

LONDON COUNCILS' TRANSPORT AND ENVIRONMENT EXECUTIVE SUB COMMITTEE

Minutes of a meeting of the London Councils' Transport and Environment Executive Sub Committee held on **24 November 2015** at 09:30am, at London Councils, Meeting Room 1, 1st Floor, 59½ Southwark Street, London, SE1 0AL

Present:

Councillor Julian Bell	LB Ealing (Chair)
Councillor Daniel Anderson	LB Enfield
Councillor Feryal Demirci	LB Hackney
Councillor Tim Coleridge	RB Kensington & Chelsea
Councillor Alan Smith	LB Lewisham
Councillor Jill Whitehead	LB Sutton
Councillor Caroline Usher	LB Wandsworth
Councillor Heather Acton	City of Westminster

1. Declarations of Interests

There were no additional declarations of interest.

2. Apologies for Absence & Deputies

Apologies for absence were received from Councillor Alex Sawyer (LB Bexley) and Michael Welbank MBE (City of London).

3. London Sustainable Drainage Action Plan (LSDAP)

The TEC Executive Sub Committee received a report that provided members with an update of the draft London Sustainable Drainage Action Plan (LSDAP)

Kevin Reid (Principal Programme Manager, GLA), introduced the report and made the following comments:

- The LSDAP was launched 3 weeks ago and evolved as part of the Mayor's London Plan Drainage policy and "Drain London". It was also required because of London's expected population growth over the next 25 years and as a consequence of climate change.
- The case for retrofitting needed to be made and land owners and landlords needed to be persuaded to help with this. The GLA acknowledged that funds to spend on retrofitting were limited and it was recognised that landlords might be reluctant to spend their own money.
- Builders/building companies needed to be consulted and asset management plans needed to be looked at to help improve drainage, eg resurfacing car parks, putting in new school roofs and making playing grounds permeable. There was now the opportunity to make drainage more sustainable, and sustainable drainage improvements can often be achieved at marginal additional cost.
- 42 "Actions" had been identified to target specific sectors, like Housing, Education, Transport and Health etc. Discussions were also taking place with housing associations, with a view to using some of the GLA budget, set aside

for sustainable drainage, to provide expert advice. The focus for the GLA now was taking time to talk and try to persuade these organisations to improve drainage.

- There was a high level target to reduce flows in combined sewers by 25% over 25 years (until 2040). The GLA acknowledged it still needed to establish how the target would be monitored and measured.
- Other resources included Thames Water's "Twenty 4 Twenty", which was a £20 million campaign to disconnect 20 hectares of land from the drainage system. Boroughs were encouraged to consider when this could be achieved in their area. Discussions were also taking place with the Thames Tideway Tunnel to look at improving drainage and they have supplied an officer resource for 18 months to 2 years to look at improvements to old estates.
- The consultation on the LSDAP was due to close on 15 January 2016

Q and As

Councillor Coleridge said that although action for new builds was welcomed, there was no sense of urgency for retrofitting older estates and properties. He felt that all planning authorities needed to look at how to increase retrofitting, especially in light of increases to London's population by 2050. Councillor Usher said that there needed to be a change in the legislation.

Councillor Whitehead said that a flooding "action" plan (management strategy) had been produced by the South West London Flood Partnership. She said that the borough of Sutton had flooding problems caused by the River Wandle.

Councillor Smith voiced concern at the lack of action, with regards to ensuring adequate drainage, from the builders/companies that installed residential driveways. He said that there needed to be a way to educate small scale builders and make them legally responsible for installing permeable driveways. Councillor Usher said that that this would have to be incorporated in planning applications. Councillor Smith said that it was difficult to get smaller businesses to incorporate a drainage system when laying residential driveways. Councillor Whitehead said that there was also concern at people digging up trees in their back gardens.

Kevin Reid said changes to planning legislation six years ago had restricted what could be done to front gardens. However, the restrictions were limited and it was difficult to monitor and enforce what work was carried out on individual driveways. Kevin Reid said that most well established paving companies would advise residents on drainage issues, and a number of these companies were laying down permeable tarmac in driveways – less reputable companies were ignoring these issues. He said that some of the planning changes had actually reduced local authority control over what could be done in back gardens.

Kevin Reid said that it was difficult to persuade people to recognise drainage issues. He informed members that larger schemes were proposing a 50% reduction in flooding. He said that changes to the National Planning Policy Framework (NPPF) in April now applied to major planning permissions, and most large organisations were starting to pick this up. The next 2 to 3 years should be beneficial in beginning to achieve sustainable drainage. Kevin Reid said that one sustainable drainage scheme had installed rain gardens and a permeable pavement area. This needed to become the norm. Kevin Reid said that some of these projects could be carried out cost efficiently and the GLA had already built up a register of approximately 55 projects.

Councillor Coleridge asked whether a model had been produced to show how much work needed to be carried out on sustainable drainage. Kevin Reid said that there were two areas of work being undertaken, namely (a) modelling drainage catchment areas, which had just finished, and (b) commissioning an Atkins study to look at a sustainable drainage opportunity method. Some areas of work were straightforward and cost effective, whereas others were more difficult and restrictive (eg requiring underground tanks to be installed). Kevin Reid said that encouraging schemes to start work would begin early 2016. He said that population growth would occur all over London and there were a large number of small scale schemes that could include sustainable drainage, as well as big scale projects, like Vauxhall.

Councillor Demirci said that it was easier to implement sustainable drainage solutions to new builds, however, older properties were more difficult to retrofit. She asked whether there were any solutions planned to retrofit older properties and estates. Kevin Reid said that there were opportunities to deal with older estates, through diverting rain water from drains for instance. He said that there were limits as to what could be done in the first few years, but landlords and building managers could be encouraged and persuaded to carry out some of this work.

Councillor Whitehead said that the borough of Sutton came under the GLA's outer London drainage scheme. She said that rain gardens in the high streets had made a big difference in helping to prevent surface water flooding. Kevin Reid said that borough high streets presented more complex opportunities due to the use of the space. Councillor Coleridge said that some parts of London had better drainage than others. He said that the areas of London that were really under pressure from drainage problems needed to be mapped out. The Chair said that a "heat map" had already been produced. Kevin Reid confirmed that Thames Water had been working on a "drainage map" of where sewerage capacity was most under pressure. He said that it would not be beneficial to concentrate on projects that were the most difficult to retrofit, and then make little progress.

The Chair suggested that the LSDAP be reviewed by the TEC Executive Sub Committee on an annual basis, as the first phase of this was critical. Also, all TEC members should be written to in order to get as many responses as possible to the consultation. Katharina Winbeck said that London Councils' officers had already helped to write the plan and so would not be submitting a formal response to the consultation.

The Chair thanked Kevin Reid for updating the TEC Executive on the LSDAP.

Decision: The TEC Executive Sub Committee:

- Noted and discussed the London Sustainable Drainage Action Plan report;
- Agreed that a report on the review of the LSDAP would be presented to the TEC Executive Sub Committee on an annual basis; and
- Agreed to write to all TEC members with a view to receiving as many responses to the LSDAP consultation as possible.

4. Draft Response to TfL's Private Hire Regulations Review

The TEC Executive Sub Committee considered a report that provided members with the drafted response to TfL's Private Hire Regulations Review which was looking at a series of measures to regulate the private hire industry.

The Chair asked what the current position was regarding the recent court case involving TfL and Uber. Nick Lester-Davis said that the main High Court challenge was to ascertain whether a Smart phone application was the same as a taxi metre. The High Court ruled that the app was not a taxi metre, resulting in the Uber model being lawful. The issuing of licensing was now down to TfL through the Public Carriage Office (PCO). Nick Lester-Davis said that the report asked a number of questions that TEC Executive members needed to give a steer on regarding TfL's Private Hire Regulations Review. The Chair said that TfL could impose a number of regulations which Uber could then take to court and challenge.

Jennifer Sibley (Principal Policy Officer, London Councils) said that members did not have to respond to every question raised in the report. The more important questions were as follows: Q2 – operator to provide booking confirmation to the passenger five minutes prior to the journey, Q5 – operator to provide a pre-book facility of up to seven days in advance, Q6 – TfL proposes to no longer issue licenses for in-venue operators ("satellite offices") or temporary events, and Q8 – operators to not show vehicles being available for immediate hire, either visibly or via an app.

Councillor Smith said that taxi firms were developing their own apps (specific to their own individual taxi companies) in response to Uber. This could be carried out by an app or on a website, whilst still maintaining a phone line. Councillor Coleridge said that the most important issue was to protect the public. Councillor Usher said that that majority of the public were in favour of having an app to order a private hire vehicle. Councillor Acton voiced concern about the influx of these private hire vehicles.

Councillor Usher said that she was not in favour of the five minute waiting time (Q2). Councillor Coleridge voiced concern over how this would be enforced and monitored. Councillor Smith said that all the data would have to be monitored to ensure this was happening. Councillor Anderson said that there was an issue of not knowing what standards private hire vehicle adhered to. Councillor Demirci said that private hire vehicles went through the same standards as taxis. Councillor Smith also felt that the five minute waiting time would be unenforceable. Councillor Acton said that regulations for private hire vehicles were needed. Councillor Whitehead said that booking taxis from home also needed to be supported (eg if people needed to go to hospital).

Councillor Smith said that the public needed to know details of the car, license plate number and driver they were being sent. Councillor Demirci confirmed that Uber did provide these details. The Chair asked about the proposals concerning revoking the vehicle if the driver had their licence revoked. Nick Lester-Davis said that problems could occur if the vehicle was used by multiple drivers.

The Chair said that standards needed to be maintained and safety was key, therefore the five minute waiting period should not be supported. He asked whether members would prefer a seven or fourteen day pre-booking period (Q5). Nick Lester-Davis said that when Taxicard holders booked a cab fourteen days in advance, the operator logged the request but did not find them a taxi until half an hour before they were due

to be picked up. Councillor Acton said that she supported a fourteen day pre-booking facility.

The Chair asked whether members were in agreement with TfL's proposal to no longer issue licenses for in-venue operators or temporary events. Councillor Acton voiced concern that members of the public would approach and use illegal touts, should licenses not be issued at these events. She said that it needed to be stipulated that these were local firms and higher regulations were needed for the licensing system. The Chair agreed and said that more problems with touting would occur if there were not any temporary private hire offices. Councillor Anderson agreed that some form of standards/system should be in place. Councillor Acton said that the way private hire vehicles were licenced needed to be tightened-up in order to keep illegal vehicles away from these events.

The Chair said that Q8 ("Operators must not show vehicles being available for immediate hire, visibly or by app") related to Q2 and should also not be supported. Councillor Acton said that this put taxis at a disadvantage. Councillor Coleridge said that people used private hire vehicles because they were cheaper than taxis. Councillor Anderson said that taxis did not have a choice in the fare setting regime. Councillor Coleridge said that the Mayor of London was responsible for setting the cost per mile for taxis. Councillor Acton said she felt that the cost per mile should be set on a similar level to private hire vehicles in order to make this fairer to taxis. Councillor Anderson said that this issue needed to be addressed otherwise taxis could be driven out of business. Councillor Usher also felt that the cost per mile for taxis needed to be reduced.

The Chair said that the Vice Chairs and himself would sign this off by 23 December 2015 and members should send in any further comments before this deadline.

Decision: The TEC Executive Sub Committee:

- Agreed that TEC Executive members did not support a 5 minute waiting time (Question 2), and as a consequence, members could not support the proposal in Question 8, regarding operators not showing vehicles as available for immediate hire;
- Agreed to respond to the consultation stating that operators should offer a facility to book cabs for up to 14 days in advance, as opposed to 7 days (Question 5);
- Agreed to oppose TfL's proposals in Question 6, and therefore express support for the continuation of the licensing of in-venue operators ("satellite offices") and temporary events, but state that TfL should increase its enforcement of such sites, in order to keep illegal touts away from the event site and improve awareness amongst the public of the need to pre-book private hire vehicles from such a venue; and
- Noted that the final consultation response would be signed off by the Chair and Vice-Chairs of TEC, ahead of the consultation deadline of 23 December 2015

5. Transport and Mobility Services Information

The TEC Executive Sub Committee received a report that detailed the London Councils' Transport and Mobility Services performance information for Q1 and Q2 of 2015/16.

Spencer Palmer (Director, Transport and Mobility, London Councils) introduced the report. He informed members that the "grey" areas in the performance data could not be completed owing to the tribunal service transition to a new computer system, a new contractor and move to Chancery Exchange. This information would be available in the next performance report that went to the TEC Executive.

Spencer Palmer said that the target had been missed for the "average number of days (from receipt) to decide RUCA appeals" ("red" rating, page 2) because the Chief Adjudicator had not scheduled any personal hearings for the first two months from the move to Chancery Exchange and the new system. The target for the "hearing dates to be issued to appellants within 5 working days of receipt" ("red" rating) had been missed because there were errors with a number of early letters generated by the new system, which had to be checked and corrected before they were sent out. The target for the "number of calls answered within 30 seconds to the end of the automated message" ("red" rating) had also been missed because of the transition to the new IT contract. Improvements would be made to performance against these indicators in the coming months.

Councillor Demirci voiced concern at the large backlog of appeals that the borough of Hackney was currently experiencing. She asked whether the problems experienced with the IT system had been resolved. Spencer Palmer said that training with local authorities had taken place and they were now becoming accustomed to the new system. Councillor Demirci said that the reports were still not coming through and this had impacted on their appeals success rate. Spencer Palmer said that where appeals decisions may have been affected by system transition issues and delays, a number of local authorities had requested a review and, as a consequence of this, the cases had been reopened by the Adjudicators. He confirmed that the majority of issues being experienced by enforcement authorities had been resolved and that additional training and support had been provided to relevant Hackney staff. However, ongoing support would continue to be available for all authorities. Spencer Palmer said that the new "direct electronic transfer" system would be in operation by summer 2016 and would make the system much more straightforward to use.

Councillor Anderson said that there was a lack of geographical spread with regards to enforcement. Spencer Palmer said that this report was concerned with performance of the Tribunal Service as a whole and did not provide any detail relating to individual authorities' appeals. A more detailed, Chief Adjudicator's Annual Report, from the Tribunal Service went to Committee on 15 October 2015.

Decision: The TEC Executive Sub Committee Noted the Transport and Mobility Services performance data for Q1 and Q2 of 2015, and the explanations for the "grey" and "red" areas in the performance data.

6. Retiming Freight and Deliveries – Proposed Memorandum of Understanding

This report was withdrawn.

7. Appeals Hearing Centre Relocation

The TEC Executive Sub Committee received a report that provided members with an analysis for the project for the relocation of the appeals hearing centre from Angel Square, N1 to Chancery Exchange, EC4, including a breakdown of the final project net cost of £981,469

Frank Smith introduced the report and said that two major events had occurred simultaneously, namely, the move of the appeals hearing centre from Angel Square to Chancery Exchange, and the change of contract for the appeals IT system, which made the management of this project more complex. Frank Smith informed members that London Councils did not have any “in-house” expertise to deal with the refurbishment project at Chancery Exchange, and, therefore, engaged a project manager via a framework agreement. He said that, overall, the project went well and the report was just for noting. The Chair congratulated London Councils’ officers for delivering the project efficiently and under budget.

Decision: The TEC Executive Sub Committee noted the contents of the report.

8. TEC Month 6 Revenue Forecast 2015/16

The TEC Executive Sub Committee considered a report that outlined actual income and expenditure against the approved budget to the end of September 2015 for TEC, and provided a forecast of the outturn position for 2015/16. At the half-year stage, a surplus of £616,000 was forecast over the budgeted figure.

Frank Smith introduced the Month 6 Revenue Forecast report. He informed members that some new cost pressures had arisen since the last monitoring report. Firstly, a full year’s contribution to overheads from the British Parking Association in respect of the POPLA contract had been budgeted for, but that the contract had ended on 30 September 2015. Secondly, the leasehold costs for the new premises at Chancery Exchange had to be paid for from February 2015, rather than the budgeted date of 1 June 2015 and there were additional costs associated with the new IT system at Chancery Exchange. Frank Smith said that some of the additional IT costs were potentially not covered by the new IT contractor, although negotiations were on-going in respect of this issue. He said that the main objective for London Councils was to get the appeals service “up and running” as quickly as possible and to provide a smooth transition for appellants and all other stakeholders.

Decision: The TEC Executive Sub Committee:

- Noted the projected surplus of £616,000 for the year, and the forecast underspend of £1.545 million for overall Taxicard trips, as detailed in the report; and
- Noted the projected level of Committee reserves, as detailed in paragraphs 5-6 of the report, and the commentary on the financial position of the Committee included in paragraphs 7-8.

9. Draft Revenue Budget and Borough Charges 2016/17

The TEC Executive Sub Committee received a report that detailed outline revenue budget proposals and the proposed indicative borough subscription and charges for 2016/17.

Frank Smith introduced the report and informed members that this was the draft revenue budget report that would be presented to the full TEC meeting in December 2015 for approval, subject to any changes recommended by the Sub-Committee.

Frank Smith informed members that it is proposed that the administration costs for the Freedom Pass would now be fully covered by the revenue received from replacing lost/damaged passes. In respect of the unit cost charge to boroughs for parking appeals, there would be further cost benefits to boroughs once the volume of electronic appeals increased. Frank Smith said that the proposed budget strategy had already been considered by London Councils' Executive on 17 November 2015, and that it had endorsed the proposals in this report.

Frank Smith said that there had recently been questions from members as to what was a reasonable level for TEC reserves. This had historically been set at between 2 to 3% (as per broad guidance from CIPFA over 10 years ago). It was now clear that this benchmark was no longer valid, primarily owing to the volatility of TEC trading services, which could vary widely between financial years. Frank Smith said that after considering recent guidance and research, and having reviewed the specific operations of TEC, he now recommended an uncommitted general reserve of between 10 to 15% of operating and trading expenditure (paragraph 61 of the report).

Frank Smith confirmed that a sum of £10,000 would be repatriated to each borough from TEC uncommitted reserves, in the form of a one-off payment (paragraph 54 of the report). He asked members if they would be content to transfer another £500,000 to the specific reserve to fund the cost of the 2020 Freedom Pass renewal. An excess reserve figure of £427,000 (over the new 15% higher range benchmark) would, therefore, be left if this transfer was agreed. Frank Smith said that the Committee had managed significant recent unforeseen events through the use of uncommitted TEC reserves, very successfully. Councillor Coleridge said he considered that a 10 to 15% level for TEC reserves was the right level.

Decision: The TEC Executive Sub Committee recommended that the Main Committee approve at the meeting on 10 December 2015:

- The changes in individual levies and charges for 2016/17 as follows:
 - The Parking Core Administration Charge of £1,500 per borough and for TfL (2015/16 - £1,500; paragraph 37);
 - The total Parking Enforcement Service Charge of £0.4681 which would be distributed to boroughs and TfL in accordance with PCNs issued in 2014/15 (2015/16 - £0.4333 per PCN; paragraphs 35-36);
 - No charge to boroughs in respect of the Freedom Pass Administration Charge, which was covered by replacement Freedom Pass income (2015/16 - £8,674; paragraph 16);
 - The Taxicard Administration Charge to boroughs of £338,182 in total (2015/16 - £338,182; paragraphs 17-19).

- No charge to boroughs in respect of the Lorry Control Administration Charge, which was fully covered by estimated PCN income (2015/16 – nil charge; paragraphs 20-21);
- The Parking and Traffic Appeals Charge of £33.32 per appeal or £29.90 per appeal where electronic evidence was provided by the enforcing authority (2015/16 - £33.40/£29.97 per appeal). In addition, a new differential charge was proposed for hearing Statutory Declarations of £28.17 for hard copy submissions and £27.49 for electronic submissions (2015/16 - £33.40/£29.97 per SD) (paragraph 28);
- Congestion Charging Appeals – to be recovered on a full cost recovery basis, subject to the continuing agreement of the GLA under the contract arrangements that run until December 2016 (paragraph 29);
- The TRACE (Electronic) Charge of £7.31 per transaction (2015/16 - £8.60; paragraphs 33-34);
- The TRACE (Fax) Charge of £7.48 per transaction (2015/16 - £8.80; paragraphs 33-34); and
- The TEC¹ Charge of £0.17 per transaction (2015/16 - £0.20; paragraphs 33-34);
- The provisional gross revenue expenditure of £382.284 million for 2016/17, as detailed in Appendix A;
- On the basis of the agreement of the above proposed charges, the provisional gross revenue income budget of £381.641 million for 2016/17, with a recommended transfer of £643,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B;
- From proposed reserves of £643,000, a sum of £10,000 be repatriated to each borough (and TfL) from TEC uncommitted reserves, amounting to £340,000 in total, in the form of a one-off payment, as per paragraph 54;
- The proposed changes to the Committee's formal policy on reserves, as detailed in paragraphs 56-63; and
- Agreed to formally recommend to TEC full Committee in December 2015 that a further £500,000 is transferred from uncommitted reserves to the specific reserve to fund the cost of the 2020 Freedom Pass renewal.

The TEC Executive-Sub Committee was also asked to note the current position on reserves, as set out in paragraphs 52-55 and Table 9 of this report and the estimated total charges to individual boroughs for 2016/17, as set out in Appendix C.1.

10. Minutes of the TEC Executive Sub Committee held on 15 September 2015 (for agreeing)

The minutes of the TEC Executive Sub Committee held on 15 September 2015 were agreed as an accurate record.

¹ The system that allows boroughs to register any unpaid parking tickets with the Traffic Enforcement Centre and apply for bailiff's warrants.

11. Minutes of the TEC Main Meeting held on 15 October 2015 (for noting)

The minutes of the TEC Main meeting held on 15 October were noted

Members of the press and public were asked to leave the room whilst the Committee considered the Exempt part of the agenda.

The meeting finished at 11:10am