

# Integrated Transport:

How appropriate **Car parking charges** can help to develop a sustainable/environmentally-friendly transport policy

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*This paper contains detailed description of an innovative workplace as well as Town Centre (On street/off street) car parking policy, linking charges to environmental characteristics of the car.*

## Introduction

Appropriate control of parking supply is critical to the success of any transport plan. Introduction of parking charges is one the most effective means of managing parking demand. It is also one of the fairest means of equating the costs and convenience of using different modes of travel to and maintaining user's choice of his/her preferred mode of travel.

Additionally:

- 1) in terms of workplace parking policy, it is advisable to introduce workplace car parking charges for the following reasons:
  - a) Parking controls and parking charges are critical part of any organisation's Integrated Transport Policy
  - b) Strict parking controls are a requirement under the government transport policy and it is also one of the major conditions under the Local Authorities planning system. It is set out in "Planning Policy Guidance" note 13 (PPG13).
  - c) Past experience in large organisations suggests that parking charges which are well thought out, just and appropriate to the specific conditions of the organisation are the fairest means of financing effective transport systems and are, often, supported by majority of staff.
  - d) Without strict parking control, It will be very difficult to comply with the planning regulations and Environmental Management requirements which require employers to encourage shift away from SOV's (Single occupied Vehicle).

- e) In “A New Deal for Transport” paper the Government introduced Local Transport Plans. In that the Government is planning to give Local authorities voluntary powers which may include imposing a tax on workplace parking. It is reasonable to assume that any possible workplace parking tax will have a negative impact on organisations’ ability to recruit essential staff. On the other hand, introduction of a fair and reasonable car parking charges which matches the particular employer’s specific requirements would, most likely, remove the need for introduction of a more generalised workplace parking tax by the Local Authority.
  - f) In many organisations workplace car use (e.g. in an acute hospital environment) is a complex issue. Many staff work unsociable hours which causes accessibility and particularly safety concerns. Local staff shortages means that many live in places which are not easily accessible by other modes of travel. The alternative of severely limiting parking spaces instead of introducing charges is not a practical solution and will have more negative effects (For example on staff recruitments) than that of a fair system of parking charges. In these circumstances, the practical solution is, therefore, to try and reduce the negative environmental effects of the use of private vehicles for travel to work.
- 2) In respect of the town centre parking policy, Introduction of this system of parking charges will:
- a) Help to improve air quality
  - b) Help achieve environmental benefits without restricting the modal choice of the traveller (other than encouraging them to use environmentally friendly vehicles).
  - c) Help town centre regeneration by making it less necessary to restrict number of available parking places. This is particularly effective where the town is surrounded by small villages where an effective public transport is impractical or expensive and most practical means of access to facilities in town is private car

## **‘Green’ Car Parking charges in Towns.**

It should be very easy to start by adjusting residential car parking charges to reflect the environmental characteristics of the resident’s cars and later to extend this scheme to cover other car parking spaces within the town. Recommended method is described later in this paper.

## Introduction of Workplace car parking charges

All the above reasons indicate the need for the introduction of a fair system of parking charges which could help reduce the environmental effects of travel activities whilst at the same time efforts are made to increase staff, clients and visitors travel choices at workplaces by other means such as public transport improvements, introduction of home working schemes etc.

The advantage of this method is to encourage all staff who need to use their car to use environmentally friendly cars and by linking the charges to their pay it will be the best approximation possible to a fair system of charges.

Of course, it is essential that the views/concerns of the staff be taken into account before any car parking charges are introduced. They should be made fully aware of the reasons for the introduction of the charges including statutory planning and environmental requirements and the employers' commitment to fairness and equality for all staff.

Staff should be assured that the revenue from car parking charges will be 'ring-fenced' and used exclusively to improve transport facilities and access to the sites

Comparing various workplace car parking charging methods.

### **Flat Rate**

A flat **rate** parking charge is unfair

For example in the context of *NHS* sites, there is an approximate 1:10 ratio between the lowest and highest paid staff and there are many part-time workers

A charging rate that could reflect these differentials would be more likely to be supported by staff without adverse publicity and loss of staff morale

### 2.11 “**Banded**” Parking Charges

This is an approach taken by many employers whereby salaries are divided into various bands and car-parking charges are increased (in stages) from the lowest to the highest salary band. This approach, to some extent, helps to reflect the differences in staff pay but has the following disadvantages;

In practice, it is not possible to introduce sufficient number of bands to iron out the differences in pay scales, particularly at lower scales

It is no easier to operate than a proportionality approach to recovering charges (see below)

## 2.12 Car parking charges as a **percentage** of annual gross salary

A charging rate which is calculated as a percentage of the employee's annual gross salary is the fairest means of equating the cost of parking across the salary range and it is no more difficult to administer than a banded charging rate but it still has the following disadvantages;

Staff at the top of the salary scale have bigger disposable income than the lower paid staff

It could be seen as a form of indirect taxation rather than payment for service

Introduction of a higher percentage rate for higher paid staff (say, £50,000 and over) would help resolve the first problem but it still could be seen as a form of taxation.

## Recommended method

### 2.13 Parking Charge rates **directly related to pay scale and sustainable transport policy**

The DVLA's Vehicle Excise Duty Table reflects the actual environmental cost implications of the use of any particular car (best approximation).

I propose a system of parking charges directly related to the DVLA's Vehicle Excise Duty table which will reflect the actual environmental cost implications of the use of that particular vehicle (i.e. not a form of taxation) and if at the same time it is related to the salary of the employee it will take into account the ability to pay and will differentiate between full-time, part-time and casual workers<sup>1</sup>.

*As an example, it is proposed that Five band of charges are introduced (say from 0.2% to 0.4% of salary) depending on the DVLA's rating of the employee's vehicle (DVLA's table is in appendix 1)*

<sup>1</sup> **The advantages of this method are:**

- **Encourages use of environmental friendly vehicles**
- **It is related to ability to pay and therefore does not penalize essential car users and does not penalize part-time workers**
- **It is not likely to be viewed as a form of taxation as the Car user is paying a fee directly related to the environmental cost of using his/her car**
- **Due to its transparent fairness, it is more likely to be supported by staff without adverse publicity and loss of staff morale**

Mechanism for charging is described in section 4

### **3. Exemption from payment of parking charges and discounted rates**

#### 3.1.1 Exemptions

It is proposed that the following staff should be exempt from payment of the parking charges:

Voluntary workers	100% discount
Disabled staff	100% discount

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#### 3.2 Discounted rates

Employers could allow certain categories of staff, such as those sharing cars, those who need to use their vehicles during the course of their work and people working at nights or unsociable hours, to pay discounted rates of charges.

#### **4. Mechanism for Gathering parking charges**

##### **a) at Workplace**

When an employee requests a parking permit, they will be asked to complete a form. Apart from the standard questions, this form will include questions about their car such as the registration number of the car, taxation band of the car (from their tax disc). Alternatively, it will be a simple task to determine the taxation band from make, model and fuel type of the car. Taxation band is determined and a copy of the form will be sent to the payroll department. The correct amount of charges will then be deducted from their monthly salary.

##### **b) at town centre**

Drivers will press the appropriate button on the meter related to the VED band of their car and appropriate charges will be displayed. In discussions, major British and European parking meter manufacturers have indicated that they it will be very easy to design meters which allow for the choice of charging rates and the rate paid could be clearly marked on the ticket (such as a large water marked letter)

Enforcement will not be any additional problem as the traffic warden only needs to check that the water marked letter matches the VED rating of the car.

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