

Item No.	Classification: Open	Date: October 20 2009	Meeting Name: Executive Member for Environment
Report title:		Appointment of operator for borough-wide Southwark Car club on a 2 year contract	
Ward(s) or groups affected:		All Community Councils	
From:		Strategic Director Environment and Housing	

RECOMMENDATIONS

1. Notes the change of parking restrictions, in order to provide dedicated 24hr car club permit bays in eighty locations.
2. Notes the loss of revenue from permit and pay and display parking of approximately £13,000 per annum.
3. Approves the setting of a car club permit fee of £450 per annum, based upon 2009/10 fees and charges.
4. Notes the recent evaluation of potential car club Operators and resulting Gateway procurement report to the departmental contract review board and strategic director of environment and housing

BACKGROUND INFORMATION

5. The principal of Southwark supporting a car club scheme was approved by the Executive Member for Environment and Transport in May 2007.
6. Subsequently a bid was made to Transport for London (TfL) to secure funding for professional fees in the feasibility, design and implementation costs associated with a car club scheme. As a result TfL approved funding of £75,000 and additional sums have been secured from Section 106 agreements.
7. A Borough-wide survey has been undertaken to identify possible locations for car club parking bays on the public highway with the aim of every household in the Borough being within ten minutes walk of a car club parking bay. Eighty locations were evaluated and have been presented to each Community Council as part of the first phase of implementation.

KEY ISSUES FOR CONSIDERATION

Impact upon parking amenity and revenue

8. Of the eighty sites identified, sixty-six are within a Controlled Parking Zones (CPZ) and fourteen are in uncontrolled (non-CPZ) streets. A CPZ, by its very definition, means that every length of the kerbspace is controlled either by way of a parking bay or a waiting restriction (yellow line). Therefore any car club bay will require an amendment to the existing restriction. This will result in the loss of parking bays (usually either permit holder or pay and display) or waiting restrictions (which generally provide loading and/or overnight parking).

9. Using data taken from pay and display income and asset knowledge it is possible to attribute a robust value to any paid-for (ie. pay and display or shared-use) parking bay. It is more difficult to place a financial value upon a permit parking bay. The figure that has been attributed is therefore based upon the average price of a (resident, business or resident-visitor) parking permit. If the CPZ is not at capacity, it should be noted that the permit revenue is likely to be maintained as the motorist is likely to just park in another bay within that zone.
10. In streets where there are no existing parking controls there is no associated financial data that can be considered, however it remains important to attribute some financial value to those spaces where it is possible. It is noted that the subjective value of a bay (eg. the value that a resident places upon his/her proximity to a specific type of parking space or, conversely, the absence of parking controls) is beyond the scope of this report.
11. For the purposes of this report income data has been analysed for each CPZ and values placed on each bay. In non-CPZ streets or where the bay is proposed for an existing single yellow line, no value has been placed upon the bay.
12. The following table provides detail on the potential revenue loss for CPZ sites where permit, shared-use or pay and display bays are proposed to be replaced by a car club bay.

Zone	Number of PD / SUNumber spaces to removed	Number of PHO spaces to removed	Annual revenue	loss of
B	1	2	£	605.48
C1	1	5	£	2,863.78
C2	0	2	£	277.47
D	2	2	£	1,247.52
E	1	1	£	913.73
EC	0	4	£	554.93
F	1	1	£	1,726.69
G	1	5	£	1,463.56
GR	4	0	£	528.90
H	0	0	£	-
HH	0	4	£	554.93
J	0	2	£	277.47
K	0	0	£	-
L	0	1	£	138.73
M1	0	2	£	277.47
M2	4	0	£	918.89
N	0	0	£	-
NC	0	1	£	138.73
SB	0	0	£	-
T	0	1	£	138.73
TOTAL	15	33	£	12,627.02

13. A value has been attributed to each pay and display, shared-use and permit parking bay to provide an estimated loss, across for the scheme, of approximately £12,600 per annum. It is noted that loss of a shared use bay has been considered at the higher value (ie. at the higher paid-for value, rather than at the lower permit value).

Setting of car club parking permit fee

14. The revenue implications, beyond those losses associated with removal of pay and display and permit bays (discussed in paragraphs 8 to 13) are associated with general parking operations issues: permit administration, enforcement, maintenance and review.
15. The cost of parking operations attributed to the car club scheme is expected to be covered by the setting of an appropriate fee for the parking permit and it is recommended that each car club parking permit is set at £450 per annum for the remainder of FY 2009/10 and that this fee will be considered as part of the annual fees and charges setting for 2010/11. This is somewhat higher than the Council's existing business permit (£334) but reflects the increased level of administration that is expected with the car club.
16. Based upon the assumption that the Operator maintains a car in each allocated bay, the recommended permit fee would produce annual permit revenue of £36,000.

POLICY IMPLICATIONS

17. The Parking and Enforcement Plan (PEP) sets out a hierarchy¹ for allocation of parking space. It sets car club bays at the third highest position (below origin and destination disabled parking) when implementing the strategic principles of the Plan.
18. The recommendations contained within this report are consistent with the policies of the Parking and Enforcement Plan (PEP) and Local Implementation Plan (LIP).

COMMUNITY IMPACT STATEMENT

19. The recommendations contained within this report are consistent with the policies of the PEP and associated LIP which have been subject to an Equalities Impact Assessment.

RESOURCE IMPLICATIONS

20. The financial impact is discussed in the main body of the report.

CONSULTATION

¹ Parking and Enforcement Plan, Section 5

21. Each community council was contacted with details of the scheme and the proposed locations that would affect that area. Chairs were asked if a report and presentation to discuss the sites was required, which took place as follows:

- Bermondsey Community Council – 1 April 2009
- Borough and Bankside Community Council – 10 March 2009
- Camberwell Community Council – 25 February 2009
- Dulwich Community Council – 4 March 2009
- Nunhead and Peckham Rye Community Council – 6 May 2009
- Walworth Community Council – 16 March 2009

22. Further consultation will take place for each individual site through the statutory process of advertising and making the Traffic Management Order.

Strategic Director of Communities, Law & Governance

23. This report seeks to set the fee for Car Club permits.

24. The Council has set the level of parking permits for car club cars to cover costs of administration, enforcement and maintenance of the scheme. It is not intended to produce a surplus or a deficit, during the course of the schemes operation.

25. The Road Traffic Regulation Act 1984 (Sections 45 & 46) allows the Highway Authority to regulate on street parking and charge for permits to allow parking in designated bays. The Council has set the level of parking permits for car club cars to cover costs of administration, enforcement and maintenance of the scheme. It is not intended to produce a surplus or a deficit, during the course of the schemes operation.

26. The decision to set a permit fee is a key decision. Under paragraph 3 Part 3D of the Southwark Constitution, the matter is reserved to the Individual Executive Member for decision. The relevant portfolio holder is the Executive Member for Environment.

FINANCIAL CONCURRENT (Env/ET/121009)

27. The proposed permit fee of £450 per annum for eighty locations will generate an income of £36,000. This will be sufficient to cover the loss of parking income of £13,000 and additional costs of administration, enforcement and maintenance of the scheme. Therefore there are no revenue implications to the Council if at least eighty locations are maintained.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Southwark Parking and Enforcement Plan; Car club bays in Southwark-decision to proceed with block TMO for 90 bays across the borough (18/5/07) Car Club parking guidance – Permits, enforcement and operation Community council car club reports	Network Development, Public Realm	Tim Walker Tel: 020 7525 2021

APPENDICES

No.	Title
Appendix A	Proposed car club locations

AUDIT TRAIL

Lead Officer	Gill Davies, Strategic Director of Environment and Housing	
Report Author	Des Waters, Head of Public Realm	
Version	Final	
Dated	October 2009	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director for Communities, Law & Governance	Yes	Yes
Finance Director	Yes	No
Head of Public Realm	No	No
Date final report sent to Constitutional Officer	October 20 2009	