

## CABINET

21 May 2019

<b>Title:</b> Controlled Parking Zone Programme – Update and Funding	
<b>Report of the Cabinet Member for Enforcement and Community Safety</b>	
<b>Open Report:</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
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<b>Accountable Director:</b> Andy Opie, Operational Director, Enforcement and Community Safety	
<b>Accountable Strategic Leadership Director:</b> Fiona Taylor, Director of Law and Governance	
<b>Summary</b>	
<p>The borough faces growing challenges in terms of traffic flow, congestion, safety and air pollution caused by moving traffic and parked vehicles. If these challenges are not addressed now, they will impact on future generations of residents, businesses, drivers and other road users.</p>	
<p>By Minute 19(x) (17 July 2018) and Minute 25 (18 September 2018), the Cabinet agreed proposals for a three-year, phased review of controlled parking zones (CPZs) across the Borough, as well as the arrangements for consultation and the decision-making process. The introduction of the CPZ project aims to achieve the following benefits;</p>	
<ul style="list-style-type: none"><li>• Improved safety and congestion – this project will address road safety and traffic related issues caused by inconsiderate parking, particularly around schools and other community hubs where vulnerable children and adults are regularly attending. CPZ will provide locations where it is safe and accessible to park resulting in improved safety and traffic flow.</li><li>• Improved access for the emergency services which otherwise may be compromised by inconsiderate parking.</li><li>• Greater air quality through the reduction of vehicle pollution resulting in improved health benefits for residents and visitors within the borough.</li></ul>	
<p>Furthermore, the Ultra Low Emission Zone (ULEZ) was introduced in central London on 8 April 2019. Motorists looking to park and ride into London are likely to choose outer London Boroughs, such as Barking and Dagenham, to park. Protective measures therefore need to be put in place, such as CPZs particularly around our transport hubs, schools and roads with access issues, supported by increased enforcement.</p>	

This report seeks approval for additional capital funding of £2.66million to enable the delivery of the Controlled Parking Zone (CPZ) programme for the period 2019/20 and 2020/21.

The report also proposes changes to the Council's Domestic Vehicle Footway Crossover Policy (the "Dropped Kerb Policy") in relation to CPZ areas. This includes clarifying that applications received prior to or during consultation on a new CPZ proposal shall be charged at the standard installation rate, while applications received after a Traffic Management Order (TMO) has been made shall include full cost recovery of amending a published TMO.

It is also proposed that, in the light of stakeholder feedback on the initial stage of the CPZ programme, the decision-making criteria approved under Minute 25 (18 September 2018) be revised and streamlined.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Agree the roll-out of the Controlled Parking Zone project at an estimated total cost of £3.523m as detailed in the report, to be funded initially by borrowing and on the basis that the funding, plus interest costs, shall be recovered by the income raised from the project in the initial years;
- (ii) Agree the carry forward of the remaining capital allocation of £260,000 from 2018/19 to the 2019/20 Capital Programme and the reprofiling of the current allocation (totalling £860,000) to the current financial year;
- (iii) Agree additional capital funding of £901,600 for 2019/20 and £1,761,600 for 2020/21;
- (iv) Delegate authority to the Director of Law and Governance, in consultation with the Cabinet Member for Enforcement and Community Safety and the Cabinet Member for Regeneration and Social Housing, to amend the Council's Domestic Vehicle Footway Crossover Policy based on the principles set out in section 2.4 of the report, to ensure consistency with the new CPZ arrangements; and
- (v) Agree to rescind the scoring matrix element of the decision-making criteria approved by the Cabinet under Minute 25 (18 September 2018), to be replaced by the arrangements detailed in paragraph 2.5.4 of the report.

### **Reason(s)**

These benefits help to achieve the aspirations outlined within the Council's Parking Strategy to provide a safer, fairer, consistent and a more transparent parking service.

## **1. Introduction and Background**

- 1.1 By Minute 19(x) (17 July 2018), the Cabinet approved arrangements for a three-year, phased review of CPZs across the Borough, aimed at improving safety,

congestion and air quality as well as providing a safer, fairer, consistent and a more transparent parking service in line with the Council's Parking Strategy.

1.2 Phases 1 and 2 of the CPZ project focus on:

- i) The proposed expansion of existing CPZ schemes, primarily located around the borough's train stations, into 16 new areas (A – P); and
- ii) The introduction of 20 new school specific zones located around 51 of the borough's schools.

1.3 The proposed phasing of the project is at Appendix 1 and a map showing the proposed new CPZ areas is at Appendix 5.

1.4 A further report to Cabinet on 18 September 2018 (Minute 25) set out the process for consulting on and implementing CPZ's, including a scoring criteria to guide the decision-making process following consultation. This decision criteria is based on three key elements;

1. Identified Need – This includes factors such as;
  - a. The need to improve air quality and reduce vehicular pollution which in turn improves the health of the borough residents and visitors.
  - b. Road Safety – Inconsiderate parking can lead to dangerous traffic situation and conflict with pedestrians, particularly around schools and other community hubs where vulnerable children and adults are regularly attending.
  - c. Congestion and emergency services related access issues. The London Fire brigade are particularly vocal about roads where access is difficult.
2. Ward councillor feedback.
3. Resident feedback.

1.5 The process of implementing CPZ comprises of the following stages: design, ward councillor consultation, public consultation, decision-making and onsite installation.

1.6 At the meeting on 13 October 2015 (Minute 56), the Cabinet approved a Domestic Vehicle Footway Crossover Policy (commonly known as and hereafter referred to as the "Dropped Kerb Policy") which included arrangements for dealing with requests for dropped kerbs within CPZ areas. The specific provisions within that policy are as follows:

*"The Council may refuse crossover requests where the resulting loss of public on-street parking would adversely affect the operation of the CPZ or other parking schemes. All crossover applications within a CPZ or affecting a designated parking bay will therefore be referred to the Group Manager for Parking Services so that the impact can be evaluated and a decision made whether the application can be allowed.*

*In particular, crossovers should not be permitted where they would result in the loss of more than one space in residents' parking bays in a CPZ.*

*Where approved, a crossover that affects a designated on-street parking bay will require changes to the traffic management order (TMO). In the case of domestic applications, the cost of altering the road markings will be met by the applicant. Ideally, the crossover should not be implemented until the TMO process has been completed. However, in view of time taken, the borough's Traffic Manager may*

*agree to the crossover being constructed and the road markings changed in advance of the TMO being amended. However, the applicant must be made aware that there could be objections to amending the TMO which, if not resolved, could mean that the crossover would have to be removed and the road markings reinstated. This risk must be explicitly accepted by the applicant so that there is no risk that the Council is liable for compensation.*

*To reduce costs associated with amending a TMO, the Council will wait until a number of applications are received before applying for amendment. In the case of applications for crossovers to commercial premises, or where access arrangements are changed as part of a redevelopment, the full cost of amending both the TMO and road markings will be charged to the applicant(s)."*

## **2. Proposal and Issues**

### **2.1 Phase 1 (Expansion) - Design, Consult and Installation of expansion phase (areas A – P) of the CPZ project**

- 2.1.1 Following the Cabinet approvals in July and September 2018 referred to above, officers commenced Phase 1A which focused on expanding two existing zones into four new areas (zones A – D). This forms part of the HW zone and BEC Zones located near to Heathway and Becontree train station areas within Alibon, Eastbury, Goresbrook, Parsloes, River and Thames wards. Ward councillor consultation commenced on 3 October 2018 and closed on 19 October. Public consultation with affected residents and businesses commenced on 22 October and closed on 23 November.
- 2.1.2 Upon completion of consultation, the agreed CPZ criteria was applied and an outcome report for each area A – D was presented to the Director of Law and Governance and the Cabinet Member for Enforcement and Community Safety. The report detailed the identified needs of the area, ward councillor and resident feedback and the decision was taken to proceed. Prior to the commencement of works, the relevant ward councillors were invited to attend two outcome meetings held during February 2019 where the case for progressing the schemes was explained.
- 2.1.3 The onsite installation works for areas A – D commenced on 1 April 2019 and the new CPZs are due to go live on 1 July 2019.
- 2.1.4 Following a detailed assessment of the works and costs associated with implementing areas A – D, officers have been able to accurately forecast the necessary capital funding required to fully implement Phase 1 of the project. The projected capital costs associated with the design, consultation, making of Traffic Management Order (TMO's) and onsite installation works are shown below.
- a) Design – This will be carried out by the existing in-house resource with no additional capital cost and comprises site visits to determine the design of the scheme, such as the location of parking bays, restrictions and signage. This will then be made into a formal design plan ready for consultation. **Capital funding requirement - £0k.**
  - b) Consultation – This includes writing to all affected residents, business owners and establishment within the zone, notifying them of the proposal and making

them aware of the Traffic Management Order (statutory objection) process. This stage of the process also includes resolving objections, collating consultation responses and reporting on consultation outcomes, to fully inform the decision-making process. **Capital funding requirement - £34k.**

- c) Traffic Management Order (TMO's) – These are documents which provide the legal backing for the enforcement of the parking scheme under the relevant legislation. The Council is required by law to provide a 21 period for anyone to provide objection or comment regarding the scheme proposal. The majority of costs will be incurred in engaging external expertise to draft legal documentation including Notice of Intent, Notice of Marking and the TMO itself. The Council is also legally required to advertise the scheme within the London Gazette and a local newspaper (the Barking & Dagenham Post) so advertising costs also form part of this process. **Capital funding requirement - £120k.**
- d) Installation of scheme on site – Once the decision has been made to introduce the scheme and the TMO process fully completed, the Council's appointed contractor, Marlborough Surfacing Ltd, is engaged to physically install the scheme on site as per the design requirements. This process includes the installation of road markings and the erection of posts and signs. **Capital funding requirement - £1.6m.**

2.1.5 The combined costs of Phase 1 are shown in the table below and a contingency of 20% has been added to the total capital requirement to mitigate against any unforeseen costs.

#### Phase 1 (Expansion)

Stage	Projected Cost (£'000s)
Design	0
Consultation	34
Traffic Management Order	120
Installation	1,600
<b>Estimated total cost for (phase 1) A – P</b>	<b>1,754</b>
<b>Including Contingency @ 20%</b>	<b>2,104</b>

#### 2.2 Phase 2 (Schools) - Design, Consult and Installation of school's phase (areas S1 – S20) of the CPZ Project

2.2.1 This phase of the project concentrates on the introduction of CPZs around schools. As with Phase 1 above, an assessment of design, consultation, TMO's and onsite installation works has been carried out and the costings are shown in the table at paragraph 2.2.3.

2.2.2 There is a need for additional staffing resources to support this phase of the project in particular and to reduce the need for additional consultancy support (it is also envisaged that the additional resource would provide support for other initiatives within the Parking Service). It is proposed, therefore, to engage the services of a Parking Engineer and an additional Consultation and Engagement Officer on two-year fixed term contracts. The total cost of these appointments over the two-year period (inclusive of on-costs) is estimated at £240,000, although it should be noted

that these fixed-term appointments are predicted to avoid circa £105k of otherwise necessary consultancy support.

- 2.2.3 The costs associated with Phase 2 are shown in the table below and again a contingency of 20% has been added to the total capital requirement.

#### Phase 2 (Schools)

Stage	Projected Cost (£'000s)
Design	Nil
Consultation	32
Traffic Management Order	110
Installation	800
Additional Staffing Resource	240
<b>Estimated total cost for (phase 2) Schools S1 – S20</b>	<b>1,182</b>
<b>Including Contingency @ 20%</b>	<b>1,418</b>

### 2.3 Capital Budget Requirement

- 2.3.1 The combined costs of Phases 1 and 2 (including contingency) is £3.523m.

- 2.3.2 Provision for CPZ schemes currently exists within the Capital Programme as follows:

Year	Budget (£'000s)
2018/19 (unspent)	260
2019/20	300
2020/21	300
<b>Total budget available</b>	<b>860</b>

- 2.3.3 It is proposed that these sums are merged into the 2019/20 Capital Programme to fund the works already underway at areas A – D and to progress other schemes that are due to start in the current financial year.

- 2.3.3 However, to meet the full, combined cost of Phases 1 and 2 and based on the timetable at Appendix 1, an additional allocation of £901,600 is required for 2019/20 and a further £1,761,600 for 2020/21. A detailed breakdown of the capital costs is set out at Appendix 2.

- 2.3.4 In support of this request, attached at Appendix 3 is an assessment of the cashflow payback while Appendix 4 gives a cashflow forecast. It is predicted that it will take a period of 4-5 years to recoup the capital investment, although this is based on a number of rather prudent assumptions and, when other factors are taken into account such as potential income from Penalty Charge Notices (PCNs) in the new CPZ areas, it is possible that the capital investment will be recouped earlier than projected.

- 2.3.5 Once the capital outlay has been recouped, any surplus income achieved through this scheme will be reinvested into Parking Services to ensure efficient enforcement and compliance across the Borough.

## **2.4 Impact on Dropped Kerb Policy**

- 2.4.1 As referred to in paragraph 1.6 above, the Council's Dropped Kerb Policy includes specific provisions relating to CPZ areas.
- 2.4.2 While most of those provisions will continue to apply, it is important that this policy is reviewed to ensure that the expansion of CPZ areas across the Borough remains fair and transparent. For example, the current 'normal' charge of a dropped kerb for residents in an area not covered by a CPZ is approx. £1,600 (circa. £500 for application and administration fees and circa £1,100 for installation costs). However, once a Traffic Management Order is in place the fee payable for a dropped kerb could potentially double due to the added costs associated with the Council having to consult on and implement a revised TMO (including publishing the relevant notices in local newspapers).
- 2.4.3 It is intended, therefore, that as part of the CPZ consultation arrangements the information sent to residents shall clearly state that an additional charge (above the normal fees) would be payable for applications for a dropped kerb received after a TMO is in place. Any successful application made prior to the publication of a TMO would be charged at the 'normal' rate.
- 2.4.4 In order for the necessary changes to the Dropped Kerb Policy to be properly worked up and as the next stage of the CPZ roll-out programme is due to commence in June 2019, it is proposed that delegated authority be given to the Director of Law and Governance, in consultation with the Cabinet Member for Enforcement and Community Safety and the Cabinet Member for Regeneration and Social Housing, to agree the necessary amendments to the Dropped Kerb Policy, to ensure consistency with the new CPZ arrangements.

## **2.5 Amendment to CPZ Decision-Making Process**

- 2.5.1 The arrangements agreed under the "Controlled Parking Zone (CPZ) – Consultation and Decision-Making Process" report to Cabinet on 18 September 2018 included the application of a scoring matrix in the determination of whether or not a scheme had sufficient support / merit to progress. The scoring matrix considers three factors: identified need, level of resident support and ward councillor support. Depending on how each factor is met a score of -1, 0, +1 or +2 is applied. Where a proposal is high scoring (+4 to +6) the scheme would be implemented. If a low score is achieved (-4 to 0) the scheme would not be introduced. In the scenario where a score of +1 to +3 is achieved, the final decision would rest with the Director of Governance and Law in consultation with the Cabinet Member.
- 2.5.2 Following the initial round of consultation on areas A – D and having listened to stakeholder feedback, it is felt appropriate to review the criteria and streamline the decision-making process.
- 2.5.3 It is now recommended that the scoring element of the criteria will no longer be applied although the key factors (identified need, resident support and ward councillor support) will continue to be an essential part of the decision-making criteria. As well as those factors, it is recognised that there may be occasions that concerns related to parking restrictions are so severe that the case for implementing a scheme can be justified irrespective of the outcome of the

consultation. Such a situation would be, for example, where there are serious safety concerns or congestion is so severe that it is endangering the lives of pedestrians or other road users. This is especially relevant when concerns are raised by the emergency services.

2.5.4 It is proposed, therefore, that the primary decision-making responsibility rest with the relevant Service Director (currently the Operational Director, Enforcement and Community Safety). For those instances where the recommendation is based on other factors such as serious safety concerns, severe congestion and/or the concerns of the emergency services, the matter will be referred to the Director of Law and Governance for a second-tier review and final determination, in consultation with the relevant Cabinet Member.

### **3. Options Appraisal**

3.1 Consideration has been given to use an external consultant rather than an additional in-house resource, but it's been identified the Council will 105K when using additional in-house resource. Also, further benefits can be gained from additional in-house resource such as assistance with other parking schemes, enquiry management and footway parking policy.

### **4. Consultation**

4.1 Consultation has been undertaken for the initial 4 CPZ areas (A – D) which are currently being installed onsite. This included consultation with affected ward members, portfolio lead and the general public i.e. residents, business owners, emergency services and other establishments. This process will continue to be followed for the remainder of this project.

4.2 The proposals in this report were considered and endorsed by the following boards/groups;

- Leadership Action Group at its meeting on Tuesday 9 April
- Capital Asset Board at its meeting on Wednesday 10 April
- Corporate Strategy Group at its meeting on Thursday 18 April
- Corporate Performance Group at its meeting on Thursday 25 April

### **5. Financial Implications**

Implications completed by: Katherine Heffernan, Group Manager, Service Finance

5.1 This report is seeking recommendation for an additional funding requirement of £2.663m to rollout the Controlled Parking Zone (CPZ) programme. The programme will cost approximately £3.523m over the period 2019/20 to 2020/21. A value for money options appraisal exercise was carried out and by using an additional resource and an inhouse support member of staff, this will result in a saving of £106k as illustrated in Appendix 2. Currently, there is a residual balance on the approved capital programme of £860k which will go towards funding this programme.

5.2 The estimated income streams from residents parking permits assumes a prudent take up rate of 50% in Year 1 rising to 90% by Year 7. The income profile takes into



account the number of properties on the roads within the zones (A-P) at an average permit price of £45 per permit per annum. Appendix 4 shows the income streams profiled for the years 1-7.

- 5.3 The cashflow forecast for the years incorporate income from residents permits, visitors permits, school permits and pay by phone against the initial outlay of £3.523m. After applying a present value factor of 3% to reflect the cost of borrowing, the discounted cashflows show a positive net position after year 4. This means the programme is projected to pay back the initial capital outlay between years 4-5.

## **6. Legal Implications**

Implications completed by: Dr Paul Feild, Senior Lawyer

- 6.1 The power to create Controlled Parking Zones is set out in section 45 of the Road Traffic Regulation Act 1984 (RTRA). The revenue generated by charges for on-street and off-street parking is subject to the requirement that it be placed within a ring-fenced account, operating in accordance with section 55 of the Road Traffic Regulation Act 1984.
- 6.2 The power to charge and the purposes for which the money may be used has been tested in the courts. They have determined that the power is not to be used as a source of generating revenue, instead the charging regime ought to seek to be self-financing including covering earlier deficits and when a surplus is generated the purpose to which it may be allocated is set out in statute. That does not mean that finances should be on a knife-edge as it is quite lawful to be prudent and to budget for a surplus to allow for unforeseen expenses, shortfalls in other years, and payment of capital charges/debts.
- 6.3 With these considerations in mind any new strategy and charging regime will inevitably take time to settle down. As a result, following a periodic review there need to be additional fine-tuning as the financial picture emerges to ensure both viability and compliance with statutory obligations.

## **7. Other Implications**

### **7.1 Risk Implications**

#### **Risk associated with not continuing with the programme and not achieving required capital**

- 7.1.1 With the introduction of the expansion areas A – D, if we don't consider restricting further areas residents and other permit users will experience displacement parking whereby those motorists who choose not to purchase a permit will park outside of the zone impacting upon resident ability to park near their homes. In addition to this any parking stress that was currently being experienced will not be addressed and will increase.
- 7.1.2 The expansion of the Ultra Low Emissions Zone across inner London and up to our neighbouring London Borough of Newham will potentially have a sizeable impact on parking pressure, traffic congestion, air quality and road safety within the borough.

Without restricting parking local residents will find it increasingly difficult to park within their local areas

- 7.1.3 We will not achieve one of the key ambitions of the parking strategy which is to provide consistent and fair parking within the borough as some areas will be controlled and some will not.

#### **Potential risk associated with income and project timetable**

- 7.1.4 The commencement of consultation for phase 2 (S1 - S20), with S1-S5 currently scheduled for June, is based on the appointment of additional in-house resource including a Parking Engineer and Consultation Officer. Delays in appointing this additional resource directly impacts on the delivery of this phase and estimated income periods. In order to meet these timescales, the additional officers should be appointed by Summer 2019.

#### **Scheme installation costs**

- 7.1.5 Implementation costs for all phases are estimated based on an original quote obtained from the Council's approved term contractor for planned highway maintenance and improvement schemes Marlborough Surfacing Ltd for areas A - D (400K), based on geographical size of the proposed areas. However accurate estimates cannot be determined for each area until detailed designs are carried out to identify the number/type of signs, meterage of restrictions and number of posts required. Its expected variation will apply and it's worth noting onsite scheme installation represents around 70% of the associated cost of this project.

#### **Consultation and Implementation of Decision-Making Process**

- 7.1.6 The consultation process is estimated at 3 to 4 months for each of the main stages. However, depending on the level of objection raised throughout this statutory process we can experience delays extending the estimated timescales by several months as we are required to resolve all objection before proceeding to installation of the scheme onsite.
- 7.1.7 The changes to the decision-making criteria and streamlining of the process, as described in paragraphs 2.5.3 and 2.5.4, will help to reduce the risk of essential schemes not progressing beyond consultation stage. Some schemes may experience delays during the decision-making process meaning permit income may not be realised or may be delayed. Should a scheme progress to installation there are also issues potential delays associated with this stage of the process, most notably weather issues i.e. heavy rain/snow – Winter installs are particularly prone to inclement weather delaying or even preventing installation of road marking onsite.

#### **Caveats associated with permit income and assumptions**

- 7.1.8 There are factors which may affect permit uptake including but not limited to:
- Level of car ownership or multiple ownership within the zoned area
  - Type of car ownership (permit prices based on Co2 emissions)
  - Number of dropped kerbs within the area and access to "off street" parking

- Motorist behaviour changes such as parking displacement, shift to electric vehicles (permits currently free for first two vehicles)
- Change in Councils parking fees and charges

7.2 **Contractual Issues** - The OJEU threshold for services is likely to be exceeded with the additional spend associated with this project and, therefore, a framework or tender process is needed for this spend to be legally compliant. The Council has already commissioned Marlborough as its term contractor for this type of work so no further procurement activity is needed if they are used for this project.

7.3 **Staffing Issues** – The report proposes the employment of two additional officers on a fixed term basis.

7.4 **Safeguarding Adults and Children** - The introduction of CPZ will help to safeguard children attending school through the reduction of vehicular traffic via:

- Improved road safety with a reduction in motorist and pedestrian conflict. I.e. less vehicles travelling along the road or looking to park in a congested street reduces the risk of child collision outside school and on the way to school
- Improved air quality due to reduction in Co2 emissions from vehicles
- Improved health benefits as children and parents are encouraged to consider healthier and more sustainable transport options including walking and cycling.

7.5 **Health Issues** -The introduction of CPZ's will help reduce the amount of vehicles travelling within our borough looking to park, which in turn will reduce pollution caused by exhaust fumes and improve road safety and congestion by formalising where it is safe and considerate to park, as well as potentially reducing the number of road traffic related accidents due to reduction in conflict between motorists and pedestrians. This is particularly prominent within school locations and this CPZ programme directly and positively impacts upon 46 schools. Underpinning the health issues raised is the introduction of the Ultra Low Emission Zone (ULEZ) being introduced by Transport for London. In 2021 the ULEZ will be expanded to inner London in 2021 which will mean vehicles that do not meet the minimum required emission standards will have to pay a charge to enter Newham and other ULEZ areas. This could mean that some drivers will try to park their vehicles in the borough to avoid paying the charges associated with entering the zone, causing additional parking stress for our local residents. It will increase traffic congestion and harm air quality and safety. The introduction of this CPZ programme will protect residents, businesses and other key stakeholders in the borough such as schools, health centres, parks and green spaces etc... by restricting these drivers from trying to avoid the ULEZ charge and parking in the borough.

7.6 **Crime and Disorder Issues** - Helps to reduce conflict between motorists and pedestrians as parking is formalised and identifies where it is safe and considerate to park.

**Public Background Papers Used in the Preparation of the Report:** None

**List of appendices:**

Appendix 1 – CPZ programme timetable

Appendix 2 – CPZ Capital Cost

Appendix 3 – Cash Inflows  
Appendix 4 – Cashflow Forecast  
Appendix 5 – Borough CPZ Overview Plan