

GREATER **LONDON** AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2540

Title: Statutory Mayor's Guidance on Workplace Parking Levy (WPL) Schemes in London

Executive Summary:

The Mayor has powers to issue Transport for London and the boroughs with statutory guidance as to the exercise of their powers to establish and operate Workplace Parking Levy (WPL) schemes. TfL has engaged boroughs and other stakeholders on draft statutory Mayor's Guidance on WPL. The Guidance will support boroughs in developing their own schemes and will help to ensure that emerging schemes align with the objectives set out in the Mayor's Transport Strategy. The Mayor is the confirming authority for all WPL schemes in London and noting that, TfL will disseminate the guidance.

Decision:

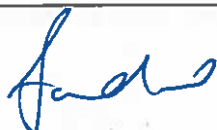
That the Mayor confirms the publication of statutory Mayor's Guidance on WPL schemes.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

14/1/20

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. A Workplace Parking Levy (WPL) is a charge on employers for the regular occupation of workplace parking by their employees. A WPL is a means of delivering mode shift by managing demand for commuter car travel; raising revenue to pay for public transport infrastructure and improvements; and reducing parking supply in the long term. The power to implement WPLs in London is provided for under Schedule 24 of the GLA Act 1999.
- 1.2. A WPL scheme can be established in London by Transport for London (TfL); by any London borough; or by two or more boroughs jointly. The Mayor has powers to issue TfL and the boroughs with statutory guidance as to the exercise of their powers to establish and operate WPL schemes. The Mayor can also direct a borough to make a WPL scheme within its area or a part thereof. A London borough may also jointly promote a scheme with a non-London borough. The Mayor's Guidance covers all of these situations.
- 1.3. WPL schemes can be a valuable tool in the Mayor's overall objective of promoting sustainable modes of travel and in achieving local traffic reduction. Revenue from WPL schemes must be spent on objectives which align with the Mayor's Transport Strategy (MTS). The directly relevant MTS proposals are:
 - Proposal 22: support borough traffic reduction strategies; and
 - Proposal 23: borough traffic demand management measures including WPL.
- 1.4. The Local Implementation Plan (LIP) 3 guidance states that revenue will be retained by boroughs. The Mayor has a role in confirming schemes in London, with or without modification. The Secretary of State also has a role in approving the use of scheme revenue. TfL has a role in co-ordinating their use across London and ensuring that emerging schemes fit well with each other and with the overarching Mayor's Transport Strategy goals; and providing support to the boroughs in developing and implementing their WPL scheme proposals. The Guidance supports TfL in doing this.

2. Objectives and expected outcomes

- 2.1. The objective of the statutory Mayor's Guidance on WPL schemes is to provide TfL and the boroughs with a clear framework for developing and implementing WPL schemes in London. The expected outcome is a reasonable level of consistency across WPL schemes and a consistent approach to scheme assessment before being recommended for Mayoral approval. This section sets out the key features of the Guidance and how these may be applied to potential WPL schemes in London.

The Mayor's Guidance

- 2.2. The Mayor's Guidance allows the Mayor to embed important aspects of the MTS in individual schemes, such as the need to set the charge at a level likely to cause some mode shift. Secondly, since WPLs have not before been implemented in London, it is an opportunity to set out the process to be followed, making these a more understandable option to boroughs. Thirdly, having a standard approach in London gives assurance to businesses who may be affected by a WPL locally (noting that there would still be further formal consultation locally on individual schemes).
- 2.3. Additionally, the Guidance sets out what kind of schemes the Mayor is likely to approve. Along with the case made by individual boroughs, compliance with the Guidance will form part of the appraisal of individual schemes by TfL with a view to making a recommendation to the Mayor as to whether the scheme should be supported and confirmed, with or without modification.

- 2.4. The Guidance is statutory guidance from the Mayor to which boroughs must have regard. It adopts a threefold approach to both the contents of a scheme and the way in which it is developed by boroughs. These are:
- advising authorities on how WPL schemes should be developed;
 - expecting certain approaches (meaning this is what will normally be required in order to obtain Mayoral approval); and
 - noting where there are options.
- 2.5. Accompanying the Guidance is a "Model" Scheme Order. A Scheme Order (SO) is the legal means by which boroughs and TfL would implement and operate a WPL. The Model SO, upon which boroughs can base their own SOs, is a means of both helping boroughs to save on legal costs while enabling the Mayor and TfL to set out the expectations for schemes in London and ensures a degree of consistency between individual schemes. The Model SO annexed to the Guidance translates it into a legal document: in general, 'expected' items are directly written into the model and where there are options these are given in square brackets for the borough(s) to use. Boroughs may add to or amend the model when developing their own SOs. The onus would be on the borough to make the case for deviations from the Guidance and Model.

Summary of main features

- 2.6. In developing the draft Mayor's Guidance and Model SO, TfL undertook an analysis of the provisions of Schedule 24 of the GLA Act 1999 and a comparison with the Nottingham City Council (NCC) scheme order; a review of the regulations governing the NCC scheme and the current Congestion Charging scheme in London; practical knowledge of the day-to-day running of the NCC scheme and lessons learned from that. This has been undertaken by TfL in conjunction with external solicitors and an independent consultant who worked on the Nottingham scheme, and who have jointly developed the Guidance and Model SO. Lessons were drawn from the NCC scheme to as it is the only WPL currently operating in the country.
- 2.7. In summary, the main features are:
- **A recommended £750 minimum annual charge per liable space.** This has been informed by a number of factors including the average return commuter fare by bus or tram for a year; the level needed to achieve mode shift; borough on-street parking charges; and the current Nottingham City Council scheme (£415 per year);
 - **A 100% discount for Blue Badge holders,** in order to mitigate adverse equality impacts;
 - **An exemption for fleet and delivery vehicles,** for reasons of practicality and business acceptability; and
 - **Boroughs to set own Penalty Charge Notice charges,** and the Guidance notes that this needs to be sufficiently high and includes examples of appropriate comparators.
- 2.8. In addition, the Guidance advises that charges apply every day of the year on a 24-hour basis, that discounts are set at 100% and that charges are increased by inflation annually. The scheme can be borough-wide or for a defined area and there is provision for an 'escalator' whereby the charge increases as improved transport infrastructure is delivered.
- 2.9. Options are provided for a time-limited electric vehicle discount and for a minimum threshold for the number of parking places liable for the levy. This latter is in recognition of the potential impact on small businesses. NCC currently exempts businesses with 10 places or fewer. The appropriate minimum threshold, if any, for London schemes will depend on local circumstances and should be informed by a WPL parking survey.

- 2.10. The Guidance also sets out the expected process for boroughs to follow when developing WPLs. This includes continued engagement with affected businesses, the preparation of impact assessments and a Business Case, and a formal consultation with residents and businesses on the proposal.

Other issues around the Mayor's Guidance

- 2.11. The Guidance also refers to the need for Government (the Secretary of State for Transport and the Lord Chancellor acting jointly) to formally enact regulations to enable enforcement and adjudication of WPL schemes by penalty charge notice; to provide for long-term use of the scheme revenue; and to allow for the liability for WPL to be applied to an employer who contracts parking from another employer for their employees. Prior to the current MTS, the likelihood of WPL schemes in London being brought forward never arose and so the necessary regulations for London schemes (made in London under the GLA Act 1999) were never made.
- 2.12. The Guidance references a draft of the proposed regulations based on those enacted for elsewhere in England, which were developed for the Nottingham WPL Scheme. Greater London Authority (GLA) and TfL officers continue to engage with Government on these draft regulations so that they can begin the process of being implemented into law before the first London WPL scheme is submitted to the Mayor for formal confirmation.

3. Equality considerations

- 3.1. Under s 149 of the Equality Act 2010, as public authorities, the Mayor and TfL must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. Protected characteristics under the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (the duty in respect of this last characteristic is to eliminate unlawful discrimination only).
- 3.2. There are no direct equalities implications arising out of this Decision which relates to statutory Mayor's Guidance on WPL schemes in London. The Guidance does not grant permission for or implement any schemes, and any potential new scheme would need to undergo formal consultation which would require the authority promoting it to undertake an Equality Impact Assessment.

4. Other considerations

Key risks and issues

- 4.1. GLA officers consider that TfL has adopted sound project management techniques in making these proposals and that risks have been appropriately mitigated. Officers have taken the following steps to mitigate the risk:
- a) the engagement responses have been analysed and considered in updating the Guidance; and
 - b) TfL officers sought legal advice throughout the process.

Links to Mayoral strategies and priorities

- 4.2. As mentioned above, WPL can help to promote sustainable modes of travel and achieve local traffic reduction. Revenue from WPL schemes must be spent on objectives which align with the MTS. The directly relevant MTS proposals are:
- Proposal 22: support borough traffic reduction strategies; and
 - Proposal 23: borough traffic demand management measures including WPL.

Consultation and impact assessments

- 4.3. TfL engaged with boroughs on the draft Guidance. For example, a workshop for borough officers was held by TfL on 8 July 2019. Transport officers from all of the London boroughs were emailed an invitation and the draft Guidance in advance and 14 officers attended. The workshop was an opportunity for officers to review the draft, ask questions and provide comments.
- 4.4. In addition, at the London Councils Transport and Environment Committee Executive meeting on 18 July 2019, TfL sought the views of members on its draft Guidance document. The draft Guidance has also been shared with TfL's statutory stakeholders, including the emergency services.
- 4.5. A small number of comments were received and the Guidance has been updated to reflect this. No major changes have been made.
- 4.6. It is important to note in this context that the approval of the Guidance is not a commitment to any particular WPL scheme being in place. As schemes are developed, the responsible authority (boroughs or TfL) would have to undertake formal consultation and relevant impact assessments on that particular scheme. The Mayor must confirm all proposed WPL schemes in London before they can take effect, with or without modifications as required.

5. Financial comments

- 5.1. There are no direct financial consequences for the GLA arising from this decision.
- 5.2. Revenues arising from any WPLs subsequently developed in London and approved by the Mayor must be used in accordance with the MTS. The Secretary of State and the Mayor must approve the proposed Revenue Plans.

6. Legal comments

- 6.1. As set out in Sections 1 and 2 above, the framework for WPLs is set out in Schedule 24 of the GLA Act. Paragraph 35 of Schedule 24 sets out that the Mayor may issue guidance to TfL or any London borough in relation to the discharge of their functions under this Schedule, and that they must have regard to any guidance issued in this way. There is a requirement to publish this guidance and it can also be varied or revoked.

7. Milestones and next steps

- 7.1. If the draft Mayor's Guidance is approved, TfL will make it available on its website and also notify the borough officers who attended the event on 8 July 2019.

Appendices and supporting papers:

Appendix 1 – Mayor's Guidance on Workplace Parking Levy

Appendix 2 – Step-by-Step diagram for developing a WPL

Appendix 3 – Model Scheme Order

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? Yes, until a final communications plan for publication has been agreed with TfL. 3 February 2020.

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Catherine Seaborn has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Debbie Jackson has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Heidi Alexander has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 13 January 2020.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Allge

Date

13.1.20

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

J. Bellamy

Date

13/1/2020