

Divisions Affected – All in Oxford City, Berinsfield and Garsington, Wheatley, North Hinksey, Kennington and Radley

**DELEGATED DECISIONS BY CABINET MEMBER FOR
INFRASTRUCTURE AND DEVELOPMENT STRATEGY**

18 JULY 2024

**WORKPLACE PARKING LEVY SCHEME DEVELOPMENT
CONTRACT**

Report by Director of Environment and Highways

RECOMMENDATION

The Cabinet Member is **RECOMMENDED** to

- a) **Approve the procurement of technical transport consultancy support required for the Workplace Parking Levy project.**
- b) **Delegate the award of the contract award to the Director of Economy and Place.**
- c) **Authorise officers to progress the development of the Workplace Parking Levy project including the undertaking of the required future public consultation.**

Executive Summary

1. Oxfordshire County Council (the Council) wishes to procure a contract to provide the required technical consultancy support on the Workplace Parking Levy (WPL) project. This will cover work required to develop a preferred scheme (boundary, charges, exemptions etc.) and an investment plan, and which will involve developing a comprehensive business case and appraisal of the schemes' costs, benefits, and potential impacts.
2. As the whole-life value of the contract is expected to exceed £500,000 in revenue, this is a Key Decision and requires approval from the Cabinet Member for Infrastructure & Development Strategy.

Introduction

3. The introduction of a Workplace Parking Levy has formed part of the Council's transport strategy for Oxford since 2015 and is one of several actions within the Central Oxfordshire Travel Plan, adopted by the Council in 2022.
4. A Workplace Parking Levy is an annual charge paid to the local transport authority by employers (not employees, although the employer can pass the charge on) for workplace parking places they provide. A Workplace Parking Levy would discourage car commuting, with employers reducing the amount of car parking provided and employees transferring to public transport and/or active travel. It would also provide a substantial, predictable, locally controlled source of transport funding (which also levers in further private sector and government funding) to support delivery of transport initiatives including actions within the Central Oxfordshire Travel Plan.
5. The powers to introduce a Workplace Parking Levy are contained in the Transport Act 2000. Although a Workplace Parking Levy scheme is developed, consulted on, and implemented by the local transport authority, it must be approved by the Secretary of State for Transport. By law, net proceeds from a Workplace Parking Levy are only available for the purpose of directly or indirectly facilitating achievement of local transport policies i.e. the Local Transport and Connectivity Plan and Central Oxfordshire Travel Plan.
6. In promoting a scheme, the enabling legislation requires an application to the Secretary of State for Transport that includes submission of a legal scheme order confirming the scheme details (boundary, charges, discounts, exemptions etc.) and includes 5- and 10-year plans for how any net revenue will be spent (an investment plan).
7. Following precedent set by Nottingham Council, a detailed business case is also required outlining the justification for the scheme and its costs, benefits, and potential impacts. Initial discussions with the Department for Transport (DfT) have already taken place (in March 2024) to confirm the likely scope and contents of such a business case.
8. The Council's Constitution mandates that contracts with a value more than £500,000 in revenue are subject to the Key Decision process. Therefore, the Cabinet Member for Infrastructure & Development Strategy is requested to approve the spend set out in this Report and to delegate authority to the Director of Economy and Place to award the contract.

Key Dates

9. The indicative timeline for WPL scheme development and implementation is as follows:
 - Spring 2024 – Early engagement;
 - Autumn 2024 to Spring 2025 – Stakeholder engagement;

- Summer 2025 – Public consultation;
 - Winter 2026 – Cabinet decision on WPL scheme;
 - Winter 2026 – Submit WPL application to DfT for approval to implement; and
 - If approved, implementation from 2027.
10. The above timelines allow time for the Council to talk to employers, residents and other stakeholders to shape and build support for the scheme and allows sufficient time for Department for Transport approval, which could take a minimum of 6 months.

Consultancy Support Scope

11. The Council requires the services of a technical consultant(s) to support development of the WPL up to and including submission of an application to the DfT for approval. The services required cover a range of different tasks, as summarised here:
- Data collection and analysis;
 - Stakeholder engagement and public consultation;
 - Business case development including an appraisal of the WPL's costs, benefits and potential impacts;
 - Options for the WPL back office and enforcement, and staff and other requirements and costs for the preferred option;
 - Scheme definition (WPL boundary, charges, exemptions and discounts);
 - Financial forecasting;
 - Development of the investment plan; and
 - Business case project management.

Corporate Policies and Priorities

12. The introduction of a WPL is fully compliant with a range of Council policies, primarily the Strategic Plan and the Local Transport & Connectivity Plan and Central Oxfordshire Travel Plan.
13. Priority 5 of the Council's strategic priorities is to "*invest in an inclusive, integrated and sustainable transport network*". Funding raised by a WPL will mean the Council is able to invest in public transport and active travel, for example, supporting this and other strategic priorities including tackling the climate emergency and inequalities.

Financial Implications

14. The forward funding of the WPL revenue budget was agreed by the Council in February 2024. It includes £2.488m for scheme development and approval. A further £0.871m has been agreed for implementation. These costs are expected to be paid back using future income raised by the WPL.
15. Funding for the contract (expected to be c. £530,000) will be met by the revenue budget allocated to the project.
16. The Council intends to tender a single contract covering the work. Approval to award the contract will be subject to the Council's usual processes, which includes financial risk review of successful bidders as well as sign-off by senior procurement and financial officers.

Comments checked by:

Rob Finlayson, Strategic Finance Business Partner,
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Legal Implications

17. The Council will comply with the relevant procurement legislation and follow its own Contract Procedure Rules in the procurement of the contract.
18. Provided the procurement is conducted in accordance with the Council's Contract Procedure Rules there are no direct legal implications in the proposed procurement. Officers across services are engaged with the procurement process to ensure such compliance.

Comments checked by:

Jennifer Crouch, Principal Solicitor (Environment Team)
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Procurement Implications

19. To procure services of a suitable consultant for the Workplace Parking Levy scheme development commission, the Council will use the ESPO Framework (Eastern Shires Purchasing Framework). The ESPO Framework to be used is 664-21 Consultancy Services, Lot 5 (covering highways, traffic and transport). ESPO is a public sector owned professional buying organisation, with the Lot 5 Framework including several major UK transport consultancies.
20. The Council already has experience using the ESPO 664-21 Framework, which has provided an efficient route to market with a wide reach enabling the Council to demonstrate value for money.

Comments checked by: Amy Withers, Category Manager (Infrastructure).
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Staff Implications

21. A project team is being set up to manage the contract and deliver the services covered by it. This includes a dedicated WPL project manager and technical lead, with other staff within the Economy & Place directorate providing support. Staff costs are to be covered by the WPL revenue budget that was agreed by the Council in February 2024.

Equality & Inclusion Implications

22. Potential equality and inclusion considerations relate to the introduction of a WPL, rather than the service being tendered. This includes potential additional costs to commute to work by car, should employers choose to pass on the charge to their employees. Previous proposals for a WPL in Oxford assumed disabled parking places used for commuting would not be liable to the charge. Funding generated by the WPL will also be reinvested to improve transport connectivity to places of work, including from areas of deprivation in the east and south-east of Oxford.
23. As part of the business case required to support approval of a WPL, a detailed assessment of the scheme's costs, benefits and impacts will be undertaken, including a full equality impact assessment.

Sustainability Implications

24. The introduction of a WPL, which the service to be delivered through this tender process will support and enable, will lead to higher levels of public transport and active travel use than would otherwise have been the case, leading to a reduction in car use, particularly for commuting to places of work in Oxford. Fewer car journeys will reduce traffic emissions, contributing to improved air quality and reducing the impact of emissions from transport on climate change. These are fully aligned with the Council's strategic policies.
25. As part of the business case required to support approval of a WPL, a detailed assessment of the scheme's costs, benefits and impacts will be undertaken, including effects of a scheme on air quality, carbon and traffic and transport.

Risk Management

26. The principal risks associated with Workplace Parking Levy project:

- Scheme not approved by the DfT, or proposals require major changes following submission.
- Lack of political support, or support changes following local elections.
- Lack of stakeholder (business, employers) and public support.
- Successful legal challenge.

27. These risks can be mitigated by:

- Compelling narrative and justification for a Workplace Parking Levy.
- Ongoing engagement with local stakeholders and using feedback to help shape proposals (scheme definition and investment plan).
- Ensure ongoing and timely input from the Department for Transport in terms of contents/scope of the business case and impact assessments.

Consultations

28. No public consultation is required or planned as part of this procurement. Proposals to introduce a WPL, including on the scheme definition (boundary, charges, exemptions etc), will be subject to a consultation, currently planned for summer 2025. Before this, the Council will continue to engage with employers and businesses and others likely to be affected by the scheme, to allow them to help shape proposals.

Paul Fermer
Director of Environment and Highways

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