

CORPORATE SERVICES DEPARTMENT
Director – Caroline Holland



**Democracy Services
London Borough of Merton
Merton Civic Centre
London Road
Morden SM4 5DX**

**Direct Line: 0208 545 3357
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Date: 24 March 2017

Dear Councillor

**Notification of a Decision taken by the Cabinet Member for
Regeneration, Environment and Housing**

The attached non-key decision has been taken by the Cabinet Member for
Regeneration, Environment and Housing, with regards to:

- **Floating Car Club Permit**

and will be implemented at **noon on Wednesday 29 March** unless a call-in
request is received.

The [call-in](#) form is attached for your use if needed and refers to the relevant
sections of the constitution.

Yours sincerely

**Amy Dumitrescu
Democracy Services**

NON-KEY DECISION TAKEN BY A CABINET MEMBER

See over for instructions on how to use this form – all parts of this form must be completed. Type all information in the boxes. The boxes will expand to accommodate extra lines where needed.

1. Title of report and reason for exemption (if any)

Floating Car Club Permit – Statutory Consultation Report

2. Decision maker

Councillor Martin Whelton, the Cabinet Member for Regeneration Environment & Housing

3. Date of Decision

23 March 2017

4. Date report made available to decision maker

15th March 2017

5. Date report made available to the Chairs of the Overview and Scrutiny Commission and of any relevant scrutiny panel

N/A

6. Decision

I give approval to proceed with the modifications to CPZ Traffic Management Order Articles and definitions and making of a new Floating Car Club Permit

7. Reason for decision

Support shown during the consultation for the introduction of a floating car club,

Freeing up parking spaces as member use the car club instead of purchasing a car.

Improved air quality due to less cars on the road, which in turn leads to less CO2/NO2/PM emissions.

The use potential use of electric vehicles will lead to cleaner vehicles on the road and more sustainable forms of transport

8. Alternative options considered and why rejected

8.1 Do Nothing Option - Without the flexibility to optimise parking availability to the car club operators offered by this new permit the floating car club business model would be prove unworkable.

9. Documents relied on in addition to officer report

Report to Sustainable Communities Scrutiny Panel dated 12th January 2017

10. Declarations of Interest

None

11. Publication of this decision and call in provision

Send this form and the officer report* to democratic.services@merton.gov.uk for publication. Publication will take place within two days. The call-in deadline will be at Noon on the third working day following publication.



CLlr Martin Whelton

Cabinet member for regeneration, environment and housing

23 March 2017

Cabinet Member Report

Date: 15th March 2017

Agenda item: N/A

Wards: Borough wide

Subject: **Floating Car Club Permit** – statutory consultation

Lead officer: Chris Lee, Director of Environment & Regeneration

Lead member: Councillor Martin Whelton, Cabinet Member for Regeneration, Environment and Housing

Forward Plan reference number: N/A

Contact Officer: Chris Chowns

Email: chris.chowns@merton.gov.uk

Recommendations:

That the Cabinet Member considers the issues detailed in this report and

- A. Notes the results of the statutory consultation carried out between 26th January and 10th March 2017 on the proposals to introduce a new electronic floating car club permit at an annual charge of £1260 permitting eligible vehicles to park in resident, permit holder and shared use bays across the borough's CPZs.
- B. Notes and considers the representation received along with officer's comments in respect of the proposals as detailed in section 3 of this report.
- C. Agrees to proceed with modifying the articles within the borough's Controlled Parking Zone Consolidation Orders to facilitate proposal set out in section 2.
- D. Agrees to exercise his discretion not to hold a public inquiry on the consultation.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report details the results of the statutory consultation carried out between 26th January 2017 and 10th March 2017 on the Councils' proposal to introduce a new electronic floating car club permit at an annual charge of £1260 permitting eligible vehicles to parking in resident, permit holder and shared use bays across the borough
- 1.2 It seeks approval to proceed with the modifications of articles contained within the consolidated Controlled parking zone Traffic Management Orders (TMO) for the proposed measures.
- 1.3 The new permit will facilitate the rollout of floating car clubs by DriveNow and Zip Car across the borough in partnership within Wandsworth and Lambeth councils, subject to both companies signing a separate non-exclusive legal agreement.
- 1.4 The legal agreement is commercially sensitive and as such has been omitted from this report, but will be supplied directly to the Cabinet Member for approval.

2 DETAILS

- 2.1 On 8th August 2016 the Cabinet Member for Regeneration, Environment and Housing approved the statutory consultation of a borough wide car club permit for floating car clubs. Prior to formally undertaking this consultation a report was also presented to the Sustainable Communities Scrutiny Panel for comment (report attached as appendix 1).
- 2.2 A floating car club allows qualifying car club vehicles to park within Resident, Permit holder and Shared use parking bays across the borough, except where specifically excluded. Car club members can use an on-line app to find a car, drive it and then drop it off at another location within the business area comprising Merton, Wandsworth and Lambeth councils.
- 2.3 The car club back office management systems can allow the borough to request the exclusion of specific areas preventing users from parking at certain locations such as in very high demand shared P & D bays or private parking spaces where confusion might occur. However, these banned streets need to be kept to a minimum to avoid compromising the viability of the wider scheme and customer understanding.
- 2.4 It is not in the operator's interest to allow car club vehicles to congregate in a particular street for any significant period. Should this occur then incentives, such as lower rental tariffs can be applied to encourage users to move the vehicles or if necessary the operator will relocate their vehicles themselves. Based on operational experience of a parallel scheme in Hackney, which has been operating for over 2 years, no significant issues have materialised. Nevertheless, to help ease concerns, the council is looking to agree an informal process with operators to help manage issues should they arise in a consistent manner.
- 2.5 The accompanying legal agreement will run for a period of 3 years and describes how the scheme would operate including annual fees, obligations and overall monitoring regime and formula to compensate the borough for operational variations in car numbers (this is considered commercially sensitive and will be sent separately to the Cabinet Member).
- 2.6 Prior to formally undertaking this consultation a report was also presented to the Sustainable Communities Scrutiny Panel of 12th January 2017 (see background information for details). These concerns have been addressed within the consultation section of this report.
- 2.6 Car club Membership across London has now surpassed 186,000 members. Recent annual car club surveys undertaken by Carplus in late 2016/early 2017, including the existing DriveNow floating car club in Hackney and adjoining borough has not highlighted any specific operational issues. Whilst full details are not yet published some early themes are available. These are set out below:-

Key headlines from 2016/17 Car Club Survey:-

- Total vehicles removed from the road in the past year - 27,091
- Vehicles removed from the road for each car club car – 10.5
- Vehicles purchases deferred as a result of car club membership – 66,644
- Typical tailpipe CO2 emissions of car club fleet – 29% lower than UK car average.
- Proportion of the car club fleet that is electric – 4%
- Car club members also use the private car 19% less than London Travel Demand Data and 34% less as a car passenger.

- The DriveNow scheme in northeast London around Hackney comprises 4 boroughs with 310 vehicles and 23,000 customers

3 CONSULTATION

- 3.1. To implement the above, it was necessary to undertake a statutory consultation to amend all the Traffic Management Orders pertaining to Controlled Parking Zones.
- 3.2 This statutory consultation started on 27th January 2017 and concluded on 10th March 2017. Statutory consultee's included the Police, fire brigade, ambulance, freight and road haulage association, Motoring organisations. Advertisements were also placed within the London Gazette and Wimbledon Guardian.
- 3.3 Ward councillors were also sent an email on the 22nd February 2017 advising them of the consultation. They were also provided with a copy of the Sustainable Communities Scrutiny Panel report dated 12th January and DriveNow Policy and FAQ which is attached as appendix 1.
- 3.4 As the consultation area in effect encompassed every road within the borough, subject to a CPZ the Council did not erect yellow notices or send individual residents / businesses any newsletters as this was considered unfeasible in terms of resource and finance.
- 3.5 No comments were received from statutory consultee's and only one councillor commented.
 - 3.5.1 Councillor comment
"I think this would be wholly unacceptable in roads where there are limited resident's only parking spaces and no shared or pay and display bays Tybenham Road in SW19 is a classic example".
- 3.6 Based on the feedback received and comments made at the earlier Sustainable Communities Scrutiny Panel meeting, it is acknowledged that there remains some concerns that in streets where residential parking demand is particularly high or streets without P & D spaces parking pressures could increase as a result of the floating car club.
- 3.7 To help mitigate these concerns, prior to commencement of the new floating car clubs the council will seek to agree with the operators a defined set of processes and actions to manage problems associated with clustering or over demand using various management tools, including, making sure residents are well informed, pricing incentives, physically moving vehicles and as a last resort baring locations. By maximising the locations where the car club vehicles can park, it is considered that any impact would be diluted across a greater number of streets and increase convenience and hence attractiveness to scheme members, many of whom would be local residents.
- 3.8 Across the borough floating car club members would have access to over 15,000 parking spaces. Based on an average of 140 vehicles this represent around 1% of spaces, which could be offset by residents giving up private vehicles.

4. RECOMMENDATION

- 4.1 It is recommended that the Cabinet Member notes the representation received along with officer's comments as set out above and agrees to the making of the relevant Traffic Management Orders (TMO) to facilitate the proposed electronic floating car club permit at an annual charge of £1260.

5. TIMETABLE

- 5.1 The TMOs will be made and the permit introduced as soon the decision is made by the Cabinet Member and after the Call-In process.

6. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1 It is expected that around 140 floating car club permits will be issued, shared jointly between DriveNow and Zip Car. Both car clubs anticipate launching in June 2017 subject to signing a non- exclusive legal agreement setting out qualifying conditions for the new permit.
- 6.2 Based on a permit charge of £1260 per annum the permit cost, pro-rata income for the financial year 2017/18 could amount to £117,600. However, this could be off-set in part by lost resident permit, Pay & Display income and increase administration demands, which is currently difficult to predict with any accuracy.
- 6.3 Revenue generated from parking must be spent on transport related schemes. These include but are not limited to traffic management, highway improvements and Concessionary Fares scheme.
- 6.4 The council is currently drafting a new air quality action plan, which will set out measures the council is promoting to tackle poor air quality, this includes promoting alternatives to private car ownership, such as car clubs, walking, cycling and public transport.
- 6.3 Many of these objectives will be indirectly supported by the floating car club parking permit in particular by providing a cleaner alternatives to owning private cars. Car clubs members drive fewer miles and use public transport more frequently.

7. LEGAL AND STATUTORY IMPLICATIONS

- 7.1 The Traffic Management Orders would be made under Section 6 and Section 45 of the Road Traffic Regulation Act 1984 (as amended). The Council is required by the Local Authorities Traffic Order (Procedure) (England and Wales) Regulations 1996 to give notice of its intention to make a Traffic Order (by publishing a draft traffic order). These regulations also require the Council to consider any representations received as a result of publishing the draft order.
- 7.2 The Council has discretion as to whether or not to hold a public inquiry before deciding whether or not to make a traffic management order or to modify the published draft order. A public inquiry should be held where it would provide further information, which would assist the Council in reaching a decision.
- 7.3 The Council's powers to make Traffic Management Orders arise mainly under sections 6, 45, 46, 122 and 124 and schedules 1 and 9 of the RTRA 1984.

8. HUMAN RIGHTS, EQUALITIES & COMMUNITY COHESION IMPLICATIONS

- 8.1 Bodies representing motorists, including commuters are included in the statutory consultation required for draft traffic management and similar orders published in the local paper and London Gazette.
- 8.2 Car Clubs can provide less affluent members of society access to a car for those journeys not readily made by public transport, walking and cycling.

8.3 Car clubs provide all with an alternative mode of transport.

9. CRIME AND DISORDER IMPLICATIONS

9.1 N/A

10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1 Motor traffic is a major contributory factor to poor air quality in London. In outer London, where accessibility by public transport is generally lower, access to a car will continue to be important. Recent research undertaken by Carplus shows that typical tailpipe CO2 emissions from car clubs are 29% lower than the UK average car. Car Clubs do not use diesel vehicles in their fleet and retain ambitions to increase the proportion of electric vehicles across their fleet (4% in 2015/16).

10.2 Developing car clubs can contribute to meeting the council's air quality targets by reducing the need to own a private car ownership. Emerging headline data from the 2016/2017 carplus surveys show that car club members travel less mileage by private cars, 1/5th of members reduced the number of household vehicles before joining a car club and a further 8% gave up a vehicle in the first year of membership.

APPENDICES –

Appendix 1 – copy of the Sustainable Communities Scrutiny Panel report dated 12th January and DriveNow Policy and FAQ

BACKGROUND PAPERS

Merton Council - call-in request form

1. Decision to be called in: (required)

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2. Which of the principles of decision making in Article 13 of the constitution has not been applied? (required)

Required by part 4E Section 16(c)(a)(ii) of the constitution - tick all that apply:

(a) proportionality (i.e. the action must be proportionate to the desired outcome);	
(b) due consultation and the taking of professional advice from officers;	
(c) respect for human rights and equalities;	
(d) a presumption in favour of openness;	
(e) clarity of aims and desired outcomes;	
(f) consideration and evaluation of alternatives;	
(g) irrelevant matters must be ignored.	

3. Desired outcome

Part 4E Section 16(f) of the constitution- select one:

(a) The Panel/Commission to refer the decision back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns.	
(b) To refer the matter to full Council where the Commission/Panel determines that the decision is contrary to the Policy and/or Budget Framework	
(c) The Panel/Commission to decide not to refer the matter back to the decision making person or body *	
* If you select (c) please explain the purpose of calling in the decision.	

4. Evidence which demonstrates the alleged breach(es) indicated in 2 above (required)

Required by part 4E Section 16(c)(a)(ii) of the constitution:

5. Documents requested

6. Witnesses requested

7. Signed (not required if sent by email):

8. Notes

Call-ins must be supported by at least three members of the Council (Part 4E Section 16(c)(a)(i))

The call in form and supporting requests must be received by by 12 Noon on the third working day following the publication of the decision (Part 4E Section 16(c)(a)(iii)).

The form and/or supporting requests must be sent **EITHER** by email from a Councillor's email account (no signature required) to democratic.services@merton.gov.uk **OR** as a signed paper copy (Part 4E Section 16(c)(a)(iv)) to Democracy Services 7th floor, Civic Centre, London Road, Morden SM4 5DX.

For further information or advice contact Democracy Services on 020 8545 3616