

London Councils' Transport and Environment Committee

Thursday 8 December 2016

2.30pm in the Conference Suite, London Councils, 59½ Southwark Street, London, SE1 0AL

Labour Group: Meeting Room 4 at 1.30pm (1st Floor)

Conservative Group: Meeting Room 1 at 1.30pm (1st Floor)

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Part One: AGM items		
1	Apologies for Absence and Announcement of Deputies	-
2	Declarations of Interest*	
3	Talk by Shirley Rodrigues, Deputy Mayor for Environment	-
4	Proposed TEC Revenue & Borough Charges 2017/18	
5	Concessionary Fares Settlement & Apportionment 2017/18	
6	Delivery Partnership for Residential and Car club Electric Charge Points	
7	Chair's Update Report	
8	Air Quality Consultation Response	
9	A Direct Vision Standard for Heavy Goods Vehicles	
10	Taxicard Update	
11	Traffic Signals Budget 2017/18	
12	Additional Parking Charges	

13	Code of Practice for Parking Enforcement	
14	London Lorry Control Scheme Review Update	
15	Re-Appointment of Existing Adjudicators	
16	Items Considered under the Urgency Procedure	
17	Minutes of the TEC Main Meeting held on 13 October 2016 (for agreeing)	
	Part Two: Exclusion of the Press and Public (Exempt) To resolve that the press and public be excluded from the meeting during discussion of the following item(s) of business because exempt information, as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 is likely to be made known at the meeting	
E1	Exempt Minutes from the TEC Main Meeting held on 13 October 2018	

Declarations of Interest

* If you are present at a meeting of London Councils' or any of its associated joint committees or their sub-committees and you have a disclosable pecuniary interest* relating to any business that is or will be considered at the meeting you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting, participate further in any discussion of the business, or
- participate in any vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

It is a matter for each member to decide whether they should leave the room while an item that they have an interest in is being discussed. In arriving at a decision as to whether to leave the room they may wish to have regard to their home authority's code of conduct and/or the Seven (Nolan) Principles of Public Life.

*as defined by the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012

If you have any queries regarding this agenda or are unable to attend this meeting, please contact:

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TEC Declarations of Interest as at 8 December 2016

Freedom Pass Holders/60+ Oyster Cards

Cllr Wesley Harcourt (LB Hammersmith & Fulham), Cllr Phil Doyle (RB Kingston), Cllr Alan Smith (LB Lewisham), Cllr Peter Buckwell (LB Richmond), Cllr Jill Whitehead (LB Sutton), and Cllr Caroline Usher (LB Wandsworth).

North London Waste Authority

Cllr Dean Cohen (LB Barnet), Cllr Phil Jones (LB Camden), Cllr Daniel Anderson (LB Enfield), Cllr Feryal Demirci (LB Hackney), Cllr Claudia Webbe (LB Islington), and Cllr Clyde Loakes (LB Waltham Forest).

Western Regional Waste Authority

Cllr Wesley Harcourt (LB Hammersmith & Fulham) and Cllr Jenny Brathwaite (LB Lambeth).

East London Waste Authority

Cllr Lynda Rice (LB Barking & Dagenham), Cllr Ian Corbett (LB Newham), and Cllr John Howard (LB Redbridge).

South London Waste Partnership

Cllr Stuart King (LB Croydon), Cllr Martin Whelton (LB Merton), Cllr Phil Doyle (RB Kingston), and Cllr Jill Whitehead (LB Sutton).

West London Waste Authority

Cllr Ellie Southwood (LB Brent).

London Waste & Recycling Board

Cllr Clyde Loakes (LB Waltham Forest).

Car Club

Cllr Julian Bell (LB Ealing – Chair) and Cllr Feryal Demirci (LB Hackney) and Cllr Claudia Webbe (LB Islington).

Thames Regional Flood & Coastal Committee (RFCC)

Cllr Lynda Rice (LB Barking & Dagenham)
Cllr Dean Cohen (LB Barnet)
Cllr Tim Coleridge (RB Kensington & Chelsea)
Cllr Alan Smith (LB Lewisham)
Cllr Daniel Anderson (LB Enfield)

London Cycling Campaign

Cllr Julian Bell (LB Ealing, Chair) and Cllr Feryal Demirci (LB Hackney).

London Councils' Transport and Environment Committee

Proposed Revenue Budget and Borough Charges 2017/18

Item no: 04

Report by: Frank Smith **Job title:** Director of Corporate Resources
Date: 8 December 2016
Contact Officer: Frank Smith
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Summary

This report details the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2017/18.

These proposals were considered by the Executive Sub-Committee under the Urgency Procedures. The Executive Sub-Committee agreed to recommend that this Committee approves these proposals.

Recommendations

The Committee is asked to approve:

- The changes in individual levies and charges for 2017/18 as follows:
 - The Parking Core Administration Charge of £1,500 per borough and for TfL (2016/17 - £1,500; paragraph 37);
 - The total Parking Enforcement Service Charge of £0.4915 which will be distributed to boroughs and TfL in accordance with PCNs issued in 2015/16 (2016/17 - £0.4681 per PCN; paragraphs 35-36);
 - No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2016/17 – nil charge; paragraph 16);
 - The Taxicard Administration Charge to boroughs of £338,182 in total (2016/17 - £338,182; paragraphs 17-19).
 - No charge to boroughs in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2016/17 – nil charge; paragraphs 20-21);
 - The Parking and Traffic Appeals Charge of £32.00 per appeal or £28.50 per appeal where electronic evidence is

provided by the enforcing authority (2016/17 - £33.32/£29.90 per appeal). For hearing Statutory Declarations, a charge of £26.74 for hard copy submissions and £26.06 for electronic submissions (2016/17 - £28.17/£27.49 per SD) (paragraph 28);

- Congestion Charging Appeals – to be recovered on a full cost recovery basis under the new contract arrangements with the GLA (paragraph 29);
- The TRACE (Electronic) Charge of £7.31 per transaction (2016/17 - £7.31; paragraphs 30-34);
- The TRACE (Fax) Charge of £7.48 per transaction (2016/17 - £7.48; paragraphs 30-34); and
- The TEC¹ Charge of £0.17 per transaction (2016/17 - £0.17; paragraphs 30-34);
- The provisional gross revenue expenditure of £369.075 million for 2017/18, as detailed in Appendix A;
- On the basis of the agreement of the above proposed charges, the provisional gross revenue income budget of £368.447 million for 2017/18, with a recommended transfer of £628,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B; and
- From proposed reserves of £628,000, a provisional 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 repayment, as per paragraph 52.

The Committee is also asked to note:

- the reduction of £9.407 million or 2.64% in the Freedom Pass settlement for 2017/18; the first time an annual budget reduction has been delivered;
- the current position on reserves, as set out in paragraphs 51-55 and Table 9 of this report and agree on the preferred option(s) for reducing uncommitted reserves towards the agreed benchmark level of between 10%-15% of operating and trading expenditure, as specifically highlighted in paragraphs 54-55; and
- the estimated total charges to individual boroughs for 2017/18, as set out in Appendix C.1.

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

Introduction

1. This report details the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2017/18. These proposals were considered by the Executive Sub-Committee under the Urgency Procedures. The Executive Sub-Committee agreed to recommend that this Committee approves these proposals.
2. The report will, therefore, examine the key features of the proposed budget for 2017/18 and make proposals as to the level of charges for the Committee's consideration.

Proposed Revenue Budget 2017/18 - Overview

3. The proposals in this report incorporate the following assumptions:
 - A continued nil charge to boroughs in respect of the Freedom Pass administration fee, which remains fully funded by income receipts from replacing Freedom Passes that are lost or damaged. The income budget for such receipts is proposed to increase by £50,000 to £600,000 for 2017/18;
 - A continued nil charge to boroughs in respect of the London Lorry Control scheme, which remains fully financed from PCN income receipts. The income budget for such receipts is proposed to increase by £50,000 to £800,000 for 2017/18. A sum of £50,000 will remain in the budget to fund work on the review and development of the Lorry Control scheme during 2017/18;
 - A reduction in the TfL element of the Freedom Pass settlement for 2017/18 of £9.759 million, or 2.92%;
 - An increase in the ATOC element of the Freedom Pass settlement of £352,000 (1.9%);
 - The budget for payments to other bus operators for local journeys originating in London has been maintained at the current year's level of £1.7 million, following projections for 2017/18, based on current claim trends being lodged by operators.
 - The annual Freedom Pass survey and reissue costs budget to remain at the current year's level of £1.518 million;
 - Subject to their business plan approval process later this month, TfL will provide an estimated fixed contribution of £9.963 million, inclusive of annual Taxicard tariff inflation of £195,000 (2%), compared to £9.781 million for 2016/17. At this stage, the total borough contribution towards the Taxicard scheme in 2017/18 is estimated to be £2.314 million, the same as for the current year, although the decision on boroughs' contributions is a matter for boroughs to take individually and will be confirmed in February 2017. The indicative budgetary provision for the taxicard trips contract with CityFleet Networks Limited, will, therefore, be an amalgam of the TfL and borough funding, currently equating to £12.277 million for 2017/18, a provisional increase of £195,000 on the revised budget of £12.083 million for the current year

- An estimated 1% cost of living increase on all salary costs, including adjudicators' fees.
 - The overall staffing budget continues to include a £30,000 provision for maternity cover and the vacancy level remains at 2%;
 - A zero inflationary increase in all other running cost budgets for 2017/18, unless subject to binding contractual increases;
4. The proposals in this report, therefore, recommend the following:
- The Parking Core administration charge being held at the 2016/17 level of £1,500;
 - A reduction in the unit cost of hard copy parking appeal charged to boroughs and TfL street management of £1.32 per appeal, or 3.97%. For appeals where evidence is submitted electronically, the unit cost will reduce by £1.40 or 4.68%. For statutory declarations, a hard copy transaction will reduce by £1.43 or 5.06%, with electronic transactions reducing by £1.43 or 5.21%;
 - An increase in the Parking Enforcement service charge of £0.0234 per PCN, or 5%, which will be apportioned to boroughs and TfL in accordance with the total number of PCNs issued by enforcing authorities in 2015/16;
 - No charge to boroughs for the Freedom Pass administration charge for 2016/17, as for the current year;
 - The total Taxicard administration charge of £338,000 being held at the current year's level, which will be apportioned to boroughs in accordance with the scheme membership as at 30 September 2016;
 - No charge to boroughs for the London Lorry Control Scheme administration charge for 2016/17, as for the current year;
 - No change in the charges to boroughs for TRACE electronic, TRACE fax and TEC transactions.
5. The following paragraphs detail the main proposed budget headings for 2017/18 and highlight any significant changes over 2016/17. The proposed level of expenditure for 2017/18 amounts to £369.075 million. A sum of £357.03 million relates to direct expenditure on the transport operators providing the Freedom Pass and the Taxicard schemes. After excluding the £340,000 in respect of the proposed one-off payment to boroughs in 2016/17, this leaves £11.705 million relating to expenditure on parking and traffic related traded service and other operating expenditure. This compares to a comparable sum of £11.923 million for the current year, a reduction of £218,000, or 1.8%.

Freedom Pass

6. The main settlement with TfL for concessionary travel on its service is estimated to be £324.181 million. This represents a reduction of £9.759 million, or 2.92%,

on the figure of £333.94 million for 2016/17. The reduction is made up of several elements:

- a 1.27% reduction in journey numbers across all modes;
 - a 0.74% increase attributed in a change to the commission rate used by TfL²;
 - a 2.14% decrease due to the introduction of the hopper fare;
 - a 0.8% increase in the travel card element (not covered by the Mayor's fares freeze) of the basket of fares used to calculate average fares; and
7. The above elements represent a 1.86% reduction on a like for like basis compared with the 2016/17 settlement. In addition, officers negotiated a 1.08% (£3.64 million) retrospective adjustment in respect of the 2016/17 settlement to account for the introduction of the new hopper fare in September 2016. Together, these elements account for the 2.92% reduction in the TfL element of next year's settlement.
8. The budget in respect of the Association of Train Operating Companies (ATOC) has been provisionally increased by £352,000 to £18.872 million to take into account the anticipated settlement for 2017/18, an increase of 1.9 % (reflecting the July 2016 RPI figure) on the figure of £18.52 million for the current year.
9. The budget for payments to other bus operators for local journeys originating in London has been maintained at the current year's level of £1.7 million, following projections for 2017/18, based on current claim trends being lodged by operators.
10. The budget for the freedom pass support services and issuing costs was £1.518 million for 2016/17. For 2017/18, it is proposed that the budget remains at this level. Although there is no bulk reissue in 2017/18, the current retendering of externally provided support services (call centre, card production, application processing etc.) means there is cost uncertainty until new contract rates are negotiated. The budget will continue to be reviewed each year in the light of estimated annual reissue numbers in the run up to the next substantive reissue exercise in 2020.
11. For income in respect of replacement Freedom Passes, trends indicate that accrued income continues to exceed the approved budget of £550,000, so it is proposed to increase the income budget for replacement passes by £50,000 to £600,000. As stated in paragraphs 3 and 4 and detailed in paragraph 15 below, it is proposed that the in-house cost of administering the Freedom Pass scheme will be fully funded by this income stream in 2017/18.
12. As agreed by this Committee in December 2014, any annual surplus arising from both the freedom pass issuing costs budget of £1.518 million (paragraph 10 above) and replacement freedom passes income budget of £600,000 (paragraph 11 above) will be transferred to a specific reserves to accumulate funds to offset the cost of the next major pass reissue exercise scheduled for 2020. The current balance on the specific reserve is £1 million, as highlighted in paragraph 53.

² The Freedom Pass settlement calculation takes account of the commission TfL pays to merchants who sell travel cards and process Oyster Card payments (cost of sales). However, with the introduction and increasing use of contactless payment, the amount of commission paid by TfL to merchants is reducing. The effect of this is to increase TfL fares revenue and thereby increase the amount payable by boroughs in respect of the Freedom Pass scheme, which works on the principle of reimbursement for revenue foregone by the travel operators.

13. Final negotiations on the actual amounts payable to transport operators will be completed in time for the meeting of the full Committee on 8 December and any late variations to these provisional figures will be tabled at this meeting.
14. A summary of the estimated freedom pass costs for 2017/18, compared to the actual costs for the current year, can be summarised in Table 1 below:

Table 1 – Comparative cost of Freedom Pass 2017/18 and 2016/17

Estimated Cost of Freedom Pass	2017/18(£000)	2016/17(£000)
TfL Settlement	324,181	333,940
ATOC Settlement	18,872	18,520
Non TfL Bus Operators Settlement	1,700	1,700
Support services and issue costs	1,518	1,518
Total Cost	346,271	355,678

15. The total cost of the scheme is fully funded by boroughs and the estimated cost payable by boroughs in 2017/18 is £346.271 million, compared to £355.678 million payable for 2016/17. This represents a reduction of £9.407 million or 2.64%. This is the first time an annual budget reduction has been delivered and is largely due to the increasing eligibility age and also a reduction in bus use. The majority of costs payable by boroughs will be apportioned in accordance with usage data, in accordance with the agreed recommendations of the arbitrator in 2008.
16. The administration of the freedom pass covers London Councils in-house costs in negotiating the annual settlements and managing the relationships with transport operators and contractors. For 2017/18, the total cost is estimated to be £483,814, compared to £386,816 in 2016/17. This equates to £14,661 per borough. However, it is proposed to use a proportion of the income accrued from the replacement of lost and damaged Freedom Passes (refer paragraph 11) to levy a nil charge in 2017/18, which members are asked to recommend to the full Committee. This position will be reviewed annually to ensure forecast income streams continue to cover the in-house costs of administering the scheme.

Taxicard

17. As stated in paragraph 3, TfL will provide an estimated fixed contribution of £9.963 million, inclusive of annual Taxicard tariff inflation of £195,000 (2%), compared to £9.781 million for 2016/17. At this stage, the total borough contribution towards the Taxicard scheme in 2017/18 is estimated to be £2.314 million, the same as for the current year, although the decision on boroughs' contributions is a matter for boroughs to take individually and will be confirmed in February 2017. The indicative budgetary provision for the taxicard trips contract with CityFleet Networks Limited, will, therefore, be an amalgam of the TfL and borough funding, currently equating to £12.277 million for 2017/18, a provisional increase of £195,000 on the revised budget of £12.083 million for the current year.
18. The cost of administration of the Taxicard Scheme is estimated to be £526,694 in 2017/18 compared to £528,735 in 2016/17. After excluding the contribution from TfL towards these costs of £104,768 and anticipated income of £24,000 from charging for replacement taxicards, the net cost to be charged to boroughs in 2017/18 is £397,926. However, it is proposed to continue to use uncommitted

general reserves held by the Committee to hold the total charge at the 2016/17 level of £338,182.

19. The active Taxicard membership data as at 30 September 2016 is 64,611, compared to 67,780 as at 30 September 2015, a reduction of 3,169, or 4.7%, due to further cleansing of the membership data in accordance with the TEC Executive Sub-Committee's decision of July 2014. The reduction in the spreading base has increased the underlying unit cost of a permit from £4.99 to £5.24 per member.

Lorry Control Scheme

20. This is calculated in the same manner as the freedom pass and taxicard administration charge, although it is apportioned to boroughs in accordance with the ONS mid-year population figures for, in the case of 2017/18, June 2015. The total cost of administering the scheme is estimated to be £672,708 in 2017/18, compared to £674,119 in 2016/17. This figure includes a sum of £50,000 that has been earmarked for the review and development of the scheme in 2017/18.
21. After analysing receipts from PCNs issued in relation to the scheme over the past three financial years, it is proposed to increase the income target from £750,000 to £800,000, meaning that there will be a continuation of the nil charge to the 29 participating boroughs plus TfL towards the scheme in 2017/18. Again, this position will be reviewed annually to ensure forecast income streams continue to cover the costs of administering the scheme.

Environment and Traffic Adjudicators (ETA) Fees

22. The budget for adjudicators' fees and training will be increased for 2017/18, in accordance with the recommendation of the Senior Salaries Review Board in respect of the 2016 pay award. This mechanism, which was agreed by TEC in November 2001, keeps the Adjudicators' pay at 80% of that for Group 7 full-time judicial appointments outside London. This hourly rate increases by £0.61, or 1% from £60.60 to £61.21, inclusive of employers' National Insurance Contributions.
23. The estimated volume of ETA appeals and statutory declarations for 2017/18, based volumes in the first half of 2017/18 is 40,586, significantly less than the 52,885 budgeted level for the current year. The actual number of appeals heard in 2015/16 was 42,846 including Statutory Declarations, Moving Traffic Offences and Lorry Control Appeals, indicating that there is a continuing minor downward trend in the number of appeals.
24. The average throughput of appeals for the first six months of the current year is 2.45 appeals heard per hour (compared to 2.76 appeals per hour when the current year's budget was set in December 2015). This average figure takes account of all adjudicator time spent on postal and personal appeal hearing and also non-appeal 'duty adjudicator' activities. However, officers working on the service have analysed adjudicator performance over the last six months and have identified system and service improvements that are likely to increase average throughput to 2.7 cases per hour during 2017/18. The ETA adjudicator fees base budget of £1.162 million has, therefore, been reduced by £251,000 to £911,000 for 2017/18 to reflect the current volumes and throughput rate, and then inflated by £9,000 to £920,000 to reflect the pay award.

Road User Charging Adjudicators (RUCA) Fees

25. The estimated volume of RUCA appeals for 2017/18, based volumes in the first half of 2016/17, is 6,348, a slight increase on the figure of 6,167 for the current year. The actual number of RUCA Appeals dealt with in 2015/16, including Statutory Declarations, was 5,967.
26. The budget for RUCA adjudicators' fees has, therefore, been increased by £51,000 from £198,000 to £249,000 for 2016/17 to reflect current costs, and then inflated by £3,000 to £252,000 to reflect the pay award. The Committee will be fully reimbursed at cost by the GLA/TfL for the hearing of RUCA appeals under the new contract arrangements.

Appeals Unit Charges 2017/18

27. The estimated overall cost for hearing appeals for 2017/18 is laid out in Table 2 below:

Table 2 – Proposed Unit Cost for Appeals 2017/18

	ETA	RUCA	Total
Estimated Appeal Nos.	40,586	6,348	46,934
Average Case per hour	2.7	1.54	2.45
Adjudicator Hours	15,032	4,122	19,154
Expenditure	£	£	£
Adjudicators Fees	920,100	252,312	1,172,412
Northgate Variable Cost	274,582	60,806	335,388
Postage/Admin	-	-	-
Total	1,194,682	313,118	1,507,800
Income			
Hearing Fees	1,194,682	313,118	1,507,800
Average Indicative Unit Cost of Appeal	29.44	49.33	32.13

28. For ETA appeals, based on an estimated 40,586 appeals and a projected throughput rate of 2.7 cases being heard per hour during 2017/18, it is proposed that the indicative hard copy unit ETA appeal cost for 2017/18 is £32.00, a reduction of £1.32 or 3.97% on the charge of £33.32 for 2016/17. For appeals where electronic evidence is provided by an enforcing authority, it is proposed that the unit cost will reduce by £1.40 to £28.50. The lower charge to boroughs recognises the reduced charge from Northgate for processing electronic appeals, demonstrating that there remains a clear financial incentive for boroughs to move towards submitting electronic evidence under the current contract arrangements. As for 2016/17, boroughs will pay a differential charge for the processing of ETA statutory declarations. For hard copy statutory declarations, the proposed unit charge will be £26.74 compared to the charge of £28.17 for the current year, which represents a reduction of £1.43, or 5.06%. For electronic statutory declarations, the proposed unit charge will be £26.06, a reduction of £1.43, or 5.21% on the electronic appeal unit charge for the current year. The Committee is asked to approve these appeal charges to users for 2017/18.
29. London Councils is contracted to provide the RUCA appeals service up until January 2022 after recently being awarded the new contract to provide the

service from 1 January 2017. Under the new contract arrangements, there will be a continuation of the current agreement for TfL/GLA to reimburse London Councils on an actual cost-recovery basis for the variable cost of these transactions, rather than on a unit cost basis. Continuation of this agreement will ensure that a breakeven position continues in respect of these transactions, so the estimated cost of £313,118 for hearing an estimated 6,348 RUCAs will be fully recovered. The fixed cost element of the new contract is £453,611, a reduction of £18,293 of the recharge of £471,904 for 2016/17; although London Councils has the right to further review this sum if operational circumstances change.

Parking Managed Services – Other Variable Charges to Users

30. These variable charges form part of the parking managed service contract provided by Northgate, the volumes of which the Committee has no control. The individual boroughs are responsible for using such facilities and the volumes should not, therefore, be viewed as service growth. The volumes are based on those currently being processed by the contractor and are recharged to the boroughs and TfL as part of the unit cost charge. Current trends during the first half of 2016/17 suggest that the TRACE electronic and fax transactions are reducing, but that TEC volumes are increasing over 2016/17. The estimated effect on expenditure trends are illustrated in Table 3 below:

Table 3 – Estimated expenditure on variable parking services 2017/18 and 2016/17

2017/18	Estimated Volumes (Nos)	Contractor Charge (£)	Expenditure Budget (£)
TRACE (Electronic)	33,804	1.698/1.732	58,269
TRACE (Fax Transaction)	10,614	3.739/3.814	40,301
TEC	926,540	0.09/0.92	84,790
Total			183,359
2016/17	Estimated Volumes (Nos)	Contractor Charge (£)	Expenditure Budget (£)
TRACE (Electronic)	46,100	1.69/1.698	77,909
TRACE (Fax Transaction)	16,516	3.72/3.739	61,440
TEC	599,204	0.09	53,928
Total			193,277

31. The estimated reduction in expenditure between 2016/17 and 2017/18, based on the current projected transaction volumes for 2017/18, is £9,917.
32. The corresponding estimated effect on income trends are illustrated in Table 4 below:

Table 4 – Estimated income accruing from variable parking services 2017/18 and 2016/17

2017/18	Estimated Volumes (Nos)	Proposed Unit Charge (£)	Income Budget (£)
TRACE (Electronic)	33,804	7.31	247,107
TRACE (Fax Transaction)	10,614	7.48	79,393
TEC	926,540	0.17	157,512
Total			484,012
2016/17	Estimated Volumes (Nos)	Actual Unit Charge (£)	Income Budget (£)
TRACE (Electronic)	46,100	7.31	336,991
TRACE (Fax Transaction)	16,516	7.48	123,540
TEC	599,204	0.17	101,865
Total			562,396

33. The corresponding estimated effect on income, between 2016/17 and 2017/18, , based on the current projected transaction volumes for 2017/18 is a reduction of £78,384, leading to a net overall reduction in budgeted income of £68,466. The charging structure historically approved by TEC for the provision of the variable parking services (excluding appeals) includes a profit element in each of the charges made to boroughs and other users for these services. However, it is proposed to maintain the three charges to boroughs at the same level for the current year.
34. The Committee is, therefore, asked to approve the following non-appeal charges to users for 2017/18:
- The TRACE (Electronic) charge of £7.31 per transaction, the same charge as for the current year;
 - The TRACE (Fax) charge of £7.48 per transaction, the same charge as for the current year; and
 - The TEC charge of £0.17 per transaction, the same charge as for the current year.

Parking Enforcement Service Charge

35. The majority of this charge is made up of the fixed cost element of the parking managed service contract provided by Northgate and the provision of accommodation and administrative support to the appeals hearing centre. The calculation for 2017/18 reflects the likely significant increase in the level of Business Rates payable at the hearing centre at Chancery Exchange following the recent announcement by the Valuation Office Agency of a review of rateable values. The total fixed cost is allocated to users in accordance with the number of PCNs issued, which for 2017/18 will be those issued by enforcing authorities during 2015/16, which is detailed in Appendix D. For 2017/18, expenditure of £2.769 million needs to be recouped, compared to £2.694 million for 2016/17, which is detailed in Table 5 below:

Table 5 – Breakdown of Parking Enforcement Charge 2017/18

	2017/18 (£000)	2016/17 (£000)
Fixed Contract Costs	1,079	1,064
Hearing Centre Premises Costs	644	620
Direct Staffing Costs	500	542
General Office Expenditure	191	190
Central Recharges	355	278
Total	2,769	2,694

36. After top-slicing this amount for the revised fixed contract sum of £454,000 attributable to congestion charging and LEZ offences rechargeable to the GLA (refer paragraph 29), a total of £2.315 million remains to be apportioned through the 4.713 million PCN's issued by boroughs and TfL in 2015/16 in respect of parking, bus lane, moving traffic and lorry ban enforcement, compared to 4.746 million issued in 2014/15. The 33,000 decrease in the number of PCNs issued over the two comparative years decreases the spreading base, which together with an increase in total costs leads to an increase in the actual unit charge to boroughs and TfL of £0.0234, or 5%, from £0.4681 to £0.4915 per PCN for 2017/18, which the Committee is asked to approve. In addition, under the terms of the new contract with Northgate, there is a separate fixed cost identified in respect of the use of the TRACE and TEC systems. For 2016/17, this sum was £88,000 and is estimated to increase to £89,000 in 2017/18. This sum will be apportioned to boroughs in accordance with volumes of transaction generated on each system.

Parking Core Administration Charge

37. The core subscription covers a proportion of the cost of the central management and policy work of the Committee and its related staff, accommodation, contract monitoring and other general expenses. It is charged to boroughs and TfL at a uniform rate, which for 2016/17 was £1,500 per borough. As there is limited scope for additional savings or efficiencies to be identified from within the £51,000 this levy raises for the Committee, it is recommended that this charge be held at the current level of £1,500 per borough and TfL for 2017/18.
38. Estimated individual borough costs for 2017/18, covering the proposed charges highlighted in paragraphs 16-37 above, are detailed in Appendix C.1 and can be compared against the estimated charges for the current year at Appendix C.2, forecast at the budget setting stage for the current year 12 months ago. Indicative overall estimated savings of £298,000 in 2017/18 to boroughs and TfL arising from the proposed charges, together with the projected reduction in transaction volumes, are projected, assuming that the detailed proposed charges for 2017/18 are approved by this Committee.

Registration of Debt – Northampton County Court

39. Expenditure in respect of the registration of debt related to parking penalties is directly recouped from the registering borough, so the transactions have a neutral effect on the financial position of the Committee. The Court Service recently increased the £7 unit fee to £8 from 25 July 2016, so no further increases are envisaged during 2017/18. Volumes generated by users registered parking debt is not expected to exceed £3 million for the current year, so it is, therefore,

proposed to maintain both the income and expenditure budgets for 2017/18 at £3 million.

Contractual Commitments

40. **Staffing Costs** -The proposed staffing budget for TEC for 2017/18 is illustrated in Table 6 below:

Table 6– TEC Indicative Staffing Budget 2017/18	£000
2016/17 Revised Budget	2,087
1% pay award 2016/17	21
Incremental salary drift	(50)
2017/18 Base Budget	2,058
Split between:	
Services – Parking and Traffic	93
Services – ETA	332
Services - RUCA	168
Services – Transport and Mobility	754
PAPA - Policy	355
PAPA - Communications	227
Chief Executive – Committee Servicing	48
Chief Executive – DP/FOI work	81
2017/18 Base Budget	2,058

41. In line with other London Councils funding streams, the vacancy level for 2017/18 remains at 2%. The salary figures include an estimated 1% cost of living increase on all salary costs and the figures include a reduction to cover incremental salary drift of £50,000. In addition to the salaries figure of £2.058 million shown in Table 6, the £18,987 budgetary provision for member's allowances has been maintained at the 2016/17 level, as has the provision for maternity cover of £30,000.

42. **Accommodation Costs – Chancery Exchange** – The new appeals hearing centre at Chancery Exchange, EC4 has been operational since July 2015. The budget for 2017/18 of £528,902 includes the full year cost of the leasehold agreement plus other premises running costs. In addition, a budget for depreciation in respect of the refurbishment costs of Chancery Exchange of £101,068 is required, along with the continuation of a provision for potential dilapidation and reinstatement costs payable at the end of the Chancery Exchange lease of £14,126 per annum. These premises costs are fully recovered as part of the Parking Enforcement service charge (refer paragraphs 35-36).

43. **Accommodation Costs - Southwark Street** – These are included as part of central recharges cost and covers the 17.13 desks at Southwark Street that are used by staff who are directly chargeable to the TEC funding stream. Use of this accommodation will attract a per capita desk space charge of £8,750 for 2017/18, equating to £164,663. In addition, ancillary premises costs such as cleaning, security and maintenance contracts, plus accumulated depreciation, again apportioned on a per capita basis, come to £71,480. The recharges in respect of the Southwark Street accommodation forms part of the administration charge for

the direct services– for the freedom pass, taxicard, health emergency badge and the London lorry control scheme, as detailed in paragraphs 6-21 of this report.

Discretionary Expenditure

44. **Research Budget** – It is recommended that the budget of £40,000 for 2017/18 is maintained at the current year's level.

45. **General/Office Costs** - The budgetary provision of £585,000 for 2017/18 is broken down in Table 7 below:

Table 7 – TEC General/Office costs budget 2017/18	£000
2015/16 Revised Budget	726
Volume changes on appeals numbers – postage/stationery	(108)
Less reduction in IT system development costs	(50)
Revised SLA/general office costs	17
2016/17 Base Budget	585
Split between:	
System Developments	100
General/Office Costs – postage, telephones, copiers, etc.	279
Appeals administration – postage/stationery	-
Appeals related legal costs	26
Staff Training/Recruitment Advertising	28
Staff Travel	4
External audit fees*	26
City of London finance, legal, HR and IT SLA*	122
2015/16 Base Budget	585

*forms part of central recharge costs

46. The reduction of £141,000 primarily relates to appeals administration costs (£108,000), as the contractor now bears the administrative cost of processing an appeal. There is also a reduction in the IT systems development budget of £50,000 for 2017/18 from £150,000 to £100,000 to cover reduced anticipated system development works on the new IT system at Chancery Exchange. These savings are offset by minor revisions to the charge for central service provided through SLAs with the City of London (£17,000).

47. No inflation has been allowed for 2017/18 on general running costs, except where there are contractual commitments. This factor has been applied to all London Councils budgets.

Central Recharges

48. Southwark Street accommodation costs (paragraph 43), the Parking Enforcement Charge (paragraph 35) and general office costs (paragraph 45) all contain significant element of central recharge costs, which are apportioned to all London Councils functions in accordance with a financial model that is subject to annual scrutiny by the external auditors. The premises costs of the hearing centre are split between the ETA and RUCA functions, as detailed in paragraphs 35-36. Of the total central costs apportioned to TEC in 2017/18 (excluding LEPT) of £817,000, a sum of £735,000 feeds into the recharges for the direct services administration charges based at Southwark Street and for the ETA and RUCA services at the appeals hearing centre. The residual £82,000 relates the TEC

policy and administrative function based at Southwark Street. In addition, as detailed in paragraph 35, a further sum of £644,000 relates the premises costs at Chancery Exchange.

49. As detailed in paragraph 52 below, it is proposed that this Committee recommend that the main Committee approved the transfer of a sum of £238,000 from uncommitted general reserves to smooth the effect of the underlying increase to direct service costs.

Other Income

- 50. Miscellaneous Income** – It is estimated that income of £84,000 will continue to accrue from two main sources in 2017/18. Firstly, £43,000 is expected to accrue for the administration of the Health Emergency badge (HEB) in the form of registration fees and charges for badges to Doctors Surgeries. This will enable this service to be provided at no cost to boroughs. Secondly, £41,000 is expected to accrue from London Transport for secretarial services provided by the Committee during the freedom pass negotiations.

Committee Reserves

51. Table 8 below updates the Committee on the revised projected level of reserves as at 1 April 2017, if all current known liabilities and commitments are considered and the proposals outlined in this report are agreed by this Committee:

Table 8– Analysis of Estimated Uncommitted Reserves as at 1 April 2017

	General Reserve	Specific Reserve	Total
	£000	£000	£000
Audited reserves at 31 March 2016	3,269	1,000	4,269
Proposed one-off repayment to boroughs and TfL in 2016/17	(340)	-	(340)
Proposed use in setting 2016/17 budget	(303)	-	(303)
Projected Budget Surplus 2016/17	767	-	767
Projected uncommitted reserves as at 31 March 2017	3,393	1,000	4,393
Proposed one-off repayment to boroughs and TfL in 2017/18	(340)	-	(340)
Proposed use in setting 2017/18 budget	(288)	-	(288)
Estimated uncommitted reserves as at 1 April 2017	2,765	1,000	3,765

52. The projected level of uncommitted general reserves as at 1 April 2017 assumes that the draft proposal made in this report to return of a further sum of £340,000 to boroughs and TfL in 2017/18 is agreed by this Committee. In addition, it is proposed that a further sum of £238,000 be transferred from general reserves to continue to smooth the effect of the underlying increase in direct service charges and also a reduced sum of £50,000 to enhance the IT systems development budget for 2017/18 only as a contingency for any further expenditure on developing the new parking managed services IT system at Chancery Exchange.
53. In addition, the position also reflect the transfer of £1 million from general reserves to the specific reserve to meet the cost of the next bulk freedom pass renewal exercise in 2020, as agreed by the full TEC meeting in October 2015.

For comparative purposes, the final cost of the 2015 bulk freedom pass renewal exercise was £2.61 million.

54. After taking into account the forecast surplus of £767,000 for the current year, uncommitted general reserves are forecast to be £2.765 as at 1 April 2017. This equates to 23.6% of proposed operating and trading expenditure of £11.705 million in 2017/18. This figure, therefore, significantly exceeds the Committee's formal policy on reserves, agreed in December 2015 that reserves should equate to between 10-15% of annual operating and trading expenditure. Options, therefore, exist for this Committee to agree to, for instance :

- To transfer a further sum to the specific reserve in 2017/18 to continue to accumulate funds to meet the cost of the 2020 Freedom Pass issue. Transferring a sum of £800,000 to the specific reserve would increase it to £1.8 million, which equates to 69% of the total cost of the 2015 reissue exercise; and
- To establish a new provision for potential costs arising from future work streams – such as the Ultra-Low Emission Vehicles project, where a initial provision of £200,000 could be established.

55. If both these options were approved by this Committee, it would reduce uncommitted general reserves to £1.765 million, which equates to 15.1% of proposed operating and trading expenditure of £11.705 million for 2017/18 – nearer to the upper reserves benchmark threshold of 15%.

Summary

56. This report details the proposed revenue budget and the proposed indicative borough subscription and charges for 2017/18 for final approval by this Committee. The proposed level of expenditure for 2017/18 amounts to £369.075 million. A sum of £357.03 million relates to direct expenditure on the transport operators providing the Freedom Pass and the Taxicard schemes. After excluding the £340,000 in respect of the proposed one-off payment to boroughs in 2016/17, this leaves £11.705 million relating to expenditure on parking and traffic related traded service and other operating expenditure. This compares to a comparable sum of £11.923 million for the current year, a reduction of £218,000, or 1.8%.

Recommendations

57. The Committee is asked to approve:

- The changes in individual levies and charges for 2017/18 as follows:
 - The Parking Core Administration Charge of £1,500 per borough and for TfL (2016/17 - £1,500; paragraph 37);
 - The total Parking Enforcement Service Charge of £0.4915 which will be distributed to boroughs and TfL in accordance with PCNs issued in 2015/16 (2015/16 - £0.4681 per PCN; paragraphs 35-36);
 - No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2016/17 – nil charge; paragraph 16);

- The Taxicard Administration Charge to boroughs of £338,182 in total (2016/17 - £338,182; paragraphs 17-19).
- No charge to boroughs in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2016/17 – nil charge; paragraphs 20-21);
- The Parking and Traffic Appeals Charge of £32.00 per appeal or £28.50 per appeal where electronic evidence is provided by the enforcing authority (2016/17 - £33.32/£29.90 per appeal). For hearing Statutory Declarations, a charge of £26.74 for hard copy submissions and £26.06 for electronic submissions (2016/17 - £28.17/£27.49 per SD) (paragraph 28);
- Congestion Charging Appeals – to be recovered on a full cost recovery basis, under the new contract arrangement with the GLA (paragraph 29);
- The TRACE (Electronic) Charge of £7.31 per transaction (2016/17 - £7.31; paragraphs 30-34);
- The TRACE (Fax) Charge of £7.48 per transaction (2016/17 - £7.48; paragraphs 30-34); and
- The TEC Charge of £0.17 per transaction (2016/17 - £0.17; paragraphs 30-34);
- The provisional gross revenue expenditure of £369.075 million for 2017/18, as detailed in Appendix A;
- On the basis of the agreement of the above proposed charges, the provisional gross revenue income budget of £368.447 million for 2017/18, with a recommended transfer of £628,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B; and
- From proposed reserves of £628,000, 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 repayment, as per paragraph 52.

58. The Committee is also asked to note:

- the reduction of £9.407 million or 2.64% in the Freedom Pass settlement for 2017/18; the first time an annual budget reduction has been delivered;
- the current position on reserves, as set out in paragraphs 51-55 and Table 9 of this report and agree on the preferred option(s) for reducing uncommitted reserves towards the agreed benchmark level of between 10%-15% of operating and trading expenditure, as specifically highlighted in paragraphs 55-55; and
- the estimated total charges to individual boroughs for 2017/18, as set out in Appendix C.1.

Financial Implications for London Councils

None, other than those detailed in the report

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Appendices

Appendix A – Proposed revenue expenditure budget 2017/18;

Appendix B – Proposed revenue income budget 2017/18;

Appendix C.1 – Indicative charges to boroughs 2017/18;

Appendix C.2 – Indicative charges to boroughs 2016/17;

Appendix D – Parking Enforcement statistics 2015/16.

Background Papers

TEC Budget Working Papers 2016/17 and 2017/18;

TEC Final Accounts Working Papers 2015/16;

TEC Revenue Budget Forecast Working Papers 2016/17; and

London Councils Consolidated Budget Working Papers 2016/17 and 2017/18.

Provisional TEC Expenditure Base Budget 2017/18

Appendix A

	Revised 2016/17 £000	Develop- ments £000	Base 2017/18 £000	Inflation £000	Estimate 2017/18 £000
Payments in respect of Concessionary Fares					
TfL	333,940	-9,759	324,181	0	324,181
ATOC	18,520	0	18,520	352	18,872
Other Bus Operators	1,700	0	1,700	0	1,700
Freedom Pass issue costs	1,518	0	1,518	0	1,518
Freedom Pass Administration	387	95	482	2	484
City Fleet Taxicard contract	12,082	0	12,082	195	12,277
Taxicard Administration	529	-5	524	3	527
	368,676	-9,669	359,007	552	359,559
Grant Payments to Voluntary Organisations	0	0	0		0
TEC Trading Account Expenditure					
Payments to Adjudicators	1,361	-200	1,161	12	1,173
Northgate variable contract costs	584	-74	510	8	518
Payments to Northampton County Court	3,000	0	3,000	0	3,000
Lorry Control Administration	674	-3	671	2	673
ETA/RUCA Administration	2,824	-60	2,764	5	2,769
HEB Administration	33	9	42	1	43
	8,476	-328	8,148	27	8,175
Sub-Total	377,152	-9,997	367,155	580	367,735
Operating Expenditure					
Contractual Commitments					
NG Fixed Costs	88	0	88	1	89
	88	0	88	1	89
Salary Commitments					
Non-operational staffing costs	603	17	620	6	626
Members	19	0	19	0	19
Maternity/Paternity Provision	30	0	30	0	30
	652	17	669	6	675
Discretionary Expenditure					
Supplies and services	160	-46	114	0	114
Research	40	0	40	0	40
One off payment to boroughs	340	0	340	0	340
	540	-46	494	0	494
Total Operating Expenditure	1,280	-29	1,251	7	1,258
Central Recharges	74	8	82	0	82
Total Expenditure	378,506	-10,018	368,488	587	369,075

	Revised 2016/17 £000	Develop- ments £000	Base 2017/18 £000	Inflation £000	Estimate 2017/18 £000
Borough contributions to TfL	333,940	-9,759	324,181	0	324,181
Borough contributions to ATOC	18,520	0	18,520	352	18,872
Borough contributions to other bus operators	1,700	0	1,700	0	1,700
Borough contributions to surveys/reissue costs	1,518	0	1,518	0	1,518
Borough contributions to freedom pass administration	0	0	0	0	0
Income from replacing lost/faulty freedom passes	550	50	600	0	600
Income from replacing lost/faulty taxicards	36	-12	24	0	24
Borough contributions to Comcab	2,314	0	2,314	0	2,314
TfL contribution to Taxicard scheme	9,768	0	9,768	195	9,963
Borough contributions to taxicard administration	326	0	326	0	326
TfL Contribution to taxicard administration	118	0	118	0	118
	368,790	-9,721	359,069	547	359,616
TEC trading account income					
Borough contributions to Lorry ban administration	0	0	0	0	0
Lorry ban PCNs	750	50	800	0	800
Borough parking appeal charges	1,543	-586	957	0	957
TfL parking appeal charges	89	149	238	0	238
RUCA appeals income	254	59	313	0	313
Borough fixed parking costs	2,011	179	2,190	0	2,190
TfL fixed parking costs	211	3	214	0	214
RUCA fixed parking costs	472	-18	454	0	454
Borough other parking services	562	-78	484	0	484
Northampton County Court Recharges	3,000	0	3,000	0	3,000
	8,892	-242	8,650	0	8,650
Sub-Total	377,682	-9,963	367,719	547	368,266
Core borough subscriptions					
Joint Committee	46	0	46	0	46
TEC (inc TfL)	51	0	51	0	51
	97	0	97	0	97
Other Income					
TfL secretariat recharge	41	0	41	0	41
Sales of Health Emergency badges	43	0	43	0	43
	84	0	84	0	84
Transfer from Reserves	643	-15	628	0	628
Central Recharges	0	0	0	0	0
Total Income Base Budget	378,506	-9,978	368,528	547	369,075

Indicative Charges to Boroughs 2017/2018

Appendix C.1

BOROUGH	Core Parking (£)	Fixed Parking (£)	Con.Fares Admin. (£)	Taxicard Admin. (£)	Lorry Ban Admin. (£)	Parking Appeals (£)	TRACE Electronic (£)	TRACE FAX (£)	TEC (£)	Total Estimate 2017/18 (£)	Total Estimate 2016/17 (£)	Estimated Movement (£)
Barking & Dagenham	1,500	50,479	0	7,703	0	30,540	0	0	0	90,221	91,978	-1,756
Barnet	1,500	72,762	0	13,975	0	85,222	0	0	5,236	178,695	146,017	32,678
Bexley	1,500	23,812	0	5,046	0	12,941	0	0	0	43,299	57,599	-14,300
Brent	1,500	89,697	0	13,797	0	43,448	0	19,451	0	167,892	176,730	-8,838
Bromley	1,500	42,044	0	5,806	0	17,446	0	19	0	66,816	81,039	-14,223
Camden	1,500	117,151	0	13,011	0	67,237	13,384	6,341	7,394	226,019	252,188	-26,169
Croydon	1,500	53,176	0	12,146	0	42,288	488	0	5,646	115,244	139,466	-24,221
Ealing	1,500	84,462	0	13,362	0	38,066	17	524	7,244	145,175	158,875	-13,700
Enfield	1,500	47,562	0	4,768	0	10,666	6,326	3,665	5,931	80,419	87,735	-7,316
Greenwich	1,500	14,979	0	11,764	0	13,790	0	582	2,418	45,032	42,499	2,533
Hackney	1,500	55,921	0	14,284	0	31,888	24,120	931	4,210	132,854	165,657	-32,803
Hammersmith & Fulham	1,500	123,587	0	9,448	0	44,709	23,580	1,377	5,467	209,667	252,500	-42,833
Haringey	1,500	94,955	0	10,952	0	25,468	17,602	4,577	10,910	165,963	212,640	-46,677
Harrow	1,500	77,918	0	14,138	0	52,375	0	0	6,670	152,601	121,065	31,536
Havering	1,500	24,550	0	13,902	0	9,745	0	0	0	49,697	53,864	-4,167
Hillingdon	1,500	38,320	0	4,611	0	5,822	0	0	2,188	52,441	51,359	1,083
Hounslow	1,500	51,797	0	9,600	0	19,390	0	9,677	4,368	96,332	139,366	-43,034
Islington	1,500	117,044	0	13,121	0	15,185	8,313	97	10,255	165,515	157,564	7,951
Kensington & Chelsea	1,500	99,166	0	10,202	0	27,825	36,040	3,161	6,874	184,768	218,363	-33,595
Kingston	1,500	53,925	0	9,647	0	14,412	0	19	4,339	83,843	87,668	-3,825
Lambeth	1,500	100,910	0	10,391	0	36,103	17	7,039	26,695	182,656	196,770	-14,114
Lewisham	1,500	28,047	0	8,992	0	7,182	0	0	1,255	46,975	66,227	-19,252
Merton	1,500	41,314	0	10,333	0	28,113	0	19	0	81,279	94,752	-13,472
Newham	1,500	69,257	0	13,304	0	63,885	58,627	795	8,704	216,072	281,311	-65,239
Redbridge	1,500	49,156	0	15,013	0	43,288	0	0	7,310	116,268	145,256	-28,988
Richmond	1,500	33,912	0	9,820	0	11,789	0	465	1,487	58,973	55,693	3,280
Southwark	1,500	53,429	0	15,070	0	21,482	174	14,932	7,107	113,695	146,736	-33,041
Sutton	1,500	11,349	0	7,037	0	2,949	0	0	813	23,649	27,384	-3,735
Tower Hamlets	1,500	51,058	0	8,829	0	25,074	23,039	58	0	109,560	204,140	-94,581
Waltham Forest	1,500	75,614	0	8,106	0	52,363	24,381	2,094	0	164,059	142,015	22,044
Wandsworth	1,500	75,795	0	9,872	0	16,569	8,871	175	4,822	117,603	139,358	-21,755
City of Westminster	1,500	127,963	0	9,883	0	29,415	2,126	2,948	10,169	184,005	250,764	-66,759
City of London	1,500	47,717	0	629	0	7,884	0	446	0	58,176	48,372	9,804
	49,500	2,098,829	0	338,562	0	954,562	247,107	79,393	157,512	3,925,465	4,492,950	-567,485
Transport for London - Street Management	1,500	215,069	0	0	0	237,822	0	0	0	454,391	301,972	152,419
Transport for London - Congestion Charging	0	453,611	0	0	0	313,118	0	0	0	766,729	651,477	115,252
Lorry Control	0	2,454	0	0	0	2,313	0	0	0	4,767	4,193	574
TEC/TRACE fixed costs	0	0	0	0	0	0	0	0	0	89,000	88,000	1,000
Registration of Debt	0	0	0	0	0	0	0	0	0	3,000,000	3,000,000	0
Transfer from Reserves	0	0	0	0	0	0	0	0	0	0	0	0
Grand Total	51,000	2,769,964	0	338,562	0	1,507,816	247,107	79,393	157,512	8,240,353	8,538,592	-298,240

Indicative Charges to Boroughs 2016/2017

Appendix C.2

BOROUGH	Core Parking (£)	Fixed Parking (£)	Con.Fares Admin. (£)	Taxicard Admin. (£)	Lorry Ban Admin. (£)	Parking Appeals (£)	TRACE Electronic (£)	TRACE FAX (£)	TEC (£)	Total Estimate 2016/17 (£)
Barking & Dagenham	1,500	44,479	0	7,715	0	38,284	0	0	0	91,978
Barnet	1,500	71,787	0	11,936	0	55,658	0	0	5,137	146,017
Bexley	1,500	22,291	0	5,115	0	28,693	0	0	0	57,599
Brent	1,500	76,115	0	13,433	0	62,182	17,229	6,271	0	176,730
Bromley	1,500	42,095	0	5,763	0	31,681	0	0	0	81,039
Camden	1,500	123,061	0	15,464	0	75,704	24,049	4,867	7,543	252,188
Croydon	1,500	53,607	0	12,365	0	37,341	24,020	5,803	4,830	139,466
Ealing	1,500	76,539	0	13,543	0	59,510	60	187	7,537	158,875
Enfield	1,500	46,515	0	4,576	0	23,269	8,166	749	2,961	87,735
Greenwich	1,500	13,678	0	11,702	0	12,892	120	374	2,233	42,499
Hackney	1,500	43,479	0	14,057	0	73,738	26,682	374	5,826	165,657
Hammersmith & Fulham	1,500	122,826	0	9,251	0	84,823	24,648	9,453	0	252,500
Haringey	1,500	96,702	0	10,928	0	73,267	18,306	4,867	7,070	212,640
Harrow	1,500	60,543	0	13,977	0	40,564	0	0	4,481	121,065
Havering	1,500	18,214	0	13,947	0	20,203	0	0	0	53,864
Hillingdon	1,500	32,883	0	4,775	0	10,455	0	0	1,745	51,359
Hounslow	1,500	60,876	0	9,895	0	37,891	9,333	16,098	3,773	139,366
Islington	1,500	98,161	0	12,864	0	25,549	9,153	4,118	6,220	157,564
Kensington & Chelsea	1,500	91,126	0	10,289	0	47,718	48,637	19,092	0	218,363
Kingston	1,500	48,701	0	9,022	0	26,414	0	0	2,031	87,668
Lambeth	1,500	93,730	0	9,461	0	60,925	6,491	20,122	4,542	196,770
Lewisham	1,500	28,136	0	9,341	0	25,156	0	0	2,094	66,227
Merton	1,500	42,215	0	10,394	0	40,643	0	0	0	94,752
Newham	1,500	78,366	0	13,258	0	126,016	51,120	936	10,115	281,311
Redbridge	1,500	55,060	0	15,639	0	69,336	0	0	3,721	145,256
Richmond	1,500	33,024	0	9,152	0	9,827	209	655	1,326	55,693
Southwark	1,500	48,948	0	15,080	0	60,925	5,085	10,950	4,249	146,736
Sutton	1,500	13,782	0	6,891	0	4,560	0	0	652	27,384
Tower Hamlets	1,500	66,283	0	8,653	0	106,048	21,656	0	0	204,140
Waltham Forest	1,500	57,349	0	8,328	0	48,897	22,494	281	3,166	142,015
Wandsworth	1,500	78,474	0	10,195	0	27,436	11,636	1,591	8,526	139,358
City of Westminster	1,500	142,572	0	10,599	0	71,930	7,598	16,566	0	250,764
City of London	1,500	26,512	0	614	0	19,260	299	187	0	48,372
	49,500	2,008,127	0	338,222	0	1,536,792	336,991	123,540	99,778	4,492,950
Transport for London - Street Management	1,500	211,036	0	0	0	89,436	0	0	0	301,972
Transport for London - Congestion Charging	0	471,904	0	0	0	179,573	0	0	0	651,477
Lorry Control	0	2,542	0	0	0	1,651	0	0	0	4,193
TEC/TRACE fixed costs	0	0	0	0	0	0	0	0	0	88,000
Registration of Debt	0	0	0	0	0	0	0	0	0	3,000,000
Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
Grand Total	51,000	2,693,609	0	338,222	0	1,807,452	336,991	123,540	99,778	8,538,592

Parking Enforcement Fixed Costs 2017/18
(based on PCNs issued for 2015/16)

Appendix D

Enforcing Authority	Total PCNs	Parking Fixed Costs
		0.4915
Barking & Dagenham	102,704	50,479.02
Barnet	148,041	72,762.15
Bexley	48,447	23,811.70
Brent	182,496	89,696.78
Bromley	85,543	42,044.38
Camden	238,354	117,150.99
City of London	97,084	47,716.79
Croydon	108,191	53,175.88
Ealing	171,846	84,462.31
Enfield	96,769	47,561.96
Greenwich	30,476	14,978.95
Hackney	113,777	55,921.40
Hammersmith & Fulham	251,449	123,587.18
Haringey	193,194	94,954.85
Harrow	158,532	77,918.48
Havering	49,949	24,549.93
Hillingdon	77,966	38,320.29
Hounslow	105,385	51,796.73
Islington	238,137	117,044.34
Kensington & Chelsea	201,761	99,165.53
Kingston	109,715	53,924.92
Lambeth	205,310	100,909.87
Lewisham	57,064	28,046.96
Merton	84,056	41,313.52
Newham	140,909	69,256.77
Redbridge	100,013	49,156.39
Richmond	68,996	33,911.53
Southwark	108,707	53,429.49
Sutton	23,091	11,349.23
Tower Hamlets	103,883	51,058.49
Waltham Forest	153,843	75,613.83
Wandsworth	154,212	75,795.20
Westminster	260,353	127,963.50
Transport for London Street Management	437,577	215,069.10
London Councils London Lorry Control Scheme	4,993	2,454.06
Total	4,712,823	2,316,353

London Councils' Transport & Environment Committee

Concessionary Fares 2017/18 Settlement and Apportionment

Item 05
no:

Report by: Spencer Palmer **Job title:** Director, Transport & Mobility
Date: 8 December 2016
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Summary

This report informs the Committee of the outcome of negotiations with transport operators (Transport for London (TfL), the Association of Train Operating Companies (ATOC) and independent bus operators) regarding compensation for carrying concessionary passengers in 2017/18. It also seeks members' approval to the proposed settlement and apportionment.

Recommendations

The Committee is recommended to:

1. Agree the TfL settlement of £324.181million for 2017/18.
2. Agree to the ATOC settlement of £18.872 million for 2017/18
3. Agree a budget for non-TfL bus services of £1.7 million.
4. Agree the reissue budget for 2017/18 of £1.518 million
5. Agree the borough payments for 2017/18 of £346.271 million
6. Agree the payment profile and dates on which boroughs' contributions are paid as 8 June 2017, 7 September 2017, 7 December 2017 and 8 March 2018.
7. Agree the 2017-2018 London Service Permit (LSP) bus operators (non-TfL buses) Concessionary Scheme.

Background

1. The Freedom Pass scheme is the best concessionary fares scheme in the country, in terms of scope, benefits offered and quality of transport provided. The Freedom Pass gives free travel concessions 24 hours a day to eligible older and disabled residents

on Transport for London (TfL) services and after 9.30am on National Rail and independently operated bus services in Greater London.

2. Freedom Pass is largely funded by boroughs with grant support from Government. TfL fund the concession for older people in the weekday morning peak on TfL services (between 04:30 and 09:00). This accounts for around 5% of the cost of the concession overall. TfL also fund the 60+ Pass which is available to people who have reached 60 but have not reached the Government set eligible age for Freedom Pass which is gradually increasing in line with the women's state retirement age.

Negotiations with Transport Operators

3. Each year, negotiations take place between London Councils Transport and Environment Committee (on behalf of boroughs) and TfL for buses, tubes, DLR, Tramlink, London Overground and TfL Rail to determine the cost of the scheme on the basis that both parties are neither better nor worse off. This is based on:
 - The revenue foregone by the operators i.e. the revenue which if the concessionary fares scheme did not exist would be collected from Freedom Pass holders. This excludes fares income from generated travel; and
 - The additional costs to the operator i.e. generated travel by permit holders for which operators receive no fares revenue but do receive the cost of increasing the service to allow for the extra trips made.
4. The resulting settlement is based on:
 - a) The estimated average number of journeys made by Freedom Pass holders over the previous two years. In estimating these journey volumes; Oyster data, passenger surveys and automated passenger count information are used.
 - b) The expected average fare per trip, which is the actual adult fare paid in the absence of the scheme taking into account fare increases and decreases within a 'basket of fares'. This basket of fares is modelled to be an accurate reflection of typical fares paid across TfL ticket types.
5. If the overall cost of the TfL elements of the scheme (regardless of whether there has been a change to any part of the scheme) is not agreed by the 31 December the reserve free scheme described in the GLA Act 1999 comes into effect in relation to TfL services.
6. Negotiations are also carried out with ATOC for the cost of the Freedom Pass usage on national rail services excluding the London Overground and Crossrail network which is managed by TfL.
7. This year, the negotiations with ATOC were relatively straightforward, as London Councils and ATOC have negotiated a further extension of 2016/17 deal, which allows for a year on year increase in line with the July 15 Retail Price Index (RPI).
8. Concessions are also offered on local bus services in Greater London outside the TfL bus network. The statutory entitlement is provided under the Transport Act 2000 as amended by the Concessionary Bus Travel Act 2007. The draft Scheme was published on London Councils' website before the 1st of December 2016 to meet the statutory notice required to the bus operators. Though there is no change proposed to the scheme, the

reimbursement arrangements have to be agreed with bus operators as reimbursement is made in accordance with these arrangements¹.

9. Overall, the 2017/18 settlement represents a £9.407 million (2.64%) reduction compared with 2016/17-see Table 1. Settlement Overview (below). This is the first reduction in the history of the scheme. This is made up by a decrease of 2.92% for TfL, which accounts for nearly 94% of the total cost, an increase of 1.9% for ATOC and no change for LSP and support services and issue costs. A further explanation of each element is provided below.

Table 1. Settlement Overview

Operator	2017/18 (£million)	2016/17 (£million)	2017/18 weight	2016/17 weight	Change
TfL	324.181	333.940	93.62%	93.9%	-2.92%
ATOC	18.872	18.520	5.45%	5.2%	1.9%
LSP	1.7	1.7	0.49%	0.5%	0.0%
Reissue	1.52	1.52	0.44%	0.4%	0.0%
Total	346.271	355.678	100%	100%	-2.64%

Settlement with Transport for London for 2017/18

10. The TfL settlement is £324.181 million, which is a 2.92% decrease on 2016/17. Within the reduction, there are several elements to note. First, 1.27 percentage points (pp) are attributable to an aggregate fall in journey numbers across all modes. Second, 0.74 pp of increase attributed in a change to the commission rate used by TfL. Third, 2.14 pp of decrease due to the introduction of the hopper fare. Fourth, 0.8 pp of increase are due to the travel card element (not covered by the Mayor's fares freeze) of the basket of fares used to calculate average fares.
11. Together, these elements represent a 1.83% reduction on a like for like basis compared with 2016/17 settlement. In addition, officers negotiated a 1.08% (£3.64 million) retrospective adjustment in respect of the 2016/17 settlement to account for the introduction of the new hopper fare in September 2016. These are considered in more detail below.

Journey numbers

12. Within the 1.27% overall reduction attributable to journey numbers there is significant variation across modes, with several having seen decreases, but others having seen increases. The modes that have seen decreases include buses, London Underground, London Overground (factoring out new lines that transferred from ATOC) and Tram Link.
13. Bus usage, which accounts for 71% of the settlement is down by 2.3% and contributes 1.65 pp of the overall reduction. Officers believe that the increase in the age of eligibility (now 63.4 years) and also increased traffic disruption in central London, causing some travellers to transfer from buses to other modes, have both contributed to this trend.

¹ LSPs have the right to challenge this scheme until April 2017.

14. There has also been a 0.1% reduction on underground usage (24% of the total TfL and contributing to -0.02 pp of the reduction). In large part this is due to TfL accounting returning to a 52 week year after last year's settlement included a 53rd week, and actually masks a slight trend towards increased journeys. Officers believe this is linked to some passengers transferring from buses.
15. There have also been reductions in usage on London Overground (-1.2%, representing 1.4% of the total, and contributing -0.09 pp) and Tram Link (-7.1%, representing 1.3% of the total, and contributing -0.02 pp).
16. In addition to reductions in journeys on the modes above, three have seen increases in journey numbers, Docklands Light Railway, Crossrail and Greater Anglia.
17. The Docklands Light Railway (representing 1.4% of the total) has seen journey numbers increase by 7.1% and have dampened reductions by 0.19 pp. As outlined last year, officers believe this is in part due to population shift, but also due to improvements (including increased wheelchair accessibility) to a number of stations.
18. Journey numbers on Crossrail (0.9% of the total) have increased by 18.5% and have reduced the overall reduction by 0.16 pp. This increase is not due to an underlying increase in journey numbers. Instead, it is a result of a gating issue that TfL has rectified. Namely, that disabled Freedom Pass journeys were not being captured last year. During the course of negotiations, TfL agreed not to pursue a retrospective charge for this item.
19. Finally, journey numbers on lines that were previously part of the Greater Anglia network (0.5% of the total) increased by 30.2% with the effect of checking the wider reduction by 0.16 pp. This figure is a result of the same adjustment for disabled passengers described above, increased passenger numbers, but also station improvements (including additional gating), which means that more journeys are captured.
20. It should be noted that because of the variations above and because these modes are unevenly geographically distributed, each borough will see a unique change in their settlement for 2017/18. This is covered in more detail in the paragraphs relating to apportionment (below).

Table 2. TfL Modes

Journeys in million	2017/18	2016/17	% change	Weight of the journey volumes	Weighted change
Bus	290.096	297.028	-2.3%	71%	-1.65%
London Underground	50.641	50.674	-0.1%	24%	-0.02%
DLR	4.414	3.892	13.4%	1.4%	0.19%
London Overground	3.424	3.465	-1.2%	1.4%	-0.02%
Tramlink	4.509	4.855	-7.1%	1.3%	-0.09%
Crossrail	1.822	1.537	18.5%	0.9%	0.16%
Greater Anglia	1.152	0.885	30.2%	0.5%	0.16%
	356.058	362.336	-1.7%	100.0%	-1.27%

TfL Commission Rate

21. The second factor contributing to the final outcome with TfL is a change to the commission rate on buses and London Underground. This actually contributed a small (0.74 pp) increase to the settlement that dampened the overall decrease. The Freedom Pass settlement calculations take account of the commission TfL pays to merchants who sell travel cards and process Oyster Card payments (cost of sales). However, with the introduction, and increasing use, of contactless payment, the amount of commission paid by TfL to merchants is reducing. The effect of this is to increase TfL fares revenue and thereby increase the amount payable by boroughs in respect of the Freedom Pass scheme, which works on the principle of reimbursement for revenue foregone by the travel operators.

The Hopper Fare

22. In September 2016, the new Mayor of London introduced the 'hopper fare', which allows passengers on buses and trams to make a second journey free within an hour of touching in on the first bus or tram. This has benefitted boroughs in two ways.
23. First, it has impacted on the level of revenue TfL would have otherwise enjoyed in the absence of the scheme. In respect of the 2017/18 settlement, this amounts to a 2.14 pp reduction. Second, as the hopper fare was introduced mid-way through September 2016, officers proposed and TfL accepted that a retrospective adjustment should be made to the settlement for 2016/17. This amounted to a reduction of £3.64 million, or 1.04 pp.

Increases to the travel card element of the basket of fares

24. The final element of the TfL settlement to change is the travel card element of the basket of TfL fares used to calculate the average fare figures used for the Freedom Pass settlement. While the Mayor was able to freeze TfL fares for the next four years, the provision of travel cards involves settlement with the rail operating companies, who have not frozen their fares. Consequently, there has been upward movement of 0.8 pp in this element of the average fare calculation for the Freedom Pass scheme. The effect of this is most evident in the final settlement for London Underground (see Table 3 below).

Table 3 TfL Settlement

Mode	Settlement 2017/18 (£m)	Settlement 2016/17 (£m)	% change
Bus	232.275	240.965	-3.6%
London Underground	77.541	76.270	1.7%
DLR	4.532	3.716	21.96%
Tramlink	4.156	4.475	-7.1%
London Overground	4.690	4.746	-1.2%
Crossrail	2.836	2.392	18.5%
Greater Anglia	1.791	1.376	30.2%
Sub-Total	327.821	333.940	-1.9%
Retrospection	-3.640		
Total	324.181	333.940	-2.9%

Settlement with ATOC for 2017/18

25. The settlement in respect of the Association of Train Operating Companies (ATOC) for 2017/18 is £18.872 million. This represents a £0.352 million (1.9%) increase on 2016/17, in line with July 2016 inflation.
26. Members are asked to note that 2016/17 was to be the final year of a two-year fixed deal with ATOC. However, the 2017/18 settlement with ATOC is a result of negotiations with ATOC that have successfully extended the previous agreement by an additional year and are in negotiations with ATOC to extend it by a further year.
27. One of the key components of this deal is an estimate of actual journeys, which at present, is based on a study conducted in 2010 which used survey and usage data to arrive at a negotiated settlement. In future, it is likely to be based on actual usage derived from Oyster clicks and on the elasticity of demand. At this stage it is not possible to accurately estimate the impact of this change. However, it could lead to an increase in costs in respect of ATOC services as outlined in previous papers to this committee.

Settlement with other bus operators for 2017/18

28. Bus companies operating eligible services outside the TfL bus network have to seek reimbursement under an agreed scheme. Since the proposed scheme for 2017/18 remains unchanged in principle from the 2016/17 scheme, the estimated cost proposed in the budget report elsewhere on this Committee's agenda is based on the assumption of no change to the 2016/17 scheme. Under the Transport Act 2000 provisions it is not possible to agree in advance with those bus operators the actual cash sums they will receive.
29. A budget of £1.7 million for payments to non-TfL bus operators for local journeys originating in London is proposed. This is based on a prudent 9.7% estimated increase on the projected spend of £1.55 million in the 2016/17 financial year. The 9.7% increase is made up of 5.0% on fares and a 4.7% increase on journeys.
30. The assumptions regarding fares are based on inflation estimates towards the upper end of Bank of England forecasts and account for potential suppliers input prices e.g. diesel given the recent fall in the value of Sterling.
31. The assumptions regarding journeys are based on the potential for new and existing operators to expand timetables and/or introduce new services, which could lead to increased patronage.
32. As this element of the settlement cannot be cash limited in year, members are recommended to agree the budget of £1.7 million for 2017/18 in order to leave sufficient headroom for the potential changes listed above and for this to be kept under review in the light of the level of actual claims being made by providers.

Administration and re-issue costs

33. The total cost of the administering the freedom pass is estimated to be £483,814 in 2017/18 compared to the subsidised £386,816 in 2016/17. This equates to £14,661 per borough. However, after determining the overall financial position of the Committee through the range of charges proposed and taking account levels of replacement card income, for 2017/18 a nil charge is recommended (to be kept under review annually).
34. This amount covers London Councils' costs in negotiating the annual settlements and managing the relationships with transport operators and contractors. This is billed separately as part of the subscriptions and does not form part of the settlement apportionment.
35. The budget for the survey and pass issuing costs has been adjusted as detailed in Table 2 below:

Table 4 Administration and Re-issue Cost Budget 2017/18

	£m
2016/17 base budget	1.518
Total budget	1.518

36. Any annual surplus arising from both the Freedom Pass administration and issuing costs budget of £1.518 million and replacement freedom passes income budget of £600,000 (net of administration costs) will be transferred to a specific reserve to accumulate funds to offset the cost of the next large-scale pass reissue exercise scheduled for 2020. This process will be reviewed on an annual basis and may result in an annual contribution from reserves at a later stage in order to ensure a sufficient fund is accumulated for the 2020 reissue.

Summary of settlement to be apportioned

37. The 2017/18 Freedom Pass Scheme settled cost to be apportioned is as follows:

Table 5 Settlement to Be Apportioned

	2017/18 (£m)
TfL	324.181
ATOC	18.872
Non TfL Bus	1.700
Administration and Reissue Cost	1.518
Total Cost	346.271

38. The total estimated cost payable by boroughs towards the scheme in 2017/18 of £349.911 million compared to £355.678 million payable for 2016/17, represents a reduction of £9.407m or 2.64%. This is unprecedented in the history of the scheme.

Apportionment of 2017/18 costs between boroughs

39. In order to apportion costs between boroughs, London Councils has obtained usage data from Oyster clicks on the various transport modes; bus, underground, DLR, tram, London Overground and National Rail.
40. The following paragraphs set out how this data is used when apportioning costs to boroughs. They also consider in more detail the impact of using London Overground and ATOC usage data as well as how to treat services that transfer from Train Operating Companies to TfL when apportioning costs. Further detail is provided at Appendices 1 and 2.

Usage data – general principles

41. On the bus and underground, there is a very close match between total usage data derived from Oyster clicks and the total number of estimated journeys outlined in the paragraphs above. On these modes, which largely require customers to tap their passes on readers, 95% of the concessionary journeys are captured electronically. This gives officers a high level of confidence regarding the accuracy of apportionment of costs to boroughs for these two main modes, which account for 89% of the total concessionary fares costs.
42. On the other modes, the proportion of journeys captured electronically is lower, either because there is no requirement for Freedom Pass holders to touch in on the readers and/or because there are still ungated stations. On London Overground, 50% of journeys are captured, on National Rail the figure is 60% and for the DLR and tram modes only about 12% of concessionary journeys are captured.
43. Nevertheless, officers closely scrutinise the profile of journeys shown by the usage data that is available and are confident that it is sufficiently robust i.e. in line with expected observations, to be used for the purposes of apportionment. In simple terms, for example, the data shows that residents of boroughs nearest to tram and DLR services use these modes more than residents of boroughs who reside further away from these services.

Usage data – impact on individual boroughs settlements

44. The fact that the individual modes of transport included in the Freedom Pass settlement are not evenly geographically distributed means that while the overall settlement is down by 2.64%, not all boroughs will benefit in equal measure. This is particularly true where there have been changes in transport operator i.e. ATOC services transferring to TfL.
45. The effect of these changes on individual boroughs varies and can be both amplified and dampened depending on journey patterns on other modes within individual boroughs. However, in the final analysis, thirty boroughs will see decreased costs in 2017/18. The range of these decreases is -5.89% (Westminster) to -0.94% (Brent).
46. Three boroughs will see an increase in costs. The range of these increases varies between +0.05% (Waltham Forest) and +1.09% (Havering). Members are asked to note that due to continued negotiations with TfL, these increases are not as large as indicated to this committee in October.

Payment dates and profiling

47. The payment dates and profile of payments are agreed as part of the apportionment. The proposed payment dates on which boroughs' contributions are paid are 8 June 2017, 7 September 2017, 7 December 2017 and 8 March 2018. The proposed profile for the TfL element is 24.95% of the total for the first three quarters and 25.15% for the final quarter, the higher figure for the last quarter reflects the assumption of a 0.8% (RPI) increase of fares in January 2017. The proposed profile for ATOC, the non-TfL operators and other charges e.g. re-issue, is equal instalments of 25% each quarter. Appendix 2 shows the apportionment per borough by quarter.

Financial Implications

48. The financial implications arising from the Freedom Pass settlement negotiations for 2017/18 have been commented upon in detail in the proposed revenue budget report for 2017/18, which is a separate report to this Committee.

Legal implications

49. There is a legislative requirement as set out in this report for London boroughs to fund concessionary travel for eligible London residents on the TfL network and eligible residents of England on buses in Greater London. Failure to agree a settlement with TfL by 31 December in any year would enable TfL to invoke the free reserve scheme and to set the cost of this scheme for each borough.

Equalities implications

50. Concessionary fares schemes, as exemplified by London's Freedom Pass scheme, provide a major economic benefit to eligible older and disabled people by meeting the cost of their use of local bus services. In London this benefit is substantially enhanced as a consequence of the additional modes available in the scheme.

Recommendations

The Committee is recommended to:

1. Agree the TfL settlement of £324.181million for 2017/18.
2. Agree to the ATOC settlement of £18.872 million for 2017/18
3. Agree a budget for non-TfL bus services of £1.7 million.
4. Agree the reissue budget for 2017/18 of £1.518 million
5. Agree the borough payments for 2017/18 of £346.271 million
6. Agree the payment profile and dates on which boroughs' contributions are paid as 8 June 2017, 7 September 2017, 7 December 2017 and 8 March 2018.
7. Agree the 2017-2018 London Service Permit (LSP) bus operators (non-TfL buses) Concessionary Scheme.

Appendices

Appendix 1: 2017/18 apportionment by mode and borough

Appendix 2: 2017/18 apportionment by quarter and borough

Background papers

Transport & Environment Committee: 10 December 2016: Item 8 - Concessionary Fares Settlement Apportionment for 2016-17

Transport & Environment Committee: 13 October 2016: Item E1 – Freedom Pass Apportionment and Settlement

Appendix 1: 2017/18 Apportionment by mode and borough

BOROUGH	% 2017/18 Bus Boardings	% 2016/17 Bus Boardings	2017/18 Bus Charge	% Tram Boardings	2017/18 Tram Charge	% LUL Exits	2017/18 LUL Charge	% DLR Exits	2017/18 DLR Charge	% LO Exits	2017/18 LO Charge	2017/18 Crossrail Charge	2017/18 Greater Anglia/LO Charge	Total TFL charges	% NR Exits	2017/18 NR Charge	Formula Funding Percentage	Non TFL buses and Reissue charges	Non TFL service charges	Total overall
Barking & Dagenham	1.60%	1.60%	£3,654,211	0.05%	£2,036	1.72%	£1,330,058	1.02%	£46,300	2.17%	£101,696	£61,495	£38,835	£5,234,631	0.98%	£184,138	1.71%	£55,083	£239,221	£5,473,852
Barnet	4.34%	4.34%	£9,931,247	0.19%	£7,863	6.49%	£5,032,880	0.42%	£18,870	1.89%	£88,658	£53,611	£33,856	£15,166,984	1.20%	£227,209	4.64%	£149,380	£376,589	£15,543,573
Bexley	2.12%	2.12%	£4,857,163	0.15%	£6,438	0.76%	£590,884	4.35%	£197,032	0.36%	£17,029	£10,298	£6,503	£5,685,348	4.36%	£823,673	2.02%	£64,879	£888,552	£6,573,899
Brent	4.70%	4.63%	£10,737,735	0.25%	£10,260	5.44%	£4,221,172	0.57%	£25,836	7.77%	£364,199	£220,228	£199,079	£15,718,508	1.39%	£261,792	4.68%	£150,554	£412,346	£16,130,854
Bromley	3.15%	3.12%	£7,196,694	9.58%	£398,259	1.65%	£1,282,661	1.92%	£87,093	1.18%	£55,307	£33,443	£21,120	£9,074,578	10.71%	£2,021,945	2.93%	£94,215	£2,116,160	£11,190,737
Camden	3.40%	3.41%	£7,778,010	0.16%	£6,845	4.75%	£3,682,216	0.62%	£28,271	9.29%	£435,829	£263,542	£166,433	£12,361,145	1.40%	£263,966	3.79%	£121,965	£385,931	£12,747,077
City of London	0.08%	0.08%	£176,476	0.02%	£671	0.36%	£281,108	0.17%	£7,855	0.10%	£4,700	£2,842	£1,795	£475,447	0.13%	£23,658	0.13%	£4,166	£27,824	£503,271
Croydon	4.04%	3.94%	£9,233,595	56.37%	£2,342,620	1.72%	£1,330,224	0.69%	£31,107	2.47%	£115,856	£70,057	£44,243	£13,167,702	12.22%	£2,305,837	3.87%	£124,517	£2,430,354	£15,598,056
Ealing	4.77%	4.73%	£10,906,590	0.24%	£9,801	5.28%	£4,091,937	0.38%	£17,353	2.41%	£112,959	£68,305	£43,136	£15,250,083	1.78%	£335,856	4.42%	£142,256	£478,112	£15,728,195
Enfield	3.52%	3.54%	£8,045,388	0.10%	£4,218	3.31%	£2,563,119	0.43%	£19,657	4.55%	£213,206	£128,924	£81,418	£11,055,929	1.85%	£348,453	3.40%	£109,253	£457,706	£11,513,635
Greenwich	2.97%	2.99%	£6,793,684	0.40%	£16,469	1.55%	£1,199,638	14.85%	£673,181	0.73%	£34,254	£20,713	£13,081	£8,751,019	4.08%	£770,834	2.82%	£90,624	£861,457	£9,612,477
Hackney	4.04%	4.07%	£9,246,173	0.12%	£4,805	2.04%	£1,579,033	2.39%	£108,171	9.07%	£425,348	£257,204	£162,430	£11,783,164	1.68%	£317,634	3.77%	£121,158	£438,792	£12,221,956
Hammersmith & Fulham	2.60%	2.61%	£5,955,262	0.39%	£16,031	3.77%	£2,924,699	0.34%	£15,594	2.28%	£107,040	£64,726	£40,876	£9,124,229	0.68%	£128,364	2.71%	£87,345	£215,708	£9,339,938
Haringey	4.31%	4.35%	£9,864,246	0.14%	£5,903	4.48%	£3,471,208	0.55%	£24,889	2.86%	£134,217	£81,160	£51,254	£13,632,878	1.18%	£222,196	4.31%	£138,601	£360,797	£13,993,675
Harrow	2.67%	2.58%	£6,103,097	0.15%	£6,087	4.42%	£3,426,298	0.43%	£19,348	4.89%	£229,395	£138,713	£87,600	£10,010,539	0.54%	£102,002	2.71%	£87,087	£189,089	£10,199,627
Harvering	2.32%	2.30%	£5,296,410	0.05%	£1,977	1.94%	£1,505,464	1.92%	£86,857	7.94%	£372,438	£225,210	£142,225	£7,630,579	3.19%	£601,509	2.50%	£80,457	£681,967	£8,312,546
Hillingdon	2.32%	2.30%	£5,313,476	0.10%	£4,190	3.40%	£2,639,445	0.33%	£14,822	0.69%	£32,594	£19,710	£12,447	£8,036,684	0.74%	£140,202	2.52%	£81,039	£221,241	£8,257,925
Hounslow	2.93%	2.90%	£6,696,261	0.21%	£8,929	2.37%	£1,837,266	0.29%	£13,329	0.67%	£31,422	£19,000	£11,999	£8,618,206	1.97%	£372,179	2.68%	£86,341	£458,520	£9,076,726
Islington	3.57%	3.57%	£8,156,195	0.20%	£8,203	3.52%	£2,729,857	0.71%	£32,266	3.34%	£156,685	£94,746	£59,834	£11,237,787	1.10%	£207,870	3.27%	£105,185	£313,055	£11,550,842
Kensington & Chelsea	2.45%	2.45%	£5,603,161	0.28%	£11,820	3.95%	£3,060,468	0.35%	£15,643	1.09%	£51,234	£30,981	£19,565	£8,792,872	0.67%	£126,251	2.61%	£84,054	£210,305	£9,003,177
Kingston	1.64%	1.60%	£3,754,356	0.84%	£35,109	0.95%	£734,364	0.14%	£6,358	0.25%	£11,813	£7,144	£4,511	£4,553,655	4.06%	£766,017	1.53%	£49,387	£815,404	£5,369,060
Lambeth	4.04%	4.10%	£9,238,303	2.47%	£102,558	3.52%	£2,732,084	0.45%	£20,392	1.16%	£54,233	£32,794	£20,710	£12,201,074	4.71%	£888,247	4.26%	£137,114	£1,025,361	£13,226,434
Lewisham	3.60%	3.65%	£8,225,443	2.50%	£103,843	1.51%	£1,167,714	5.96%	£270,063	6.34%	£297,421	£179,847	£113,578	£10,357,909	5.65%	£1,066,039	3.49%	£112,252	£1,178,291	£11,536,201
Merton	2.34%	2.31%	£5,343,747	13.74%	£571,191	2.58%	£2,004,153	0.20%	£8,937	0.41%	£19,339	£11,694	£7,385	£7,966,446	4.76%	£897,578	2.40%	£77,224	£974,802	£8,941,248
Newham	3.48%	3.52%	£7,954,362	0.18%	£7,592	3.57%	£2,771,404	18.39%	£833,560	3.04%	£142,657	£86,264	£54,477	£11,850,316	1.68%	£316,231	3.21%	£103,145	£419,376	£12,269,693
Redbridge	2.37%	2.42%	£5,406,829	0.13%	£5,597	3.93%	£3,046,326	1.75%	£79,161	5.45%	£255,465	£154,478	£97,556	£9,045,413	1.80%	£340,433	2.61%	£83,989	£424,422	£9,469,835
Richmond	2.31%	2.24%	£5,274,304	0.31%	£12,967	2.23%	£1,731,074	0.30%	£13,817	0.71%	£33,413	£20,205	£12,760	£7,098,538	5.80%	£1,094,102	2.21%	£71,129	£1,165,231	£8,263,769
Southwark	4.07%	4.10%	£9,302,695	1.10%	£45,546	2.76%	£2,139,444	1.88%	£85,407	4.17%	£195,354	£118,129	£74,601	£11,961,177	3.31%	£625,227	3.80%	£122,440	£747,667	£12,708,844
Sutton	1.85%	1.81%	£4,233,262	6.35%	£264,098	1.05%	£814,135	0.20%	£8,860	0.41%	£19,425	£11,746	£7,418	£5,358,944	5.07%	£957,450	1.77%	£57,048	£1,014,498	£6,373,443
Tower Hamlets	2.01%	2.11%	£4,603,039	0.18%	£7,310	2.96%	£2,296,854	34.88%	£1,580,669	3.41%	£160,071	£96,793	£61,127	£8,805,864	0.82%	£155,286	2.25%	£72,256	£227,542	£9,033,406
Waltham Forest	2.85%	2.84%	£6,516,762	0.15%	£6,223	3.11%	£2,408,229	2.03%	£91,924	6.47%	£303,395	£183,460	£115,859	£9,625,852	1.56%	£294,675	2.66%	£85,718	£380,393	£10,006,245
Wandsworth	3.91%	3.94%	£8,936,710	2.45%	£101,620	3.97%	£3,074,700	0.36%	£16,532	1.12%	£52,399	£31,685	£20,010	£12,233,656	7.26%	£1,370,511	4.23%	£136,075	£1,506,586	£13,740,242
Westminster	3.63%	3.74%	£8,300,113	0.46%	£18,922	4.95%	£3,840,885	0.72%	£32,846	1.30%	£60,948	£36,855	£23,275	£12,313,843	1.67%	£314,758	4.10%	£132,064	£446,822	£12,760,665
Total	100%	100%	£228,635,000	100%	£4,156,000	100%	£77,541,000	100%	£4,532,000	100%	£4,690,000	£2,836,000	£1,791,000	£324,181,000	100%	£18,872,120	100%	£3,218,000	£22,090,120	£346,271,120

NOTE

1. TFL settlement does not include the cost of the am journeys
2. Bus settlement includes £3.640 million refund for the 2016/17 financial year Bus Hopper discount. While the cost of £232.275 million for the 2017/18 is apportioned using the % of the 2017/18 Bus boardings (average of the most recent two full years July 2014 - June 2016), the refund is apportioned using the % of the 2016/17 Bus boardings (July 2013 - June 2015).
3. Tram, Underground, DLR, London Overground and NR costs are apportioned by respective usage.
4. London Overground, Crossrail and London Overground/Greater Anglia costs are apportioned by London Overground usage
5. Non TFL buses and reissue elements are apportioned by proportion of the 2013/14 Formula Funding allocated to boroughs (as calculated by Central Government, which is fixed till 2020)

Appendix 2: 2017/18 Apportionment by quarter and borough

Authority	First payment 08/06/2017 (£) Paid to TFL	First payment 08/06/2017 (£) Paid to London Councils	Second payment 07/09/2017 (£) Paid to TFL	Second payment 07/09/2017 (£) Paid to London Councils	Third payment 07/12/2017 (£) Paid to TFL	Third payment 07/12/2017 (£) Paid to London Councils	Fourth payment 08/03/2018 (£) Paid to TFL	Fourth payment 08/03/2018 (£) Paid to London Councils	Total per borough (£) Paid to TFL	Total per borough (£) Paid to London Councils	Total per borough (£)
Barking & Dagenham	1,306,038	59,805	1,306,038	59,805	1,306,038	59,805	1,316,518	59,805	5,234,632	239,220	5,473,852
Barnet	3,784,155	94,147	3,784,155	94,147	3,784,155	94,147	3,814,519	94,147	15,166,984	376,588	15,543,572
Bexley	1,418,491	222,138	1,418,491	222,138	1,418,491	222,138	1,429,873	222,138	5,685,346	888,552	6,573,898
Brent	3,921,760	103,086	3,921,760	103,086	3,921,760	103,086	3,953,228	103,086	15,718,508	412,344	16,130,852
Bromley	2,264,103	529,040	2,264,103	529,040	2,264,103	529,040	2,282,270	529,040	9,074,579	2,116,160	11,190,739
Camden	3,084,100	96,483	3,084,100	96,483	3,084,100	96,483	3,108,846	96,483	12,361,146	385,932	12,747,078
City of London	118,624	6,958	118,624	6,958	118,624	6,958	119,576	6,958	475,448	27,832	503,280
Croydon	3,285,335	607,588	3,285,335	607,588	3,285,335	607,588	3,311,696	607,588	13,167,701	2,430,352	15,598,053
Ealing	3,804,888	119,528	3,804,888	119,528	3,804,888	119,528	3,835,418	119,528	15,250,082	478,112	15,728,194
Enfield	2,758,449	114,426	2,758,449	114,426	2,758,449	114,426	2,780,583	114,426	11,055,930	457,704	11,513,634
Greenwich	2,183,375	215,364	2,183,375	215,364	2,183,375	215,364	2,200,894	215,364	8,751,019	861,456	9,612,475
Hackney	2,939,894	109,698	2,939,894	109,698	2,939,894	109,698	2,963,483	109,698	11,783,165	438,792	12,221,957
Hammersmith & Fulham	2,276,491	53,927	2,276,491	53,927	2,276,491	53,927	2,294,757	53,927	9,124,230	215,708	9,339,938
Haringey	3,401,396	90,199	3,401,396	90,199	3,401,396	90,199	3,428,689	90,199	13,632,877	360,796	13,993,673
Harrow	2,497,624	47,272	2,497,624	47,272	2,497,624	47,272	2,517,665	47,272	10,010,537	189,088	10,199,625
Havering	1,903,826	170,492	1,903,826	170,492	1,903,826	170,492	1,919,102	170,492	7,630,580	681,968	8,312,548
Hillingdon	2,005,149	55,310	2,005,149	55,310	2,005,149	55,310	2,021,238	55,310	8,036,685	221,240	8,257,925
Hounslow	2,150,238	114,630	2,150,238	114,630	2,150,238	114,630	2,167,491	114,630	8,618,205	458,520	9,076,725
Islington	2,803,822	78,264	2,803,822	78,264	2,803,822	78,264	2,826,320	78,264	11,237,786	313,056	11,550,842
Kensington & Chelsea	2,193,817	52,576	2,193,817	52,576	2,193,817	52,576	2,211,420	52,576	8,792,871	210,304	9,003,175
Kingston	1,136,135	203,851	1,136,135	203,851	1,136,135	203,851	1,145,251	203,851	4,553,656	815,404	5,369,060
Lambeth	3,044,162	256,340	3,044,162	256,340	3,044,162	256,340	3,068,588	256,340	12,201,074	1,025,360	13,226,434
Lewisham	2,584,293	294,573	2,584,293	294,573	2,584,293	294,573	2,605,029	294,573	10,357,908	1,178,292	11,536,200
Merton	1,987,624	243,701	1,987,624	243,701	1,987,624	243,701	2,003,573	243,701	7,966,445	974,804	8,941,249
Newham	2,956,648	104,844	2,956,648	104,844	2,956,648	104,844	2,980,372	104,844	11,850,316	419,376	12,269,692
Redbridge	2,256,826	106,106	2,256,826	106,106	2,256,826	106,106	2,274,935	106,106	9,045,413	424,424	9,469,837
Richmond	1,771,082	291,308	1,771,082	291,308	1,771,082	291,308	1,785,293	291,308	7,098,539	1,165,232	8,263,771
Southwark	2,984,308	186,917	2,984,308	186,917	2,984,308	186,917	3,008,254	186,917	11,961,178	747,668	12,708,846
Sutton	1,337,054	253,625	1,337,054	253,625	1,337,054	253,625	1,347,782	253,625	5,358,944	1,014,500	6,373,444
Tower Hamlets	2,197,059	56,885	2,197,059	56,885	2,197,059	56,885	2,214,688	56,885	8,805,865	227,540	9,033,405
Waltham Forest	2,401,645	95,098	2,401,645	95,098	2,401,645	95,098	2,420,916	95,098	9,625,851	380,392	10,006,243
Wandsworth	3,052,291	376,646	3,052,291	376,646	3,052,291	376,646	3,076,783	376,646	12,233,656	1,506,584	13,740,240
Westminster	3,072,298	111,705	3,072,298	111,705	3,072,298	111,705	3,096,950	111,705	12,313,844	446,820	12,760,664
Overall Total	80,883,000	5,522,530	80,883,000	5,522,530	80,883,000	5,522,530	81,532,000	5,522,530	324,181,000	22,090,120	346,271,120

London Councils' Transport and Environment Committee

Delivery "Partnership" for residential and car club electric charge points

Item No: 06

Report by: Katharina Winbeck **Job titles:** Head of Transport, Environment & Infrastructure

Date: 8 December 2016

Contact Officer: Louise Clancy

Telephone: 020 7934 9820 **Email:** Louise.clancy@londoncouncils.gov.uk

Summary: To be completed

Recommendations: Members are asked to:

1. Note the update on the Go Ultra Low City Scheme – Delivery "Partnership" for Residential and Car Club Electric Charge Points;
2. Engage with relevant officers in their appointing authorities to seek prompt, constructive local authority engagement with the consultation which is planned (see paragraph 12).

Go Ultra Low City Scheme – Delivery “Partnership” for Residential and Car Club Electric Charge Points

Overview

1. TEC discussed electric vehicles and car clubs at its last meeting. This included progress on the four elements of the Go Ultra Low City Scheme (GULCS) – (a) installing residential charge points on street, (b) installing car club charge points, (c) installing rapid charge points and (d) developing Neighbourhood of the Future Schemes in boroughs. This report is concerned with matters relating to the strategic oversight and operational implementation of elements (a) and (b).
2. TEC was presented with the discussions and recommendations of the GULCS Steering Group comprising Cllrs Bell, Coleridge, Demirci as well as officers representing London Councils, GLA and TfL and took an in principle decision that TEC would take on the Delivery Partner Strategy role for the residential and car club elements with the understanding that further information would be presented at the next TEC meeting subject to the legal and constitutional implications for the joint committee being addressed. Further, it was also noted that further analysis would be required to assess the feasibility for London Councils' involvement in operational management and delivery of the project.
3. This paper updates Members on the further work that has been undertaken to date. Positive work is being progressed towards the aspirations previously expressed about London Councils' role in strategic oversight going forward. This work is also relevant to the second element of the proposal relating to operational delivery and management (see paragraph 7). The nature of the project raises significant legal and financial issues which must be worked through before final decisions can be taken. Work is continuing on the analysis of the legal and financial framework for any implementation, the business case, and relevant documentation which would be required (such as that relating to procurement of a private sector delivery agent).

Delivery “Partnership” for the Residential and Car Club Electric Vehicle Charge Points

4. Establishing a London-wide delivery “partnership” for deploying, managing and maintaining both residential and car club charge points is desirable in London for the following reasons;
 - Speed up the deployment of Electric Vehicle Charge Points (EVCPs);
 - Provide a single point of contact for, and to improve the provision of, maintenance and management of EVCPs;
 - Provide better economies of scale for the provision, maintenance and management of EVCPs;
 - Provide both strategic and demand led deployment of EVCPs (provide EVCPs to encourage uptake of EVs as well as providing EVCPs where there is existing demand);
 - Greater levels of interoperability of EVCPs (so users can access different EVCPs across boroughs).
5. There are a number of crucial drivers which support the involvement of London Councils TEC in the proposals, and which align with existing aspects of London Councils' work (in the joint exercise of functions for the 33 participating London local authorities);
 - Improving air quality - recent research has found that poor air quality causes 9,400 deaths a year in London, as well as contributing to poor environmental health,

increased pressure on the health service, which translates to increased costs for businesses and local authorities.

- Policy drivers, such as the Mayor's Air Quality Strategy; the incoming Ultra Low Emission Zone (ULEZ); the EU Air Quality directive and the ULEV Delivery Plan.
- Current market failure - although there is a strong interest in EVCPs amongst EVCP manufacturers and operators, none of them have developed a pan-London scheme that targets residential and car club demand and strategic deployment of EVCPs due to the high upfront costs and long payback periods.
- There is significant complexity involved in establishing the scheme, which will only achieve the efficiencies required for financial viability if the scheme has a pan-London remit and enough local authorities across London participate.

6. London Councils TEC has already agreed in principle that TEC should take on the strategic oversight role in respect of the proposals (subject to the legal and constitutional implications for the joint committee being addressed), which would include;

- Validating and testing strategic decisions
- Agreeing funding policy and apportionment of costs/revenue to boroughs
- Overseeing delivery performance
- Agreeing and setting supply charges

7. The GULCS Steering Group, after considering a number of different options, has expressed the preference for London Councils to undertake the operational management role in addition to having a strategic oversight role. The Steering Group felt that London Councils would be well placed to undertake operational management and oversight given its expertise for delivering services on behalf of boroughs, it being a trusted organisation by boroughs as well as the other project partners, and it having a pan-London remit and therefore having well-established links with officers and members across all boroughs. The operational management function would include;

- Analysing and reporting on Key Performance Indicators
- Providing the principal interface with boroughs, regarding for example providing updates to officers, gauging feedback from officers and managing implementation on-street
- Procurement and contract management of operators
- Facilitating user interface, such as a Website and central database

8. London Councils is very clear that any role for the TEC joint committee in respect of the proposals will be subject to it being legally possible having particular regard to TEC's constitution as a joint local authority committee, and further subject to the financial risks to all the authorities being effectively managed (including any risks to the joint exercise of all other functions already delegated to TEC). Officers are therefore working to explore these matters in more detail, taking appropriate professional advice. London Councils has asked the project partners, using the governance arrangements set up, that some of the revenue funding from the GULCS can be used to support this work.

9. As well as working on a detailed business case, London Councils officers in conjunction with the GULCS Senior Lead seconded to the project are starting to put together a potential team structure which would be required to both oversee and operationally manage the scheme at London Councils (within TEC's remit) subject to earlier comments about legal and financial feasibility being addressed and relevant decisions being taken in due course. This is important information to feed into the business plan to ensure that any costs will be met by the project over its lifetime.

10. The emerging business case is based on some of the established principles agreed over the past few months to inform the scope of any pan-London scheme, such as the technology which it is recommended should be deployed, evidence of demand for the charging infrastructure which has been identified, the estimated costs involved in implementation, while allowing sufficient scope for innovation.
11. The potential team structure considers the skills required, the number of boroughs that may be engaged at any one time, and the responsibilities and activities that would need to be undertaken by the officers within that team.
12. Officers would, to inform the development of the proposals and to inform consideration of the legal and financial implications of any implementation, now wish to undertake detailed engagement and consultation with the London local authorities based on the assumptions noted above. This will help ensure the business case is based on robust information. TEC Members are asked to engage with their appointing authority to assist in London Councils securing timely and constructive responses to inform the proposals going forward. The engagement will be led by the GULCS Senior Lead.
13. Officers will continue to explore, as detailed above, the feasibility of London Councils taking on the strategic as well as operational management role for the Electric Vehicle Charging Infrastructure Delivery “Partnership”. The outcome of this work on feasibility – as well as on the emerging business case – will be reported back to TEC. London Councils will not be able to enter into any formal agreements until it is satisfied that it has appropriate legal powers to jointly exercise the required functions on behalf of the London local authorities, and these matters will, as noted above, therefore be reported again to TEC in due course.

Recommendations: The Committee is asked to:

- Note the update on the Go Ultra Low City Scheme – Delivery “Partnership” for Residential and Car Club Electric Charge Points
- Engage with relevant officers in their appointing authorities to seek prompt constructive local authority engagement with the consultation which is planned (see paragraph 12)

Financial Implications

The Director of Corporate Resources reports that there are no specific financial implications at this stage for London Councils. The cost of the GULCS Senior Lead Officer seconded to the project is being met from GULCS grants funding.

As detailed in the body of the report, there are significant legal and financial issues that require clarification before a final decision can be taken on the feasibility of London Councils, through TEC, undertaking the operational management role for the GULCS project.

Legal Implications

The addition of both the strategic delivery and operational management role for London Councils TEC could require each of the 33 London local authorities participating in the TEC joint committee arrangements to delegate the exercise of additional functions to the joint committee, which would require the TEC constitution (Governing Agreement, dated 13 December 2001 (as amended)) to be varied. Further work is being undertaken to explore the legal implications of the proposal which will be reported back in due course.

Equalities Implications

There are no equalities implications of the recommendations.

London Councils' Transport & Environment Committee

Chair's Report

Item no: 07

Report by: Katharina Winbeck **Job title:** Head of Transport, Environment and Infrastructure, London Councils

Date: 8 December 2016

Contact Officer: Katharina Winbeck

Telephone: 020 7934 9945 **Email:** Katharina.winbeck@londoncouncils.gov.uk

Summary This report updates Members on transport and environment policy since the last TEC meeting on 13 October 2016 and provides a forward look until the next TEC meeting on 23 March 2017.

Recommendations Members to note this report.

Updates included in this report:

'A City for All Londoners' published
Autumn Statement

Transport

- Government decision on airport capacity announced
- New City Development Portfolio Holder – transport infrastructure overlap
- Future lines on the night tube open
- Future of London's Transport Strategy – speaking engagement
- London Travel Watch Cycling Conference – speaking engagement
- Road User Charging Adjudicators (RUCA) – Continuation of Appeals Tribunal Service

Environment

- Phone call with Lord Gardiner regarding litter issues
- Air quality
 - Polling – media coverage
 - Client Earth win
 - Second phase of consultation
- TfL SUDS guide and GLA London Sustainable Drainage Action Plan
- Builders skips contravention code reserved
- London Assembly Investigation into Fuel Poverty

Forward Look

Forthcoming meetings and consultations

Introduction

1. This report updates Members on London Councils' work on transport and environment policy since the last TEC meeting on 13 October 2016 and provides a forward look until 23 March 2017.

'A City for all Londoners' published

2. The Mayor has published A City for All Londoners which sets out the broad principles and aims of his Mayoralty, building on his manifesto. The GLA is undertaking a series of consultation events, including on Transport and on Environment. The GLA is encouraging feedback until 11 December 2016.
3. We expect both drafts of the Environment and Mayor's Transport Strategies to be published in spring 2017, although GLA colleagues are considering the potential for consultation overload and therefore staggering the release of draft strategies.

Autumn Statement

4. The Chancellor issued his Autumn Statement on 23 November 2016.
5. He announced a new National Productivity Investment Fund which will be targeted at four areas: housing, transport, digital communications and research and development. Between 2017-18 and 2021-22 this fund will provide £23 billion and build upon existing plans for investment over the Parliamentary term. Specific projects will be decided upon in due course.
6. Within transport, the following references are made:
 - Roads and local transport – funding for congestion relief and upgrades to road networks and public transport networks. Funding to tackle key pinch-points on strategic roads.
 - Next generation vehicles – funding for charging infrastructure, low emission buses and taxis, and the development of alternative aviation and heavy goods fuels.
 - Digital rail enhancements – funding to trial digital signalling technology and smart ticketing including season tickets for the UK's major cities. High Speed 2 Phase 1 will commence construction in 2017; the Chancellor notes he is looking forward to receiving a business case for Crossrail 2.
7. Additional motoring related policies include continuation of the freeze on fuel duty and new, lower Company Car Tax bands for 2020-21 to provide stronger incentives to purchase ultra-low emission vehicles.
8. On environmental policy, the government is developing an emissions reduction plan, and is considering structural changes to the way that energy costs are capped for customers. The Shale Wealth Fund is launched, and the government sets out its investment plans for flood defence measures.

Transport

Government decision on airport capacity announced

9. The government announced on 25 October 2016 that it supported expansion at London Heathrow Airport. The next steps are to launch a public consultation on the local impacts of its decision in early 2017. This will be followed by a national policy statement on aviation which will be ratified by Parliament in late 2017 or early 2018. The plans for expansion are likely to be approved using a Development Consent Order which includes impact assessment for health and the environment. Heathrow Airport is likely to request planning permission in 2019, with the potential for the runway to be built by 2025.

New City Development Portfolio Holder – transport infrastructure overlap

10. Cllr Darren Rodwell has been appointed the new City Development Portfolio Holder. His portfolio encompasses infrastructure, planning and culture. I will continue to work closely with Cllr Rodwell on transport infrastructure matters, as I did with the previous Portfolio Holder, Cllr Claire Kober.

Meeting with TfL Commissioner

11. The next meeting between the TfL Commissioner and the Chair and Vice-Chairs of TEC is on 6 December 2016. On the agenda is discussion about the TfL Business Plan which we expect to be published in mid-December; emerging Mayoral Strategies and A City for All Londoners; air quality and the second stage consultation.

Future lines on the night tube open

12. The Northern line started running a night tube service on Fridays and Saturdays on 18 November and the Piccadilly line will follow on 16 December. A number of new night bus routes were announced in August following 24 hour operation commencing on the Victoria line. Since then it has been announced that Routes 307 and 319 have been extended following the Northern line 24 hour launch in November.
13. Anti-social behaviour or other complaints, such as noise do not seem to have increased significantly since its introduction, which points to a well planned introduction of service.

Future of London's Transport Strategy

14. On 3 November I spoke at the Policy Forum for London event about the delivery of new developments and the role that transport plays in growth. I discussed the major strategic infrastructure London needs; encouraging more walking and cycling; the skills challenge; the role transport plays in connecting new developments, especially in housing zones and opportunity areas; and the work of the boroughs and London Councils to bring more electric vehicles to the capital.

London Travel Watch Cycling Conference

15. I spoke at the Cycling Conference organised by London Travel Watch. I referred to the need to engage further with the Mayor to take the cycling revolution to the next level. I stressed the point that we now need to learn from schemes, such as Mini Hollands and Cycle Super Highways to design the best schemes for the highest outcomes.

16. I also spoke about the Ealing Cycling Commission where the former Mayor of Copenhagen spoke; a video clip can be found [here](#).

Road User Charging Adjudicators (RUCA) – Continuation of Appeals Tribunal Service

London Councils operates the Road User Charging Appeals (RUCA) service under contract with the Greater London Authority (GLA). The current contract ends on 31 December 2016 and Transport for London (TfL) has now concluded its re-tender exercise on behalf of the GLA. London Councils has successfully retained the contract for a further term of five years with the option to extend for a further two years.

Environment

Phone call with Lord Gardiner regarding litter issues

17. Lord Gardiner requested a phone call to talk about littering issues. He was keen to learn from the London experience for the rest of the country and was interested in how enforcement could pay for itself. I gave him the Ealing example, where contractors are employed to enforce littering and get a proportion of the FPN fine.
18. Lord Gardiner was also interested in hearing about the new fine for flytipping, introduced in May this year and I told him of the TEC steer to boroughs to introduce the highest fine of £400 across London.

Air quality

Polling – media coverage

19. London Councils commissioned public polling on air quality issues across the capital, which aimed to identify the awareness amongst the public on air pollution, and the impact that it has on their day-to-day lives. The key findings showed that nearly half of all Londoners feel poor air quality has had a negative impact on their health.
20. A number of media outlets covered the story, including the Evening Standard, and a number of local newspapers such as the Sutton Guardian. The research will feed-in to London Councils' work on air quality, including the response to the second phase of the Mayor's air quality consultation.

ClientEarth court case ruling

21. In early November the Environmental law firm ClientEarth won its High Court case against the UK Government over the failure of ministers to tackle illegal air quality levels across the country. The judge ruled that the Government's 2015 Air Quality Plan failed to comply with the Supreme Court ruling or relevant EU Directives and said that it had erred in law by fixing compliance dates based on over optimistic modelling of pollution levels. The Prime Minister Theresa May accepted the ruling and stated that the Government will bring new policies forward to combat air pollution.

Second phase of the Mayor's air quality consultation

22. London Councils will be submitting a response, and has been working with borough officers to develop this. Please see the separate TEC report for further details, to be discussed as a separate item at the meeting.

TfL SUDS Design Guide and the GLA London Sustainable Drainage Action Plan

23. These documents were planned to be launched on 17 November but have been delayed. Both are expected to be published prior to the end of 2016. Both strategies explore the opportunities to retrofit sustainable drainage in streets, roads, pavements and open spaces; and onto buildings such as schools, hospitals, large retail complexes and social housing estates. Both documents have had input from boroughs, and the Sustainable Drainage Action Plan was discussed at TEC Executive in November 2015.

Builders' skips contravention code reserved

24. In October 2015 TEC approved penalty levels for contraventions concerning builders' skips. The remaining piece of work was for London Councils to reserve a contravention code on the list that is used nationally to identify which contravention a Penalty Charge Notice has been issued for. London Councils has reserved code 72 for use for builders' skips contraventions. This will enable those boroughs preparing to proceed with enforcement to do so.

London Assembly Investigation into Fuel Poverty

25. London Councils submitted a response to the London Assembly Environment Committee Investigation into Domestic Energy & Fuel Poverty. The main issues highlighted were: the many challenges London faces in improving the energy efficiency of its housing stock - for instance the many old, difficult to treat properties in London, the large private rented sector, and the transient population; London's poor performance on solar energy; and improving the identification and targeting of fuel poor households through greater collaboration between the key stakeholders. The report recommends that the Mayor:

- a) Should run a public awareness campaign to inform Londoners of the benefits of good energy efficiency practices and installations. This should also include a specific focus on renters and landlords, providing information on the relevant requirements and opportunities.
- b) Lobby nationally for a clear, long-term policy framework from the Government, to ensure policy certainty which will allow the energy efficiency market to develop.
- c) Facilitate the sharing of information on best practices to residents and on the opportunities for improving their energy use and encourage demand reduction, for example through the smart meter roll out.
- d) Work with the boroughs and energy companies to make the cheapest tariffs clearly available to London residents.
- e) Work with boroughs to create a borough owned not-for-profit cooperative specialising in the procurement of district energy (especially heating) products, given London's leading role in this area.
- f) Promote an integrated fuel poverty action plan, linking borough housing officers with other relevant stakeholders, such as health professionals, third sector organizations, and independent experts.

Forward Look

December

Tbc – publication of TfL SUDS Design Guide and GLA London Sustainable Drainage Action Plan

9 – Wider South East Summit for Leaders

9 – London Assembly investigation into green spaces closes

11 – ‘A City for All Londoners’ closes for responses

18 – TfL consultation on proposals to improve air quality closes

31 – London Assembly investigation into making TfL land work for Londoners closes

31 – London Assembly investigation into air pollution in London closes

January

31 – London Assembly investigation into London's congested roads closes

February

9 – TEC Executive

16 – TEC Chair and Vice-Chairs meeting with the TfL Commissioner

March

23 – TEC Main

London Councils' Transport and Environment Committee

Mayor's 2nd air quality consultation report Item No: 08

Report by: Katharina Winbeck **Job titles:** Head of Transport, Environment & Infrastructure

Date: 08 December 2016

Contact Officer: Owain Mortimer

Telephone: 020 7934 9832 **Email:** Owain.Mortimer@londoncouncils.gov.uk

Summary: This report presents members with a draft London Councils response to the second phase of the Mayor's air quality consultation and asks for members comments and sign off, so that London Councils can submit it to the Mayor by 18 December 2016.

Recommendations: Members are asked to:

1. Discuss and agree the current proposed London Councils response to the second phase of the Mayor's air quality consultation at Appendix 1.

Air pollution in London

1. TEC has received reports on air quality in June 2016, outlining in detail the reasons for poor air quality and its effects on residents and to TEC Executive in July 2016, discussing the draft response to the first phase of the Mayor's air quality consultation.
2. It has been well established that poor air quality contributes to about 9,400 premature deaths in London each year and that transport is one of the main contributors to this situation. London local government is agreed that things need to change and the Mayor set out his plans earlier in the summer. This current report provides at Appendix 1 a draft consultation response to the second phase of the Mayors consultation on air quality and provides members with the opportunity to comment on and shape it further.
3. In order to inform the current draft, London Councils has set up a task and finish group made up of transport and air quality officers to shape the consultation response. The group has met twice and a draft response was also sent around to all borough officers for comment. Cllr Feryal Demirci organised a round table with members on 29 November and comments and suggestions from that event have also been taken on board. The response is due by 18 December 2016 and TEC Members are asked to discuss and agree the response for submission at that time.

Recommendations: The Committee is asked to:

- Discuss and agree the current proposed London Councils response to the second phase of the Mayor's air quality consultation at Appendix 1.

Financial Implications

There are no specific financial implications from this report.

Legal Implications

There are no legal implications from this report.

Equalities Implications

There are no equalities implications of the recommendation.

► Air Quality

► Cleaning up London's air pollution consultation response

London Councils represents London's 32 borough councils and the City of London. It is a cross-party organisation that works on behalf of all of its member authorities regardless of political persuasion.

Please find London Councils' comments on a number of the questions and issues posed in the online survey. Please note that a number of the boroughs will also submit their own individual responses to the questions in the survey.

Introduction

Poor air quality causes 9,400 deaths per year in London. It is urgent that this issue is addressed, and will require ambitious action. According to recent public polling conducted by London Councils, 76% of London residents believe tackling air pollution should be a priority. London Councils supports the publicity and importance the Mayor has given to this issue. But it is also essential that further education and awareness campaigns are ran to ensure the seriousness of poor air quality is recognised by all Londoners, and to gain further support from the public for ambitious measures to tackle this. London should aim to be an exemplar in dealing with air pollution, and this will require a convincing narrative on how any proposals would work on a practical level.

It is crucial that a long-term roadmap is developed showing how we will improve air quality in London well beyond the implementation of the ULEZ. London should aim for the safe levels of air pollution as set by the EU as a minimum, but have a long term view to reaching the levels set out by the World Health Organisation (WHO), which are more stringent. Additionally, in geographical terms we should aim for the whole of London to meet these levels at all times.

Emissions Surcharge (questions 1 – 7)

Charge level

Generally we support the introduction of a new £10 Emissions Surcharge on the Congestion Charge, to cover the period between 2017 and the implementation of the ULEZ. There are however a few concerns regarding the details of this proposal. The operation times of the scheme, i.e. between 7am and 6pm Monday to Friday, are considered to not be stringent enough, and we would support this being implemented on a 24/7 basis. It could be argued that the Emissions Surcharge would be easier for residents to understand if applied to existing CCZ times, but this seems too simplistic and limits the effectiveness of the policy.

Start date

We agree with the implementation date of 23 October 2017 for the Emissions Surcharge. We feel it is necessary for a policy to cover the period between now and the implementation of the ULEZ (2019 or 2020), given the severity of air pollution in London.

Exemptions and discounts

The 'sunset period' as it has been proposed for the Emissions Surcharge, appears too lenient and allows a very long period at a very high discount level of 90% for the period that it is applicable (understood at this moment to be 2017 – 2020). With this proposal, residents would only be liable to pay £1 for that period, and we believe that this will not provide a big enough disincentive. The sunset period for the Emissions Surcharge (and ULEZ) needs

to be shorter, and should be on a sliding scale, beginning at 90% and reducing by a certain amount every year. This would likely have more of an impact, and influence residents' behaviour more effectively.

We understand that certain types of organisations or events in London rely on the use of historic tax class vehicles and Showman's vehicles and understand that these cannot be altered to improve their performance due to their nature. But it is a little unclear why that should mean they should not pay the Emissions Surcharge. Considering many of these vehicles are going to be some of the worst polluters, it seems counterintuitive to exempt them from the charge. It might be better to include them as standard, and then have a system where they can apply for temporary exemptions based on a time-period, therefore allowing them to meet certain obligations, such as involvement in parades, classic car shows, and fairgrounds etc., but disincentives people who own very old vehicles to drive in London outside of these periods.

London Councils supports including L-Category vehicles and 9+ seater vehicles in the Emissions Surcharge. We also believe that Private Hire Vehicles should not be exempt from the Emissions Surcharge, and welcome the fact they have been included in the ULEZ.

Stronger standards

There needs to be a bigger differentiation between the petrol and diesel Euro classifications (for instance, the charge as proposed would apply to petrol and diesel Euro IV vehicles). We believe that the level for diesel vehicles is not strong enough, and propose it encompasses Euro V diesel vehicles. We believe this would have more of an impact on air pollution in central London in the period before the ULEZ is implemented, and also better prepare Londoners for that policy (which is based on a Euro VI diesel standard) by acting as a stepping stone to Euro VI diesel.

ULEZ (Questions 8-13)

Introduction date

Given the severity of the issue of air pollution in London, we support the idea of bringing forward the introduction of the central London ULEZ to 2019. Considering the data provided by the Mayor showing the improvements in air quality with a 2019 implementation date (40% decrease in NOx compared to a 2020 implementation), we feel this justifies the early adoption date.

Sunset period

Regarding the sunset period for the ULEZ, as it is currently proposed there would be a three year 100% discount for resident. But as the Emissions Surcharge will have been introduced, the Mayor is proposing to carry forward the 90% discount from that to apply to the first three years of the ULEZ. As mentioned above, this does not appear to make sense given that this would mean that owners of more polluting vehicles would pay a 90% discounted rate across a six-to-seven year period. We do not agree with the proposal of taking this discounted rate over for the 3 year sunset period of the ULEZ. As stated above, and given the charge for both the Emissions Surcharge and ULEZ will be the same, we call for the charge to increase each year following the introduction of the Emissions Surcharge.

Boundary Issues

While London Councils supports the principle of expanding the ULEZ to an area larger than the CCZ, we want to ensure that any proposal provides the best outcomes, and currently there is not enough information to suggest that the north/south circular option does that. The North/South circular (known as the inner London ULEZ) is not being seen as a particularly popular choice amongst boroughs, in its current form. The inner London ULEZ cuts through a number of boroughs and a number of concerns with this 'hard border' have been raised. These include: the issue of potential traffic displacement; the resultant increased congestion; increased air pollution in areas outside of the boundaries.

There are also concerns regarding the impact the charge could create for residents and small businesses that have to travel across this border regularly. For residents this could be those who have to commute to work via car, or for people visiting family in hospital. One approach to negating this impact for residents would be through encouraging modal shift with a diesel scrappage scheme. This could provide an option for residents to receive funding for annual travel cards in London (for 1-2 years/equivalent of funding for a new vehicle). This would encourage people to move away from using dirty vehicles. This requires increased investment in public transport, but also in cycling and walking infrastructure across London as reducing the number of vehicles in the capital is

crucial. Making public transport, walking and cycling a realistic and viable alternative to car travel is crucial if the ULEZ is to encourage modal shift. London Councils calls on the Mayor to lay-out his plans to improve public transport provision, walking and cycling infrastructure in his upcoming Transport and Environment Strategies as well as the London Plan.

The Mayor also needs to address impacts on small businesses directly. It has been suggested that a diesel scrappage scheme could be the tool to do this, and a specific focus on helping small businesses clean their fleets as part of any diesel scrappage scheme would be welcomed.

With the severity of the problem in mind London Councils has ambitions for a London-wide proposal. According to TfL's document 'Future of ULEZ: Initial Analysis of Options' from April 2016, the tightening of the LEZ would likely reduce emissions by 25% for outer London and 27% for inner London, which are substantial benefits. However, the north-south circular option potentially only delivers a 6% reduction for those in Outer London, and a marginally higher 30% reduction for inner London. This would create a more equitable improvement of air quality across London, but also remove the potential issue of displacement that could be caused with a hard inner London ULEZ boundary. It reflects the boroughs desire to ensure that this issue is tackled with the appropriate level of rigor. This could begin with a nominal charge that increases over time. This would require a clear, long term roadmap setting out the direction of travel (including charge levels, emissions limits, and types of vehicles to be affected) to provide clarity so that everyone can adjust their behaviour and spending choices accordingly.

There is real concern regarding potentially exempt roads in the ULEZ. For instance, although not included in the consultation document, many boroughs are worried about rumoured plans to exempt the A12 from the scheme. This would not be welcomed and would actively go against the Mayor's stated aim of improving air quality in the capital given that this road is one of the most polluted in the boroughs they intersect. This also relates to the issue that many of the south London boroughs have with the use of the south circular as a boundary. This road is very different in nature to the north circular section. It also misses out some of the more polluted areas such as Streatham and the A23. This is why a London wide (GLA border) boundary scheme is being urged.

London Councils strongly support the overall principle of expanding the ULEZ London-wide for heavy goods vehicles, given the serious health hazard that air pollution poses. We feel that the expansion of ULEZ London-wide for heavy vehicles should be implemented as soon as possible within reason, giving the businesses that will be affected consideration. Potentially 2019 is too soon, but there is no data to inform our decision at this time.

Enforcement

There is a question about how to enforce a London wide scheme, for instance most resident will be travelling inside the boundary, and therefore would not be picked up by the camera network and therefore effectively going 'un-noticed' and not receiving a charge if you drive a polluting vehicle. Even though the camera network exists for the current LEZ, this proposal would require additional infrastructure, with increased levels and better strategic locating of cameras. This obviously brings knock-on issues, such as the potential for drivers to travel down smaller, residential streets to avoid cameras. This would need to be addressed, in discussion with the boroughs and TfL.

Additional comments (Question 14)

Information and data

There is agreement amongst the boroughs that there is a need for more information and data behind a lot of the assumptions made in the Mayor's consultation. There is a lack of transparency about how decisions have been made. There is a need for more detailed cost/benefit analysis of different options around the expanded ULEZ boundary, and other potential proposals, so that boroughs are able to make informed decisions. It does not appear that anything other than the north/south circular ULEZ option has been considered. It is important for boroughs to understand how TfL have conducted their modelling, for instance what methodologies and data sets have been used. This allows a truly inclusive and effective discussion to take place, and ensure that a solution is found that best suits all of London's needs.

It has been confirmed by the Mayor that the inner London ULEZ would worsen air pollution in some local areas, but improve the air quality in London on average. There is a need for more information regarding the locations expected to face increased levels of air pollution. It is therefore not possible for boroughs to support this proposal without a guarantee from the Mayor that there would be additional funding for specifically developed solutions to

mitigate this. For example, the proposed Clean Bus Zones would need to cover any areas that suffered worse air quality as a result of the inner London ULEZ. Boroughs where the air quality would be made worse would be put in a very difficult situation, and would find it nearly impossible to support these plans if their residents were affected negatively, even if they supported the Mayor's objectives in principle. A solution needs to be found that benefits everyone and it is becoming increasingly clear that a London wide option is preferred. London Councils calls on the Mayor to conduct modelling on a London-wide scheme, which could be a strengthened LEZ/ULEZ that becomes stronger over time.

Policy cohesion

London Councils believe it is crucial that there is a holistic approach to tackling air quality issues, and that there needs to be cohesion between the different policy areas, for instance transport policy but also green infrastructure, urban design and development, and health.

This would mean an alignment of policies and using an existing policy to raise awareness and be used as an intervention point. One example highlighted was the Direct Vision Lorries Initiative. This is a policy that would see a standard for heavy goods vehicles (HGVs) which assesses and rates how much a HGV driver can see directly from their cab in relation to other road users. TfL will then work with vehicle manufacturers and invite all HGVs to be modelled and rated against the Direct Vision Standard. This work will help operators and their clients to make informed choices when buying HGVs. This could be used as a 'hook' to make businesses consider cleaner Lorries at the same time. It is seen as another option with which to engage businesses on the ULEZ. This again, brings a more holistic approach and could make the transition to the ULEZ smoother.

There is a clear need for the Mayor to develop and inform the boroughs of supporting policies to be implemented alongside any restrictions on vehicles including mitigation measures (for example urban design and green infrastructure), and addressing the air pollution from buildings. It has been suggested that there should be some policies for the second hand car market to really influence residents beyond those buying brand new cars. This could be a requirement for all second hand cars to be easily identified by its Euro level, which could help people to make more informed decision when buying a second hand car. London Councils would also like to re-iterate its calls for Vehicle Excise Duty (VED) to be reformed. The current set-up does not do enough to penalise the most polluting vehicles. The Mayor should provide a high profile voice in the campaign to change this. This is also relevant for replacing old taxis.

Given the role The Mayor and Boroughs play in engaging and encouraging private sector organisations to adopt ULEVs as standard in their operations, London Councils notes the recent announcement by the Office for Low Emissions Vehicles (OLEV) regarding funding earmarked specifically to help businesses switch vans and trucks to electric. This is something that we encourage the Boroughs to use in their ongoing business engagement work.

Euro standards

The use of the Euro standards for modelling and as a basis for the proposals is a concern, given the understanding that many vehicles do not perform in real world conditions as well as advertised under their Euro standard. Given that Euro 6c standard vehicles will be the first ones to face real-world driving tests and won't be introduced until 2017 is a worry. And even this more stringent standard will use a 110% "conformity factor" limit (which is the difference between the laboratory test and real-world conditions) until 2021. This shows that using the Euro standard is not enough to improve the air quality to the level necessary. The Mayor should not be content with aiming for a lower type of air pollution but instead be looking to encourage use of alternative, clean fuel powered vehicles. This could be done by improving the electrical vehicle charging infrastructure in London, and also working with boroughs and the private sector to develop clean LGVs and HGVs (such as hydrogen and LPG), and also improving public transport provision, and walking and cycling infrastructure as noted earlier.

London Councils' Transport and Environment Committee

A Direct Vision Standard for Heavy Goods Vehicles

Item No: 09

Report by: Ben Plowden **Job title:** Director of Surface Strategy & Planning, TfL

Date: 8 December 2016

Contact Officer: Ben Plowden

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Summary:

This report outlines Transport for London's (TfL) work on a Direct Vision Standard (DVS) for Heavy Goods Vehicles (HGVs) in London, which was launched by the Mayor of London on 30 September 2016.

The Mayor set out how the DVS uses a zero to five 'star rating' system that rates HGVs based on how much a driver can see directly from the cab without using cameras or mirrors.

His intention is to use the DVS to ban or restrict the most unsafe 'zero star' rated HGVs from London's streets by 2020; and ensure that only HGVs suitable for urban environments (three star and above) are used in London from 2024.

If the proposal proceeds implementation may be through a series of London-wide Traffic Regulation Orders (TROs) made by London Councils TEC and TfL, which would be the subject of further consideration and reports.

Recommendations:

Members are asked to:

1. Note the creation of a Direct Vision Standard for HGVs and its contribution towards safer roads in London.
2. Endorse the Mayor's general proposals to work towards a London-wide ban or restrictions on unsafe, 'zero-star DVS rated' HGVs in 2020 (subject to the outcome of further research and consultation and further consideration of appropriate implementation measures).

A Direct Vision Standard for Heavy Goods Vehicles

Overview

1. This is the first time that the DVS has been presented to the TEC.
2. The purpose of this report is to inform members and boroughs on the recent progress on DVS and to ask for members' endorsement of the Mayor's general proposals to work towards a London-wide ban or restrictions on unsafe, 'zero-star DVS rated' HGVs in 2020 (subject to the outcome of further research and consultation and further consideration of appropriate implementation measures).
3. In March 2016, TfL consulted on further improving lorry safety in London, which included consideration of mandating clear side panels in lorry passenger-side doors to increase visibility. However, subsequent research undertaken in developing the DVS has shown that this proposal would have little impact on cyclist safety and no impact on pedestrian safety.

Direct Vision Standard

HGVs and vulnerable road users

1. HGVs make up less than four per cent of the miles driven in London, but were involved in around 78 per cent of cyclist fatalities and 20 per cent of pedestrian fatalities in 2015.
2. One of the most common contributory factors identified in HGV collision police reports was vehicle 'blind spots', where the driver cannot see other road users close to their vehicle. Off-road HGVs, typically used in construction, have larger blind spots and are involved in far more serious collisions with cyclists than a typical on-road model, such as those used for supermarket deliveries.

Research

3. To better understand the nature of HGV collisions, TfL worked with the construction industry to establish the Construction Logistics and Community Safety (CLOCS) programme in 2013. CLOCS has raised awareness of steps the construction industry can take to minimise risks to vulnerable road users. CLOCS identified vehicle design as a key focus area.
4. TfL commissioned Loughborough University to assess the blind spots of 19 different types of HGVs. The research found clear links between the height of lorry cabs and the position and size of windows, and how much the driver can see. This research is the basis for the DVS.
5. Further evidence is currently being gathered to inform the consultation process, and to indicate whether HGVs with low direct vision are unsuited to London's roads, and if they can cause serious accidents and pose serious road safety risks for vulnerable road users.

Direct Vision Standard

6. On 30 September 2016, the Mayor of London launched the world's first Direct Vision Standard.

7. This standard will use a zero to five 'star rating' to rate HGVs based on the level of vision the driver has directly from the cab without the use of cameras or mirrors. Examples are shown in the images attached at appendix A.
8. Under the Mayor's proposals, the most dangerous 'off-road' HGVs (those rated zero stars using the DVS) would be banned from or restricted on London's streets from January 2020. Only HGVs with good levels of direct vision – ie three stars or above – would be allowed on London's streets from 2024 onwards.
9. The mechanism for implementing these proposals on a London-wide scale is being considered by the Mayor. It may involve TROs to be made by London's traffic authorities individually or by TEC (possibly as an amendment to the Safer London Lorry Scheme), . However, this would require further consideration once the Mayor's proposals evolve, including consideration of whether any such TROs would be within the functions delegated to TEC by the participating authorities. Any TRO would be subject to statutory consultation carried out by or on behalf of the body making the TRO and could not be pre-determined pending consideration of consultation responses and detailed evaluation.
10. By rating vehicles and making this information available, operators and businesses can specify the safest and most appropriate HGV for use in their supply chains.
11. The Greater London Authority Group will adopt the new DVS in all future contracts from April 2017, to ensure that no trucks with poor direct vision are used in future supply chains. TfL would be happy to work with London's boroughs to increase the safety of vehicles operating in their supply chains.

Consultation

12. TfL are commissioning further work to underpin a policy consultation, including a full Integrated Impact Assessment (IIA) covering the likely economic, social and environmental impacts; and statutory equalities, traffic movement and traffic management considerations.
13. A multi-staged, phased consultation process will begin early in 2017.
14. TfL will work with vehicle manufacturers, freight operators, regulators, the Department for Transport and London Councils to ensure the DVS proposals are as far reaching as practicable within current legislation, are fit for purpose and can be implemented as quickly as possible.

Recommendations

Members are asked to:

1. Note the development and proposed implementation of a Direct Vision Standard for HGVs.
2. Endorse the Mayor's general proposals to work towards a London-wide ban or restrictions on unsafe, 'zero-star DVS rated' HGVs in 2020 (subject to the outcome of further research and consultation and further consideration of appropriate implementation measures).

Financial Implications

There are no financial implications of the recommendations.

Legal Implications

These are included in the body of the report

Equalities Implications

There are currently no equalities implications of the recommendations.

Background Information

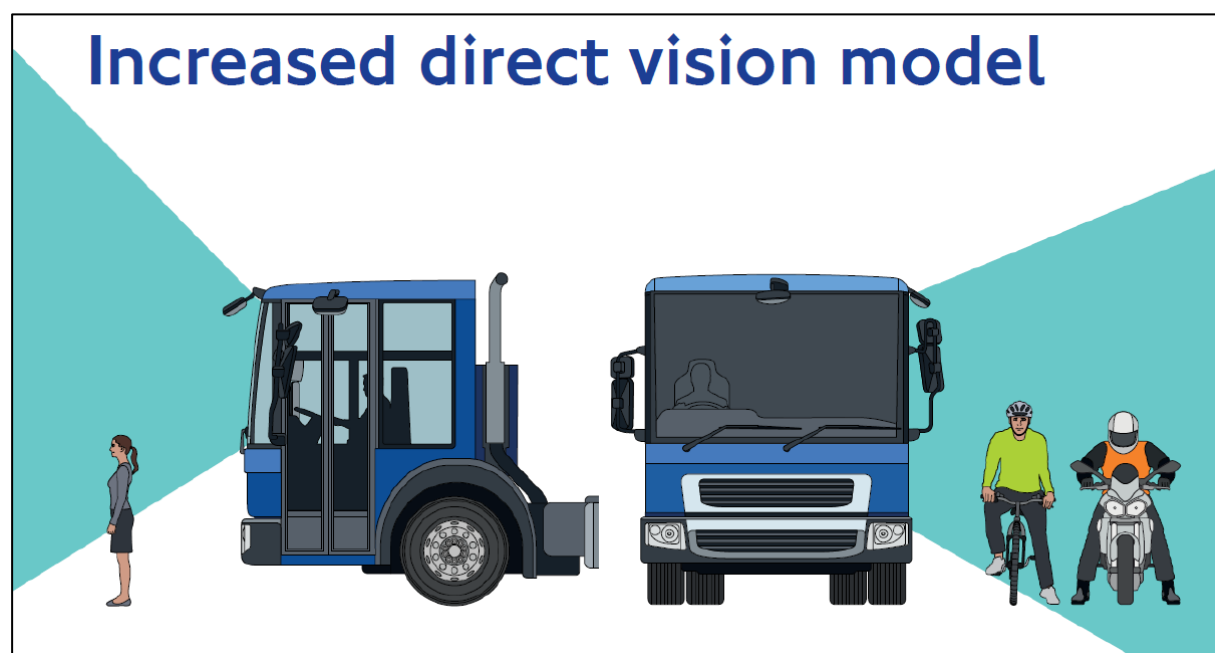
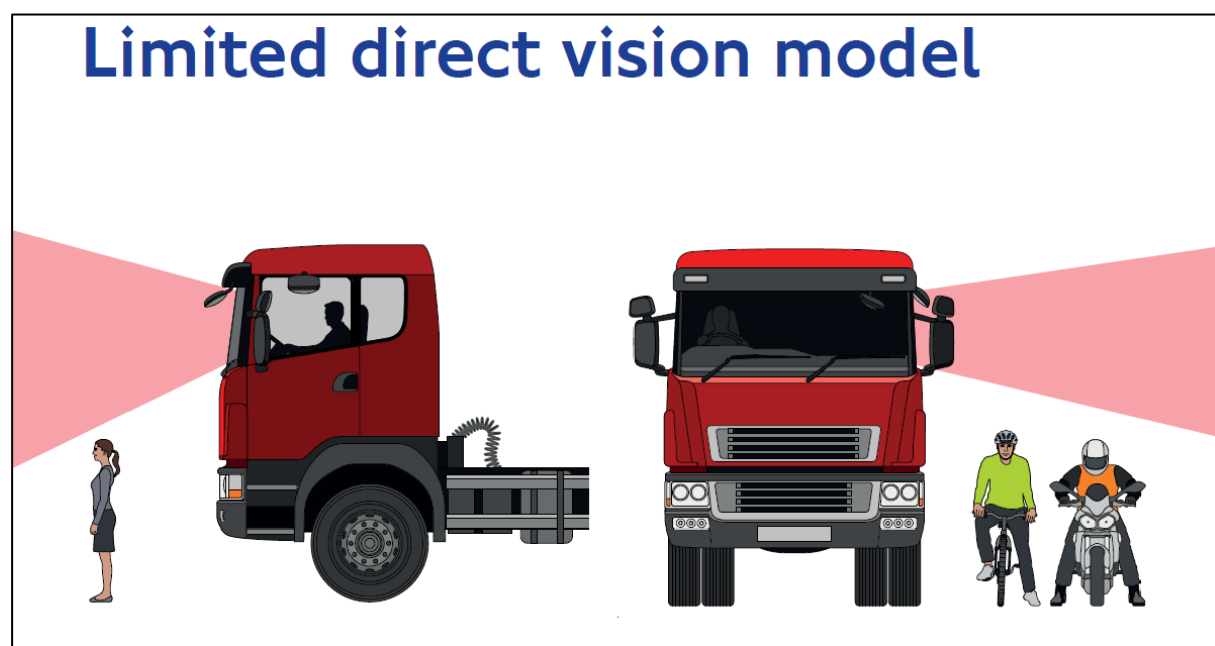
Information on TfL's overall programme on safer trucks can be found at: www.tfl.gov.uk/safer-trucks

More information on the DVS can be found at: www.tfl.gov.uk/direct-vision-standard

TfL commissioned transport consultant TRL to carry out the technical modelling of the DVS. The full report can be accessed at: <http://content.tfl.gov.uk/assessing-direct-vision-in-hgvs-technical.pdf>

The press release on the Mayor's announcement (30 September 2016) is attached as appendix B.

Appendix A: Limited direct vision and increased direct vision HGV models



Mayor sets out measures to rid London of dangerous lorries

30 September 2016

- **The most unsafe HGVs to be banned from London's streets by 2020, transforming road safety in London**
- **The world's first Direct Vision Standard to be introduced – delivering on Sadiq Khan's manifesto pledge**
- **Sadiq Khan says he won't 'stand by' as dangerous lorries lead to more cyclist and pedestrian tragedies**

The Mayor of London, Sadiq Khan, has today announced ground-breaking proposals to make London's roads safer for pedestrians and cyclists by removing the most dangerous lorries from the capital's roads by 2020.

TfL's Direct Vision Standard, a world first, will use a 'star rating' from 0 to 5 stars to rate construction and other heavy goods vehicles (HGVs) based on the level of vision the driver has directly from the cab.

Under the plans to be consulted on shortly, the most dangerous 'off-road' HGVs will be banned from London's streets entirely by January 2020.

These HGVs would be 'zero star rated' by the Direct Vision Standard. Only HGVs meeting 3 stars or above – 'good rating' in the new Direct Vision Standard - would be allowed on London's roads by 2024.

Recent data shows that HGVs were involved in 22.5 per cent of pedestrian fatalities and 58 per cent of cyclist fatalities on London's roads in 2014 and 2015, despite only making four per cent of the miles driven in the Capital. The restriction of drivers' field of direct vision by vehicle design has been proven to have contributed to many of these fatalities.

Promoting safer lorries through a new Direct Vision Standard was outlined in Sadiq's manifesto. There are around 35,000 of the zero star-rated 'off-road' HGVs currently operating on London's roads, and they were involved in around 70 per cent of cyclist fatalities involving HGVs in the last three years. It is this type of vehicles the Mayor has pledged to remove from London's roads by 2020.

TfL and the wider Greater London Authority group will lead by example and adopt the new Direct Vision Standard in all future contracts from the new financial year, to ensure that no trucks with poor direct vision are used in their future supply chains.

The Mayor and TfL will also work with developers and councils to encourage them to do the same, and the Mayor has pledged to continue pressing the EU to introduce new EU wide safety standards for HGVs.

Sadiq Khan, Mayor of London, said: –

‘I’m not prepared to stand by and let dangerous lorries continue to cause further heartbreak and tragedy on London’s roads. The evidence is clear – HGVs have been directly involved in over half of cycling fatalities over the last two years, and we must take bold action to make our roads safer for both cyclists and pedestrians.

‘I’m determined to ensure the most dangerous zero star-rated lorries are removed from our roads completely by 2020. Our ground-breaking Direct Vision Standard will be the first of its kind in the world, directly addressing the issue of lethal driver blind-spots. I’m also proud that TfL will lead by example and will not use any zero-star lorries in its supply chain from the new financial year.

‘By continuing to work closely with industry, using TfL and public sector procurement and announcing our plans now, I’m confident that many of our lorries will now be upgraded well before the ban comes into place, and the benefits of a new era of modernised and safer HGVs felt by all road users across London.’

Leon Daniels, Managing Director of Surface Transport at TfL, said: “Lorries designed in the 1970s and for use in a quarry have no place on the streets of a 21st century city. Our Direct Vision Standard has been developed using extensive technical research and builds on the success of working in partnership with both vehicle operators and manufacturers through the award-winning CLOCS. It will help bring the whole lorry fleet up to modern safety standards. The right lorry in the right place keeps a city functioning.

“By helping everyone ensure they are using, contracting or buying lorries with high levels of driver direct vision, we will increase the demand and supply of such vehicles to the point where these safer trucks are the main lorry of choice in the Capital, other cities and around the world.”

Cllr Julian Bell, chair of London Councils’ Transport and Environment Committee, said: “I welcome this announcement from the Mayor to do more to minimise the risk posed by lorries to pedestrians and cyclists on our streets.

“We need to encourage as many people as possible to cycle and walk where they can, to better improve our chances of tackling key priorities such as congestion and improving air quality and the health of Londoners.”

The company delivering the Thames Tideway Tunnel, which will help clean up the River Thames by tackling sewage discharges, has pledged its support for the proposals.

Andy Alder, Central Delivery Manager for Tideway, said: “We are fully supportive of TfL’s Direct Vision Standard. We are aiming to transport construction materials and spoil from the Thames Tideway Tunnel by river where possible, but where this isn’t possible we are determined to ensure we are using the safest

lorries available. As an example, Tideway is working with contractors towards piloting the use of Low Entry Cabin (LEC) HGVs on the project.”

Notes to editors

The Mayor proposes that the most dangerous zero star-rated ‘off-road’ HGVs will be banned from London’s streets entirely by January 2020, and only HGVs meeting the new Direct Vision Standard of 3 stars or above will be allowed on London’s roads by 2024.

- Lorries will be star-rated ranging from ‘best in class’ (those using features like low-entry and remodelled cabs to drastically reduce blind spots), to ‘not suitable for urban environment’ (those construction vehicles designed for off-road use with drivers high up in the cab making blind spots nearly three times larger).
- Off-road vehicles, like tipper trucks and cement mixers - often found in the construction industry - are disproportionately involved in pedestrian and cycling fatalities, which is why the Mayor is determined these models should not operate on London’s roads.
- To ensure the industry will have sufficient lead-in time to upgrade their fleets before the ban comes into place, the Mayor is launching his proposed enforcement timetable now, and a consultation process will begin shortly. It is estimated that only 8 per cent of HGVs in London will be zero star-rated by 2020, down from 18 per cent today.
- TfL has discussed the draft DVS with a number of industry bodies, which have welcomed a clear direction on HGV safety. TfL has been working with major developers and other public sector organisations to help them understand the type of vehicles they use and how they can make their fleets safer for the roads they operate on.
- Thames Tideway, who are building a 25 mile tunnel across London, have already committed to having vehicles of a high standard of direct vision in their fleet when work begins. Tideway is the company that will finance and deliver the Thames Tideway Tunnel, a 25km sewer tunnel urgently required to tackle sewage pollution in the tidal River Thames. Tideway directly employs 400 people. In total the project is expected to create 4,000 direct sustainable jobs. One in every 50 site jobs will be an apprenticeship.
- Earlier this year TfL consulted on further improving lorry safety in London, which included consideration of mandating clear side panels in lorry doors to increase visibility. However, subsequent research has shown that this proposal would have little impact on cyclist safety and no impact on pedestrian safety.

London Councils' Transport and Environment Committee

Taxicard Update

Item No 10

Report by: Stephen Boon **Job title:** Chief Contracts Officer
Date: 8 December 2016
Contact Officer: Stephen Boon
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Summary

This report informs the Committee of the final Taxicard spend for 2015/16 and the projected budget outturn for 2016/17. It also updates members on proposals which are being explored for greater coordination between the Taxicard and Dial-a-Ride schemes, and requests authority to extend the existing service contract for a further 18 months (subject to the contractor's agreement) to allow sufficient time to undertake the new procurement.

Recommendations

Members are asked to:

1. Note the final Taxicard spend for 2015/16 and the projected outturn for 2016/17
2. Note the update on the work being undertaken to explore with TfL the potential for greater co-ordination in a future re-procurement and delivery of London Council's Taxicard service and TfL's Dial-a-Ride service, such matters to be reported back in due course for decision.
3. Comment on the approach and the indicative timetable outlined in the Report.
4. Resolve to extend the Taxicard contract for a further year until March 2018 as permitted under clause 3.4 of the existing contract with the provider.
5. Resolve to delegate authority to officers to negotiate and agree an additional extension to the contract of six months beyond the maximum permitted in the existing contract.

Introduction

1. As part of the wider review of social needs transport initiated by TfL and reported to TEC in October 2015 whereby TEC resolved *inter alia* that they supported boroughs and London Councils working with TfL to develop detailed proposals for change (such as providing for greater integration of financial and governance

arrangements relating to those services) and to develop a detailed work programme to take this work forward, the TEC Executive Sub-Committee were updated on progress on 21 July 2016. The TEC Executive supported the principle of London Councils and TfL exploring joint re-procurement of elements of the Taxicard and Dial-a-Ride (DaR) schemes at the expiry of the existing contracts.

2. Since that meeting in July London Councils and TfL have met on several occasions and believe that a joint exercise to re-procure both the Taxicard and DaR services is viable, subject to further legal advice, and could lead to cost savings through increased buyer bargaining power, economies of scale and reduced tendering costs. At this stage it is not proposed to undertake integration of the services which, it is expected, would retain distinct identities. In large measure, service users would, under the proposals being considered, see little or no change in the way the schemes are operated. These proposals will be subject to consultation with service users who may be affected by those proposals, as well as other interested stakeholders. This paper sets out for Members' consideration the suggested approach and timescales on the proposals for the re-procurement of the Taxicard service with relevant decisions being reported back to Members.
3. The paper also sets out the final Taxicard spend for 2015/16 and considers the projected Taxicard budget outturn for 2016/17.

Procurement of Taxicard and Dial-a-Ride (Taxi Element)

4. London Councils entered into a contract for the supply of vehicle transport for the Taxicard contract with Cityfleet Networks Limited which commenced on 1 April 2012 for a three year term. That contract provided that the contract term may be extended for a further three 12 consecutive months, not exceeding three years in total. The contract has since been extended for a further two years until 31 March 2017. In order for the Taxicard scheme to continue, London Councils must re-procure these services. Under the terms of the existing contract it is permitted to extend the contract for a further one year until 31 March 2018 (noting the comments at paragraphs 12 and 19 below) and authority is being sought at this meeting for that extension to enable officers to develop the proposals for the re-procurement with relevant decision being brought back to Members.
5. TfL's taxi consolidator contract, which it uses to supplement the supply of vehicles for its DaR service comes to an end at the same time as the Taxicard service contract.
6. Consequently, London Councils and TfL officers believe that a joint procurement exercise would support the proposed joint working in the delivery of the DaR and Taxicard services, in light of the social needs transport review. Anticipated benefits which would accrue, the issues which need to be addressed in developing the proposals and suggestions as to the best route to market, are set out below.

Benefits of joint procurement

7. Officers consider that the following benefits could accrue from a joint procurement exercise. First, both organisations will benefit from each other's experience in delivering similar activities. This will mean that there is a wider pool of knowledge from which to draw when writing the specification for the services.
8. A joint procurement exercise will reduce the costs of tendering. It will do this in two ways. Both London Councils and TfL will avoid costs by sharing the work that

needs to be done in procuring the relevant services. The cost to suppliers will also be decreased, as they only have to engage in one procurement exercise. It is likely that these cost savings will be reflected in their tenders.

9. By working together, London Councils and TfL increase their bargaining power, as they are creating a bigger market for the procurement. This increased bargaining power has influenced the technical approach to procurement which it is recommended should be explored (covered later in this report).
10. Increasing the scale and scope of the activities to be procured, it is anticipated that economies of scale can be created that could result in reduced cost to the boroughs and TfL. By creating a more unified set of service and contract management requirements for suppliers to work to, it should be possible to reduce supplier overheads, thereby generating savings.
11. The social needs transport road map, developed by TfL, and endorsed by TEC, sets out how further integration of social needs transport can be achieved to the benefit of customers. A joint procurement exercise could begin to lay the foundations for further integration, specifically in the areas of service quality and customer services.
12. Given these benefits, officers support a joint procurement for Taxicard and the DaR taxi services to be provided upon expiry of the existing Taxicard contract (subject to a decision to extend that contract for a further year, per paragraph 4 above, and to delegate authority to officers to negotiate a further six month extension, per paragraph 19). Indeed, there is scope within the existing TEC agreement to enter into contracts for goods, works and services in relation to any aspects of the functions discharged by TEC and to do anything which is calculated to facilitate or is conducive or incidental to the functions TEC may discharge.

Issues to be addressed

13. As the paragraphs above suggest, there are compelling reasons to work with TfL on this procurement process. Nevertheless, there are some issues that remain to be addressed, both relating to the process and the scope of the services which would be procured by both parties. The following paragraphs set these out and present options to address these and the approach which is recommended should joint procurement not be possible. Future decisions on these matters will be informed by consultation with service users, and other stakeholders, and the equalities impacts of proposals assessed in presenting recommendations to Members in due course; they are also subject to legal advice and analysis of the relevant financial implications.
14. There are some distinct differences in the way Taxicard and DaR taxi consolidator services are currently offered to customers. Taxicard is a subsidised scheme with both bookings and trips undertaken by the contractor. Whereas, DaR is a free scheme where bookings are taken by TfL, scheduled in the main on multi-occupancy buses and passed by TfL to the taxi consolidator where the use of a taxi or private hire vehicle for individual journeys will improve bus scheduling efficiency. London Councils and TfL do not see this difference as a barrier to jointly procuring services as any tender specification could provide that these distinct service requirements will need to be met from the appointed provider.
15. Taxicard is a kerb to kerb service, whereas DaR is a door to door service. Officers believe that TfL currently pays something of a premium for this additional benefit,

but that there is latent demand for this amongst Taxicard members. Subject to the consultation and analysis noted above (and any financial and other legal considerations) the tendering exercise could obtain a price from tenderers for upgrading Taxicard to a door to door service and this could be presented as an option for TEC in the procurement exercise. (See timetable below).

16. There is variation in the type of bookings that can be made across the two schemes as they currently operate. Members of the Taxicard scheme are able to make advanced bookings, as soon as possible (ASAP) bookings, as well as street hailing taxis. DaR taxi bookings made by TfL (rather than the individual customer) are on a pre-booked and ASAP basis only. If it were considered that each service should continue in the same way, this could be managed within a joint procurement by separating the tender into two lots. Lot one, to cover advanced and ASAP bookings on Taxicard and DaR and Lot two, to cover street hailing for Taxicard only. This approach would also enable new entrants to tender for aspects of the service which would, it is expected, generate further competition and test the market
17. Further consideration needs to be given to the actual mechanics of jointly procuring. It is important the both London Councils and TfL align their respective approaches and expectations of the procurement. In order to conduct a joint procurement exercise, a number of matters must be addressed in advance, such as whether there will be one lead authority procuring for the other, or a jointly procured framework with again a lead partner and an underlying Service Level Agreement (SLA).
18. The standard OJEU notice allows for either type of “joint procurement”. However, whichever approach is chosen, London Councils and TfL will have to develop an SLA or similar to manage the parties’ respective expectations with regard to the conduct of the procurement and subsequent contracting and contract management arrangements.
19. The last time the Taxicard supply contract was let, some potential bidders felt that procurement timetable did not provide sufficient time to mobilise services and therefore, decided not to bid. In recognition of this and in order to foster genuine competition for these services, London Councils suggest that it would be necessary to extend the current supply contract by six months beyond the current maximum contract end date of March 2018 to the end of September 2018. This timescale would allow roughly nine months for the tendering exercise and approval process (April – December 2017) and up to nine months for the mobilisation of a new contract (January – September 2018). This additional extension would need to be negotiated with the existing provider and it is proposed that Members delegate authority to officers to negotiate and agree an additional extension to the contract of six months beyond the maximum permitted in the existing contract.

Route to market

20. The Public Contracts Regulations 2015 allow public authorities to choose one of several routes to market. Given the novelty of a joint procurement such as that proposed, the rapidly changing nature of the taxi and PHV markets, and London Councils’ and TfL’s desire to use their collective bargaining power to realise cost savings, officers recommend that the competitive procedure with negotiation is the most appropriate route to market for the re-procurement of the Taxicard services.

21. This procedure allows greater scope for the contracting authorities to seek clarification on the tenders received and to negotiate on elements of service and cost. Officers consider that this route to market offers the best opportunity to ensure best value to London boroughs and TfL; it would also allow the different aspects identified as being required for each service to be properly dealt with.
22. Officers will ensure that the tendering exercise meets all of the requirements set out in the Public Contracts Regulations 2015. These include advertising the opportunity on the Official Journal of the European Union (OJEU), application of a pre-qualification questionnaire (PQQ), publishing compliant invitations to negotiate (ITN) and invitations to submit final tenders (ITS), as well as respecting the standstill requirements.
23. It is suggested that the new Taxicard contract should have a term of three years, with the option to extend up to three times by 12 months, in the expectation that similar approval will be granted by TfL regarding their DaR service, in the event that both parties agree to proceed with a joint procurement of their services.
24. In addition, officers propose to do joint market warming with suppliers, as well as consultations with Taxicard and DaR members, and other stakeholders. These activities will be designed to ensure that the tender specifications are fit for purpose and will deliver further efficiencies and savings for all involved.
25. Members are asked to comment on approach outlined above and the indicative timetable for the possible procurement (set out below). NB the timetable and suggested approach would also be used were London Councils to undertake sole procurement of the services.

	Start Date	End Date
Market Warming	Dec-16	Feb-17
Consultation with Taxicard and DaR members & other stakeholders	Dec-16	Feb-17
Report back to TEC on any matters requiring decision to inform the following steps	March 2017	
Publish OJEU Notice		03/04/2017
PQQ Return		03/05/2017
Evaluation Period	04/05/2017	24/05/2017
Issue ITN		29/05/2017
ITN Return		28/06/2017
Evaluation Period	03/07/2017	21/07/2017
Negotiation Period	24/07/2017	18/08/2017
Issue ITS		21/08/2017
ITS Return		22/09/2017
Evaluation Period	25/09/2017	13/10/2017
Report to TEC on Preferred Supplier (for approval)		Oct-17
Decision notices and standstill period		Nov-17
Contract Award		Dec-17
Mobilisation	Dec-17	Sep-18
Go-live	01/10/2018	

Taxicard Budget Final Outturn 2015/16

26. The Taxicard trip budget for 2015/16 was £12.285 million, with £9.63 million funded by Transport for London (TfL) and £2.66 million from the boroughs.
27. 3.55% fewer trips were taken in 2015/16 than in 2014/15. This resulted in an underspend of the combined TfL and borough budgets in all but six authorities; the City of London, Haringey, Kingston upon Thames, Merton, Richmond and Sutton.
28. The final spend was £10.98 million. The main outcomes were:
 - Combined borough underspends of £1.14 million. Underspends were refunded to 17 boroughs at the end of the financial year.
 - Six authorities had overspends totalling £37,922
 - A TfL underspend of £248,016 was refunded to TfL at the end of the financial year

Taxicard Budget Projection 2016/17

29. TfL has provided funding for 2016/17 and London Councils is waiting for them to confirm funding for 2017/18, which should be received later this month once TfL's Business Plan is agreed.
30. The Taxicard trip budget for 2016/17 is £12.095 million, with £9.781 million funded by Transport for London (TfL) and £2.314 million from the boroughs.
31. Taxicard journeys have increased by 3.67% between April and October 2016 compared to the same seven month period last year, reversing a trend of declining trip numbers in recent years. This has resulted in the following projected outturns for the year:
 - Combined borough underspends of £865,462 (12 boroughs)
Underspends will be refunded to boroughs at the end of the financial year.
 - Ten authorities are projecting overspends totalling £311,500
 - A projected TfL underspend of £203,024 will be refunded to them at the end of the financial year
32. The policy agreed by this Committee is that boroughs have to either fund budget overspends or take measures to reduce spend to bring them back within budget. Of the ten boroughs projected to overspend, eight have agreed to fund their overspends at the end of the year, and two have agreed to fund overspends up to a certain amount. A summary of each borough's projected spend can be found in Appendix One.
33. Trip figures are subject to monthly fluctuations throughout the year and it is not easy to project a final outcome this year due to the inconsistencies in the month to month increases. So far the trip comparisons are: April (+5.02%), May (+8.00%), June (+1.56%), July (-1.03%), August (+9.00%), September (+1.89%), October (+1.59%). The actual spend may be higher or lower than currently projected, but the figures are indicative of the likely outturn.

Financial Implications for London Councils

The Taxicard budget is forecast to underspend by £768,651 in 2016/17, based on trips to October 2016, with refunds forecast to be made to 12 contributing boroughs and TfL. Ten boroughs are forecast to overspend by a combined £311,500, eight of which are committed to fund any overspend amount and two of which have agreed to fund up to a certain level.

Legal Implications for London Councils

London Councils officers take appropriate legal advice to inform the future development of the proposals, including to draft appropriate SLAs where necessary with TfL, and to ensure that any re-procurement is undertaken in accordance with the Public Contracts Regulations (2015), with relevant decisions being reported back to Members in due course.

Equalities Implications for London Councils

The Taxicard scheme provides subsidised trips in licensed taxis and private hire vehicles to London residents whose severe mobility or visual impairments make it very difficult for them to use mainstream public transport. The scheme plays an important role in reducing their social exclusion. London Councils will consult with scheme members, service users and other stakeholders and undertake an equalities impact assessment, which will inform the proposed recommendations to Members on any proposed changes to the scheme and a re-procurement of the Taxicard services.

Recommendations

1. Note the final Taxicard spend for 2015/16 and the projected outturn for 2016/17
2. Note the update on the work being undertaken to explore with TfL the potential for greater co-ordination in a future re-procurement and delivery of London Council's Taxicard service and TfL's Dial-a-Ride service, such matters to be reported back in due course for decision.
3. Comment on the approach and the indicative timetable outlined in the Report.
4. Resolve to extend the Taxicard contract for a further year until March 2018 as permitted under clause 3.4 of the existing contract with the provider.
5. Resolve to delegate authority to officers to negotiate and agree an additional extension to the contract of six months beyond the maximum permitted in the existing contract.

Background papers

Transport and Environment Committee 15 October 2015, Item 6 – Social Needs Transport

Transport and Environment Committee 23 March 2016, Item 9 –Taxicard Scheme Progress Report

Transport and Environment Executive Sub-Committee 21 July 2016, Item 6 – Social Needs Transport Review Update

Appendices:

Appendix one – Taxicard Update

3. The Code of Practice was last revised and approved by TEC in 2006. Since this time there have been substantial changes to parking legislation following the introduction of the TMA 2004 and this revised document reflects these – and other - legislative changes since 2006.

Revisions to the Code of Practice

4. The enactment of the Deregulation Bill in 2015, introduced restrictions on the use of CCTV enforcement for parking contraventions. This limited CCTV use to critical parking locations such as school keep clears, bus lanes, bus stops and red routes. The act also introduced mandatory 10 minute “grace periods” for certain contraventions. Therefore, there was a real requirement to review and update the Code of Practice as a whole and takes into consideration these changes prescribed within the Act.
5. In March 2015 the Department for Transport (DfT) published the latest version of the ‘Operational Guidance’ to Local Authorities on Parking Policy and Enforcement. The DfT has announced that they will no longer be producing and updating this guidance which has provided the useful benchmarking of enforcement protocol. The DfT still produce the Statutory Guidance to Local Authorities on the Civil Enforcement of Parking Contraventions, under the TMA 2004. This Code of Practice has been revised accordingly to ensure that it builds on the advice and information contained within these two documents and sets out the grounds for good practice in London.
6. London Councils set up a Working Group with five participating boroughs to review the existing Code of Practice and to implement the prescribed legislative and guidance changes. The group also consulted and agreed upon proven best practices, taking into consideration the advancements since 2006 in technology, such as mobile phone payments for cashless parking.
7. This updated version of the existing Code of Practice advises authorities in London of the procedures that they must follow; the procedures they must have regard to and those that London Councils recommends are good practice when delivering civil parking enforcement. Since the first publication of the Code of Practice, all 32 boroughs and City of London have adopted the Code and this is reflected in their enforcement procedures.
8. The Code of Practice is split into two separate parts: Part 1 is concerned with the on-street enforcement activities and sets out the objectives and requirements of Civil Enforcement Officers, the requirements of the Penalty Charge Notices (PCNs) and clamping and removal procedures. Part 2, (to follow at a later stage) will set out the procedures that should be followed when processing PCNs through the various stages in the back office.
9. The Code of Practice incorporates the changes brought about by the Traffic Management Act 2004, the Deregulation Act 2015, London specific legislation, the amendments to the Department for Transport’s (DfT) Operational Guidance to Local Authorities and the TMA 2004 Statutory Guidance to Local Authorities on the Civil Enforcement of Parking Contraventions.

10. The Code of Practice is not statutory but authorities must have regard to the contents which reflect existing practices.

Financial Implications

11. There are no financial implications to London Councils arising from this report.

Legal Implications

12. Although civil parking enforcement sits within a legal framework, there are no legal implications associated with the production of this Code of Practice.

Equalities Implications

13. Although there are no equalities implications to this report, the Code of Practice does make reference to enforcement and exemptions as they relate to blue badge holders.

Recommendations

14. The Committee is asked to:
 - Note the contents of the revised Part 1 of the Code of Practice and agree that it should replace Part 1 of the existing Code
 - Recommend the adoption of Part 1 of the Code of Practice by all London authorities that carry out civil parking enforcement of parking regulations.

Appendices

Appendix A: Code of Practice on Civil Parking Enforcement – Part 1

Appendix B: Sample Documents

Item 10. Appendix 1 Taxicard Update for 08-12-16

BOROUGH	BOROUGH	TfL	TOTAL	PROJECTED	PROJECTED	PROJECTED	TOTAL	BOROUGH	TFL	Total	
	BUDGET	BUDGET	AVAIL	OUTTURN	BOROUGH	TFL	OVER/UNDER	OVER/UNDER	UNDER	%	TfL SPEND
	2016-2017	2016-2017	2016-2017		SPEND	SPEND	SPEND	SPEND	SPEND		%
Barking & Dagenham	£ 183,059	£ 344,427	£ 527,486	£ 344,427	£ -	£ 344,427	-£ 183,059	-£ 183,059	£ -	65.30%	100.00%
Barnet	£ -	£ 280,196	£ 280,196	£ 254,724	£ -	£ 266,660	-£ 13,536	£ -	-£ 13,536	90.91%	104.69%
Bexley	£ -	£ 141,127	£ 141,127	£ 128,297	£ -	£ 128,297	-£ 12,830	£ -	-£ 12,830	90.91%	100.00%
Brent	£ 55,706	£ 363,597	£ 419,303	£ 351,472	£ -	£ 351,472	-£ 67,831	-£ 55,706	-£ 12,125	83.82%	100.00%
Bromley	£ -	£ 179,992	£ 179,992	£ 163,629	£ -	£ 163,629	-£ 16,363	£ -	-£ 16,363	90.91%	100.00%
Camden	£ 95,219	£ 383,275	£ 478,494	£ 627,810	£ 244,535	£ 383,275	£ 149,316	£ 149,316	£ -	131.21%	61.05%
City London	£ 4,280	£ 15,165	£ 19,445	£ 18,318	£ 3,153	£ 15,165	-£ 1,127	-£ 1,127	£ -	94.21%	82.79%
Croydon	£ -	£ 314,251	£ 314,251	£ 285,683	£ -	£ 285,683	-£ 28,568	£ -	-£ 28,568	90.91%	100.00%
Ealing	£ -	£ 331,740	£ 331,740	£ 301,582	£ -	£ 301,582	-£ 30,158	£ -	-£ 30,158	90.91%	100.00%
Enfield	£ -	£ 119,014	£ 119,014	£ 108,195	£ -	£ 108,195	-£ 10,819	£ -	-£ 10,819	90.91%	100.00%
Greenwich	£ 179,623	£ 406,451	£ 586,074	£ 507,972	£ 101,521	£ 406,451	-£ 78,102	-£ 78,102	£ -	86.67%	80.01%
Hackney	£ 252,583	£ 369,946	£ 622,529	£ 483,517	£ 113,572	£ 369,946	-£ 139,011	-£ 139,011	£ -	77.67%	76.51%
Hammersmith & Fulham	£ 197,549	£ 269,440	£ 466,989	£ 325,661	£ 56,221	£ 269,440	-£ 141,328	-£ 141,328	£ -	69.74%	82.74%
Haringey	£ 26,881	£ 345,935	£ 372,816	£ 378,006	£ 32,070	£ 345,935	£ 5,189	£ 5,189	£ -	101.39%	91.52%
Harrow	£ -	£ 254,007	£ 254,007	£ 230,915	£ -	£ 230,915	-£ 23,092	£ -	-£ 23,092	90.91%	100.00%
Havering	£ 76,513	£ 473,832	£ 550,345	£ 543,096	£ 69,264	£ 473,832	-£ 7,249	£ 7,249	£ -	98.68%	87.25%
Hillingdon	£ -	£ 141,354	£ 141,354	£ 128,504	£ -	£ 128,504	-£ 12,850	£ -	-£ 12,850	90.91%	100.00%
Hounslow	£ -	£ 282,932	£ 282,932	£ 268,234	£ -	£ 268,234	-£ 14,698	£ -	-£ 14,698	94.81%	100.00%
Islington	£ 217,000	£ 351,826	£ 568,826	£ 406,563	£ 54,737	£ 351,826	-£ 162,263	-£ 162,263	£ -	71.47%	86.54%
Kensington & Chelsea	£ 161,562	£ 263,790	£ 425,352	£ 431,932	£ 168,142	£ 263,790	£ 6,580	£ 6,580	£ -	101.55%	61.07%
Kingston Upon Thames	£ 164,404	£ 239,646	£ 404,050	£ 421,937	£ 182,290	£ 239,646	£ 17,886	£ 17,886	£ -	104.43%	56.80%
Lambeth	£ -	£ 358,570	£ 358,570	£ 358,570	£ -	£ 358,570	£ -	£ 0	-£ 0	100.00%	100.00%
Lewisham	£ 103,201	£ 372,375	£ 475,576	£ 504,036	£ 131,661	£ 372,375	£ 28,460	£ 28,460	£ -	105.98%	73.88%
Merton	£ 93,038	£ 287,863	£ 380,901	£ 387,164	£ 99,301	£ 287,863	£ 6,263	£ 6,263	£ -	101.64%	74.35%
Newham	£ 132,043	£ 429,958	£ 562,001	£ 525,789	£ 95,831	£ 429,958	-£ 36,212	-£ 36,212	£ -	93.56%	81.77%
Redbridge	£ 40,891	£ 444,920	£ 485,811	£ 444,920	£ -	£ 444,920	-£ 40,891	-£ 40,891	£ -	91.58%	100.00%
Richmond	£ 73,644	£ 265,671	£ 339,315	£ 358,319	£ 92,649	£ 265,671	£ 19,005	£ 19,005	£ -	105.60%	74.14%
Southwark	£ 115,000	£ 413,226	£ 528,226	£ 553,981	£ 140,756	£ 413,226	£ 25,756	£ 25,756	£ -	104.88%	74.59%
Sutton	£ 25,298	£ 275,249	£ 300,547	£ 291,705	£ 16,457	£ 275,249	-£ 8,841	-£ 8,841	£ -	97.06%	94.36%
Tower Hamlets	£ 105,097	£ 296,843	£ 401,940	£ 437,393	£ 140,549	£ 296,843	£ 35,452	£ 35,452	£ -	108.82%	67.87%
Waltham Forest	£ 11,672	£ 191,891	£ 203,563	£ 174,446	£ -	£ 174,446	-£ 29,117	-£ 11,672	-£ 17,445	85.70%	100.00%
Wandsworth	£ -	£ 244,257	£ 244,257	£ 222,052	£ -	£ 222,052	-£ 22,205	£ -	-£ 22,205	90.91%	100.00%
Westminster	£ -	£ 327,981	£ 327,981	£ 345,574	£ 17,593	£ 327,981	£ 17,593	£ 17,593	£ -	105.36%	94.91%
Totals	£ 2,314,263	£ 9,780,747	£ 12,095,010	£ 11,314,423	£ 1,760,302	£ 9,566,058	-£ 768,651	-£ 553,961	-£ 203,024	93.55%	84.55%
TRUE				TRUE		£ 311,500	£ 311,500				
						-£ 1,080,151	-£ 865,462				

BOROUGH BUDGETS 2016/17 £ 2,314,263
TfL BUDGET £ 9,780,747
COMBINED BUDGETS £ 12,095,010

PROJECTED TRIP SPEND £ 11,314,423
BARNET LC ADMIN £ 11,936 £ 768,651
TFL SPEND £ 9,566,058
TFL UNDERSPEND £ 203,024
BOROUGH UNDERSPEND £ 865,462
BOROUGH OVERSPEND £ 311,500 £ 756,986 £ 11,665

London Councils' Transport and Environment Committee

Traffic Signals Budget 2017/18

Item No: 11

Report by: Mital Patel

Job title: Transport Officer

Date: 8 December 2016

Contact Officer: Mital Patel

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Summary: This report sets out the cost to boroughs of maintaining traffic signals in London in 2017/18.

Recommendations: The Committee is recommended to:

- agree the cost to boroughs for maintaining traffic signals in London in 2017/18, which is £11,377,024.49; and
- agree that this cost is apportioned between boroughs, as shown in the attached table at Appendix 1.

Background

1. Under the terms of the GLA Act 1999, Transport for London (TfL) recharges the London boroughs its reasonable costs of operation for traffic signals works on borough roads.
2. Payments for traffic signals are calculated using a number of factors. For signals installed before 2005, costs are apportioned on population figures. For signals installed after 2005, costs are apportioned based on the actual number of aspects. An aspect is a bulb or component in a traffic signal array. For example, a red / amber / green signal head is comprised of three aspects. As such, removal of old signals and/or installation of new signals causes a change to the proportion of costs paid by the borough in which the change takes place.

Traffic Signals Budget 2017/18

3. In the year 2015/16 a significant discount was applied to the traffic signal maintenance costs for London Boroughs arising from the savings generated by the letting by TfL of the TCMS 2 contracts for the provision and maintenance of traffic control equipment across London.

The revised rates and savings continued to apply in the current 2016/17 year, subject to inflationary increases and as such, have been rolled over again into the costs for 2017/18 budget.

4. In the last year, the total number of traffic signals aspects increased across all boroughs by 2.23%. The contractual inflation rate applied to the contract rates for 2017/18 is an Retail Price Index (RPI) figure of 2.04%.
5. The total cost to boroughs of maintaining traffic signals in London for 2017/18 is calculated to be £11,377,024.49, representing a 1.4% increase on 2016/17 costs.
6. The table in Appendix 1 shows how the cost shall be apportioned to each borough in accordance with the agreed formula.

Maintenance Calculations

7. Appendix 2 provides further detail on how the figures for the estimated costs of maintenance for the coming financial year are determined and the values behind the final costings.

Financial Implications for London Councils

8. There are no financial implications for London Councils. This report concerns payments from the boroughs to TfL that are required under the GLA Act 1999 (see below).

Legal Implications for London Councils

9. Section 275 (3) of the GLA Act 1999 states that in relation to the Transfer of London Traffic Control System to Transport for London: "Any expenses reasonably incurred by or on behalf of Transport for London in the exercise, in relation to roads which are not GLA roads, of the functions transferred by this section may be recovered by Transport for London from the London borough councils and the Common Council in such proportions as may be agreed between Transport for London and those authorities or, in default of agreement, as may be determined by Transport for London."

Equalities Implications for London Councils

10. There are no equalities implications arising from this report.

Appendices

Appendix 1: Traffic Control Maintenance Costs for 2017/18

Appendix 2: Traffic Control Maintenance Calculations for 2017/18

TRAFFIC CONTROL MAINTENANCE COSTS FOR 2017/2018

Final Payment 2017/2018

Borough	Final Payment 2015/2016	Final Payment 2016/2017	Adjusted Final Payment 2017/2018
	[E]	[F]	[R]
Barking & Dagenham	£272,727.88	£270,561.27	£285,710.83
Barnet	£434,018.81	£429,738.34	£443,271.44
Bexley	£311,311.75	£307,131.18	£330,858.59
Brent	£390,372.92	£392,606.75	£403,221.06
Bromley	£417,194.90	£438,059.79	£442,848.52
Camden	£318,170.31	£334,376.29	£348,002.56
City of London	£60,220.37	£60,944.90	£74,651.19
Croydon	£480,106.92	£479,944.00	£486,045.74
Ealing	£439,613.80	£445,861.06	£451,997.27
Enfield	£383,562.33	£389,530.64	£423,180.46
Greenwich	£340,205.31	£328,921.63	£349,136.51
Hackney	£314,660.40	£317,752.25	£332,659.71
Hammersmith & Fulham	£244,211.50	£247,242.48	£263,630.95
Haringey	£320,631.53	£324,240.08	£332,633.38
Harrow	£296,484.76	£297,403.79	£299,830.17
Havering	£350,579.58	£354,764.05	£363,826.30
Hillingdon	£382,485.48	£373,011.81	£383,965.58
Hounslow	£301,796.88	£305,345.08	£317,012.95
Islington	£260,603.23	£269,725.51	£273,200.92
Kensington & Chelsea	£225,911.76	£226,959.74	£243,126.15
Kingston	£214,103.61	£217,733.04	£240,281.15
Lambeth	£401,760.95	£397,411.22	£419,932.68
Lewisham	£343,441.96	£352,679.46	£355,088.88
Merton	£280,124.59	£289,904.28	£303,054.47
Newham	£406,822.20	£403,659.10	£409,700.96
Redbridge	£365,108.68	£374,841.87	£389,661.07
Richmond	£264,098.21	£270,001.36	£268,423.27
Southwark	£367,209.53	£380,149.16	£372,742.71
Sutton	£249,675.12	£257,677.23	£259,843.96
Tower Hamlets	£289,565.10	£289,837.64	£305,503.51
Waltham Forest	£358,394.04	£355,259.45	£374,659.59
Wandsworth	£369,826.04	£374,920.88	£388,014.11
Westminster	£408,463.27	£425,746.29	£441,307.85
Total	£10,863,463.73	£10,983,941.61	£11,377,024.49

Notes:

- 1 - The Final Payments for 2016/2017 **[F]** were based on:
 - signal aspect changes as a forecast up to 31 March 2016,
 - an adjustment for the difference between actual aspect changes for 2015/2016 payment and the changes that had been forecast, and
- 2 - The discount of 18% based on the significant savings generated by the letting of the new TCMS2 contract first applied to the 2015/2016 costs **[E]**, was imbedded in the running figures for calculations at that time and as such rolls over again into the costs for 2017/2018.
- 3 - Year-on-year charges have increased 3.58% pan-London, against a background of pan-London signal aspect growth at 2.23% on applicable borough sites. The inflationary increase applied to determine the costs for 2017/2018 is 2.04%.
- 4 - The Adjusted Final Payments for 2017/2018 **[R]** are based on:
 - signal aspect changes as a forecast up to 31 March 2017,
 - an adjustment for the difference between actual aspect changes for 2016/2017 payment and the changes that had been forecast

TRAFFIC CONTROL MAINTENANCE CALCULATIONS FOR 2017/18

- 1) Each year, the traffic control maintenance calculations take into account changes (increases and decreases) in aspect counts for sites that exceed 10% of the count prior to the change. Where works on existing sites are developer-led and lead to a qualifying decrease, the resultant saving is passed on to the borough. Where works are developer-led and lead to an increase and TfL has/will receive a commuted sum for maintenance, then these will not qualify as 'borough funded' for the duration the commuted sum covers. (An aspect is any lit element of a traffic signal site – a red man, an amber signal, a No Right Turn Box Sign, a Pedestrian Countdown unit, a wait indicator)
- 2) The age of a site (date of initial commissioning) impacts on how the costs are determined by two categories:
 - a) For borough funded sites - first commissioned before 01 April 2005, remains based on the per capita charge from 2005; therefore each borough paid an amount for all the signals in their borough based on the human population.
 - b) For new aspects – on both sites first commissioned on or after 01 April 2005 or for new aspects at other sites, there is a per aspect charge which means net increases in aspects at sites that fall in the borough.
- 3) Aspect changes are sampled on six-monthly timeframe:
 - Item 1)** actual changes for October-March of last Financial Year
 - Item 2)** actual changes for April-September of the current Financial Year
 - Item 3)** estimated changes between October-March of the current Financial Year

As an example of how these data sets affect the figures, the following model is applied:

Costs for Financial Year	Calculation Date	Six month period for aspect change figures								
		01/04/2013	01/10/2013	01/04/2014	01/10/2014	01/04/2015	01/10/2015	01/04/2016	01/10/2016	01/04/2017
2014/2015	Nov-13	ACTUAL	ACTUAL	ESTIMATE						
2015/2016	Nov-14			ACTUAL	ACTUAL	ESTIMATE				
2016/2017	Nov-15					ACTUAL	ACTUAL	ESTIMATE		
2017/2018	Nov-16							ACTUAL	ACTUAL	ESTIMATE

- For **Item 1)** and **Item 2)**, "Actual" aspect changes are determined from TfL's asset database records.
 - An "Estimate" of undelivered aspect changes is identified from up-coming projects within TfL's Delivery Team's Programme.
 - **Item 1)** corrects for any error in the previous year's **Item 3)** when applied to the calculation (see the Calculation table below).
- 4) These aspect figures are used to determine the quantity of aspects that qualify in category **a)** or **b)** for the charges. The per capita charge and per aspect charge are index-linked and uplifted each year by September's RPI value (published in or around mid-October).
 - For category **a)** the cumulative reduction in aspect count for changes over time is used to determine the remaining percentage of aspects at older sites.
 - For category **b)** the count of all aspects added and the count of those removed from sites first commissioned after 01 April 2005 are added and multiplied by the per aspect rate.
 Therefore, any changes in the charges are caused by RPI and the estimated increase/decrease of traffic signal aspect totals under category **a)** and **b)**.

On this basis, each year TfL determine the final costings as the sum of these two calculations:

Calculation	Six month period / changes logged for 2017/2018 Figures
Estimated Charges for coming financial year on the basis of anticipated aspect totals at the start of the April in the coming year	01 October 2016 – 31 March 2017 Estimated Changes (Item 3))
	01 April 2016 – 30 September 2016 Actual Changes (Item 2))
Adjustment for the equivalent period that was estimated for the current year's costs	01 October 2015 – 31 March 2016 Actual Changes (Item 1))

Each part of this calculation is derived using the applicable charge/rate for the year in question (i.e. the adjustment uses current year, not future year rates for the re-calculation).

$$\left(\frac{\text{Qualifying count of aspects at sites first commissioned before 01-APR-2005}}{\text{Count of qualifying aspects as at 01-APR-2005}} \times \text{Per capita charge} \right) + \left(\text{Qualifying count of aspects added since 01-APR-2005} \times \text{Per aspect rate} \right)$$

TRAFFIC CONTROL MAINTENANCE COSTS FOR 2017/18

Final Payment for 2017/2018 = Estimated payment for 2017/2018 with adjustment to 2016/2017 Charges (adjustment based on ACTUAL figures)

Borough	2016/2017 Costs				
	ESTIMATED total cost of signal maintenance 2016/2017 (£) based on estimated values for 6 months to 31-MAR-2016	ACTUAL total cost of signal maintenance 2016/2017 (£)	DIFFERENCE in costs of signal maintenance arising from correction for actual values up to 31-MAR-2016	Estimated payment 2017/2018	Adjusted payment 2017/2018
	[G]	[O]	[P]	[Q]	[R]
	(Estimated (un-adjusted) Payment calculated for current financial year) as per last year's costings approved by TEC*	(based on all actual additions / removals* to 31-MAR of current calendar year)	(Estimated Cost last year less Actual Cost for last year) (Column [O] - Column [G])	(based on actual additions / removals* up to 30-SEP of current calendar year and estimated additions / removals* for the following six months)	(Column [Q] adjusted by Column [P])
Barking & Dagenham	£273,664.47	£274,046.52	£382.05	£285,328.78	£285,710.83
Barnet	£434,103.85	£434,103.85	£0.00	£443,271.44	£443,271.44
Bexley	£309,742.24	£309,579.73	-£162.51	£331,021.10	£330,858.59
Brent	£394,854.16	£394,854.16	£0.00	£403,221.06	£403,221.06
Bromley	£433,686.33	£433,533.51	-£152.82	£443,001.34	£442,848.52
Camden	£329,146.30	£331,403.59	£2,257.30	£345,745.26	£348,002.56
City of London	£60,092.65	£60,092.65	£0.00	£74,651.19	£74,651.19
Croydon	£483,810.74	£481,594.85	-£2,215.89	£488,261.63	£486,045.74
Ealing	£439,315.10	£439,773.56	£458.46	£451,538.81	£451,997.27
Enfield	£386,995.91	£386,995.91	£0.00	£423,180.46	£423,180.46
Greenwich	£336,081.44	£337,304.00	£1,222.56	£347,913.95	£349,136.51
Hackney	£316,614.97	£321,271.05	£4,656.09	£328,003.62	£332,659.71
Hammersmith & Fulham	£247,692.04	£250,224.36	£2,532.32	£261,098.62	£263,630.95
Haringey	£324,164.26	£325,619.40	£1,455.14	£331,178.24	£332,633.38
Harrow	£298,901.37	£296,034.34	-£2,867.02	£302,697.19	£299,830.17
Havering	£354,915.69	£356,291.07	£1,375.38	£362,450.92	£363,826.30
Hillingdon	£374,907.27	£375,121.49	£214.22	£383,751.36	£383,965.58
Hounslow	£306,709.82	£304,407.23	-£2,302.58	£319,315.54	£317,012.95
Islington	£269,420.06	£269,420.06	£0.00	£273,200.92	£273,200.92
Kensington & Chelsea	£227,166.20	£229,993.37	£2,827.17	£240,298.98	£243,126.15
Kingston	£217,733.04	£218,282.02	£548.98	£239,732.17	£240,281.15
Lambeth	£397,487.04	£397,945.50	£458.46	£419,474.22	£419,932.68
Lewisham	£352,224.55	£350,008.66	-£2,215.89	£357,304.77	£355,088.88
Merton	£286,756.82	£286,756.82	£0.00	£303,054.47	£303,054.47
Newham	£402,749.27	£402,115.16	-£634.12	£410,335.08	£409,700.96
Redbridge	£374,538.60	£374,691.42	£152.82	£389,508.25	£389,661.07
Richmond	£270,304.63	£268,012.33	-£2,292.30	£270,715.57	£268,423.27
Southwark	£382,351.69	£371,959.93	-£10,391.76	£383,134.47	£372,742.71
Sutton	£256,009.22	£255,245.12	-£764.10	£260,608.06	£259,843.96
Tower Hamlets	£289,913.46	£294,039.60	£4,126.14	£301,377.37	£305,503.51
Waltham Forest	£354,652.90	£357,938.53	£3,285.63	£371,373.96	£374,659.59
Wandsworth	£375,375.80	£375,834.26	£458.46	£387,555.65	£388,014.11
Westminster	£434,487.13	£404,806.61	-£29,680.52	£470,988.37	£441,307.85
Total	£10,996,569.00	£10,969,300.66	-£27,268.34	£11,404,292.85	£11,377,024.51

Notes:

	Inflationary increase in total cost of maintaining signals installed before 01-APR-2005	Cost Per Aspect
2017/2018	2.04%	£77.97
2016/2017	0.78%	£76.41
TCMS2 Savings	-18.00%	£75.82
2015/2016	2.30%	£92.46
2014/2015	3.20%	£90.38
2013/2014	2.65%	£87.58
2012/2013	5.59%	£85.32
2011/2012	4.60%	£80.80
2010/2011	0.00%	£77.25
2009/2010	4.37%	£77.25
2008/2009	2.70%	£74.01
2007/2008	2.50%	
2006/2007	1.90%	

*Additions and removal of aspects is calculated on the basis that more than 10% of aspects added or removed from the site and / or civil engineering work which is paid for by the borough is required

London Councils' Transport and Environment Committee

Additional Parking Charges

Item No: 12

Report by: Andrew Luck **Job title:** Transport Manager
Date: 8 December 2016
Contact Officer: Andrew Luck
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Summary: This report details the proposal by the London Borough of Enfield (LB Enfield) to amend the penalty charge banding from Band B to Band A across the borough.

Recommendations: The Committee is asked to:

- Consider the proposal to change the penalty banding in the LB Enfield
- Note the proposed implementation date for the change of 1 April 2017.

Introduction

1. Under the provisions set out in the Traffic Management Act 2004 (Schedule 9), which repealed similar provisions in the Road Traffic Act 1991, London Councils' Transport and Environment Committee is responsible, subject to agreement by the Mayor of London and the Secretary of State, for setting additional parking charges on borough roads. These additional parking charges include:
 - penalties for contraventions of parking regulations including any surcharges or discounts;
 - release from wheel clamps;
 - removals from the street;
 - storage charges and disposal fees
2. The discount payment rate for early payment has been set at 50%. The amount of any surcharge has not changed since this was set at 50% by Schedule 6(6)(1) of the Road Traffic Act 1991.
3. The Committee has reviewed the level of additional parking charges regularly since 1992, when they were first set. The Committee undertook a major review of the charges during

2006 which led to the introduction of differential penalty levels, and again in 2010 where there was an increase in the penalty levels for the more serious contraventions. The current on- and off- street parking penalty charges are as follows:

	Higher Level	Lower Level
Band A	£130	£80
Band B	£110	£60

4. The current London banding map can be seen in appendix 2. Band A areas have traditionally been focussed in Central London and urban centres where the pressures on parking and congestion are often greatest. Band B areas have historically concentrated in outer London where pressures on parking are not as significant. However, due to issues with non-compliance, some outer London authorities with higher density parking and significant controlled parking zones have become Band A areas. Higher level penalties apply to contraventions which are considered more serious, such as parking on yellow lines or where an obstruction is caused. Lower level penalties apply generally where parking is permitted but the regulations are contravened, such as overstaying on a pay and display bay.
5. London Councils has no current plans for another London-wide review of the additional parking charges and are not aware of any Government plans for a review of the penalty levels for the rest of the United Kingdom.

Guidance on Additional Parking Charges

6. Under the Traffic Management Act 2004 the Secretary of State produced guidance, to which all authorities must have regard. This document is called the Secretary of State's Statutory Guidance to Local Authorities on the Civil Enforcement of Parking Contraventions ("the Statutory Guidance") and states that; "The primary purpose of penalty charges is to encourage compliance with parking restrictions. In pursuit of this, enforcement authorities should adopt the lowest charge level consistent with a high level of public acceptability and compliance." (Para. 4.1).
7. It is also the Committee's policy that additional parking charges should be set in such a way as to produce a coherent pattern of policy across London.

LB Enfield Proposals for Change

8. LB Enfield is proposing to change from Band B to Band A across the whole borough (see appendix 1). They currently operate 20 controlled parking zones (CPZs) as well as loading and waiting restrictions outside of the CPZs. They have indicated that despite deploying a robust parking and traffic enforcement regime, which includes the presence of Civil Enforcement Officers (CEOs) on foot, on mopeds and in mobile enforcement units - such as removal trucks - as well as a network of over forty strategically deployed CCTV cameras, the borough continues to experience high levels of non-compliance with its parking regulations.
9. The table contained within appendix 1 indicates that between 2010-11 and 2015-16 the number of on street parking Penalty Charge Notices (PCNs) has increased from 80,947 to 93,536 which equates to a 15.6% increase. In London as a whole during this period there

has been a decrease in PCNs issued of 20.1%, clearly indicating that LB Enfield are bucking the overall trend in London.

10. LB Enfield has stated that the neighbouring boroughs of LB Haringey and LB Waltham Forest had similar issues with compliance until banding changes (from Band B to Band A in the whole of the two boroughs) were approved by the committee in 2012. LB Waltham Forest has seen a significant decrease in parking PCNs from 99,397 in 2012-13 to 67,320 in 2015-16, a fall of 47.6%. LB Haringey has seen a reduction in the same period of 44.7%.
11. LB Enfield has stated that it will see a significant population growth over the next 15 years as housing and regeneration projects take place. This growth will lead to an increase in traffic and congestion on borough roads which could have a negative impact in public transport travel times. With the Cycle Enfield project planning to provide a safe and convenient network of cycle routes and segregated cycle lanes, LB Enfield believe that it is essential to improve compliance with its parking regulations and banding changes have been proven method to achieve this.
12. LB Enfield have also stated that the recent Central Government change reducing the use CCTV cameras used for parking contraventions under the Deregulation Act 2015 has presented an increased risk of potential non-compliance. LB Enfield believes that some of this risk can be countered with an increase in the penalty band which increases the deterrent.
13. It is TEC's policy that the boundaries between areas of different penalty bands are clearly demarcated; this is to avoid the possibility of having different bands on opposing sides of the same road. LB Enfield has boundaries with LB Haringey, LB Waltham Forest and LB Barnet. There are also boundaries with the Borough of Broxbourne, Epping Forest District Council, Hertsmere Borough Council and Welwyn Hatfield Borough Council (see appendix 3). There are no boundary issues with the non-London boroughs as they do not share a highway. There are no boundary issues with LB Haringey or LB Waltham Forest as they are already Band A. There are a couple of boundary issues with LB Barnet and these are listed below:
 - Cat Hill to the east of Preston Gardens has a central border (i.e. the boundary runs down the centre of the road) with LB Barnet. Therefore Cat Hill will need to remain Band B.
 - Chase Side from the junction with Green Road until the junction with Chelmsford Road has a central border with LB Barnet. This would need to remain Band B.

Timetable for Implementation

14. Any changes to penalty levels agreed by the Committee need the approval of the Mayor. If the Mayor agrees the changes the Secretary of State has 28 days to exercise a veto over any changes. The committees' decisions will be formulated into a set of proposals to be presented to the Mayor of London for approval. If approved, they will be presented to the Secretary of State for Transport for his consideration in the New Year. The boroughs involved would then need to advertise their proposed changes for at least three weeks prior to implementation. From previous experience, this process takes around three months in total, and so London Councils propose an implementation date of 1 April 2017.

Financial Implications

15. There are no financial implications for London Councils arising from this report.

Legal Implications

16. There are no legal implications for London Councils or the boroughs arising from this report. However, members may wish to note the decision on penalties is taken by London Councils' TEC on behalf of boroughs for borough roads, and by TfL for GLA roads. The TfL member of London Councils' TEC may not take part in the proceedings of the borough decision (see Reg. 24 of the Civil Enforcement Parking Contravention Regulations 2007).

Equalities Implications

17. There are no equality implications for the boroughs or London Councils arising from this report.

Recommendations: The Committee is asked to:

- Consider the proposal to change the penalty banding in the LB Enfield
- Note the proposed implementation date for the change of 1 April 2017.

Appendices

Appendix 1: LB Enfield application to change the banding level from Band B to Band A.

Appendix 2: Existing on and off street penalty charge bands

Appendix 3: Map of LB Enfield showing boundaries with neighbouring boroughs.



Mr N Lester-Davis
 London Council's
 59½ Southwark Street
 London
 SE1 0AL

Please reply to : David Morris
 E-mail : david.morris@enfield.gov.uk

My Ref :
 Your Ref :
 Date : 20 September 2016

Dear Nick,

PCN Banding Change

Background

As you know may recall we have received political approval to apply for increasing the PCNs issued in the borough from Band B to Band A. Therefore, could you please take this letter as a formal application to the Traffic Enforcement Committee.

The change of PCN bands from B to band A is considered essential to act as an effective deterrent and to reduce the number of vehicles parking in contravention.

Over the past 5 years effective enforcement of parking and traffic restrictions has not seen any significant reduction in the number of PCNs being issued.

Year	On-Street	Off Street	Total
2010-11	80,947	4,479	85,426
2011-12	81,545	5,338	86,883
2012-13	79,887	4,463	84,350
2013-14	89,413	4,676	94,089
2014-15	95,322	4,047	99,369
2015-16	93,536	3,233	96,769

Ian Davis
 Director - Environment
 Enfield Council
 Civic Centre, Silver Street
 Enfield EN1 3XY

Phone: 020 8379 1000
 Website: www.enfield.gov.uk

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The Government Standard

Existing controls

The Council operates 20 Controlled Parking Zones (CPZs) across the borough. Waiting and loading restrictions also apply in many locations outside CPZs. Planning policy is also used to minimise additional parking pressures arising from developments in some areas.

The Council's enforcement regime consists of Civil Enforcement Officers (CEOs) deployed on mopeds, mobile enforcement units and on foot. In addition we use a network of over 40 CCTV cameras that are strategically placed to enforce a range of parking and traffic contraventions across the borough. We also deploy three mobile CCTV units daily and operate well established removal operations.

Despite those measures, and deploying a robust parking and traffic enforcement regime, the borough continues to experience high levels of noncompliance with its parking regulations.

Boundary comparisons

The London Boroughs of Haringey and Waltham Forest have already successfully applied to London Council's to implement Band A PCNs to help with their parking and traffic enforcement and have shown significant reductions in non-compliance.

The Council is also aware of the need to enforce the south of the borough near the borough boundary with Haringey during the match-days of Tottenham Hotspur Football Club. This requires extensive traffic management and enforcement.

All other major event stadiums in London already operate at Band A level in their surrounding areas. This includes Tottenham Hotspur (the Haringey area), the Emirates in Islington, Stamford Bridge in Hammersmith and Fulham, Wembley Stadium in Brent and also the Millennium Dome in Greenwich.

The failure to address the current issue of non-compliance will only result in even greater pressure on the road network, including residential streets in the very near future.

Waltham Forest applied to London Councils for a PCN banding change to the south of the borough in 2009. Approval was granted by London Councils and was subsequently implemented in 2010.

During 2010/11, the first year of issuing Band A PCNs, the area saw a reduction of just under 9000 PCNs compared to 2009/10. During the same period, the north of the borough (where Band B PCNs were still being issued) saw an increase of 5000 PCNs.

Since April 2013, the London Borough of Waltham Forest has also issued all PCNs using the Band A tariff. They experienced a 3.3% drop in the number of PCNs issued in 2013/14 compared to 2012/13. Comparing the first quarter figures 2013/14 with 2014/15, they saw a 31% reduction in PCNs

The London Borough of Haringey introduced a band change on 1 October 2013. In the first 10 months of operation it resulted in a reduction of PCNs being issued from 14,953 to 10,186. That represented a reduction of 32%.

Conclusion

The government introduced the Deregulation Act which restricted the Council's use of CCTV for some parking contraventions. This has presented a risk that of increased non-compliance, which we believe needs to be countered with an increase in the penalty charge band. Enfield has already seen an increase in PCNs that would have been issued by CCTV before the ban which are now being enforced by Civil Enforcement Officers.

Parking enforcement, whilst highly contentious, is an essential element of improved road safety for all road users in the borough. Bus lane enforcement facilitates the use of alternative, greener transport, as does the enforcement of restrictions in cycle lanes. It also reduces the travelling and response times of emergency services vehicles

Over the coming years Enfield will see a growth in population and employment due to the number of regeneration projects taking place. This growth will lead to more traffic, increasing stress on the boroughs main roads, increasing journey times, worsening bus reliability. In addition, the Council has been successful in attracting £27m of funding from Transport for London to transform cycling in the borough. Over the next 5 years our Cycle Enfield project will



provide a network of safe and convenient cycle routes, including segregated cycle lanes on many of our main roads. Improved compliance will be essential to successfully increase the level of cycling in the Borough. Moving PCN's from band A to band B will support this objective.

Recommendation

London Council's Transport and Environment Committee is recommended to agree changing Enfield Council's Band B Penalty Charge band to Band A in order to achieve the goals outlined above.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'David Morris', with a stylized flourish at the end.

David Morris
Head of Parking Services

APPENDIX 2

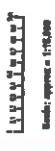
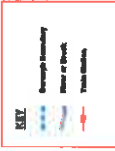
Existing on-street penalty charge bands



Existing off-street penalty charge bands



TRUCK
 It's one of the most important
 vehicles in the world. It's the
 only vehicle that can carry
 more than 100,000 pounds.
 It's the only vehicle that can
 carry more than 100,000 pounds.
 It's the only vehicle that can
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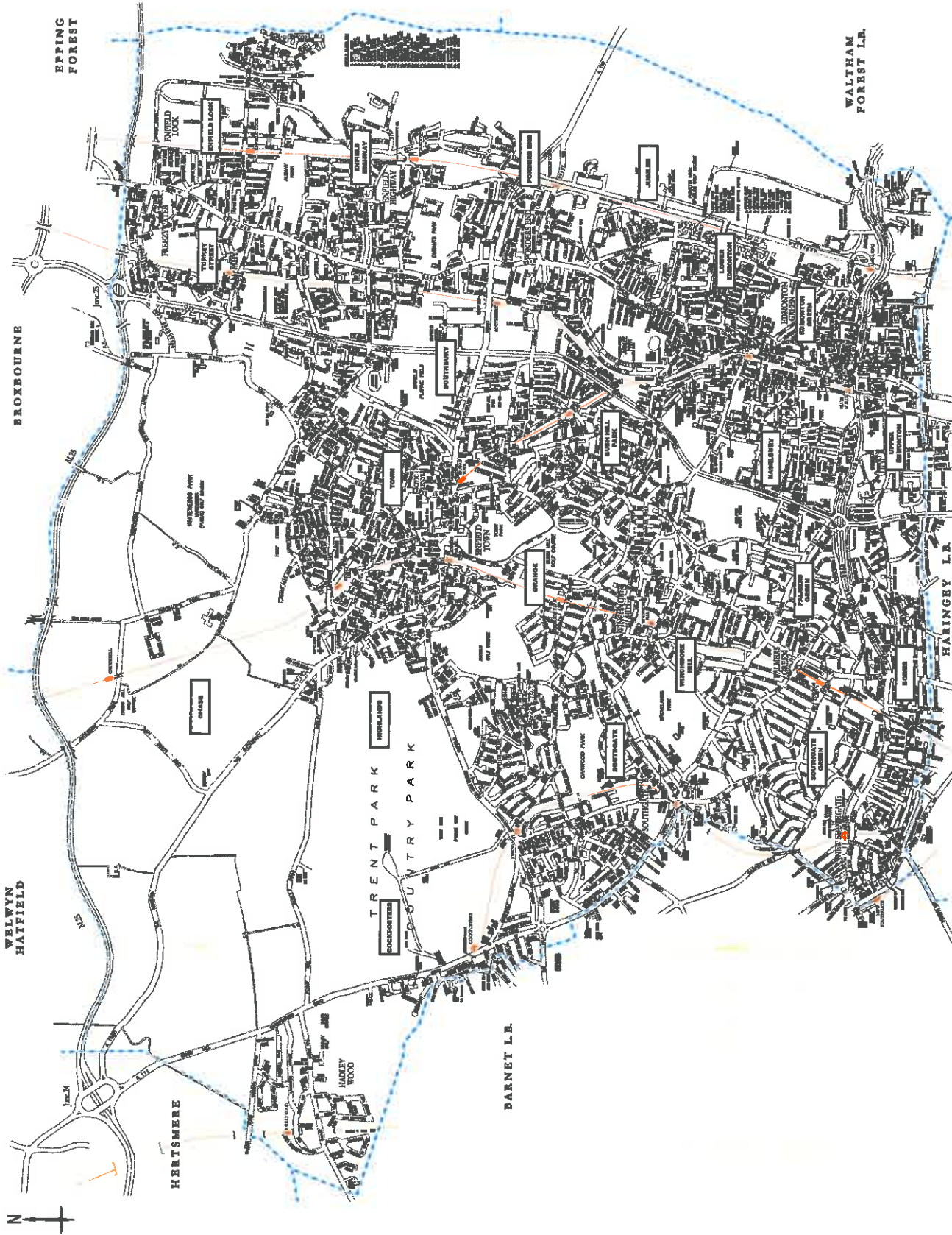


**LONDON BOROUGH
of ENFIELD
BASE MAP**



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 1500 Street, Escondido, Chile 5341 3076
 Tel: 0056 0427 1000 / Fax: 0056 0427 2675

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London Councils' Transport & Environment Committee

London Lorry Control Scheme Review Item no: 14

Report by: Sylvia Trotman **Job title:** Transport Officer
Date: 8 December 2016
Contact Officer: Sylvia Trotman
Telephone: 020 7934 9822 **Email:** Sylvia.trotman@londoncouncils.gov.uk

Summary In December 2015 the Committee agreed that a Working Group should be formed to review the London Lorry Control Scheme (LLCS), its purpose and the impact it has on delivering goods and services in London. This report provides members with an update on the progress of the review.

Recommendations The Committee is recommended to:

- Note the content of this report

Background

1. The LLCS controls the movement of heavy goods vehicles over 18 tonnes maximum gross weight, at night and at weekends on specific roads on London's road network. The scheme has been in place since 1985 under the Greater London (Restriction of Goods Vehicles) Traffic Order 1985, LLA & TfL Act 2003. The scheme is in place to help minimise noise pollution in residential areas during unsociable hours through restricted use of these roads.
2. In December 2015 the Committee agreed that a Working Group should be formed to review the London Lorry Control Scheme (LLCS), its purpose and the impact it has on delivering goods and services in London.
3. The review has now commenced and seeks to assess the effectiveness of the scheme, including consideration of its impact on the freight industry, business and the benefits to London's residents. It will look at the management of freight, evaluate how the scheme can assist with the reduction of congestion and ensure noise pollution continues to be kept to a minimum in residential areas during unsociable hours.

London Councils' Transport & Environment Committee

Code of Practice on Civil Parking Enforcement (Part 1)

Item No: 13

Report by: Mital Patel **Job title:** Transport Officer
Date: 8 December 2016
Contact Officer: Mital Patel
Telephone: 020 7934 9647 **Email:** mital.patel@londoncouncils.gov.uk

Summary: This report contains a revised Code of Practice on Civil Parking Enforcement.

Recommendations: The Committee is asked to:

- Note the contents of the revised Part 1 of the Code of Practice and agree that it should replace Part 1 of the existing Code
- Recommend the adoption of Part 1 of the Code of Practice by all London authorities that carry out civil parking enforcement of parking regulations.

Introduction

1. Decriminalised parking enforcement was first introduced in 1993 as a result of legislation introduced under the Road Traffic Act (RTA) 1991. This gave local authorities the power to take on responsibility for the enforcement of parking regulations as well as the clamping and removal of vehicles. Part 6 of the Traffic Management Act (TMA) 2004 replaced the RTA 1991 in April 2008 and forms the majority of the current legislation in London.
2. Under the terms of the London Councils' Transport and Environment Committee agreement in 2009, a non-statutory function of London Councils is to publish and update as necessary a Code of Practice for Parking in London.

3. The Code of Practice was last revised and approved by TEC in 2006. Since this time there have been substantial changes to parking legislation following the introduction of the TMA 2004 and this revised document reflects these – and other - legislative changes since 2006.

Revisions to the Code of Practice

4. The enactment of the Deregulation Bill in 2015, introduced restrictions on the use of CCTV enforcement for parking contraventions. This limited CCTV use to critical parking locations such as school keep clears, bus lanes, bus stops and red routes. The act also introduced mandatory 10 minute “grace periods” for certain contraventions. Therefore, there was a real requirement to review and update the Code of Practice as a whole and takes into consideration these changes prescribed within the Act.
5. In March 2015 the Department for Transport (DfT) published the latest version of the ‘Operational Guidance’ to Local Authorities on Parking Policy and Enforcement. The DfT has announced that they will no longer be producing and updating this guidance which has provided the useful benchmarking of enforcement protocol. The DfT still produce the Statutory Guidance to Local Authorities on the Civil Enforcement of Parking Contraventions, under the TMA 2004. This Code of Practice has been revised accordingly to ensure that it builds on the advice and information contained within these two documents and sets out the grounds for good practice in London.
6. London Councils set up a Working Group with five participating boroughs to review the existing Code of Practice and to implement the prescribed legislative and guidance changes. The group also consulted and agreed upon proven best practices, taking into consideration the advancements since 2006 in technology, such as mobile phone payments for cashless parking.
7. This updated version of the existing Code of Practice advises authorities in London of the procedures that they must follow; the procedures they must have regard to and those that London Councils recommends are good practice when delivering civil parking enforcement. Since the first publication of the Code of Practice, all 32 boroughs and City of London have adopted the Code and this is reflected in their enforcement procedures.
8. The Code of Practice is split into two separate parts: Part 1 is concerned with the on-street enforcement activities and sets out the objectives and requirements of Civil Enforcement Officers, the requirements of the Penalty Charge Notices (PCNs) and clamping and removal procedures. Part 2, (to follow at a later stage) will set out the procedures that should be followed when processing PCNs through the various stages in the back office.
9. The Code of Practice incorporates the changes brought about by the Traffic Management Act 2004, the Deregulation Act 2015, London specific legislation, the amendments to the Department for Transport’s (DfT) Operational Guidance to Local Authorities and the TMA 2004 Statutory Guidance to Local Authorities on the Civil Enforcement of Parking Contraventions.

10. The Code of Practice is not statutory but authorities must have regard to the contents which reflect existing practices.

Financial Implications

11. There are no financial implications to London Councils arising from this report.

Legal Implications

12. Although civil parking enforcement sits within a legal framework, there are no legal implications associated with the production of this Code of Practice.

Equalities Implications

13. Although there are no equalities implications to this report, the Code of Practice does make reference to enforcement and exemptions as they relate to blue badge holders.

Recommendations

14. The Committee is asked to:
 - Note the contents of the revised Part 1 of the Code of Practice and agree that it should replace Part 1 of the existing Code
 - Recommend the adoption of Part 1 of the Code of Practice by all London authorities that carry out civil parking enforcement of parking regulations.

Appendices

Appendix A: Code of Practice on Civil Parking Enforcement – Part 1

Appendix B: Sample Documents

The review will aim to ensure that the scheme continues to provide essential environmental benefits and protection for Londoners as it has done for over 30 years and will make sure the scheme plays an integrated role with other existing and emerging freight and environmental management initiatives being led by the Mayor and Boroughs.

Review Progress

4. A Steering Group has been established to lead the review and oversee the work of the Working Group. The first Steering Group meeting took place on 24 October and was chaired by Spencer Palmer, Director of Transport and Mobility at London Councils. The Steering Group members consist of officers from London Councils, TfL, Croydon, Westminster and the GLA.
5. The Steering Group discussed the Terms of reference for the review (see Appendix 1) and have agreed the key priorities for the Working Group, which include signage, hours of operation, extent of restrictions, enforcement, permissions and exemptions, taking account of technological advances in HGV design, as well as traffic management and planning techniques.
6. The Working Group members consist of officers from London Councils, TfL, sub-regional partnerships, Road Haulage Association, Freight Transport Association, London Chamber of Commerce, Federation of Small Businesses, Small Business Association, Noise Abatement Society, British Beer and Pub Association, Mineral Products Association, London First and a resident's representative.
7. The first Working Group meeting is scheduled for 5 December 2016. Further meetings will be held each month until the spring and it is planned to complete the review and report its findings and recommendations back to TEC in summer 2017.

Financial Implications for London Councils

The review will be funded by the agreed 2016/17 TEC budget provision of £50,000 and a further £50,000 budget provision for 2017/18 is proposed as set out in the "Proposed TEC Revenue & Borough Charges 2017/18" report elsewhere on the agenda. The budget is intended to cover the cost of research and specialist consultant support required to complete the review.

Legal Implications for London Councils

There are no legal implications to this information only report.

Equalities Implications for London Councils

There are no equalities implications at this stage. The working group members have been selected to represent a broad cross-section of key stakeholders to help inform the review.

Appendices

Appendix 1: Terms of Reference

London Lorry Control Scheme Review 2016 - Terms of Reference

Context

Transport for London (TfL) predict that London's population is set to increase by almost two million by 2031, which will equate to an additional five million road trips on top of the 26 million that already take place, with 90% of all goods movement in London taking place by road, every day. Therefore, it is essential that London maintains a healthy road network not just for the economy but for its population.

The London Lorry Control Scheme (LLCS) restricts the movement of heavy goods vehicles over 18 tonnes maximum gross weight, at night and at weekends on specific roads on London's road network. The scheme has been in place since 1985 under the Greater London (Restriction of Goods Vehicles) Traffic Order 1985, LLA & TfL Act 2003. The scheme is in place to help minimise noise pollution in residential areas during unsociable hours through restricted use of these roads.

On 10 December 2015, London Councils' Transport Environment Committee (TEC) agreed that the Freight Borough Officer Liaison Group (BOLG) would form a separate working group to discuss the implications of the LLCS and to consider any requirements for amending the scheme.

Purpose and Aims

The review will seek to assess the effectiveness of the scheme, including consideration of its impact on the freight industry, business and the benefits to London's residents. It will look at the management of freight, evaluate how the scheme can assist with the reduction of congestion and ensure noise pollution continues to be kept to a minimum in residential areas during unsociable hours.

It will cover routing, signage, hours of operation, extent of restrictions, enforcement, permissions and exemptions, taking account of technological advances in HGV design, as well as traffic management and planning techniques.

The review will aim to ensure that the scheme continues to provide essential environmental benefits and protection for Londoners as it has done for over 30 years and will make sure the scheme plays an integrated role with other existing and emerging freight and environmental management initiatives being led by the Mayor and Boroughs.

Other specific aims include:

- Provide a forum for discussing the impacts, benefits and possible improvements to the scheme
- To gather information and data to help inform the review and future management of the scheme
- Consider changes to current arrangements in relation to routing, signing, hours of operation, restrictions, enforcement practice, application process, weight limits, exemptions, charging, administration, publicity, communication and the Traffic Regulation Order
- Make recommendations for TEC about possible changes to the scheme and any further work that may be necessary

- Work collaboratively with a wide range of stakeholders to ensure a range of views is considered and any publicity and communications are clear and consistent

Steering and Working Group

A Steering Group will be in place to provide a strategic overview of the aims of the review, setting out timescales, reporting structure and strategy. Alongside the Steering Group, the operational detail will be carried out by a wider Working Group, with both groups having representation from borough and TfL officers.

Membership

The Steering Group and Working Group will be chaired by London Councils and include relevant GLA, borough and TfL officers.

The Working Group will also include representation from a range of transport user groups, small business groups and road user/resident groups. The final membership of the Working Group will be agreed by the Steering Group.

Members will be expected to commit to and act as ambassadors and expert representatives of their authority or sector, actively contributing to the achievement of the group's aims within meetings and in their daily roles.

Meetings

The Steering Group is expected to meet bi-monthly. The first meeting will be held in October 2016.

The Working Group is expected to meet monthly. The first meeting will be held in December 2016.

Meetings will take place at the London Councils offices at 59½ Southwark Street, London SE1 0AL.

Meetings will last no more than 2.5 hours.

Governance and Reporting

Updates and progress reports will be presented to London Councils TEC, the London Freight Borough Officer Liaison group and any other relevant governing bodies within the timescales as set out by each organisation.

Resources and Support

London Councils TEC has agreed a budget of £50,000 in 2016/17 to support the review and an equal sum is proposed for 2017/18.

London Councils

Code of Practice on Civil Parking Enforcement

Appendix A

Part 1 On-street Enforcement Activities

- A. Introduction
- B. Parking Regulations, Sign and Lines
- C. Civil Enforcement Officers (CEOs)
 - C.1 CEO Duties
 - C.2 Discretion
 - C.3 Training
 - C.4 Uniform Requirements
 - C.5 Handbook
 - C.6 Camera Operators
- D. Penalty Charge Notices (PCNs)
 - D.1 Service of the PCN at the time of the Contravention
 - D.2 Service of a PCN by Post
 - D.3 Service of a PCN by an Approved Device (including CCTV)
 - D.4 Prevention of Service by force, threats of force, obstruction or violence
 - D.5 Prevention of Service by vehicle 'drive-aways'
 - D.6 Collection of Information
 - D.7 Contraventions and associated Code Numbers
 - D.8 PCN Format
 - D.9 Service of PCNs
- E. Working Practices
- F. Grace Periods
- G. Observation Times
- H. Hand-Held Cameras
- I. Enforcement by CCTV
- J. Persistent Evaders
- K. Clamping and Removals
 - K.1 Primary Objectives
 - K.2 When to clamp or remove
 - K.3 Order of priority for vehicle clamping and removals
 - K.4 Exemptions to clamping and removals
 - K.5 Circumstances where vehicles should not be clamped but could be removed

- L. Removal Operations
 - L.1 Authorisation
 - L.2 Vehicle lift
 - L.3 Despatch Control Centre
 - L.4 Vehicle Pound
 - L.5 Payment
- M. Clamping Operations
 - M.1 Authorisation process
 - M.2 Owner verification/Proof of identity
 - M.3 Despatch Control Centre
 - M.4 Payment Centres
- N. Contracts for Clamping

Part 1 – On-street Enforcement Activities

A. INTRODUCTION:

- 1) Decriminalised parking enforcement was first introduced in London in 1993 as a result of legislation introduced under the Road Traffic Act (RTA) 1991. This gave local authorities the power to take on responsibility for the enforcement of parking regulations as well as to clamp and remove vehicles. Part 6 of the Traffic Management Act (TMA) 2004 replaced the RTA 1991 in April 2008 and forms the majority of the current legislation in London. There is other London specific legislation under the various London Local Authorities Acts which are relevant for parking enforcement.
- 2) It is clear that parking regulations need to be enforced, but to be enforced the authority must ensure that they are right and they must be properly indicated.
- 3) Under the terms of the Transport and Environment Committee (TEC) agreement, a non-statutory function of London Councils is to publish and update as necessary a Code of Practice for Parking in London.
- 4) This updated version of the existing Code of Practice advises authorities in London of the procedures that they must follow, the procedures they must have regard to and those that London Councils recommends are good practice when delivering Civil Parking Enforcement (CPE). Whilst enforcement policy is a matter for each individual authority, in order to ensure a minimum level of operation standards across London, authorities should have regard to the guidance set out in this Code of Practice. Where there appear to be differences between regulations and guidance, the regulations always take precedence.
- 5) Local authorities must have regard to the information contained within The Secretary of State for Transport's Guidance to Local Authorities on the Civil Enforcement of Parking Contraventions (the Statutory Guidance, see link below), published by the Department for Transport (DfT) which sets out the policy framework for CPE.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479849/final-statutory-guidance.pdf
- 6) As well as advising authorities, the Code of Practice also informs the public about parking policies and enforcement.
- 7) The Code of Practice is split into two separate parts: Part 1 is concerned with the on-street enforcement activities and sets out the objectives and requirements of Civil Enforcement Officers (CEOs), the requirements of the Penalty Charge Notice (PCN) and Clamping and Removal procedures. Part 2 (which will follow) sets out the procedures that should be followed when processing PCNs through the various stages in the back office.

B. PARKING REGULATIONS, SIGNS AND LINES:

- 8) The starting point of CPE is having the proper restrictions, adequately indicated by signs and lines, where appropriate. Without this, CEOs will have a difficult task and PCNs should not be issued as they are likely to be invalid.

- 9) All restrictions need appropriate legislation or have to be supported by a Traffic Management Order (TMO), which details the prohibition or restriction and the length or part of the road to which it applies.
- 10) The restrictions need proper signs and markings which comply with the requirements of the Traffic Signs Regulations and General Directions (unless specially authorised by the DfT) and follow the guidelines and advice provided in the DfT's Traffic Signs Manual. Signs and lines that are significantly different from what is set out in the relevant TMO or legislation might not be enforceable.
- 11) Authorities should pay attention to the need to keep signs and lines in good order and as simple and clear as possible. A regular signs and lines maintenance routine should be in place, as well as providing all patrol officers (e.g. CEOs, community officers, maintenance engineers and others) with the simple method of reporting problems with signs and lines as they encounter them. Where a regulation needs to be removed or changed, this should happen as a matter of priority.
- 12) Where an authority proposes to change or amend an existing restriction, it should consider enforcement of that restriction prior to the change. Once it is clear that the council is committed to a removal of the restriction, where the Order is suspended or a draft revocation Order published and not challenged, enforcement should be suspended as the public will have an expectation of change. The signs and lines should then be updated as a priority to reflect the change.

C. CIVIL ENFORCEMENT OFFICERS (CEOs):

- 13) CEOs are the public face of CPE therefore it is essential that they present a professional image. Whether the officers are employed directly by an authority or by a contractor, it is important that enforcement is effective, efficient and fair and that it is seen to be so. CEOs should issue a PCN where they believe a contravention has occurred and to record any observations. They should not be allowed to cancel PCNs once issued or select not to issue unless an exemption has been identified.
- 14) CEOs need to demonstrate firmness, sensitivity and tact, at all times. They should have good judgement and patience, thinking clearly and reacting rationally under pressure. Appropriate training and development opportunities should be provided by the authority.
- 15) As described earlier, under the TMA 2004, enforcement authorities are responsible for considering any representations against PCNs. Therefore, authorities should make clear to CEOs that their job is to enforce the controls fairly with a view to achieving high levels of compliance. In practice, this means that authorities need to ensure that all CEOs are:
 - competent and willing
 - supervised effectively
 - properly trained and clearly instructed about their conduct
- 16) Due to the nature of their role, by recommendation of the Secretary of State, all CEOs should undergo a Disclosure and Barring Service checks (previously known as the Criminal Records Bureau checks), with regular monitoring once employed. Authorities are also entitled to ask exempted questions under The Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975.

C.1 CEO Duties:

- 17) The main objective of a CEO should be to ensure CPE is observed and enforced in a fair, accurate and consistent manner. CEOs must comply with the national legislation that applies to all local authority staff.
- 18) The main duties of a CEO on street are:
 - enforcing parking regulations by serving PCNs where vehicles are parked in contravention of the restrictions
 - logging all their daily activity in their hand-held computer (HHC) or pocket book
- 19) CEO duties will also include related activities such as:
 - assisting the public as the first point of contact on-street, regarding minor parking enquiries and enforcement matters
 - inspecting parking equipment such as payment machines and reporting any faults observed
 - checking and reporting defective traffic signs and road markings including signs that are missing, obscured or damaged and broken or faded road markings
 - providing witness statements for non-service of a PCN due to obstruction, threats of violence or vehicle drive-aways
 - providing witness statements for a parking adjudicator when deciding on a written appeal from a motorist
 - where appropriate, appearing before a parking adjudicator
 - recommending priority cases for clamping or removal of vehicles, in accordance with local policies
 - reporting suspected Blue Badge abuse
- 20) The TMA 2004 encourages authorities to take a comprehensive approach to traffic management and use parking policies and their enforcement as part of this rather than an isolated activity. The Secretary of State's view is that CEOs should only be used for duties related to those road traffic contraventions that their authority is responsible for enforcing. If CEOs have time, the authority may wish to consider asking them to carry out tasks such as the following:
 - informing the police of criminal parking activity
 - reporting suspected abandoned vehicles
 - putting in place and removing suspension notices
 - checking that shops selling parking vouchers have adequate stocks
 - reporting on changes in parking patterns
 - assisting with on-street enforcement surveys
 - checking that non-mobile objects in parking places (for example, skips) are in compliance with the authority's licence
- 21) It is important that these supplementary duties do not compromise the ability of the CEO to perform their principle enforcement duties.
- 22) Under provisions set out in the London Local Authorities and Transport for London Act 2008, CEOs may remove anything which obscures a registration mark or part of a registration mark fixed on a vehicle. This will include covers.

C.2 Discretion:

- 23) Enforcement authorities may wish to set out certain situations when a CEO should not issue a PCN. For example, an enforcement authority may wish to consider issuing a verbal warning rather than a PCN to a driver who has committed a minor contravention and is still with, or returns to, the vehicle before a PCN has been issued.
The enforcement authority should have clear policies, instructions and training for CEOs on how to exercise such powers. These policies should form the basis for staff training and should be published.

C.3 Training:

- 24) Authorities should recognise the importance of the role of the CEO, ensuring that suitable personnel are recruited and provided with appropriate training, equipment, guidance and supervision.
- 25) CEOs should be adequately trained to enforce civil parking fairly, accurately and consistently. It is also recommended that authorities provide supervised on-street training to familiarise CEOs with the area and any special parking provisions.
- 26) Enforcement authorities should make sure that CEOs understand all relevant exemptions, such as those applying to diplomatic vehicles and Blue Badges issued to disabled people. CEOs should be aware of their powers to inspect Blue Badges and the sensitivity required should they need to exercise them. It is recommended that all CEOs achieve minimum standards through recognised training courses.
- 27) There are formal qualifications for CEOs which include the Level 2 Award for Parking Enforcement Officers Qualifications and Credit Framework (QCF), which is the new credit transfer system replacing the National Qualification Framework (NQF). It recognises qualifications and units by awarding credits and Level 2 National Vocational Qualifications (NVQ) Certificate in Controlling Parking Areas.
- 28) Training should equip CEOs with the interpersonal, conflict resolution and oral communication skills they need to perform their role effectively and without undue stress or personal danger. Training should be on going based on existing qualifications and tailored with local needs and policies.
- 29) Training for CEOs should also cover:
- introduction to the role and duties of CEOs
 - understanding the legal foundation and objectives of CPE
 - how the system works in practice
 - types of permitted and restricted parking
 - the role of the police and parking offences that remain their sole responsibility
 - types of civil parking contraventions
 - the PCN, including the information it must contain, standard contravention codes, optional suffixes and additional details for use by the authority if a penalty charge is disputed
 - the difference between higher and lower level PCN contraventions
 - waivers, exemptions and dispensations
 - exemptions for vehicles displaying a Blue Badge, how the nationwide scheme works and an awareness of the problems faced by disabled people
 - provisions on loading and unloading
 - provisions on picking up and setting down
 - the vehicle registration system, including foreign and diplomatic registrations

- use of pocket books, including use of standard characters, abbreviations and how to deal with errors
 - use of HHC, including daily test routines, recording data accurately and rectifying common faults
 - use of PCN printing equipment, whether integrated within the HHC or a separate unit, including changing paper/batteries and minor maintenance
 - use of digital cameras, whether integrated within the HHC or separate units, including how to take digital photographs that are relevant and of good quality for use as supporting evidence
 - use of communication devices and the phonetic alphabet
 - requirements concerning uniforms
 - PCNs not served due to violence, threat of violence, obstruction or drive-aways
 - use of verbal warnings
 - on-street patrol methods, including both general principles and specific advice on enforcing different types of parking control (such as loading only restrictions, permitted parking at parking meters)
 - customer care, including conflict management
 - emergency procedures and personal security
 - the need to operate within the law and, in particular, not to break traffic regulations whilst enforcing them
 - the adjudication service, including the preparation of witness statements
- 30) CEOs will also need training in the procedures drawn up by their employing authority, including:
- discretionary exemptions, waivers and dispensations
 - other special exemptions
 - observation periods
 - mitigating circumstances and other matters which require CEOs to use their judgement
 - liaising with other parts of the enforcement operation, such as clamping or removal teams, or the PCN processing unit
 - liaising with the police and traffic wardens to deal with illegally parked vehicles;
 - complaints by members of the public
 - other aspects of enforcement specific to the authority, such as type of HHC used, standards expected of CEOs and type of voucher, parking meter and pay-and-display machines used
- 31) CEOs will need further training if they work for an authority that operates a vehicle clamping or removal service, as will the vehicle clamping and removal staff themselves.

C.4 Uniform Requirements:

- 32) CEOs must wear a clearly identifiable uniform. This should be readily distinguishable from those worn by the police and traffic wardens, but still allow easy public recognition.
- 33) Under the provisions of the TMA 2004, in London, the Mayor of London provides guidance governing the uniforms to be worn by CEOs. The current requirements are:
- clear identification that the wearer is a CEO
 - clear identification of the local authority on whose behalf the CEO is working
 - a personal number to identify the CEO (this may contain letters as well as numerals)

- 34) To undertake enforcement action, a CEO must be clearly identifiable and in the full uniform specified (allowing for variations according to local weather conditions). This need not necessarily include a hat.
- 35) When CEOs are on-street but not carrying out enforcement duties (e.g. walking back to base at the end of a shift), it is recommended that they “dress down” (e.g. remove hats and shoulder numbers) to avoid giving the impression that they are ignoring illegal parking.
- 36) Staff engaged in enforcement by CCTV are not required to wear a uniform if they are not performing any on-street enforcement activities.

C.5 Handbook:

- 37) The Civil Enforcement Officers Handbook, produced by London Councils’ Transport and Environment Committee can be used on-street or in the office and contains a summary of existing restrictions, contravention codes and other references (see link below).

<http://www.londoncouncils.gov.uk/services/parking-services/parking-and-traffic/parking-information-professionals/civil-enforcement>

C.6 Camera Operators:

- 38) Where enforcement is based on CCTV surveillance, authorities should make sure that operators have specialised training. You can find further advice in London Councils’ Code of Practice for CCTV (see link below).

<http://www.londoncouncils.gov.uk/services/parking-services/parking-and-traffic/parking-information-professionals/cctv-enforcement>

D. PENALTY CHARGE NOTICES (PCNs):

- 39) A PCN is the prima facie evidence of the parking contravention.
- 40) Parking PCNs are either issued under Regulation 9 or Regulation 10 of The Civil Enforcement of Parking Contraventions (England) General Regulations 2007.
- 41) A Regulation 9 PCN is served on-street by a CEO. In this situation the PCN must either be fixed to the vehicle or given to the person who appears to be in charge of the vehicle.
- 42) A Regulation 10 PCN is served by post. In these situations the PCN also acts as the Notice to Owner (NtO). There are three types of Regulation 10 PCN:
 - 1. PCN served by post based on a record produced by an approved device or CCTV (*see Page 10*)
 - 2. PCN served by post because the CEO was prevented from serving a Regulation 9 PCN on-street (*see page 12*)
 - 3. PCN served by post because the vehicle had driven away before the CEO could finish serving the PCN that had been started under Regulation 9 (*see page 13*)

- 43) Details of what must appear on a PCN are set out in legislation in the DfT's Statutory Guidance.

D.1 Service of the PCN at the time of the contravention:

- 44) A PCN must either be fixed to the vehicle or given to the person who appears to be in charge of that vehicle (*see Sample Document 1.1*), although there are some exceptions to this under Regulation 10.
- 45) The CEO should be clearly visible at all times when issuing a PCN. If an authority serves a PCN by post because the CEO was threatened or the vehicle drove away, they will need to ensure that their standard procedures enable them to refute allegations that the CEO was not clearly visible.
- 46) A PCN should be fixed to the windscreen and must be weatherproof or able to fit a weatherproof envelope. It should be fixed in such a way that it cannot easily be removed by adverse weather conditions or passers-by. Enclosing a pre-paid envelope with the PCN may encourage a prompt response.
- 47) HHCs transfer details of PCNs electronically to a central database which prevents any changes to the data once the PCN is issued. A second copy is not produced when serving a PCN but can be produced at a later time, for example for the purposes of proceedings before an adjudicator and needs to be an exact copy of the original PCN.
- 48) If the PCN is written by hand, the CEO needs to produce two copies. One is served and the other kept by the authority for monitoring payment and dealing with representations, including any which go before an adjudicator.
- 49) A PCN served on the vehicle or to the person who appears to be in charge of the vehicle (Regulation 9 PCN) must contain the following information:
- the date on which the PCN is served
 - the name of the enforcement authority
 - the registration mark of the vehicle involved in the alleged contravention
 - the date and time at which the alleged contravention occurred
 - the grounds on which the CEO serving the PCN believes that a penalty charge is payable
 - the amount of the penalty charge
 - the manner in which the penalty charge must be paid
 - that the penalty charge must be paid not later than the last day of the period of 28 days beginning with the date on which the PCN was served
 - that if the penalty charge is paid not later than the last day of the period of 14 days beginning with the date on which the PCN is served, the penalty charge will be reduced by the amount of any applicable discount – currently 50 per cent
 - that if the penalty charge is not paid before the end of the period of 28 days beginning with the date on which the PCN was served, an NtO may be served by the enforcement authority on the owner of the vehicle
 - that a person on whom an NtO is served will be entitled to make representations to the enforcement authority against the penalty charge and may appeal to an adjudicator if those representations are rejected
 - that, if representations against the penalty charge are received at such address as may be specified for the purposes before an NtO is served, those representations will be considered; but that, if an NtO is served notwithstanding those representations, representations against the penalty charge must be in the form and manner and at the time specified in the NtO

- 50) It is recommended that the PCN also provides:
- detailed location of vehicle (full street name)
 - the contravention code
 - observation start and finish times (where appropriate)
 - PCN number (all PCNs should be uniquely identifiable)
 - CEO's identification number
 - amount of penalty time (when relevant)
 - vehicle make and colour (if identifiable)
- 51) If two or more PCNs are issued for the same contravention within the same period of controlled hours, to a vehicle that has not been moved, it is current practice to cancel all but one PCN. However, it may be sensible to review all PCNs issued and cancel the PCNs with the least robust evidence. For instance, if digital photographs for one of the PCNs was taken in the daytime and the others taken at night, the one taken in the daytime may well be clearer.
- 52) If two or more PCNs have been issued and one PCN is at the higher rate and the other(s) at the lower rate, the lower rate PCN(s) should normally be considered first for cancellation.
- 53) It is important to put relevant information on the PCN's payment slip so that payment is assigned to the correct case. This should include the PCN number and the vehicle registration mark, plus other identifiers such as the date and time of issue, or a barcode that contains that same information. It is recommended that the payment slip states the amount of the penalty charge, so that even if it becomes detached from the notice, the recipient knows how much is due.

D.2 Service of a PCN by post:

- 54) There are some circumstances in which a PCN (under Regulation 10) may be served by post:
- 1) where the contravention has been detected on the basis of evidence from an approved device (approved devices may only be used in limited circumstances)
 - 2) if the CEO has been prevented, for example by force, threats of force, obstruction or violence, from serving the PCN either by affixing it to the vehicle or by giving it to the person who appears to be in charge of that vehicle
 - 3) if the CEO had started to issue the PCN but did not have enough time to finish or serve it before the vehicle was driven away and would otherwise have to write off or cancel the PCN
- 55) In any of these circumstances a PCN is served by post to the owner and also acts as the NtO. The Secretary of State recommends that postal PCNs should be sent within 14 days of the contravention. Legislation states that postal PCNs must be sent within 28 days, unless otherwise stated in the Regulations.

D.3 Service of a PCN by an Approved Device (including CCTV):

- 56) In certain circumstances a PCN may be served by post on the basis of evidence produced by an approved device (*see Sample Document 1.2*).
- 57) The circumstances in which approved devices can be used to serve a PCN by post for parking contraventions are outlined in *Paragraph 93*.

- 58) PCNs for contraventions detected by an approved device cannot be placed on the vehicle or handed to the person who appears to be in charge of the vehicle. They are sent by post to the registered keeper and in under these circumstances, they are offered a 21 day discount period.
- 59) The PCN sent by post on the basis of evidence produced by an approved device also serves also as an NtO. It must state:
- the date of the notice, which must be the date on which it is posted
 - the name of the enforcement authority
 - the registration mark of the vehicle involved in the alleged contravention
 - the date and time at which the alleged contravention occurred
 - the amount of the penalty charge
 - the manner in which the penalty charge must be paid
 - the grounds on which the enforcement authority believes that a penalty charge is payable
 - that the penalty charge must be paid not later than the last day of the period of 28 days beginning with the date on which the PCN is served
 - that if the penalty charge is paid not later than the last day of the period of 21 days, beginning with the date on which the PCN was served, the penalty charge will be reduced by any applicable discount – currently 50 per cent
 - that if after the last day of the period of 28 days beginning with the date on which the penalty charge notice is served, no representations have been made in accordance with 'Regulation 4' of the Representations and Appeals Regulations, and the penalty charge has not been paid, the enforcement authority may increase the penalty charge by the amount of any applicable surcharge – currently 50 per cent and take steps to enforce payment of the charge as so increased; the amount of the increased penalty charge
 - the amount of the increased penalty charge
 - that the PCN is being served by post on the basis of a record produced by an approved device
 - that representations on the basis specified in Regulation 4 may be made to the enforcement authority against the imposition of the penalty charge but that representations made outside the period of 28 days, beginning with the date on which the PCN is served may be disregarded
 - the nature of the representations which may be made under Regulation 4
 - the address (including, if appropriate, any e-mail address or fax telephone number, as well as the postal address) to which representations must be sent
 - the form in which they (the representations) must be made
 - that if representations which have been made within the representation period or outside the period but not disregarded, are not accepted by the enforcement authority, the recipient of the PCN may appeal against the authority's decision to an adjudicator
 - the recipient of the PCN may, by notice in writing to the enforcement authority, request it to make available at one of its offices specified by him/her, free of charge and at a time during normal office hours so specified, for viewing by him/her or by his/her representative, the record of the contravention produced by an approved device pursuant to which the penalty charge was imposed; or to provide him/her, free of charge, with such still images from that record as, in the authority's opinion, establish the contravention

- 60) It is recommended that the PCN also gives:
- detailed location of vehicle (full street name)
 - the contravention code
 - observation start and finish times (where appropriate)
 - PCN number (all PCNs should be uniquely identifiable)
 - amount of penalty time (when relevant)
 - vehicle make and colour (if identifiable)
- 61) It is recommended that the authority sends a copy of the record of the contravention (in the form of a still image or images) with the PCN. The authority must comply within a reasonable time to requests to see the record of the contravention or send a copy of the still images.

D.4 Prevention from service by force, threats of force, obstruction or violence:

- 62) A PCN may be served by post if someone intervenes to stop the CEO from serving it. This includes situations where the person who appears to be in charge of the vehicle is abusive, intimidatory or threatens or uses actual physical force (*see Sample Document 1.3*)
- 63) The actual PCN produced by the CEO on-street cannot be served by post because it does not give enough information. The authority should cancel this PCN prepared by the CEO and may serve a Regulation 10 PCN by post. Enforcement authorities should make sure that they have sufficient primary and supporting evidence to issue the PCN and deal with any subsequent representations and appeals and any police action against the person who prevented service. In these circumstances the owner gets 14 days discount period for payment of the PCN.
- 64) The PCN, which also serves as the NtO, must be served by first class post. It must state:
- the date of the notice, which must be the date on which it is posted
 - the name of the enforcement authority
 - the registration mark of the vehicle involved in the alleged contravention
 - the date and time at which the alleged contravention occurred
 - the amount of the penalty charge
 - the manner in which the penalty charge must be paid
 - the grounds on which the enforcement authority believes that a penalty charge is payable
 - that the penalty charge must be paid not later than the last day of the period of 28 days beginning with the date on which the PCN is served
 - that if the penalty charge is paid not later than the last day of the period of 14 days, beginning with the date on which the PCN was served, the penalty charge will be reduced by any applicable discount – currently 50 per cent
 - that if after the last day of the period of 28 days beginning with the date on which the penalty charge notice is served, no representations have been made in accordance with 'Regulation 4' of the Representations and Appeals Regulations, and the penalty charge has not been paid, the enforcement authority may increase the penalty charge by the amount of any applicable surcharge – currently 50 per cent and take steps to enforce payment of the charge as so increased; the amount of the increased penalty charge
 - that the PCN is being served by post because a CEO attempted to serve a PCN by affixing it to the vehicle or giving it to the person in charge of the vehicle but was prevented from doing so by some person

- that representations on the basis specified in Regulation 4 may be made to the enforcement authority against the imposition of the penalty charge but that representations made outside the period of 28 days, beginning with the date on which the PCN is served may be disregarded
- the nature of the representations which may be made under Regulation 4
- the address (including, if appropriate, any e-mail address or fax telephone number, as well as the postal address) to which representations must be sent
- the form in which they (the representations) must be made
- that if representations which have been made within the representation period or outside the period but not disregarded, are not accepted by the enforcement authority, the recipient of the PCN may appeal against the authority's decision to an adjudicator

65) It is recommended that the PCN also gives:

- detailed location of vehicle (full street name)
- the contravention code
- observation start and finish times (where appropriate)
- PCN number (all PCNs should be uniquely identifiable)
- CEO's identification number
- amount of penalty time (when relevant)
- vehicle make and colour (if identifiable)

D.5 Prevention of service by vehicle 'drive-aways':

66) A PCN may also be served by post if the CEO had begun to issue it – i.e. has completed his/her observations and had either started to write the PCN or put the data into the HHC, however the vehicle drove away before the CEO had time to finish or serve the PCN (*see Sample Document 1.4*).

67) In such circumstances, the actual PCN issued by the CEO on patrol cannot be sent by post because it does not give enough information. The authority should cancel the Regulation 9 PCN prepared by the CEO and may serve a Regulation 10 PCN by post. Enforcement authorities should ensure that they have sufficient primary and supporting evidence to issue the PCN and deal with any subsequent representations and appeals. The Secretary of State recommends that the CEO records the vehicle's licence number and tells the driver of the contravention before they drive away. Back-office staff should obtain the registered keeper's address. In these circumstances the motorist gets a 14 day discount period.

68) The PCN, which also serves as the NtO, must be served by first class post. It must state:

- the date of the notice, which must be the date on which it is posted
- the name of the enforcement authority
- the registration mark of the vehicle involved in the alleged contravention
- the date and time at which the alleged contravention occurred
- the amount of the penalty charge
- the manner in which the penalty charge must be paid
- the grounds on which the enforcement authority believes that a penalty charge is payable
- that the penalty charge must be paid not later than the last day of the period of 28 days beginning with the date on which the PCN is served
- that if the penalty charge is paid not later than the last day of the period of 14 days, beginning with the date on which the PCN was served, the penalty charge will be reduced by any applicable discount – currently 50 per cent

- that if after the last day of the period of 28 days beginning with the date on which the penalty charge notice is served, no representations have been made in accordance with 'Regulation 4' of the Representations and Appeals Regulations, and the penalty charge has not been paid, the enforcement authority may increase the penalty charge by the amount of any applicable surcharge – currently 50 per cent and take steps to enforce payment of the charge as so increased; the amount of the increased penalty charge that the PCN is being served by post because a CEO had begun to prepare a PCN for service in accordance with Regulation 9 (by affixing it to the vehicle or giving it to the person in charge of the vehicle) but the vehicle was driven away from the place in which it was stationary before the CEO had finished preparing the PCN or had served it in accordance with Regulation 9
- that representations on the basis specified in Regulation 4 may be made to the enforcement authority against the imposition of the penalty charge but that representations made outside the period of 28 days, beginning with the date on which the PCN is served may be disregarded
- the nature of the representations which may be made under Regulation 4
- the address (including, if appropriate, any e-mail address or fax telephone number, as well as the postal address) to which representations must be sent
- the form in which they (the representations) must be made
- that if representations which have been made within the representation period or outside the period but not disregarded, are not accepted by the enforcement authority the recipient of the PCN may appeal against the authority's decision to an adjudicator

69) It is recommended that the PCN also gives:

- detailed location of vehicle (full street name)
- the contravention code
- observation start and finish times (where appropriate)
- PCN number (all PCNs should be uniquely identifiable)
- CEO's identification number
- amount of penalty time (when relevant)
- vehicle make and colour (if identifiable)

D.6 Collection of Information:

70) CEOs should try to collect information and photographic evidence as usual. Authorities should provide CEOs with the equipment, training and guidance to collect such evidence, bearing in mind that they may find this harder where service is being prevented. Authorities should disclose their evidence at the earliest possible opportunity.

71) In addition to the information which must appear on a PCN, it is also recommended that the following further information should, where appropriate, be collected on the HHC, in the CEO pocketbook or on their copy of the PCN (if the PCN is completed by hand), or by photographic evidence, in order to enable validation checks to be made, disputes resolved and sufficient evidence to be provided for adjudication. In general:

- whether the PCN was affixed to the windscreen or handed to the driver
- whether the CEO was prevented from serving the PCN by some person, or the vehicle drove away before the CEO could complete the PCN
- whether the driver was seen and if any conversations took place with the driver
- any evidence of loading and unloading activity after the PCN had been issued
- expiry time of pay and display ticket or arrival time or value shown on vouchers
- details of any permit/badge displayed (including virtual permits)
- adjacent meter reading (duplex parking meters)

- any evidence of breakdown
- details of any notes in or on the vehicle, including any alleged meter faults
- tyre valve positions
- pocket book reference (if there is a relevant entry)
- details of suspensions and signage in relation to the vehicle
- details of any road works likely to affect parking
- details of yellow lines (single, double or broken) and the nearest time-plate (if appropriate)
- foreign or diplomatic plates
- whether PCN was spoilt
- parking zone
- whether clamping or removal has been requested by the CEO
- evidence of cashless parking payments (for example: mobile phone payments)
- photographs should be taken whenever possible. Whilst they are not compulsory, the evidence provided is extremely useful.

Photographs should be taken of:

- 1) The vehicle parked in contravention
- 2) The vehicle registration number
- 3) The dashboard showing any permits, vouchers or tickets
- 4) Any lines/nearby signs or time-plates relating to the contravention

72) On paid for bays:

- Whether "feeding" detected & details
- If meter or machine bagged out of order
- Display on meter/machine if not just penalty time (e.g. out of order/no parking until...)
- On pay and display machines, time shown on machine compared to time on CEOs watch or HHC
- Evidence of cashless parking payments (for example: mobile phone payments)

73) In yellow/red line cases, as much information as possible should be recorded to establish the precise location of the vehicle, especially in streets where there may be a range of different regulations in different parts.

Such information may include:

- Details of yellow/red lines/kerb stripes (e.g. single, double line/one, two kerb stripes)
- Details of kerbside plates (e.g. location, times of loading and waiting restrictions)
- Detailed location of vehicle (e.g. by/on N/S/E/W kerb; outside/opposite No. X yards N/S/E/W of junction with Y Road)

74) In bays/boxes:

- Details of signs and their distance from vehicle
- Details of vehicle location (e.g. outside/opposite No.)

75) Where a vehicle is parked in contravention of more than one restriction, e.g. parked on a footway in a restricted street during prescribed hours, only one PCN should be issued. CEOs should be instructed on which contravention takes precedence in such circumstances. In a situation where a vehicle is committing a higher and a lower level contravention, the higher level penalty should take precedence, as this has been identified as the more serious contravention.

- 76) It is also recommended to put the right information on any part of the PCN, which is returned with payment, in order to be sure that the payment is assigned to the right case. This should include at least the PCN number and the vehicle registration mark and other identifiers such as the date of issue, the time of issue or a barcode that contains the same information. It is also a good idea for the payment slip to include the amount of the penalty charge, so that even if the payment slip becomes detached from the notice, the person wishing to pay knows how much is due.

D.7 Contraventions and associated code numbers:

- 77) The motorist must be able to read and understand why the PCN was issued. The key element is the contravention description, as the use of the code on its own is not sufficient information.
- 78) A standard list of contraventions and associated code numbers and suffixes can be found on London Councils website (see link below).
- <http://www.londoncouncils.gov.uk/services/parking-services/parking-and-traffic/parking-information-professionals/contravention-code>
- 79) Authorities must only use those codes and suffixes found in the contravention code list and must not use any other codes or suffix variations.
- 80) It is recommended that for certain contravention codes, suffixes should be used to further describe the contravention.

D.8 PCN Format:

- 81) Model PCNs can be seen on London Councils website and within Sample Documents 1.1 to 1.4 of this document. Authorities do not have to use these documents, they are simply provided as example PCN templates.

D.9 Service of Penalty Charge Notices:

- 82) The Civil Enforcement of Parking Contraventions (England) General Regulations 2007 indicate that a postal PCN may be served by first class post, but not second class post. Unless proved otherwise, service of first class post is taken to have been on the second working day after the day of posting. A working day excludes Saturdays, Sundays, Christmas Day, New Year's Day, Good Friday and any other English bank holiday. The date of posting is not necessarily the same as the date on which the back office staff prepares the PCN and authorities should make sure that their procedures take account of this.

E. WORKING PRACTICES:

- 83) Exactly the same working practices may not always be appropriate in different areas of London, but authorities should use consistent practices as far as possible, in order to avoid confusion in the enforcement and adjudication procedures. This particularly applies to *de minimis* rules, where a technical contravention should not be followed up. In particular, common understanding and practice is essential on the following:
- A PCN should be issued if the vehicle is parked incorrectly to the extent that at least one wheel is wholly in contravention. For example, a wheel being wholly outside the markings of the bay or wholly on a yellow line. If all of the wheels are within the confines of the bay, but the vehicle is large and overhangs the bay to such an extent that it causes an obstruction equal to a normally sized vehicle with one wheel wholly in contravention, then a PCN can also be issued.
 - When motorists claim that they went for change - decisions by adjudicators indicate that 'going for change' is not necessarily a valid ground for cancelling a PCN.
 - Where an on-street payment machine, such as a pay-and-display or payment terminal is 'out of order', CEOs should not issue a PCN to vehicles unless there is an alternative means of payment available. This includes a different machine nearby or an alternative method of payment such as mobile phone payments. Where a PCN is issued, the CEO should record details of any note on display showing 'out of order machine', the location of the faulty machine and the location of the nearest working machine, if appropriate. The onus should be on the motorist to pay for parking and take reasonable steps to do so.
 - Notice or note left in car – CEOs should make a record of any note left on display.
 - Where incorrectly validated vouchers or permits are displayed - a PCN should be issued and all details of any vouchers or permits on display should be recorded.
 - Parked on the footway - at least one wheel must be wholly on or over the footway (not just partially on the kerb).
 - When parked adjacent to a dropped footway or raised carriageway, the prohibition begins where the kerb has been levelled with the carriageway. Therefore a vehicle obstructing the 'tapered' section of the carriageway only, would not be in contravention.

F. GRACE PERIODS

- 84) The Deregulation Act 2015 requires that a PCN must not be issued to a vehicle that has remained parked in a designated parking place on a road or in a local authority car park beyond the permitted parking period for a period of time not exceeding 10 minutes.
- 85) Grace periods only apply to designated parking places where a person is permitted to park. A road with a restriction (e.g. single yellow line) or prohibition (e.g. double yellow line) is not a 'designated' parking place either during or outside of the period of the restriction or prohibition.
- 86) In general, authorities should apply the following rule: if a vehicle is parked legally on a designated parking bay when it is initially parked, then a 10 minute grace period should be applied before issuing a PCN from the moment it becomes parked illegally.

- 87) More details concerning such common approaches can be found in the Civil Enforcement Officer's Handbook (see link below).

<http://www.londoncouncils.gov.uk/services/parking-services/parking-and-traffic/parking-information-professionals/civil-enforcement>

G. OBSERVATION TIMES

- 88) Some contraventions are 'instant' and a PCN can be issued immediately. These include 'absolute' contraventions, such as parking on the footway (where this is prohibited) and locations where there are either no or extremely few but obvious exceptions to a general rule (such as stopping where parking, loading and unloading are prohibited).
- 89) In other cases there may be sufficient exemptions to a general rule as to cause some doubt as to whether a contravention has occurred at the time of the initial appearance of the CEO. A good example is where loading and unloading on a yellow line or in a loading box/bay is allowed.
- 90) In these circumstances a period of observation can help to establish whether or not an exemption applies. Five minutes is the generally accepted period of observation, although consideration could be given to extending this period for commercial vehicles, where it is more likely that loading/unloading is taking place. While a PCN may be issued before the end of the observation period, the authority will need to have much stronger evidence to rebut an assertion that the vehicle was exempt, for example, because it was loading, than if an observation period was included.

H. HAND-HELD CAMERAS

- 91) It is recommended that hand-held cameras (not subject to CCTV rules) are used by CEOs to provide additional evidence of a contravention and service of the PCN, preferably ones with a time and date recording facility. They will not replace any of the other evidential rules set out previously within this document
- 92) Enforcement authorities may consider the use of body-worn cameras for health and safety reasons and for training purposes.

I. ENFORCEMENT BY CCTV:

- 93) TMA Regulations give limited powers to authorities throughout England to issue PCNs for parking contraventions detected solely with a camera and approved devices, certified by the Secretary of State. To comply with certification the system must be used in accordance with the guidelines issued by the Vehicles Certification Agency.
- 94) PCNs must not be served by post on the basis of evidence from an approved device other than when vehicles are parked on:
- a bus lane
 - a bus stop clearway or bus stand clearway
 - a Keep Clear zig-zag area outside schools
 - a red route
- 95) Where approved devices may be used, the Secretary of State recommends that approved devices are used only where enforcement is difficult or sensitive and CEO enforcement is not practical.

- 96) Where enforcement authorities are using camera enforcement, the enforcement policy needs to be well publicised and indicated with on-street lawful traffic signs.
- 97) Authorities should make sure that they have procedures to stop the service of two PCNs – one at the time of the contravention and one by post with evidence from an approved device.
- 98) Authorities should design a system so that fully trained staff are able to:
- monitor traffic in accordance with a Code of Practice
 - identify the registration number, colour and type of a vehicle contravening traffic restrictions
 - support the serving of a PCN to the registered keeper of a vehicle contravening the restrictions
 - record evidence of each contravention to ensure that representations and appeals can be answered fully
 - produce timed and dated pictorial evidence of any unauthorised driving or stopping as information to the registered keeper and for any subsequent representations or appeals
 - immediately despatch a CEO and removal truck for targeted enforcement of vehicles contravening traffic restrictions.
- 99) An essential and integral part of any system is a Code of Practice. This sets out the objectives of the system and the rules it will follow. Authorities should ensure that they produce (or adopt) and follow a Code of Practice. The code should make sure that staff deals properly with issues such as privacy, integrity and fairness. It should set minimum standards to help ensure public confidence in the scheme.
- 100) Full details of CCTV enforcement are contained in the London Councils' Transport and Environment Committee CCTV Code of Practice, adopted by all authorities in London carrying out CCTV enforcement (see link below).

<http://www.londoncouncils.gov.uk/services/parking-services/parking-and-traffic/parking-information-professionals/cctv-enforcement>

J. PERSISTANT EVADERS

- 101) Under the TMA 2004, a vehicle owner can be classed as a 'persistent evader' if there are three or more recorded contraventions for the vehicle and the penalties for these have not been paid, represented against or appealed against within the statutory time limits, or their representations and appeals have been rejected but they have still not been paid.
- 102) When parked in contravention, a persistent evader's vehicle should be subject to the strongest possible enforcement following the issue of the PCN and confirmation of persistent evader status. This could include clamping or removal. Any clamping or removal activity for a persistent evader parked in a designated parking place cannot take place until at least 15 minutes have elapsed following the issue of a PCN.

K. CLAMPING AND REMOVAL

- 103) Clamping and removal can be used to enhance and improve the enforcement of parking regulations with clamping providing a visible local deterrent and removal being used to combat dangerous and inconsiderate parking.
- 104) Clamping and removal can be targeted at persistent evaders, in particular those where there are inaccurate keeper details held at DVLA. Without clamping and removal powers, incorrectly registered vehicles can be parked illegally with impunity until such time as the register is brought up to date.

K.1 Primary Objectives:

- 105) There are three primary objectives:-
 - To reinforce existing transport policies, for example, by targeting vehicle removal operations in bus lanes.
 - To reinforce the PCN system – clamping and removals spread generally across a range of PCN contraventions to increase compliance, whilst targeting particular vehicles which belong to persistent evaders.
 - To assist payment of PCNs – enforcing against vehicles whose owners seek to avoid payment of PCNs unless forced to pay at the same time as paying the clamping or removal fee. (Although when a vehicle is reclaimed by the owner, only the PCN issued immediately prior to the removal has to be paid, the authority obtains name and address details, which can be used to help recover earlier outstanding penalty charges through the normal processing methods, if the name and address were not previously known.)
- 106) Bearing in mind that clamping or removing a vehicle and the subsequent payment of the fee to restore the vehicle to the driver, is meant to be sufficient penalty, it is important that there are no unnecessary delays or other obstacles and that the vehicle is restored to the driver as soon as possible after payment has been made. The aim should be to declamp all vehicles within two hours of payment. The TMA 2004 says that the vehicle should be “released from that device on payment” which realistically means as soon as practically possible. Removed vehicles should be available for collection from the pound as soon as payment has been made.

K.2 When to clamp or remove:

- 107) Clamping or removing vehicles can only take place after a PCN has been issued for a contravention at the location where the vehicle will be clamped or from where the vehicle will be removed.
- 108) In most cases the choice of whether to clamp or remove will be influenced by the type of contravention and where it is committed and then by the availability of resources or equipment.
- 109) There are regulations in the TMA 2004 which state when you have to wait either 15 or 30 minutes after the issue of a PCN before clamping or removing a vehicle and when you can immediately clamp or remove a vehicle after the issue of a PCN. Vehicles not identified as persistent evaders that are parked in a parking place must not be removed until 30 minutes have elapsed since the end of any period of paid parking.

Vehicles that have been identified as persistent evaders that are parked in a parking place must not be removed until more than 15 minutes have elapsed since the end of any period of paid parking. Vehicles that are not parked in a parking place, such those observed on yellow lines, may be removed immediately after the issue of a PCN.

K.3 Order of priority for vehicle clamping and removal:

- 110) Clamping and Removal of vehicles should not be carried out in an ad-hoc or uncontrolled way. Boroughs should clearly advertise their priority for removals on their website.

K.4 Exemptions to clamping and removals:

- 111) There are certain legal exemptions from clamping and vehicles which fit into the following categories:

- vehicles displaying a valid Blue Badge must not be clamped and should not be removed. If such a vehicle is dangerously or obstructively parked, it should be repositioned nearby, preferably within view of its previous location.
- diplomatic vehicles bearing a "D" or "X" vehicle registration mark or personalised registration plates with a "D" Vehicle Excise License. If such a vehicle is dangerously or obstructively parked, repositioning nearby is suggested. (Legal requirement - Diplomatic Privileges Act 1964).

- 112) Vehicles in the following additional categories should also not normally be clamped or removed (many of these should not even receive PCNs as they are exempt under local traffic orders):

- Vehicles being used for Fire Brigade, Police, or Ambulance purposes.
- Vehicles correctly displaying a Health Emergency Badge (HEB). Whilst the display of an HEB does not confer any special privilege or exemption from any prohibition or restriction, every assistance should be given to holders of these badges.

Spaces are provided on the badge to show:-

- 1) the address at which the healthcare worker can be found; and
- 2) the serial number of the Badge.

If a vehicle is displaying an HEB, an attempt should to be made to contact the user at the nearby address shown on the Badge before any enforcement action is taken. If no address is shown, or misuse of the Badge is strongly suspected, the vehicle may be clamped or removed. (Full details of the circumstances leading to the action must be recorded in case of future dispute).

- Public Service Vehicles whilst waiting at an authorised stopping place, terminal or turning point.
- Local authority, Public Utility or their contractors' vehicles engaged on works in, on or over the public highway.
- Royal Mail vehicles engaged in delivery or collection of postal packets.
- Vehicles which are being used by or in the services of the military or visiting military forces.

- 113) In addition, vehicles that have been declamped and are still in the same location awaiting the return of the driver should not be clamped or removed within two hours of being declamped. Such vehicles should have a 'Declamp Sticker' on them (see *Sample Document 1.5*).

- 114) Vehicles that are obviously abandoned should not normally be removed or clamped under TMA 2004 powers. Details should be passed to the relevant section of the authority to apply the proper procedures for abandoned vehicle removal.
- 115) In all cases of vehicles being repositioned, vehicles should preferably be relocated within view of their original position. Details of the new location should be reported to TRACE (the London-wide removal notification system) to avoid any subsequent difficulties over reports of stolen vehicles.

K.5 Circumstances where vehicles should not be clamped but could be removed:

- 116) In the following circumstances after a PCN has been issued vehicles must not be clamped in situ. They could be removed, although in some circumstances re-positioning may be better:
- When the vehicle is causing a major obstruction to traffic or a danger to pedestrians or other road users, or is parked on an operational bus lane, cycle lane, bus stop, or taxi rank. Consideration should also be given to the likely time lapse which will occur before a clamped vehicle is declamped and moved. If such time delay is likely to extend the presence of the vehicle to a time when it will become an obstruction, e.g. the vehicle is in a non-operational bus lane, which is due to commence in an hour or so, then the vehicle should be removed instead of being clamped. For cases of obstruction where or when no parking restriction is in force, no action can be taken and it will be necessary to seek the assistance of the police.
 - When a vehicle is parked adjacent to a fire exit, across an access used by emergency vehicles or leading to private premises.
 - When a vehicle is parked in a specially designated reserved parking bay, e.g. disabled person, doctor, or diplomatic bay.
 - When a vehicle is parked in a suspended parking place.
 - When a vehicle is parked adjacent to a dropped footway or raised carriageway.
 - When a vehicle is parked on zig zag lines.

L. REMOVAL OPERATIONS

- 117) A removal operation consists of these key stages:
- Authorisation
 - Vehicle lift
 - Transfer to pound
 - Payment
 - Return of vehicle to owner/driver
 - Disposal of vehicle
- 118) The removal of the vehicle is a serious enough penalty and inconvenience in itself and so, to minimise any additional inconvenience to the driver, it is essential that the authority has a good despatch and control system in place so that it knows at all times the location of any removed vehicle. It is equally important that TRACE is informed within 15 minutes (i) when a vehicle is lifted, (ii) when it arrives at a pound and (iii) when it is released or disposed of.
- 119) It is essential that members of the public can pay and arrange for the release of a vehicle without undue delay or difficulty, subject to local arrangements.

L.1 Authorisation:

- 120) The person to authorise the actual lifting of a vehicle should be the CEO who is travelling on the removal truck (the on-board CEO). The responsibility for authorisation should be completely separated from the removal contractor in order to avoid any possible claims of misconduct.
- 121) Photographs of the vehicle should be taken before its removal in order to identify the vehicle clearly and show it in the context of the contravention that has occurred, as well as to show any existing visible marks or damage.
- 122) If the CEO who issues the PCN is not with the removal truck and identifies the vehicle as a priority for removal, they may attach a 'Removal Authorisation Notice', (see *Sample Document 1.6*) to the pavement side front side-window of the vehicle before contacting the removal despatch control. However, it is the on-board CEO who should make the final decision to have the vehicle lifted.
- 123) The on-board CEO can issue a PCN without prior notification. They will assess the situation on arrival and, if appropriate, issue the PCN and authorise the lifting of the vehicle in accordance with the requirements set out in *Paragraph 109*. However, it is preferable for the on-board CEO to be the second officer on the scene in order to provide a check on the patrolling CEOs initial assessment of the vehicle and to check that the PCN was correctly and justifiably issued. This provides the safeguard of having two officers independently assessing the situation before a removal is sanctioned. If an on-board CEO does issue the PCN and authorises the removal, while the PCN is being written, the lifting cradle can be put in place but the PCN must be fixed to the vehicle before it is lifted.
- 124) If the on-board CEO checks the original PCN and finds that there is a mistake on it (e.g. the VRM has been written down incorrectly), he/she should remove it from the vehicle and issue and serve a new PCN. He/she can then authorise the removal. Any time constraints previously outlined must be adhered to before the vehicle can be lifted.
- 125) If the on-board CEO checks the original PCN and does not believe that any contravention is being committed or the vehicle does not warrant removal, he/she should leave the PCN on the vehicle, make notes in a pocket book about the situation and not remove the vehicle.
- 126) If several vehicles are identified by patrolling CEOs at the same time as potential candidates for removal, an assessment should be made, considering contemporaneous local conditions and the different contraventions involved and the vehicles prioritised according to the borough policy. This assessment can be made either by the on-board CEO, or by a supervisor at the CEO base.

L.2 Vehicle lift:

- 127) Authorities carrying out removals need to have suitable vehicles to carry out the task. In order to provide a removal service that can be applied fairly and equally to all vehicles, authorities should also make contingency plans for the removal of vehicles from any location.
- 128) It is advisable that removal trucks should be marked clearly with the TRACE telephone number (0845 206 8602), TRACE website details and identification of the authority on behalf of which they are being used.

- 129) To provide a good service to the public, it necessary to notify TRACE within 15 minutes when a vehicle is lifted, when it arrives at the pound and when it is released/disposed of.
- 130) If the vehicle owner returns while the vehicle is in the process of being lifted, the removal should be halted unless all of the wheels are on the removal truck. (If a “half-lift” vehicle is being used, the vehicle should be returned to the owner if either of the two wheels that will be raised is still on the ground), the PCN should still be enforced in the normal manner.
- 131) A comprehensive ‘Vehicle Removal and Release Record’, ideally supported by photographic evidence of any marks or damage, must be completed before the removal operation begins (see *Sample Document 1.7*). Any damage caused to the vehicle during the removal must be recorded.
- 132) In general, authorities do not have the powers to enter vehicles that cannot be lifted. However, if a vehicle is causing a serious obstruction and the police are unable to provide assistance, such a removal can be carried out by staff with the appropriate licence and insurance and under the acceptance that the authority is prepared to pay for the inevitable damage to the locks. Removals such as this should only be undertaken as a matter of last resort emergency (e.g. an obstructively positioned coach owned by a hard to trace persistent evader).
- 133) Clamped vehicles which remain clamped after the end of the working day may also be taken to the pound, in order to reduce the risk of illegal declamping at night time. Care should be taken not to penalise a motorist unduly with the extra cost of removal if the vehicle was only clamped late in the day. The clamp should be removed and the vehicle then treated like any other vehicle subject to removal (condition report etc). The despatch control system must be updated accordingly and TRACE notified. In the event that the owner returns to the vehicle after the clamp has been removed but before all the wheels are on the removal truck, the vehicle must be returned to the owner.

L.3 Despatch Control Centre:

- 134) This service to the public is very sensitive and must provide a good, consistent, accurate source of information. The despatch control centre must be provided immediately with information about any change of status of all clamped and removed vehicles and in the case of removals, relay that information without delay to TRACE.
- 135) The despatch control system and its links to the public via the TRACE system are critical to the operation of the removal service. Authorities should suspend their removal service if any part of this system fails.

L.4 Vehicle Pound:

- 136) A pound must have adequate perimeter fencing and lighting to avoid the possibility of theft from or damage to vehicles.
- 137) Pounds should be carefully chosen, with good access from the area of removals, good public transport links and be well lit. Safe access to the public is essential at all times, and access to pounds must also have good lighting and signing.

- 138) There should be no unnecessary delays or inconvenience involved in the process of recovering a vehicle. Pounds therefore need to be open as long as possible, subject to local arrangements, with payment being taken at each pound during the normal operating hours.
- 139) Staff at the pounds must check in removed vehicles and carry out an independent damage check to confirm the condition report completed on-street before the lifting of the vehicle. They must also perform regular inventory checks to ensure the accuracy of the information on the despatch control system.
- 140) Pounds should not become cluttered with unclaimed vehicles. An authority can request keeper information from DVLA after 7 days from the issue of the PCN under the Road Traffic Regulations Act (RTRA) 1984. Once keeper details have been obtained a letter should be sent immediately giving the keeper 35 days to arrange to recover the vehicle or have it disposed of by the authority. It is recommended that if there is no response after 14 days, a second letter should be sent advising that they have 21 days to recover the vehicle or have it disposed of by the authority. If there is no response after a further 14 days, a third letter should be sent advising that the vehicle will be disposed of if not recovered within 7 days. All vehicles should be disposed of according to the authorities' procedures and in accordance with the RTRA 1984.
- 141) If the authority has any reason to believe that an unclaimed vehicle may be a rented vehicle, they should try and contact the hire company as soon as possible by applying to DVLA or otherwise, as the company is unlikely to be aware that the vehicle has been removed.

L.5 Payment:

- 142) Motorists should only have to visit one location in order to make payment and recover their vehicle. Pounds should therefore have on-site payment facilities. (The exception to this is where a pound is not fully open on a 24-hour basis, in which case an out-of-hours payment may be made at an off-site payment centre and the vehicle then recovered from the pound.)
- 143) Payment centres must be able to receive payment by cash and other methods, including credit and debit cards, and must be linked to the despatch control centre. The calculation of the amount due is best handled by such a payment terminal, as the fee will include the PCN, the removal fee and any storage costs.
- 144) Vehicles should not be released before payment has been received for the PCN, the removal fee and, where applicable, any storage fees. It is essential that details of any payments received for PCNs are reconciled with the authority's main PCN processing system as soon as possible to ensure that there is no attempt to pursue the owner of a vehicle for payment of a PCN which was paid at a pound.
- 145) Upon securing the vehicles release, the owner must be provided with a 'Removal Release Fee Receipt' and informed of their right to make representations against the issue of the PCN and removal, and their subsequent rights to appeal against representations that are rejected and provided with all of the relevant paperwork (see *Sample Document 1.8*).
- 146) There may be occasions where the owner of a vehicle had good reason to be unaware of its removal for some time, for example if they were on holiday when the contravention occurred. Depending on the circumstances, authorities may consider waiving some or all of any storage fees incurred. Pound staff should have good knowledge of local policies in this regard.

- 147) Some motorists may wish to recover their vehicles without payment at the time and authorities should give consideration to the circumstances when such requests are made. In many cases agreement will not be justified, but in some others, such as a vulnerable person alone at night without sufficient money, it may be irresponsible to refuse the request. In these cases the motorist should sign a 'Promise to Pay' note (*see Sample Document 1.9*). It should be noted that in London, if a vehicle is released without payment, the London Local Authorities Act 2000 allows local authorities to collect the unpaid charges (clamp, removal or storage fees as well as the penalty charge) with the issue of a charge certificate and registration of the unpaid charges as a debt at the Traffic Enforcement Centre.
- 148) Where a part payment is accepted and a promise to pay note accepted for the remainder, the payment should be set first against the removal fee, as the PCN can be pursued easily through the normal methods of processing PCNs. However, the effect of the discount period for payment of the penalty charge should be clearly explained to the person securing the release of the vehicle.
- 149) Where a vehicle is released with only a part payment or no payment at all being made, the person securing the vehicle's release must be informed of their right to make representations against the issue of the PCN and the removal, and their subsequent rights to appeal against representations that are rejected in the same way as if they had made full payment.
- 150) Storage charges should apply for each day or part of a day, reckoned from 24:00 (midnight) on the day following the removal of a vehicle. Authorities should consider accessibility and pound opening hours when applying storage charges.

Whilst there is a legal obligation only to pay the PCN, the removal charge and any associated storage charges, the owner should be encouraged to pay all the outstanding charges when collecting the vehicle. When obtaining the name and address of the vehicle's keeper it would be prudent to establish when they took ownership of the vehicle if the outstanding PCNs date back further than 3 months.

L.6 Owner verification/ Proof of identity:

- 151) In principle, only the owner of the vehicle is entitled to recover a vehicle from a pound. Therefore, ideally a vehicle should only be released to a person who provides evidence of ownership (the V5) supported by proof of their identity. In the case of a vehicle which is the subject of a hiring or hire-purchase agreement, the owner includes the person entitled to possession of the vehicle under the agreement, so evidence of ownership would be a copy of the hire agreement. However, establishing proof of ownership may not be easy, nor may the owner of the vehicle (where, for example, it is a leased vehicle) be available. Verifiable forms of ID should then be sought in pounds before release of the vehicle and where the recoverer is not the owner, they should be treated as the owner's agent.
- 152) When someone arrives at the pound to collect a vehicle, with the key, it can be assumed that they are the owner, or have permission from the owner to collect the vehicle. However, they would need to bring some form of identification. All pounds will usually accept a passport or photo-card driving license as proof of identification. A proof of address will also be required if not shown on the proof of vehicle ownership (the V5).
- 153) The pound reserves the right not to release a vehicle if they have any doubt as to the motorist's identity.

M. CLAMPING OPERATIONS

- 154) The clamping process consists of these key stages:
- Identification
 - Clamping van despatch
 - Authorisation
 - Clamping
 - Payment
 - Declamping
- 155) Clamping costs less than removal both in terms of capital costs and staff time. It is also visible, so it acts as a deterrent.
- 156) The penalty where a vehicle is clamped is the charge paid for the removal of the clamp, plus the PCN and not the time taken to declamp, or the distance the driver has to travel to make payment. This has been established in law and is followed in this Code of Practice. It is therefore essential that payment is made as accessible as possible, in particular, use should be made of telephone payments using credit cards and on-line facilities where available, to avoid the motorist having to travel to a payment centre. Also, declamping should be carried out as soon as possible after payment has been received.

M.1 Authorisation process:

- 157) In general, the points made about removal authorisation also apply to clamping, especially the need to separate authorisation from action in order to avoid any suggestion of misconduct. In addition, a senior CEO or authorising officer should travel in the van carrying the clamps with the person whose responsibility it is to apply the clamps. The senior or authorising officer will be responsible for attaching a 'Clamping Authorisation sticker' to the vehicle (*see Sample Document 1.10*).
- 158) An authorising officer working directly from a clamping van can cover a large number of vehicles in a short period of time. For wider strategic cover, there should be a line of communication between patrolling CEOs and authorising officers. In this way, priorities can be applied and categories such as persistent evaders can be targeted.
- 159) The authorisation process must include the issue of a PCN, unless the contravening vehicle has already been issued with one. While the PCN is being written, the clamp can be applied in accordance with *Paragraph 109*. However, because the PCN must be issued before clamping, the padlock must not be closed until the PCN is fixed to the vehicle. A 'Clamping Warning Notice' should be placed on the windscreen of the vehicle immediately in front of the driver's line of vision, informing them not to try to move the vehicle (*see Sample Document 1.11*). A 'Declamping Instruction Card' should also be attached to the vehicle, signed by the authorising officer, giving details of the PCN and clamping and instructions on the course of action available to the driver (*see Sample Document 1.12*).
- 160) Authorities should apply the rule that if the driver returns to a vehicle before the padlock is closed, the clamp should be removed and the clamping fee not charged. If the driver arrives after the clamp has been locked, then unless there are extenuating circumstances, the clamp should remain in place. The decision to remove the clamp must be made by the authorising officer (subject to local policies), not the person employed to apply the clamps and must be recorded in the officer's notes.

There should be no authority given to waive the PCN which was issued as part of the clamping process, as any dispute can be dealt with as part of the representation and adjudication process.

M.2 Despatch Control Centre:

- 161) As in removals, clamping and declamping must be controlled from a despatch centre, which will allocate clamping and declamping vehicles and staff. Once paid, the vehicle should be declamped as a priority.
- 162) The despatch controller must always be kept informed, especially of those vehicles that have paid their charges. The aim should be to declamp all vehicles within two hours of settlement

M.3 Clamping/Declamping Vehicles:

- 163) These can be standard vehicles but must be clearly identified. Authorities with a low volume of clamping and removals may wish to consider adapting a removal truck, so that it may be used for either task.
- 164) The clamps to be used must only be those which have been approved by the Secretary of State, this is a statutory requirement under Section 92(1) of the TMA 2004.
- 165) The vehicles should have built-in communications links so that they can contact the despatch control centre should any on-board mobile data systems break down.
- 166) On-street payments for declamping should not be accepted.
- 167) When a vehicle is declamped without the motorist present, a 'Declamp Sticker' should be put on the vehicle to protect it from further enforcement action, so allowing time for the motorist to return from the payment centre (*see Sample Document 1.5*).
- 168) It is important to keep a check on vehicles that remain clamped and on street after a set period of time. These vehicles should be removed after being clamped for 24 hours. Vehicles which remain clamped and parked in contravention after the end of the working day may also be taken to the pound if there is a high risk of illegal self-declamping taking place due to being left on-street overnight. The possibility that a vehicle may be removed even after it has been clamped should be explained on the notice left on the vehicle but care should be taken not to unduly penalise a motorist with the extra cost of removal if the vehicle was only clamped late in the day.
- 169) If a clamped vehicle is ultimately removed to a vehicle pound, the driver does not have to pay the clamp release fee.

M.4 Payment Centres:

- 170) Payments can be made via the payment centres, online and by telephone by means of credit/debit cards. Upon settlement of the PCN and clamp release fee, the owner must be informed of their right to make representations against the issue of the PCN and clamping.

N. CONTRACT FOR CLAMPING

- 171) When employing contractors, authorities should seek tenders from companies who comply with the British Parking Association's Code of Practice on wheel clamping and removals and as a condition of contract, should agree to abide by their Code of Practice where relevant.
- 172) There are advantages in having the same contractor for both clamping and removals, as some overlap in terms of the use of the contractor's resources is likely.

London Councils'

Code of Practice on Civil Parking Enforcement

Appendix B

Sample Documents

In the sample documents attached, some of the text is required by law. The remainder is for guidance and may be amended to suit individual circumstances.

Authorities are recommended to seek legal advice when preparing their notices.

- 1.1 TMA Regulation 9 PCN issued by a CEO On-Street
- 1.2 TMA Regulation 10 PCN issued using CCTV
- 1.3 TMA Regulation 9 PCN issued due to Prevention from Service
- 1.4 TMA Regulation 9 PCN issued due to Vehicle Drive-Away
- 1.5 Declamp Sticker
- 1.6 Removal Authorisation Notice
- 1.7 Vehicle Removal and Release Record
- 1.8 Removal Release Fee Receipt
- 1.9 Promise to Pay
- 1.10 Clamping Authorisation Sticker
- 1.11 Clamping Warning Notice
- 1.12 Declamping Instruction Card



[Enforcement Authority Name]

PENALTY CHARGE NOTICE (PCN)

Traffic Management Act 2004

It is an offence for an unauthorised person to remove or interfere with this notice.

PCN Number: *[PCN Number]*

Date of Service of this Notice: *[Issue date]*

Vehicle Registration Number: *[VRM]*

Make: *[Vehicle make]*

Tax Disc Number: *[Tax Disc No]*

Tax Disc Expiry Date: *[Tax Disc Expiry Date]*

Location: *[detailed contravention location]*

Contravention: *[contravention code and description]*

Date of Contravention: *[contravention date]*

Time: *[contravention time]*

The Civil Enforcement Officer *[CEO number]* observed the vehicle identified above from *[obs start]* to *[obs end]* on *[contravention date]* and believes a penalty charge is payable in respect of that vehicle on the grounds that the contravention set out above was being committed.

The Penalty Charge is £*[full amount]*

The penalty charge must be paid not later than the last day of the period of **28 days** beginning with the date on which this penalty charge notice was served.

A Reduced Charge of £*[reduced amount]* is Payable in the Following Circumstances:

If the penalty charge is paid not later than the last day of the period of **14 days** beginning with the date on which this notice was served, the penalty charge will be reduced by 50% to £*[reduced amount]*.

HOW TO PAY

To pay:-

BY TELEPHONE: On *[Payment phone number]* between *[times]* on *[days]* using one of the debit or credit cards listed on the payment slip.

BY INTERNET: Go to *[website address]* and follow the online instructions.

BY POST: Complete the payment slip and return to *[payment address]* with either:

- a cheque or postal order payable to *[payee details]*, or
- your payment or card payment authorisation.

All cheques and postal orders must have the PCN number and vehicle registration number written on the back. Please send a stamped self-addressed envelope if you would like a receipt.

Any other form of payment, including cash, will not be accepted.

IN PERSON: Complete the payment slip and bring it with your PCN and payment to *[payment centre address(es)]* between *[times]* on *[days]*. Payment can be made either by cheque, postal order, credit or debit card or in cash. **If you pay by cash, please ensure that you obtain a receipt.**

Please do not make any payment if you want to challenge this PCN.

DO NOT IGNORE THIS NOTICE

If the penalty charge is not paid before the end of the 28 days beginning with the date on which this penalty charge notice was served, a Notice to Owner may be served by the enforcement authority on the owner of the vehicle.

A person on whom a Notice to Owner is served will be entitled to make representations to the enforcement authority against the penalty charge and may appeal to an adjudicator if those representations are rejected.

If representations against the penalty charge are received at *[correspondence address]* before a Notice to Owner is served, those representations will be considered, but if a Notice to Owner is served notwithstanding those representations, representations against the penalty charge must be made in the form and manner and at the time specified in the Notice to Owner.

If we receive representations against the penalty charge not later than the last day of the period of 14 days beginning with the date on which the Notice is served, but reject the challenge, we will allow a further 14 days from the date on which the rejection letter is issued in which to pay the reduced penalty charge.

Data Protection Statement

The *[enforcing authority name]* will use information, including personal information, collected through the issuing of this Penalty Charge Notice for the enforcement of traffic contraventions and it may also be used for compatible purposes. The information may be disclosed to London Councils, other enforcement agencies and third parties where it is necessary and lawful to do so e.g. for the prevention and detection of crime. All information will be processed in accordance with the Data Protection Act 1998.

Payment Slip- Please return with all payments sent by post or made in person.

Penalty Charge Notice number: *[PCN number]*

VRM: *[VRM]*

Date of Notice: *[Date of notice]*

Time: *[contravention time]*

The full penalty charge is £*[full amount]*. A reduced charge of £*[reduced amount]* is payable if paid not later than the last day of the period of 14 days beginning with the date on which the PCN was served.

Mr/Mrs/Ms/Miss: _____

Address: _____

Postcode: _____

Only complete the details below if you are making payment by credit or debit card.

Please debit my MasterCard / Visa / Maestro / Delta (delete as appropriate): -

Card Number: ____/____/____/____/____

Amount: £_____

Date: _____

Card Issue Date: __/__/__

Card expiry date: __/__/__

Issue number: ____

Name of Cardholder: _____

Signature of Cardholder: _____

[Enforcement Authority Name]

PENALTY CHARGE NOTICE (PCN)

Traffic Management Act 2004

Owner Name
Owner Address 1
Owner Address 2
Owner Address 3
Town
Postcode

PCN Number: *[PCN number]*

Vehicle Registration Number: *[VRM]*

Make: *[Vehicle Make]*

Tax Disc Number: *[Tax Disc No]*

Date of this Notice: *[Postal date]*

Tax Disc Expiry Date: *[Tax Disc Expiry Date]*

The PCN is being served by post on the basis of a record produced by an approved device. The vehicle identified above was observed from *[obs start]* to *[obs end]* on *[contravention date]* and the authority believes that a penalty charge is payable on the grounds of the following alleged parking contravention:

[Contravention code] – [Contravention description]

Location: *[Detailed contravention location]*

Date of Contravention: *[Contravention date]*

Time: *[Contravention time]*

DO NOT IGNORE THIS NOTICE

To the right is a picture taken from the video recording of your vehicle committing the alleged contravention.



The penalty charge is £*[full amount]*

The penalty charge must be paid not later than the last day of the period of 28 days beginning with the date on which this penalty charge notice is served.

A reduced charge of £*[reduced amount]* is payable in the following circumstances:

If the penalty charge is paid not later than the last day of the period of 21 days beginning with the date on which this notice was served, the penalty charge will be reduced by 50%.

HOW TO PAY

You may pay this penalty charge online, by telephone, by post or in person. Full details on these methods of payment can be found with the detachable payment slip.

Please make cheques and postal orders payable to *[payee details]*, and write the PCN number and vehicle registration number on the back. Please do not send post-dated cheques, as they will not be accepted.

Please do not make any payment if you want to challenge this PCN.

Data Protection Statement

The *[Enforcement authority name]* will use information, including personal information, collected through the issuing of this Penalty Charge Notice for the enforcement of traffic contraventions and it may also be used for compatible purposes. The information may be disclosed to London Councils, other enforcement agencies and third parties where it is necessary and lawful to do so e.g. for the prevention and detection of crime. All information will be processed in accordance with the Data Protection Act 1998.

Entitlement to view a recording or obtain images free of charge

There are two ways in which you can arrange viewing of certain records or images, free of charge. First, either you or your representative may view a recording of the contravention produced by the approved device which resulted in the PCN. To arrange this, please write to us at *[correspondence address]*, specifying which of the following offices you wish to come to *[addresses]*, and stating a date and time between *[office hours]* at which you wish to do so. Alternatively we can send to your address such still images as in our opinion establish that the contravention occurred.

Upon receipt of your request we will suspend progress of your case and will respond to your request within a reasonable time. Once the images have been sent to your address or the recording has been viewed at our offices, as appropriate, progress of your case will continue.

HOW TO CHALLENGE

You may make representations to us against the imposition of the penalty charge in this PCN. Representations may be made online at *[webpage]*, by email to *[email address]*, by fax to *[fax number]* or by post to *[correspondence address]*. Please include any available supporting evidence. Representations must include the name, postal address and signature of the person making them. If representations are made online or by email then the name of the person making them must be in the message header or main body text, and will be taken to be the signature of that person.

The authority may disregard any representations received outside the period of 28 days beginning with the date of service of the PCN.

The statutory grounds for making representations are listed below. Whether or not any of the statutory grounds apply, you may also give other compelling reasons why we should cancel the penalty charge or refund any sum paid on account of the penalty charge. The statutory grounds for representation are that:

- the alleged contravention did not occur;
- you—
 - were never the owner of the vehicle in question,
 - had ceased to be the owner before the date on which the alleged contravention occurred, or
 - became its owner after that date;
- the vehicle had been permitted to remain at rest in place in question by a person who was in control of the vehicle without the owner's consent;
- you are a vehicle-hire firm and -
 - the vehicle in question was on hire under a hiring agreement at the time of the contravention, and
 - the person hiring the vehicle had signed a statement of liability in respect of any penalty charge notice served during the period of the hire agreement;
- the penalty charge exceeds the amount applicable in the circumstances of the case;
- there has been a procedural impropriety (described below) on the part of the enforcement authority;
- the traffic order (except where it is an order made under Schedule 9 of the Road Traffic Regulation Act 1984) which is alleged to have been contravened is invalid;
- the PCN has already been paid.

"Procedural impropriety" means a failure by the enforcement authority to observe any requirement imposed on it by the Traffic Management Act 2004, or the relevant Regulations made under that Act in respect of the civil enforcement of parking contraventions, in relation to the imposition or recovery of a penalty charge or other sum.

If you are making representations to the effect that you acquired the vehicle after the date of the alleged contravention, or ceased to be the owner of the vehicle before that date, then your representations must include the name and address of the person from whom you acquired the vehicle, or to whom you disposed of it, if you have that information.

If you are a hire firm and are making representations to the effect that the vehicle was on hire at the time of the alleged contravention then your representations must include the name and address of the person to whom the vehicle was hired at the time.

A person who knowingly or recklessly makes a false representation regarding a material fact is guilty of an offence and on summary conviction may be liable for a fine of up to £5,000.

We will consider your representations and any supporting evidence, and serve a notice on you of our decision, within the period of 56 days beginning with the date on which we receive your representations, except where we have decided to disregard your representations by reason of their being received after the end of the period of 28 days beginning with the date of service of this PCN. If we accept your representations, we will cancel this PCN and you will not have to pay the penalty charge. If you have made representations within the period of 28 days beginning with the date on which this PCN is served, or if you have made representations outside that period but we have not disregarded them, and we do not accept those representations, you will receive a notice of rejection. This will state, amongst other things, that you may appeal against the notice of rejection to an adjudicator and it will give information about the time limits for appealing to an adjudicator.

If after the last day of the period of 28 days beginning with the date on which this PCN is served no such representations have been made, and the penalty charge has not been paid, we may increase the penalty charge by 50% to £[increased amount] and may take steps to enforce payment of the increased charge.

At the end of this PCN you will find a form which you may find helpful as a means of making representations. However, you do not need to use it and you may make representations in any of the ways set out above.

HOW TO PAY

To pay:-

BY TELEPHONE: On [Payment phone number] between [times] on [days] using one of the debit or credit cards listed on the payment slip.

BY INTERNET: Go to [website address] and follow the online instructions.

BY POST: Complete the payment slip and return to [payment address] with either:

- a cheque or postal order payable to [payee details] or
- your payment or card payment authorisation

All cheques and postal orders must have the PCN number and vehicle registration number written on the back. Please send a stamped self-addressed envelope if you would like a receipt.

Any other form of payment, including cash, will not be accepted.

IN PERSON: Complete the payment slip and bring it with your PCN and payment to [payment centre address(es)] between [times] on [days]. Payment can be made either by cheque, postal order, credit or debit card or in cash. **If you pay by cash, please ensure that you obtain a receipt.**

Please do not make any payment if you want to challenge this PCN

✂

Payment slip- Please return with all payments sent by post or made in person.

Penalty Charge Notice number: [PCN number] VRM: [VRM]

Date of Notice: [Date of notice]

The full penalty charge is £[full amount]. A reduced charge of £[reduced amount] is payable if paid not later than the last day of the period of 21 days beginning with the date on which the PCN was served.

Mr/Mrs/Ms/Miss: _____

Address: _____

Postcode: _____

Only complete the details below if you are making payment by credit or debit card.

Please debit my MasterCard / Visa / Maestro / Delta (delete as appropriate):-

Card Number: ____/____/____/____ Amount: £ ____ Date: ____

Card Issue Date: ____/____ Card expiry date: ____/____ Issue number: ____

Name of Cardholder: _____ Signature of Cardholder: _____

MAKING REPRESENTATIONS

You may find the following form helpful as a means of making representations. However, you do not need to use it and you may make representations in any of the ways set out above.

If you think any of the grounds below applies, please indicate which by ticking the relevant box or boxes.

In all cases, please give details in the space provided.

- ☐ The alleged contravention did not occur. – *Please explain why you think no contravention took place*
- ☐ I never was the owner of the vehicle or I was not the owner of the vehicle at the time of the alleged contravention or I became its owner after that date. – *Where you ceased to be the owner of the vehicle before the date of the alleged contravention, you must include a statement of the name and address of the person to whom the vehicle was disposed of, if that information is in your possession. If you became the owner of the vehicle after that date, you must include a statement of the name and address of the person from whom the vehicle was acquired, if that information is in your possession. Please supply evidence of the disposal/acquisition (e.g. a sales receipt).*
- ☐ The vehicle had been permitted to remain at rest in the place in question by a person who was in control of the vehicle without the consent of the owner. – *Please enclose evidence (e.g. police crime report, insurance claim).*
- ☐ I am/We are a hire firm and the vehicle in question was at the material time hired from the firm under a hiring agreement; and the person hiring it had signed a statement acknowledging liability in respect of any penalty charge involving the vehicle during the period of the hire agreement. – *You must include a statement of the name and address of the person to whom the vehicle was hired at the material time. Please also supply a copy of the hire agreement and the statement acknowledging liability.*
- ☐ The penalty charge exceeds the amount applicable in the circumstances of the case. – *Where you think you are being asked to pay more than you should legally pay.*
- ☐ There has been procedural impropriety on the part of the enforcement authority. – *Please describe the alleged impropriety.*
- ☐ The traffic order which is alleged to have been contravened was invalid. – *Where you believe the parking restriction in question was invalid or illegal.*
- ☐ That the penalty charge has already been paid in full, or has been paid at the reduced amount within the specified period. – *Please provide details of the payment method, date and amount.*
- ☐ Any other ground you wish to raise.

Details:

(Please continue on another sheet if necessary)

Ownership details: I was not the owner/keeper of the vehicle when the PCN was issued because:

<input type="checkbox"/> I have never owned the vehicle.	
<input type="checkbox"/> I disposed of the vehicle before the contravention on:	Name of person from whom acquired/to whom disposed:
<input type="checkbox"/> I acquired the vehicle after the contravention on:	Address of person from whom acquired/to whom disposed:
<input type="checkbox"/> We are a hire firm and the vehicle was on hire at the time.	

Please make sure you sign the following declaration if you want us to consider your representations.

I confirm that the above information is correct to the best of my knowledge. I understand that making a false statement may result in prosecution and a possible fine of up to £5,000.

----- (name in BLOCK CAPITALS)

----- (position in company, if relevant)

----- (signature)

----- (date)

[Enforcement Authority Name]

PENALTY CHARGE NOTICE (PCN)

Traffic Management Act 2004

Owner Name
Owner Address 1
Owner Address 2
Owner Address 3
Town
Postcode

PCN Number: *[PCN number]*

Vehicle Registration Number: *[VRM]*

Make: *[Vehicle Make]*

Tax Disc Number: *[Tax Disc No]*

Date of this Notice: *[Postal date]*

Tax Disc Expiry Date: *[Tax Disc Expiry Date]*

The authority believes that a penalty charge is payable with respect to the above vehicle on the grounds of the following alleged parking contravention:

[Contravention code] – [Contravention description]

Location: *[Detailed contravention location]*

Date of Contravention: *[Contravention date]*

Time: *[Contravention time]*

DO NOT IGNORE THIS NOTICE

The PCN is being served by post because a civil enforcement officer *[CEO Officer]* observed the vehicle identified above from *[obs start]* to *[obs end]* and attempted to serve a PCN by affixing it to the vehicle or giving it to the person in charge of the vehicle but was prevented from doing so by some person.

The penalty charge is £*[full amount]*

The penalty charge must be paid not later than the last day of the period of 28 days beginning with the date on which this penalty charge notice is served.

A reduced charge of £*[reduced amount]* is payable in the following circumstances:

If the penalty charge is paid not later than the last day of the period of 14 days beginning with the date on which this notice was served, the penalty charge will be reduced by 50%.

HOW TO PAY

You may pay this penalty charge online, by telephone, by post or in person. Full details on these methods of payment can be found with the detachable payment slip.

Please make cheques and postal orders payable to *[payee details]*, and write the PCN number and vehicle registration number on the back. Please do not send post-dated cheques, as they will not be accepted.

Please do not make any payment if you want to challenge this PCN

Data Protection Statement

The *[Enforcement authority name]* will use information, including personal information, collected through the issuing of this Penalty Charge Notice for the enforcement of traffic contraventions and it may also be used for compatible purposes. The information may be disclosed to London Councils, other enforcement agencies and third parties where it is necessary and lawful to do so e.g. for the prevention and detection of crime. All information will be processed in accordance with the Data Protection Act 1998.

HOW TO CHALLENGE

You may make representations to us against the imposition of the penalty charge in this PCN. Representations may be made online at *[webpage]*, by email to *[email address]*, by fax to *[fax number]* or by post to *[correspondence address]*. Please include any available supporting evidence. Representations must include the name, postal address and signature of the person making them. If representations are made online or by email then the name of the person making them must be in the message header or main body text, and will be taken to be the signature of that person.

The authority may disregard any representations received outside the period of 28 days beginning with the date of service of the PCN.

The statutory grounds for making representations are listed below. Whether or not any of the statutory grounds apply, you may also give other compelling reasons why we should cancel the penalty charge or refund any sum paid on account of the penalty charge. The statutory grounds for representation are that:

- that the alleged contravention did not occur;
- you –
 - were never the owner of the vehicle in question,
 - had ceased to be the owner before the date on which the alleged contravention occurred, or
 - became its owner after that date;
- the vehicle had been permitted to remain at rest in place in question by a person who was in control of the vehicle without the owner's consent;
- you are a vehicle-hire firm and –
 - the vehicle in question was on hire under a hiring agreement at the time of the contravention, and
 - the person hiring the vehicle had signed a statement of liability acknowledging his liability in respect of any penalty charge notice served during the period of the hire agreement;
- the penalty charge exceeds the amount applicable in the circumstances of the case;
- there has been a procedural impropriety (described below) on the part of the enforcement authority;
- the traffic order (except where it is an order made under Schedule 9 of the Road Traffic Regulation Act 1984) which is alleged to have been contravened is invalid;
- a civil enforcement officer was not prevented from serving the original penalty charge notice by affixing it to the vehicle or handing it to the owner or person in charge of the vehicle;
- the PCN has already been paid.

“Procedural impropriety” means a failure by the enforcement authority to observe any requirement imposed on it by the Traffic Management Act 2004, or the relevant Regulations made under that Act in respect of the civil enforcement of parking contraventions, in relation to the imposition or recovery of a penalty charge or other sum.

If you are making representations to the effect that you acquired the vehicle after the date of the alleged contravention, or ceased to be the owner of the vehicle before that date, then your representations must include the name and address of the person from whom you acquired the vehicle, or to whom you disposed of it, if you have that information.

If you are a hire firm and are making representations to the effect that the vehicle was on hire at the time of the alleged contravention then your representations must include the name and address of the person to whom the vehicle was hired at the time.

A person who knowingly or recklessly makes a false representation regarding an important fact is guilty of an offence and on summary conviction may be liable for a fine of up to £5,000.

We will consider your representations and any supporting evidence, and serve a notice on you of our decision, within the period of 56 days beginning with the date on which we receive your representations, except where we have decided to disregard your representations by reason of their being received after the end of the period of 28 days beginning with the date of service of this PCN. If we accept your representations, we will cancel this PCN and you will not have to pay the

penalty charge. If you have made representations within the period of 28 days beginning with the date on which this PCN is served, or if you have made representations outside that period but we have not disregarded them, and we do not accept those representations, you will receive a notice of rejection. This will state, amongst other things, that you may appeal against the notice of rejection to an adjudicator and it will give information about the time limits for appealing to an adjudicator.

If after the last day of the period of 28 days beginning with the date on which this PCN is served no such representations have been made, and the penalty charge has not been paid, we may increase the penalty charge by 50% to £[increased amount] and may take steps to enforce payment of the increased charge.

At the end of this PCN you will find a form which you may find helpful as a means of making representations. However, you do not need to use it and you may make representations in any of the ways set out above.

HOW TO PAY

To pay:-

BY TELEPHONE: On [Payment phone number] between [times] on [days] using one of the debit or credit cards listed on the payment slip.

BY INTERNET: Go to [website address] and follow the online instructions.

BY POST: Complete the payment slip and return to [payment address] with either:

- a cheque or postal order payable to [payee details] ,or
- your payment or card payment authorisation.

All cheques and postal orders must have the PCN number and vehicle registration number written on the back. Please send a stamped self-addressed envelope if you would like a receipt.

Any other form of payment, including cash, will not be accepted.

IN PERSON: Complete the payment slip and bring it with your PCN and payment to [payment centre address(es)] between [times] on [days]. Payment can be made either by cheque, postal order, credit or debit card or in cash. **If you pay by cash, please ensure that you obtain a receipt.**

Please do not make any payment if you want to challenge this PCN

✂ -----

Payment slip- Please return with all payments sent by post or made in person.

Penalty Charge Notice number: [PCN number]

VRM: [VRM]

Date of Notice: [Date of notice]

The full penalty charge is £[full amount]. A reduced charge of £[reduced amount] is payable if paid not later than the last day of the period of 14 days beginning with the date on which the PCN was served.

Mr/Mrs/Ms/Miss: _____

Address: _____

Postcode: _____

Only complete the details below if you are making payment by credit or debit card.

Please debit my MasterCard / Visa / Maestro / Delta (delete as appropriate):-

Card Number: ____/____/____/____ Amount: £____ Date: ____

Card Issue Date: __/__/__ Card expiry date: __/__/__ Issue number: ____

Name of Cardholder: _____ Signature of Cardholder: _____

MAKING REPRESENTATIONS

You may find the following form helpful as a means of making representations. However, you do not need to use it and you may make representations in any of the ways set out above.

If you think any of the grounds below applies, please indicate which by ticking the relevant box or boxes.

In all cases, please give details in the space provided.

- ☐ The alleged contravention did not occur. – *Please explain why you think no contravention took place.*
- ☐ I never was the owner of the vehicle or I was not the owner of the vehicle at the time of the alleged contravention or I became its owner after that date. – *Where you ceased to be the owner of the vehicle before the date of the alleged contravention, you must include a statement of the name and address of the person to whom the vehicle was disposed of, if that information is in your possession. If you became the owner of the vehicle after that date, you must include a statement of the name and address of the person from whom the vehicle was acquired, if that information is in your possession. Please supply evidence of the disposal/acquisition (e.g. a sales receipt).*
- ☐ The vehicle had been permitted to remain at rest in the place in question by a person who was in control of the vehicle without the consent of the owner. – *Please enclose evidence (e.g. police crime report, insurance claim).*
- ☐ I am/We are a hire firm and the vehicle in question was at the material time hired from the firm under a hiring agreement; and the person hiring it had signed a statement acknowledging liability in respect of any penalty charge involving the vehicle during the period of the hire agreement. – *You must include a statement of the name and address of the person to whom the vehicle was hired at the material time. Please also supply a copy of the hire agreement and the hirer's statement acknowledging his liability.*
- ☐ The penalty charge exceeds the amount applicable in the circumstances of the case – *if you think you are being asked to pay more than you should legally pay.*
- ☐ There has been procedural impropriety on the part of the enforcement authority. – *Please describe the alleged impropriety.*
- ☐ The traffic order which is alleged to have been contravened was invalid. – *Where you believe the parking restriction in question was invalid or illegal.*
- ☐ That the penalty charge has already been paid in full, or the reduced charge has been paid within the specified period. – *Please provide details of the payment method, date and amount.*
- ☐ The Civil Enforcement Officer was not prevented from serving the notice. – *Where you believe that no such prevention of service took place.*
- ☐ Any other ground you wish to raise.

Details:

(Please continue on another sheet if necessary)

Ownership details: I was not the owner/keeper of the vehicle when the PCN was issued because:

<input type="checkbox"/> I have never owned the vehicle.	
<input type="checkbox"/> I disposed of the vehicle before the contravention on:	Name of person from whom acquired/to whom disposed:
<input type="checkbox"/> I acquired the vehicle after the contravention on:	Address of person from whom acquired/to whom disposed:
<input type="checkbox"/> We are a hire firm and the vehicle was on hire at the time.	

Please make sure you sign the following declaration if you want us to consider your representations.

I confirm that the above information is correct to the best of my knowledge. I understand that making a false statement may result in prosecution and a possible fine of up to £5,000.

----- (name in BLOCK CAPITALS)

----- (position in company, if relevant)

----- (signature)

----- (date)

[Enforcement Authority Name]

PENALTY CHARGE NOTICE (PCN)

Traffic Management Act 2004

Owner Name
Owner Address 1
Owner Address 2
Owner Address 3
Town
Postcode

PCN Number: *[PCN number]*

Vehicle Registration Number: *[VRM]*

Make: *[Vehicle Make]*

Tax Disc Number: *[Tax Disc No]*

Date of this Notice: *[Postal date]*

Tax Disc Expiry Date: *[Tax Disc Expiry Date]*

The authority believes that a penalty charge is payable with respect to the above vehicle on the grounds of the following alleged parking contravention:

[Contravention code] – [Contravention description]

Location: *[Detailed contravention location]*

Date of Contravention: *[Contravention date]*

Time: *[Contravention time]*

DO NOT IGNORE THIS NOTICE

The PCN is being served by post because a civil enforcement officer *[CEO number]* observed the vehicle identified above from *[obs start]* to *[obs end]* and had begun to prepare a PCN for service by fixing it to the vehicle or by giving it to the person appearing to him to be in charge of the vehicle, but the vehicle concerned was driven away from the place in which it was stationary before the civil enforcement officer had finished preparing the penalty charge notice or had served it as stated above.

The penalty charge is £*[full amount]*

The penalty charge must be paid not later than the last day of the period of 28 days beginning with the date on which this penalty charge notice is served.

A reduced charge of £*[reduced amount]* is payable in the following circumstances:

If the penalty charge is paid not later than the last day of the period of 14 days beginning with the date on which this notice was served, the penalty charge will be reduced by 50%.

HOW TO PAY

You may pay this penalty charge online, by telephone, by post or in person. Full details on these methods of payment can be found with the detachable payment slip.

Please make cheques and postal orders payable to *[payee details]*, and write the PCN number and vehicle registration number on the back. Please do not send post-dated cheques, as they will not be accepted.

Please do not make any payment if you want to challenge this PCN.

Data Protection Statement

The *[Enforcement authority name]* will use information, including personal information, collected through the issuing of this Penalty Charge Notice for the enforcement of traffic contraventions and it may also be used for compatible purposes. The information may be disclosed to London Councils, other enforcement agencies and third parties where it is necessary and lawful to do so e.g. for the prevention and detection of crime. All information will be processed in accordance with the Data Protection Act 1998.

HOW TO CHALLENGE

You may make representations to us against the imposition of the penalty charge in this PCN. Representations may be made online at *[webpage]*, by email to *[email address]*, by fax to *[fax number]* or by post to *[correspondence address]*. Please include any available supporting evidence. Representations must include the name, postal address and signature of the person making them. If representations are made online or by email then the name of the person making them must be in the message header or main body text, and will be taken to be the signature of that person.

The authority may disregard any representations received outside the period of 28 days beginning with the date of service of the PCN.

The statutory grounds for making representations are listed below. Whether or not any of the statutory grounds apply, you may also give other compelling reasons why we should cancel the penalty charge or refund any sum paid on account of the penalty charge. The statutory grounds for representation are that:

- the alleged contravention did not occur;
- you –
 - were never the owner of the vehicle in question,
 - had ceased to be the owner before the date on which the alleged contravention occurred, or
 - became its owner after that date;
- the vehicle had been permitted to remain at rest in place in question by a person who was in control of the vehicle without the owner's consent;
- you are a vehicle-hire firm and -
 - the vehicle in question was on hire under a hiring agreement at the time of the contravention, and
 - the person hiring the vehicle had signed a statement of liability acknowledging his liability in respect of any penalty charge notice served during the period of the hire agreement;
- the penalty charge exceeds the amount applicable in the circumstances of the case;
- there has been a procedural impropriety (described below) on the part of the enforcement authority;
- the traffic order (except where it is an order made under Schedule 9 of the Road Traffic Regulation Act 1984) which is alleged to have been contravened is invalid;
- a civil enforcement officer was not prevented from serving the original penalty charge notice by affixing it to the vehicle or handing it to the owner or person in charge of the vehicle;
- the PCN has already been paid.

“Procedural impropriety” means a failure by the enforcement authority to observe any requirement imposed on it by the Traffic Management Act 2004, or the relevant Regulations made under that Act in respect of the civil enforcement of parking contraventions, in relation to the imposition or recovery of a penalty charge or other sum.

If you are making representations to the effect that you acquired the vehicle after the date of the alleged contravention, or ceased to be the owner of the vehicle before that date, then your representations must include the name and address of the person from whom you acquired the vehicle, or to whom you disposed of it, if you have that information.

If you are a hire firm and are making representations to the effect that the vehicle was on hire at the time of the alleged contravention then your representations must include the name and address of the person to whom the vehicle was hired at the time.

A person who knowingly or recklessly makes a false representation regarding an important fact is guilty of an offence and on summary conviction may be liable for a fine of up to £5,000.

We will consider your representations and any supporting evidence, and serve a notice on you of our decision, within the period of 56 days beginning with the date on which we receive your representations, except where we have decided to disregard your representations by reason of their being received after the end of the period of 28 days beginning with the date of service of this PCN. If we accept your representations, we will cancel this PCN and you will not have to pay the

penalty charge. If you have made representations within the period of 28 days beginning with the date on which this PCN is served, or if you have made representations outside that period but we have not disregarded them, and we do not accept those representations, you will receive a notice of rejection. This will state, amongst other things, that you may appeal against the notice of rejection to an adjudicator and it will give information about the time limits for appealing to an adjudicator.

If after the last day of the period of 28 days beginning with the date on which this PCN is served no such representations have been made, and the penalty charge has not been paid, we may increase the penalty charge by 50% to £[increased amount] and may take steps to enforce payment of the increased charge.

At the end of this PCN you will find a form which you may find helpful as a means of making representations. However, you do not need to use it and you may make representations in any of the ways set out above.

HOW TO PAY

To pay:-

BY TELEPHONE: On [Payment phone number] between [times] on [days] using one of the debit or credit cards listed on the payment slip.

BY INTERNET: Go to [website address] and follow the online instructions.

BY POST: Complete the payment slip and return to [payment address] with either:

- a cheque or postal order payable to [payee details], or
- your payment or card payment authorisation.

All cheques and postal orders must have the PCN number and vehicle registration number written on the back. Please send a stamped self-addressed envelope if you would like a receipt.

Any other form of payment, including cash, will not be accepted.

IN PERSON: Complete the payment slip and bring it with your PCN and payment to [payment centre address(es)] between [times] on [days]. Payment can be made either by cheque, postal order, credit or debit card or in cash. **If you pay by cash, please ensure that you obtain a receipt.**

Please do not make any payment if you want to challenge this PCN

✂

Payment slip- Please return with all payments sent by post or made in person.

Penalty Charge Notice number: [PCN number]

VRM: [VRM]

Date of Notice: [Date of notice]

The full penalty charge is £[full amount]. A reduced charge of £[reduced amount] is payable if paid not later than the last day of the period of 14 days beginning with the date on which the PCN was served.

Mr/Mrs/Ms/Miss: _____

Address: _____

Postcode: _____

Only complete the details below if you are making payment by credit or debit card.

Please debit my MasterCard / Visa / Maestro / Delta (delete as appropriate):-

Card Number: ____/____/____/____ Amount: £____ Date: ____

Card Issue Date: __/__/__ Card expiry date: __/__/__ Issue number: ____

Name of Cardholder: _____ Signature of Cardholder: _____

MAKING REPRESENTATIONS

You may find the following form helpful as a means of making representations. However, you do not need to use it and you may make representations in any of the ways set out above.

If you think any of the grounds below applies, please indicate which by ticking the relevant box or boxes.

In all cases, please give details in the space provided.

- ☐ The alleged contravention did not occur. – *Please explain why you think no contravention took place.*
- ☐ I never was the owner of the vehicle or I was not the owner of the vehicle at the time of the alleged contravention or I became its owner after that date. – *Where you ceased to be the owner of the vehicle before the date of the alleged contravention, you must include a statement of the name and address of the person to whom the vehicle was disposed of, if that information is in your possession. If you became the owner of the vehicle after that date, you must include a statement of the name and address of the person from whom the vehicle was acquired, if that information is in your possession. Please supply evidence of the disposal/acquisition (e.g. a sales receipt).*
- ☐ The vehicle had been permitted to remain at rest in the place in question by a person who was in control of the vehicle without the consent of the owner. – *Please enclose evidence (e.g. police crime report, insurance claim).*
- ☐ I am/We are a hire firm and the vehicle in question was at the material time hired from the firm under a hiring agreement; and the person hiring it had signed a statement acknowledging liability in respect of any penalty charge involving the vehicle during the period of the hire agreement. – *You must include a statement of the name and address of the person to whom the vehicle was hired at the material time. Please also supply a copy of the hire agreement and the hirer's statement acknowledging his liability.*
- ☐ The penalty charge exceeds the amount applicable in the circumstances of the case. – *Where you think you are being asked to pay more than you should legally pay.*
- ☐ There has been procedural impropriety on the part of the enforcement authority. – *Please describe the alleged impropriety.*
- ☐ The traffic order which is alleged to have been contravened was invalid. – *Where you believe the parking restriction in question was invalid or illegal.*
- ☐ That the penalty charge has already been paid in full, or the reduced charge has been paid within the specified period. – *Please provide details of the payment method, date and amount.*
- ☐ The Civil Enforcement Officer was not prevented from serving the notice. – *Where you believe that no such prevention of service took place.*
- ☐ Any other ground you wish to raise.

Details:

(Please continue on another sheet if necessary)

Ownership details: I was not the owner/keeper of the vehicle when the PCN was issued because:

<input type="checkbox"/> I have never owned the vehicle.	
<input type="checkbox"/> I disposed of the vehicle before the contravention on:	Name of person from whom acquired/to whom disposed:
<input type="checkbox"/> I acquired the vehicle after the contravention on:	Address of person from whom acquired/to whom disposed:
<input type="checkbox"/> We are a hire firm and the vehicle was on hire at the time.	

Please make sure you sign the following declaration if you want us to consider your representations.

I confirm that the above information is correct to the best of my knowledge. I understand that making a false statement may result in prosecution and a possible fine of up to £5,000.

----- (name in BLOCK CAPITALS)

----- (position in company, if relevant)

----- (signature)

----- (date)



London

London Borough of London

VEHICLE (with VRM).....

DECLAMPED AT

ON (DATE)

LOCATION.....

.....

.....

WARNING: This vehicle should be moved as soon as possible. If it



London Borough of London

THIS VEHICLE

IS

ILLEGALLY PARKED

AND

HAS BEEN

AUTHORISED FOR

Document 1.7 Vehicle Removal and Release Record (Back)

Driver returned Vehicle returned at (time) to (signature)

Authorising officer
(Print surname) **Witness**

V.E.L. Expiry date

--	--	--	--	--	--	--	--	--	--

V.E.L. number

--	--	--	--	--	--	--	--	--	--

Complete this section in block letters. Verify details and show how verified

Driver's name

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Tel. no.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Full address

How verified:

Owner's name

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Tel. no.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Full address

How verified:

Please tick as appropriate:

- ☐ I was the driver who left the vehicle, index no.:at
- ☐ I am claiming vehicle, index no.: on behalf of the driver shown above.

Print surname **Signed**

Remarks:

Include name, address and phone number of claimant, and how verified (if different from above)

CHARGES

PCN fee £.....

Removal fee £.....

Storage fee £.....

(.... days at £.../day)

Total amount £.....

Releasing officer

Signature:

Print surname:

METHOD OF PAYMENT

CASH

Amount rec'd £.....

Change given £.....

CHEQUE

Cheque number

Bank sort code - - - - -

Chq. card number

CREDIT/DEBIT CARD

Card type

Card number

Expiry date __ / __

Vehicle registration mark:

--	--	--	--	--	--	--	--	--	--

Code and Serial number

--	--	--	--	--	--	--	--	--	--

Vehicle transferred to pound
on (date).....

Communications centre informed
at (time) on (date)

Received the vehicle described above at (time)

Print surname

Driver/ Owner/ Claimant's Signature

Document 1.7 Vehicle Removal and Release Record (Front)

London Borough of London

Vehicle removal and release record



Crew details

PCN Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Vehicle Registration Mark

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Code / Serial Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Contravention Code

--	--	--	--	--	--	--	--	--	--

Immobilisation Date

Day			Month			Year			

Vehicle Location

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Release Date

Day			Month			Year			

Was the vehicle previously clamped? (Y/N)

☐

Paid = P

Unpaid = U

☐

Unpaid Reason

☐

Amount o/s if unpaid

--	--	--	--	--	--	--	--	--	--

Authorising Officer

C.A.D. Ref

--	--	--	--	--	--	--	--	--	--

Signature (if in attendance):

Crew Call Sign

Vehicle details:

Make:	Model:	Colour:	Type:
<input type="checkbox"/> Disabled badge <input type="checkbox"/> H.E.B. badge <input type="checkbox"/> Resident's permit <input type="checkbox"/> Diplomatic plates	<input type="checkbox"/> Breakdown evident <input type="checkbox"/> Emergency removal <input type="checkbox"/> Visible Property <input type="checkbox"/> Unlocked	<input type="checkbox"/> Vehicle entered <input type="checkbox"/> Driven <input type="checkbox"/> Towed <input type="checkbox"/> Lifted	<input type="checkbox"/> Auto gearbox <input type="checkbox"/> Handbrake off <input type="checkbox"/> De-cant <input type="checkbox"/> Street to street

Vehicle condition:

OFFSIDE			FRONT		TOP
NEAR SIDE			REAR		

Insert damage codes as applicable.

Additional details/remarks (e.g. visible property, radio etc.):

Person removing vehicle:

Signature:

Print surname:

Person completing form:

Signature:

Print surname:

Car pound reception officer

Confirmed vehicle handed over in above condition

Signature:

Print surname:

Time

--	--	--	--	--	--

Pound

Bay no.

London Borough of London

Removal release fee receipt

PCN Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Vehicle Registration Mark

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Code / Serial Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Contravention Code

--	--	--	--	--	--	--	--	--	--

Immobilisation Date

--	--	--	--	--	--	--	--	--	--

Day Month Year

Vehicle Location

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Release Date

Day	Month			Year					

Time

--	--	--	--	--	--	--	--

Paid = P

Unpaid = U

☐

Unpaid

Reason

☐

Amount o/s if unpaid

--	--	--	--	--	--	--	--	--	--

Received from:

Name

Address

.....

.....

CHARGES

PCN fee £.....

Removal fee £.....

Storage fee £.....

(... days at £.../day)

Total amount £

Driver details:

Name

Address

.....

METHOD OF PAYMENT

☐ CASH

Amount rec'd £.....

Change given £.....

Owner details:

Name

Address

.....

☐ CHEQUE

Cheque number

Bank sort code - - - - -

Chq. card number

Notes – forms of ID produced etc.:

☐ CREDIT/DEBIT CARD

Card type

Card number

Receiving officers name

Signature

Expiry date - - - - - / - - - - -

Comments:

Till receipt

OBJECTION PROCEDURE

Under the provisions of the Road Traffic Act 1991, you are required to pay the cost of the Penalty Charge Notice (PCN), as well as the removal fee before your vehicle can be released. You do, however, have the right to object but you must make your representations within 28 days of the date of this receipt.

The Council will consider any objections but there are also legal grounds for representations which are listed below:

- (a) that the contravention did not occur – *you will need to explain why you think no contravention took place;*
- (b) that the vehicle was parked by a person who was in control of it without the owner's consent – *you will need to enclose evidence (e.g. police crime report, insurance claim);*
- (d) that less than 15 minutes had elapsed after the end of paid for time – *please note that a parking ticket may be issued immediately after the end of paid for time, but the vehicle cannot be clamped for at least 15 minutes;*
- (e) that the penalty or other charge exceeded the amount applicable in the circumstances of the case – *you will need to explain why you think the charges are too high;*
- (f) that the relevant traffic order was invalid - *this only applies if the Council's regulations are legally defective.*

If you want to make representations, you should write to us at the following address:

[Correspondence address details]

Please quote the Penalty Charge Notice number and your vehicle's registration number on all correspondence. In all cases when you are making representations, you should provide as much evidence as possible to support your objection.

After we have considered your representations, we will write back to you. If we accept your representations, we will cancel the Penalty Charge Notice and refund the fees you have paid. If we do not accept them, you will have a 28 days to appeal against our decision to the independent Adjudicator. We will tell you how to do this when we write to you.

If you want any more help or information, please call our help line on *[helpline phone number]*

Document 1.9 Promise to Pay (Part A)



PROMISE TO PAY CLAMPING OR REMOVAL FEES

Road Traffic Regulation Act 1984

Road Traffic Act 1991

Form PTP, Serial No.

Pound/Payment Centre.....

Part A

REMOVAL OR CLAMPING OF VEHICLES - PROMISE TO PAY

Penalty Charge Notice:

Date of issue:

Location of contravention:

In consideration of the London Borough of London waiving its statutory power either to retain custody of or to immobilise with a wheelclamp vehicle registration number..... and either release the vehicle or remove the wheelclamp, I undertake to pay to the London Borough of London within 7 days the statutory removal and storage charges and the penalty charge, or the declamping charge and the penalty charge shown under Notice of Charges.

Name

Address

.....

.....

Signature..... Date



HOW TO PAY

PTP, Serial No.

Payment of charges arising from the enforcement action taken against the vehicle, registration number [VRM], in connection with the Penalty Charge Notice [PCN number] issued in [Contravention location] on [Contravention date]

BY POST using this payment slip and sending it to: LB London, PO Box [Number], LONDON [Postcode] – if you want a receipt, please enclose a stamped addressed envelope. Do not send cash through the post. Please make cheques and postal orders payable to "LB London" and write the penalty charge notice number on the back. Do not send post-dated cheques as they will not be accepted.

IN PERSON at: [Address & Postcode] between 9:00am and 5:00pm on Monday to Friday (N.B. - If you pay by cash it is very important to get a receipt, in case there is any later query about your payment).

BY TELEPHONE on 020 1234 5678 between 9:00am and 5:00pm on Monday to Friday using a debit or credit card.

Mr/Mrs/Miss:

Address:

..... Postcode:

Only complete the details below if you are making payment by MASTERCARD, VISA, SWITCH or DELTA card.

Please debit my MasterCard / Visa / Switch / Delta card (delete as appropriate) Amount £

Card Number: ____ / ____ / ____ / ____ (Switch 19 numbers) Switch Issue Number: ____

Card Issue Date ____ / ____ Card Expiry Date ____ / ____ Name of Cardholder:

Signature of Cardholder:..... Date:

Part B

NOTICE OF CHARGES

Section 74 Road Traffic Act 1991 -Charges as determined by the Association of London Government Transport and Environment Committee with the consent of the Mayor of London and the Secretary of State for Transport.

i) If the vehicle was removed:

Vehicle registration mark was removed by the London Borough of London in accordance with Section 68 of the Road Traffic Act 1991. Under the terms of the Act, any person responsible must pay a removal charge of £.....

A storage charge of £..... must also be paid for each day or part of a day (reckoned from 12.00 midnight on the day following that on which the vehicle was removed) during which the vehicle was in the custody of the London Borough of London.

Under Section 67 of the Act the penalty charge must also be paid before removal from the pound is authorised.

The charge (s) payable is / are:-

removal fee	£	
storage fee	£	ie £ per day for days
penalty charge	£	
	<hr/>	
total	£	

ii) If the vehicle was clamped:-

Vehicle registration mark was clamped by the London Borough of London in accordance with Section 69 of the Road Traffic Act 1991. Under the terms of the Act, any person responsible must pay a declamping charge of £.....

Under Section 69 of the Act the penalty charge must also be paid before removal the clamp can be removed.

The charge (s) payable is / are:

declamping fee	£.....
penalty charge	£.....
	<hr/>
total	£

As this sum was not paid at the time authorisation was given for the vehicle to be returned, it must be paid with 7 days of the vehicle's release following the instructions on the payment slip overleaf.

Failure to pay the amount due within 7 days will lead to the charges being registered as a debt and possibly the use of bailiffs to action their recovery. This may result in additional costs being incurred.

.....(date)

.....
Officer appointed for the purpose



London

London Borough of London

THIS VEHICLE
IS
ILLEGALLY PARKED
AND
HAS BEEN

**AUTHORISED FOR
CLAMPING**

DATE	TIME	PLACE
AUTHORISING OFFICER		EMPLOYEE NUMBER



London

London Borough of London

Declamping instruction card

Your vehicle has been clamped – DO NOT try to move it while the clamp is in place.

Do not try to remove the clamp yourself as it is an offence to do so for which you could be fined.

In order to have the clamp removed, you have to pay a fee of £ (This includes a penalty charge of £ and a clamp release fee of £)

You can make this payment either:

a) **by phone** – call our payment line on [phone number] using one of the following debit or credit cards – [Switch, Delta, MasterCard, Visa]. Please have details of your vehicle's registration number and location with you when you make the call,

or:

b) **in person** – take this declamping instruction card to one of the payment centres listed below, where you can pay by cash or using a debit or credit card, or using a cheque supported by a cheque guarantee card (provided it will guarantee cheques to the required value).

- i. [Car pound address and opening times]
- ii. [Other possible payment centre address and opening times]
- iii. [Further possible payment centre address and opening times]

Please make payment and have the clamp removed as soon as possible as there is a possibility that your car will be removed if it is left clamped for too long, in which case the fee to recover your vehicle would be £ .

For other enquiries or in case of any emergency, please phone [24 hour helpline]

Please note that once you have had the clamp removed, you should move your vehicle as soon as possible in order to avoid any other enforcement taking place.



L o n d o n

London Borough of London

OFFICIAL USE ONLY

Date/Time.....

VRM.....

Location.....

.....

PCN Contravention

Code.....

Signature of Authorising Officer.....

Employee number.....



London

London Borough of London

STOP!

THIS VEHICLE HAS BEEN CLAMPED

DO NOT TRY TO MOVE IT

**IT IS AN OFFENCE TO TRY AND REMOVE OR OTHERWISE
INTERFERE
WITH THE WHEEL CLAMP**

**PLEASE READ THE INSTRUCTIONS ON THE BACK OF THIS
NOTICE TO FIND OUT HOW TO HAVE THE VEHICLE
RELEASED**



London

London Borough of London

Your vehicle has been clamped – DO NOT try to move it while the clamp is in place.

Do not try to remove the clamp yourself as it is an offence to do so for which you could be fined.

In order to have the clamp removed, you have to pay a fee of £ (This includes a penalty charge of £ and a clamp release fee of £)

You can make this payment either:

a) by phone – call our payment line on [phone number] using one of the following debit or credit cards – [Switch, Delta, MasterCard, Visa]

Please have details of your vehicle's registration number and location with you when you make the call
or:

b) take the declamping instruction card to one of the payment centres listed below, where you can pay by cash or using a debit or credit card, or using a cheque supported by a cheque guarantee card (provided it will guarantee cheques to the required value).

- i. [Car pound address and opening times]
- ii. [Other possible payment centre address and opening times]
- iii. [Further possible payment centre address and opening times]

Please make payment and have the clamp removed as soon as possible as there is a possibility that your car will be removed if it is left clamped for too long, in which case the fee to recover your vehicle would be £ .

For other enquiries or in case of any emergency, please phone [24 hour helpline]

Please note that once you have had the clamp removed, you should move your vehicle as soon as possible in order to avoid any other enforcement taking place.

London Councils' Transport & Environment Committee

London Lorry Control Scheme Review Item no: 14

Report by: Sylvia Trotman **Job title:** Transport Officer
Date: 8 December 2016
Contact Officer: Sylvia Trotman
Telephone: 020 7934 9822 **Email:** Sylvia.trotman@londoncouncils.gov.uk

Summary In December 2015 the Committee agreed that a Working Group should be formed to review the London Lorry Control Scheme (LLCS), its purpose and the impact it has on delivering goods and services in London. This report provides members with an update on the progress of the review.

Recommendations The Committee is recommended to:

- Note the content of this report

Background

1. The LLCS controls the movement of heavy goods vehicles over 18 tonnes maximum gross weight, at night and at weekends on specific roads on London's road network. The scheme has been in place since 1985 under the Greater London (Restriction of Goods Vehicles) Traffic Order 1985, LLA & TfL Act 2003. The scheme is in place to help minimise noise pollution in residential areas during unsociable hours through restricted use of these roads.
2. In December 2015 the Committee agreed that a Working Group should be formed to review the London Lorry Control Scheme (LLCS), its purpose and the impact it has on delivering goods and services in London.
3. The review has now commenced and seeks to assess the effectiveness of the scheme, including consideration of its impact on the freight industry, business and the benefits to London's residents. It will look at the management of freight, evaluate how the scheme can assist with the reduction of congestion and ensure noise pollution continues to be kept to a minimum in residential areas during unsociable hours.

The review will aim to ensure that the scheme continues to provide essential environmental benefits and protection for Londoners as it has done for over 30 years and will make sure the scheme plays an integrated role with other existing and emerging freight and environmental management initiatives being led by the Mayor and Boroughs.

Review Progress

4. A Steering Group has been established to lead the review and oversee the work of the Working Group. The first Steering Group meeting took place on 24 October and was chaired by Spencer Palmer, Director of Transport and Mobility at London Councils. The Steering Group members consist of officers from London Councils, TfL, Croydon, Westminster and the GLA.
5. The Steering Group discussed the Terms of reference for the review (see Appendix 1) and have agreed the key priorities for the Working Group, which include signage, hours of operation, extent of restrictions, enforcement, permissions and exemptions, taking account of technological advances in HGV design, as well as traffic management and planning techniques.
6. The Working Group members consist of officers from London Councils, TfL, sub-regional partnerships, Road Haulage Association, Freight Transport Association, London Chamber of Commerce, Federation of Small Businesses, Small Business Association, Noise Abatement Society, British Beer and Pub Association, Mineral Products Association, London First and a resident's representative.
7. The first Working Group meeting is scheduled for 5 December 2016. Further meetings will be held each month until the spring and it is planned to complete the review and report its findings and recommendations back to TEC in summer 2017.

Financial Implications for London Councils

The review will be funded by the agreed 2016/17 TEC budget provision of £50,000 and a further £50,000 budget provision for 2017/18 is proposed as set out in the "Proposed TEC Revenue & Borough Charges 2017/18" report elsewhere on the agenda. The budget is intended to cover the cost of research and specialist consultant support required to complete the review.

Legal Implications for London Councils

There are no legal implications to this information only report.

Equalities Implications for London Councils

There are no equalities implications at this stage. The working group members have been selected to represent a broad cross-section of key stakeholders to help inform the review.

Appendices

Appendix 1: Terms of Reference

London Lorry Control Scheme Review 2016 - Terms of Reference

Context

Transport for London (TfL) predict that London's population is set to increase by almost two million by 2031, which will equate to an additional five million road trips on top of the 26 million that already take place, with 90% of all goods movement in London taking place by road, every day. Therefore, it is essential that London maintains a healthy road network not just for the economy but for its population.

The London Lorry Control Scheme (LLCS) restricts the movement of heavy goods vehicles over 18 tonnes maximum gross weight, at night and at weekends on specific roads on London's road network. The scheme has been in place since 1985 under the Greater London (Restriction of Goods Vehicles) Traffic Order 1985, LLA & TfL Act 2003. The scheme is in place to help minimise noise pollution in residential areas during unsociable hours through restricted use of these roads.

On 10 December 2015, London Councils' Transport Environment Committee (TEC) agreed that the Freight Borough Officer Liaison Group (BOLG) would form a separate working group to discuss the implications of the LLCS and to consider any requirements for amending the scheme.

Purpose and Aims

The review will seek to assess the effectiveness of the scheme, including consideration of its impact on the freight industry, business and the benefits to London's residents. It will look at the management of freight, evaluate how the scheme can assist with the reduction of congestion and ensure noise pollution continues to be kept to a minimum in residential areas during unsociable hours.

It will cover routing, signage, hours of operation, extent of restrictions, enforcement, permissions and exemptions, taking account of technological advances in HGV design, as well as traffic management and planning techniques.

The review will aim to ensure that the scheme continues to provide essential environmental benefits and protection for Londoners as it has done for over 30 years and will make sure the scheme plays an integrated role with other existing and emerging freight and environmental management initiatives being led by the Mayor and Boroughs.

Other specific aims include:

- Provide a forum for discussing the impacts, benefits and possible improvements to the scheme
- To gather information and data to help inform the review and future management of the scheme
- Consider changes to current arrangements in relation to routing, signing, hours of operation, restrictions, enforcement practice, application process, weight limits, exemptions, charging, administration, publicity, communication and the Traffic Regulation Order
- Make recommendations for TEC about possible changes to the scheme and any further work that may be necessary

- Work collaboratively with a wide range of stakeholders to ensure a range of views is considered and any publicity and communications are clear and consistent

Steering and Working Group

A Steering Group will be in place to provide a strategic overview of the aims of the review, setting out timescales, reporting structure and strategy. Alongside the Steering Group, the operational detail will be carried out by a wider Working Group, with both groups having representation from borough and TfL officers.

Membership

The Steering Group and Working Group will be chaired by London Councils and include relevant GLA, borough and TfL officers.

The Working Group will also include representation from a range of transport user groups, small business groups and road user/resident groups. The final membership of the Working Group will be agreed by the Steering Group.

Members will be expected to commit to and act as ambassadors and expert representatives of their authority or sector, actively contributing to the achievement of the group's aims within meetings and in their daily roles.

Meetings

The Steering Group is expected to meet bi-monthly. The first meeting will be held in October 2016.

The Working Group is expected to meet monthly. The first meeting will be held in December 2016.

Meetings will take place at the London Councils offices at 59½ Southwark Street, London SE1 0AL.

Meetings will last no more than 2.5 hours.

Governance and Reporting

Updates and progress reports will be presented to London Councils TEC, the London Freight Borough Officer Liaison group and any other relevant governing bodies within the timescales as set out by each organisation.

Resources and Support

London Councils TEC has agreed a budget of £50,000 in 2016/17 to support the review and an equal sum is proposed for 2017/18.

Under the terms and conditions of appointment issued by the Committee, there are five grounds for non-renewal:

1. Misconduct.
2. being unable or unfit to discharge the function of an adjudicator.
3. Persistent failure to comply with the sitting commitment (without good reason).
4. Failure to comply with training requirements.
5. Part of a reduction in numbers because of changes in operational requirements.

A decision not to renew on ground 5 and the extent to which it will be used is taken

after consultation with the Chief Adjudicator with the concurrence of the Lord Chief

Justice.

The re-appointments will need to be approved by the Lord Chancellor.

3. Financial Implications

There are no financial implications for London Councils directly from this report.

4. Legal Implications

There are no legal implications for London Councils.

|

5. Equalities Implications

There are no significant equalities implications from this report.

6. Recommendation

That the following environment and traffic adjudicators are re-appointed for a period of 5 years from 6th December 2016:

Christopher Rayner
Belinda Pearce

London Councils' Transport and Environment Committee

Re-appointment of Environment & Traffic Adjudicators

Item No:15

Report by: Caroline Hamilton

Job title: Chief adjudicator ETA

Date: 8th December 2016

Contact

Officer: Caroline Hamilton

Telephone: 0207 520 7200

Email: Properofficer@londontribunals.gov.uk

Summary

This report proposes the re-appointment of two environment and traffic adjudicators.

Recommendation

1. That the following adjudicators are re-appointed for a period of 5 years from 6th December 2016

Christopher Rayner
Belinda Pearce

Background

2. Under section 81 of the Traffic Management Act 2004 and the accompanying regulations, adjudicators are appointed for a term not exceeding five years, remaining eligible for re-appointment on expiry of that term.

An adjudicator may be removed from office only for misconduct or on the ground that that he is unable or unfit to discharge his function, but otherwise holds and vacates office in accordance with the terms of appointment.

The regulations provide that the relevant enforcement authorities shall appoint such number of adjudicators for the purpose of the 2004 Act on such terms as they may decide. Any decision by the authorities not to appoint shall not have effect without the consent of the Lord Chancellor and of the Lord Chief Justice.

Under the terms and conditions of appointment issued by the Committee, there are five grounds for non-renewal:

1. Misconduct.
2. being unable or unfit to discharge the function of an adjudicator.
3. Persistent failure to comply with the sitting commitment (without good reason).
4. Failure to comply with training requirements.
5. Part of a reduction in numbers because of changes in operational requirements.

A decision not to renew on ground 5 and the extent to which it will be used is taken

after consultation with the Chief Adjudicator with the concurrence of the Lord Chief

Justice.

The re-appointments will need to be approved by the Lord Chancellor.

3. Financial Implications

There are no financial implications for London Councils directly from this report.

4. Legal Implications

There are no legal implications for London Councils.

|

5. Equalities Implications

There are no significant equalities implications from this report.

6. Recommendation

That the following environment and traffic adjudicators are re-appointed for a period of 5 years from 6th December 2016:

Christopher Rayner
Belinda Pearce

London Councils' TEC Executive Sub-Committee Urgency Report

Draft Revenue Budget and Borough Charges 2017/18

Item no:

Report by: Frank Smith **Job title:** Director of Corporate Resources
Date: 10th November 2016
Contact Officer: Frank Smith
Telephone: 020 7934 9700 **Email:** frank.smith@londoncouncils.gov.uk

Summary

This report details the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2017/18.

The Director, Transport and Mobility recommends that the Executive Sub-Committee recommends this report to the full TEC meeting in December, where the detailed budget proposals and levels of subscriptions and charges for 2017/18 will be presented for approval.

Recommendations

The Director, Transport and Mobility recommends that the Executive-Sub Committee recommends that the Full Committee approve at their meeting on 8 December:

- The changes in individual levies and charges for 2017/18 as follows:
 - The Parking Core Administration Charge of £1,500 per borough and for TfL (2016/17 - £1,500; paragraph 36);
 - The total Parking Enforcement Service Charge of £0.4915 which will be distributed to boroughs and TfL in accordance with PCNs issued in 2015/16 (2016/17 - £0.4681 per PCN; paragraphs 34-35);
 - No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2016/17 – nil charge; paragraph 15);
 - The Taxicard Administration Charge to boroughs of £338,182 in total (2016/17 - £338,182; paragraphs 16-18).
 - No charge to boroughs in respect of the Lorry Control Administration Charge, which is fully covered by estimated

PCN income (2016/17 – nil charge; paragraphs 19-20);

- The Parking and Traffic Appeals Charge of £32.00 per appeal or £28.50 per appeal where electronic evidence is provided by the enforcing authority (2016/17 - £33.32/£29.90 per appeal). For hearing Statutory Declarations, a charge of £26.74 for hard copy submissions and £26.06 for electronic submissions (2016/17 - £28.17/£27.49 per SD) (paragraph 27);
- Congestion Charging Appeals – to be recovered on a full cost recovery basis under the new contract arrangements with the GLA (paragraph 28);
- The TRACE (Electronic) Charge of £7.31 per transaction (2016/17 - £7.31; paragraphs 29-33);
- The TRACE (Fax) Charge of £7.48 per transaction (2016/17 - £7.48; paragraphs 29-33); and
- The TEC¹ Charge of £0.17 per transaction (2016/17 - £0.17; paragraphs 29-33);
- The provisional gross revenue expenditure of £370.707 million for 2017/18, as detailed in Appendix A;
- On the basis of the agreement of the above proposed charges, the provisional gross revenue income budget of £370.079 million for 2017/18, with a recommended transfer of £628,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B; and
- From proposed reserves of £628,000, a provisional 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 repayment, as per paragraph 51.

The Director, Transport and Mobility recommends that the Executive-Sub Committee is also asked to note

- the current position on reserves, as set out in paragraphs 50-54 and Table 9 of this report and agree on the preferred option(s) to be recommended to the main Committee for reducing uncommitted reserves towards the agreed benchmark level of between 10%-15% of operating and trading expenditure, as specifically highlighted in paragraphs 53-54;
- the estimated total charges to individual boroughs for 2017/18, as set out in Appendix C.1; and
- The Month 6 forecast position for the current year, as detailed in Appendix E and highlighted in Table 8 at paragraph 50.

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

Introduction

1. This report details the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2017/18. The report seeks the Executive Sub-Committee's agreement in order that recommendations can be made to the main Committee meeting in December, who will formally set the budget and the associated level of subscriptions and charges for 2017/18.
2. The report will, therefore, examine the key features of the proposed budget for 2017/18 and make proposals as to the level of charges for the Committee's consideration.

Proposed Revenue Budget 2017/18 - Overview

3. The proposals in this report incorporate the following assumptions:
 - A continued nil charge to boroughs in respect of the Freedom Pass administration fee, which remains fully funded by income receipts from replacing Freedom Passes that are lost or damaged. The income budget for such receipts is proposed to increase by £50,000 to £600,000 for 2017/18;
 - A continued nil charge to boroughs in respect of the London Lorry Control scheme, which remains fully financed from PCN income receipts. The income budget for such receipts is proposed to increase by £50,000 to £800,000 for 2017/18. A sum of £50,000 will remain in the budget to fund work on the review and development of the Lorry Control scheme during 2017/18;
 - A reduction in the TfL element of the freedom pass settlement for 2017/18 of £8.451 million, or 2.53% (subject to further negotiation);
 - An increase in the ATOC element of the freedom pass settlement of £676,000 (3.65%) (subject to further negotiation);
 - The budget for payments to other bus operators for local journeys originating in London has been maintained at the current year's level of £1.7 million, following projections for 2017/18, based on current claim trends being lodged by operators.
 - The annual Freedom Pass survey and reissue costs budget to remain at the current year's level of £1.518 million;
 - Subject to their business plan approval process later this month, TfL will provide an estimated fixed contribution of £9.963 million, inclusive of annual Taxicard tariff inflation of £195,000 (2%), compared to £9.781 million for 2016/17. At this stage, the total borough contribution towards the Taxicard scheme in 2017/18 is estimated to be £2.314 million, the same as for the current year, although the decision on boroughs' contributions is a matter for boroughs to take individually and will be confirmed in February 2017. The indicative budgetary provision for the taxicard trips contract with CityFleet Networks Limited, will, therefore, be an amalgam of the TfL and borough funding, currently equating to £12.277 million for 2017/18, a provisional increase of £195,000 on the revised budget of £12.083 million for the current year

- An estimated 1% cost of living increase on all salary costs, including adjudicators' fees.
 - The overall staffing budget continues to include a £30,000 provision for maternity cover and the vacancy level remains at 2%;
 - A zero inflationary increase in all other running cost budgets for 2017/18, unless subject to binding contractual increases;
4. The draft proposals in this report recommend the following:
- The Parking Core administration charge being held at the 2016/17 level of £1,500;
 - A reduction in the unit cost of hard copy parking appeal charged to boroughs and TfL street management of £1.32 per appeal, or 3.97%. For appeals where evidence is submitted electronically, the unit cost will reduce by £1.40 or 4.68%. For statutory declarations, a hard copy transaction will reduce by £1.43 or 5.06%, with electronic transactions reducing by £1.43 or 5.21%;
 - An increase in the Parking Enforcement service charge of £0.0234 per PCN, or 5%, which will be apportioned to boroughs and TfL in accordance with the total number of PCNs issued by enforcing authorities in 2015/16;
 - No charge to boroughs for the Freedom Pass administration charge for 2016/17, as for the current year;
 - The total Taxicard administration charge of £338,000 being held at the current year's level, which will be apportioned to boroughs in accordance with the scheme membership as at 30 September 2016;
 - No charge to boroughs for the London Lorry Control Scheme administration charge for 2016/17, as for the current year;
 - No change in the charges to boroughs for TRACE electronic, TRACE fax and TEC transactions.
5. The following paragraphs detail the main proposed budget headings for 2017/18 and highlight any significant changes over 2016/17. The proposed level of expenditure for 2017/18 amounts to £370.707 million. A sum of £358.662 million relates to direct expenditure on the transport operators providing the Freedom Pass and the Taxicard schemes. After excluding the £340,000 in respect of the proposed one-off payment to boroughs in 2016/17, this leaves £11.705 million relating to expenditure on parking and traffic related traded service and other operating expenditure. This compares to a comparable sum of £11.923 million for the current year, a reduction of £218,000, or 1.8%.

Freedom Pass

6. The main settlement with TfL for concessionary travel on its service is estimated to be £325.489 million, although the final figure is subject to further negotiations.

This represents a provisional reduction of £8.451 million, or 2.53%, on the figure of £333.94 million for 2016/17.

7. The budget in respect of the Association of Train Operating Companies (ATOC) has been provisionally increased by £676,000 to £19.196 million to take into account the anticipated settlement for 2017/18, an increase of 3.65 % (July 2016 RPI +1.75%) on the figure of £18.52 million for the current year.
8. The budget for payments to other bus operators for local journeys originating in London has been maintained at the current year's level of £1.7 million, following projections for 2017/18, based on current claim trends being lodged by operators.
9. The budget for the freedom pass support services and issuing costs was £1.518 million for 2016/17. For 2017/18, it is proposed that the budget remains at this level. Although there is no bulk reissue in 2017/18, the current retendering of externally provided support services (call centre, card production, application processing etc.) means there is cost uncertainty until new contract rates are negotiated. The budget will continue to be reviewed each year in the light of estimated annual reissue numbers in the run up to the next substantive reissue exercise in 2020.
10. For income in respect of replacement Freedom Passes, trends indicate that accrued income continues to exceed the approved budget of £550,000, so it is proposed to increase the income budget for replacement passes by £50,000 to £600,000. As stated in paragraphs 3 and 4 and detailed in paragraph 15 below, it is proposed that the in-house cost of administering the Freedom Pass scheme will be fully funded by this income stream in 2017/18.
11. As agreed by this Committee in December 2014, any annual surplus arising from both the freedom pass issuing costs budget of £1.518 million (paragraph 9 above) and replacement freedom passes income budget of £600,000 (paragraph 10 above) will be transferred to a specific reserves to accumulate funds to offset the cost of the next major pass reissue exercise scheduled for 2020. The current balance on the specific reserve is £1 million, as highlighted in paragraph 52.
12. Final negotiations on the actual amounts payable to transport operators will be completed in time for the meeting of the full Committee on 8 December and any late variations to these provisional figures will be tabled at this meeting.
13. A summary of the estimated freedom pass costs for 2017/18, compared to the actual costs for the current year, can be summarised in Table 1 below:

Table 1 – Comparative cost of Freedom Pass 2017/18 and 2016/17

Estimated Cost of Freedom Pass	2017/18(£000)	2016/17(£000)
TfL Settlement	325,489	333,940
ATOC Settlement	19,196	18,520
Non TfL Bus Operators Settlement	1,700	1,700
Support services and issue costs	1,518	1,518
Total Cost	347,903	355,678

14. The total cost of the scheme is fully funded by boroughs and the estimated cost payable by boroughs in 2017/18 is £347.903 million, compared to £355.678 million payable for 2016/17. This represents a reduction of £7.775 million or 2.19%. This is the first time an annual budget reduction is expected and is largely

due to the increasing eligibility age and also a reduction in bus use. The majority of costs payable by boroughs will be apportioned in accordance with usage data, in accordance with the agreed recommendations of the arbitrator in 2008.

15. The administration of the freedom pass covers London Councils in-house costs in negotiating the annual settlements and managing the relationships with transport operators and contractors. For 2017/18, the total cost is estimated to be £483,814, compared to £386,816 in 2016/17. This equates to £14,661 per borough. However, it is proposed to use a proportion of the income accrued from the replacement of lost and damaged Freedom Passes (refer paragraph 10) to levy a nil charge in 2017/18, which members are asked to recommend to the full Committee. This position will be reviewed annually to ensure forecast income streams continue to cover the in-house costs of administering the scheme.

Taxicard

16. As stated in paragraph 3, TfL will provide an estimated fixed contribution of £9.963 million, inclusive of annual Taxicard tariff inflation of £195,000 (2%), compared to £9.781 million for 2016/17. At this stage, the total borough contribution towards the Taxicard scheme in 2017/18 is estimated to be £2.314 million, the same as for the current year, although the decision on boroughs' contributions is a matter for boroughs to take individually and will be confirmed in February 2017. The indicative budgetary provision for the taxicard trips contract with CityFleet Networks Limited, will, therefore, be an amalgam of the TfL and borough funding, currently equating to £12.277 million for 2017/18, a provisional increase of £195,000 on the revised budget of £12.083 million for the current year.
17. The cost of administration of the Taxicard Scheme is estimated to be £526,694 in 2017/18 compared to £528,735 in 2016/17. After excluding the contribution from TfL towards these costs of £104,768 and anticipated income of £24,000 from charging for replacement taxicards, the net cost to be charged to boroughs in 2017/18 is £397,926. However, it is proposed to use uncommitted general reserves held by the Committee to hold the total charge at the 2016/17 level of £338,182.
18. The active Taxicard membership data as at 30 September 2016 is 64,611, compared to 67,780 as at 30 September 2015, a reduction of 3,169, or 4.7%, due to further cleansing of the membership data in accordance with the Executive Sub-Committee's decision of July 2014. The reduction in the spreading base has increased the underlying unit cost of a permit from £4.99 to £5.24 per member.

Lorry Control Scheme

19. This is calculated in the same manner as the freedom pass and taxicard administration charge, although it is apportioned to boroughs in accordance with the ONS mid-year population figures for, in the case of 2017/18, June 2015. The total cost of administering the scheme is estimated to be £672,708 in 2017/18, compared to £674,119 in 2016/17. This figure includes a sum of £50,000 that has been earmarked for the review and development of the scheme in 2017/18.
20. After analysing receipts from PCNs issued in relation to the scheme over the past three financial years, it is proposed to increase the income target from £750,000 to £800,000, meaning that there will be a continuation of the nil charge to the 29 participating boroughs plus TfL towards the scheme in 2017/18. Again, this

position will be reviewed annually to ensure forecast income streams continue to cover the costs of administering the scheme.

Environment and Traffic Adjudicators (ETA) Fees

21. The budget for adjudicators' fees and training will be increased for 2017/18, in accordance with the recommendation of the Senior Salaries Review Board in respect of the 2016 pay award. This mechanism, which was agreed by TEC in November 2001, keeps the Adjudicators' pay at 80% of that for Group 7 full-time judicial appointments outside London. This hourly rate increases by £0.61, or 1% from £60.60 to £61.21, inclusive of employers' National Insurance Contributions.
22. The estimated volume of ETA appeals and statutory declarations for 2017/18, based volumes in the first half of 2017/18 is 40,586, significantly less than the 52,885 budgeted level for the current year. The actual number of appeals heard in 2015/16 was 42,846 including Statutory Declarations, Moving Traffic Offences and Lorry Control Appeals, indicating that there is a continuing minor downward trend in the number of appeals.
23. The average throughput of appeals for the first six months of the current year is 2.45 appeals heard per hour (compared to 2.76 appeals per hour when the current year's budget was set in December 2015). This average figure takes account of all adjudicator time spent on postal and personal appeal hearing and also non-appeal 'duty adjudicator' activities. However, officers working on the service have analysed adjudicator performance over the last six months and have identified system and service improvements that are likely to increase average throughput to 2.7 cases per hour during 2017/18. The ETA adjudicator fees base budget of £1.162 million has, therefore, been reduced by £251,000 to £911,000 for 2017/18 to reflect the current volumes and throughput rate, and then inflated by £9,000 to £920,000 to reflect the pay award.

Road User Charging Adjudicators (RUCA) Fees

24. The estimated volume of RUCA appeals for 2017/18, based volumes in the first half of 2016/17, is 6,348, a slight increase on the figure of 6,167 for the current year. The actual number of RUCA Appeals dealt with in 2015/16, including Statutory Declarations, was 5,967.
25. The budget for RUCA adjudicators' fees has, therefore, been increased by £51,000 from £198,000 to £249,000 for 2016/17 to reflect current costs, and then inflated by £3,000 to £252,000 to reflect the pay award. The Committee will be fully reimbursed at cost by the GLA/TfL for the hearing of RUCA appeals under the new contract arrangements.

Appeals Unit Charges 2017/18

26. The estimated overall cost for hearing appeals for 2017/18 is laid out in Table 2 below:

Table 2 – Proposed Unit Cost for Appeals 2017/18

	ETA	RUCA	Total
Estimated Appeal Nos.	40,586	6,348	46,934
Average Case per hour	2.7	1.54	2.45

Adjudicator Hours	15,032	4,122	19,154
Expenditure	£	£	£
Adjudicators Fees	920,100	252,312	1,172,412
Northgate Variable Cost	274,582	60,806	335,388
Postage/Admin	-	-	-
Total	1,194,682	313,118	1,507,800
Income			
Hearing Fees	1,194,682	313,118	1,507,800
Average Indicative Unit Cost of Appeal	29.44	49.33	32.13

27. For ETA appeals, based on an estimated 40,586 appeals and a projected throughput rate of 2.7 cases being heard per hour during 2017/18, it is proposed that the indicative hard copy unit ETA appeal cost for 2017/18 is £32.00, a reduction of £1.32 or 3.97% on the charge of £33.32 for 2016/17. For appeals where electronic evidence is provided by an enforcing authority, it is proposed that the unit cost will reduce by £1.40 to £28.50. The lower charge to boroughs recognises the reduced charge from Northgate for processing electronic appeals, demonstrating that there remains a clear financial incentive for boroughs to move towards submitting electronic evidence under the current contract arrangements. As for 2016/17, boroughs will pay a differential charge for the processing of ETA statutory declarations. For hard copy statutory declarations, the proposed unit charge will be £26.74 compared to the charge of £28.17 for the current year, which represents a reduction of £1.43, or 5.06%. For electronic statutory declarations, the proposed unit charge will be £26.06, a reduction of £1.43, or 5.21% on the electronic appeal unit charge for the current year. The Executive Sub-Committee is asked, therefore, to recommend that the main Committee approve these appeal charges to users for 2017/18.

28. London Councils is contracted to provide the RUCA appeals service up until January 2022 after recently being awarded the new contract to provide the service from 1 January 2017. Under the new contract arrangements, there will be a continuation of the current agreement for TfL/GLA to reimburse London Councils on an actual cost-recovery basis for the variable cost of these transactions, rather than on a unit cost basis. Continuation of this agreement will ensure that a breakeven position continues in respect of these transactions, so the estimated cost of £313,118 for hearing an estimated 6,348 RUCA appeals will be fully recovered. The fixed cost element of the new contract is £453,611, a reduction of £18,293 of the recharge of £471,904 for 2016/17; although London Councils has the right to further review this sum if operational circumstances change.

Parking Managed Services – Other Variable Charges to Users

29. These variable charges form part of the parking managed service contract provided by Northgate, the volumes of which the Committee has no control. The individual boroughs are responsible for using such facilities and the volumes should not, therefore, be viewed as service growth. The volumes are based on those currently being processed by the contractor and are recharged to the boroughs and TfL as part of the unit cost charge. Current trends during the first half of 2016/17 suggest that the TRACE electronic and fax transactions are

reducing, but that TEC volumes are increasing over 2016/17. The estimated effect on expenditure trends are illustrated in Table 3 below:

Table 3 – Estimated expenditure on variable parking services 2017/18 and 2016/17

2017/18	Estimated Volumes (Nos)	Contractor Charge (£)	Expenditure Budget (£)
TRACE (Electronic)	33,804	1.698/1.732	58,269
TRACE (Fax Transaction)	10,614	3.739/3.814	40,301
TEC	926,540	0.09/0.92	84,790
Total			183,359
2016/17	Estimated Volumes (Nos)	Contractor Charge (£)	Expenditure Budget (£)
TRACE (Electronic)	46,100	1.69/1.698	77,909
TRACE (Fax Transaction)	16,516	3.72/3.739	61,440
TEC	599,204	0.09	53,928
Total			193,277

30. The estimated reduction in expenditure between 2016/17 and 2017/18, based on the current projected transaction volumes for 2017/18, is £9,917.
31. The corresponding estimated effect on income trends are illustrated in Table 4 below:

Table 4 – Estimated income accruing from variable parking services 2017/18 and 2016/17

2017/18	Estimated Volumes (Nos)	Proposed Unit Charge (£)	Income Budget (£)
TRACE (Electronic)	33,804	7.31	247,107
TRACE (Fax Transaction)	10,614	7.48	79,393
TEC	926,540	0.17	157,512
Total			484,012
2016/17	Estimated Volumes (Nos)	Actual Unit Charge (£)	Income Budget (£)
TRACE (Electronic)	46,100	7.31	336,991
TRACE (Fax Transaction)	16,516	7.48	123,540
TEC	599,204	0.17	101,865
Total			562,396

32. The corresponding estimated effect on income, between 2016/17 and 2017/18, , based on the current projected transaction volumes for 2017/18 is a reduction of £78,384, leading to a net overall reduction in budgeted income of £68,466. The

charging structure historically approved by TEC for the provision of the variable parking services (excluding appeals) includes a profit element in each of the charges made to boroughs and other users for these services. However, it is proposed to maintain the three charges to boroughs at the same level for the current year.

33. The Executive Sub-Committee is asked, therefore, to recommend that the main Committee approve the following non-appeal charges to users for 2017/18:

- The TRACE (Electronic) charge of £7.31 per transaction, the same charge as for the current year;
- The TRACE (Fax) charge of £7.48 per transaction, the same charge as for the current year; and
- The TEC charge of £0.17 per transaction, the same charge as for the current year.

Parking Enforcement Service Charge

34. The majority of this charge is made up of the fixed cost element of the parking managed service contract provided by Northgate and the provision of accommodation and administrative support to the appeals hearing centre. The calculation for 2017/18 reflects the likely significant increase in the level of Business Rates payable at the hearing centre at Chancery Exchange following the recent announcement by the Valuation Office Agency of a review of rateable values. The total fixed cost is allocated to users in accordance with the number of PCNs issued, which for 2017/18 will be those issued by enforcing authorities during 2015/16, which is detailed in Appendix D. For 2017/18, expenditure of £2.769 million needs to be recouped, compared to £2.694 million for 2016/17, which is detailed in Table 5 below:

Table 5 – Breakdown of Parking Enforcement Charge 2017/18

	2017/18 (£000)	2016/17 (£000)
Fixed Contract Costs	1,079	1,064
Hearing Centre Premises Costs	644	620
Direct Staffing Costs	500	542
General Office Expenditure	191	190
Central Recharges	355	278
Total	2,769	2,694

35. After top-slicing this amount for the revised fixed contract sum of £454,000 attributable to congestion charging and LEZ offences rechargeable to the GLA (refer paragraph 28), a total of £2.315 million remains to be apportioned through the 4.713 million PCN's issued by boroughs and TfL in 2015/16 in respect of parking, bus lane, moving traffic and lorry ban enforcement, compared to 4.746 million issued in 2014/15. The 33,000 decrease in the number of PCNs issued over the two comparative years decreases the spreading base, which together with an increase in total costs leads to an increase in the actual unit charge to boroughs and TfL of £0.0234, or 5%, from £0.4681 to £0.4915 per PCN for 2017/18, which members are asked to recommend to the main Committee. In addition, under the terms of the new contract with Northgate, there is a separate

fixed cost identified in respect of the use of the TRACE and TEC systems. For 2016/17, this sum was £88,000 and is estimated to increase to £89,000 in 2017/18. This sum will be apportioned to boroughs in accordance with volumes of transaction generated on each system.

Parking Core Administration Charge

36. The core subscription covers a proportion of the cost of the central management and policy work of the Committee and its related staff, accommodation, contract monitoring and other general expenses. It is charged to boroughs and TfL at a uniform rate, which for 2016/17 was £1,500 per borough. As there is limited scope for additional savings or efficiencies to be identified from within the £51,000 this levy raises for the Committee, it is recommended that this charge be held at the current level of £1,500 per borough and TfL for 2017/18.
37. Estimated individual borough costs for 2017/18, covering the proposed charges highlighted in paragraphs 15-36 above, are detailed in Appendix C.1 and can be compared against the estimated charges for the current year at Appendix C.2, forecast at the budget setting stage for the current year 12 months ago. Indicative overall estimated savings of £298,000 in 2017/18 to boroughs and TfL arising from the proposed charges, together with the projected reduction in transaction volumes, are projected, assuming that the detailed proposed charges for 2017/18 are approved by the main Committee in December.

Registration of Debt – Northampton County Court

38. Expenditure in respect of the registration of debt related to parking penalties is directly recouped from the registering borough, so the transactions have a neutral effect on the financial position of the Committee. The Court Service recently increased the £7 unit fee to £8 from 25 July 2016, so no further increases are envisaged during 2017/18. Volumes generated by users registered parking debt is not expected to exceed £3 million for the current year, so it is, therefore, proposed to maintain both the income and expenditure budgets for 2017/18 at £3 million.

Contractual Commitments

39. **Staffing Costs** -The proposed staffing budget for TEC for 2017/18 is illustrated in Table 6 below:

Table 6– TEC Indicative Staffing Budget 2017/18	£000
2016/17 Revised Budget	2,087
1% pay award 2016/17	21
Incremental salary drift	(50)
2017/18 Base Budget	2,058
Split between:	
Services – Parking and Traffic	93
Services – ETA	332
Services - RUCA	168
Services – Transport and Mobility	754
PAPA - Policy	355
PAPA - Communications	227

Chief Executive – Committee Servicing	48
Chief Executive – DP/FOI work	81
2017/18 Base Budget	2,058

40. In line with other London Councils funding streams, the vacancy level for 2017/18 remains at 2%. The salary figures include an estimated 1% cost of living increase on all salary costs and the figures include a reduction to cover incremental salary drift of £50,000. In addition to the salaries figure of £2.058 million shown in Table 6, the £18,987 budgetary provision for member's allowances has been maintained at the 2016/17 level, as has the provision for maternity cover of £30,000.

41. **Accommodation Costs – Chancery Exchange** – The new appeals hearing centre at Chancery Exchange, EC4 has been operational since July 2015. The budget for 2017/18 of £528,902 includes the full year cost of the leasehold agreement plus other premises running costs. In addition, a budget for depreciation in respect of the refurbishment costs of Chancery Exchange of £101,068 is required, along with the continuation of a provision for potential dilapidation and reinstatement costs payable at the end of the Chancery Exchange lease of £14,126 per annum. These premises costs are fully recovered as part of the Parking Enforcement service charge (refer paragraphs 34-35).

42. **Accommodation Costs - Southwark Street** – These are included as part of central recharges cost and covers the 17.13 desks at Southwark Street that are used by staff who are directly chargeable to the TEC funding stream. Use of this accommodation will attract a per capita desk space charge of £8,750 for 2017/18, equating to £164,663. In addition, ancillary premises costs such as cleaning, security and maintenance contracts, plus accumulated depreciation, again apportioned on a per capita basis, come to £71,480. The recharges in respect of the Southwark Street accommodation forms part of the administration charge for the direct services– for the freedom pass, taxicard, health emergency badge and the London lorry control scheme, as detailed in paragraphs 6-20 of this report.

Discretionary Expenditure

43. **Research Budget** – It is recommended that the budget of £40,000 for 2017/18 is maintained at the current year's level.

44. **General/Office Costs** - The budgetary provision of £585,000 for 2017/18 is broken down in Table 7 below:

Table 7 – TEC General/Office costs budget 2017/18	£000
2015/16 Revised Budget	726
Volume changes on appeals numbers – postage/stationery	(108)
Less reduction in IT system development costs	(50)
Revised SLA/general office costs	17
2016/17 Base Budget	585
Split between:	
System Developments	100
General/Office Costs – postage, telephones, copiers, etc.	279
Appeals administration – postage/stationery	-

Appeals related legal costs	26
Staff Training/Recruitment Advertising	28
Staff Travel	4
External audit fees*	26
City of London finance, legal, HR and IT SLA*	122
2015/16 Base Budget	585

*forms part of central recharge costs

45. The reduction of £141,000 primarily relates to appeals administration costs (£108,000), as the contractor now bears the administrative cost of processing an appeal. There is also a reduction in the IT systems development budget of £50,000 for 2017/18 from £150,000 to £100,000 to cover reduced anticipated system development works on the new IT system at Chancery Exchange. These savings are offset by minor revisions to the charge for central service provided through SLAs with the City of London (£17,000).
46. No inflation has been allowed for 2017/18 on general running costs, except where there are contractual commitments. This factor has been applied to all London Councils budgets.

Central Recharges

47. Southwark Street accommodation costs (paragraph 42), the Parking Enforcement Charge (paragraph 34) and general office costs (paragraph 44) all contain significant element of central recharge costs, which are apportioned to all London Councils functions in accordance with a financial model that is subject to annual scrutiny by the external auditors. The premises costs of the hearing centre are split between the ETA and RUCA functions, as detailed in paragraphs 34-35. Of the total central costs apportioned to TEC in 2017/18 (excluding LEPT) of £817,000, a sum of £735,000 feeds into the recharges for the direct services administration charges based at Southwark Street and for the ETA and RUCA services at the appeals hearing centre. The residual £82,000 relates the TEC policy and administrative function based at Southwark Street. In addition, as detailed in paragraph 34, a further sum of £644,000 relates the premises costs at Chancery Exchange.
48. As detailed in paragraph 51 below, it is proposed that this Committee recommend that the main Committee approved the transfer of a sum of £327,000 from uncommitted general reserves to smooth the effect of the underlying increase to direct service costs.

Other Income

- 49. Miscellaneous Income** – It is estimated that income of £84,000 will continue to accrue from two main sources in 2017/18. Firstly, £43,000 is expected to accrue for the administration of the Health Emergency badge (HEB) in the form of registration fees and charges for badges to Doctors Surgeries. This will enable this service to be provided at no cost to boroughs. Secondly, £41,000 is expected to accrue from London Transport for secretarial services provided by the Committee during the freedom pass negotiations.

Committee Reserves

50. Table 8 below updates the Committee on the revised projected level of reserves as at 1 April 2017, if all current known liabilities and commitments are considered and the draft proposals outline in this report are agreed in December:

Table 8– Analysis of Estimated Uncommitted Reserves as at 1 April 2017

	General Reserve	Specific Reserve	Total
	£000	£000	£000
Audited reserves at 31 March 2016	3,269	1,000	4,269
Proposed one-off repayment to boroughs and TfL in 2016/17	(340)	-	(340)
Proposed use in setting 2016/17 budget	(303)	-	(303)
Projected Budget Surplus 2016/17	767	-	767
Projected uncommitted reserves as at 31 March 2017	3,393	1,000	4,393
Proposed one-off repayment to boroughs and TfL in 2017/18	(340)	-	(340)
Proposed use in setting 2017/18 budget	(288)	-	(288)
Estimated uncommitted reserves as at 1 April 2017	2,765	1,000	3,765

51. The projected level of uncommitted general reserves as at 1 April 2017 assumes that the draft proposal made in this report to return of a further sum of £340,000 to boroughs and TfL in 2017/18 is agreed by this Committee and approved by the main TEC meeting in December. In addition, it is proposed that a further sum of £238,000 be transferred from general reserves to continue to smooth the effect of the underlying increase in direct service charges and also a reduced sum of £50,000 to enhance the IT systems development budget for 2017/18 only as a contingency for any further expenditure on developing the new parking managed services IT system at Chancery Exchange.
52. In addition, the position also reflect the transfer of £1 million from general reserves to the specific reserve to meet the cost of the next bulk freedom pass renewal exercise in 2020, as agreed by the full TEC meeting in October 2015. For comparative purposes, the final cost of the 2015 bulk freedom pass renewal exercise was £2.61 million.
53. After taking into account the forecast surplus of £767,000 for the current year (which is explored in detail at Appendix E), uncommitted general reserves are forecast to be £2.765 as at 1 April 2017. This equates to 23.6% of proposed operating and trading expenditure of £11.705 million in 2017/18. This figure, therefore, significantly exceeds the Committee's formal policy on reserves, agreed in December 2015 that reserves should equate to between 10-15% of annual operating and trading expenditure. Options, therefore, exist for the Sub-Committee to recommend that the main Committee agrees to, for instance :
- To transfer a further sum to the specific reserve in 2017/18 to continue to accumulate funds to meet the cost of the 2020 Freedom Pass issue. Transferring a sum of £800,000 to the specific reserve would increase it to £1.8 million, which equates to 69% of the total cost of the 2015 reissue exercise; and

- To establish a new provision for potential costs arising from future work streams – such as the Ultra-Low Emission Vehicles project, where a provision of £200,000 could be established.

54. If both these options were recommended to and adopted by the main Committee in December, it would reduce uncommitted general reserves to £1.765 million, which equates to 15.1% of proposed operating and trading expenditure of £11.705 million for 2017/18 – nearer to the upper reserves benchmark threshold of 15%.

Summary

55. This report details the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2017/18. The Executive Sub-Committee is asked to agree these outline proposals, which will inform the basis of the report to the full TEC meeting in December, where the detailed budget proposals and levels of subscriptions and charges for 2017/18 will be presented for final approval. The proposed level of expenditure for 2017/18 amounts to £370.707 million. A sum of £358.662 million relates to direct expenditure on the transport operators providing the Freedom Pass and the Taxicard schemes. After excluding the £340,000 in respect of the proposed one-off payment to boroughs in 2016/17, this leaves £11.705 million relating to expenditure on parking and traffic related traded service and other operating expenditure. This compares to a comparable sum of £11.923 million for the current year, a reduction of £218,000, or 1.8%.

Recommendations

56. The Director, Transport and Mobility recommends that the Executive-Sub Committee recommends that the Full Committee approve at their meeting on 8 December:
- The changes in individual levies and charges for 2017/18 as follows:
 - The Parking Core Administration Charge of £1,500 per borough and for TfL (2016/17 - £1,500; paragraph 36);
 - The total Parking Enforcement Service Charge of £0.4915 which will be distributed to boroughs and TfL in accordance with PCNs issued in 2015/16 (2015/16 - £0.4681 per PCN; paragraphs 34-35);
 - No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2016/17 – nil charge; paragraph 15);
 - The Taxicard Administration Charge to boroughs of £338,182 in total (2016/17 - £338,182; paragraphs 16-18).
 - No charge to boroughs in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2016/17 – nil charge; paragraphs 19-20);
 - The Parking and Traffic Appeals Charge of £32.00 per appeal or £28.50 per appeal where electronic evidence is provided by the enforcing authority (2016/17 - £33.32/£29.90 per appeal). For hearing Statutory Declarations, a charge of £26.74 for hard copy submissions and £26.06

for electronic submissions (2016/17 - £28.17/£27.49 per SD) (paragraph 27);

- Congestion Charging Appeals – to be recovered on a full cost recovery basis, under the new contract arrangement with the GLA (paragraph 28);
- The TRACE (Electronic) Charge of £7.31 per transaction (2016/17 - £7.31; paragraphs 29-33);
- The TRACE (Fax) Charge of £7.48 per transaction (2016/17 - £7.48; paragraphs 29-33); and
- The TEC Charge of £0.17 per transaction (2016/17 - £0.17; paragraphs 29-33);
- The provisional gross revenue expenditure of £370.707 million for 2017/18, as detailed in Appendix A;
- On the basis of the agreement of the above proposed charges, the provisional gross revenue income budget of £370.079 million for 2017/18, with a recommended transfer of £628,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B; and
- From proposed reserves of £628,000, 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 51.

57. The Director, Transport and Mobility recommends that the Executive-Sub Committee is also asked to note:

- the current position on reserves, as set out in paragraphs 50-54 and Table 9 of this report and agree on the preferred option(s) to be recommended to the main Committee for reducing uncommitted reserves towards the agreed benchmark level of between 10%-15% of operating and trading expenditure, as specifically highlighted in paragraphs 53-54;
- the estimated total charges to individual boroughs for 2017/18, as set out in Appendix C.1; and
- The Month 6 forecast position for the current year, as detailed in Appendix E and highlighted in Table 8 at paragraph 50.

Financial Implications for London Councils

None, other than those detailed in the report

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Appendices

Appendix A – Proposed revenue expenditure budget 2017/18;

Appendix B – Proposed revenue income budget 2017/18;

Provisional TEC Expenditure Base Budget 2017/18

Appendix A

	Revised 2016/17 £000	Develop- ments £000	Base 2017/18 £000	Inflation £000	Estimate 2017/18 £000
Payments in respect of Concessionary Fares					
TfL	333,940	-8,451	325,489	0	325,489
ATOC	18,520	0	18,520	676	19,196
Other Bus Operators	1,700	0	1,700	0	1,700
Freedom Pass issue costs	1,518	0	1,518	0	1,518
Freedom Pass Administration	387	95	482	2	484
City Fleet Taxicard contract	12,082	0	12,082	195	12,277
Taxicard Administration	529	-5	524	3	527
	368,676	-8,361	360,315	876	361,191
Grant Payments to Voluntary Organisations	0	0	0		0
TEC Trading Account Expenditure					
Payments to Adjudicators	1,361	-200	1,161	12	1,173
Northgate variable contract costs	584	-74	510	8	518
Payments to Northampton County Court	3,000	0	3,000	0	3,000
Lorry Control Administration	674	-3	671	2	673
ETA/RUCA Administration	2,824	-60	2,764	5	2,769
HEB Administration	33	9	42	1	43
	8,476	-328	8,148	27	8,175
Sub-Total	377,152	-8,689	368,463	904	369,367
Operating Expenditure					
Contractual Commitments					
NG Fixed Costs	88	0	88	1	89
	88	0	88	1	89
Salary Commitments					
Non-operational staffing costs	603	17	620	6	626
Members	19	0	19	0	19
Maternity/Paternity Provision	30	0	30	0	30
	652	17	669	6	675
Discretionary Expenditure					
Supplies and services	160	-46	114	0	114
Research	40	0	40	0	40
One off payment to boroughs	340	0	340	0	340
	540	-46	494	0	494
Total Operating Expenditure	1,280	-29	1,251	7	1,258
Central Recharges	74	8	82	0	82
Total Expenditure	378,506	-8,710	369,796	911	370,707

	Revised 2016/17 £000	Develop- ments £000	Base 2017/18 £000	Inflation £000	Estimate 2017/18 £000
Borough contributions to TfL	333,940	-8,451	325,489	0	325,489
Borough contributions to ATOC	18,520	0	18,520	676	19,196
Borough contributions to other bus operators	1,700	0	1,700	0	1,700
Borough contributions to surveys/reissue costs	1,518	0	1,518	0	1,518
Borough contributions to freedom pass administration	0	0	0	0	0
Income from replacing lost/faulty freedom passes	550	50	600	0	600
Income from replacing lost/faulty taxicards	36	-12	24	0	24
Borough contributions to Comcab	2,314	0	2,314	0	2,314
TfL contribution to Taxicard scheme	9,768	0	9,768	195	9,963
Borough contributions to taxicard administration	326	0	326	0	326
TfL Contribution to taxicard administration	118	0	118	0	118
	368,790	-8,413	360,377	871	361,248
TEC trading account income					
Borough contributions to Lorry ban administration	0	0	0	0	0
Lorry ban PCNs	750	50	800	0	800
Borough parking appeal charges	1,543	-586	957	0	957
TfL parking appeal charges	89	149	238	0	238
RUCA appeals income	254	59	313	0	313
Borough fixed parking costs	2,011	179	2,190	0	2,190
TfL fixed parking costs	211	3	214	0	214
RUCA fixed parking costs	472	-18	454	0	454
Borough other parking services	562	-78	484	0	484
Northampton County Court Recharges	3,000	0	3,000	0	3,000
	8,892	-242	8,650	0	8,650
Sub-Total	377,682	-8,655	369,027	871	369,898
Core borough subscriptions					
Joint Committee	46	0	46	0	46
TEC (inc TfL)	51	0	51	0	51
	97	0	97	0	97
Other Income					
TfL secretariat recharge	41	0	41	0	41
Sales of Health Emergency badges	43	0	43	0	43
	84	0	84	0	84
Transfer from Reserves	643	-15	628	0	628
Central Recharges	0	0	0	0	0
Total Income Base Budget	378,506	-8,670	369,836	871	370,707

Indicative Charges to Boroughs 2017/2018

Appendix C.1

BOROUGH	Core Parking (£)	Fixed Parking (£)	Con.Fares Admin. (£)	Taxicard Admin. (£)	Lorry Ban Admin. (£)	Parking Appeals (£)	TRACE Electronic (£)	TRACE FAX (£)	TEC (£)	Total Estimate 2017/18 (£)	Total Estimate 2016/17 (£)	Estimated Movement (£)
Barking & Dagenham	1,500	50,479	0	7,703	0	30,540	0	0	0	90,221	91,978	-1,756
Barnet	1,500	72,762	0	13,975	0	85,222	0	0	5,236	178,695	146,017	32,678
Bexley	1,500	23,812	0	5,046	0	12,941	0	0	0	43,299	57,599	-14,300
Brent	1,500	89,697	0	13,797	0	43,448	0	19,451	0	167,892	176,730	-8,838
Bromley	1,500	42,044	0	5,806	0	17,446	0	19	0	66,816	81,039	-14,223
Camden	1,500	117,151	0	13,011	0	67,237	13,384	6,341	7,394	226,019	252,188	-26,169
Croydon	1,500	53,176	0	12,146	0	42,288	488	0	5,646	115,244	139,466	-24,221
Ealing	1,500	84,462	0	13,362	0	38,066	17	524	7,244	145,175	158,875	-13,700
Enfield	1,500	47,562	0	4,768	0	10,666	6,326	3,665	5,931	80,419	87,735	-7,316
Greenwich	1,500	14,979	0	11,764	0	13,790	0	582	2,418	45,032	42,499	2,533
Hackney	1,500	55,921	0	14,284	0	31,888	24,120	931	4,210	132,854	165,657	-32,803
Hammersmith & Fulham	1,500	123,587	0	9,448	0	44,709	23,580	1,377	5,467	209,667	252,500	-42,833
Haringey	1,500	94,955	0	10,952	0	25,468	17,602	4,577	10,910	165,963	212,640	-46,677
Harrow	1,500	77,918	0	14,138	0	52,375	0	0	6,670	152,601	121,065	31,536
Havering	1,500	24,550	0	13,902	0	9,745	0	0	0	49,697	53,864	-4,167
Hillingdon	1,500	38,320	0	4,611	0	5,822	0	0	2,188	52,441	51,359	1,083
Hounslow	1,500	51,797	0	9,600	0	19,390	0	9,677	4,368	96,332	139,366	-43,034
Islington	1,500	117,044	0	13,121	0	15,185	8,313	97	10,255	165,515	157,564	7,951
Kensington & Chelsea	1,500	99,166	0	10,202	0	27,825	36,040	3,161	6,874	184,768	218,363	-33,595
Kingston	1,500	53,925	0	9,647	0	14,412	0	19	4,339	83,843	87,668	-3,825
Lambeth	1,500	100,910	0	10,391	0	36,103	17	7,039	26,695	182,656	196,770	-14,114
Lewisham	1,500	28,047	0	8,992	0	7,182	0	0	1,255	46,975	66,227	-19,252
Merton	1,500	41,314	0	10,333	0	28,113	0	19	0	81,279	94,752	-13,472
Newham	1,500	69,257	0	13,304	0	63,885	58,627	795	8,704	216,072	281,311	-65,239
Redbridge	1,500	49,156	0	15,013	0	43,288	0	0	7,310	116,268	145,256	-28,988
Richmond	1,500	33,912	0	9,820	0	11,789	0	465	1,487	58,973	55,693	3,280
Southwark	1,500	53,429	0	15,070	0	21,482	174	14,932	7,107	113,695	146,736	-33,041
Sutton	1,500	11,349	0	7,037	0	2,949	0	0	813	23,649	27,384	-3,735
Tower Hamlets	1,500	51,058	0	8,829	0	25,074	23,039	58	0	109,560	204,140	-94,581
Waltham Forest	1,500	75,614	0	8,106	0	52,363	24,381	2,094	0	164,059	142,015	22,044
Wandsworth	1,500	75,795	0	9,872	0	16,569	8,871	175	4,822	117,603	139,358	-21,755
City of Westminster	1,500	127,963	0	9,883	0	29,415	2,126	2,948	10,169	184,005	250,764	-66,759
City of London	1,500	47,717	0	629	0	7,884	0	446	0	58,176	48,372	9,804
	49,500	2,098,829	0	338,562	0	954,562	247,107	79,393	157,512	3,925,465	4,492,950	-567,485
Transport for London - Street Management	1,500	215,069	0	0	0	237,822	0	0	0	454,391	301,972	152,419
Transport for London - Congestion Charging	0	453,611	0	0	0	313,118	0	0	0	766,729	651,477	115,252
Lorry Control	0	2,454	0	0	0	2,313	0	0	0	4,767	4,193	574
TEC/TRACE fixed costs	0	0	0	0	0	0	0	0	0	89,000	88,000	1,000
Registration of Debt	0	0	0	0	0	0	0	0	0	3,000,000	3,000,000	0
Transfer from Reserves	0	0	0	0	0	0	0	0	0	0	0	0
Grand Total	51,000	2,769,964	0	338,562	0	1,507,816	247,107	79,393	157,512	8,240,353	8,538,592	-298,240

Indicative Charges to Boroughs 2016/2017

Appendix C.2

BOROUGH	Core Parking (£)	Fixed Parking (£)	Con.Fares Admin. (£)	Taxicard Admin. (£)	Lorry Ban Admin. (£)	Parking Appeals (£)	TRACE Electronic (£)	TRACE FAX (£)	TEC (£)	Total Estimate 2016/17 (£)
Barking & Dagenham	1,500	44,479	0	7,715	0	38,284	0	0	0	91,978
Barnet	1,500	71,787	0	11,936	0	55,658	0	0	5,137	146,017
Bexley	1,500	22,291	0	5,115	0	28,693	0	0	0	57,599
Brent	1,500	76,115	0	13,433	0	62,182	17,229	6,271	0	176,730
Bromley	1,500	42,095	0	5,763	0	31,681	0	0	0	81,039
Camden	1,500	123,061	0	15,464	0	75,704	24,049	4,867	7,543	252,188
Croydon	1,500	53,607	0	12,365	0	37,341	24,020	5,803	4,830	139,466
Ealing	1,500	76,539	0	13,543	0	59,510	60	187	7,537	158,875
Enfield	1,500	46,515	0	4,576	0	23,269	8,166	749	2,961	87,735
Greenwich	1,500	13,678	0	11,702	0	12,892	120	374	2,233	42,499
Hackney	1,500	43,479	0	14,057	0	73,738	26,682	374	5,826	165,657
Hammersmith & Fulham	1,500	122,826	0	9,251	0	84,823	24,648	9,453	0	252,500
Haringey	1,500	96,702	0	10,928	0	73,267	18,306	4,867	7,070	212,640
Harrow	1,500	60,543	0	13,977	0	40,564	0	0	4,481	121,065
Havering	1,500	18,214	0	13,947	0	20,203	0	0	0	53,864
Hillingdon	1,500	32,883	0	4,775	0	10,455	0	0	1,745	51,359
Hounslow	1,500	60,876	0	9,895	0	37,891	9,333	16,098	3,773	139,366
Islington	1,500	98,161	0	12,864	0	25,549	9,153	4,118	6,220	157,564
Kensington & Chelsea	1,500	91,126	0	10,289	0	47,718	48,637	19,092	0	218,363
Kingston	1,500	48,701	0	9,022	0	26,414	0	0	2,031	87,668
Lambeth	1,500	93,730	0	9,461	0	60,925	6,491	20,122	4,542	196,770
Lewisham	1,500	28,136	0	9,341	0	25,156	0	0	2,094	66,227
Merton	1,500	42,215	0	10,394	0	40,643	0	0	0	94,752
Newham	1,500	78,366	0	13,258	0	126,016	51,120	936	10,115	281,311
Redbridge	1,500	55,060	0	15,639	0	69,336	0	0	3,721	145,256
Richmond	1,500	33,024	0	9,152	0	9,827	209	655	1,326	55,693
Southwark	1,500	48,948	0	15,080	0	60,925	5,085	10,950	4,249	146,736
Sutton	1,500	13,782	0	6,891	0	4,560	0	0	652	27,384
Tower Hamlets	1,500	66,283	0	8,653	0	106,048	21,656	0	0	204,140
Waltham Forest	1,500	57,349	0	8,328	0	48,897	22,494	281	3,166	142,015
Wandsworth	1,500	78,474	0	10,195	0	27,436	11,636	1,591	8,526	139,358
City of Westminster	1,500	142,572	0	10,599	0	71,930	7,598	16,566	0	250,764
City of London	1,500	26,512	0	614	0	19,260	299	187	0	48,372
	49,500	2,008,127	0	338,222	0	1,536,792	336,991	123,540	99,778	4,492,950
Transport for London - Street Management	1,500	211,036	0	0	0	89,436	0	0	0	301,972
Transport for London - Congestion Charging	0	471,904	0	0	0	179,573	0	0	0	651,477
Lorry Control	0	2,542	0	0	0	1,651	0	0	0	4,193
TEC/TRACE fixed costs	0	0	0	0	0	0	0	0	0	88,000
Registration of Debt	0	0	0	0	0	0	0	0	0	3,000,000
Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
Grand Total	51,000	2,693,609	0	338,222	0	1,807,452	336,991	123,540	99,778	8,538,592

Parking Enforcement Fixed Costs 2017/18
(based on PCNs issued for 2015/16)

Appendix D

Enforcing Authority	Total PCNs	Parking Fixed Costs
		0.4915
Barking & Dagenham	102,704	50,479.02
Barnet	148,041	72,762.15
Bexley	48,447	23,811.70
Brent	182,496	89,696.78
Bromley	85,543	42,044.38
Camden	238,354	117,150.99
City of London	97,084	47,716.79
Croydon	108,191	53,175.88
Ealing	171,846	84,462.31
Enfield	96,769	47,561.96
Greenwich	30,476	14,978.95
Hackney	113,777	55,921.40
Hammersmith & Fulham	251,449	123,587.18
Haringey	193,194	94,954.85
Harrow	158,532	77,918.48
Havering	49,949	24,549.93
Hillingdon	77,966	38,320.29
Hounslow	105,385	51,796.73
Islington	238,137	117,044.34
Kensington & Chelsea	201,761	99,165.53
Kingston	109,715	53,924.92
Lambeth	205,310	100,909.87
Lewisham	57,064	28,046.96
Merton	84,056	41,313.52
Newham	140,909	69,256.77
Redbridge	100,013	49,156.39
Richmond	68,996	33,911.53
Southwark	108,707	53,429.49
Sutton	23,091	11,349.23
Tower Hamlets	103,883	51,058.49
Waltham Forest	153,843	75,613.83
Wandsworth	154,212	75,795.20
Westminster	260,353	127,963.50
Transport for London Street Management	437,577	215,069.10
London Councils London Lorry Control Scheme	4,993	2,454.06
Total	4,712,823	2,316,353

Appendix C.1 – Indicative charges to boroughs 2017/18;

Appendix C.2 – Indicative charges to boroughs 2016/17;

Appendix D – Parking Enforcement statistics 2015/16; and

Appendix E – Month 6 Revenue Forecast 2016/17.

Background Papers

TEC Budget Working Papers 2016/17 and 2017/18;

TEC Final Accounts Working Papers 2015/16;

TEC Revenue Budget Forecast Working Papers 2016/17; and

London Councils Consolidated Budget Working Papers 2016/17 and 2017/18.

Appendix E - London Councils' TEC Executive Sub-Committee

Month 6 Revenue Forecast 2016/17

Report by: Frank Smith **Job title:** Director of Corporate Resources
Date: 10 November 2016
Contact Officer: Frank Smith
Telephone: 020 7934 9700 **Email:** Frank.smith@londoncouncils.gov.uk

Summary This report outlines actual income and expenditure against the approved budget to the end of September 2016 for TEC and provides a forecast of the outturn position for 2016/17. At this early stage, a surplus of £767,000 is forecast over the budget figure. In addition, total expenditure in respect of Taxicard trips taken by scheme members is forecast to underspend by a net figure of £721,000, if trip volumes in the first quarter continue for the remainder of the year. The net borough proportion of this underspend is projected to be £517,000, with £204,000 accruing to TfL. However, as reported separately on the agenda, some boroughs are forecasted to overspend their Taxicard budget and are required to take action accordingly.

Recommendations The Executive Committee is asked to :

- note the projected surplus of £767,000 for the year, plus the forecast net underspend of £721,000 for overall Taxicard trips, as detailed in this report; and
 - note the projected level of Committee reserves, as detailed in paragraph 5 of this report and the commentary on the financial position of the Committee included in paragraphs 6-8.
-

Introduction

1. This is the second budget monitoring report to be presented to the Committee during the current financial year. The next report will be the Month 9 figures (31 December 2016) for the year, which will be reported to the February 2017 meeting of this Committee.
2. The London Councils Transport and Environment Committee's income and expenditure revenue budget for 2016/17 was approved by the Full Committee in December 2015 and adjusted for the confirmation of borough funding and TfL funding for the Taxicard scheme for the year. This report shows the actual income and expenditure at 30 September 2016 and a forecast of the outturn position for the year, together with the projected variance from the approved budget.

Variance from Budget

3. The current figures indicate that the Committee is projected to underspend gross expenditure budgets by £1.5133 million for the year, although £721,000 relates to payments for taxicard trips. However, a shortfall of income of £746,000 over budgeted targets is likely to arise, including a reduction in the financial contribution from boroughs and TfL towards taxi card of £721,000, making an overall projected surplus of £767,000. Table 1 below summarises the forecast position, with commentary that details the trends that have begun to emerge during the first quarter and providing explanations for the variances that are projected.

Table 1 –Summary Forecast as at 30 September 2016

	M6 Actual	Budget	Forecast	Variance
Expenditure	£000	£000	£000	£000
Employee Costs	285	652	568	(84)
Running Costs	116	297	297	-
Central Recharges	0	74	74	-
Total Operating Expenditure	401	1,023	939	(84)
Direct Services	4,755	8,426	8,413	(13)
Research	-	40	40	-
Payments in respect of Freedom Pass and Taxicard	180,907	368,677	367,261	(1,416)
One-off payment to boroughs	340	340	340	-
Total Expenditure	186,403	378,506	376,993	(1,513)
Income				
Contributions in respect of Freedom Pass and Taxicard	(183,227)	(368,790)	(368,231)	559
Income for direct services	(1,798)	(8,892)	(8,703)	189
Core Member Subscriptions	(97)	(97)	(97)	-
Government Grants	-	-	-	-
Interest on Investments	(2)	-	(2)	(2)
Other Income	(24)	(84)	(84)	
Transfer from Reserves	-	(643)	(643)	-
Total Income	(185,118)	(378,506)	(377,760)	746
Net Expenditure	1,285	-	(767)	(767)

4. The projected surplus of £767,000 is made up broadly of the following:

- A projected overall deficit of £252,000 in respect of TEC parking traded services, after considering an estimate of the level of borough/TfL/GLA usage volumes during the first quarter. This is attributable to a number of areas.
 - Firstly, there is a projected net deficit of £185,000 in respect of environmental and traffic appeals (ETA). The estimated number of notice of appeals and statutory declarations received at the half-year stage amounts to 20,293, giving a projected number for the year of 40,586, 12,299 less than the budgeted figure of 52,885. The current throughput of appeals is 2.45 appeals per hour, compared to a budget figure of 2.76. Throughput has been affected by the move to a new case management system and new procedures for considering statutory declarations and witness statements. However, with the bedding in of the new systems and further planned enhancements, officers expect to see an increase in throughput over the final quarter of the year and beyond.
 - Secondly, the transaction volumes for the TRACE parking systems used by boroughs and TfL over the first half of the year have significantly reduced, although use of the TEC system has increased. This has resulted in a projected net deficit of £69,000; and
 - Finally, the fixed cost of the parking managed services contract with NPS is projected to marginally underspend by £2,000.
- A projected underspend of £61,000 in respect of employee costs. The cost of staff providing direct services (included within the direct services administration charge) is estimated to overspend by £23,000, although this is offset by an underspend on staffing costs attributable to non-operational and policy staff of £54,000. In addition, the maternity cover budget is estimated to be underspent by £30,000.
- A projected underspend of £200,000 in respect of the £1.7 million budget for payments to independent bus operators, based on trends and claims emerging during the year.
- A projected underspend of £500,000 in respect of the £1.518 million budget for payments in respect of the issuing/reissuing costs of Freedom Passes.
- Based on income collected at the half year stage, receipts from Lorry Control PCN income are forecast to exceed the budget of £750,000 by £95,000.
- Based on income collected at the half year stage, income receipts from replacement Freedom Passes are forecast to exceed the budget of £550,000 by £174,000. For replacement Taxicards, there is a projected deficit on the £36,000 income budget of £12,000 for the year.

Committee Reserves

5. Table 2 below updates the Committee on the projected level of reserves as at 31 March 2017, if all current known liabilities and commitments are considered:

Table 2– Analysis of Projected Uncommitted Reserves as at 31 March 2017

	General Reserve	Specific Reserve	Total
	£000	£000	£000
Unaudited reserves at 31 March 2016	3,269	1,000	4,269
One-off payments to boroughs 2016/17	(340)	-	(340)
Approved in setting 2016/17 budget (December 2015)	(303)	-	(303)
Projected Budget Surplus 2016/17	767	-	767
Estimated Residual Balances at 31 March 2017	3,393	1,000	4,393

Conclusions

6. This report reflects the position at the half-year stage in the current financial year and forecasts a surplus position of £767,000 for the year. In addition taxicard trips are forecast to underspend by £721,000, with the borough proportion of this underspend projected to be £517,000, with £204,000 accruing to TfL.
7. The majority of the projected surplus is attributable to projected additional income from Lorry Control enforcement and replacement Freedom Passes, plus underspends on non-direct salary costs and payments to independent bus operators. This is offset by an overall net deficit on trading operations based on transaction volumes during the first half of the year.
8. After taking into account the forecast surplus and known commitments, general reserves are forecast to be £3.393 million at the year-end, which equates to 31.6% of budgeted operating and trading expenditure of £10.746 million. This figure continues to exceed the Committee's formal policy on reserves, agreed in November 2015 that reserves should equate to between 10-15% of annual operating expenditure. As discussed at the July TEC Executive meeting, options for the treatment of general reserves in excess of the benchmark range are included in the draft budget proposals for 2017/18, which is subject to the main report being considered by the Executive Sub-Committee under the Urgency Procedures.

Recommendations

9. Members are asked to :

- note the projected surplus of £767,000 for the year, plus the forecast underspend of £721,000 for overall Taxicard trips, as detailed in this report; and
- note the projected level of Committee reserves, as detailed in paragraph 5 of this report and the commentary on the financial position of the Committee included in paragraphs 6-8.

Financial Implications for London Councils

As detailed in report

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Background Papers

London Councils-TEC Budget working papers 2016/17 and 2017/18
London Councils Income and Expenditure Forecast File 2016/17

London Councils' Transport and Environment Committee - 13 October 2016

Minutes of a meeting of London Councils' Transport and Environment Committee held on Thursday 13 October 2016 at 2:30pm in the Conference Suite, London Councils, 59½ Southwark Street, London SE1 0AL

Present:

Council	Councillor
Barking and Dagenham	Cllr Lynda Rice
Barnet	Cllr Dean Cohen
Bexley	Cllr Alex Sawyer
Brent	Cllr Ellie Southwood
Bromley	Apologies
Camden	Cllr Meric Apak (Deputy)
Croydon	Cllr Stuart King
Ealing	Cllr Julian Bell (Chair)
Enfield	Cllr Daniel Anderson
Greenwich	Cllr Sizwe James
Hackney	Cllr Jonathan McShane (Deputy)
Hammersmith and Fulham	Apologies
Haringey	Cllr Peray Ahmet
Harrow	Apologies
Havering	Apologies
Hillingdon	
Hounslow	Apologies
Islington	Cllr Claudia Webbe
Kensington and Chelsea	Cllr Tim Coleridge
Kingston Upon Thames	Cllr Phil Doyle
Lambeth	Cllr Jenny Brathwaite
Lewisham	Cllr Rachel Onikosi (Deputy)
Merton	Cllr Martin Whelton
Newham	
Redbridge	
Richmond Upon Thames	Cllr Peter Buckwell
Southwark	Cllr Mark Williams (Deputy)
Sutton	Cllr Jill Whitehead
Tower Hamlets	
Waltham Forest	Cllr Clyde Loakes
Wandsworth	Cllr Caroline Usher
City of Westminster	Cllr Heather Acton
City of London	
Transport for London	Alex Williams

1. Apologies for Absence & Announcement of Deputies

Apologies:

Cllr Colin Smith (LB Bromley)
Cllr Phil Jones (LB Camden)
Cllr Feryal Demirci (LB Hackney)
Cllr Wesley Harcourt (LB Hammersmith & Fulham)
Cllr Graham Henson (LB Harrow)
Cllr Jason Frost (LB Havering)
Cllr Amrit Mann (LB Hounslow)
Cllr Alan Smith (LB Lewisham)
Cllr Ian Wingfield (LB Southwark)

Deputies:

Cllr Meric Apak (LB Camden)
Cllr Jonathan McShane (LB Hackney)
Cllr Rachel Onikosi (LB Lewisham)
Cllr Mark Williams (LB Southwark)

2. Declaration of Interests

Freedom Pass Holders/60+ Oyster Cards

Cllr Phil Doyle (RB Kingston), Cllr Peter Buckwell (LB Richmond), Cllr Jill Whitehead (LB Sutton), and Cllr Caroline Usher (LB Wandsworth).

North London Waste Authority

Cllr Dean Cohen (LB Barnet), Cllr Meric Apak (LB Camden), Cllr Daniel Anderson (LB Enfield), Cllr Peray Ahmet (LB Haringey), Cllr Claudia Webbe (LB Islington) and Cllr Clyde Loakes (LB Waltham Forest).

Western Riverside Waste Authority

Cllr Jenny Brathwaite (LB Lambeth).

South London Waste Partnership

Cllr Stuart King (LB Croydon), Cllr Martin Whelton (LB Merton), Cllr Phil Doyle (RB Kingston) and Cllr Jill Whitehead (LB Sutton).

London Waste & Recycling Board

Cllr Clyde Loakes (LB Waltham Forest)

Car Club

Cllr Julian Bell (LB Ealing – Chair) and Cllr Claudia Webbe (LB Islington)

Thames Regional Flood & Coastal Committee (RFCC)

Cllr Lynda Rice (LB Barking & Dagenham)
Cllr Dean Cohen (LB Barnet)
Cllr Tim Coleridge (RB Kensington & Chelsea)

Cllr Daniel Anderson (LB Enfield)

London Cycling Campaign

Cllr Julian Bell (LB Ealing - Chair) and Cllr Feryal Demirci (LB Hackney)

3. Urban Design London (UDL) Update by Esther Kurland, Director of UDL & Councillor Daniel Moylan and Councillor Nigel Haselden, TEC Representatives on UDL

Councillor Moylan informed members that Urban Design London (UDL) had been in operation for 14 years now and was represented by TfL, London Councils and the GLA. Esther Kurland had been UDL's Director for 10 years. UDL provided shared support to member organisations, including housing associations, neighbouring members (Slough, Watford Borough Council) and professional partners (Mott MacDonald, Tibbalds). Councillor Moylan said that all the London boroughs were now signed up to UDL and voluntarily contributed £4,000 a year. TfL was the main funders of UDL and was the host organisation.

Councillor Haselden informed members that he had been co-chair of UDL for 10 years and had previously been the TEC representative for the borough of Lambeth. He said that UDL had carried out approximately 73 separate events in 2015/16 and members were encouraged to attend these events, where various issues and problems could be raised. Councillor Haselden handed out to TEC members the UDL's Professional Training and Networking Programme for 2016/17.

Esther Kurland thanked Councillors Moylan and Haselden for their invaluable input to UDL over the years. She informed members that the Department for Communities and Local Government (DCLG) came to the sessions. The UDL had CPD training and was practical and skills based to help people do their job. UDL covered topics that responded to member requests, including housing, planning, street design, transport planning and highway engineering. One of the most recent debates and discussions were around tall buildings. Esther Kurland said that UDL was set-up to support borough officers and councillors, and this remained the primary purpose.

Q and As

Councillor Coleridge asked whether the UDL was trying to influence what London looked like and whether the UDL was attempting to make London more interesting. Councillor Moylan said that UDL carried out a great deal of network training, with a view as to what good design would look like. He said that UDL acted as a vessel/forum as opposed to being a lobbying organisation. Esther Kurland said that UDL did need to have a degree of influence and the forums/sessions were a way that people could share ideas.

Esther Kurland said that comments were being requested on the next London Plan by the Mayor, and views on this would be published by UDL for debate. Councillor Haselden said that "takeaways" were published straight after the sessions. Councillor Acton said that she had attended a couple of the sessions, which were not an imposed format and issues could be learned from case studies.

Councillor Moylan said that it would be beneficial if boroughs could provide a single point of contact for the UDL. He said that UDL had a lot of output for a small team and offered very good value for money to the boroughs. Councillor Moylan informed

members that Esther Kurland did not carry out the training herself. He said that the trainers were experts who carried out the training on behalf of UDL for practically nothing more than the cost of a lunch.

4. Talk by Val Shawcross, Deputy Mayor for Transport (taken after agenda item 6)

Val Shawcross, Deputy Mayor for Transport, made the following comments to members:

- Mayor's Transport Strategy (MTS) has a broad mandate
- A "Towards" document would be published in October 2016. This would outline key issues and principles from a transport perspective
- A 5-year Business Plan from TfL (end of November), which would shape achievements over the next 4-years and the challenges faced
- A 30-year document to be produced in 2017
- Big announcements to be made in the TfL Business Plan, although there would be no surprises for boroughs
- A good TfL Board was now in place, made up of people from sound financial backgrounds
- Air Quality work was progressing (over 14,000 responses to the consultation)
- Cycle infrastructure project – will be recruiting a "Cycle and Walking Commissioner" and making big changes to delivery
- Healthy Streets agenda naturally prioritises walking, cycling and public transport
- Rail devolution – revised business case. Southern franchise ends in 2021. Lots of cross-party support
- Black Taxis action plan (electrification of the fleet)
- River crossings (Canary Wharf, DLR etc)
- Direct vision for HGVs – improvement of HGV fleet and higher safety standards

Q and As

The Chair said that he was pleased that borough LIP funding would continue, along with TfL funding for next year's Taxicard scheme. He informed members that there were still some opportunities for boroughs to receive funding via LEPT.

Councillor Coleridge asked what effect the freeze to TfL fares would have on the 5-year programme. Val Shawcross said that there were a great deal of budget pressures on TfL, and TfL would have lost all of its Government revenue funding by 2018. She said that TfL was looking at increasing bus passenger volumes, and to speed up bus routes. The new night tube was doing very well and the Elizabeth Line would increase passenger numbers. TfL also had stock (land holdings) above stations that could be sold to help cover the fares freeze and other savings (up to 10%) could be made by reducing the use of external contractors.

Councillor Whelton asked for an update on the proposals published regarding Crossrail 2, the Bakerloo line upgrade, the DLR Tramlink and the roll-out of more electric and hybrid buses. He also asked about TfL's approach to priority on the road network and the situation regarding the river crossing and the detrimental effect this would have on Rotherhithe Tunnel.

Councillor Loakes voiced concern at the rubbish that was being left in small parts of TfL owned land, normally around stations. He asked whether there was a contact number available to report this. Councillor Loakes also said that police and British Transport Police shift patterns had not changed to take account of people returning home from the new night time tube.

Val Shawcross said that most of the major projects (eg Bakerloo Line upgrade) could be found in the TfL Business Plan. There would also be a flexible amount of money made available for projects of a medium priority. Val Shawcross informed members that TfL had not yet received “sign off” from the DfT to proceed with the next stage (design) of Crossrail 2. She said that the whole of the London bus fleet would be at Euro 6 emissions standard by 2020. Electric double decker buses were already being trialled and the retrofitting of vehicles was well underway.

Val Shawcross said that TfL would set out policy priorities very early on, one of which would be a policy framework for “healthy streets”. TfL would want early consultation about the design on this, and the design would need to reflect the nature of the borough concerned. Val Shawcross said that the Silvertown Tunnel would only take place if there was a proper tolling strategy to pay for it. She informed members that London was around 10 years behind when it came to the construction of river crossings. Val Shawcross asked Councillor Loakes to send her two separate emails regarding his concerns about rubbish being left on small parts of TfL owned land and police/BTP shift patterns during the night tube.

Councillor Whitehead emphasised the need for the tramlink to be extended to south west London (Sutton).. She said that Sutton appeared last in line to get cleaner emission buses. Councillor Buckwell asked if there was anything in the MTS on 20mph speed limits. He voiced concern that a number of projects appeared to have been dropped. Councillor Usher asked whether there would be further consultations on the impact of Crossrail 2 on Wandsworth and/or Tooting. Councillor Rice asked if more cells in hydrogen buses would be ordered, as they were more environmentally friendly. Councillor Webbe said that residents in Islington had been complaining about the disruption caused by TfL work in Holloway area.

Val Shawcross informed members that the rail devolution bid from TfL was being put to Government on 14 October 2016. She said that there was a sound business case for this, although the Secretary of State seemed sceptical about rail devolution. The TfL Business Plan made provisions for the three franchises and rail devolution was considered a high priority.

Val Shawcross said that TfL would come out with a proposal from the choices for Crossrail 2 at the end of October 2016, although DfT sign off would still be required before TfL could proceed. She said that TfL continued to support 20mph speed limits in London. The Walking and Cycling Commissioner post had been “long listed” and would be moving to the interview stage soon. Val Shawcross asked members to let her know of any projects/schemes that had been pulled and would cause problems to boroughs as a result of this. The work to modernise Gossell Oak, near the Holloway Road had overrun. She apologised for the disruption this had caused to residents in Islington.

The Chair thanked Val Shawcross for her update. He said that members should email Val with any further queries they might have.

5. Chair's Update Report

The Committee received a report that updated members on the transport and environment policy since the last TEC meeting on 16 June 2016 and provided a forward look until the next TEC meeting on 8 December 2016

The Chair informed TEC that the two new Labour members nominated to the London Waste and Recycling Board (LWARB) from 2016 to 2020 were Councillor Ian Wingfield (LB Southwark) and Councillor Feryal Demirci (LB Hackney). He informed members that Shirley Rodrigues was the new Deputy Mayor for Environment and she would be coming to speak at TEC meeting on 8 December 2016.

Decision: The Committee noted the Chair's report update.

6. Flooding Investment in London

The Committee received a report that provided TEC with an update on progress of the Thames Regional Flood and Coastal Committee's (Thames RFCC) six year capital programme. It also provided an update on the work to increase local authority capacity to put forward capital projects for funding, and provided the business case presented by the Environment Agency for an increase in local levy.

Amanda Nobbs, Chair of the Thames RFCC, introduced the flooding investment in London report. She said that there was significant flood risk to London and that, if the same level of flooding that occurred in Cumbria this year, happened in London, approximately 500,000 homes would have been flooded. Fluvial flooding has become more frequent, as well as potential flooding from rainfall. Flood resistance relies on partnerships, which was where the Thames RFCC came in.

Amanda Nobbs said that it was agreed to take a different approach to address flooding three years' ago. A longer-term programme of 6 years was agreed, backed up by a six year investment programme (in principle), which had benefitted London greatly and had been a real game changer for flood risk management. This had enabled the Thames RFCC to develop schemes and make progress. Amanda Nobbs said the increase in Grant in Aid from the government had helped to increase the number of people that could be protected from flooding. Also, 40 new schemes had been added to the programme and 70% of boroughs now had sewage water programmes. River flooding schemes were also coming to fruition.

Amanda Nobbs informed members that the Thames RFCC was now looking at taking a 25 year approach to flood risk management in London, and was working with the water/transport companies to have a more integrated approach. She said that she was keen for the boroughs to work more closely with Thames Water, and to link this in with planning and flood risk management.

Amanda Nobbs said it was now proposed that for TEC to provide a steer to the Thames RFCC to recommend a 1.99% increase to the levy for 2017/18. The Chair said that TEC had recommended a steer, two years' ago, for having a 6-year rolling programme, with a 1.99% levy increase each year. He confirmed that the 1.99% increase was a steer and not a mandate.

Q and As

Councillor Usher said that she supported the 1.99% levy increase. She asked whether the Clapham Junction Flood Alleviation Scheme, which was currently at the

“exploratory” stage, could be moved along. Councillor Usher asked whether the Thames RFCC had any influence over Thames Water, as they appeared to be quite difficult for boroughs to work with.

Councillor Coleridge said that he welcomed the report and Business Plan and supported the levy increase. He said that the relationship between TEC and the Thames RFCC was now much better than it was 3 years’ ago, when TEC had voted against a levy increase. Councillor Whelton asked whether the schemes could be broken down by local authorities, as opposed to just “London” (Appendix B). He also asked what lobbying had been carried out with regards to planning.

Amanda Nobbs said that national aid and funding could now be attracted and investment could be put into the Clapham Junction scheme. She said that the Thames RFCC now had a healthier relationship with Thames Water, and more engagement was now taking place. Amanda Nobbs said that more logistical patterns (between Thames Water and the boroughs) for flood risk were being developed, and priority projects were being discussed up to 2025. The Thames RFCC also wanted to get the integration to manage flood risk with adjoining communities.

Amanda Nobbs informed members that a large number of planning issues had been developed by the Thames RFCC. Councillor Loakes said that there were problems with the accessibility of Thames Water. He felt that they needed to be more accountable. Residents were currently blaming the boroughs for problems that had been caused by Thames Water. Councillor Loakes said that he also supported the 1.99% levy increase.

Councillor Whitehead felt that lessons were still not being learned when it came to planning issues and building on flood plains. She said that a large development was being built right up to the borders of the River Wandle. She suggested that Urban Design London could carry out training sessions to inform boroughs on flooding events. Councillor Sawyer said that he supported the 1.99% levy increase, but would like to see a positive approach presented to members, with regards to efficiency savings from the Thames RFCC.

Amanda Nobbs said that Thames Water had now changed the staff in the organisation that worked with each local authority. There was now a contact person for each partnership in Thames Water and this information could be circulated to members. She said that she noted the planning issues brought up by members. A third of the flood risks came from tributaries from the Thames. Risk in flood plains was also increasing and good interventions were required in planning policies. Amanda Nobbs said that another part of the strategy was slowing the flow of water in flood plains. Amanda Nobbs confirmed that part of the 6-year target was to achieve efficiency savings of 15%. This would be delivered by partnerships all working together.

The Chair thanked Amanda Nobbs for the update on flooding investment in London and the work of the Thames RFCC.

Decision: The Committee:

- Noted that Thames Water now had a separate contact for each partnership, which would be circulated to members, and
- Provided a steer to the TEC members who sit on the Thames RFCC to recommend a levy increase of 1.99% for 2017/18.

7. Electric Vehicles and Car Clubs Update Report

The Committee considered a report that updated members on progress on electric vehicles and on car clubs.

Nick Lester-Davis, Corporate Director of Services, introduced the report on electric vehicles and car clubs. With respect to the development of the residential charging network, he informed members that several options had been considered for the implementation and delivery for the partnership and governance arrangement (table, bottom of page 3). The model recommended by the steering group was that TEC should take responsibility for the strategic oversight of the project. A further report would be presented to TEC in December as to the possibility of London Councils being responsible for the delivery. Nick Lester-Davis said that there was also the proposal for a charter for London's EV charging network which would set out the public interest in charging and inform the procurement process.

Nick Lester-Davis said that there are three car club models currently operating in London: (i) round trip or base to base, where the car was returned after customer use, (ii) flexible car clubs, which did not require the vehicle to be returned to a dedicated bay, but permitted the parking of vehicles across the borough, and (iii) station-station or "point-to-point" car clubs, where the cars were based at fixed locations but users would be able to start and finish at any of their fixed locations, and would not need to take the car back to where it originated from. Flexible car clubs are still in the trialling stage and less data is available on station-to-station car clubs.

Nick Lester-Davis informed members that Carplus had undertaken their own annual survey on the car club sector, including the size of car club, travel behaviour of car club members and emissions data. The report also proposed a charter for car clubs to outline the public interest, similarly to the electric charging infrastructure one.

Councillor Coleridge said that he thought the use of the word "charter" in the report ("charter to inform the procurement process") was too strong and that maybe best practice might be more appropriate. He said that he had concerns about flexible car clubs, as users could make very short trips, and more details were needed on this type of car club. Councillor Acton said that the City of Westminster currently had four EV charging providers. She said that she had concerns about "floating" car clubs.

Councillor Whitehead said that the borough of Sutton had trialled a flexible car club, but it did not work out, as people continued to use their own cars as well. Councillor Whelton said that he would like to see more data on the "point-to-point" car clubs. Councillor Loakes said that car ownership was in steep decline in Waltham Forest. He suggested a merger of both the main car club models. Councillor Anderson said that car clubs had not taken off as well in the outer London boroughs.

Councillor Webbe said that she welcomed the paper. She said that car clubs had been running for quite some time in Islington and the borough had one of the lowest car ownerships in London. Councillor Webbe said that she was initially sceptical of point-to-point car clubs, although the technology had greatly improved. She said that Zip Car had now come on board with point-to-point. Also, universal charging points were needed throughout London. Nick Lester-Davis said that the cost of car clubs was not cheap and were on par with a taxi trip level of pricing and that this would reduce the likelihood of people taking a car club journey for a short trip. He said that boroughs had control over where vehicles could be left on both models of car club.

Decision: The Committee:

- Noted the update on the Go Ultra Low City Scheme;
- Gave an “in principle” agreement to London Councils’ TEC taking on the Delivery Partner Strategy role as defined in paragraphs 12 to 16;
- Noted the findings of the “Carplus” survey on the use of car clubs;
- Agreed that charters for both EV charging networks and car clubs, setting out the public interest in their use, should be prepared, but agreed that the wording with regards to having “charters” be revisited.

8. Freedom Pass Progress Report

The Committee received a report that provided members with a general progress update on the Freedom Pass scheme.

Decision: The Committee:

- Approved the recommendation to shut the renewal portal and phone line when new customer services enhancements to the Freedom Pass website were launched; and
- Noted the updated timescales for the Freedom Pass and Taxicard managed services contract re-let.

9. Environment and Traffic Adjudicator Recruitment

The Committee considered a report that provided details of the proposed recruitment exercise for Environment and Traffic Adjudicators, as mentioned in the Chief Adjudicator’s report to the Committee on 16 October 2014.

Councillor Coleridge asked what would happen if an adjudicator was proving to be under achieving. Caroline Hamilton, Chief Adjudicator, London Tribunals, said that adjudicators were paid by the hour and would also have a new pay structure which allowed payments to be made by allocated lists (as at recommendation 3 of the report). She said that any bad/wrong decisions that were made by adjudicators would be a training issue.

Councillor Onikosi queried about adjudicators making excessive financial gains through their sittings. Caroline Hamilton said that the slots needed to be filled for the sittings. She confirmed that hours were allocated to adjudicators on the basis of their efficiency.

Decision: The Committee:

- Agreed to the implementation of the proposed recruitment exercise;
- Consented to the new terms and conditions for the appointment of Environment and Traffic Adjudicators (subject to the consent of the Lord Chancellor or nominated officer holder); and
- Consented to the introduction of the new pay structure, allowing payments to be made by allocated lists as well as by hourly rates.

10. Environment and Traffic Adjudicators' Annual Report 2015/16

The Committee received the joint Annual Report by the Environment and Traffic Adjudicators for the reporting year of 2015/16.

Decision: The Committee noted the joint Annual Report by the Environment and Traffic Adjudicators for 2015/16.

11. Note of the TEC Executive Sub Committee on 15 September 2016 that was carried out via correspondence

The Committee received a note of the TEC Executive Sub Committee that was scheduled for 15 September 2016 and was carried out via correspondence.

Decision: The Committee noted the report.

12. Minutes of the TEC Main Meeting held on 16 June 2016

The minutes of the TEC Main meeting held on 16 June 2016 were agreed as an accurate record.

The meeting finished at 16:50pm