

London Borough Hounslow

Great West Corridor Workplace Parking Levy Consultation FAQs

What is a Workplace Parking Levy?

A workplace parking levy (WPL) is a charge made by a local authority on employers for the number of parking spaces ('workplace parking') provided for employees. Workplace parking spaces include only those parking spaces that are regularly occupied by an employee or business visitor and hence unused parking spaces are not subject to the levy. There is currently only one active scheme in the UK run by Nottingham City Council.

All money raised from a WPL must be ring-fenced for investment in local transport improvements.

What are you doing?

LB Hounslow are consulting local businesses, employees and residents to ask their opinions on whether a workplace parking levy could be a suitable source of income and if so under what conditions.

What is the proposed area?

The area under consideration is shown in the map below. It covers the area generally known as The Great West Corridor, a stretch of approximately 2 miles along the Great West Road between Gillette Corner and Boston Manor Road. This area has been chosen because it has been identified in our Local Plan Area Review as having potential for significant employment growth and regeneration and as such requires a step change in public transport provision to avoid worsening congestion.



Why are you proposing it?

LB Hounslow want to raise revenue for transport improvements that will benefit local employees and residents, and a WPL is just one of the funding options being considered. The current proposal is that revenue from a WPL would be used primarily for a new train station on the 'Golden Mile' with a regular service to Southall, but may also be used for securing investment in other rail schemes (such as the West London Orbital proposal) alongside new walking and cycling infrastructure or to support bus services.

LB Hounslow's Local Plan document outlines the future spatial strategy of Hounslow for the next 15 years. Two of the major objectives of the Local Plan are to enhance connectivity through the creation of strategic transport connections, and to develop a sustainable local transport network within the Borough. An investment in local transport infrastructure, which would be made possible through the revenue from a WPL, would help to achieve both of these objectives within this timeframe.

In addition, a WPL could also create both economic and environmental benefits for the Borough. A WPL would be a revenue raising scheme that encourages economic development through better transport provision, whilst the implementation of a WPL could improve air quality through reducing particulate matter, nitrogen oxides and carbon dioxide emissions commonly associated with road transport.

Would a WPL help achieve any other policy objectives?

Yes. The introduction of a WPL and the transport infrastructure it funds will contribute to improving air quality locally and by encouraging people to travel actively and increasing the amount of physical activity they undertake, there will be health benefits too.

What work has already been done?

A previous study has already estimated the total amount of parking provided by employers in the area by doing a parking survey. A cost-income model has also been built to help us assess if the scheme could be economically viable.

Is the Nottingham scheme successful?

So far, the scheme appears to have been successful. The WPL has provided the expected level of income which in turn has assisted in financing new tram infrastructure. There have been no measurable impacts on business growth and Nottingham has experienced a smaller increase in congestion than other comparable cities.

How much will be charged?

No decision has been made on the charge level and the question forms part of this consultation. In order to estimate the amount that would need to be charged, London Borough of Hounslow commissioned a parking survey of businesses in the affected area in 2017. It concluded that there were over 4200 workplace parking spaces in the zone. This figure was then used to model the income that would be derived over 25 years. The results of the modelling are as follows:

Charge Level (£ per space per annum)	Estimated total Net Income over 25 years* (£ million)	This would fund...
500	44	This level of charge means that WPL would make a contribution towards the cost of delivering improved bus services and public realm in the area. It would be unlikely to be enough to secure the delivery of the proposed link to the new Elizabeth Line service at Southall without substantial additional public funding.
750	70	This would likely secure delivery of the link to the new Elizabeth Line service, and some modest improvements to the wider public realm, bus services and limited grant assistance with EV charging and cycle facilities for businesses.
1000	95	This would allow significant investment in public realm; new and improved bus routes including a potential express service along the A4. It would ensure delivery of the link to the new Elizabeth Line at Southall. It may also allow a contribution to be made to the West London Orbital, expediting the delivery of this scheme to benefit the area. Also included would be comprehensive travel planning assistance for businesses as well as grants for EV charging and cycle parking facilities.

Who Pays?

The charge is made to the employer. It will be their decision as to whether the charge is passed on to staff. In Nottingham, 8 out of 10 of the biggest employers have passed the charge on to their employees.

Will small businesses be affected?

Although the feasibility study will set the final parameters of the scheme, it is very likely that small businesses will receive an exemption from the WPL. In Nottingham, employers that provide 10 or fewer workplace parking spaces are exempt.

Are there any other exemptions?

Other exemptions and discounts will also apply such as a blanket exemption for blue badge holders, customer and non-regular business visitor parking spaces.

We are also considering whether active electric vehicle charging point spaces should be entitled to a discount on the rate. This would help incentivise lower emission vehicles which is in line with council policy, however it may add significant volatility to the financing scenario given unknowns about potential take up of EVs in future. Whilst EVs produce very little pollution at point of use, they still take up highway space which causes congestion.

When will it come into force?

This is the first stage in a longer process and no decision has yet been taken on whether to introduce a WPL in Hounslow. Following this consultation, if the decision is made to proceed with the scheme we will work with Transport for London to develop a detailed business case which would be subject to a second public consultation, likely to be in 2019.

To introduce a WPL in London requires approval by both the local council and the Mayor of London. The Secretary of State must also approve the use of revenue in the shape of 4 and 10-year revenue plans. This process could potentially take place in 2020. The WPL could then be introduced for a trial 6-month period during 2020/21, with a full go-live in 2021/22.

Why can't Central Government/TfL just pay for these improvements from existing taxes on businesses?

There are currently significant existing constraints on public spending. Such funds that are available from central and regional government usually require a contribution or 'match' funding from the Local Authority (LB Hounslow). If LB Hounslow were to bid for funding, having a source of revenue from a WPL as a contribution or 'match' would help the application. The transport infrastructure projects that are being explored are likely to cost in excess of £100M, therefore we are currently looking at a range of funding options, such as;

- Contributions from property developers through the planning process.
- Contributions in the form of grants from Government bodies (e.g. Department for Transport, Transport for London).
- Borrowing (from public or private sector) repaid through increased income from new businesses.

How can I find out more?

More information on the Nottingham scheme can be found at:

<http://www.nottinghamcity.gov.uk/transport-parking-and-streets/parking-and-permits/workplace-parking-levy/>

If you have further questions about the WPL proposal, they can be addressed to traffic@hounslow.gov.uk.