

**Report for:
ACTION**

Item Number: 9

Contains Confidential or Exempt Information	NO
Title	Introduction of Floating Car Club Service
Responsible Officers	Lucy Taylor, Director, Regeneration and Planning
Author	Russell Roberts, Principal Transport Planner
Portfolios	Cllr Julian Bell, Leader of the Council and Cabinet Member for Regeneration & Transport and Cllr Mik Sabiers, Cabinet Member for Environment & Highways
For Consideration By	Cabinet
Date to be Considered	15 October 2019
Implementation Date if Not Called In	28 October 2019
Affected Wards	All
Keywords/Index	Air Quality, Car Clubs, Electric Vehicles, Healthy Streets, Local Implementation Plan (LIP), Liveable Neighbourhoods, Mobility as a Service, Parking, Public Realm/Placemaking, Sustainable Transport, School Travel, Transport Strategy, Traffic

Purpose of Report:

This report gives details and seeks delegated authority for the proposal to introduce a floating car club service. Subject to the statutory Traffic Management Order amendment process, the new permit would be created to allow floating car club vehicles to park in resident, dual use and Park by Phone parking bays in specified locations in the Borough. Floating car club operators will be able to purchase permits from the Council through a non-exclusive operator legal agreement.

This would enable residents and business to hire vehicles for each trip, which can be collected from and returned to on-street parking bays across the Borough and/or participating boroughs across London.

1. Recommendations

It is recommended that Cabinet

- 1.1 Delegates authority to the Director, Regeneration and Planning, following consultation with the Portfolio Holders for Regeneration & Transport, Environment & Highways and the Director of Environment to:
 - Establish a floating car club permit scheme and including an accompanying non-exclusive operator legal agreement.
 - Make of a Traffic Management Order to facilitate the floating car club permit be established subject to consideration of the outcome of the statutory consultation.

2. Reason for Decision and Options Considered

- 2.1 Car clubs offer automated short-term car hire from periods of a few minutes to several hours upwards. Car clubs allow people and businesses to have access to a vehicle without being tied to ownership. By offering lower or zero carbon, flexible use vehicles paid for at point of use, car clubs provide an alternative to car ownership and are part of the sustainable transport offer
- 2.2 In the traditional 'back to base' car club model, users book the car, drive it and then return it to the same dedicated location, either a marked on-street parking bay or parking in a private development. This provides access to vehicles 24 hours a day through a membership subscription and users are provided with a smartcard to open and lock the vehicle.
- 2.3 Vehicles, billing and customer support are provided by commercial operators who buy a business parking permit from the Council for £800 annually each vehicle on-street. Users open an account with the operator and are billed on a time-charge basis.
- 2.4 Currently there are around 80 'back to base' car club vehicles available within LB Ealing and this model has been operating for over a decade. However, most of these vehicles are provided in Acton and Ealing, with provision in Greenford, Southall and Northolt lagging behind as operators report that 'back to base' model is harder to operate in areas where car ownership is relatively high.
- 2.5 This proposal to offer 'floating car club' vehicles that do not need to be returned to base but can use permitted parking bays anywhere in the borough will provide additional flexibility for users right across the Borough. This flexibility is both in terms of collection from home or workplace and destinations.
- 2.6 People register with the provider as members, set up an account with them and are billed for the time they hire the vehicles for. The hire charges include vehicle running costs such as fuel, insurance, breakdown cover and maintenance.

- 2.7 Floating car club operators will be required to purchase specific permits to be able park their car club vehicles in resident, dual use and Park by Phone parking bays in specified areas across the Borough. Designated locations which may be of concern can be excluded to prevent the vehicles from parking, for instance, short stay parking or close to stations where commuter or visitor parking is undesirable.

3. Key Implications and Background

- 3.1 TfL's Mayor's Transport Strategy (MTS) includes policies such as seeking to increase active travel (walking and cycling) and public transport promoting 'Healthy Streets', working to eliminate all killed and seriously injured road casualties by 2041 'Vision Zero', reduce car dependency and cut emissions of pollutants from transport.
- 3.2 The Ealing Local Implementation Plan (LIP) 2019-22 and Transport Strategy identify how Ealing Council will work towards achieving the three MTS goals of:
1. Healthy Streets and healthy people
 2. A good public transport experience
 3. New homes and jobs
- 3.3 The draft Ealing Parking Plan contains more detailed policies to implement these strategic goals. The relevant initiatives to this proposal are:
- To introduce a "floating" car club, which would allow car clubs to park in residential and shared use parking bays instead of just having a dedicated car club bay
 - Implementation of an Electric Vehicle Charging Point network
- 3.4 In order to introduce the service, it will be necessary to amend the Controlled Parking Zone (CPZ) Traffic Management Orders (TMO) to include a new floating car club permit type. The Council is required to give notice of its intention to modify the TMO by publishing the draft Order for a period in which representations can be made. The Council must then consider any representations received as a result of publishing the draft order before making a final decision to make the Order. Delegated authority is therefore sought to enable the Director, Regeneration and Planning to consider any representations before making any final decision.
- 3.5 The Council's parking enforcement contractor will issue PCNs to floating car club vehicle users who park illegally and the floating car club operator will indemnify the Council against these costs.

The Proposal

- 3.5 The report seeks to introduce 'floating car club' operations which can be hired from and returned to permitted parking bays including within Controlled Parking Zones (CPZs) across the Borough. This is expected to include the DriveNow

company who operate in boroughs across London, including neighbouring Brent and Hammersmith and Fulham. The other operators currently available in London are Zipcar Flex and Ubeqoo.

- 3.6 The new service will be facilitated by the setting up of a 'floating car club permit' which will allow vehicles to park in CPZs across the Borough (subject to exceptions where parking demand is very high e.g. near stations). This method is used in other boroughs and will be replicated with improvements made as necessary. The operation of this model is similar to the 'back to base' version, but users can check and book vehicles that are parked nearby and leave them in any permitted location when the hire ends (similar to dockless cycle hire schemes). This allows complete user flexibility in terms of pick up and drop off locations and one-way trips. A floating car club would also serve all areas of the borough.
- 3.7 Officers have been in discussions with DriveNow for several months, including processes and practicalities (for example how the number of vehicles allowed in the Borough will be capped at a maximum level). It is proposed to commence with a fee of around £1,300 annually per vehicle, reviewed annually. DriveNow have indicated that they would start with 20 vehicles in LB Ealing initially, with start-up planned in early 2020 and rising up to 60 vehicles.
- 3.8 Initially some 20% of these vehicles would be battery electric vehicles (EVs) and it is expected that this proportion will rise over time. The remaining vehicles would be petrol engined and meet the latest Euro emission standards. No vehicles would be diesel engined.
- 3.9 The responsibility for paid-for parking schemes and for setting and implementing fees and charges (Pay & Display) is already delegated to the Director of Environment under part 8 of the Council Constitution, Section 6.3.

4. Financial

- 4.1 The expected floating car club permit cost is £1,300 per vehicle, although the permit is not assigned to a specific car club vehicle. Instead, the floating car club operator will pay the permit cost for each vehicle it intends to have parked in the Borough. The number of vehicles an operator is allowed to have parked in the Borough at any one time, will be outlined in the operator legal agreement and subject to amendment and review.
- 4.2 The value of the permit cost is determined by multiple dependencies, including the possibility that some existing income might be lost from a reduction in resident permits and Park by phone payments, although this is difficult to quantify at this stage. The service will be monitored and its operation amended should there be a significant, adverse impact on resident and Park by phone parking. The value of the permit cost will also be set in line with the cost of similar permits for floating car clubs at other London boroughs.
- 4.3 The income generated by the sale of permits will fund the set up and operational costs of the service.

- 4.4 The one-off service set up costs are projected to be under £5,000 with minimal operating and enforcement costs to the Council and covered under the existing parking enforcement contract.

5. Legal

- 5.1 The Council has the power to implement transport schemes pursuant to various statutes including the Highways Act 1980, the Town and Country Planning Act 1990, the Road Traffic Regulation Act 1984 and the Local Government Act 1972.
- 5.2 Any changes to parking restrictions will be subject to Traffic Management Order changes and enforced as per Traffic Management Act 2004 and the Local Authorities Traffic Order (Procedure) England and Wales.
- 5.3 The Public Contracts Regulations 2015 (PCR) defines procurement as 'the acquisition by means of a public contract of works, supplies or services by one or more contracting authorities from economic operators chosen by those contracting authorities, whether or not the works, supplies or services are intended for a public purpose'. The issuing of permits to one or more floating car club operators is not a procurement activity as it is not a public contract for service, supplies or works. The Council will rather be exercising its regulatory powers by granting these permits.
- 5.4 The issuing of a permit to floating car club operators to enable their vehicles to park in specified parking places on a road or highway for which the local authority is the traffic authority, the Council is exercising its powers and duties under the Road Traffic Regulation Act 1984 (section 45).
- 5.5 The operator legal agreement will be renewed annually, subject to successful working, and outlines how floating car club schemes can operate in the Borough, including parking requirements, payment, penalties, operator's obligations and liabilities, and monitoring requirements.
- 5.6 A comprehensive Equalities Impact Assessment covering transport projects has been completed as part of the LIP 2019-22.

6. Value For Money

- 6.1 The value of the permit cost is determined by multiple dependencies, including the possibility that some existing income might be lost from a reduction in resident permits and Park by phone payments, although this is difficult to quantify at this stage. The value of the permit cost will also be set in line with the cost of similar permits for floating car clubs at other London boroughs.

7. Sustainability Impact Appraisal

- 7.1 A comprehensive Strategic Environmental Assessment covering transport projects has been completed as part of the LIP 2019-22.
- 7.2 This proposal is in alignment with the Ealing Transport Strategy and TfL's Mayor's Transport Strategy. A significant proportion of vehicles operating in the scheme will be electric plus diesel vehicles will be excluded, which will benefit local air quality. Car club schemes may contribute to lowering carbon emissions in the Borough by reducing the perceived need to own a private vehicle. The vehicles in a car club fleet are typically very new with high fuel efficiencies and the lowest emissions ratings.
- 7.3 Any surplus income generated by the sale of permits will be reinvested in sustainable transport projects implemented by the Council, once the set up and operational costs have been paid.

8. Risk Management

- 8.1 All liability Insurance relating to the vehicles and the service will be the responsibility of the operators of the floating car club(s).

9. Community Safety

- 9.1 There are no significant impacts on community safety from the introduction of floating car clubs.

10. Links to the 3 Key Priorities for the Borough

10.1 Good, genuinely affordable homes

Transport in the Borough will be improved, particularly orbital journeys. This will help local people access services more effectively.

10.2 Opportunities and living incomes

Transport throughout the Borough will be improved, particularly orbital journeys. This will help local businesses and people access markets more effectively. This will also provide people with access to services more effectively including those with disabilities and without access to a car.

10.3 A healthy and great place

Car clubs are part of the sustainable transport offer and can reduce car ownership leading to fewer parked cars in streets, meaning that road space can be reallocated to active travel modes or street furniture or greenspace. Car clubs will use the cleanest or zero emission vehicles.

11. Equalities, Human Rights and Community Cohesion

- 11.1 An Equalities Impact Assessment for the LIP 2019-22 (including impacts of the draft Parking Plan) has been produced

12. Staffing/Workforce and Accommodation implications:

12.1 None

13. Property and Assets

13.1 None directly.

14. Any other implications:

14.1 None

15. Consultation

15.1 To amend the CPZ TMO, the Council is required to give notice of its intention to modify the TMO by publishing the draft order. The Council must also consider any representations received as a result of publishing a draft order. Owing to these statutory requirements, any final decision to introduce a floating car club permit will be dependent on the result of the Council's consideration of any representations received. Authority is sought to delegate the final decision to the Director of Regeneration and Planning.

15.2 Civil Enforcement Officers (CEOs) who are responsible for enforcing parking, traffic and other restrictions and laws under the Council's existing parking enforcement contract. Floating car club vehicles will be branded allowing easy identification. All CEOs will be fully briefed, to ensure that any parking enforcement of 'floating car club vehicles' is done properly and effectively.

16. Timetable for Implementation

16.1 The programmed implementation timetable is outlined below.

Milestone	Date
Cabinet Approval	October 2019
Traffic Management Order drafting, consultation and implementation	November/December 2019
Issue of Floating Car Club Permits	January 2020
Floating Car Club Service Commences	January/February 2020

17. Appendices

17.1 None

18. Background Information

- Ealing Local Implementation Plan 2019-22 (Cabinet Report, 12 February 2019)
- Ealing Transport Strategy (Cabinet Report, 5 June 2018)

- Mayor's Transport Strategy – Mayor of London, 2018
- Developments in Driving, Scrutiny Review Panel – Transport – 27 July 2017
- Independent Review of Car Clubs in the Borough, Scrutiny Review Panel 2 – Transport – 26th February 2014

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Councillor Julian Bell	Leader of the Council and Executive Member for Regeneration and Transport	27/9/19		
Councillor Mik Sabiers	Cabinet Member for Environment and Highways	27/9/19		
Tony Clements/	Executive Director of Regeneration and Planning	26/9/19		
Lucy Taylor	Director of Regeneration and Planning	12/9/19		
Jackie Adams/Chuhr Nijjar	Head of Legal (Property & Regulatory)/ Senior Contracts Lawyer	12/9/19	18/9/19	Throughout
Rohit Ahuja	Finance Business Advisor, Regeneration & Housing	12/9/19	26/9/19	4.1
Karmveer Dulay	Commercial Hub Operations Manager	12/9/19	03/10/19	7.2
Tony Singh	Team Manager – Scheme Design and Implementation	12/9/19		
Gina Cole	Assistant Director Parking Services	12/9/19		
Pritesh Kalyan	Parking Operations Manager	12/9/19	24/9/19	Throughout
Joanne Mortensen	Sustainability Programme Manager	12/9/19	13/9/19	7.1

Report History

Decision type:	Urgency item?
Key decision	No
Report no.:	Report author and contact for queries:
	Russell Roberts, Principal Transport Planner