

To all employee based at the  
Streatham and St Luke's Campuses

9 September 2008

Dear Colleague

Further to Professor Mark Overton's email of 4 September 2008, I am writing to provide you with further details of how the new parking arrangements will work on the Exeter Campuses.

### Annual Parking Permits

Currently charges for annual permits are determined by reference to salary and this will remain the case for 2008/09. However, in support of the University's sustainability agenda we will move, by 2010/11, to a charging regime based on CO<sub>2</sub> emissions rather than salary band. To facilitate this transition, in 2009/10 employees will be given the option of buying a permit based either on their salary band or the CO<sub>2</sub> emission of their vehicle.

Employees currently pay for their car parking permit out of gross salary but from this October most employees<sup>1</sup> will be issued with their parking permits under "Salary Exchange" arrangements.

Under the new arrangements (which are exactly the same as those that were successfully introduced for "Pensions Salary Exchange" in 2007) staff wishing to obtain a permit will agree to have their gross salary reduced by the appropriate amount. Employees will save both tax and national insurance and the University will save employer's national insurance. The University will continue to maintain a record of the employee's "notional gross salary" which will be used to calculate all pension benefits, shift allowances and overtime payments. For 2008/09 the charges for annual parking permits will be as follows:

	<u>Amount of Salary "Exchanged"</u>	<u>Net Cost of Permit</u>
Top Band (salaries in excess of £43,860 <sup>2</sup> )	£237	£140
Middle Band (salaries £9,000 to £43,860)	£128	£90
Lower Band (salaries less than £9,000) <sup>3</sup>	£74	£52

These rates equate in absolute terms to increases of less than 60 pence per week on the top rate and 21 pence per week on the lowest band.

<sup>1</sup> "Salary Exchange" arrangements will not apply to members of the NHS or FSSU Pension Schemes. Members of these schemes will be able to obtain a permit in the normal way for the appropriate "net" figure listed above.

<sup>2</sup> Salary rates are as at October 2008, assuming an increase of 2.5%.

<sup>3</sup> Because of technical issues arising from the rules around the lower earnings threshold for National Insurance Contributions, staff earning less than £6,500 are disadvantaged by "Salary Exchange" arrangements. These staff will therefore be able to purchase a permit under the current arrangements for the net cost of £52.

(Staff based in student residences who qualified for the reduced rate in 2007/8 will be charged at the Lower Band for 2008/9. Application forms for staff based in student residences can be obtained from the Parking Office in Lafrowda House.)

The *University Travel Plan 2007-2017*<sup>4</sup> (published in January 2007) sets out a series of initiatives aimed at promoting greener, cleaner travel choices. One specific objective of the Travel Plan is to raise the cost of car parking towards the true value of car parking provision. We estimate that the *value* of campus parking is something in excess of £600 per annum (on road parking around the Streatham Campus is now £3.30 per day and our own daily rate is £3.00). Accordingly, the cost of annual permits will rise again in 2009/10 and 2010/11, so that the net cost of permits will be as follows:

	<u>2009/10</u>	<u>2010/11</u>
Top Band	£175	£220
Middle Band	£110	£140
Lower Band	£65	£80

The precise amount of salary that will need to “exchanged” in future years will be determined nearer the time, once tax allowances and national insurance rates are known.

In 2010/11 bands will be determined not by salary but by vehicle emission rates: vehicles emitting more than 140 grams of CO<sub>2</sub> per kilometre will fall into the top band; vehicles emitting between 120 and 139 grams will be in the middle band; and the “greenest” vehicles – those emitting less than 120 grams of CO<sub>2</sub> per kilometre will be charged to the lowest band. In order to allow for a smooth transfer from a charging regime based on salary to one based on vehicle emissions, for 2009/10 only staff will be able to apply for a permit based either on their salary or on the CO<sub>2</sub> emission of their vehicle.

#### Applying for a Permit

Staff wishing to apply for an annual parking permit should complete the enclosed form, sign it and return it to the Parking Office in Lafrowda House – ideally by 30 September and in any event no later than 10 October 2008 - so that a permit can be issued and the appropriate salary adjustment made. (In the case of NHS or FSU Pension Scheme members, staff who do not pay National Insurance Contributions or staff earning less than £6,500 per annum an amount equivalent to the net cost of the permit will be recovered by a standard monthly salary deduction.)

Permits will be valid from 1 October 2008 to 30 September 2009. If during the course of the year your circumstances change so that you no longer need a permit it may be possible for you to opt out of the salary exchange scheme but only if you have experienced one of the “lifestyle events” listed on the reverse of the application form.

Please note that permits are not transferable between vehicles. If you change your car during the course of the year you should return your old permit together with details of your new vehicle to the Parking Office in Lafrowda House who will issue a new permit without charge. Lost permits will be replaced for an administration fee of £10.

#### Daily Parking at Streatham and St Luke's

Another objective of the Travel Plan is to develop a charging regime for parking based on actual usage rather than an annual flat fee. Currently the disparity between the cost of an annual permit and the cost of daily parking is such that even occasional car users are incentivised to apply for an annual permit. Having purchased an annual permit, staff may then be less inclined to consider alternative forms of transport to work.

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<sup>4</sup> The University Travel Plan is available on the University website at: [www.exeter.ac.uk/staff/travelplan.shtml](http://www.exeter.ac.uk/staff/travelplan.shtml)

Despite the year-on-year increases in the cost of annual permits they still represent a very considerable discount relative to the current daily parking rates as staff who do not have an annual parking permit are currently charged the same daily rate as visitors (£3.00) for parking on campus. To address this disparity, from 1 October 2008, those staff who choose not to apply for an annual parking permit will be able to park for the reduced fee of £1.00 per day. (Visitors will still have to pay £3.00 to park their car for a day.)

Any member of staff who does not have an annual parking permit will be entitled to apply for a free "Authority to Park" badge that identifies their vehicle as belonging to a member of staff and entitled to park for a reduced daily rate. These badges will be specific to a nominated vehicle and will be non transferable. They must be displayed together with a pay and display ticket.

On production of proof of ownership documents staff may apply for an additional "Authority to Park" badge for a second vehicle for which there will be a charge of £10. Annual permit holders who wish to have a "Authority to Park" badge for a second vehicle will also be charged a fee of £10.

To apply for an "Authority to Park" windscreen badge simply complete the enclosed form, sign it and return it to the Parking Office in Lafrowda House.

#### Other Travel Plan Initiatives

Following negotiations with Stagecoach, the University will shortly be able to offer discounted annual bus passes through salary exchange. As with all of our other salary exchange schemes (pensions, car parking, child care vouchers and cycle-to-work) eligible employees will benefit from savings in both tax and national insurance contributions. Details of how to apply for an annual bus pass will be found on our Employee Benefits webpages.<sup>5</sup>

Staff and students will also be able to purchase weekly and monthly bus passes through a number of outlets on campus.

Staff are reminded that interest-free season ticket loans are already available for annual rail tickets (salary exchange legislation covering bus passes does not currently extend to train tickets) and that an enhanced mini bus service now operates between Exeter St David's station and the Streatham Campus at the beginning and end of each day throughout the year. Once again, details of how to apply for a season ticket loan can be found on the Employee Benefits webpages.

In recognition of the fact that many staff have no viable alternative to their car for home to work travel the University is currently finalising plans to introduce a car leasing scheme in early 2009. The scheme will feature a range of vehicles which emit less than 140 grams of CO<sub>2</sub> per kilometre and "all in" monthly rental charges will cover vehicle excise duty, maintenance and insurance. More details of the scheme will be made available in due course – keep an eye on the Employee Benefits website - but, essentially, we hope to use the University's purchasing power to give employees access to lease cars at rates that are not generally available to the general public. So if you are currently thinking of replacing your car it may be worth your while postponing a decision until full details of the scheme are available.

As it is almost impossible to cover every point in a letter of this kind, a list of frequently asked questions is also enclosed. Hopefully this will, answer all but the most individual of queries.

Yours faithfully

Stephen Cooper  
Director of Personnel and Staff Development

Enclosures: Application form, FAQ and flowchart

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<sup>5</sup> From the Personnel and Staff Development website, ([www.admin.ex.ac.uk/personnel](http://www.admin.ex.ac.uk/personnel)), follow the link for employee benefits – or go to [www.admin.ex.ac.uk/personnel/employeebenefits/introduction.shtml](http://www.admin.ex.ac.uk/personnel/employeebenefits/introduction.shtml))