the charging mechanism as they appear to significantly contribute to congestion.

19.2 Council’s Response

The Council believes that the administrative cost of licensing and regulating workplace parking provision is proportionately higher for small businesses than for larger businesses, and the Council does not wish to make Nottingham an unattractive location for the setting up of new businesses. Further, the majority of the workplace parking in Nottingham is provided by a comparatively small number of firms. Therefore charging small businesses is likely to reduce the financial efficiency of the scheme, as the revenue generated from those small firms would be offset by the cost to the Council of enforcing the scheme at significantly higher numbers of premises.

It is therefore proposed that a 100% discount be offered to small businesses. The Council is of the view that from an operational perspective the simplest way of defining a “small business” is according to the number of workplace parking places it provides. It is has been proposed that “ten or less workplace parking places” is an appropriate level at which to define a “small business”, and to achieve a high level of financial efficiency.

Providing this discount could also encourage other businesses to reduce their car parking allowance and hence encourage employees to use alternative methods to travel to work.

Regarding school commuting, traffic flow data from 2006 has been analysed and AM peak hour flows predominantly consist of commuter traffic, supplemented by school run and other journey purposes, while schools related traffic is generally absent from the PM peak flows. The reduction in traffic during school holidays can be attributed to many factors including: commuters taking holidays with children so there are fewer commuters making vehicular journeys, fewer teachers using the roads, and fewer trips to other child care providers. It should also be noted that whilst there is a marked reduction in traffic around school sites, there is very little reduction on other
roads which would suggest that fewer multiple journeys i.e. home – school – work are being made.

Indeed, 90% of road users are not school commuters; to target this relatively small group of road users, without considering similar appropriate measures for users who travel to work on a regular basis, would be inequitable.

The survey data does however indicate that if a relatively small proportion of users change their travel behaviour, the impact on congestion is noticeable.

The Council has, and will continue to prioritise work with schools to develop school travel plans that have had an impact on school travel.
THE PROPOSED NOTTINGHAM WORKPLACE PARKING LEVY

REPORT OF PUBLIC EXAMINATION

1 – 5 OCTOBER 2007
Dear Sir

PROPOSED NOTTINGHAM WORKPLACE PARKING LEVY

Between 1 and 5 October 2007 I chaired a Public Examination to consider representations made about the Proposed Nottingham Workplace Parking Levy. I held a Pre-Examination Meeting on 24 September 2007, and I carried out a site visit on 23 September 2007.

At the commencement of the Public Examination some 685 representations had been received, and I have taken these into account. The issues for and representation at the Public Examination were based upon all these representations, and not just those which had been received by 31 August 2007.

109 employers, residents and other stakeholders were invited to participate in the Public Examination. 28 took part.

From the representations I drew 32 preliminary questions, 5 topics and 31 issues, and the Public Examination was structured around these issues.

This report contains the gist of the discussion at the Public Examination, and of the written representations, and my conclusions and recommendations. Lists of appearances and documents are appended.

As required by the Terms of Reference, I address the following matters in this report:

(a) assess whether the WPL scheme has the potential to achieve its stated objectives, namely to deliver public transport benefits to Nottingham (including the support of NET Phase Two), and to deter growth in traffic congestion;

(b) identify any significant weaknesses (including risks) in respect of the proposed WPL scheme, particularly with regard to:

   (i) the achievement of the above objectives; and

   (ii) the manner in which it is proposed to operate the WPL scheme;
(c) make recommendations:

(i) in relation to (a) and (b) above; and

(ii) in relation to improving the scheme’s operational effectiveness, if the Council were to decide to go ahead with the WPL scheme.

I conclude that the WPL has the potential to deliver public transport benefits to Nottingham through expenditure on LTP projects, including NET Phase Two. It would probably have a very small direct effect upon growth in traffic congestion, and a somewhat larger indirect effect through its support of public transport improvements.

By requiring that any fundraising scheme should be in place by 2010 the Council have effectively ruled road user charging out of contention. Were there no such constraint, I would have recommended that a road user charging scheme should be pursued as a fairer way of taxing commuters, investing in public transport and reducing the growth in congestion.

I identify several weaknesses and risks in the WPL scheme, and make a number of recommendations, foremost amongst which is the recommendation that the Council should not proceed with the WPL unless and until they have developed a detailed, costed programme (funded from the proceeds of the WPL) for engaging with employers to advise and assist them in developing workplace travel plans, and in particular car parking management schemes which will assess the differing needs and resources of employees, and allocate and charge for spaces accordingly.

I also recommend that: the Council should allow a 100% discount for the first 10 spaces in every case; that they should be clear and consistent about whether that discount is to be applied to premises, occupiers, businesses or employers; that those terms should be clearly defined for the purposes of the scheme; that the Council should make employers aware of the possibility of salary sacrifice; that plans should be made to deal with displaced parking; that at fire, police and health premises with more than 10 liable spaces the Council should further discount only parking places for emergency service vehicles and disabled persons’ vehicles; that the scheme should not charge for spaces which are used by business visitors who are genuinely calling in occasionally or for short periods rather than commuting on a regular basis; that the Council should improve their presentation of the scheme in various ways; that they should not allow funds to be diverted from the WPL into general Council expenditure; that they should give precise and accurate reasons for rejecting the suggestions for alternative sources of funding made by participants at the PEx; that they should investigate the feasibility of raising funds by means of a local lottery; and that they should hold talks with Government about the timing of NET Phase Two and about amending the law to allow the development of effective and attractive public transport ticketing arrangements.

Following the close of the PEx I requested clarification of a number of factual matters which had been raised but not fully explained at the PEx. I am satisfied that none of the answers has materially affected my conclusions, and have therefore incorporated them in my report, identifying them as they occur.
I place on record my thanks to my Programme Officer, Carmel Edwards, whose dedicated and cheerful professionalism ensured that all went smoothly throughout the process.

Yours faithfully

Brian Dodd
BA MPhil MRTPI
Chair
CONTENTS

Abbreviations 7
Terms of Reference 7
Structure of Report 7
Procedural matters 8
Introduction 8
Background 9

Topic 1 - Transport Impacts 15

Issue 1 – the extent and severity of congestion 15
Issue 2 – the number and location of workplace parking spaces 17
Issue 3 – the number of cars commuting to workplace parking spaces 17
Issue 4 – the direct impact of the WPL on congestion 18
Issue 5 – the significance of workplace travel plans, how they would be encouraged, and what they would contain 19
Issue 6 – the potential for parking to be displaced onto the streets surrounding workplaces 20
Issue 7 – the extent to which drivers taking children to school and drivers making shopping trips contribute to peak hour congestion 21
Issue 8 – the precise way in which the proceeds of the WPL would be spent, and how that would reduce congestion 21
Issue 9 – the effect of the proposed WPL upon car journeys 23
Issues 10 and 11 – whether there is a practical public transport alternative 25
Issue 12 – whether trams are good value for money compared to buses 27

Topic 2 – Economic Impacts 29

Issue 1 – employees who travel at uncongested times 29
Issue 2 – particular difficulties for certain groups 31
Issue 3 – the package of measures which the proposed WPL would support, and how they would sit with Government policy 31
Issues 4, 6, 8 and 9 – the effect upon and response of employers to the proposed WPL 33

Issue 5 – the distribution of costs and benefits 35

Issue 7 – the impact upon those on low incomes 36

Topic 3 - alternatives to the proposed WPL scheme 36

Issue 1 – alternatives to the tram 36

Issue 2 – road user charging 37

Issue 3 – shopping, leisure and delivery journeys 40

Issue 4 – alternative sources of funding for NET Phase Two 41

Topic 4 - The scope of the proposed WPL scheme 43

Issue 1 – emergency services 43

Issue 2 – educational premises, charitable and voluntary organisations’ premises and religious premises (and others seeking exemption or discount) 44

Issue 3 – premises with 10 spaces or fewer 45

Issue 4 – the proposed charges 47

Topic 5 - Operational issues 47

Issue 1 – distinguishing between business customers and other business visitors 47

Issue 2 - employee spaces in retail car parks 48

Issue 3 – commuters who use more than one mode 48

Conclusions 48

Meeting scheme objectives 51

Weaknesses and risks 51

Recommendations 54

Appendix A - List of Participants 57

Appendix B - List of Plans and Documents 58
ABBREVIATIONS USED THROUGHOUT THIS REPORT

DNCC   Derbyshire and Nottinghamshire Chamber of Commerce
LTP    Local Transport Plan
NET    Nottingham Express Transit
P&R    park and ride
PEx    Public Examination
PFI    Private Finance Initiative
PwC    PricewaterhouseCoopers LLP
QMC    Queen’s Medical Centre
RUC    road user charging
WPL    workplace parking levy

Terms of Reference

1.1 The Council have asked that in reporting on the PEx I should:

(a) assess whether the WPL scheme has the potential to achieve its stated objectives, namely to deliver public transport benefits to Nottingham (including the support of NET Phase Two), and to deter growth in traffic congestion;

(b) identify any significant weaknesses (including risks) in respect of the proposed WPL scheme, particularly with regard to:

   (i) the achievement of the above objectives; and

   (ii) the manner in which it is proposed to operate the WPL scheme;

(c) make recommendations:

   (i) in relation to (a) and (b) above; and

   (ii) in relation to improving the scheme’s operational effectiveness, if the Council were to decide to go ahead with the WPL scheme.

Structure of Report

2.1 Following a brief description of the scheme and the council’s justification for pursuing it, I examine the issues raised by respondents to the consultation, in the order in which they were discussed at the PEx. Throughout the report I identify weaknesses, risks and recommendations, and at the end of the report I conclude on the matters which I was specifically asked to address.

2.2 Throughout the report I refer not only to the debate at the PEx, but also to the 685 written representations upon which my analysis of the issues was based. I recognise that there is to be a formal inquiry into the proposal to build NET Phase Two, and that many of the matters touched upon in this report will be examined in much greater detail during that inquiry. However, members of the public and the business community were invited to comment upon all aspects of the WPL proposal, and many of their concerns centre around the justification for and alternatives to
building NET Phase Two. It is therefore wholly appropriate that I should consider their concerns in my report on the representations made, whilst recognising that they will be further examined at the formal inquiry.

Procedural matters

3.1 The Council is considering making a statutory order for the WPL, and the draft of that order is contained in Appendix C of the Draft Business Case. The Council has yet to make a final decision. It could decide not to make an order, to press ahead with the draft order, or to amend the draft order. The order would require the approval of the Secretary of State before it could be implemented, and that might require a formal public inquiry.

3.2 Section 179(2) of the Transport Act 2000 provides that a local licensing scheme, such as the proposed WPL, may only be made if it appears desirable for the purposes of directly or indirectly facilitating the achievement of policies in the licensing authority’s LTP. As the law stands, the proceeds of a WPL could be used to support the policies of the LTP for only a ten year period. The PFI which would build and operate NET Phase Two would require funding between 2010 and 2030. The proposed WPL would provide most of the Council’s contribution to the PFI. The Government is consulting on a Local Transport Bill which would allow the proceeds to be spent for an indefinite period on proposals within the LTP.

RISK 3.1: that the Local Transport Bill does not become law, and that after ten years the Council would have to find an alternative means of funding NET Phase Two.

Introduction

4.1 The proposed WPL in its current form would be levied directly upon 500 employers and, potentially, indirectly on those car commuters and business visitors occupying around 37,000 workplace parking spaces (if the levy were passed on to them), and/or an unknown number of customers (if the levy were passed on in higher prices). Employers might choose to stop providing some or all of their spaces, in which case they would incur no charge for those spaces.

4.2 The primary purpose of the WPL would be to fund public transport improvements in accordance with the LTP, particularly in the west and south-west corridors.

4.3 It is predicted that it would restrict growth in congestion in two ways: principally through a general uplift in public transport provision, and to a small extent by some of the car commuters changing their travel behaviour as a result of the loss of a free parking space.

4.4 The main proposed means of improving public transport in the west and south-west corridors are two extensions to the existing light rail (tram) system, known as NET. Without the WPL the Council say that they would not be able to raise the finance required to build and open NET Phase Two by 2013.

1 Strictly speaking, upon ‘organisations’; but throughout the PEx the Council and other participants referred to ‘employers’, and I shall do the same in this report.
4.5 The legislation allows the proceeds of the scheme to be used for any projects in the LTP, whether revenue or capital.

4.6 At the opening of the PEx the council justified the proposed WPL by saying that the decision to drive to work is influenced by the availability of free or relatively cheap workplace parking, and that charging for the use of that parking would encourage employers to manage it, and to influence employee behaviour through the development of company travel plans. However, it became clear during the course of the PEx that the other purpose of the scheme, to provide funding for public transport improvements, primarily NET Phase Two, was of more significance to the Council. It appeared that from their perspective, even if the WPL directly caused only a very small modal shift of those using the workplace parking spaces, it would still be a success because it would fund NET Phase Two, thereby improving the attractiveness of public transport in general. They said that NET Line One provides good evidence that people would use the trams, and the associated P&R facilities, and that the building of NET Phase Two would have a similar impact on congestion.

4.7 There is no doubt that the WPL could raise the funds necessary to build NET Phase Two. However, in my opinion the most significant questions to emerge during the PEx concerned: the perceived fairness of the scheme, and in particular its impact upon particular groups of car users; the reasons for investing in trams rather than buses; whether funding for the tram could be raised in other ways; the apparent inflexibility in the timetable for building NET Phase Two, and the reasons for that inflexibility; and the reasons for choosing WPL rather than RUC as a means of tackling congestion.

Background

5.1 The general thrust of national, sub-regional and local policy, from A New Deal for Transport: Better for Everyone (1998), through Planning Policy Guidance Note 13: Transport (2001), to the current LTP for Greater Nottingham is to reduce the need to travel, especially by car, and to provide greater travel choice and accessibility. Objectives include managing and slowing the growth of congestion, reducing pollution, greater social inclusion and more sustainable patterns of development.

5.2 The Transport Act 2000 makes it possible for local authorities to introduce RUC and WPL schemes as part of their attack on congestion and car use. Nottingham is recognised nationally as a thriving city, and the Council want to ensure that its prosperity continues to grow. They expect to see increasing congestion, which needs to be managed, and they propose the WPL as one of the measures to do so. Many of those who object to the WPL do so because they believe that there are other, more appropriate, measures which could and should be taken instead.

5.3 Central to the Council’s thinking is the fact that the Government is offering to make available 75% of the cost of building two extensions to the NET tram system, collectively known as NET Phase Two. The Council is determined that NET Phase

---

2 The Council say that NET Phase Two has been shown in the joint structure plan and the three relevant local plans for many years and that it was first shown on a plan which was given to Parliament in 1992.
Two will open in 2013, and they say that the Government will not allow any slippage in that timetable. At the PEx they were unable to explain why the Government is so intransigent, but the consequence is that they cannot see any way in which their share of the funding could be provided in time, except by raising it through a WPL. Whatever the other reasons for introducing a WPL, and there are several, the timing is dictated by the funding requirements and the timetable of NET Phase Two.

5.4 The Council say, and it was not seriously challenged during the PEx, that Nottingham’s existing public transport provision is recognised as being of award-winning quality, with high levels of reliability and user satisfaction, and that it is vital to the City’s future. They stress that 45% of households in the City do not have access to a car, a figure which is high by comparison with England as a whole. That is one of the reasons why they attach particular importance to improving public transport.

5.5 Nottingham is one of eight core cities recognised by Government as the most important drivers of the national economy outside London. Its commercial, retail and leisure sectors draw commuters, shoppers and visitors from a wide area.

5.6 Nottingham has been ranked in the top five UK shopping centres for three successive years, attracting an annual spend of nearly £1.3 billion. In March 2005 it became one of six UK cities to be awarded Science City status by the Government. This recognised the City’s commercial and academic success, including the presence of 60,000 university students. Greater Nottingham’s economy is worth £10.7 billion per annum, employing more than 300,000 people (of whom 185,000 work in the City). The city centre has undergone significant development in recent years, supported by major improvements in the public transport network.

5.7 With high and growing levels of activity, and despite a growth in the use of public transport in contrast to other UK core cities, Greater Nottingham is expected to experience increasing traffic congestion, particularly at peak periods on main routes into the city, and along the ring road. A recent report for East Midlands Development Agency estimates that congestion costs the regional economy over £930 million per year. The study reports that the local road network in Nottingham accounts for £160 million of the total, with peak traffic delay identified as being particularly severe. The local road infrastructure is almost at capacity, with minor incidents leading to significant delays. The Council see congestion as a barrier to the growth and attractiveness of the City.

5.8 Employment in the City is expected to grow, and more than half of the jobs are filled by people who live outside it. Greater Nottingham has been identified by the Government as a housing growth point, which will mean a substantial increase in the number of households. (However, none of the possible sites so far identified is within the City, although one lies close to the end of the proposed Clifton tram line). Demand for travel is predicted to increase. The present transport network will be unable to cope with the increase in demand, and this widening transport gap is seen by the Council as threatening economic vitality. National, regional and local policies seek to combat congestion. The Council say that any solution in Nottingham should support the long-term vitality, environment and quality of life in the City, and address the problems of social exclusion.
5.9 Nottingham is the seventh most deprived authority in England, according to the 2004 indicators. The regional economic strategy sees it as the responsibility of all partners to improve the life chances of current and future residents. An improved transport network, with high quality public transport services, with convenient interchange arrangements, is seen by the Council as an important means of connecting deprived communities to opportunities. Both to enhance the economic vitality of the city, and to meet the need for accessibility for all, Nottingham seeks to increase the capacity of its transport networks.

5.10 Recent economic growth in Nottingham has been accommodated by a spreading of the peak traffic periods, as road users adjust their time of travel to avoid the worst congestion. In doing so, they create longer periods of congestion. Whilst there is scope to develop approach routes to Nottingham, like the A453 widening, Nottingham city’s geography and historical features mean that opportunities to further develop new roads, or alter existing ones, are extremely limited.

5.11 NET Line One became operational in March 2004. The Council say that NET Line One has been a great success, carrying over 10 million passengers a year. As a result there has been a 20% increase in peak public transport usage in the north-west corridor into the city centre. NET has provided improved accessibility to a number of key employment, education, retail and leisure sites, and has increased mobility for many users. In addition the subsidised Link bus network has been introduced to serve areas not covered by the commercial network, and in particular to improve accessibility to out of town employment sites, key education facilities, and isolated residential areas. WorkLink, SkyLink, MediLink, UniLink and LocalLink services carry over 3 million passengers a year.

5.12 The LTP prepared by the City and County seeks to meet the future needs of the area by a balanced package including enhanced and integrated public transport infrastructure, services and interchange provision, measures to address travel behaviour and facilitate a cultural change towards more sustainable alternatives, and a reduction in car dependency through travel plans, the promotion of high quality alternatives, parking management and smarter travel choices. The Council believe that improvements in the quality and capacity of the transport services will increase their use, that high quality and reliability will particularly attract car users, and that the benefits will be substantial and widespread for users and non-users alike.

5.13 Key elements in the plan are extensions to NET, enhancement of the Link bus services, and improvements to Nottingham Station. These will contribute to the LTP’s key objectives, which include reduction in congestion, improved accessibility, improved air quality, regeneration, improved road safety and enhanced quality of life.

5.14 The Council say that NET Phase Two is the most important project, because of the considerable change in public transport use it is expected to achieve, particularly on busy corridors where some of the city’s biggest employers, including QMC, two universities and Experian, can be served. The Government awarded programme entry approval to NET Phase Two in October 2006, allocating up to £437 million as a Private Finance Initiative. Once final funding approval has been given, this will represent around 75% of the total cost of the scheme. The remaining 25% will have to be raised by the City (80%) and the County Council (20%). The City’s share is estimated at £82 million (Net Present Value) including development costs.
5.15 The Link bus services have depended on a variety of funding sources, mainly derived from Government, which may not be available in the longer term. The Council seeks to put the funding of Link services on a more secure footing, and to extend their coverage.

5.16 The Nottingham Station hub proposals would transform the current station into a high quality interchange where pedestrians, cyclists, car drivers, train, tram, taxi, coach and bus passengers could easily transfer between modes of travel. The station is one of the city’s most important gateways. It provides high speed services to London and other major centres, as well as serving local commuters. It will soon provide connections to European services via the St Pancras international terminal. At present the condition, layout and ambience of the station do not meet the aspirations of the City. The Council believe that station improvements will help to catalyse and regenerate the deprived communities close by, and provide opportunities for new development, particularly to the south and the east.

5.17 To implement these projects, various funding sources have been and are being considered by the Council, who say that no final decision has been taken. Whilst that may formally be the case, it was very clear from the discussion at the PEx that they see no realistic alternative whatsoever to the proposed WPL as a means of funding NET Phase Two and the station improvements, at least in the short term. This matter is explored in detail later in this report.

5.18 Even with these proposed transport improvements traffic congestion is likely to increase. The Council say that people who drive to work and enjoy free parking make up a significant proportion of road users (the figures are examined later in this report), contributing, especially at peak periods, to congestion that affects both individuals and companies in lengthening travel and delivery times, and also increasing unreliability. The Council believe that the decision to drive to work is influenced by the availability of free or relatively cheap workplace parking. Therefore they seek to implement a scheme that, through charging for the use of workplace parking, encourages employers to manage their workplace parking spaces, and influences employee behaviour through the development of company travel plans. The other purpose of the scheme would be to provide the main funding for the City’s contribution towards the cost of NET Phase Two, support and enhancement of the Link buses, and the station improvements. The weight given to these two objectives was a matter of considerable debate at the PEx, and I deal with the matter in my conclusions.

5.19 The Transport Act 2000 set out two demand management options (RUC, sometimes known as congestion charging, and WPL) for local authorities to directly or indirectly facilitate the achievement of the policies in their LTP, such as tackling congestion.

5.20 The Council agreed in principle to consider a WPL scheme in July 2000, and since then it has featured in the previous and the current LTPs, as well as in three Labour Party manifestos in the years 2000, 2004 and 2007.

5.21 The Council believe that the proposed WPL scheme would directly and indirectly facilitate the achievement of the policies set out in the LTP. They say that it
would focus on commuter travel, a main determinant of congestion, particularly at peak times, and encourage the creation of workplace travel plans and responsible parking management policies by employers; that it would encourage employers to consider alternative uses for land used for parking; that it would provide a financially efficient, high value for money funding scheme for LTP projects and proposals, with relatively low development costs and a shorter implementation timetable than alternative charging mechanisms.

5.22 The Council say that delays to NET Phase Two would result in substantial cost increase and risks to the successful delivery of the project. However, despite considerable discussion of the matter at the PEx they provided few details about the likely consequences of delay, or about any contingency plans, and it appears that they have not discussed and do not intend to discuss with Government the possibility of delaying the project until a RUC scheme could be introduced. This matter is explored in detail later in this report.

5.23 In developing the WPL proposals a key aim was to generate a specific level of funding, ring-fenced for public transport investment in Nottingham.

5.24 The WPL would be a charge on larger employers within the City for each parking space used by employees and certain types of business visitor. It would be up to the employer whether or not to pass that charge on to the employee. Employers would apply for an annual licence. It would be for the employer to decide how many spaces should be licensed. This would not need to be all the spaces in the car park, but the licence would need to cover the maximum number of spaces that would be regularly used.

5.25 Exemptions are proposed for customer parking, fleet vehicle spaces, loading and unloading, and powered two-wheeled vehicles. There would be 100% discounts for disabled parking spaces, for employers with 10 or fewer liable parking spaces, and for the premises of emergency and NHS front-line services.

5.26 The zero rate for organisations providing 10 or fewer liable parking spaces means that over 3,000 small employers would not pay any charge. Around 500 larger employers would have to pay the charge, currently accounting for some 37,000 car parking spaces. Schools and other educational establishments with more than 10 liable spaces would be charged, as would other public sector organisations. If it proceeds the WPL would be introduced in 2010 with a charge of £185.00 per space per annum, increasing in stages to £350 per annum by 2014.

5.27 The Council have considered alternatives to the implementation of a WPL, against criteria that reflect their economic and transport objectives. They say that schemes should: contribute to managing congestion; be flexible; minimise technological risk; minimise road building and large-scale traffic monitoring measures; be financially efficient; meet the NET Phase Two timescale; fit other corporate priorities; and be generally acceptable. Alternatives (and of course the proposed WPL itself) also need to be considered against the objectives of the LTP, which means striking a balance between managing congestion, road safety, environmental sustainability, and economic growth.
5.28 The Council say that the WPL, if introduced, could be replaced at some point in the future by RUC, if a case could be made for such a scheme.

5.29 The WPL is seen by the Council as a low risk, low cost, relatively quick measure, with modest traffic reduction, meeting the timetable for NET Phase Two. RUC is seen as a stronger demand management measure that could tie in with a more extensive programme of transport measures, that would have a greater beneficial impact, but possibly have greater risks, as well as higher initial investment and operating costs. Because the Council are committed to a joint study of RUC with the other five city and county authorities in the sub-region, it will now be at least 2008 before a decision in principle could be taken to go ahead with RUC, and some time after that before a scheme could be introduced. The Council do not see RUC as a feasible alternative to meet the NET Phase Two timetable. This issue is considered in more detail later in this report.

5.30 The Council say that because the proposed WPL is enabled by legislation, there is a *prima facie* justification for it. They accept that RUC could bring about a major reduction in congestion, but consider that more modest demand management, and the targeting of commuters rather than shoppers and tourists, is appropriate for Nottingham’s economy. They say that the WPL would be equitable because it would target the major contributors to congestion, and by providing transport investment, would bring benefits to business. These issues are considered in more detail later in this report.

5.31 Whereas NET Line One was fully funded by central Government, and there was no need to raise money by a scheme such as the WPL, Government policy has changed and they would now meet only 75% of the cost of NET Phase Two, and the remaining 25% would be split between the County (20%) and the City (80%). 80% of the City’s contribution would be met by the proposed WPL, and the remaining 20% from a variety of other sources. Alternative sources of funding for NET Phase Two were proposed during the consultation process, but all were rejected by the council as impractical or incapable of producing sufficient revenue. They include business rate retention, supplementary business rate, and council tax. The Council say that Section 106 contributions, and land and asset sales, could not provide the major funding for NET Phase Two, but could contribute to the 20% which would not come from the WPL. This issue is considered in more detail later in this report.

5.32 Critics of NET Phase Two say that other transport improvements would provide greater benefits. Opponents of the WPL say that it would cause some businesses to relocate outside the City, and that others would be deterred from setting up within it. These arguments are explored in more detail later in this report.

5.33 The Council say that the proposed WPL is fully in line with European, national and regional policy, interpreted in the Nottingham context through the LTP, and that it would facilitate the delivery of key policy objectives. These include limiting traffic growth through behavioural change and demand management, improving public transport, extending light rail services, and implementing a comprehensive parking strategy.
**Topic 1 - Transport Impacts**

6.1 The Council say that by providing award winning bus services and establishing NET Line One, they have increased public transport usage by 8% between 2000 and 2005. Reliability and user satisfaction with NET Line One are said to be very high. They have also actively supported bus operators through a Greater Nottingham Bus Strategy and are developing a 10-year vision for commuting in Nottingham by bus. They say that there are good bus feeder services for NET Line One and effective public transport integration. Other initiatives include the Link bus network providing access to key out-of-town employment, education and health facilities.

**Issue 1 – the extent and severity of congestion**

6.2 There is no doubt that peak hour congestion exists in Nottingham: it is observable and is regularly monitored. The British Chamber of Commerce has quantified the impact of congestion upon businesses. There is however debate about the extent and severity of the congestion in Nottingham. Members of the DNCC say that priority should be given to improving A453, M1, A46 and A52.

6.3 The Council give average network speeds for the peak, but were unable, in response to my questions, to provide the comparable average network speeds outside the peaks, for example mid-morning and mid-afternoon. The Council also give peak hour junction delay times: only two appear to be particularly high, on the A453 at Clifton (over 9 minutes at the Crusader Roundabout) and on the A52 near Stapleford (6 minutes at the Sherwin Arms Roundabout), although they say that these average times mask great variation. On the face of it their figures appear to support the position of several respondents, that really severe congestion is confined largely to these two corridors, and that a more targeted solution would be appropriate. (The average network speeds shown on Figure 1 of Topic Paper 1 include the junction delays.)

6.4 Several respondents believe that congestion is not an issue outside the City Centre, and that the charging zone should be limited (for example to the area within the Ring Road). Others believe that only the A52 and A453 corridors are seriously congested.

6.5 The Council say that congestion occurs throughout urban Nottingham, especially around the Ring Road and on the main routes outside the Ring Road, including Mansfield Road, Derby Road, University Boulevard and the A453 through Clifton. They say that there are particularly high levels of congestion between Junctions 24, 25 and 26 of the M1 and the Ring Road. Forecasts of traffic demand point to further congestion on these busy approaches to the Ring Road.

6.6 The Council say that by improving public transport, the WPL package would serve these outer areas of the City, including employment and education sites and, through continuing funding for the Medilink bus service, the key City hospitals along the Ring Road itself. If approved, NET Phase Two would provide additional P&R sites on the edge of the urban area.
6.7 Between 1987 and 2006 morning peak levels of congestion (defined during the PEx as 95-100% of the maximum flow) spread from the period between 0800 and 0840 to the period between 0740 and 0900. Between 1995 and 2006, the evening peak spread from the period between 1640 and 1700 to the period between 1600 and 1800. During the PEx it was said that this `peak spreading’ had resulted in a small decrease in the absolute numbers of vehicles in the peak hours, despite a greater overall volume of traffic. Traffic flows within the Ring Road have been reduced by works associated with the Turning Point scheme in the city centre.

6.8 The Council regard the variability of journey times, caused by such things as minor incidents and weather, as a more significant irritant to travellers than long but predictable delays. They also say that a small number of additional vehicles at peak times can have a disproportionately large effect upon congestion. If all drivers travelled at the same time every day, there would be less variability, but in practice people do vary their journey times. On a very congested road network, small variations can have a marked effect. The average junction delays shown in Figure 1 of Topic Paper 1 mask very large variations. The Council reject the notion that there is more variability in the behaviour of non-commuters than of commuters, but no data was available to the PEx on the point.

6.9 Commuters represent 70% to 75% of the traffic flow in the morning peak. Some of the other 25-30% are people travelling on employers’ business, such as deliveries. School traffic contributes about 10%.

6.10 It was generally acknowledged at the PEx that some highway improvements, for example those intended to improve safety, and those giving priority to buses and pedestrians in the city centre, have had the effect of increasing congestion. The Council hope that people will respond by changing their travel behaviour. The road network has to accommodate a balance between public transport flows, private vehicle flows, the environment, pedestrians and cyclists. There is not the space to meet all demand. The Turning Point scheme removed highway capacity from the city centre and replaced it with pedestrian capacity, improving its feel and image. Nottingham has traded vehicle speeds and flows for child and pedestrian safety.

6.11 Whilst there was general agreement at the PEx that highway improvements were necessary on some of the most congested corridors, and that localised improvements might marginally increase capacity at particular junctions, there was no convincing evidence that it would be possible or desirable for Nottingham to attempt to address the problem of congestion by large-scale road building.

6.12 The Council’s modelling predicts that with or without the proposed WPL, congestion will grow. They say that with the public transport improvements funded by WPL it will grow to a lesser degree. The various predictions are set out in Issue 9, below.

---

3 During the PEx the Council defined peak levels of congestion as 95-100% of the maximum hourly flow. However, it is clear from Document PE37 that the Council’s calculations are based upon shorter (twenty minute) time periods.
**Issue 2 – the number and location of workplace parking spaces**

6.13 In 2004-5 the Council carried out a survey of workplace parking spaces, the Off Street Parking Audit (OSPA). They estimated that there are about 3,500 employers within the City boundary, and around 47,196 workplace parking spaces. Around 3,000 employers occupy premises with 10 or fewer spaces (a total of 6390 spaces). There are 3470 spaces at premises in the healthcare sector, and 437 at fire and police premises. Just over 500 employers, occupying nearly 1,100 properties with 36,899\(^4\) parking spaces, would be charged under the WPL scheme.

**Issue 3 – the number of cars commuting to workplace parking spaces**

6.14 The Council say that each day around 100,000 commuters use cars (at a mean occupancy of 1.25 people per vehicle this represents about 80,000\(^5\) vehicles), and just under 40,000 use public transport, to reach employment in the City. The proportion of commuter trips using public transport is greater for the city centre than for the City as a whole, as one might expect. Many respondents make the point that simple journeys to the city centre on radial routes are likely to be conveniently made by public transport, whereas orbital journeys are not.

6.15 The 80,000 commuting vehicles may park on- or off-street, and may pay to park or enjoy free parking. The Government say that the availability of convenient and free or relatively cheap parking is a significant factor in influencing how and where car owners choose to travel, even when an alternative to the car is available\(^6\). The Council say that they have discouraged long stay parking in the City by increasing all-day car parking charges from £1 in the 1990s to £13 today. By contrast short-stay prices have increased in the same period from 50 pence to £3.

6.16 The East Midlands personal travel survey suggests that 5.8% of all journeys are for an escort purpose (for example taking children to school). In 69% of these cases, the people making the journey go home after performing their escort duties. It therefore seems likely that only a small proportion of car journeys in the City combine work trips with caring duties, a perception borne out by employers in a survey carried out by PwC in 2005.

---

\(^4\) Figures were rounded to 47,000 and 37,000 for the purposes of discussion during the PEx.

\(^5\) This matter was a source of some confusion during the PEx, in part due to the wording of paragraph 1.2.7 of Topic Paper 1. For the purposes of this report I shall use the figure of 80,000 vehicles.

\(^6\) *Breaking the Logjam* (1999)
Issue 4 – the direct impact of the WPL on congestion

(See also Topic 1, Issue 9 below)

6.17 Employers could respond to the scheme by absorbing costs or by transferring them to consumers. That would have no direct impact on congestion. They could pass on all or some of the costs to employees which might have some impact on travel behaviour. The degree of impact would depend on the ability and willingness of employees to absorb those costs and on the availability of realistic public transport alternatives. Finally, employers could reduce the number of employee parking spaces (with or without relocating the business) and force employees to find alternative ways of getting to work, or to change jobs.

6.18 The direct impact on congestion is therefore dependent on a large number of variables, all difficult to forecast. Many respondents give detailed examples of the alternative journeys available to them. Typically, they are two or three times as long as the journey by car, more complex, and generally less reliable. It is hard to imagine an employee giving up their car lightly in those circumstances, and indeed the Council accept that the WPL would divert (directly and indirectly) only around 4% of car commuter journeys using workplace parking to public transport by 2021. The Council acknowledge that this would be a modest change. The direct (deterrent) effects can be inferred from the projected reduction in car vehicle journeys (300,000) in 2011 and 2012 when the WPL charge would be low and before NET Phase Two opened. That reduction would be influenced in part by improvements in Link bus services, making the direct effect even lower.

6.19 The Council expect household numbers and employment in Greater Nottingham to grow, creating additional demand for travel. They stress that they would not expect the WPL to encourage everyone out of their cars. They accept that the public transport system could not absorb them, and that there is no feasible way that public transport would be able to meet all the travel needs of the conurbation.

6.20 The Council assume (they say conservatively) that 10% of existing workplace parking spaces would become unavailable as a result of decisions by employers in response to a WPL. They offer no statistical justification for this figure, other than the experience of Perth, Australia, and they note that a significant proportion of respondents to a survey conducted by the DNCC in 2007 thought that some spaces would be lost.

6.21 On the basis of the 2005 study by PwC the Council assume an even split between those employers who would absorb the cost and those who would pass them on to employees. Similar figures emerge from the DNCC survey.

6.22 The Council say that the bus and tram network is very high quality, offering approximately 35 routes operating every 10-15 minutes. They believe that many drivers are not aware of public transport alternatives and hope that the introduction of a WPL would encourage drivers to seek better information, and employers to provide it, through workplace travel plans.

---

7 The Council’s modelling assumes the provision of NET Phase Two and some enhancements to the Link bus network, but not the Station Masterplan or additional travel plan funding.
6.23 There is spare capacity in the City’s seven P&R car parks, although the figures vary greatly from only 4% at The Forest to 74% at Wilkinson Street. Two further P&R sites would be built to serve the NET Phase Two extensions.

*Issue 5 – the significance of workplace travel plans, how they would be encouraged, and what they would contain*

6.24 During the PEx it became clear that the Council would rely heavily upon workplace travel plans to inform employees about alternatives, to encourage changes in travel behaviour, and to deal with any perceived unfairness in the scheme (such as the position of those travelling outside peak hours and those with no practical public transport alternative).

6.25 The Council provide advice to businesses (under the Big Wheel initiative) on how to prepare travel plans, and grants (under the TransACT programme) to implement them. Some travel plans arise as a result of planning conditions. Nottingham has been developing travel plans for more than 10 years, and at least 40,000 employees are covered by them. Travel plans could include (but do not necessarily include at present): the provision of information; discounted ticketing; season ticket loans; reward schemes for people who choose not to drive to work; the promotion of cycling and walking; the provision of showers; parking for cycles; lighting and security; car-sharing schemes; and car park management.

6.26 Car park management is about understanding who is in the company car park, and allocating spaces to those with the greatest need to travel by car, rather than on the basis of seniority as is often the case.

6.27 DNCC assisted with the administration of the TransACT scheme. Although they found it limited in scope, they were impressed by the fact that it was tailored to the requirements of individual businesses. They believe that it reduced the need for business travel, and contributed to peak spreading.

6.28 There is evidence both locally and nationally that travel plans can affect travel behaviour. In Nottingham some schemes have achieved a 10% shift away from car use, and there are examples of a greater shift elsewhere. The Campaign for Better Transport hosts the National Business Travel Network, a forum for promoting best practice and sharing ideas for travel plans. They believe that travel plans have achieved a modal shift of up to 30%.

6.29 As staff turn over, there is a need to maintain travel plans, and this has not always been done. There is also a cost to businesses in maintaining and administering travel plans.

6.30 The Council say that they intend to look at ways in which they can assist employers to implement the WPL within a travel plan and to look at the parking management issues. It is interesting to note that although in Annex 1 to the Draft Order the Council say that some of the proceeds of the WPL might be devoted to enhanced assistance in the development of company travel plans, that proposal is missing from the list given in the consultation leaflets prepared for business and the general public. During the PEx it was said that £100,000 per year would be allocated
to management of the scheme and supporting businesses, but only in the first three years.

**WEAKNESS 6.1:** in my opinion insufficient weight has been given to the significance of workplace travel plans in the way that the WPL proposal has been developed and presented.

**RISK 6.1:** I believe that without significant targeted effort by the Council, there is a risk that employers would not assess and manage their car parking, and would not pass on the charge sensitively, with due regard to the differing needs and opportunities of their employees. Without extensive and sensitive car parking management, the WPL might be passed on crudely and insensitively, and that might generate disgruntlement amongst employees, leading to poor relations with employers and with the Council, and might cause hardship to those on low incomes, who might include those with caring responsibilities, those who have to carry heavy materials to work, shift workers, and others without practical alternatives.

**RECOMMENDATION 6.1:** that the Council should not proceed with the WPL unless and until they have developed a detailed, costed programme (funded from the proceeds of the WPL) for engaging with employers to advise and assist them in developing workplace travel plans, and in particular car parking management schemes which will assess the differing needs and resources of employees, and allocate and charge for spaces accordingly.

**Issue 6 – the potential for parking to be displaced onto the streets surrounding workplaces**

6.31 Many respondents say that employees would look for on-street parking close to their place of work rather than pay a charge. The Council are aware of the issue and say that have done some work in relation to NET Line One. However, they do not appear to have yet addressed it in this case in any detail. They say that should approval be given to proceed with the implementation of the scheme, they envisage undertaking a comprehensive study to establish a list of problem sites.

6.32 They have the powers to introduce parking restrictions and residents’ parking schemes, but in order to do so they require evidence that there is a specific problem. They say that they will work with employers to identify issues quickly and then take action. At present it typically takes 9 months to introduce a Traffic Regulation Order. They say that controls can be applied to unadopted as well as adopted roads.

6.33 The council say that parking controls pay for themselves. Penalties meet the cost of employing staff to do the research, drawing up and processing the TRO, putting up the signs, and enforcement. In their modelling the Council have not assumed that displaced employees searching for an on-street parking space, or occupying one, would have a significant impact on congestion.

6.34 It is possible that parking might also be displaced to neighbouring boroughs.

**WEAKNESS 6.2:** in the immediate aftermath of charging being passed on by an employer, there might be a displacement of parking onto nearby streets, particularly residential streets, where there are no parking controls.
RISK 6.2: that residents and others would suffer from the loss of convenient parking, from increased noise, disturbance and pollution, and from increased local congestion.

RECOMMENDATION 6.2: that the Council should not proceed with a WPL unless and until: (i) they have identified the most likely locations for displaced parking, and made contingency plans for combating it; (ii) they have allocated an assured level of resources for implementing any necessary parking control measures within 9 months of the introduction of a WPL.

**Issue 7 – the extent to which drivers taking children to school and drivers making shopping trips contribute to peak hour congestion**

6.35 Some respondents perceive that journeys made by drivers taking children to school and drivers making shopping trips contribute to peak hour congestion. The council say that although travel patterns are slightly different between the morning and afternoon peak periods, with some limited schools-related traffic in the morning peak periods and more social, retail and other traffic in the evening peak periods, the majority of trips are travel to and from work by employees or travel for other business purposes, such as deliveries and servicing. They estimate that around 70-75% of morning peak travel demand in Nottingham is work-related.

6.36 Traffic flows in the immediate vicinity of schools fall by 35-40% during school holidays, but the effect upon the radial routes in and out of the city is much less. Flows fall by around 10% in the morning peak and by only 2-3% in the evening peak during the school holidays (explained – partly at least – by the fact that schools close before the main evening peak period begins). Flows fall not just due to the absence of school traffic, but also because many employees take their holidays during the school holidays.

6.37 Despite the Council’s aggregate figures on flows, the perception of some individuals is that journey times can be considerably less during school holidays.

6.38 Some schools have school travel plans which aim to reduce car use by parents.

6.39 From the data presented by the Council school journeys would appear to have a small but perceptible impact upon peak time congestion. Such journeys would be targeted by a RUC scheme (considered under Topic 3, Issue 2 below).

**Issue 8 – the precise way in which the proceeds of the WPL would be spent, and how that would reduce congestion**

(See also Topic 2, Issue 3 and Topic 4, Issue 4)

6.40 The Council accept that it is not practical to expect to achieve a significant behavioural change amongst car users unless there is a realistic alternative to use of the car. This would be true of any measure designed to reduce traffic levels whether it be RUC, WPL, or physical constraints on network capacity. Net Phase Two, if approved, would not be in operation until at least 2013. The WPL would begin charging employers, and potentially through them, drivers, from 2010.
6.41 The Government’s Response (2000) to the views received on Breaking the Logjam (1999) said that public transport must be improved to offer motorists a real choice before charging starts. On the face of it, that might reasonably be taken to mean that a WPL or RUC scheme should be designed to divert motorists onto public transport which already exists, with capacity, rather than to raise the funds to build new capacity. On the other hand, Breaking the Logjam itself says that a WPL can help to reduce congestion by providing money for alternative forms of transport.

6.42 The proceeds of the proposed WPL would be used to support existing and new Link bus services, Nottingham Station improvements, and NET Phase Two, the last through a PFI scheme. Payments into the NET Phase Two scheme would take place in 2010\(^8\), 2011 and 2012, whilst it was under construction, and therefore clearly not itself offering motorists an alternative choice. The Council say that that is one of the reasons why the proposed charge per space rises from £185 in the first year to £350 when NET Phase Two is operating.

6.43 There is not a precise match between the projected net income from the WPL and the projected spending\(^9\). However, it is clear that each year the spend on NET Phase Two (between £2.96 and £8.66 million) would be greater than that required for all the other public transport projects funded by WPL put together (£2.80 million), even in the three years (2010, 2011 and 2012) before NET Phase Two opened\(^10\).

6.44 At the PEx the Council said that £1,100,000 per year would be used to provide revenue support for existing Link services, £300,000 per year would be allocated to fund replacement vehicles, and £600,000 to set up new Link bus services. £800,000 per year would be contributed to the Station Masterplan. £100,000 would go towards management of the scheme and supporting businesses in introducing travel plans, but only in the first three years.

6.45 The Council conceded that the Station Masterplan is directed more towards regeneration and economic development than towards reducing the growth in congestion, although there would be some indirect benefits in that respect.

6.46 At the PEx the Council explained that they regarded the existing public transport network as highly attractive and as having sufficient capacity to offer motorists a real choice, and that the extended network would result in there being less congestion than there would otherwise be. They were at pains to stress that they did not seek to measure the success of the WPL in terms of the number of drivers switching from workplace parking to public transport, but in terms of the overall level of congestion on the network with and without the WPL (and therefore the building of NET Phase Two). Logically it follows (though the Council did not say this) that even if not one driver switched from workplace parking to public transport as a direct result of the WPL, the scheme could still be a success if the package of public transport improvements which it funded resulted in a lower level of congestion than would otherwise have arisen.

---

\(^8\) This was said at the PEx, and contradicts a Portfolio Holder Briefing Note, referred to by one of the participants, which says that the first PFI payments are required in 2013. Following the PEx, the Council confirmed that their first contribution would be required in 2010.

\(^9\) Topic Paper 2, paragraphs 2.5.1 and 2.5.3.

\(^10\) Contrary to an assertion made by the Council during the PEx.
6.47 It is abundantly clear to me from reading the representations and from the discussion at the PEx that this point has not been understood by a great many respondents.

6.48 Moreover, during the PEx the Council explained that: (i) it is now Government policy\(^{11}\) that local authorities must contribute 25% of the cost of new public transport projects; (ii) that this policy was introduced after the 2000 *Response* statement referred to above; (iii) that the only financial arrangement which the Government would consider in the case of NET Phase Two was a complicated (the Council’s word) PFI scheme and (iv) that the PFI scheme would start requiring contributions from 2010. These factors, they say, dictated that the WPL would contribute money for three years to a tram line which would not be in operation. Notwithstanding the unchallenged quality of Nottingham’s existing public transport network, I can understand how that might be seen by some as being at odds with the Government’s 2000 statement, made at a time when it was possible for local authorities to obtain 100% funding for public transport projects.

**WEAKNESS 6.3:** that the Council’s strategy and its rationale for the WPL have not been communicated sufficiently clearly to the public and to business.

**RISK 6.3:** that some members of the public and some employers will remain hostile to the Council and its aims because of this lack of understanding.

**RECOMMENDATION 6.3:** that the Council present the WPL and its relationship to the LTP and the building of NET Phase Two more clearly to the public and to business.

**Issue 9 – the effect of the proposed WPL upon car journeys**

6.49 The Council’s modelling forecasts that without the WPL package\(^{12}\), car journeys within Greater Nottingham\(^{13}\) would increase by over 17% in the peak periods between 2006 and 2021 and by 20% in the inter-peak periods. Overall growth in highway demand is expected to be higher still due to increased numbers of goods vehicles. With the WPL package in place, the equivalent figures would be just under 16.5% in the peak and just under 19.5% in the inter-peak. The Council concede that this is a relatively small impact, but point out that many of the journeys concerned would not pass through the City. Due to increases in congestion encouraging some modal shift and further P&R provision, public transport demand (journeys) without the WPL in place is expected to increase by over 9% in the peak periods and a little less in the inter-peak periods.

\(^{11}\) The source of this policy was requested during the PEx but not provided at the time. Following the PEx the Council said that it is the Draft Guidance for Local Authority Promoters Considering a Light Rail Scheme 2006 and the Guidance for Local Authorities seeking Government funding for major transport schemes 2007.

\(^{12}\) For modelling purposes, the Council included NET Phase Two and the Link bus network, but not the Station Masterplan. During the PEx they said that the effect of the Link buses and the Station Masterplan upon car journeys would be small compared to the effect of NET Phase Two.

\(^{13}\) It was not always clear whether data were for the administrative City (the relevant area for the purposes of the proposed WPL scheme), the city centre (defined on plan PE35), the Inner Traffic Area (defined on plan PE35), ‘central area locations’ (referred to in the Topic Papers but not defined on a plan), areas ‘outside the city centre’ (said by Council spokesman on Day One, but not defined) or Greater Nottingham (not defined). The point is illustrated (under this topic alone) by the use of italics.
6.50 They also say that between 2006 and 2021 the growth in car journeys to and from central area locations (undefined) would be 15% without the WPL and 8% with it. Outside the city centre (undefined) congestion (undefined) would grow by 3.5% without the WPL, and by 1% with the WPL.

6.51 They say that with the WPL package, public transport journeys into the city centre would grow by over 20%, and into the City by 16%, and that P&R usage (area undefined) would grow by 45%.

6.52 Modal shift and other travel behaviour changes resulting from the WPL package are forecast to remove over two million car vehicle journeys per year with origins or destinations within the City boundary (representing 4,200 to 5,000 of the current 100,000 daily car commuters) from the network. The reduction in car vehicle journeys would be relatively small (300,000 per year) in 2011 and 2012 when the WPL charge would be low and before NET Phase Two opened. Reductions of 2.35 million in 2013, 2.5 million in 2015, 2.65 million in 2018, and 2.8 million in 2021\(^4\) are forecast.

6.53 The Council did not give a figure for the direct (deterrent) effect of the tax upon modal shift, but it is reasonable to suppose that the reduction of 300,000 journeys in 2011 and 2012 would be influenced in part by improvements in Link bus services, making the direct effect even lower.

WEAKNESS 6.4: During the PEx it was difficult to reconcile the numerous figures and forecasts which the Council presented, especially for travel. It was not always clear whether data were for the administrative City (the relevant area for the purposes of the proposed WPL scheme), the city centre (defined on plan PE35), the Inner Traffic Area (defined on plan PE35), `central area locations’ (referred to in the Topic Papers but not defined on a plan), areas ‘outside the city centre’ (said by Council spokesman on Day One, but not defined) or Greater Nottingham (not defined). My attempts to have the data placed on a uniform footing were unsuccessful. The Council said that their modelling was generally for Greater Nottingham, although sometimes they offered figures for journeys to the city centre. They appeared to find it difficult to give figures for the administrative City.

RISK 6.4: In the first instance the costs of the WPL would fall entirely upon employers within the City. It is reasonable for those paying the costs to ask where the benefits might fall. It appears that the benefits might be very widespread, and that impression is supported by the fact that the Council’s transport model does not appear to provide data easily for the City. There is a risk that those who see the proposed WPL as an unfair tax will regard this as further evidence of an imbalance between the distribution of costs and benefits.

RECOMMENDATION 6.4: That the Council should be more careful, specific and transparent when presenting data in support of the scheme, and in particular that they should always carefully distinguish between the administrative City, the city centre, and Greater Nottingham.

\(^{14}\) Said by the Council to be a 4% diversion.
**Issues 10 and 11 – whether there is a practical public transport alternative**

6.54 Many respondents say that public transport is expensive, infrequent and unreliable. Many say that they have no practical public transport alternative, especially along orbital routes. The Council accept that orbital bus routes are unlikely to be commercially viable. They suggest that employers might take account of the difficulty of individual employees’ journeys in deciding whether and how to pass on the charge. They also say that bus usage per person is higher in Nottingham than anywhere in England outside London. Passenger satisfaction levels are high on both NET Line One and the bus network. Over 95% of the bus fleet offers easy access using low floor vehicles and all buses on the main routes are less than 5 years old. Nottingham’s public transport fares are some of the lowest in the country with all day travel on an integrated ticket available for £3.00. The Council accept that single fares can seem expensive when compared to free workplace parking, though they are competitive when compared to public paid-for parking in the city centre\(^{15}\).

6.55 The Council accept that using public transport is impractical for many travellers. Although many households\(^ {16}\) have regular daytime services to the city centre, employment sites, hospitals and universities, for many with dispersed travel patterns, public transport would not offer genuine alternatives. However, they say that by providing increased accessibility and better services the WPL package would offer many travellers on main routes into the City an alternative to driving and this in turn would reduce congestion (relatively rather than absolutely) for those who continued to drive.

6.56 The Council estimate that, because workplaces are dispersed throughout the City, a direct public transport service exists for around 30-40% of car users. They accept that this is a relatively low proportion. Availability is much higher for city centre journeys and for some of the radial corridors. It is likely that, in addition to the 30-40% who have access to direct journeys, a significant number could make their journeys with one interchange, probably in the city centre. However, outside London interchanges are generally unpopular. Journeys involving more than one interchange are unlikely to attract drivers to leave their cars. The Council accept that even within the city centre it may be necessary to walk between bus stops to effect an interchange.

6.57 At the PEx there was a discussion about the effect of ticketing upon the use of public transport. It was said by the Council that in the past through ticketing arrangements were not good, but that the position has recently changed. However, it appears from the discussion that the laws enforcing competition between bus operators are still creating difficulties for the provision of multi-operator tickets at attractive prices.

6.58 At the PEx, several distinctions were made between the position in London and that in Nottingham. Foremost among them were the degree of subsidy given to public transport in London, and the availability of comprehensive through ticketing. There was also a useful discussion about the deterrent factor of limited, expensive car

\(^{15}\) Such comparisons ignore the true cost of making a journey by car, which should at least include the cost of fuel and consumables.

\(^{16}\) In Topic Paper 1 they say ‘85% of households’, but they do not say what area that is for, nor what walking distance would be required to reach public transport, nor how many changes would be required for any given journey. As it stands the figure has very little meaning.
parking in London. Because there is no WPL in London, it seems likely that the shortage and high cost of parking there is driven by the economics of the marketplace: land presumably has a higher value when developed for some other purpose. On a number of occasions during the PEx, it was suggested that one effect of the proposed WPL might be to encourage employers to look at alternative uses for car park land. However, beyond the general assertion, based upon Australian experience, that 10% of spaces might be lost, no case was made for a particular level of charging which might produce a significant shift towards the London situation.

**WEAKNESS 6.5:** it was generally agreed that in order to attract drivers from their cars, there needs to be not only convenient, frequent, reliable public transport, but also single ticket arrangements at prices which are perceived to be acceptable in comparison to the cost of motoring. Even though the Council have had some success with multi-operator tickets, they, and the public transport supporters at the PEx, are concerned that the laws enforcing competition between operators still create barriers for effective through ticketing.

**RISK 6.5:** that the absence of attractive, widely available through tickets will be a barrier to increased use of the improved public transport infrastructure, thereby undermining part of the justification for the proposed WPL.

**RECOMMENDATION 6.5:** only the Government can change the law on competition. It follows that the Council should put significant effort into seeking practical amendments to the law which would allow the development of effective and attractive ticketing arrangements throughout the public transport system in Nottingham.

6.59 One of the participants at the PEx was an employer with a business located on the Nottingham Business Park, close to Junction 26 of the M1. It is not on a bus route or railway line and it would not be served by NET Phase Two. He is not aware of any congestion problems. Most of the staff are highly skilled, and live outside the immediate locality. They therefore travel to work by car. He sees the WPL purely as tax from which neither company nor employees would receive any benefits. He questioned the rationale for allowing a business park in such a location, clearly intended to benefit from easy access to the motorway, if it is Council policy to restrict car use.

6.60 In response the Council said that the site had been allocated in a local plan. When planning permission was granted, a Section 106 agreement was negotiated with the developers, and there was an associated travel plan. Nottingham City Transport provided a subsidised non-commercial service to the site. Usage was low, and the service was withdrawn. The Council say that the imposition of the WPL might persuade employees to consider using a revived bus service, if one were provided under the expansion of the Link services.

6.61 In my opinion it would not be surprising if employers and employees in fringe locations without public transport services found it difficult to accept the rationale behind the WPL. They would need to accept that the immediate benefits would be felt by users of the trams and Link buses, and that there would be secondary benefits for drivers who might experience lower levels of congestion on the network than would have otherwise been the case. Even then, those who drive outside congested
times, or on uncongested roads, would not perceive any benefits. They would then have to acknowledge that improved public transport would make Nottingham a more desirable location for living and working, and that this in turn might generate a larger potential workforce or a larger customer base. An employer who sells to distant markets and whose employees travel from outside Nottingham might not feel that the WPL had anything to offer.

**Issue 12 – whether trams are good value for money compared to buses**

(See also Topic 3, Issue 1)

6.62 Some respondents say that the NET trams are already overcrowded in peak hours, and that fare evasion is commonplace. The Council estimate that about 5,500 commuters (13.75% of public transport commuters and 3.92% of all commuters) rely on NET Line One for journeys to and from work each weekday. In addition to peak usage, where commuting journeys are dominant, the system is busy throughout the day and provides both inter-peak and off-peak commuters with high levels of service from the start of operations at 0600 to closedown at 2400 with minimum headways of 20 minutes. In the peak period trams on Line One are busy, but apart from at the height of the peak period (approximately 0815-0830) when the busiest trams carry over 200 passengers, there is capacity on the network. NET Line One has a reliability record of over 99% against performance targets.

6.63 A constraint on providing greater service frequency is the number of trams in the current fleet. NET Phase Two would allow the fleet to be increased, and through services would operate from the north to the west and south west.

6.64 Fares are collected by conductors on the tram, and tickets can also be bought in advance. Cash-based tickets account for only around one third of journeys on the system, with the majority being pre-paid, including season ticket and travelcard type integrated tickets. Although there is some fare evasion, many travellers have a ticket even if they are not inspected during the journey. During peak times conductors are deployed at high volume boarding points to collect fares and check tickets in advance of travel.

6.65 It is predicted that a further 7,000 commuters would use NET Phase Two on a typical weekday. P&R demand for NET Phase Two is expected to be less important than on Line One, but more commuters are expected to switch directly to NET from their cars than on Line One.

6.66 At the PEx it was argued that buses provide better value for money than trams. The relatively small investment required to carry 3 million passengers a year on Link buses was contrasted with the very large investment which would be required to carry 10 million passengers a year on NET Phase Two.

6.67 The Council conceded that there would be a significant difference in investment per passenger, but argued that trams are perceived by motorists to be more attractive than buses, and would be more likely to effect modal shift.

6.68 NET Line One opened in 2004. Forecast usage was 11 million passenger journeys per year. The figure of 10.1 million was reached in Year 3. At the PEx it
was said that in the NET Line One corridor bus services were withdrawn or diverted before the tram line opened\(^{17}\), and that up to 30% of tram passengers were displaced bus passengers. It was not disputed that there had been a net increase of 20% in public transport use in that corridor, but it was alleged that the additional usage had come from the occupiers of new development in Hucknall. The Council conceded that there had been new development in Hucknall.

6.69 The Council conceded that there had been some complaints about noise and vibration from residents on the line of NET Line One, but said that levels were below statutory limits, and that engineering lessons had been learned which would inform the building of NET Phase Two.

6.70 Expanding the bus network was one of the options looked at by the Council when they were considering lower cost alternatives to NET Phase Two (including rail improvements, bus improvements and a guided bus), but NET Phase Two proved to be better value for money. Factors leading to that conclusion included the lack of space for bus stops in the city centre, limited opportunities for further bus lanes, the lower capacity of buses than trams, and better wheelchair access to trams. Trams are said to be more acceptable in the city centre because they are cleaner and quieter than buses, but the Council has not examined the possibility of electric buses as an alternative. On the face of it there seems no good reason why the off-street tram routes could not also be used for dedicated bus ways. However, NET Phase Two would gain access to the city centre by using the NET Line One infrastructure which is already in place, and would enable passengers to make through journeys from the south and west to the north of the City. From the discussion at the PEx, it appears to me that this is the strongest argument advanced in favour of trams over buses on the west and south west corridors.

6.71 The Council believe that tram infrastructure is a significant attraction for developers, who know that it will provide a certain level of public transport capacity.

6.72 Bunching of buses is a recognised phenomenon at peak times, and it can severely limit their effectiveness. It appears that trams do not suffer from the same phenomenon. Bendy buses and other high-capacity buses have difficulty negotiating some of the junctions on the highway network. It was said at the PEx that such constraints could be overcome by relatively small expenditure compared to the cost of building NET Phase Two, although no detailed evidence was given to support that case.

6.73 The Council rely upon the study of alternatives carried out in support of their business case for NET Phase Two to demonstrate that buses cannot meet the objectives of the scheme. There was no detailed evidence before me at the PEx to refute this, although of course the matter may be addressed at the formal inquiry into NET Phase Two.

6.74 It was suggested by participants at the PEx that fares should be subsidised or eliminated in order to attract passengers to the buses. However, the Council explained that under the Transport Act 1985 it is impossible to subsidise fares unless a route is

\(^{17}\) The withdrawals are explained in Document PE50.
not commercially viable. The Link services fall into this category, but routes on the main corridors with high passenger numbers do not.

**Topic 2 – Economic Impacts**

7.1 Many respondents feel that the proposed WPL scheme is fundamentally unfair because it would not discriminate between those on moderate or high incomes who choose to travel by car in the peak, regardless of other options which might be open to them, and those who have less income, and/or travel outside the peak, and/or less choice, and/or caring responsibilities. There are no clear figures for the numbers who might fall within these groups, or within more than one. Estimates (admittedly based on very little local hard evidence) provided by the Council suggest that around 20% of car commuters might be regarded as having low incomes, that just under 20% of car commuting takes place outside core public transport operating hours (1900 and 0700), that a perceived lack of public transport is the reason why around a third of employees use a car for their journey to work, and that only a very small percentage of commuters combine their journey to work with trips to child minders, schools, or with other caring responsibilities.

7.2 The Council say that the one-third of car commuters who perceive a lack of public transport alternatives offer a significant opportunity to achieve modal shift through improved information about public transport services, company travel plans, and actual improvements in the accessibility and frequency of public transport.

**Issue 1 – employees who travel at uncongested times**

7.3 It is clear that many people travel to or from work outside peak hours\(^\text{18}\). Many respondents argue that such people do not contribute significantly to congestion, have fewer alternatives (especially those who actually operate the public transport system), and should not be subject to the WPL. The Council say that congestion is growing outside peak periods, and that it is desirable to promote modal change even in uncongested conditions. It may be true in general terms that public transport is more energy efficient and less polluting than car use, but an individual car journey made at a very quiet time might well be less polluting and more energy efficient than an almost empty bus, even if one were available. For that reason several respondents suggest RUC as an alternative (see Topic 3). In any event, whilst all charging schemes are underpinned by the objective of sustainability, the specific objectives of the WPL scheme are to reduce congestion, directly or indirectly, and to improve public transport by funding NET Phase Two. Respondents ask why people who travel at uncongested times should face the same degree of charging (if passed on by employers) as those who travel in the peak, and might have better alternatives.

7.4 The Council appear to recognise the validity of this argument when they say that it would be up to employers to decide how to pass on the charge to employees, and that employers might exempt out-of-peak users, spread the cost across employees who use the same space, or use pay-as-you-go systems. However that might be felt to

\(^{18}\) For example, at the PEx one of the City’s main employers cited shift times as 06.30 until 14.00, 14.00 until 21.30 and 21.30 until 06.30. About 15% of their employees come from outside the NG postcode area, which itself is said to be extensive, and not universally well served by public transport.
be unfair as workers operating similar shift patterns at different sites might be treated very differently. The Council also recognise that the proposed discount and exemption criteria or the enforcement regime might be modified to exempt shift workers, but during the PEx they were unable to say how this might be done. They did however say that employers would be allowed an hour-long changeover period between shifts, and for that limited period twice the permitted number of cars could be on site without penalty.

7.5 It was argued at the PEx that the WPL would have more effect if directed at the employee rather than the employer. However, under Section 178(2) of the enabling legislation the tax must be levied on the occupier of the premises, and there is no power to prescribe whether or how they should pass it on.

7.6 During the PEx the Council conceded that the WPL might be viewed as having an element of unfairness, but argued that with any form of taxation there cannot be a perfect match between burden and benefit. That may well be true, but in my opinion, as a matter of common sense and experience, there can be degrees of perceived unfairness. The Council argues that any form of congestion charging has elements of unfairness, citing the London scheme, where, they say, some roads within the cordon are less congested than others, and where some journeys may be made at uncongested times whilst still attracting a charge. That may well be true for the London scheme, but there are other models for RUC, including the electronic monitoring of driver behaviour which would allow charges to be levied only at congested times on congested routes (See Topic 3).

7.7 The Council said at the PEx that it was reasonable to apply a charge to employers because commuters are a significant contributor to congestion, citing the fact that 75% of peak time journeys are made by people travelling to work by car. They also said that the WPL is an administratively simple mechanism to target those who have the biggest impact on congestion. However, it is clear from the evidence that the WPL would not target all the 75% workplace journeys which cause peak time congestion (those not ending at workplace car parks and those parking at premises with fewer than 10 spaces) nor would it affect exclusively those who cause such congestion. It would affect some of those who travel outside the peak. It would target no more than 37,000 parking spaces, whereas there around 100,000 daily car commuters (80,000 cars). An unknown number of those 100,000 of course pay for their parking already.

WEAKNESS 7.1: Although the Council argue that all tax systems are bound to be seen as unfair, there are in my opinion degrees of unfairness. It is clear from the discussion at the PEx and from the representations that many people see the proposed WPL as a very blunt instrument (as indeed is the London cordon charging scheme, but the London scheme is not the only possible form of RUC). So long as the public and business perceive that there are fairer alternatives to the WPL (albeit no alternative would be completely fair), they are likely in my view to continue to oppose the WPL with an understandable sense of grievance.

RISK 7.1: There are few practical means of opposition to the scheme. It would be possible to oppose the Order, if made, formally at the statutory stage. Employers could choose to move to new locations outside the City, and the likelihood of that happening is discussed elsewhere in this report. The greatest risk is the sense of
alienation and hostility which might be engendered amongst opponents. The risk might be mitigated by workplace travel plans which recognised the reality of employees’ travel choices, and did not charge, or charged less, those who made the least contribution to congestion, or who had no practical alternative to travelling by car. These matters are considered elsewhere in this report.

RECOMMENDATION 7.1: that, if they choose to proceed with the scheme, the Council implement the recommendations about workplace travel plans and salary sacrifice made elsewhere in this report.

Issue 2 – particular difficulties for certain groups

(See also Topic 4, Issue 2)

7.8 Some respondents say that they are not opposed in principle to using alternatives to the car, but that they would face genuine difficulties if they tried. These include: those, especially women, who would have to walk through areas known to be high risk for crime, especially after dark; those, like teachers, who have to carry heavy materials to and from work; and those who have to use their car for visiting clients during the day. Respondents ask whether it is right that such people should be charged at all, or at the same rate as those who simply choose to use their car for commuting when there is a good public transport alternative.

7.9 The Council accept that people perceive travelling in their car to work as a safe option, especially those making the journey at night and women on their own, and that changing travel behaviour for such groups would be difficult. Measures to improve safety on and around public transport would help to address some of these fears. However, they say, it might be necessary to work with employers to investigate ways in which the levy is implemented by them to see if their parking policy could identify any vulnerable groups and help them. Once again the Council are relying upon the willingness and ability of employers to address these issues, and the effectiveness of workplace travel plans. My conclusions on this issue are as for Topic 2, Issue 1 above.

Issue 3 – the package of measures which the proposed WPL would support, and how they would sit with Government policy

(See also Topic 1, Issue 8 and Topic 4, Issue 4)

7.10 From the figures provided by the Council, it appears that part of the proceeds of the WPL in 2010, 2011 and 2012 would be spent on NET Phase Two, which would then be under construction. At that stage the NET scheme would provide no useable benefit for the commuters paying the WPL. At first sight that might appear to conflict with the Government’s policy that public transport must be improved to offer motorists a real choice before charging starts. On the other hand, Breaking the Logjam itself says that a WPL can help to reduce congestion by providing money for alternative forms of transport.

19 A mechanism whereby the charge is deducted from the employee’s pay by the employer, thereby reducing the employee’s tax liability (see HMRC guidance EIM42750).

7.11 At the PEx the Council explained that in 2000, when the *Response to Breaking the Logjam* was published, the Government was prepared to provide 100% funding for local transport projects, as they did for NET Line One. At that time it was possible for local authorities to make major improvements in public transport before embarking upon charging schemes. The Government’s policy on funding subsequently changed, and local government is now required to find 25% of the cost of such projects. The Council said that in any event they regarded Nottingham’s public transport, even without NET Phase Two, as sufficiently good to meet the 2000 policy test.

**WEAKNESS 7.2:** in my opinion the change in funding arrangements has posed a significant problem of presentation for the Council. They have chosen not to present the proposed WPL as simply a deterrent measure for those drivers with free workplace parking, but as a part of a general package of public transport improvements. Clearly those paying the tax would wish to see some obvious benefit to themselves, as well as to the rest of the public, and that indeed appears to be the thrust of the 2000 Government policy statement. There might be some immediate improvement to the Link bus services in 2010, but there would be no benefit at that time from NET Phase Two (nor, so far as I can tell, from the Station Masterplan). The Council have also removed mention of workplace travel plans from the headline package in their consultation leaflets, so it is not surprising that the public and employers see the tax as lacking in immediate benefits.

**RISK 7.2:** that the public and employers would remain hostile to the scheme because of its perceived lack of benefits in the early years.

**RECOMMENDATION 7.2:** that the Council be more precise and transparent about the measures on which the proceeds of the WPL would be spent, and in particular stress that they would set aside a specific sum for advising on, encouraging and supporting the preparation of workplace travel plans, in order to demonstrate the immediate as well as the long-term benefits of the proposed package.

7.12 At the PEx there was some discussion of the complexities of PFI financing, the way in which the trams are owned and managed, and the Council’s financial interests (which include a stake, said to be 82%, in Nottingham City Transport, itself part of the consortium which operates the trams). It was said that although the proceeds of the WPL would be spent entirely on public transport (and presumably, though not stated, workplace travel plans), an unspecified amount of profit from the trams would find its way back to the Council via Nottingham City Transport, and that money might be spent on any of the Council’s services. It was argued that to this extent the WPL might be used for general taxation purposes. The Council were not able to refute that proposition, but said that the amount of money so used would be very small.

**RISK 7.3:** that the diversion of money from WPL to general expenditure, however small the amount, would undermine the credibility of the tax as an instrument of transport policy.

**RECOMMENDATION 7.3:** that the Council seek to ensure that any profit from the trams (received by them via Nottingham City Transport or any other transport
operation funded directly or indirectly by the WPL) should be spent on transport rather than other Council services.

Issues 4, 6, 8 and 9 – the effect upon and response of employers to the proposed WPL

7.13 In theory at least, employers might make several possible responses to the proposed WPL. They might absorb it by charging higher prices, accepting lower profits, or making other economies. They might pass it on, in whole or in part, to their employees, by offering lower pay settlements or by charging them directly. They might avoid the tax by not using spaces, by developing the land for other purposes, or by relocating outside Nottingham. Relocation would seem to be a more realistic option for a smaller firm than for a large one, but as was said at the PEx, a multinational company in a fluid economic situation might find that the WPL tipped the balance when considering whether or not to close a plant in Nottingham rather than one elsewhere in the world.

7.14 Several respondents say that businesses on the fringes of the City who do not experience congestion and have no reasonable public transport service might choose to relocate outside the City boundary. The Council consider this to be unlikely because the financial impact of the levy on most affected businesses would only be a small percentage of turnover\(^\text{21}\), and they believe that the cost of relocating would far exceed the relatively modest cost of the levy. However, whilst that may be so, it must be possible that in cases where businesses are already considering the costs and benefits of moving, the imposition of the WPL might be an additional and significant factor in the equation. The significance of that factor would diminish if neighbouring authorities decided to impose similar charges.

7.15 It is also said that the introduction of the WPL would deter new businesses from entering the City. The Council say that the excellence of public transport in the City would attract rather than deter new businesses, although their own research (PwC 2005) suggests that a WPL would be unlikely to enhance the attractiveness of the City as an inward investment location, especially for the high-tech manufacturing and service sectors which are particularly cost-sensitive.

7.16 The Council say that the WPL package would encourage businesses to consider the extent of the parking they provide; evidence from a similar scheme in Australia suggests that this might lead to a reduction in spaces with surplus land then being used for a more economically productive purpose. They say that the WPL package would also encourage sustainable and environmental commuter travel planning, and that they would provide advice to businesses on how to prepare travel plans.

7.17 In 2005 it was estimated by PwC that 34% of liable employers would pass on some or all of the charge to employees. Nearly two-thirds of liable employers with over 200 employees said that they would pass on some of the costs. 22% of liable

\(^{21}\) The main cost for an organisation would be the charge per space, and in addition there would be a small cost for purchasing the licence, estimated by the Council at £270 per year, and an unknown but possibly significant cost for setting up, administering and maintaining workplace travel plans.
employers said that they would consider reducing the number of parking spaces. The same report said that workplace parking was seen by employers as a benefit, and that public transport was perceived as inadequate.

7.18 The DNCC’s 2007 survey says that 51% of businesses would pass the charge on, and that 28% would consider selling off or redeveloping car park space. Overall 63% of businesses would consider relocating outside the City; the percentage is higher (74%) for smaller businesses and lower (33%) for larger businesses.

7.19 Some respondents say that because the business rate is based partly upon the number of car parking spaces that a business has, the WPL is in effect taxing businesses twice. The Council say that business rates go directly to central Government for national distribution, whilst the WPL is ring-fenced for local public transport improvements. The share of local tax paid by businesses is falling while that paid by residents is rising.

7.20 Several respondents say that the WPL would lead to problems of staff recruitment. The Council say that the WPL package would provide access for employers to a larger pool of employees, thus increasing the recruitment capability and skill set of an organisation’s workforce. NET Phase Two would serve about 1120 workplaces (located within 800 metres of the proposed tram stops), to which about 53,300 employees commute.

7.21 At the PEx it was suggested that employers might look more favourably on the proposed WPL if it could be demonstrated that it would have an effect upon the costs of congestion for businesses. The Council say that congestion in the City costs £160 million each year. The British Chamber of Commerce estimates the average annual cost for a business in the East Midlands as £21,000, and DNCC estimate the annual cost as £42,000. Whilst the WPL is said to have a high cost benefit ratio, and various benefit figures are given for the 60-year appraisal period, no estimates were available to the PEx of the annual savings for businesses which might result from a reduction in the growth of congestion as a result of the WPL.

7.22 A participant at the PEx employs 110 people on a large industrial estate on the western outskirts of the City, with very few transport links compared to the city centre. He says that he would have to pass on the charge to employees because although his printing business has a turnover of £17 million, profit is very small. He says that over £15 million of turnover in the printing business has left the City in the last year. To cut costs he is negotiating joint ventures with firms in Poland and China. He sees the WPL as an additional tax which would help to deter new businesses from locating in the City.

7.23 At this business, the employees most affected would be those on low wages who work shifts. The shifts are between 0630 and 1330 and between 1330 and 2100, times when there is no congestion. He contrasts this situation with the case of higher paid professionals who drive to the city centre in the peak period. Because of the location of the business, some individuals would face very long journeys by public transport.

WEAKNESS 7.4: Unless and until other local authorities, particularly those in neighbouring areas, decided to introduce their own WPL or RUC schemes, the WPL...
in Nottingham would clearly be a disadvantage when potential incoming investors were weighing the costs and benefits of relocating there. That disadvantage might be offset by the existence or promise of better public transport compared to competitors. Similarly, the WPL would be one factor in a whole array of considerations for businesses contemplating moving to new premises, and it might be sufficient to tip the balance in persuading them to move to a site outside the City.

RISK 7.4: That the WPL might be the deciding factor in persuading some businesses to relocate outside the City, or not to move into the City.

RECOMMENDATION 7.4: If the Council decide to implement the proposed WPL, they should ensure that the public transport benefits associated with it are clearly publicised and swiftly realised.

**Issue 5 – the distribution of costs and benefits**

7.24 Many respondents say that the benefits of the proposed scheme would go chiefly to NET users, whilst the costs would fall widely, including upon those who have no realistic public transport choice.

7.25 The Council say that free workplace parking encourages car use which adds to congestion. They therefore consider it reasonable to target such parking as a means of reducing congestion. Their aim is to encourage commuters to seek sustainable alternatives to the car and to support that behaviour through the provision of reliable, high quality public transport. They say that public transport users are already making a contribution to transport investment through the fares which they pay.

7.26 The Council on several occasions said that public transport fares are expensive when compared to the WPL, but that plainly ignores the cost of using a car. Even if costs such as tax, insurance and depreciation are ignored, in my opinion fuel costs and consumables have to be included in any reasonable assessment of journey cost for comparative purposes.

RECOMMENDATION 7.5: That the Council do not attempt to present the cost of the WPL to the individual driver as being directly comparable to the cost of the fare paid by a public transport passenger.

7.27 The Council recognise that some car users have compelling reasons to use a car for the journey to work, such as the lack of a viable public transport service. However, they say that, as with any taxation system, it is not realistic to expect that every person who pays should receive an equal benefit. WPL revenue would be used to fund a package of measures designed to improve public transport across the conurbation for the benefit of all sections of the community. Whilst the largest proportion of money raised by the WPL would be used to fund NET Phase Two, substantial spending would go towards continued support of bus services and improvements to transport integration. This would include the Link bus network providing access to key out of town employment, education and health facilities.

7.28 The Council say that the improved public transport infrastructure, services and travel options arising from the WPL package would bring significant benefit to those who chose to use public transport. They say that those who currently commute by car
would have more choice, whether for the whole of their journey or part of it through using P&R facilities. This, they say, would lead to the transfer of some trips from car to public transport, reducing the growth in congestion. This would benefit those who commute by car by improving journey times regardless of whether they had workplace parking provided or not. It would also mean less pollution and quieter roads for those who chose to cycle or walk.

7.29 Whilst this proposition might be true in general terms, it must be the case that some of those who presently travel by car outside the peak hours, especially from homes outside the City to sites which lie just within the City, would experience little or no material change in their journey times. All the data presented by the Council on the point is highly generalised, and there is no substantial evidence to say how many drivers would experience specific time savings on specific routes.

**Issue 7 – the impact upon those on low incomes**

**WEAKNESS 7.6:** it must clearly be true, as several respondents point out, that a flat rate of taxation, if passed on by employers, would be more keenly felt by those on low incomes than by those on moderate or high incomes. This might mean that the pressure to abandon the car might be felt most by some people who had the least opportunity to change mode, for example those with no practical public transport alternative. In my opinion this might reasonably be seen as unfair by many people. Whether the amount to be paid would cause actual hardship would depend on the precise financial circumstances of the individual.

**RISK 7.6:** that the scheme might cause hardship for some on low incomes with no public transport alternative, would engender hostility amongst employees, and be seen as unfair more generally.

**RECOMMENDATION 7.6:** it was agreed at the PEx that it would be possible for employers to pass on the charge by means of salary sacrifice, and that this would effectively reduce the charge for an employee. I recommend that, if they choose to proceed with the scheme, the Council inform employers about the salary sacrifice provisions and actively encourage them to ensure that employees benefit from those provisions where appropriate.

**Topic 3 - alternatives to the proposed WPL scheme**

**Issue 1 – alternatives to the tram**

(See also Topic 1, Issue12)

8.1 Many respondents say that other public transport alternatives should be explored, such as more P&R schemes, better bus services, more cycleways, and river taxis.

8.2 The Council say that Nottingham has one of the largest P&R networks in the UK. 3135 spaces are associated with NET Line One, there are 1500 spaces in two bus-served P&R sites, and NET Phase Two will add a further 2400 spaces. They say that further bus-based P&R schemes would not work well because of the lack of road capacity on the main corridors, and the lack of potential for bus lanes.
8.3 They say that buses cannot provide sufficient capacity on key routes, because of their limited size, boarding and alighting times, and lack of city centre kerb space. They say that trams have a better image and are more attractive to car drivers. They say that unless buses had total separation from other road traffic they would not provide the long term answer to growing traffic congestion. When asked why the same was not true for trams, the Council were unable to give a convincing explanation.

8.4 The Council intend that buses will continue to play a key role in meeting the transport needs of the city, and in many areas they will continue to be the most appropriate method of transport. A particularly important role would be to operate feeder services into NET from surrounding residential areas and to key employers, such as Boots. Experience on NET Line One shows that buses still operate viable services along the core route, and feeder services continue to evolve.

8.5 Parts of the city centre bus route (the ‘loop’) have over 200 buses per hour and bus stop provision in the city centre is already at capacity. NET Phase Two would use existing infrastructure within the centre, allowing valuable city centre road space and bus stop capacity to be released that could be re-allocated to enhance bus frequencies and reliability to other parts of the city.

8.6 High Occupancy Vehicle (HOV) lanes are meant to encourage increased vehicle occupancy, to increase overall capacity and reduce overall traffic flows, particularly for commuting journeys. The Council do not favour them because, they say, they take up too much road space and are difficult to police.

8.7 The WPL would be used to provide cycle routes and secure cycle parking, but cycling cannot in itself provide the level of alternative transport provision required.

8.8 The Council say that river taxis fit well into city transport provision where there are high levels of pedestrian movement across short stretches of waterway that lack bridges. They cannot offer a major solution to Nottingham’s transport needs. Long distance river routes would be slow. Possible boarding and alighting points in Nottingham are a long way from key demand points and journey times are affected by locks.

8.9 At the PEx it was suggested that travel behaviour could be influenced by deliberately reducing highway capacity, and indeed that has been done to good effect in the city centre.

8.10 Except in the discussion of sophisticated bus alternatives (see Topic 1, Issue 12 above), there was little evidence to suggest that any of these alternatives might achieve the same impact on travel behaviour in Nottingham as the tram.

**Issue 2 – RUC**

8.11 Several respondents suggest that a charge on everyone entering the city centre during the rush hour, or using only congested roads, would be a fairer system, targeted directly at the problem of congestion. The Council say that such a scheme would be more expensive to operate than the WPL, would take longer to put in place, would
generate more opposition, would be technologically risky, and would not be in place in time to fund NET Phase Two\textsuperscript{22}.

8.12 Using Government money from the Transport Innovation Fund, the cities and counties of Nottingham, Leicester and Derby, with the Highways Agency and the East Midlands Development Agency, are investigating the potential for RUC schemes in the sub-region. Work started in the spring of 2007. The work has five main stages.

8.13 First, there needs to be consistent monitoring and mapping of congestion across the sub-region. The second strand of work is scenario development, using growth projections, land use proposals and forecast travel demands. That work will feed into the third element, a newly-acquired sub-regional transport model. It will test a range of scenarios, from the existing LTP to various RUC schemes. The fourth strand is business engagement, which has already begun, and the fifth is the assessment of social impact.

8.14 In March 2008 the six authorities will consider the results of the exercise, and will decide whether to bid for a real scheme or schemes across the sub-region, and whether to develop detailed proposals. The Council say that it would be 2012, or more realistically 2013, before an RUC scheme could be delivered. At present, there is no certainty that RUC will be judged more appropriate or more acceptable than the WPL.

8.15 The government has undertaken tendering exercises to establish a national series of demonstration projects in partnership with suppliers to establish whether the technology for very precise monitoring and charging (time–distance–place charging) exists, what it would cost, and how such schemes would be enforced and administered. It is an extensive programme that will inform the Transport Innovation Fund project\textsuperscript{23}.

8.16 Taking the Council’s objections in turn:

Cost

8.17 When comparing the costs of RUC and WPL at the PEx, the Council repeatedly cited the London Congestion Charging Scheme, but research carried out

\textsuperscript{22} At no time during the PEx did the Council raise an issue about the impact of displaced traffic on roads not covered by a RUC scheme, of any type.

\textsuperscript{23} PE 53, written in May 2002, considers distance-based charging and says at paragraph 3.3.5 that \textquote{such systems could be viable within a decade} (i.e. by 2012). PE 30 describes time-distance-place charging but says that it would not be a viable option to raise revenue in 2010 (or soon thereafter). In answer to my questions, the Council said that time-distance-place charging is an appealing option, and that within the Transport Innovation Fund project the sponsoring authorities are keen to look at it. At no time was it said that such a scheme could not possibly be in place by 2013. At no point did the Council suggest that the cost of setting up such a scheme, and the ability to attract the necessary funding, were likely to be matters which would render time-distance-place charging unfeasible. Indeed, they said that the demonstration projects might well come up with a valid system and an approved national standard. In making a related point about technology, they speculated that it might be within five years. On the basis of what I read and heard, there is no reason to suppose that time-distance-place charging might not be a viable option, except that it cannot meet the Council’s timescale for funding NET Phase Two.
for the Council shows it to be relatively inefficient\(^{24}\), with 42% of the gross annual revenue being taken in operation and administration costs, compared to only 16% in Singapore (tag and beacon technology). The Singapore costs are much closer to those of the WPL, which would range from about 19.5% in 2010 to 11.3% in 2013 and 11% in 2021\(^{25}\). Because some form of roadside technology would be needed, the set-up cost of RUC would be greater than for the WPL, the Council estimating it at £10 million\(^{26}\) (in 2002 – current estimates are higher) as opposed to £1 million for WPL (2007 estimate). The Council say that these additional costs would mean that road users would pay more under RUC than under WPL. Clearly that is not necessarily true. If the costs of RUC fell upon a larger number of users, the price per user per day or per trip would not necessarily be more\(^{27}\).

8.18 The council also say that because of its relative inefficiency RUC would not be good value for money, and assert that this would engender opposition from the public. However, in my opinion the public would be much more likely to judge a scheme on the basis of the price that they paid, and on its perceived fairness. If individuals were charged only for making journeys on congested roads, and were paying no more than for the WPL, and the scheme was self-financing (which it would be), I think that there is a reasonable probability that they would find the scheme acceptable.

**Public opposition**

8.19 I do not find the Council’s assertion that RUC would be less popular than WPL convincing, for the following reasons. If it were self-financing, there would be no burden on Council Tax payers. It need not be more expensive for the individual driver if paid for by a greater number of users. It might be seen as fairer if it did not charge drivers on uncongested roads (for which the technology could be developed). It would charge all drivers causing congestion, including those simply passing through the City, which might be seen as fairer and would spread the burden of the cost.

**Technological risk**

8.20 Because the WPL would use only well-established, low-level technology, it must be true that it would be less risky than RUC. But that means very little, if the technology used by RUC is itself unlikely to break down or cause problems for users or the network. There was no suggestion at the PEx that existing schemes have experienced such problems. The other risk identified by the Council is that a RUC scheme might use technology which was then superseded by a new national standard.

---

\(^{24}\) In response to my questions, the Council conceded that it is possible that less costly schemes than the London scheme could be devised.

\(^{25}\) Figures taken from paragraph 2.5.1 of Topic Paper 2. These differ from the figure of 8.3% given during the PEx.

\(^{26}\) For a wide area entry permit system. The cost for time-distance-place charging might be higher.

\(^{27}\) PE 55 compares a wide area entry permit RUC scheme with a City-wide WPL scheme. There are several assumptions and variables, and the figures are of a general and speculative kind. From what I have read and heard, I see no good reason to suppose at this juncture that a time-distance-place RUC scheme, when properly investigated, would be ruled out of contention by high charges.
(for example in-car ‘tags’ which could be used anywhere in the country). That risk could be eliminated by waiting until the national standards had been adopted.

**Lead time for implementation**

8.21 The evidence before me is that it would take at least four years from a standing start to put RUC in place. The Council have only recently embarked upon the sub-regional study with their partners, and there is no realistic prospect of a scheme being implemented before 2012 or 2013.

**Funding NET Phase Two**

8.22 If it is accepted that (i) NET Phase Two must open in 2013 and (ii) that the Council’s contribution to its funding must start in 2010, then there is no realistic possibility that RUC could provide the funding. Whether those premises should be accepted are matters dealt with elsewhere in this report.

**Conclusions**

8.23 Given that the Council have embarked upon a sub-regional study with their partners, and that it clearly makes sense for any RUC scheme to use nationally approved technology, there is no realistic prospect of such a scheme being introduced before 2012 or 2013, and that would not meet the Council’s present timetable for NET Phase Two. It is no doubt true that any RUC scheme is likely to cost more to implement and administer than the proposed WPL, but the gap might not be as large as the Council have chosen to portray (mainly by making comparisons with the London scheme). It is also true that a RUC scheme would not discriminate between those who pay for their parking and those who do not, or between commuters and other road users such as shoppers and leisure visitors. However, RUC would have the great advantage that it could target only those people who travelled at congested times, on congested roads, and in that sense it might, in my view rightly, be seen by many citizens as a fairer way of taxing commuters than the WPL. Moreover, the Council concede that RUC would be likely to have a greater direct impact on traffic and congestion levels, and could generate as much or more funding for public transport investment, thereby indirectly affecting congestion.

**RECOMMENDATION 8.1:** By requiring that any fundraising scheme should be in place by 2010 the Council have effectively ruled RUC out of contention. Were there no such constraint, I would recommend that a RUC scheme should be pursued as a fairer way of taxing commuters, investing in public transport and reducing the growth in congestion.

**Issue 3 – shopping, leisure and delivery journeys**

8.24 Several respondents say that shoppers, those visiting leisure facilities, drivers passing through the city, and delivery vehicles also contribute to congestion and should also be charged. The Council say that they do not wish to stifle the vitality of the city centre, and therefore do not wish to target shoppers and those using leisure facilities. They also wish to minimise the burden on employers. Their policy is to move long-stay parking out of the city centre to the P&R sites but to encourage short-stay parking in order to maintain vitality and support the shopping centre. They have
also reduced through traffic in the centre by means of the Turning Point traffic management scheme.

8.25 This issue is once again about perception and fairness. There is a case for saying that all those who contribute to congestion should pay, and accepting that argument implies some kind of RUC scheme. The matter is dealt with under Topic 3, Issue 2, above.

**Issue 4 – alternative sources of funding for NET Phase Two**

8.26 Several respondents argue that since only a relatively small number of people would benefit from the NET extensions, it would be fairer to fund them from a small increase in general taxation rather than by a large increase in tax for a small number of people.

8.27 The Council have considered a number of alternative funding sources. They include core business rate retention and supplementary business rate, both proposals which would generate around £11m a year but which would require primary legislation. A similar amount raised through Council Tax would mean a 12% increase which would be unacceptable to central Government. It would also mean that only City residents were paying, whereas over half of those travelling to workplace parking spaces live outside the City boundary.

8.28 In Topic Paper 3 the Council say that other local sources, such as planning gain and land and asset sales, could make a contribution, but would not guarantee sufficient funding. During the PEx, participants sought to explore the possible sale of substantial assets, such as some or all of the Council’s 82% share in Nottingham City Transport (the company was said to be worth £70 million). In response the Council said that under *The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003* capital receipts from the sale of assets could only be used for capital purchases, such as buses, and not for PFI payments which are regarded as revenue. I asked whether such receipts could be invested, and the income used to make revenue payments. I understood the answer to be no, and the point was not explored further. However, following the PEx the Council clarified their answer, and said that it would be possible to invest the receipts and to use the income for PFI payments.

8.29 They nevertheless say that even if they were prepared and able to dispose of their share in Nottingham City Transport, the income generated would not be sufficient to provide the entire sum, or even a major proportion of the sum, required to fund NET Phase Two28. Moreover, the City would lose the annual dividends (£500,000 is budgeted for 2008/09) from their current holding.

8.30 Some participants suggested that NET Phase Two might be funded by a mixture of low impact measures. The Council said that this is how they would fund 20% of their contribution, and that the other 80% is too large a sum to be covered by existing mechanisms.

---

28 In fairness to participants, it should be noted that a 6% return on £57.4 million would produce £3.444 million per year, which exceeds the proposed WPL contribution to NET Phase Two in 2010, 2011 and 2012.
8.31 Money could be raised on the commercial market, but the Council would still have to find a means of repaying it, and therefore it is not a meaningful alternative. It was also suggested that local businesses might subscribe to a loan or bond scheme to provide the funding.

8.32 Other suggestions included European Union funding, the National Lottery, a local lottery, the Local Area Business Growth Incentive, and Business Improvement District schemes.

8.33 European Objective 2 funding will be given to the City for the next 7 years. The Council say that this is available only for projects to do with innovation, research and development, and apparently believe that this would preclude the money contributing to public transport investment. A small amount of European Objective 2 funding has been allocated to the East Midlands Region for transport projects in the next seven years.

8.34 The Council said that a contribution from the National Lottery would not be regarded by Government as a local contribution, and initially said that the same was true of the Local Area Business Growth Incentive. However they later retracted this, and said that the matter would need to be investigated. They said that the Local Area Business Growth Incentive is a short term measure.

8.35 It was suggested that Business Improvement District schemes could voluntarily raise funds which could be used for public transport provision, and that businesses could provide loans for the same purpose. The Council did not deny this, but said that Business Improvement District schemes are small scale and short term.

8.36 It was suggested that individual firms might get their business rates lowered by having fewer parking spaces, and then voluntarily dedicate the money saved to the Council for funding the tram. It seems unlikely that such a scheme would provide the certainty of funding which the Council require.

8.37 It was suggested that the funds might be raised by means of a local lottery. This was clearly something which had not been considered. The Council said that they did not know whether they had the necessary powers.

RECOMMENDATION 8.2: that the Council investigate the feasibility of raising funds by means of a local lottery.

WEAKNESS 8.4: During the PEx the Council appeared to dismiss some of the alternatives suggested by participants without giving them the consideration which they merited. For example they were quick to dismiss two suggestions as not constituting `local contributions’, yet they did not know what lay within the precise definition. It may well be that the potential amounts concerned are too small, or the period of availability too limited, for the various suggestions to make up, in total, a realistic alternative source of funding to the proposed WPL package. Nevertheless, in the interests of fairness and credibility, I think that the Council should give precise and accurate reasons for rejecting each of the suggestions made at the PEx, bearing in

29 The Council did not provide documentary evidence to support this contention.
mind that they were put forward as elements of a package and not as solutions in their own right.

RECOMMENDATION 8.3: that the Council should give precise and accurate reasons for rejecting the suggestions for alternative sources of funding made by participants at the PEx.

8.38 During the PEx the Council repeated many times that there was no alternative to the WPL if the money for NET Phase Two was to be raised in time for the extensions to be opened by 2013. Participants asked: (i) why the opening date of 2013 was critical; (ii) whether the Council had asked Government if the starting date could be deferred; (iii) whether the Council would ask Government, with the support of local businesses, whether the opening date could be deferred; (iv) what would be the consequences of any delay. The Council said that they had not been back to Government and (after first implying that they might) that they had no intention of doing so, because they believed that the WPL was a viable source of funding and that delay would lose some of the public transport benefits. They subsequently cited increased costs, deferred benefits, the perpetuation of blight and the advantage of matching the timetable for the A453 improvement as reasons for not delaying.

WEAKNESS 8.5: the Council do not appear to have full knowledge of the risks, consequences and options open to them.

RISK 8.5: that consequently they are ill-equipped to deal with unexpected setbacks.

RECOMMENDATION 8.4: that they should hold talks with Government and seek answers to the questions posed above.

Topic 4 - The scope of the proposed WPL scheme

Issue 1 – emergency services

9.1 Police premises, fire premises and NHS premises would have a 100% discount for WPL purposes. The Council say that this is because national policy says that emergency service vehicles should not be charged. However, those who operate such vehicles may travel to work by private car, just like any other worker, and many of those who work at such premises do clerical or administrative jobs which have no direct connection with emergency services or emergency service vehicles. Respondents sought convincing, logical reasons why such people should escape charging, when other key service personnel, such as public transport operators and teachers, would not.

9.2 One reason which the Council give for exempting such premises is that emergency services are operated at times when public transport is unavailable, implying that the operators might need to travel to work at such times. The same is true for public transport operators, and for those who work shifts which start or finish wholly or partly outside the normal hours of public transport operation. If the Council attach special weight to emergency service operators, the discount should logically apply only to those who operate the emergency services, and not to the many others who simply happen to occupy the same premises. In the case of hospitals that would be a very large number. In the case of doctors’ surgeries or health centres, there
might be no staff who operate emergency services, those being provided by remote
call centres.

9.3 The Council recognise that there may be issues of equity, and say that they
will consider whether it would be fairer to discount only those parking places
occupied by emergency service vehicles.

RECOMMENDATION 9.1: that at fire, police and health premises with more than 10
liable spaces the Council should discount only parking places for emergency service
vehicles and disabled persons’ vehicles.

Issue 2 – educational premises, charitable and voluntary organisations’ premises
and religious premises (and others seeking exemption or discount)

(See also Topic 2, Issue 2)

9.4 Respondents ask why educational premises, charitable and voluntary
organisations’ premises and religious premises are not exempted or discounted. The
Council say little to justify their decision in those individual cases, nor in the many
other cases raised by respondents: these include central government departments,
spaces used by low income workers and key workers, spaces occupied by employees
who drive to work but also use their car for the purposes of their job, spaces occupied
by shift, flexible and part-time employees, spaces occupied by vehicles in a car share
scheme, spaces occupied by low emissions vehicles, spaces occupied by teachers who
have to carry heavy materials into work every day, and spaces occupied by those who
operate the first and last trams and buses. In essence the Council’s response is that
any concessions for these people must be made by the employers, who could decide
whether and how to pass on the charge.

9.5 Some of the charitable and voluntary organisations are concerned that it would
be unreasonable to ask volunteers to pay the charge. At the PEx it was said that some
of the organisations concerned have charters which would not allow them to pay the
levy, and that they would have to pass it on to employees.

9.6 In reply the Council said that charities include a wide range of non-profit
organisations which carry on ordinary commercial or academic activities, and it
would create anomalies if they were all exempt. In any event, the Council do not
believe that as a matter of law charities would be prohibited from paying the levy to
provide spaces for their staff. A legal challenge to the London RUC scheme by
churches had failed. The Council reiterated their desire to keep the scheme as simple
as possible to aid enforcement and maximise cost effectiveness.

9.7 I see no material difference between educational, charitable, voluntary,
religious and government organisations and any others as employers. However, I do
think that voluntary workers are a special case. If people are giving up their time to
assist a charity or other organisation in a voluntary capacity, it seems harsh to charge
them when they are performing a service to the community. A charge might also
deter people from becoming volunteers in the first place. I have dealt with those on
low incomes and those who travel outside congested times elsewhere in this report.
Individuals in the other groups mentioned above might well be able to make a
convincing case for special treatment, but it would be difficult to frame a robust and
easily enforceable definition which would ensure that deserving cases were exempted whilst others were not. In essence the Council’s response is that any concessions for these people must be made by the employers, who could decide whether and how to pass on the charge.

**RECOMMENDATION 9.2:** Whilst the Council may have no formal duty to protect the interests of those affected by the proposed WPL scheme, in my opinion they have a responsibility, as authors of the scheme, to address the inconsistencies, and possible hardships, which it might throw up. In my view it is not sufficient to leave it to the employers: some will no doubt produce excellent transport plans which address the issues fairly; others might do nothing but pass on the charge indiscriminately. At the least the Council should have a coherent view of the various cases raised by respondents, and should offer practical and detailed advice to employers on how to address them.

**Issue 3 – premises with 10 spaces or fewer**

9.8 Some respondents query the rationale for applying a 100% discount to premises with 10 spaces or fewer, and others do not understand why the first 10 spaces on every site should not be similarly treated. All peak time commuters contribute to congestion, regardless of the size of the business.

9.9 The Council believe that the administrative cost of licensing and regulating workplace parking provision would be proportionately higher for small businesses than for larger businesses, and they do not wish to make Nottingham an unattractive location for the setting up of new businesses. They say that the majority of the workplace parking in Nottingham is provided by a comparatively small number of firms. Charging small businesses would be likely to reduce the financial efficiency of the scheme, as the revenue generated from those small firms would be offset by the cost to the Council of enforcing the scheme at many more premises. From all that I heard at the PEx that appears to me to be matter of particular importance to the Council.

9.10 The Council say that the simplest way of defining a small business is by the number of workplace parking places it provides, and they have chosen 10 or fewer spaces as the cut off.

9.11 Allowing 10 free spaces for every business\(^{30}\) would lose the revenue from 5,000 spaces and would result in a shortfall for planned public transport spending. To recoup that shortfall, annual WPL charges would have to be higher.

**Government policy**

9.12 At the PEx there was a discussion of the meaning of Government policy on the issue. In the Government’s *Response to Breaking the Logjam* there is a section headed ‘thresholds and limits’. In paragraph 51, immediately following the heading, the Government say: ‘we asked for views on whether the levy should apply only

\(^{30}\) The Council are not consistent in their use of terms. The formal proposal (see Document PE 05) is to discount parking places at ‘premises’ with 10 spaces or fewer. But the Council also use the terms ‘business’ and ‘employer’ interchangeably with the word ‘premises’. This can lead to confusion: see for example footnote 31 below.
above a threshold of a certain number of vehicles and, if so, how the threshold should be specified’. In paragraph 52 they say: ‘a threshold would be valuable to many small businesses, some of which would gain complete exemption’. That clearly implies that some would gain only a partial exemption – in other words that the threshold would apply to every business. Paragraph 52 then goes on to say: ‘it [a threshold] will reduce the administrative effort of managing and enforcing a scheme’. The Council say that this would only be true if the threshold were applied in the way that they propose. I deal with that point below. Finally, paragraph 53 implies that the exemption should be applied to all sites, saying: ‘our current preference is for a simple absolute threshold which exempts a small number of vehicles parked at a site’. Had it meant otherwise, it would surely have said ‘which exempts any site with a small number of vehicles’.

9.13 Further evidence of intent is provided by the Government’s Regulatory Impact Assessment for the Transport Act 2000, which at paragraph 83 says that there are strong arguments in favour of a threshold that would exempt the first few parking spaces at each building (my italics).

9.14 Taking all this evidence together, I have little doubt that the Government intend the threshold to be applied universally, whether to buildings, sites or employers. So far as I can tell, the consequences of discounting the first 10 spaces for every employer would be as follows. Small businesses would still gain total exemption, as now proposed. For other businesses, the licensing process would be identical to what is now proposed, except that the Council might incur a small additional administrative cost in not charging for the first 10 spaces. Enforcement need be no different, as the employer would be entitled to issue windscreen permits for the full number of spaces applied for. On the evidence before me, the only significant material difference for the Council would be that they would lose the income from an additional 5000 spaces, and that would mean increasing the proposed charge per space in order to raise the funding which they require. The effect of doing so, combined with a universal 10-space discount, would be (a) to comply with what I understand to be Government policy and (b) to reduce the total charge for businesses with a relatively small number of parking spaces, which is in line with the Council’s stated philosophy. Businesses with larger numbers of spaces would pay more.

9.15 I therefore conclude that, in line with Government policy, and to the advantage of smaller businesses, the 100% discount should be given for the first 10 spaces in every case. Moreover, the Council should be clear and consistent about whether they would apply the WPL to ‘premises’, ‘occupiers’, ‘businesses’ or ‘employers’, and should set out unambiguous definitions of those terms for the purposes of the scheme.

RECOMMENDATION 9.3: that a 100% discount should be given for the first 10 spaces in every case.

RECOMMENDATION 9.4: that the Council should be clear and consistent about whether they would apply the 100% discount for the first 10 spaces to ‘premises’.

31 At the PEx the Council said that in their scheme the discount would apply to an employer, not to individual sites. An employer with three sites, each having four spaces, would be liable to pay the charge. This is at odds with Document PE 05 which refers to ‘premises’.

32 See paragraph 10.1.
occupiers’, `businesses’ or `employers’, and should set out unambiguous definitions of those terms for the purposes of the scheme.

**Issue 4 – the proposed charges**

(See also Topic 1, Issue 8 and Topic 2, Issue 3)

9.16 The Council have set the proposed WPL charges at levels which they calculate will provide the income needed to support public transport, in particular NET Phase Two. Charging would start 3 years before NET Phase Two could be open for passengers. In response to arguments that the proposed charges are too high and that the charging area is too geographically extensive, the Council stress the need to raise particular levels of revenue. It is not clear to respondents how those levels have been determined, nor how the Council can justify charging for facilities which would not exist at the time the WPL was imposed. These matters have been dealt with under Topics 1 and 2 above.

**Topic 5 - Operational issues**

**Issue 1 – distinguishing between business customers and other business visitors**

10.1 Respondents question how in practice the Council would distinguish between and regulate those spaces allocated for business customers (unlicensed), and those allocated for suppliers and agency staff (full charge). The Council propose to require relevant users to display a WPL permit, rather than requiring relevant spaces to be marked out on the ground.

10.2 The Council say that business customers, particularly at retail premises, might come and go without any formal contact with the occupier, and might occupy a parking place for a short period of time. It would be unreasonable to expect the occupier of the premises to require its business customers to display WPL permits in their windscreens. By contrast, it might be expected that other business visitors, particularly long term agency staff attending their regular place of work, would have formal contact with the business they were visiting and would occupy parking spaces for longer periods. It would be reasonable for the occupier to issue business visitors with a WPL permit for display in their windscreen.

10.3 As the scheme is presently drafted, any business visitor would be caught, even if they were only staying for a short period of time, for example to carry out repairs to office equipment. The Council are considering applying the requirement only to those business visitors who are attending their regular place of work.

10.4 They say that where unlicensed workplace parking was being provided to liable business visitors, it might be difficult to identify on first inspection, as the vehicle might belong to a private or business customer. However, if the same vehicle was seen to be parked regularly over a period of time, it would be likely that the occupant was either an employee or a regular business visitor, and enforcement action could be taken.
10.5 In my opinion there is no good reason to charge for spaces which are used by business visitors who are genuinely calling in occasionally or for short periods rather than commuting on a regular basis.

**RECOMMENDATION 10.1:** that the scheme should not charge for spaces which are used by business visitors who are genuinely calling in occasionally or for short periods rather than commuting on a regular basis.

**Issue 2 - employee spaces in retail car parks**

10.6 Respondents ask how employee spaces in retail car parks would be identified and policed. The Council say that in mixed use car parks, such as those at retail centres, the number of unlicensed parking places would far outweigh the number of employee vehicles. They recognise that this type of parking is difficult to check, especially at peak times. However it only accounts for 7% of the workplace parking provision. In these car parks, checks could be carried out at times when there were few customers’ vehicles. Officers could then check that permits were being displayed and that spaces used by employees had been licensed.

**Issue 3 – commuters who use more than one mode**

10.7 This issue emerged during the PEx. Two participants said that they did not always travel to work by car. One uses a motorcycle for eight months of the year, and a car for four, the other frequently uses a bicycle during the summer.

10.8 The proposed scheme caters for the first case.

10.9 The argument was put that in the second case, where employees change mode from day to day, depending on the weather and personal circumstances, the proposed WPL, if passed on by the employer, might induce greater car use because employees would feel that otherwise they were wasting an asset for which they had paid.

10.10 The Council response to this argument was once again to suggest that it would be a matter for employers to manage through workplace travel plans (see my recommendation at Topic 1, Issue 5 above).

**Conclusions**

11.1 From all that I have heard and read, I draw the following conclusions.

11.2 On Day One of the PEx the Council stated, in terms, that:

- there has not been a final decision to introduce workplace parking
- without NET Phase Two, the case on which WPL has hitherto been considered would no longer exist
- if a decision is made to discontinue WPL, the Council does not know how it would fund NET Phase Two
- the WPL scheme is essential for NET Phase Two to progress under the predicted timeframe
- if NET Phase Two were to be delayed, there could be a RUC scheme.
11.3 The proposed WPL draws its legitimacy from Government policy and legislation. *Breaking the Logjam* (1999) says that by discouraging parking in town centres, and by providing money for alternative forms of transport, the WPL would help to reduce congestion. It would, I think, be stretching interpretation of that consultation document too far to conclude that a WPL could reasonably be used solely to raise money, without any prospect of discouraging parking in town centres. Indeed, the Council were very careful to say, when challenged, that whilst the direct effect of the WPL upon travel behaviour might be very small (by inference fewer than 300,000 journeys in 2011 and 2012), there would undoubtedly be some direct effect.

11.4 On the face of it, those with free workplace parking have an advantage over those who have to pay, all other things being equal. Whether or not an individual truly has an advantage depends upon such things as whether or not their remuneration has been adjusted to allow for free parking. The PwC survey says that employers regard free parking as a benefit for employees. Be that as it may, there is no doubt that Government policy sees the taxation of workplace parking as a tool for tackling congestion, and, as a by-product, for improving public transport. For that is how the WPL concept is presented in *Breaking the Logjam*. And that is what many respondents to the Council’s consultation assumed.

11.5 I have no doubt that many of those who responded to the consultation on the WPL believed that the twin objectives of reducing congestion directly by taxation and indirectly by funding public transport improvements (particularly the tram) were at least of equal weight. However, it became clear during the PEx that they are not, and the summary above (which is almost verbatim) makes that plain.

11.6 Having heard five days of discussion at the PEx, I have no doubt that the main driver for the Council’s proposed WPL is their urgent need to find a means of funding their share of the PFI package to build NET Phase Two. Whether or not that project should be built is a matter to be determined elsewhere. I shall only say that some cogent arguments were presented both for and against it at the PEx. NET Line One provides evidence of the high frequency and capacity available from a tram system, and the advantages of through running in the city centre are self-evident. Whether these are sufficient to justify the cost when compared to alternative solutions is a matter for the coming inquiry.

11.7 Assuming for the purposes of these conclusions that NET Phase Two is to be built, then the next question is when. The Council were adamant that they would not try to renegotiate the timescale which has been agreed with the Department for Transport. They turned down the offer made by major employers to join with them for that purpose. They are clearly determined to press ahead with the current timetable if at all possible. They were quick to reject the alternative funding suggestions put forward by participants at the PEx. It may be unlikely that a workable package could be constructed from the eclectic mix of lotteries and grants which were suggested. But at the PEx the council did not assemble authoritative arguments against them.

11.8 It appears to me that the proposed WPL is a very blunt instrument, which is no doubt why it is perceived as unfair in many respects by a wide range of individuals, employers and other organisations. Its principal drawback is that it would not distinguish between those who travelled in congested periods on congested roads, and
those who did not. It would not distinguish between those who had practicable public transport alternatives and those who did not. And it would take more of the disposable income of those on low incomes than of those on high incomes. During the PEx one of the reasons which the Council gave for not distinguishing in the scheme between employees on the basis of their different needs and their different access to public transport alternatives was that they wanted a system which was administratively simple (for the Council) and relatively cheap to operate. For an employer the administrative cost of acquiring a licence would be small (leaving aside the actual charges), but the cost of developing and administering a workplace travel plan could be substantial.

11.9 I am convinced that, in principle, a sophisticated RUC scheme, allowing drivers to be charged only when travelling in congested conditions, would be, and would be perceived as, a fairer means of tackling congestion. Because it need not operate early in the morning or late at night it would be less likely to affect those without public transport alternatives. It would, like the WPL, be regressive, but it would be more subtle in its impact if it charged only for the journeys made on congested lengths of road, and that should be possible with modern technology. It would raise money for public transport improvements. The fact that it would be less cost-efficient than the proposed WPL does not appear to me to be an insurmountable barrier to its adoption, as it would be self-financing. For the Council, the fact that RUC would not distinguish between those with free parking and those without, nor between those on shopping and leisure trips and others, is a disadvantage. However, even if it is a disadvantage, it appears to me to be outweighed by the greater transparency and greater focus on congestion of RUC. The one test which RUC could not possibly meet is the requirement that it be in place by 2010 in order to fund NET Phase Two.

11.10 Turning to the detail of the scheme, I conclude: that the Council should allow a 100% discount for the first 10 spaces in every case; that they should be clear and consistent about whether that discount is to be applied to premises, occupiers, businesses or employers; that those terms should be clearly defined for the purposes of the scheme; that in the interests of fairness workplace travel plans and salary sacrifice should be a central feature of the scheme; that plans should be made to deal with displaced parking; that at fire, police and health premises with more than 10 liable spaces the Council should further discount only parking places for emergency service vehicles and disabled persons’ vehicles; and that the scheme should not charge for spaces which are used by business visitors who are genuinely calling in occasionally or for short periods rather than commuting on a regular basis.

11.11 I also conclude: that the Council should improve their presentation of the scheme in various ways; that they should not allow funds to be diverted from the WPL into general Council expenditure; that they should give precise and accurate reasons for rejecting the suggestions for alternative sources of funding made by participants at the PEx; that they should investigate the feasibility of raising funds by means of a local lottery; and that they should hold talks with Government about the timing of NET Phase Two and about amending the law to allow the development of effective and attractive public transport ticketing arrangements.
11.12 It was put to me at the Pre-Examination Meeting that the terms of reference with which I had been presented were framed to allow only one conclusion, and given the Council’s timetable for NET Phase Two that is probably true.

11.13 Applying my conclusions to the Terms of Reference:

(a) meeting scheme objectives

11.14 The WPL scheme has the potential to deliver public transport benefits to Nottingham through expenditure on LTP projects, including NET Phase Two. It would probably have a very small direct effect upon growth in traffic congestion, and a somewhat larger indirect effect through its support of public transport improvements.

(b) the main weaknesses and risks identified in this report are as follows:

RISK 3.1: that the Local Transport Bill does not become law, and that after ten years the Council would have to find an alternative means of funding NET Phase Two.

WEAKNESS 6.1: in my opinion insufficient weight has been given to the significance of workplace travel plans in the way that the WPL proposal has been developed and presented.

RISK 6.1: I believe that without significant targeted effort by the Council, there is a risk that employers would not assess and manage their car parking, and would not pass on the charge sensitively, with due regard to the differing needs and opportunities of their employees. Without extensive and sensitive car parking management, the WPL might be passed on crudely and insensitively, and that might generate disgruntlement amongst employees, leading to poor relations with employers and with the Council, and might cause hardship to those on low incomes, who might include those with caring responsibilities, those who have to carry heavy materials to work, shift workers, and others without practical alternatives.

WEAKNESS 6.2: in the immediate aftermath of charging being passed on by an employer, there might be a displacement of parking onto nearby streets, particularly residential streets, where there are no parking controls.

RISK 6.2: that residents and others would suffer from the loss of convenient parking, from increased noise, disturbance and pollution, and from increased local congestion.

WEAKNESS 6.3: that the Council’s strategy and its rationale for the WPL have not been communicated sufficiently clearly to the public and to business.

RISK 6.3: that some members of the public and some employers will remain hostile to the Council and its aims because of this lack of understanding.

WEAKNESS 6.4: during the PEx it was difficult to reconcile the numerous figures and forecasts which the Council presented, especially for travel. It was not always clear whether data were for the administrative City (the relevant area for the purposes of the proposed WPL scheme), the city centre (defined on plan PE35), to the Inner Traffic Area (defined on plan PE35), ‘central area locations’ (referred to in the Topic
Papers but not defined on a plan), areas `outside the city centre' (said by Council spokesman on Day One, but not defined) or Greater Nottingham (not defined). My attempts to have the data placed on a uniform footing were unsuccessful. The Council said that their modelling was generally for Greater Nottingham, although sometimes they offered figures for journeys to the city centre. They appeared to find it difficult to give figures for the administrative City.

RISK 6.4: in the first instance the costs of the WPL would fall entirely upon employers within the City. It is reasonable for those paying the costs to ask where the benefits might fall. It appears that the benefits might be very widespread, and that impression is supported by the fact that the Council’s transport model does not appear to provide data easily for the City. There is a risk that those who see the proposed WPL as an unfair tax will regard this as further evidence of an imbalance between the distribution of costs and benefits.

WEAKNESS 6.5: it was generally agreed that in order to attract drivers from their cars, there needs to be not only convenient, frequent, reliable public transport, but also single ticket arrangements at prices which are perceived to be acceptable in comparison to the cost of motoring. Even though the Council have had some success with multi-operator tickets, they, and the public transport supporters at the PEx, are concerned that the laws enforcing competition between operators still create barriers for effective through ticketing.

RISK 6.5: that the absence of attractive, widely available through tickets will be a barrier to increased use of the improved public transport infrastructure, thereby undermining part of the justification for the proposed WPL.

WEAKNESS 7.1: although the Council argue that all tax systems are bound to be seen as unfair, there are in my opinion degrees of unfairness. It is clear from the discussion at the PEx and from the representations that many people see the proposed WPL as a very blunt instrument (as indeed is the London cordon charging scheme, but the London scheme is not the only possible form of RUC). So long as the public and business perceive that there are fairer alternatives to the WPL (albeit no alternative would be completely fair), they are likely in my view to continue to oppose the WPL with an understandable sense of grievance.

RISK 7.1: there are few practical means of opposition to the scheme. It would be possible to oppose the Order, if made, formally at the statutory stage. Employers could choose to move to new locations outside the City, and the likelihood of that happening is discussed elsewhere in this report. The greatest risk is the sense of alienation and hostility which might be engendered amongst opponents. The risk might be mitigated by workplace travel plans which recognised the reality of employees’ travel choices, and did not charge, or charged less, those who made the least contribution to congestion, or who had no practical alternative to travelling by car. These matters are considered elsewhere in this report.

WEAKNESS 7.2: in my opinion the change in funding arrangements has posed a significant problem of presentation for the Council. They have chosen not to present the proposed WPL as simply a deterrent measure for those drivers with free workplace parking, but as a part of a general package of public transport improvements. Clearly those paying the tax would wish to see some obvious benefit
to themselves, as well as to the rest of the public, and that indeed appears to be the thrust of the 2000 Government policy statement. There might be some immediate improvement to the Link bus services in 2010, but there would be no benefit at that time from NET Phase Two (nor, so far as I can tell, from the Station Masterplan). The Council have also removed mention of workplace travel plans from the headline package in their consultation leaflets, so it is not surprising that the public and employers see the tax as lacking in immediate benefits.

RISK 7.2: that the public and employers would remain hostile to the scheme because of its perceived lack of benefits in the early years.

RISK 7.3: that the diversion of money from WPL to general expenditure, however small the amount, would undermine the credibility of the tax as an instrument of transport policy.

WEAKNESS 7.4: unless and until other local authorities, particularly those in neighbouring areas, decided to introduce their own WPL or RUC schemes, the WPL in Nottingham would clearly be a disadvantage when potential incoming investors were weighing the costs and benefits of relocating there. That disadvantage might be offset by the existence or promise of better public transport compared to competitors. Similarly, the WPL would be one factor in a whole array of considerations for businesses contemplating moving to new premises, and it might be sufficient to tip the balance in persuading them to move to a site outside the City.

RISK 7.4: that the WPL might be the deciding factor in persuading some businesses to relocate outside the City, or not to move into the City.

WEAKNESS 7.6: It must clearly be true, as several respondents point out, that a flat rate of taxation, if passed on by employers, would be more keenly felt by those on low incomes than by those on moderate or high incomes. This might mean that the pressure to abandon the car might be felt most by some people who had the least opportunity to change mode, for example those with no practical public transport alternative. In my opinion this might reasonably be seen as unfair by many people. Whether the amount to be paid would cause actual hardship would depend on the precise financial circumstances of the individual.

RISK 7.6: that the scheme might cause hardship for some on low incomes with no public transport alternative, would engender hostility amongst employees, and be seen as unfair more generally.

WEAKNESS 8.4: during the PEx the Council appeared to dismiss some of the alternatives suggested by participants without giving them the consideration which they merited. For example they were quick to dismiss two suggestions as not constituting ‘local contributions’, yet they did not know what lay within the precise definition. It may well be that the potential amounts concerned are too small, or the period of availability too limited, for the various suggestions to make up, in total, a realistic alternative source of funding to the proposed WPL package. Nevertheless, in the interests of fairness and credibility, I think that the Council should give precise and accurate reasons for rejecting each of the suggestions made at the PEx, bearing in mind that they were put forward as elements of a package and not as solutions in their own right.
WEAKNESS 8.5: the Council do not appear to have full knowledge of the risks, consequences and options open to them.

RISK 8.5: that consequently they are ill-equipped to deal with unexpected setbacks.

(c) my recommendations are as follows:

RECOMMENDATION 6.1: that the Council should not proceed with the WPL unless and until they have developed a detailed, costed programme (funded from the proceeds of the WPL) for engaging with employers to advise and assist them in developing workplace travel plans, and in particular car parking management schemes which will assess the differing needs and resources of employees, and allocate and charge for spaces accordingly.

RECOMMENDATION 6.2: that the Council should not proceed with a WPL unless and until: (i) they have identified the most likely locations for displaced parking, and made contingency plans for combating it; (ii) they have allocated an assured level of resources for implementing any necessary parking control measures within 9 months of the introduction of a WPL.

RECOMMENDATION 6.3: that the Council present the WPL and its relationship to the LTP and the building of NET Phase Two more clearly to the public and to business.

RECOMMENDATION 6.4: that the Council should be more careful, specific and transparent when presenting data in support of the scheme, and in particular that they should always carefully distinguish between the administrative City, the city centre, and Greater Nottingham.

RECOMMENDATION 6.5: only the Government can change the law on competition. It follows that the Council should put significant effort into seeking practical amendments to the law which would allow the development of effective and attractive ticketing arrangements throughout the public transport system in Nottingham.

RECOMMENDATION 7.1: that, if they choose to proceed with the scheme, the Council implement the recommendations about workplace travel plans and salary sacrifice made elsewhere in this report.

RECOMMENDATION 7.2: that the Council be more precise and transparent about the measures on which the proceeds of the WPL would be spent, and in particular stress that they would set aside a specific sum for advising on, encouraging and supporting the preparation of workplace travel plans, in order to demonstrate the immediate as well as the long-term benefits of the proposed package.

RECOMMENDATION 7.3: that the Council seek to ensure that any profit from the trams (received by them via Nottingham City Transport or any other transport operation funded directly or indirectly by the WPL) should be spent on transport rather than other Council services.
RECOMMENDATION 7.4: if the Council decide to implement the proposed WPL, they should ensure that the public transport benefits associated with it are clearly publicised and swiftly realised.

RECOMMENDATION 7.5: that the Council do not attempt to present the cost of the WPL to the individual driver as being directly comparable to the cost of the fare paid by a public transport passenger.

RECOMMENDATION 7.6: it was agreed at the PEx that it would be possible for employers to pass on the charge by means of salary sacrifice, and that this would effectively reduce the charge for an employee. I recommend that, if they choose to proceed with the scheme, the Council inform employers about the salary sacrifice provisions and actively encourage them to ensure that employees benefit from those provisions where appropriate.

RECOMMENDATION 8.1: by requiring that any fundraising scheme should be in place by 2010 the Council have effectively ruled RUC out of contention. Were there no such constraint, I would recommend that a RUC scheme should be pursued as a fairer way of taxing commuters, investing in public transport and reducing the growth in congestion.

RECOMMENDATION 8.2: that the Council investigate the feasibility of raising funds by means of a local lottery.

RECOMMENDATION 8.3: that the Council should give precise and accurate reasons for rejecting the suggestions for alternative sources of funding made by participants at the PEx.

RECOMMENDATION 8.4: that [the Council] should hold talks with Government and seek answers to the questions posed above [why the opening date of 2013 was critical; whether the starting date could be deferred; what would be the consequences of any delay].

RECOMMENDATION 9.1: that at fire, police and health premises with more than 10 liable spaces the Council should discount only parking places for emergency service vehicles and disabled persons’ vehicles.

RECOMMENDATION 9.2: whilst the Council may have no formal duty to protect the interests of those affected by the proposed WPL scheme, in my opinion they have a responsibility, as authors of the scheme, to address the inconsistencies, and possible hardships, which it might throw up. In my view it is not sufficient to leave it to the employers: some will no doubt produce excellent transport plans which address the issues fairly; others might do nothing but pass on the charge indiscriminately. At the least the Council should have a coherent view of the various cases raised by respondents, and should offer practical and detailed advice to employers on how to address them.

RECOMMENDATION 9.3: that a 100% discount should be given for the first 10 spaces in every case.
RECOMMENDATION 9.4: that the Council should be clear and consistent about whether they would apply the 100% discount for the first 10 spaces to `premises’, `occupiers’, `businesses’ or `employers’, and should set out unambiguous definitions of those terms for the purposes of the scheme.

RECOMMENDATION 10.1: that the scheme should not charge for spaces which are used by business visitors who are genuinely calling in occasionally or for short periods rather than commuting on a regular basis.
APPENDIX A

LIST OF PARTICIPANTS

Charles George QC   for Nottingham City Council
Barry Horne    Nottingham City Council
Chris Deas    Nottingham City Council
David Carter    MVA, for Nottingham City Council
Craig Pember    PwC, for Nottingham City Council
Mark Ambler    PwC, for Nottingham City Council
Grant Butterworth    Nottingham City Council
Robbie Owen    BDB, for Nottingham City Council
Tom Henderson    BDB, for Nottingham City Council
Charlotte Semp    TTMS, for Nottingham City Council
Pat Armstrong    Nottingham City Council

Simon Goodwin     Jakob Gerhardt Fine Wines Ltd
Noel de Saive    Derbyshire and Nottinghamshire Chamber of Commerce
John Dowson    Nottinghamshire Transport 2000

David Thornhill    Nottinghamshire Transport 2000
Gordon Court
Richard Leake
Michael Brown

David Binchy    Games Workshop Ltd
James Fletcher    Games Workshop Ltd
Roger Speakman    Imperial Tobacco Ltd
Peter Lacy
Dean Hutchby    Cavalier Sheet Metal Works Ltd
Andrew Ball    Medical Solutions Ltd
Paul Nathanail
Amanda Simpson
Joan Middleton

Richard Bacon    The Sherwood Press
Peter Gibson    Alliance Boots Ltd
Dave King    Alliance Boots Ltd
Andy Godfrey    Alliance Boots Ltd
Simon Boardman    Imperial Tobacco Ltd
Tony Cooper    Speedo International Ltd
Keith Lee
Dave Armiger    Rushcliffe Borough Council
Jim Froggatt    East Midlands Transport Activists Roundtable
Liam Boyle    Road Haulage Association
Jules Hall    Indigo Planning
## APPENDIX B: LIST OF PLANS AND DOCUMENTS

(1) SUBMITTED BY COUNCIL:

<table>
<thead>
<tr>
<th>Ref. No.</th>
<th>Document Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>PE_01</td>
<td>Draft WPL Business Case (NCC, Jul 07)</td>
</tr>
<tr>
<td>PE_02</td>
<td>Draft WPL Business Case Appendices (NCC, Jul 07)</td>
</tr>
<tr>
<td>PE_03</td>
<td>WPL Economic Impact Report (PWC, Aug 05)</td>
</tr>
<tr>
<td>PE_04</td>
<td>WPL Economic Impact Report – Addendum (PWC, Sep 07)</td>
</tr>
<tr>
<td>PE_05</td>
<td>Summary of proposed WPL exemptions and discounts (NCC, Aug 07)</td>
</tr>
<tr>
<td>PE_06</td>
<td>Consultation leaflet for employers (NCC, Jul 07)</td>
</tr>
<tr>
<td>PE_07</td>
<td>Consultation leaflet for residents (NCC, Jul 07)</td>
</tr>
<tr>
<td>PE_08</td>
<td>Terms of Reference for the Public Examination (NCC, Jul 07)</td>
</tr>
<tr>
<td>PE_09</td>
<td>List of issues for consideration at Public Examination (WPL PE Chair, 10 Sep 07)</td>
</tr>
<tr>
<td>PE_10</td>
<td>List of preliminary questions for Public Examination (WPL PE Chair, 10 Sep 07)</td>
</tr>
<tr>
<td>PE_11</td>
<td>Public Examination Procedure Note (WPL PE Chair, 10 Sep 07)</td>
</tr>
<tr>
<td>PE_12</td>
<td>NCC’s Public Examination Topic Papers 1-5 (21 Sep 07)</td>
</tr>
<tr>
<td>PE_13</td>
<td>NCC’s Response to Representations by Sub-Theme (21 Sep 07)</td>
</tr>
<tr>
<td>PE_14</td>
<td>Economic Costs of Congestion in the East Midlands (Atkins for EMDA, Jun 07)</td>
</tr>
<tr>
<td>PE_15</td>
<td>Local Transport Plan for Nottingham 2000-2005</td>
</tr>
<tr>
<td>PE_16</td>
<td>Local Transport Plan for Nottingham 2006-2011</td>
</tr>
<tr>
<td>PE_18</td>
<td>Breaking the Logjam: Consultation Paper (DfT, 1999)</td>
</tr>
<tr>
<td>PE_19</td>
<td>Breaking the Logjam: Government’s Response (DfT, 2000)</td>
</tr>
<tr>
<td>PE_21</td>
<td>Greater Nottingham Bus Strategy</td>
</tr>
<tr>
<td>PE_22</td>
<td>Greater Nottingham Accessibility Strategy</td>
</tr>
<tr>
<td>PE_23</td>
<td>Transport Act 2000 and explanatory notes</td>
</tr>
<tr>
<td>PE_25</td>
<td>National Travel Survey 2006</td>
</tr>
<tr>
<td>PE_26</td>
<td>European Cities Monitor 2004</td>
</tr>
<tr>
<td>PE_27</td>
<td>Lyons Review 2007 – Chapter 8</td>
</tr>
<tr>
<td>PE_29</td>
<td>City Solutions: Financing Local Growth (IPPR Centre for Cities, 5 Aug 07)</td>
</tr>
<tr>
<td>PE_30</td>
<td>ITP Report – Comparison of RUC &amp; WPL (Sep 2007)</td>
</tr>
<tr>
<td>PE_31</td>
<td>NET Phase Two – Statement of Case (NCC, 2007)</td>
</tr>
<tr>
<td>PE_32</td>
<td>Ten Year Bus Strategy</td>
</tr>
<tr>
<td>PE_33</td>
<td>WPL Administrative Burden Report (PwC, Sep 2007)</td>
</tr>
<tr>
<td>PE_34</td>
<td>Council’s Opening Statement to the Public Examination</td>
</tr>
<tr>
<td>PE_35</td>
<td>Map of Nottingham City (showing city centre and inner traffic areas)</td>
</tr>
<tr>
<td>PE_36</td>
<td>Greater Nottingham economic indicators</td>
</tr>
<tr>
<td>PE_37</td>
<td>Traffic data for am and pm peaks</td>
</tr>
<tr>
<td>PE_38</td>
<td>Link Bus map and timetable showing service frequency</td>
</tr>
<tr>
<td>PE_39</td>
<td>Park and Ride data for bus and tram</td>
</tr>
<tr>
<td>PE_40</td>
<td>Information on the A453 widening scheme</td>
</tr>
<tr>
<td>PE_41</td>
<td>Census data for Nottingham</td>
</tr>
<tr>
<td>PE_42</td>
<td>Information on the Turning Point scheme</td>
</tr>
<tr>
<td>PE_43</td>
<td>NET Line One and NET Phase Two passenger data</td>
</tr>
<tr>
<td>PE_44</td>
<td>Page 153 and Executive Summary from LTP2</td>
</tr>
<tr>
<td>PE_45</td>
<td>Annotated map of key employer car parks in Nottingham</td>
</tr>
<tr>
<td>PE_46</td>
<td>Note on the possibility of a long term capital loan</td>
</tr>
<tr>
<td>PE_47</td>
<td>Section 63 of the Transport Act 1985</td>
</tr>
<tr>
<td>PE_48</td>
<td>Impact of the WPL on minimum wage salaries</td>
</tr>
<tr>
<td>PE_49</td>
<td>Breakdown of the estimated 47,000 liable WPL spaces</td>
</tr>
<tr>
<td>PE_50</td>
<td>Changes to bus services in the NET Line One corridor</td>
</tr>
<tr>
<td>PE_51</td>
<td>Extract from the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003</td>
</tr>
<tr>
<td>PE_52</td>
<td>Regulatory Impact Assessment for the Transport Act 2000 (DfT)</td>
</tr>
<tr>
<td>PE_53</td>
<td>Road User Charging in Nottingham – Feasibility Study (TTR, May 2002)</td>
</tr>
<tr>
<td>PE_54</td>
<td>Note on European Community funding</td>
</tr>
<tr>
<td>PE_55</td>
<td>Updated cost comparison of RUC vs WPL in Nottingham</td>
</tr>
<tr>
<td>PE_56</td>
<td>Note on licence variations</td>
</tr>
</tbody>
</table>
(2) SUBMITTED BY OTHERS:

Note submitted by Richard Leake

Note concerning the effect of the proposed WPL on a minimum wage earner, submitted by Michael Brown (see also PE 48)

Note on Passenger Transport Executives, submitted by Peter Lacy

DNCC survey data, submitted by John Dowson

HMRC guidance Note EIM42750 *Salary sacrifice*, submitted by Amanda Simpson

HMRC guidance Note EIM21685 *Particular benefits: car parking near work*, submitted by Amanda Simpson
APPENDIX E – NCC’S RESPONSES TO THE EXAMINER’S RECOMMENDATIONS

Introduction

This report sets out Nottingham City Council’s responses to the recommendations put forward by the Examiner in his post Public Examination report.

As part of the WPL Public Consultation, a 5 Day Public Examination was held to encourage and enhance public participation in the consultation exercise and to allow for independent scrutiny of the proposals. It was a structured debate and was conducted in a relatively informal manner designed to create the right atmosphere for discussion. The structure was provided by the Examiner who centred the debate on 5 specific topic areas:

1. Transport impacts of the WPL Scheme
2. Economic impacts of the WPL Scheme
3. Alternatives to the WPL Scheme
4. Scope of the WPL Scheme
5. Operational Issues of the WPL Scheme

In preparation for the Public Examination, the Council prepared 5 individual topic papers that set out the Council’s position on each of the matters contained within the 5 topics. The 5 topic papers were, and continue to be, publicly available to download from the WPL website.

Following the close of the Public Examination, the Examiner then produced a report on the scheme proposals, which was structured to assess whether the scheme has the potential to meet its objectives and make recommendations based on his findings. It is these recommendations that this report responds to.
1 Topic 1 – Transport Impacts of the WPL Scheme

RECOMMENDATION 6.1: that the Council should not proceed with the WPL unless and until they have developed a detailed, costed programme (funded from the proceeds of the WPL) for engaging with employers to advise and assist them in developing workplace travel plans, and in particular car parking management schemes which will assess the differing needs and resources of employees, and allocate and charge for spaces accordingly.

In his report the Examiner recognised that the Council intends to look at ways in which they can assist employers to implement the WPL within a travel plan and to look at the parking management issues. He also highlighted that in Annex 1 to the Draft Order it states that some of the proceeds of the WPL might be devoted to enhanced assistance in the development of company travel plans. It was also stated at the Public Examination that £100,000 per year would be allocated to management of the scheme and supporting businesses, but only in the first three years. (Ref 6.30)

The Council accepts the Examiner’s recommendation and, as stated in the Topic Papers and at the Public Examination, it has always been an integral part of the scheme’s proposals that extensive WPL advice and guidance would be provided to employers to help them develop company travel plans and parking policies in the build up to the start of the WPL scheme and as an ongoing service once the scheme was in place.

This would be an expansion of the current services that both the Council and other partners already provide to employers in Nottingham. By working with the Council and these partners, these organisations would be able to access the necessary support and information to assist them in developing and implementing successful travel plans that will provide a number of economic, social and environmental benefits both for the employers and their employees.

This has already been included as a part of the proposed implementation phase of the scheme and as stated in the Examiner’s recommendation, a detailed costed programme for delivering this support both pre and post implementation would be factored into the scheme’s implementation and operational costs. If the Council decides to proceed with the scheme, this detailed work will be undertaken in 2008.

Existing support that is currently available and would be further expanded includes:

- The Big Wheel Business Club
  These web pages have been designed to offer practical advice, support and useful contacts for all organisations interested in developing their own travel plan to reduce car park overheads and maintenance costs, improve their corporate image, reduce their carbon footprint or just make life easier and more attractive for employees and visitors.

- Advice and support
Nottingham City Council is able to assist any organisation set up their own travel plan or car park management strategy and offer help with staff survey and analysis.

- TransACT grant scheme

TransACT is a fund available for organisations coordinated by the City and County Councils to assist in the development and implementation of a travel plan.
RECOMMENDATION 6.2: that the Council should not proceed with a WPL unless and until: (i) they have identified the most likely locations for displaced parking, and made contingency plans for combating it; (ii) they have allocated an assured level of resources for implementing any necessary parking control measures within 9 months of the introduction of a WPL.

The Examiner noted that many respondents stated that employees would look for on-street parking close to their place of work rather than pay a charge. At the Public Examination the Council highlighted the work done in relation to displaced parking. The Council also stated that should approval be given to proceed with the implementation of the scheme, they would undertake a comprehensive study to establish a list of problem sites (Ref 6.31). It was noted that the Council has the powers to introduce parking restrictions and residents’ parking schemes, but in order to do so it is necessary to produce evidence that there is a specific problem. The Council stated that it would work with employers to identify issues quickly and then take action. At present it typically takes 9 months to introduce a Traffic Regulation Order. (Ref: 6.32)

The Council accepts the Examiner’s recommendation and would like to reiterate messages from the Public Examination and from Topic Paper One (1.5.10 – 1.5.15) and Topic Paper Five (5.4), that it has always been the Council’s intention that if a decision is taken to proceed with the scheme, as part of the implementation of the WPL scheme a comprehensive study would be undertaken to establish a detailed list of potential problem sites within the City and identify, in consultation with the local community, possible measures to deal with displacement parking at these locations.

This would include looking at area based solutions, taking account of existing issues and enforcement. It would provide a clear strategy for dealing with parking issues, the basis for further design and public consultation prior to the implementation of any scheme and an indication of any additional resources that may be required.

It would also endeavour to identify the most appropriate approach to implementation to ensure that the timescale for establishing residents parking schemes is minimised once consultation is completed and the decision to proceed has been made. This would provide a clear strategy for how the Council would need to prepare for the WPL and how it would deal with any localised parking issues that may arise following its introduction, as well as enable the Council to identify additional resources that may be required.

The costs to resource the implementation and enforcement of this programme will be factored into the scheme’s implementation and operational costs which will be updated in 2008 if a decision is made to proceed with the scheme.
**RECOMMENDATION 6.3:** that the Council presents the WPL and its relationship to the LTP and the building of NET Phase Two more clearly to the public and to business.

At the Public Examination the Examiner recognised that the Council regarded the existing public transport network as highly attractive and as having sufficient capacity to offer motorists a real choice, and that the extended network would result in there being less congestion than there would otherwise be. He noted that the Council were at pains to stress that they did not seek to measure the success of the WPL in terms of the number of drivers switching from workplace parking to public transport, but in terms of the overall level of congestion on the network with and without the WPL (and therefore the building of NET Phase Two). The Examiner then drew the conclusion that even if not one driver switched from workplace parking to public transport as a direct result of the WPL, the Council would deem the scheme a success if the package of public transport improvements which it funded resulted in a lower level of congestion than would otherwise have arisen. (Ref: 6.3)

The Examiner then stated that it was abundantly clear to him that from reading the representations and from the discussion at the Public Examination that this point has not been understood by a great many respondents. (Ref: 6.4)

The Council agrees to take the Examiner’s recommendation on board. The strategy and rationale for the WPL was clearly included in the recent consultation literature, and the link between the WPL and funding public transport improvements has been recorded in numerous publicly available documents and press articles since 2000. However it is apparent that some respondents have shown little understanding that there are both direct and indirect benefits associated with the WPL scheme.

As part of the implementation of the scheme there will be further communication with residents, businesses and key stakeholders to ensure they are engaged in the development of the scheme and kept updated on the progress of the project. A provisional budget has been included for 2008/9 to undertake this work.

The Council will clearly convey the strategy and rationale for the WPL, in line with this recommendation, to reduce the potential for misunderstanding.
RECOMMENDATION 6.4: that the Council should be more careful, specific and transparent when presenting data in support of the scheme, and in particular that they should always carefully distinguish between the administrative City, the city centre, and Greater Nottingham.

The Examiner in his report quoted a range of modelling forecasts for impact of the WPL package on congestion in both the peak and inter-peak periods between 2006 and 2021.

He then stated that he thought it was difficult to reconcile the numerous figures and forecasts which the Council presented, especially for travel. He said he did not always find it clear whether data were for the administrative City (the relevant area for the purposes of the proposed WPL scheme), the city centre, the Inner Traffic Area, ‘central area locations’, areas ‘outside the city centre’ or Greater Nottingham. The Examiner felt that attempts to have the data placed on a uniform footing were unsuccessful. At the Public Examination the Council said that their modelling was generally for Greater Nottingham, although sometimes they offered figures for journeys to the city centre. As there was some lack of clarity in the data, the Examiner suggested this may be seen as evidence of an imbalance between the distribution of costs and benefits.

It is envisaged that much of the levy impact will be passed on to employees, many of whom live outside the City boundary. This means that the balance between the impact from the levy and the benefit from the public transport investment is more even than implied by the Examiner’s comments. Nonetheless, the Council agrees that it would be helpful to have city-based data. It accepts that much of the data available on congestion and public transport usage comes from a range of sources and covers different geographic areas. The data is predominantly from the joint Local Transport Plan for Greater Nottingham and, other than for WPL, it is the LTP area figures that are important for transport planning purposes. The data monitoring that was carried out for the LTP was further complemented by local specific surveys and regional and national data. This is then processed and used in the transport model.

The Council recognises the need for consistency when providing statistics on the impact of the scheme in relation to the geographic area. Further work will be undertaken to further clarify the source and the constraints with any data that is used in future communications.
**RECOMMENDATION 6.5:** only the Government can change the law on competition. It follows that the Council should put significant effort into seeking practical amendments to the law which would allow the development of effective and attractive ticketing arrangements throughout the public transport system in Nottingham.

In his report the Examiner referred to a discussion at the Public Examination about the effect of ticketing upon the use of public transport. In that discussion the Council recognised that, in the past, through ticketing arrangements were not good, and though the position has recently changed the laws enforcing competition between bus operators were still creating difficulties for the provision of multi-operator tickets at attractive prices. (Ref: 6.57)

This led the Examiner to note that it was generally agreed that in order to attract drivers from their cars, there needs to be not only convenient, frequent, reliable public transport, but also single ticket arrangements at prices which are perceived to be acceptable in comparison to the cost of motoring. Even though the Council has had some success with multi-operator tickets, they, and the public transport supporters at the Public Examination, are concerned that the laws enforcing competition between operators still create barriers for effective through ticketing.

The Council welcomes the Examiner’s recommendation and is in discussion with other councils, public transport operators and the DfT to promote inter-ticketing.
2  Topic 2 – Economic Impacts of the WPL Scheme

**RECOMMENDATION 7.1:** that, if they choose to proceed with the scheme, the Council implement the recommendations about workplace travel plans and salary sacrifice made elsewhere in this report.

The Examiner acknowledges that the two proposals in this recommendation are already being covered by recommendation 6.1 workplace travel plans and 7.6 salary sacrifice.

The Council will take the Examiner’s recommendation on board and will conduct further work as stated in the response to recommendations 6.1 and 7.6.
RECOMMENDATION 7.2: that the Council be more precise and transparent about the measures on which the proceeds of the WPL would be spent, and in particular stress that they would set aside a specific sum for advising on, encouraging and supporting the preparation of workplace travel plans, in order to demonstrate the immediate as well as the long-term benefits of the proposed package.

The Examiner noted that the situation had changed in terms of government funding for PFI transport projects, and that because NET Phase Two was still to be in construction in the first three years of the WPL scheme’s operation, the WPL scheme could be perceived to be providing no usable benefit to commuters. This is despite the contribution to buses during this period.

He has then identified the risk (7.2) that the public and employers would remain hostile to the scheme because of its perceived lack of benefits in the early years.

The Council accepts the Examiner’s recommendation and as stated at the Public Examination and in the Topic Papers, it has always been an integral part of the schemes proposals to provide extensive WPL advice and guidance to employers to help them develop company travel plans and parking policies in the build up to the start of the WPL scheme and as an ongoing service once the scheme is in place.

This has already been included as a part of the implementation phase of the scheme per the Examiner’s recommendation 6.1.

A detailed income and expenditure projection was included in Topic Paper Two (2.5) which shows the amount of expenditure that will be allocated to the public transport initiatives. As part of the implementation of the scheme there would be further communication with residents, businesses and key stakeholders to ensure they are engaged in the development of the scheme and kept updated on the progress of the project. The Council would clearly highlight the schemes benefits as part of ongoing communications work.
**RECOMMENDATION 7.3:** That the Council seeks to ensure that any profit from the trams (received by them via Nottingham City Transport or any other transport operation funded directly or indirectly by the WPL) should be spent on transport rather than other Council services.

At the Public Examination the Examiner referred to the discussion on the complexities of PFI financing, the way in which the trams are owned and managed, and the Council's financial interests. It was discussed that although the proceeds of the WPL would be spent entirely on public transport, an unspecified amount of profit from the trams would find its way back to the Council via its stake in Nottingham City Transport (NCT), and that money might be spent on any of the Council’s services. (Ref: 7.12)

Examiner identified a risk (7.3) that the diversion of money from WPL to general expenditure, however small the amount, would undermine the credibility of the tax as an instrument of transport policy.

The Examiner’s proposal would only apply were NCT to own a share in the PFI concessionaire for the combined NET Line One and NET Phase Two NCT. NCT is a shareholder in Arrow, the concessionaire for NET Line One. However, the new concessionaire will be subject to competitive tender, the winner of which may well not include NCT.

The council will consider the Examiner’s recommendation should the circumstances arise.
RECOMMENDATION 7.4: if the Council decides to implement the proposed WPL, they should ensure that the public transport benefits associated with it are clearly publicised and swiftly realised.

In his report the Examiner stated that in theory at least, employers might make several possible responses to the proposed WPL. They might absorb it by charging higher prices, accepting lower profits, or making other economies. They might pass it on, in whole or in part, to their employees, by offering lower pay settlements or by charging them directly. They might avoid the tax by not using spaces, by developing the land for other purposes, or by relocating outside Nottingham.

The Council accepts the Examiner’s recommendation and it has always been the intention that as part of the implementation of the scheme there will be further discussion with residents, businesses and key stakeholders to ensure they are engaged in the development of the scheme and kept updated on the progress of the project.

It is proposed that the Council would clearly convey the positive benefits that the WPL package will bring to Nottingham as part of its ongoing communications. There would also need to be ongoing communications campaigns following the implementation of the scheme to market the delivery of the transport improvements and the benefits being delivered via the scheme. This would also be targeted at possible inward investors.

Previous studies into the impact of the WPL on inward investment conclude that it should be relatively small as long the promised transport improvements materialize quickly so investors see a clear relationship between the WPL and transport benefits.
RECOMMENDATION 7.5: that the Council do not attempt to present the cost of the WPL to the individual driver as being directly comparable to the cost of the fare paid by a public transport passenger.

The Council accepts the Examiner’s recommendation. Such comparison has not formed part of the Council’s publicity and consultation material and will not do so in future.
RECOMMENDATION 7.6: it was agreed at the Public Examination that it would be possible for employers to pass on the charge by means of salary sacrifice, and that this would effectively reduce the charge for an employee. I recommend that, if they choose to proceed with the scheme, the Council inform employers about the salary sacrifice provisions and actively encourage them to ensure that employees benefit from those provisions where appropriate.

In his report the Examiner stated that the Council recognise that some car users have compelling reasons to use a car for the journey to work, such as the lack of a viable public transport service.

The proposal for salary sacrifice as a means for employers to reduce the cost for their employees was discussed at the Public Examination but it has not been confirmed that this is a viable option at the current time. Further work will need to be undertaken to investigate and clarify this option as part of the implementation of the scheme and the outcome will be communicated to employers.
3 Topic 3 – Alternatives to the WPL Scheme

RECOMMENDATION 8.1: By requiring that any fundraising scheme should be in place by 2010 the Council have effectively ruled RUC out of contention. Were there no such constraint, I would recommend that a RUC scheme should be adopted as a fairer way of taxing commuters, investing in public transport and reducing the growth in congestion.

The Examiner pointed out that a number of respondents, during the public consultation, had suggested Road User Charging (RUC) as an alternative that they perceived to be fairer.

The Examiner recognised the Council’s involvement in the investigation of implementing a RUC scheme through the Transport Innovation Fund, jointly with the cities and counties of Leicester and Derby, which will report its findings in March 2008.

When this investigation reports back with its findings then the future of this alternative option may become clearer. However it is important to note that a RUC scheme, irrespective of the technology used, does involve a substantially greater level of financial commitment from the outset, something that was given little acknowledgement in the Examiner’s report. It would also be imprudent of the Council to commit public funds before a recognised national standard is adopted, as suggested by the Examiner.

He then attempts to refute three of the Council’s findings regarding a RUC scheme. The Council has found that an RUC scheme would; charge more and cost much more to run than a WPL Scheme, invoke more public opposition than a WPL Scheme and entail higher technological risk.

The Examiner concedes that a RUC scheme could not be considered as an alternate to a WPL Scheme because it was unable to be implemented within the time specified in order to meet the NET Phase Two programme. This was despite, in his opinion, finding a targeted RUC scheme a fairer alternative to a WPL Scheme which would have a greater direct impact on congestion and potentially raise more revenue.

In response to this particular recommendation, the Council would re-iterate that it has not ruled out implementing a Road User Charging mechanism in the future that would replace a WPL Scheme but that a WPL Scheme is the right option for Nottingham at this point in time. This was stated on numerous occasions throughout the Public Examination, including in the Council’s opening statement.

In response to the Examiner’s overall final conclusion in support “in principle” of a targeted RUC scheme (namely one that charges drivers when travelling during congested periods and on particular congested corridors), the Council believes that it is important that the facts regarding current progress on RUC technology were not fully tested at the Public Examination.

Three documents were introduced at the Public Examination that compared RUC to WPL: TTR’s 2002 Study (PE 53); ITP’s 2007 Report (PE 30); and Council’s cost comparison (PE 55). All of
this evidence concerned a “cordon” based RUC scheme, much like the London scheme. In his Report the Examiner recognised at Weakness 7.1 that this type of RUC scheme is a “blunt instrument” with issues of fairness arising out of it.

A “targeted” RUC scheme represents a vastly different alternative. Although the Singapore scheme was mentioned on Day 3 of the Public Examination, no evidence was presented at the Public Examination on matters such as:

- the likely date on which a targeted scheme might be technologically feasible – even if “Tag and Beacon” technology can be implemented by 2013, it may only be capable at that stage of operating as a “cordon” system much the same as existing camera-based schemes do;
- the cost of setting up such a scheme, and the ability to attract the necessary funding;
- the impact a targeted scheme would have on net revenues and thus the charges that would have to be levied to cover costs and generate sufficient net revenues;
- the impact of displaced traffic on roads not covered by the scheme; and
- the desirability of other traffic authorities in the region, and the Highways Agency, to jointly promote such a scheme, and any timescale implications;

Furthermore, no evidence was put forward as to the public acceptability of a RUC scheme in comparison to a WPL, given that an RUC scheme would potentially affect many groups, particularly retailers and those paying substantial charges to park in the city centre, who were not represented at the Public Examination. Potential objectors to an RUC scheme had no reason to suppose that the outcome of the WPL Public Examination would be a recommendation to proceed with an RUC scheme.

In addition, while it was true that a number of respondents did indeed suggest a RUC scheme as a fairer alternative through their written representations (non-NCC residents in the main), significantly more respondents put forward a statement of support towards the WPL Scheme as an option.

The Council would further question whether the Examiner had at his disposal sufficient evidence to be able to compare a WPL scheme with anything other than a cordon-based RUC scheme, and whether it is therefore possible to reach the conclusion he appears to have reached (albeit “in principle”) on a “targeted” RUC scheme.
RECOMMENDATION 8.2: that the Council investigate the feasibility of raising funds by means of a local lottery.

Recommendation 8.2 arose from a suggestion that was made at the Public Examination by an Alliance Boots director who suggested that a local lottery and any other cash raising mechanism, which if it created sufficient funds to improve public transport, would have a similar in direct impact upon congestion to a WPL Scheme. The suggestion was then briefly re-iterated the following day alongside the proposal to apply to the National Lottery for funds when considering funding alternatives.

The Examiner put this option forward by specifically mentioning it in his report along with the observation that the Council has not previously considered it.

Prior to making a decision to implement a WPL Scheme, the Council will examine if, and the extent to which, a lottery might contribute towards meeting public transport needs.
RECOMMENDATION 8.3: that the Council should give precise and accurate reasons for rejecting the suggestions for alternative sources of funding made by participants at the PEx.

The Examiner, in his report, felt that at the Public Examination the Council appeared to dismiss some of the suggested funding alternatives without giving them the consideration which they merited. He conceded that the potential amounts concerned may be too small, or the period of availability too limited, for the various suggestions to make up, in total, a realistic alternative source of funding to the proposed WPL package. However he still felt that the Council should give precise and accurate reasons for rejecting each of the suggestions made at the Public Examination, especially as they were put forward as elements of a package and not as solutions in their own right.

Within Topic Paper 3, the Council assessed in some detail the various merits of the following funding sources:

- Core business rate retention – A Core Cities discussion paper proposed that Nottingham be allowed to retain up to 10% of the business rates, which would generate approximately £11m per annum in additional revenue income, although no estimate of the loss of monies from the central pool has been made. Whilst this would provide a significant annual income for the City Council it remains a proposal and would require primary legislation. It should also be noted that this proposal has not come from central Government, who have not expressed any formal view at this stage.

- Supplementary business rate – An Institute for Public Policy Research issued a briefing paper which discusses the merits of a Supplementary Business Rate. Based on the figures provided, a Supplementary business Rate of 4p would generate annual income of 11m for Nottingham City Council. This equates to an increase of approximately 10% on the 2007/08 business rate poundage. Again, though central Government are considering this option it would require primary legislation.

- Increasing council taxes - the current Band D Council Tax would need to be increased by £146 to generate the required income stream of £10.8m which represents a 12% increase in the City Council element of the charge. In recent years, central Government have effectively capped the increases that authorities can make and in 2007/08 this increase was limited to 5%.

It is important to stress that prior to signing any contract for NET Phase Two, the Council need to be absolutely certain that a funding source is in place. Likewise, a due diligence process would also have to confirm a certain funding source before any bank would lend money to the prospective concessionaire.

Therefore in line with the Examiner’s Recommendation 8.3 the Council will continue to investigate the merits of those suggestions raised at the Public Examination and others suggested through written representations during the Public Consultation period to assess their
potential to either replace the WPL Scheme or contribute to that element of the local
contribution that will be met by a ‘cocktail of funding’ that will be required to fund public
transport improvements (20% of the City contribution will be non WPL).
RECOMMENDATION 8.4: that [the Council] should hold talks with Government and seek answers to the questions posed above [why the opening date of 2013 for NET Phase Two was critical; whether that date could be deferred; what would be the consequences of any delay].

The Examiner recognised within his report that the case for any alternative to a WPL Scheme would have to begin generating revenue in 2010 in order to contribute to NET Phase Two opening in 2013. Therefore much of the timetable is set by the NET Phase Two project.

The Examiner, along with participants at the Public Examination, questioned the timetable, in particular asking (i) why the opening date of 2013 was critical; (ii) whether the Council had asked Government if that date could be deferred; (iii) whether the Council would ask Government, with the support of local businesses, whether the opening date could be deferred; (iv) what would be the consequences of any delay.

Despite citing in his report the Council’s response of increased costs, deferred benefits, the perpetuation of blight and the advantage of matching the timetable for the A453 improvement as reasons for not delaying, the Examiner still felt that the Council did not appear to have a full knowledge of the risks, consequences and options available.

The Council strongly disagrees with this suggestion. The opportunity to secure government funding to develop two further tram lines is one that other larger cities would grasp enthusiastically. The development programme for NET Phase Two has a target operational commencement date, agreed with government, of 2013.

Significant slippage would mean a very real risk of the funds being allocated elsewhere, with no guarantee of the schemes reinstatement in the programme at a later date.

Therefore seeking to delay this would significantly jeopardise the opportunity given to Nottingham.

As stated at the Public Examination and in the Examiner’s report, any delays to this date will begin to increase the costs of the project through an industry price escalation at a rate considerably higher than normal inflation, quickly impacting on the project’s affordability. It would also defer the delivery of benefits that the tram extensions will bring to a city that continues to suffer from a growing congestion problem. A delay will also result in further uncertainty about the proposed tramline that will cause further blight and stress to those communities who will be affected.
4 Topic 4 – Scope of the WPL Scheme

**RECOMMENDATION 9.1:** that at fire, police and health premises with more than 10 liable spaces the Council should discount only parking places for emergency service vehicles and disabled persons’ vehicles.

Before the Transport Act 2000 was passed the government consulted upon WPL schemes in its 1998 consultation paper “Breaking the Logjam”. It subsequently issued a response to consultation in 1999. At that stage it was anticipated that further legislation would be passed to create “nationally imposed” exemptions for certain types of be at the discretion of the authority introducing the scheme.

Amongst the proposals for nationally imposed exemptions were exemptions for emergency service vehicles, and for parking at NHS hospitals.

As stated in the Draft Business case and Topic Paper 4, no “nationally imposed” exemptions were made and so under the existing WPL legislation it is for the authority introducing the scheme to determine any exemptions locally.

Having had regard to “Breaking the Logjam” and the government’s response, and mindful of the local discretion afforded to it, Nottingham City Council decided to propose a 100% discount for all vehicles parked at police, fire and NHS-run premises. In other words these premises would have to obtain a licence but would pay no charge for parking places at the premises.

The Examiner, in his report, argued that those who operate vehicles at such premises may travel to work by private car, just like any other worker, and additionally many of those who work at such premises do clerical or administrative jobs which have no direct connection with emergency services or emergency service vehicles.

Further he suggested that any argument about such premises, and therefore employees, operating at times when public transport is unavailable could equally apply to public transport workers and shift workers that were not covered by an exemption under the proposed scheme. He therefore argued that the exemption should only apply to emergency service vehicles and not cover those who simply happened to occupy the same premises.

The public were clearly asked, within the literature circulated as part of the public consultation, for their opinions on a number of operational variations. One of the variations included was the categories of employers who should be charged. The Examiner correctly identified that a number of respondents questioned why such people should escape charging, when other key service personnel, such as public transport operators and teachers, would not.

Therefore in accordance with Recommendation 9.1 and representations received on this issue, the Council will need to decide whether the emergency services discount should apply only to parking places used by emergency service vehicles.
It must be noted that any decision to change the draft WPL scheme in this way would bring within the ambit of the draft scheme a new category of employees and may therefore require further consultation with the effected bodies and the Department for Transport.

It should also be noted, if this route were pursued, that based on the assumption that most emergency service workers do not commute to work in emergency vehicles (i.e. ambulances, fire engines and police cars), many emergency vehicles would not specially be charged under the proposed scheme as they would be considered as ‘fleet’ vehicles at their home depot.
**RECOMMENDATION 9.2:** Whilst the Council may have no formal duty to protect the interests of those affected by the proposed WPL scheme, in my opinion they have a responsibility, as authors of the scheme, to address the inconsistencies, and possible hardships, which it might throw up. In my view it is not sufficient to leave it to the employers: some will no doubt produce excellent transport plans which address the issues fairly; others might do nothing but pass on the charge indiscriminately. At the least the Council should have a coherent view of the various cases raised by respondents, and should offer practical and detailed advice to employers on how to address them.

The impact of the WPL on low income and part-time workers has concerned several respondents. Although the initial levy charges will be only £185 per year- a level of charge significantly less than public parking charges in the city centre - they are nevertheless seen as a burden for some.

It is not proposed that low income or part-time workers would be exempt, or receive a discount on their parking as part of the scheme. However, experience with employee parking schemes and company travel plans suggest there are ways in which employers can help mitigate impacts. Each eligible parking space would be subject to the annual charge, but this does not mean the full cost would necessarily have to be born by an individual employee. Where employers decide to pass on some or all of the charge they could develop a parking policy that takes account of low income or part-time worker needs. As part of the implementation of WPL advice and guidance will be made available to employers to help them develop company travel plans and parking policies which benefit employees. For example, part-time workers, or shift workers should share designated spaces to spread the cost.

The Examiner arrived at this recommendation by highlighting how the WPL Scheme would impact on employees in a number of certain circumstances, particularly including voluntary workers, and arguing that the Council should not simply defer any decisions, on concessions and how to pass on the charge to these individuals, to the employers.

The Council agrees with the Examiners recommendation 9.2 and would like to re-iterate the points made for recommendation 6.1. It has always been an integral part of the scheme’s proposals to provide extensive WPL advice and guidance to employers to help them develop company travel plans and parking policies in the build up to the start of the WPL scheme and as an ongoing service once the scheme is in place. Details are provided in the response to recommendation 6.1.
RECOMMENDATION 9.3: that a 100% discount should be given for the first 10 spaces in every case.

The Government’s “Breaking the Logjam” consultation paper, and its subsequent response to consultation, recommended a “threshold” exemption, meaning an exemption from charging for a certain number of parking places. No threshold has been provided for in the existing WPL legislation and so it is for local schemes to decide if a “threshold exemption” is to be included, and if so the mechanism by which it will apply.

The Council’s proposal for consultation was that premises with ten or less liable parking places would receive a 100% charge discount on those parking places. Premises with eleven or more spaces would receive not be eligible to receive this discount on their first ten spaces.

At the Public Examination there was a discussion about the interpretation of the Government’s recommendation. The Council identified that the inclusion of thresholds was for the purpose of relieving some of the administrative burden on smaller firms or those starting up and therefore argued that no particular benefit would be derived from continuing the discount once the threshold had been exceeded.

The Council then went on to point out that if the first ten spaces were discounted in every case, the subsequent reduction of total number of liable spaces included within the scheme would result in an increase in the charge (in order to raise the target amount of revenue), thus increasing the charge for larger businesses, as well as reducing the direct impact upon congestion caused by the scheme itself.

Following the Public Examination, the Examiner re-visited the Government’s document and in his report highlights how he has decided to interpret the Government’s guidelines differently by maintaining that they refer to a threshold that exempts a small number of vehicles in every case.

The Examiner then went on to suggest that there would be minimal consequences of this recommendation for small businesses, enforcement and scheme administration, and that the only material consequence would be an increase to the charge to compensate for the loss of revenue caused by the exemption of the first 10 spaces; an increase in the charge that he identified would be met by larger businesses. The Examiner felt that this would be in line with the Council’s perceived philosophy of businesses with larger numbers of car parking spaces paying more.

Contained within the literature circulated as part of the public consultation, the public were clearly asked for their opinions on a number of operational variations. One of these operational variations was the minimum number of spaces that should be allowed before the charge becomes payable.
While some respondents suggested within their written representations that everyone should receive the first 10 spaces for free, more either questioned why small businesses should receive a discount at all or specifically suggested that all businesses should be included within the scheme and therefore all car parking spaces charged.

Nevertheless, in accordance with Recommendation 9.3 and the representations received, the Council will consider whether the scheme should be changed to offer a 100% discount for the first ten spaces at all premises.

It must be noted that any decision to change the WPL Scheme in this way may require further consultation.

As stated previously, any further exemptions and discounts included within the scheme would result in an increase in the charge in order to meet the targeted amount of revenue. If this recommendation was pursued it would effectively remove some 6000 liable parking spaces from the scheme. This could, in turn, potentially increase the yearly rate to a starting charge of £260 (a 40% increase from the currently proposed £185) and a full charge £432 (a 23% increase from the currently proposed £350) (Nominal Value).
**RECOMMENDATION 9.4:** that the Council should be clear and consistent about whether they would apply the 100% discount for the first 10 spaces to `premises`, `occupiers`, `businesses` or `employers`, and should set out unambiguous definitions of those terms for the purposes of the scheme.

This recommendation is a result of the lack of clarity that arose following the task of interpreting the Government’s guidelines.

Under the proposed WPL Scheme, the Council would charge on a “per-business” basis within the city of Nottingham - therefore if a business had 2 sites both with 6 parking spaces, within the city of Nottingham, they would be liable for a charge on all 12 of their parking spaces. This is set out in the draft WPL Order contained within the draft business case. The rationale behind this proposal is that the 10 space exemption is to relieve the burden that the scheme would place on small businesses.

At the Public Examination, some parties suggested that the charge should be on a “per site” basis as oppose to a per-organisation and therefore in the above mentioned example the business would enjoy a 100% discount on both sites.

The City Council would argue that if the 100% discount were applied on a per-site basis it would then include larger companies within the 10 or less parking spaces discount, which is then no longer in line with the original rationale. It would also encourage businesses to break up their parking provision into multiple sites.

The Examiner’s recommendation 9.4 requires clarity and consistency on this particular issue.

In response to recommendation 9.4 the Council would like to reiterate that, under the proposed scheme, an organisation’s (e.g. business’s) WPL charge liability will be calculated according to the total number of workplace parking spaces that the organisation and any organisation associated with it provides within the administrative area of the city of Nottingham.
5 Topic 5 – Operational Issues of the WPL Scheme

RECOMMENDATION 10.1: that the scheme should not charge for spaces which are used by business visitors who are genuinely calling in occasionally or for short periods rather than commuting on a regular basis.

The draft scheme as issued for consultation provided that all “business visitor” parking would incur a charge. However in its consultation material the Council stated that it would consider whether it was appropriate to charge for occasional business visitors (e.g. photocopying engineer, etc.) as opposed to business visitors who commute to the same premises regularly (e.g. long term contractors and agency staff).

This proposal was discussed further at the Public Examination. The Council were sympathetic to this specific situation and highlighted how it could potentially be regulated by exempting occasional business visitors. The Council confirmed that this particular operational issue was to be considered further and that in any event a light touch would be taken in respect to regulation of the scheme.

The Council will continue to develop these proposals in accordance with recommendation 10.1.
Below are the Panel’s recommendations as set out at the meeting on the 9th October and the subsequent response

1. **That detail on the cost of implementing and running the scheme be provided along with the estimated costs for a road user charging scheme for Nottingham;**

Previous work has been undertaken as part of the development of the scheme to identify the outline costs for a WPL and RUC scheme for Nottingham. These costs are based upon the current draft scheme proposals that were put forward for consultation.

For the public examination a strategic comparison and sensitivity analysis was undertaken on scheme options for Nottingham. The following indicative costs for implementing and operating a WPL and RUC scheme are extracted from the WPL public examination report “PE_55 Update of cost comparison of WPL v’s RUC – indicative sensitivity update to TTR 2002”.

<table>
<thead>
<tr>
<th></th>
<th>RUC – Area wide entry permit system</th>
<th>City Wide WPL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated implementation costs (one off payment)</td>
<td>£15m</td>
<td>£5m</td>
</tr>
<tr>
<td>Estimated operational costs (per annum)</td>
<td>£15.3m</td>
<td>£1.1m</td>
</tr>
</tbody>
</table>

Following the confirmation of the detailed scheme, work can then be undertaken to establish a more robust and detailed estimate for the implementation and operational costs for the finalised WPL scheme, this is expected to be made available in 2008/09. Any changes to the scheme that arise from the public consultation, examiners report or the council’s approval process will need to be considered in terms of their potential impact on the schemes cost.

2. **That any costs of subsequent enforcement of displacement parking in residential areas is fully factored into the scheme costs;**

There is some potential, should an employer decide to remove or restrict workplace parking spaces or pass the charge onto their employees, for parking to be displaced onto adjacent public roads and this may then have a detrimental effect on the local environment, particularly if there are residential properties in the area. Should the further development of WPL be approved it is therefore proposed to;

- Establish a comprehensive list of potential problem sites within the City and identify, in consultation with the local community, possible measures to deal with displacement parking at these locations. This will include looking at area based solutions, taking account of existing issues and enforcement. This would provide a clear strategy for
dealing with parking issues, the basis for further design and public consultation prior to the implementation of any scheme and an indication of any additional resources that may be required.

- Identify the most appropriate approach to implementation to ensure that the timescale for establishing residents parking schemes is minimised once consultation is completed and the decision to proceed has been made.

This would provide a clear strategy for how the Council would need to prepare for the WPL and how it would deal with any localised parking issues that may arise following its introduction.

A contingency budget has been included within the first three operating years to help support the implementation of the scheme, which will include enforcement of displaced parking initiatives.

3. That more consideration should be given to whether schools should be exempt;

The purpose of the WPL charge is to address peak period congestion. School staff and students driving to school and other educational establishments all contribute to congestion and thus the preliminary view is that they should be licensed and subject to the full levy charge. This position will be reviewed again in the light of the consultation responses.

In order to implement an effective WPL scheme, a line has to be drawn for exemptions and discounts. Where vehicles are used for travel to and from work, it is considered that in general, the WPL charge should be applied irrespective of the purpose and activities of the organisation. It is then for the employer to decide if it will pass on the cost of the levy to its employees, and if so by what amount and by what means. Where an organisation, such as a school, is concerned about its ability to absorb the cost of the levy, it can decide to pass on the charge to its employees. Where it does so, it is to be expected that the charge will be passed on equitably.

Where an employer decides to absorb some or all of the cost, it could devise travel plans (such as car sharing) that would reduce the total number of workplace parking place it needs, and thus reduce its overall licence fee.

Experience with employee parking schemes and company travel plans suggest there are ways in which employers can help mitigate impacts of a WPL scheme. As part of the implementation of WPL, advice and guidance will be made available to employers to help them develop company travel plans and parking policies which benefit employees.

Where charities, religious groups and educational establishments use vehicles to conduct their day-to-day activities, it should be remembered that these vehicles
will be exempt from any charges, provided they are not also used by employees to travel between home and work.

The revenues raised by the levy will fund public transport that benefits everyone, including those who are too far from public transport options to use them, by helping to take car trips off other roads and improving journey times throughout the city.

The WPL scheme proposals, including exemptions and discounts, will be considered again in the light of consultation responses. However, any changes to the proposed scheme will be subject to the imperative that the scheme must be as fair as can reasonably be achieved and at a level of complexity that is enforceable, will encourage behavioural change, and will be cost effective – generating the revenue required to fund local transport improvements, in particular NET Phase Two. Variations to the proposals would potentially result in changes to the level of the annual charge.

4. That there be continued efforts to engage residents and business in consultation and in working out the best possible scheme;

As part of the implementation of the scheme there will be further consultation with residents, businesses and key stakeholders to ensure they are engaged in the development of the scheme and kept updated on the progress of the project. A provisional budget of 30k has been included for 2008/9 to undertake this work.

5. That clarity be provided over the impact that the levy would have on businesses with high staffing costs;

The key finding of the original 2004/05 study by Price Waterhouse Coopers (PWC) was that, whilst the financial impact of the WPL was not significant - at £150 per liable space, its cost would be less than 0.5% of turnover for the vast majority of eligible employers.

The subsequent 2007 review, also by PWC, considered the extent to which the findings from the original study remain valid in the light of the updated proposal for the WPL and broader changes in the policy and business environment.

The PWC review highlighted several revisions to the scheme design which would serve to increase the financial cost of the WPL to employers although the analysis indicates (see table below) that for the vast majority of employers, the WPL will remain a small proportion of their costs. Changes to the administrative scope and requirements of the WPL will also increase the administrative burden on employers.
Table 1: Estimated cost of the WPL (% of turnover)

<table>
<thead>
<tr>
<th>WPL as % of turnover</th>
<th>£150 Levy in 2005</th>
<th></th>
<th>£185 Levy in 2010</th>
<th></th>
<th>£350 Levy in 2014</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>%</td>
<td>Frequency</td>
<td>%</td>
<td>Frequency</td>
<td>%</td>
</tr>
<tr>
<td>Greater than 1</td>
<td>3</td>
<td>4.5</td>
<td>3</td>
<td>4.5</td>
<td>4</td>
<td>6.1</td>
</tr>
<tr>
<td>0.5 to 0.99</td>
<td>1</td>
<td>1.5</td>
<td>2</td>
<td>3.0</td>
<td>8</td>
<td>12.1</td>
</tr>
<tr>
<td>0.1 to 0.49</td>
<td>23</td>
<td>34.8</td>
<td>28</td>
<td>42.4</td>
<td>34</td>
<td>51.5</td>
</tr>
<tr>
<td>0.05 to 0.099</td>
<td>20</td>
<td>30.3</td>
<td>16</td>
<td>24.2</td>
<td>8</td>
<td>12.1</td>
</tr>
<tr>
<td>0.01 to 0.049</td>
<td>15</td>
<td>22.7</td>
<td>14</td>
<td>21.2</td>
<td>11</td>
<td>16.7</td>
</tr>
<tr>
<td>Less than 0.01</td>
<td>4</td>
<td>6.1</td>
<td>3</td>
<td>4.5</td>
<td>1</td>
<td>1.5</td>
</tr>
<tr>
<td>Total</td>
<td>66</td>
<td>100.0</td>
<td>66</td>
<td>100.0</td>
<td>66</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: PwC analysis 2007

Price Waterhouse Coopers comment that wider changes in the business and policy environment nationally and locally could potentially affect employers’ attitudes towards the WPL. The review of the available evidence suggests that, if anything, recent changes are likely to mean that employers will have a more benign attitude towards the WPL, especially if it can be demonstrated that they will benefit from the public transport improvements that will be funded by the WPL.

6. That data on the division between City and County usage of the trams be provided and that issues of overcrowding which may be deterring City residents from using the tram should not be replicated on NET Line 2 and should, in fact, be re-evaluated;

Boarding and alighting surveys undertaken on NET Line One indicate that the average loading per tram on arrival at Bulwell in the peak hour is 100 (with maximum tram loadings on the system of around 200). It is estimated from these surveys that 77% of total annual passenger demand for NET Line One originates within the City, with 23% originating beyond the City boundary (source: MVA).

In the peak period trams on Line One are busy, although there are differences between the loadings on the two legs of the system that allow the operator to manage demand between the busier Hucknall and less busy Phoenix Park trams. Apart from at the height of the peak period when the single busiest trams carry over 200 passengers (approximately 0815-0830) there is capacity on the network both earlier and later in the peak hour and the rest of the peak period.

With the arrival of Phase Two of NET it is currently proposed that there will be 16 tram arrivals per hour from south of the Station and hence the opportunity will exist to increase the capacity of the system between the city centre and Bulwell.
7. That there should be exploration of the proposal for a supplementary business rate for part of the cost of NET Line 2;

A briefing paper was recently issued which discusses the merits of a Supplementary Business Rate being introduced as a mechanism for major cities to generate funds for infrastructure investment. This proposal is at an early stage of consideration and primary legislation would need to be developed and put in place and this is not expected to be available as a viable option of funding in the short term. Nonetheless, this potential funding source may be an option for the future.

8. That the detail of important operational issues be clarified by Officers, including issues at government level, in order to maximise clarity and public confidence and reduce the risk of potentially expensive legal challenge.

A legal challenge to the WPL scheme could conceivably focus on three aspects: the process the Council goes through in deciding whether to introduce a WPL scheme, the design of the scheme itself, or the way in which the Council operates the scheme.

The Council has endeavoured to consult widely, including a Public Examination, to ensure that any decision it takes on whether to proceed with WPL is an informed one. Careful consideration was given to guidance from both the government and the courts as to what is required by a lawful consultation process.

As for scheme design, the government is in the process of completing the legislation needed for the introduction of a WPL scheme. This will set the framework within which the Council can operate. The Council and its lawyers have been in discussion with the DfT with a view to ensuring that the legislation and the Council’s scheme design and objectives are aligned. These discussions are ongoing.

Scheme design will also be reviewed in the light of responses to consultation and the recommendations of the Chair of the Public Examination. Where appropriate, amendments will be considered in order to address public concerns.

Should the Council decide to proceed with a WPL scheme, a detailed operation and enforcement regime will be drawn up with the assistance of legal advice to ensure that the scheme is both robustly and lawfully operated.