

# London Councils' TEC Executive Sub Committee

**Thursday 17 November 2021**

**2:00pm – Virtual Meeting**

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Part One: Agenda item	Pages
1 Apologies for Absence & Announcement of Deputies	-
2 Declarations of Interests*	
3 Talk by Shirley Rodrigues, Deputy Mayor for Environment & Energy, GLA	
4 TfL Board Update (Oral update by Councillor Julian Bell)	
5 Electric Vehicle Infrastructure Coordination Update	
6 Transport Funding Sub-Group	
7 Transport & Mobility Performance Information	
8 TEC Draft Revenue Budget & Borough Charges 2022/23	
9 Month 6 Forecast Report 2021/22	
10 Minutes of the TEC Executive Sub Committee Meeting held on 9 September 2021	

<p><b>Part Two: Exclusion of the Press &amp; Public (Exempt)</b></p> <p>TEC will be invited by the Chair to agree to the removal of the press and public since the following items of business are closed to the public pursuant to Part 3 and Schedule 12A of the Local Government Act 1972 (as amended):</p> <p>Paragraph 3 – Information relating to the financial and business affairs of any particular person (including the authority holding that information), it being considered that the public interest in maintaining the exemption outweighs the public interest in disclosing it.</p>	
<p><b>E1 Exempt minutes of the TEC Executive Sub Committee held on 9 September 2021</b></p>	

### Declarations of Interests

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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**Declarations of Interest – TEC Executive Sub Committee**  
**17 November 2021**

Freedom Pass & 60+ Oyster Card

Cllr Peter Zinkin (LB Barnet)

South London Waste Partnership

Cllr Manuel Abellan (LB Sutton)

North London Waste Authority

Cllr Peter Zinkin (LB Barnet)

West London Waste Authority

Cllr Krupa Sheth (LB Brent)

Western Riverside Waste Authority

Cllr Claire Holland (LB Lambeth)

ReLondon (previously the London Waste & Recycling Board)

Cllr Krupa Sheth (LB Brent) & Cllr Claire Holland (LB Lambeth)

Directors of London Energy Ltd

Cllr Peter Zinkin (LB Barnet)

Thames Regional Flood & Coastal Committee

Cllr Peter Zinkin (LB Barnet) and Cllr Johnny Thalassites (RB Kensington & Chelsea)

London Road Safety Council (LRSC)

Cllr Krupa Sheth (LB Brent)

LGA Board Member of Environment, Economy, Housing and Transport Board

Mayor Phil Glanville (LB Hackney)

British Cycling

Mayor Phil Glanville (LB Hackney)

Member of SERA

Mayor Phil Glanville (LB Hackney)

Labour Cycles & CCIC Board

Mayor Phil Glanville (LB Hackney)

# London Councils' TEC Executive Sub Committee

## Electric Vehicle Infrastructure Coordination - Update

Item no: 05

**Report by:** Claudia Corrigan      **Job Title:** Senior Lead – EV Infrastructure Coordination

**Date:** 17 November 2021

**Contact Officer:** Claudia Corrigan      **Email:** [claudia.corrigan@londoncouncils.gov.uk](mailto:claudia.corrigan@londoncouncils.gov.uk)

**Summary:** Since July 2021, TEC and TfL have jointly funded the provision of 1.4 officers at London Councils to coordinate London borough electric vehicle infrastructure delivery. The coordination function was created to facilitate and oversee chargepoint installation at a pan-London level, providing support to London boroughs to maintain the delivery momentum of the Go Ultra Low Cities Scheme (GULCS) and accelerate the transition to zero emission vehicles. This paper provides a progress overview of the coordination activity.

**Recommendations:** The Committee is asked to:

- Note and comment on the report
- Approve the attached draft response to the OZEV zero emissions vehicle consultation

## Introduction/Overview

1. London has been a world leader in the shift to electric vehicles (EVs), with the number of EVs and public chargepoints increasing rapidly. In 2020, one in eight new cars registered in London was electric, compared to one in 16 in 2019. To ensure that this growth is supported with a reliable and appropriate network of chargepoints London has increased its public provision by more than 55 per cent between 2019 and 2021 and there are currently almost 8,200 chargepoints in London. This accounts for more than a third of the UK's total chargepoints, the majority of which has been funded and delivered by the public sector.
2. Whilst provision of public chargepoints in London is significant, there is still much to be done with forecasts indicating that up to 60,000 chargepoints could be needed by 2030 to support the governments proposal to phase out the sale of petrol and diesel cars and vans by 2030. The majority of London boroughs have committed to the delivery of on-street public charge point provision and London Councils officers work closely with boroughs to coordinate planning and delivery of chargepoint infrastructure. An update of recent coordination and delivery activity is provided below.
3. This report is accompanied by a draft response to the Office for Zero Emission Vehicles (OZEV) consultation. A summary of the response is provided in the final section of the report.

## Updates

### GULCS delivery

4. In 2016, London's GULCS was awarded £13m in capital funding from OZEV. The funding was awarded to drive the uptake of low emissions vehicles through a programme managed in partnership between London Councils, Transport for London (TfL) and the GLA. The majority of funding was allocated to 28 London boroughs and TfL to deliver on-street residential charge points, car club charge points, rapid charge points, community charging hubs and Neighbourhoods of the Future programmes. The programme had a target to deliver a total of 2,150 on-street charge points.
5. Borough delivery has far exceeded targets and more than 3,500 on-street residential charge points, 19 car club charge points, 18 charge points in three community charging hub locations and 8 rapid charge points have been funded and delivered. An additional 700 charge points are forecast for delivery by the end of the calendar year. Of the eight neighbourhood of the future programmes, six have completed delivery and the remaining two are due to complete by the end of 2021. The programmes have delivered a range of innovative schemes including electric vehicle loan schemes for local businesses, e-cargo bike schemes for residents, healthy school streets and an emissions-based parking review. Case studies have been drafted for each of the programmes and are in the process of being uploaded to the London Councils website.
6. In addition to the funded delivery that has been supported through GULCS, the procurement framework created to support consistency and efficiency of procurement and delivery has been used to deliver an additional c. 1,500 on-street residential chargepoints.
7. To support boroughs in planning for future chargepoint delivery, a London-wide electric

vehicle data dashboard was created in 2020 in partnership between London Councils, London Office for Technology and Innovation (LOTI) and the GLA. The dashboard now includes data for more than 5,000 public chargepoints. Data is provided by seven charge point operators and London Councils continues to work with other charge point operators to access remaining data for those that are installed in London. Chargepoint usage data over the 12-month period October 2020 – September 2021 shows that the number of charge points included on the dashboard has increased by 45 per cent. In the same period the total number of charging events has increased by 125 per cent and the total kWh charged has increased by 155 per cent, demonstrating the increasing rise in demand for charging. Average charge point utilisation has also been increasing each month and over the same 12-month period the average monthly charging utilisation has doubled from 3.4 per cent to 6.6 per cent for on-street residential charge points.

### Funding

8. Funding continues to be available to support borough delivery of slow/fast public charging infrastructure through the government's On-Street Residential Chargepoint Scheme (ORCS). The funding provides 75 per cent of the capital costs for delivery and is available for boroughs to bid for until March 2022, to deliver chargepoints by March 2023. London Councils officers have worked with operators on the TfL procurement framework to secure 25 per cent match-funding for all boroughs, ensuring a chargepoint delivery for zero capital investment.
9. 16 London boroughs have submitted funding bids to date, requesting a total of nearly £8m, of which c. £2m has been allocated and confirmed. A workshop on the funding was held in October and well attended by borough officers, who were encouraged to submit bids as soon as possible and by the end of this calendar year to provide the best chances of securing the funding they request. London Councils officers and the EST team continue to offer support to all boroughs in preparing their applications.

### TfL's Electric Vehicle Infrastructure Strategy (EVIS) and Electric Vehicle Infrastructure Delivery (EVID)

10. In late October TfL published a draft summary of the London 2030 Electric Vehicle Infrastructure Strategy (EVIS) with a commitment to publication of the full strategy by the end of the calendar year. The summary confirms that the final strategy will provide updated forecasts for EV infrastructure needs with proposals for how the public sector can further support the delivery of EV infrastructure and identification of how much funding/support is required to achieve this.
11. The summary includes updates on chargepoint infrastructure delivery and demand, including a revised forecast that by 2030 London could need 40,000 – 60,000 chargepoints, of which up to 4,000 could be rapid chargepoints. To support future delivery, a number of commitments are made in the document. The commitments are focused on supporting key user groups and those most relevant to boroughs include:
  - From 2022, unlocking GLA group land, and then borough land, to deliver rapid charge points. This will be facilitated through the Electric Vehicle Infrastructure Delivery (EVID) programme led by TfL. London Councils are represented on the

EVID Steering Group and officers are working closely with TfL to identify next steps for borough engagement on this workstream

- Updating London level forecasts every 2-3 years and supporting borough forecasting at a granular level from 2022. Borough officers have been asked to contact TfL to confirm interest in joining a working group to develop this workstream.
- Exploration of green financing opportunities to find the best solutions to support the roll out of infrastructure

12. In early November, London Councils facilitated an EVIS workshop with TfL that was attended by more than 40 borough officers. A comprehensive overview was presented and borough officers had the opportunity to ask questions and engage in discussion groups on how the proposals aligned with local strategies, provide feedback on the proposed role of the public sector for future delivery and discuss forecasting needs to support future delivery. Feedback will be considered as part of the final document review before publication in December.

13. As part of the EVID workstream, London Councils are working with TfL to identify a new pan-London procurement mechanism to continue to support boroughs in procuring chargepoint infrastructure following the success of the previous procurement frameworks. It is proposed that a new and updated mechanism is identified that will support boroughs in the procurement and delivery of infrastructure with consistent standards and provides access to the latest technology and private sector investment. Pan-London chargepoint standards will be developed in partnership with borough officers who have joined a borough officer procurement working group recently set up by TfL and London Councils. 14 boroughs are represented on the working group.

### **Draft response to OZEV's zero emission vehicle consultation**

14. On September 29, OZEV launched a new zero-emission vehicle consultation, one of five on transport regulatory reform launched by the Department for Transport (DfT). In it they asked for views on whether to introduce:

- a statutory obligation to plan for and provide charging infrastructure
- requirements to install charge points in non-residential car parks
- new powers to support the delivery of the Rapid Charging Fund
- requirements to improve the experience for electric vehicle consumers

15. It is proposed that these will ensure that there is a sufficient charging infrastructure and appropriate consumer protections in place to meet the needs of electric vehicle drivers. The government will consult on the detail of any secondary legislation to use these powers if required.

16. A joint response to the consultation has been drafted by London Councils, representing the views of the Local Government and London Technical Advisers Group (LGTAG/LoTAG) and London Environment Directors Network (LEDNET). A full draft is included at Appendix A and members are asked to comment and approve this response for submission by the deadline of 22 November.

17. A summary of the draft responses provided to each of the four sections, is provided below:

- A statutory obligation to plan for and provide charging infrastructure. Whilst we recognise the benefit in a consistent approach to the planning and delivery of chargepoint infrastructure, we do not recommend that an obligation is placed on public or private sector bodies, and instead recommend that a collaborative approach is proactively supported by central government. This would need to include the provision of a range of supporting measures including the provision of a national framework to ensure consistent planning of chargepoint delivery to meet forecast demand, the provision of technical guidance to support delivery, capital and revenue funding to ensure availability of sufficient resources and sharing of best practice.
- The progress we have shown in collaborative delivery of chargepoints across London to date, with more chargepoints delivered by 2020 than TfL forecasts estimated we would need, demonstrates the commitment, capability and momentum of relevant stakeholders. In the event that delivery does not align with demand in future years, we recommend that consideration is given to a more flexible approach to encourage local authorities to prioritise delivery. This could be implemented in a similar way to the Network Management Duty set out in the Traffic Management Act 2004, that provides guidance for road management with flexibility at a local authority level. Another approach to consider could be one similar to that adopted to support improvements in active travel provision through the Cycling and Walking Infrastructure Plans. These incentivise authorities to develop infrastructure plans and provide support through detailed guidance and support measures.
- Requirements to install charge points in non-residential car parks. In principle we support a requirement for landowners in England to provide a minimum level of charging infrastructure in existing, non-residential car parks and new, non-residential car parks not covered by other legislation. However, it is our view that this will need to be coordinated with other planned delivery in a local area to ensure that we avoid overprovision of infrastructure and that the most appropriate type of charging infrastructure is delivered, rather than the infrastructure that is, for example, the most simple or low cost to provide. Given that adoption of electric vehicles is still relatively low and we are still understanding the behaviours of chargepoint users, a mandated requirement for all car parks to provide chargepoints could be over ambitious at this time. We therefore recommend that any requirement for delivery is based on evidence of existing proven or future demand. Any requirement for local authorities to enforce the delivery of charging infrastructure in car parks would also need to be appropriately recognised and resourced as it is unlikely that fines or penalties would cover the costs incurred.
- New powers to support the delivery of the Rapid Charging Fund. The Rapid Charging Fund is a new £950 million fund that will future-proof electrical capacity at motorway and major A road service areas. Whilst we support this Fund overall, it is not currently available to local authorities. We ask government to consider extending the fund to support local authority delivery of rapid charge points in London, particularly if non-residential car parks provision is mandated.
- Requirements to improve the experience for electric vehicle consumers. We support the proposals identified to improve the consumer chargepoint experience and recognise their importance in sustaining and accelerating the switch to EVs.



These include the implementation of a customer protection service, a mechanism for an enforcement body to impose sanctions on chargepoint operators for poor customer service, a mandated accessibility standard and a mandate for industry participants to provide a safe charging experience. We support the development of a national design guideline for public chargepoints with recommendations for a recognisable design with standardised aspects. We do not view it necessary to mandate a single chargepoint design and have concerns that this may limit the creativity and innovation that has led to the development of discreet chargepoint technology.

### **Recommendations**

The Committee is asked to:

- Note and comment on the report
- Approve the attached draft response to the OZEV zero emissions vehicle consultation

### **Financial Implications**

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

### **Legal Implications**

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

### **Equalities Implications**

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

## Appendix A – Draft response to OZEV’s zero emission vehicle consultation

### Future of transport regulatory review: zero emission vehicles

Joint draft response from the Local Government and London Technical Advisers Group (LGTAG/LoTAG), London Environment Directors Network (LEDNET) and London Councils Transport and Environment Committee (TEC), 22 November 2021

#### Background

The Government is [seeking opinions and evidence](#) on an emerging regulatory framework for new transport technologies. As part of the review, they are consulting on zero emission vehicles, maritime autonomy and remote operations, future of flight, regulatory sandboxes and modernising vehicle standards.

This is a draft response to the ‘Future of transport regulatory review: zero emission vehicles’ consultation. In it they are asking for views on whether to introduce:

- a statutory obligation to plan for and provide charging infrastructure
- requirements to install charge points in non-residential car parks
- new powers to support the delivery of the Rapid Charging Fund
- requirements to improve the experience for electric vehicle consumers

It is proposed that these will ensure that there is a sufficient charging infrastructure and appropriate consumer protections in place to meet the needs of electric vehicle (EV) drivers. The government would consult on the detail of any secondary legislation to use these powers.

Rather than respond via the 29 page downloadable form this response is grouped to answer the questions within the four sections for which views are sought. Each section starts with a summary of government’s proposal and then provides a draft response.

#### Proposed timetable for contribution and sign off:

Tues 26 Oct – Tues 2 Nov	Draft circulated to LoTAG and LEDNet AQ cluster for comment
Tues 2 Nov – Weds 3 Nov	London Councils to collate comments and update draft
Tues 9 Nov – Weds 17 Nov	Updated draft circulated to TEC Exec members for comment
Weds 17 Nov – Thurs 18 Nov	London Councils to collate TEC comments and create final draft
Thurs 18 Nov – Fri 19 Nov	Final draft circulated to TEC Chair and Vic Chairs, LEDNet Chair, Vice Chair and AQ Cluster Lead and LoTAG Chair for final sign off
Mon 22 Nov	Submission to OZEV

## **1. Statutory obligation to plan for and deliver a charging infrastructure**

### **Proposals:**

We are seeking views on introducing a statutory duty to plan for and provide EV infrastructure. Ahead of any secondary legislation to introduce the statutory requirement, we will consult on the duty, including any relevant definitions, metrics, and other measures applicable.

One option is to place this duty on the LAs in England and Wales. This would help ensure that measures align with wider local transport planning and that local resident and stakeholder views are embedded in the process. Other options include placing the duty on chargepoint operators themselves, or energy companies.

### **Response:**

- In principle we agree there should be consistent planning and delivery of chargepoint infrastructure to ensure sufficient provision to meet the needs of residents, businesses and visitors. Without this there is a risk of an uncoordinated network that does not provide value for money, and more likely to be an uneven distribution of infrastructure, putting some users at a disadvantage by living in areas with less provision than others. However, to ensure the provision of an equitable network of chargepoints and avoid unused infrastructure, we do not recommend obligating the public or private sector to plan and deliver infrastructure via a statutory duty, but to work collaboratively to deliver a suitable chargepoint network that provides a range of chargepoint infrastructure where it is needed.
- In London, a network of more than 7,500 public charge points has been delivered to date, with delivery exceeding projected demand in 2020. This has demonstrated the commitment and capability of the relevant stakeholders including local authorities, charge point operators, energy providers and others to work collaboratively to deliver the chargepoint infrastructure required. To ensure a coordinated approach to planning and delivery of chargepoint infrastructure to date, London boroughs have been supported by a chargepoint infrastructure coordination function at London Councils, joint funded by Transport for London (TfL) and the London Councils Transport and Environment Committee (LC TEC) and supported by a partnership between London Councils, TfL and the GLA. This function supports delivery of chargepoint infrastructure by providing procurement support, sharing best practice, identifying funding opportunities, analysing data etc. The success of this type of regional coordination has demonstrated that collaborative working to ensure adequate provision of charging infrastructure is possible with adequate support measures in place, without the need for a statutory duty. We recommend that this approach is considered at a national level. Support for local authorities could include:
  - the provision of a national framework to ensure consistent and efficient planning and forecasting of future chargepoint demand. To support local authority planning in London, TfL have provided London-wide forecasting for chargepoint infrastructure needed to 2030<sup>1</sup> and the International Council on Clean Transportation have provided analysis of chargepoint requirements at a borough level.
  - the provision of technical guidance to support consistent delivery of chargepoint infrastructure and to streamline the procurement process with particular attention

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<sup>1</sup> <https://ruc.content.tfl.gov.uk/london-electric-vehicle-infrastructure-taskforce-delivery-plan-executive-summary.pdf>

<https://theicct.org/sites/default/files/publications/London-EV-charging-infra-nov2020.pdf>

- to support procurement of innovative technology. To support London boroughs to deliver chargepoint infrastructure, TfL have published guidance on installation<sup>2</sup>.
- funding to cover the revenue costs of required resources at a local or regional level to oversee the planning, delivery and management of chargepoint infrastructure.
  - funding to cover the capital costs (including energy upgrades) to deliver chargepoint infrastructure where there is a lack of commercial viability to attract private investment.
  - Sharing of national and international best practice, including setting up regional centres of excellence (based on the London or other regional examples) and supporting dissemination of best practice through national events.
- Support at the required scale would ensure continued delivery, at pace, without the need for defining a duty in legislation, which is likely to struggle to maintain flexibility required in this fast-moving setting. In the event that delivery did not align with Government's ambition, or public demand, through this approach, a duty along the lines of the Network Management Duty set out in Traffic Management Act 2004 could be explored. This provides the flexibility needed at a local authority level by setting out local authority obligations with guidance providing high level principles to help local authorities to manage their roads. As we have seen with new guidance issued recently in respect to managing the network in the face of the Covid pandemic, it is also flexible enough to cater for changing circumstances.
  - Rather than a restrictive statutory duty, another possible avenue that could be explored would be to take an approach similar to that adopted to supporting improvements in active travel provision (Cycling & Walking Infrastructure Plans) and buses (Bus Service Improvement Plans) and incentivise authorities to develop best practice Electric Vehicle Charging Infrastructure Plans. As with active travel and buses, LAs could be supported in their development of these plans through the issuing of detailed guidance which sets out best practice in this field, including:
    - Assessing demand and developing delivery pathways that most effectively reflect local circumstances and need
    - Public private/collaboration, including with OEMs on delivery
    - Accessing a wide range of funding and financing
    - Equalities considerations
  - 95 per cent of the highway network in London is managed by the relevant local authority in London, and it is vital that they continue to have responsibility for the prioritisation of this network, including the allocation of kerbside space, to deliver charging infrastructure or other requirements including blue and green infrastructure, walking routes, cycle and bus lanes, cycle and e-mobility parking, loading and vehicle parking. We therefore do not support the application of a statutory duty on charge point operators, energy providers or others to plan for or deliver chargepoint infrastructure on local authority highway.
  - In terms of funding and coordinating the delivery of the infrastructure, our experience to date is that the majority of on-street charging infrastructure in London has been funded with public funding available through the Go Ultra Low Cities Scheme (GULCS) or On-Street Residential Chargepoint Scheme (ORCS), with the majority of match funding provided by local authorities. However, as demand and usage has increased there has been an increase in charge point operators offering fully or part funded charge point

<sup>2</sup> <https://rurc.content.tfl.gov.uk/london-electric-vehicle-charge-point-installation-guidance-december-2019.pdf>

delivery, particularly for rapid charge point infrastructure in locations where there is proven demand. We acknowledge that both private and public finance will have a critical role to play in the roll out of charging infrastructure in the future and a collaborative approach is required, with the private sector playing more of an active partnership role in funding and coordinating the delivery of charging infrastructure in both on and off-street locations. Currently it is challenging for local authorities to access private investment for the delivery of chargepoint infrastructure and national procurement guidance and standard technical specifications would support this.

- Placing a requirement for the planning and delivery of charging infrastructure on local authorities without adequate financial support for resources and capital investment is likely to impact the provision of chargepoints and chargepoint investment. In this scenario it is more likely that investment would be led by commercial viability, on terms defined by the private sector. This is unlikely to lead to equitable provision or value for money as the private sector would likely select the most profitable sites for delivery.
- We acknowledge that the introduction of a statutory duty to plan for and ensure adequate charging infrastructure in a given geographical area may deliver some benefits in terms of ensuring that the delivery of chargepoint infrastructure meets the current and future needs of users to support the government 2030 and 2035 phase out dates for Internal Combustion Engine (ICE) vehicles. However, we do not believe that the introduction of a statutory duty alone will provide the best outcomes, and would not be possible without significant public investment. We support a more collaborative approach across the public and private sector that acknowledges the wider responsibilities of local authorities and allows flexibility whilst providing adequate support to ensure consistency and value for money.

## **2. Chargepoints in non-residential car parks**

### **Proposals:**

We are seeking powers to require landowners in England to provide a minimum level of EV charging infrastructure in non-residential car parks. These new powers would apply to all existing non-residential car parks and new non-residential car parks, not associated with a building. This would build on [proposals consulted on in 2019 to require new residential and non-residential buildings with car parks to have EV charging infrastructure](#). The new proposals could apply to a wide range of locations, from supermarkets and retail parks to workplaces with car parks.

The new powers will provide government with the option to intervene to ensure there is sufficient charging infrastructure to support the transition to EVs. We do not have immediate plans to use these powers and will continue to monitor the delivery of charging infrastructure, using the powers if we deem it appropriate. We expect the private sector will increasingly install chargepoints in their car parks as the EV transition accelerates, without the need of these regulations. Should we seek to introduce requirements and use these powers, we would have to introduce secondary legislation and run a further consultation.

### *Where would our proposal apply?*

We propose powers that would bring in new requirements applying to:

- existing non-residential car parks and new non-residential car parks that are not covered by existing legislation

- both publicly accessible and restricted access car parks provided for a particular group (such as workplace car parks)

Should we use these powers, we will consider whether there should be exemptions in certain circumstances. For example, exemptions may be considered where costs to install are excessive or where there is insufficient electricity supply.

We will also consider whether there should be a minimum number of spaces in a car park before the regulations apply e.g. only in car parks with more than 10 parking spaces.

*What is the minimum level of charging infrastructure proposed in non-residential car parks?*

We are not specifying a proposed minimum level of charging infrastructure, as this will be considered at a later stage taking into account consultation responses. As a guide, in the [2019 consultation on potential requirements for new non-residential buildings to install chargepoints](#), we proposed that every building with more than 10 car parking spaces within the site boundary should have:

- 1 chargepoint
- cable routes for electric vehicle chargepoint cabling for 1 in 5 spaces

*In the proposal, who will have the duty to install the EV charging infrastructure?*

We propose that the duty to provide EV chargepoints will fall on the landowners of the car park. Landowners would be able to work in collaboration with leaseholders, car park operators, developers and other bodies to install and manage the EV infrastructure. They would not be able to pass on their duty to ensure provision.

Landowners may be able to share cost depending on their contractual arrangements.

*How will this be enforced?*

Should we use these powers, we would seek to identify an appropriate enforcement body that can operate at a local level to monitor the implementation of the requirements. For example, we are considering local weights and measures authorities or LA building control bodies. It is proposed that enforcement bodies will be able to apply a scheme of penalties.

**Response:**

- In principle, we support a requirement for landowners in England to provide a minimum level of charging infrastructure in existing, non-residential car parks and new, non-residential car parks not covered by other legislation. We acknowledge the benefits this requirement could deliver in terms of ensuring the delivery of an increased volume of public charge points to support the transition to electrification, if delivered with consideration of surrounding on-street provision. However, it is our view that this will need to be coordinated with other planned delivery in a local area to ensure we avoid overprovision and the most appropriate type of charging infrastructure is delivered. This provision is also likely to be of secondary importance in ensuring the efficient and smooth transition to electric mobility in individual localities. It appears unlikely that a consumer will transition to an EV on the basis of charging availability at destination sites, in the absence of a reasonable solution at their origin, or without an adequate density of rapid charging provision across the network.



- It is our view that an obligation may not be appropriate for all areas, depending on provision and demand at any point in time and we therefore support the proposal to apply exemptions to the installation of chargepoints in non-residential car parks in certain circumstances, such as where costs to install are excessive or there is insufficient electricity supply. Non-residential car park charging provision should be principles-driven and data-led, rather than adopting a one-size-fits-all approach. We do not have sufficient information to understand if chargepoints will be required at every publicly accessible car park and therefore recommend that this requirement is applied only to where there is proven existing or future demand that is used to inform the type of infrastructure delivered.
- It is essential that we avoid the oversupply of charge point infrastructure or the delivery of infrastructure that is underutilised or unused in the future. An approach that considers existing and future supply and demand will ensure delivery of the required type and volume of infrastructure and avoid the oversupply of infrastructure in unsuitable locations. For example, where the delivery of on-street chargepoint infrastructure is particularly challenging, or where the delivery in a car park may present better value for money there may be a case for increased delivery in a non-residential car park to meet local demand. We assume that delivery of chargepoints in non-residential car parks would require planning permission from the relevant local authority and suggest that this mechanism could be explored to ensure an oversight of provision in an area.
- Setting a minimum provision of charging infrastructure would require a detailed understanding of the charging requirements in car parks. We recommend that this is informed by the location and existing/planned chargepoint provision. We would recommend that national support is made available to ensure a joined-up approach to planning and delivery (as per our response to section 1) that includes non-residential car park provision.
- Any enforcement responsibility would need to be carefully considered against the necessity for the proposed requirement. The most appropriate enforcement body is likely to be the relevant local authority, in much the same way that they enforce requirements on businesses in respect to environmental health, trading standards etc. This responsibility would need to be appropriately recognised and resourced as it is unlikely that fines or penalties would cover the costs incurred. Consideration could be given to enforcement at a national level through an online portal where applicable landowners would upload evidence of compliance.
- We support the proposal that the landowner of the car park should be responsible for ensuring there is the required level of charging infrastructure provision. However, we recommend that consideration is given to the costs of delivery, which are variable by type of infrastructure, energy provision, location, contractual agreement etc, and adequate support made available to ensure delivery of the required infrastructure. Without this, it is likely that landowners will be more likely to deliver infrastructure with the lowest capital costs, rather than the infrastructure required in the location. If requirements for provision are based on demand, as recommended, with a clear and consistent methodology for assessment, it is also more likely that the landowner would be able to secure private investment to deliver the infrastructure required.
- EV user charging behaviours and technology trends – such as bigger batteries and high-power charge points, continue to evolve and we do not yet know how many and which type of non-residential car park EV charge points will be required in the future. TfL's

analysis undertaken for London's draft 2030 EV infrastructure strategy modelled different charging behaviour scenarios for this reason. The first scenario assumes that there is a preference for faster public charging, with more on-the-go, top-up charging taking place, as well as a continued mix of speeds, with most users still wanting slow chargers near their home. For those using rapid charging, there will be more similarities to current petrol station refuelling behaviour. The second scenario assumes that, although there will be some faster charging, there will be a strong preference for more on-street slower, residential-based charging.

- One aspect of provision could relate to the grid connection and power supply at non-residential car parks. While we believe it is too early to mandate a minimum level of charging infrastructure without better understanding of actual needs in the area, it is inevitable that as the switch to EVs accelerates there will be more charging demand and that energy consumption will increase. Emulating the policies in the 2021 London Plan where 20 percent of parking spaces in new residential developments must have active EV charging facilities with passive provision provided for the remaining spaces, non-residential car park landowners could be mandated to work with their electricity Distribution Network Operator (DNO) to plan for grid connection upgrades commensurate with anticipated energy demand over time. While the Rapid Charging Fund is aimed at upgrading power supplies at Motorway Service Areas, government might consider how this fund could be extended in scope and/ or topped up to support an equitable share of costs for non-residential car parks. Under current regulations, electricity consumers requiring power upgrades – especially if upstream substations and high voltage cables need reinforcing, may be liable for the whole cost if their application reaches a tipping point and exceeds the electrical capacity of the local network. This can either render a business case unviable or provides benefit to consumers who later upgrade their own supplies at a lower relative cost.

### **3. Making the Rapid Charging Fund**

#### **Proposals:**

The Rapid Charging Fund is a new £950 million fund. It will future-proof electrical capacity at motorway and major A road service areas to support the phase-out of petrol and diesel cars and vans.

The fund will support the cost of providing additional or upgraded electrical connections at motorway and major A road service areas.

The fund is England-only as the provision of transport infrastructure is devolved.

The fund will be administered by a delivery body which will:

- accept funding applications from motorway and major A road service areas
- examine the applications to ensure the requested connection size is based on robust estimates of expected demand from a 100% zero emission vehicle fleet
- potentially act as the owner of the new/upgraded connection, leasing capacity to applicants

We are considering requiring existing providers of chargepoint services at motorway service areas to make their chargepoints open access rather than only open to an exclusive network or group of networks or manufacturers. This would also extend to existing agreements for such services, which would be rendered void and unenforceable if the network were not to be opened.



To ensure there is sufficient chargepoint availability at these strategically important sites on the network, we are considering further extending the powers of government to mandate that service area operators and large fuel retailers must meet minimum chargepoint numbers at specific sites, and at increasing levels over a period of time.

**Response:**

- We support the delivery of the Rapid Charging Fund, to future-proof electrical capacity at motorway and major A-road service areas. Whilst we welcome and support this fund, we understand that it will not be accessible to local authorities and so is less applicable to us to provide detailed comments on. We are particularly supportive of the proposal to remove exclusive network access to rapid charge points so that all charge points are accessible to all users.
- We would welcome consideration of how this fund, or something similar could be accessible to London to support the delivery of a network of rapid charge point infrastructure, particularly in areas where there is clear market failure. We ask government to consider extending the fund to non-residential car parks should minimum charging infrastructure provision be mandated, and to further support rapid charging (hub) development in other locations.

#### **4. Improving the experience for electric vehicle consumers**

**Proposals:**

We are already introducing new regulations to improve reliability and ease of payment on the public charging network. However, current legislation does not allow us to cover the full spectrum of EV consumer needs and we are proposing new primary powers to ensure that:

- inclusively designed public chargepoints are available for all
- consumers feel safe when charging on-route
- consumers have rights to redress if something goes wrong

*What requirements are we proposing?*

We are seeking primary powers to:

- ensure adequate consumer protections when encountering issues using the public charging infrastructure
- set accessibility (inclusive design) and safety standards at public chargepoints
- mandate aspects of chargepoint design such as familiarity, look and feel, which will include accessibility and safety features

*Ensuring adequate consumer protections when using public chargepoints*

We would seek powers to require financial redress for consumers and penalties if bodies breach requirements. When developing supporting secondary legislation we will consult on arrangements for complaints and redress management.

These arrangements would include a mechanism for an enforcement body to impose penalties and sanctions on industry participants for poor consumer service.

The energy market is a useful comparison of where consumers can escalate complaints to an independent body able to require financial redress. In the energy market a regulated body found in breach can be penalised.

#### Setting accessibility and safety standards at public chargepoints

We would take primary powers to require operators and installers to mandate accessibility (inclusive design) and safety standards for UK public chargepoints, including the area around the parked vehicle and chargepoint. This includes the requirement that:

- adequate, accessible, standardised signage and information is provided at all public chargepoints
- chargepoints are situated in safe locations and/or that mitigations are provided, such as adequate lighting and weatherproofing

#### Mandating aspects of chargepoint design

To ensure chargepoints are easy to use, recognisable and provide a consistent consumer experience, we propose taking a primary power to mandate certain aspects of chargepoint design.

#### **Response:**

- We strongly support proposals to improve EV consumers' experience and ensure that there are appropriate consumer protections for users of public charging infrastructure in place and believe this is a key element in sustaining and accelerating the switch to EVs. This includes:
  - The implementation of a consumer protection service, including the option of financial redress to consumers
  - The implementation of a mechanism for an enforcement body to impose penalties and sanctions on chargepoint operators for poor consumer service
  - A mandated accessibility (inclusive design) standard for public chargepoints that includes the area around the parked car and the chargepoint. This will ensure that charging points are easier for disabled people to use and the transition to an electric vehicle is inclusive and we believe is crucial to future delivery. Consideration of costs and space constraints would need to be given to existing chargepoints where it may not be possible to deliver such a standard
  - A mandated accessibility standard for private residential chargepoints, where they are provided for disabled users
  - A mandate for industry participants to provide a safe charging experience, including consideration of functional aspects and the physical location. This could include the following key considerations, as identified in TfL's London electric vehicle charge point installation guidance<sup>3</sup>:
    - provision of adequate lighting,

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<sup>3</sup> <https://ruc.content.tfl.gov.uk/london-electric-vehicle-charge-point-installation-guidance-december-2019.pdf>

- placement away from junctions and crossings to minimise risk of obstructing the intervisibility sightlines between motorists and pedestrians
  - recommended amount of level surface around the charge point to allow easy access by wheelchair users on the footway
  - design standards to avoid the creation of locations that encourage anti-social behaviour
  - location of cables to avoid the creation of a trip hazard or obstruction
  - sufficient drainage to mitigate flash flooding or firefighting measures
- A mandated requirement for industry participants to provide a safe charging experience for private residential chargepoints
- We support the development of a national design guideline for public chargepoints, with recommendations for the adoption of a recognisable design of public chargepoints, including maximum size, form, and shape with standardised aspects e.g. signage to assist with public recognition, whilst maintaining flexibilities to ensure they fit within the local context.
- To implement a power to mandate the design of public chargepoints is not something that we view as necessary. Existing filling stations are a good example: petrol pumps are very similar in size and shape but not entirely identical, and their logos reflect the operator's brand. Trade bodies could play a role in driving aesthetic improvements among their members' products. Government's role could be to develop a suite of standardised EV charge point symbols, suitable for various designs of charge points and for directional/ location signage.
- Whilst the design guideline would provide the benefit of ensuring that chargepoints are recognisable to the consumer, it should not limit the development of creative and innovative chargepoint design solutions, particularly for discreet infrastructure options such as lamp post or pop-up chargepoints.



# London Councils' TEC Executive Sub Committee

## Transport Funding Sub Group

Item no: 06

**Report by:** Katharina Winbeck      **Job Title:** Strategic Lead, Transport and Environment

**Date:** 17 November 2021

**Contact Officer:** Katharina Winbeck

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**Summary:** This report sets out arrangements for a London Councils Transport and Environment Committee Sub-Group on Transport Funding.

**Recommendations:** The Committee is asked to:

- Note and comment on the report
- Agree to setting up a Transport Funding Subgroup of TEC subject to full TEC approval in December

## **Introduction**

1. A stable and well-functioning transport network is critical to support London's residents and businesses to play their part in the UK's economic and green recovery. London's boroughs play a crucial role in maintaining the highways infrastructure (which covers 95 per cent of the London total) and delivering active and sustainable travel schemes.
2. However, the boroughs have suffered significant reductions in transport funding over the last several years and the network is deteriorating as outlined in the annual State of the City report jointly produced by London Technical Advisers Group (LoTAG) and London Councils.
3. The current short-term nature of the TfL funding deals has led to significant difficulties to deliver local schemes and develop long-term plans to improve London's transport network.
4. At the TEC meeting on 14 October 2021, it was agreed that a new Transport Funding Sub Group of TEC should be set up to consider a coordinated pan-London response to transport funding challenges.

## **Transport Funding Subgroup**

5. Members of the group will aim to understand the current funding arrangements in London and identify key challenges London boroughs are facing. Building upon this, the group will identify potential solutions and coordinate a strategic, pan-London, cross-party approach.
6. The Subgroup will be supported by an officer network, which may be the current LIP Working Group, or a newly formed group depending on the finalised Terms of Reference and conversations with the Subgroup and relevant officers. The Subgroup will also benefit and utilise existing relationships between TEC and partners, such as TfL and HMG, e.g. the regular Commissioner meetings.
7. In line with other similar TEC Subgroups (such as the Electric Vehicle Rapid Charging-Point Subgroup), the group will comprise six members, three drawn from the Labour Party, two from the Conservative Party and one from the Liberal Democrat Party. London Councils' officers will work with London Councils political advisors to identify members for the Transport Funding Subgroup.
8. It is proposed that the group will meet quarterly and, if possible, the meetings will be held on the same day as TEC Executive meetings (most likely straight after TEC Executive).
9. A draft Terms of Reference has been included as Appendix A to this report.

## **Next Steps**

10. Following discussion at TEC Executive on 11 November 2021, a follow-up report will be submitted to the full TEC meeting on 9 December 2021 for formal agreement. If TEC agrees to set up the Transport Funding Subgroup and approves the proposed membership, the first meeting of the group will be scheduled for early 2022.

**Recommendations**

The Committee is asked to:

- Note and comment on the report
- Agree to setting up a Transport Funding Subgroup of TEC subject to full TEC approval in December

**Financial Implications**

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

**Legal Implications**

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

**Equalities Implications**

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

## **Appendix A – Draft Terms of Reference for the Transport Funding Subgroup of TEC**

### **Transport Funding Subgroup**

The Transport Funding Subgroup is a sub-Committee of TEC, formed to consider a coordinated, pan-London response to transport funding challenges.

### **Aim**

To consider the issues related to transport funding across the London boroughs and coordinate a joint, strategic approach.

### **Quorum**

The quorum shall be one third of the membership.

### **Membership**

The group will comprise six members, three drawn from the Labour Party, two from the Conservative Party and one from the Liberal Democrat Party.

Members of the Subgroup will actively engage in discussions and any relevant activities or meetings that may follow.

### **Terms of Reference**

1. To provide a dedicated TEC member- level forum for discussion of transport funding issues and to offer advice on any pan-London response to TEC.
2. The Members' Group will report back to TEC and its Executive, having no delegated authority of its own.

# London Councils' TEC Executive Sub Committee

## Transport & Mobility Services Performance Information

Item no: 07

**Report by:** Andy Rollock **Job title:** Mobility Services Manager

**Date:** 17 November 2021

**Contact Officer:** Andy Rollock

**Telephone:** 020 7934 9544 **Email:** andy.rollock@londoncouncils.gov.uk

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**Summary:** This report details the London Councils Transport and Mobility Services performance information for Q2 2021/22 and full year 2020/21.

**Recommendation:** Members are asked to note the report.

### Performance Monitoring and Reporting

1. London Councils provides a number of transport and mobility services on behalf of the London boroughs. These include London Tribunals, Freedom Pass, Taxicard, the London European Partnership for Transport, the London Lorry Control Scheme, the Health Emergency Badge scheme and providing a range of parking services and advice to authorities and the public.
2. Appendix 1 sets out the latest position against key performance indicators for each of the main services. This report covers Q2 in 21/22, figures for Q1(21/22) and full year 2020/21.

### Equalities Considerations

None.

### Financial Implications

None.



## APPENDIX 1: TRANSPORT & MOBILITY SERVICES: PERFORMANCE QUARTER 2

### LONDON TRIBUNALS

	Target (where appropriate)	2020/21 Full Year	2021/22 Q1	2021/22 Q2	Red / Amber / Green (RAG) rating Q2
<b>Environment and Traffic Adjudicators (ETA)</b>					
No. of appeals received	N/A	39,251	12,308	12,000	N/A
No. of appeals decided	N/A	32,202	10,395	10,370	N/A
% allowed	N/A	48%	46%	45%	N/A
% Did Not Contest	N/A	27%	21%	23%	N/A
% personal hearings started within 15 minutes of scheduled time	80%	N/A	N/A	N/A	N/A
Average number of days (from receipt) to decide appeals (postal)	56 days	41 Days	37 Days	32 Days	Green
Average number of days (from receipt) to decide appeals (personal)	56 days	61 Days	42 Days	42 Days	Green
Average number of days (from receipt) to decide appeals (combined)	56 days	45 Days	37 Days	35 Days	Green
<b>Road User Charging Adjudicators</b>					
No. of appeals received	N/A	13,476	2,612	3,27	N/A
No. of appeals decided	N/A	12,624	3,382	2,503	N/A
% allowed	N/A	31%	32%	37%	N/A
% Did Not Contest	N/A	31%	21%	30%	N/A
% personal hearings started within 15 minutes of scheduled time	80%	N/A	N/A	N/A	*N/A
Average number of days (from receipt) to decide appeals (postal)	56 days	73 Days	58 Days	35 Days	Green
Average number of days (from receipt) to decide appeals (personal)	56 days	101 Days	89 Days	46 Days	Green
Average number of days (from receipt) to decide appeals (combined)	56 days	75 Days	67 Days	36 Days	Green
<b>Overall Service</b>					
Notice of Appeal acknowledgments issued within 2 days of receipt	97%	99%	99%	99%	Green
Hearing dates to be issued to appellants within 5 working days of receipt	100%	99%	99%	99%	Green

Number of telephone calls to London Tribunals	N/A	32,753	8,973	8,635	N/A
% of calls answered within 30 seconds of the end of the automated message	85%	98%	98%	94%	Green

## Comment

Appellants requesting a personal hearing are currently given a telephone hearing rather than a face-to-face personal hearing as standard, but Enforcement Authorities can participate in the telephone hearings by way of a conference call.

The tribunals propose to reopen the hearing centre to appellants and EAs attending in person in December 2021. However, the exact scope of what this means is still being agreed and government advice continues to be monitored to ensure that proper planning can take place to ensure a safe environment on the return to normal service.

The possibility of conducting video hearings will be trialled with a view to making this option more widely available.

\*The percentage of personal hearings started within 15 minutes of the scheduled SLA time for 2020-21 and Q1 and Q2 2021-22 is not available as “personal” hearings have been conducted by telephone during the COVID-9 pandemic and it has not been possible to accurately record the start time of hearings.

## FREEDOM PASS

	Target (where appropriate)	2020/21 Full Year	2020/21 Q1	2021/22 Q2	Red / Amber / Green (RAG) rating Q2
Number of active passes at end of period	N/A	1,088,595	1,108,293	1,115,626	N/A
Number of new passes issued (BAU)	N/A	51,973	21,849	22,202	N/A
Number of passes issued (2021 Renewal)	N/A	121,124	1,986	370	N/A
Number of replacement passes issued	N/A	51,834	17,024	18,038	N/A
Number of phone calls answered (BAU)	N/A	133,811	40,551	46,593	N/A
% Answered within 45 seconds (BAU)	85%	79%	73%	64%	Red
% of calls abandoned	<2%	2.3%	3.6%	7.4%	Red

Customer Satisfaction Survey rating (scoring 7 or above)	75%	93%	85%	80%	Green
Number of phone calls answered (2021 Renewal)	N/A	34,243	7,991	6031	N/A
% Answered within 45 (2021 Renewal)	85%	78%	72%	65%	Red
Number of letters and emails answered	N/A	87,697	20,705	21,028	N/A
Number of emails answered (2021 Renewal)	N/A	8,804	2,647	1348	N/A

BAU = Business as Usual

## Comment

Call volumes are now back to pre-pandemic levels, with a 13% increase from the last quarter.

The contractor is still experiencing high levels of sickness due to Covid and as such this has had a negative impact on them achieving the performance indicators in relation to calls answered and abandoned. Since the last report to this Committee the contractor has been issued with a service improvement notice and they have developed an improvement plan to address this situation.

As part of that improvement plan, recruitment is a key element. They have an intensive recruitment drive running, which at first was not delivering the volumes of applicants required. However, since the end of the furlough scheme, they are now seeing more candidates applying. They have also widened their recruitment area by utilising technology and have recruited staff outside of their local area who are home working. In addition to this they have worked with their business partner ESP Systex and have set up and recruited into a satellite contact centre in Hull to increase the capacity of resources available to service the contract.

The contractor continues to see unpredictable call flow and are reviewing their forecasting to get it more aligned to call traffic.

The contractor has also made some changes to their management structure and have returned a previous experienced manager to take over management of the contact centre.

London Councils officers are meeting with the contractor on a weekly basis to monitor progress in line with the service improvement plan. We have been encouraged to see an improvement in performance in the past few weeks and are confident that with measures being taken, we will start to see performance improve and maintained.

It should be noted that whilst performance has not been achieved, customer satisfaction remains high.

## TAXICARD

	Target (where appropriate)	2020/21 Full Year	2021/22 Q1	2021/22 Q2	Red / Amber / Green (RAG) rating Q2
Number of active passes at end of period	N/A	57,483	58,135	57,495	N/A
Number of new passes issued	N/A	3,296	1,017	1,382	N/A
Number of replacement cards issued	N/A	1,718	819	605	N/A
Number of phone calls answered at London Councils	N/A	12,209	2,452	2,879	N/A
% Answered within 30 seconds	85%	93%	93%	98%	Green
Number of journeys using Taxicard	N/A	387,104	160,515	179,628	N/A
% in private hire vehicles	N/A	3.4%	1.7%	2.3%	N/A
% of vehicles arriving within 15 minutes (advance booking)	95%	96%	95%	95%	Green
% of vehicles arriving within 30 minutes (on demand)	95%	95%	94%	94%	Amber

## Comment

Taxicard bookings continue to rise close to pre-pandemic levels. The contractor continues to perform well in relation to vehicle arrival times, although they narrowly missed the target for ASAP bookings during this quarter.

The contractor reports that they have faced a number of issues during the current quarter, mainly around the fuel crisis, where drivers had trouble obtaining fuel and when they were able to do so, some drivers restricted the use of their vehicle to conserve fuel, due to the uncertainty of being able to refuel when needed.

The fuel crisis also caused increased traffic congestion in certain areas of London, with traffic queuing at petrol stations, blocking some roads meaning some journeys fell outside of the SLA. However, it should be noted that the crisis is easing, and fuel supply is now returning to normal levels, although there are still some reports of issues, which the contractor is monitoring closely.

As reported to this Committee the contractor has been working to upgrade their technology to make Addison Lee vehicles available to the scheme. A trial was carried out in October with Addison Lee vehicles being allocated a number of bookings, which they were able to fulfil with a few issues highlighted, which have now been fixed. Since then, Addison Lee vehicles have been used to complete Taxicard journeys, during the quieter times of their core business activities.

The contractor is also re-engaging with other private hire suppliers to further increase the size of their fleet across London. To ensure this remains as a focus, the contractor has been set a target of completing 5% of journeys in PHV's by December 2021 and 10% by February 2022 in line with the contractual obligation. As well as increasing the fleet size, this will also assist in reducing overall scheme cost. These targets will be monitored at the bi-weekly meeting held with the contractor and TfL and through the weekly performance stats provided by ComCab London.

#### **TRACE (TOWAWAY, RECOVERY AND CLAMPING ENQUIRY SERVICE)**

	<b>Target (where appropriate)</b>	<b>2020/21 Full Year</b>	<b>2021/22 Q1</b>	<b>2021/22 Q2</b>	<b>Red / Amber / Green (RAG) rating Q2</b>
Number of vehicles notified to database	N/A	27,877	8,096	8,945	N/A
Number of phone calls answered	N/A	11,951	4,160	4,327	N/A
% of calls answered within 30 seconds of the end of the automated message	85%	89%	86%	86%	Green

#### **LONDON LORRY CONTROL SCHEME**

	<b>Target (where appropriate)</b>	<b>2020/21 Full Year</b>	<b>2021/22 Q1</b>	<b>2021/22 Q2</b>	<b>Red / Amber / Green (RAG) rating Q2</b>
Number of permits on issue at end of period	N/A	64,496	64,965	66,189	N/A
Number of permits issued in period	N/A	17,227	4,433	4,464	N/A
Number of vehicle observations made	10,800 per year 2,700 per quarter	10,871	3,398	2,394	Amber
Number of penalty charge notices issued	N/A	4,572	1,433	1,047	N/A
Number of appeals considered by ETA	N/A	66	30	25	N/A

% of appeals to PCNs issued.	Monitor only	-	*2.09%	*2.38%	N/A
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## Comment

Performance continues to be strong, although the number of observations fell slightly below contractual targets in Q2 due to staff shortages. It is possible that London Councils will come under some pressure from the haulage industry to pause enforcement due to driver shortages and other issues facing the industry. London Councils has not taken a view on whether or not this is warranted, and any decision would be made in consultation with member authorities and informed by evidence.

\*Changed in-line with TEC discussions and is a new statistic. Therefore, we have not included figures for 2020/21.

## TRANSACTIONAL SERVICES: DEBT REGISTRATIONS AND WARRANTS

	Target (where appropriate)	2020/21 Full Year	2021/22 Q1	2021/22 Q2	Red / Amber / Green (RAG) rating Q2
Traffic Enforcement Court: number of debt registrations	N/A	513,988	176,696	218,682	N/A
Traffic Enforcement Court: number of warrants	N/A	426,369	147,565	151,178	N/A
Traffic Enforcement Court: transactions to be processed accurately within 1 working day	100%	100%	100%	100%	Green

## HEALTH EMERGENCY BADGES

	Target (where appropriate)	2020/21 Full Year	2021/22 Q1	2021/22 Q2	Red / Amber / Green (RAG) rating Q2
Number of badges on issue at end of period	N/A	4,286	3,706	4,659	NA
Number of badges issued in period	N/A	2,374	0	1,313	NA

## Comment

During quarter one, London Councils' badge supplier informed London Councils that it would cease production with immediate effect. Therefore, no badges were sent in period.

London Councils officers have liaised with borough counterparts and have asked them not to enforce against expired badges during this time. This has been communicated to badge holders. In July, a new contractor was appointed, and the backlog has been cleared.

#### **LONDON EUROPEAN PARTNERSHIP FOR TRANSPORT**

	<b>Target (where appropriate)</b>	<b>2020/21 Full Year</b>	<b>2021/22 Q1</b>	<b>2021/22 Q2</b>	<b>Red / Amber / Green (RAG) rating Q2</b>
Number of Boroughs participating in EU transport funding projects	7	8	8	6	Amber

#### **Comment**

Some projects have now been finalised hence a reduction in the participation numbers. There is a new round of Horizon funding (Horizon Europe) with calls currently in progress. We are working with European partners on future London and UK participation.

# London Councils' TEC Executive Sub-Committee

## Draft Revenue Budget and Borough Charges 2022/23

Item no: 08

<b>Report by:</b>	David Sanni	<b>Job title:</b>	Acting Director of Corporate Resources
<b>Date:</b>	17 November 2021		
<b>Contact Officer:</b>	David Sanni		
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### Summary

This report details the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2022/23.

The Executive Sub-Committee is asked to comment on these outline proposals, in order that any comments can be consolidated in the further report for the main TEC meeting in December, where the detailed budget proposals and levels of subscriptions and charges for 2022/23 will be presented for approval.

### Recommendations

The Executive-Sub Committee is asked to recommend that the main Committee approve at their meeting on 9 December:

- The proposed individual levies and charges for 2022/23 as follows:
  - The Parking Core Administration Charge of £1,500 per borough and for TfL (2020/21 - £1,500; paragraph 38);
  - The Parking Enforcement Service Charge of £0.3751 per PCN which will be distributed to boroughs and TfL in accordance with PCNs issued in 2020/21 (2021/22 - £0.3596 per PCN; paragraphs 36-37);
  - No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2021/22 – nil charge; paragraph 15);
  - The Taxicard Administration Charge to boroughs of £338,000 in total (2021/22 - £338,000; paragraphs 17-18).



- No charge to boroughs in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2021/22 – nil charge; paragraphs 19-20);
- Environment and Traffic Adjudicators (ETA) - charge of £29.36 per appeal or £25.55 per appeal where electronic evidence is provided by the enforcing authority (2021/22 - £27.84/£24.06 per appeal). For hearing Statutory Declarations, a charge of £23.64 for hard copy submissions and £22.88 for electronic submissions (2021/22 - £22.15/£21.40 per SD) (paragraphs 26-27);
- Road User Charging Adjudicators (RUCA) – to be recovered on a full cost recovery basis under the contract arrangements with the GLA (paragraph 28);
- A unit charge of £12 for the replacement of a lost or damaged Freedom Pass (2021/22 - £12; paragraph 10);
- The TRACE (Electronic) Charge of £7.53 per transaction (2021/22 - £7.53; paragraphs 29-35);
- The TRACE (Fax/Email) Charge of £7.70 per transaction, which is levied in addition to the electronic charge of £7.53 per transaction, making a total of £15.23 (2021/22 - £15.23; paragraphs 29-35);
- The TEC<sup>1</sup> Charge of £0.175 per transaction (2021/22 - £0.175; paragraphs 29-35).
- The provisional gross revenue expenditure of £238.371 million for 2022/23, as detailed in Appendix A;
- On the basis of the agreement of all the above proposed charges as outlined in this report, the provisional gross revenue income budget of £237.215 million for 2022/23, with a recommended transfer of £275,000 from specific reserves for previously agreed priorities, £160,000 from uncommitted reserves to fund a new programme director to support boroughs on climate change and £721,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B; and
- To consider the current position on reserves, as set out in paragraphs 52-56 and Table 8 of this report.

The Executive-Sub Committee is also asked to note:

- the indicative total charges to individual boroughs for 2022/23, dependent upon volumes generated through the various parking systems, as set out in Appendix C.1.

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<sup>1</sup> 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 2022/23. The report seeks comments from the Executive Sub-Committee 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 2022/23.
2. The report will, therefore, examine the key features of the proposed budget for 2022/23 and make proposals as to the level of charges for the Committee's consideration.

## **Budgetary pressures**

3. There are several significant budgetary pressures that will impact on the revenue budget for 2022/23. These are:
  - An estimated amount of £48,000 due to 2% pay award, subject to negotiations, from April 2022;
  - An estimated increase of £19,000 in employers national insurance contributions 1.25% for 2022/23;
  - Further inflationary increases on contract commitments for 2022/23; and
  - Several staff positions within London Councils working on TEC related activities are directly funded by TfL. There is therefore, a financial and operational risk that this support may be reduced due to financial pressures experienced by TfL, should further funding settlements not be agreed with central government.

## **Proposed Revenue Budget 2020/21 – Provisional Overview**

4. As well as having to accommodate the effect of the budgetary pressures outlined in paragraph 3, the budget proposals in this report incorporate the following assumptions, leading to the following levels of subscriptions,

charges and specific budget totals being recommended to the Executive Sub-Committee for consideration:

- A provisional reduction in the TfL element of the Freedom Pass settlement for 2021/22 of £74.382 million, or 27%. This significant reduction reflects assumptions made around the continuing impact of the Covid-19 on trip levels (paragraph 6);
- A provisional decrease in the Rail Delivery Group element of the freedom pass settlement of £6.559 million, which equates to 40%. However, officers are still in negotiation with the RDG and will update TEC accordingly in December (paragraph 7);
- Maintain the reduced budget for payments to other bus operators for local journeys originating in London, following projections for 2022/23, based on current claim trends being lodged by operators and the ongoing impact of Covid-19 on trip levels. (paragraph 8);
- No change in the annual Freedom Pass survey and reissue costs budget to remain at the current year's level of £1.518 million, which will include the cost of the annual pass eligibility review that yields significant cost savings for boroughs (paragraph 9);
- No change in the unit cost of a replacement Freedom Pass of £12; however, the income budget of has been increased by £150,000 to £750,000 in 2022/23, which is in line with pre pandemic budget. This reflects the current year recovery of this income budget during 2021/22 (paragraph 10);
- 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 (paragraph 15);

- No change in the TfL and borough contributions to the taxicard scheme budget of £8.859 million and £1.588 million respectively compared to the current revised budget, which will be subject to confirmation by all parties in early 2022. The indicative budgetary provision for the taxicard trips contract with ComCab (London), will, therefore, be an amalgam of the TFL and borough funding, currently equating to £10.447 million for 2022/23, no change on the revised budget for the current year (paragraph 16);
- The total Taxicard administration charge of £338,000 being held at the current year's level, requiring a subsidy from TEC reserves of £150,000, which will be apportioned to boroughs in accordance with the total active scheme membership as at 30 September 2021. (paragraphs 17-18);
- 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 being maintained at £1 million for 2022/23, based on actual and forecast outturn receipts over recent financial years. A sum of £50,000 will remain in the budget to fund further work on the development of the Lorry Control scheme during 2022/23, in order to continue to implement the outcome of the scheme review (paragraphs 19-20);
- The indicative hard copy unit ETA appeal cost for 2022/23 is £29.36, an increase of £1.52 or 5.47% on the charge of £27.84 for 2021/22. For appeals where electronic evidence is provided by an enforcing authority, the unit cost will increase by £1.50 or 6.22% to £25.55. Users will continue to pay a differential charge for the processing of ETA statutory declarations. For hard copy statutory declarations, the proposed unit charge will be £23.64 compared to the charge of £22.15 for the current year, which represents an increase of £1.48, or 6.7%. For electronic statutory declarations, the proposed unit charge will be £22.88, an increase of £1.48, or 6.9%

on the electronic appeal unit charge for the current year of £21.40 (paragraphs 26-27);

- A continuation of the current agreement for TfL/GLA to reimburse London Councils on an actual cost-recovery basis for the variable cost of RUCA appeals which include the Ultra-Low Emission Zone (ULEZ) scheme, rather than on a unit cost basis. Continuation of this agreement will ensure that a breakeven position continues in respect of these transactions. (paragraph 28);
- A nil increase in the charges to boroughs for TEC and TRACE electronic transactions and the continued phasing out of TRACE fax and email transactions for purposes other than disaster recovery<sup>2</sup>. (paragraphs 29-35)
- An increase in the Parking Enforcement service charge of £0.0155 per PCN, or 4%, which will be apportioned to boroughs and TfL in accordance with the total number of PCNs issued by enforcing authorities in 2020/21 (paragraphs 36-37);
- The Parking Core administration charge being held at the 2021/22 level of £1,500 (paragraph 38);
- A call on Specific reserves of £275,000 to cover the costs of work associated with Environmental Initiatives, previously agreed by Members, along with a reduction of £5,000 to £721,000 in the recommended transfer from uncommitted reserves required to deliver a balanced budget for 2022/23. A new programme director post to co-ordinate and support work with member boroughs on the delivery of the seven programmes on climate change and other initiatives in this area has been built into the budget and if agreed by members this will be

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<sup>2</sup> London Councils will continue to accept TRACE email and fax during the 2022/23 financial year, but notices sent in this way will continue to be charged the fax / email rate in addition to the electronic rate, as this method causes significant additional resources for London Councils and its contractor.

funded from uncommitted TEC Reserves at a cost of £160,000 (paragraph 49);

- An estimated 2% cost of living increase on all officer salary costs to reflect the potential pay award, A provision of 3% (3% for 2021/22) is also required to cover the employers' pension contributions for adjudicators who have been automatically enrolled into a pension scheme and have elected to remain within the scheme. The overall staffing budget continues to include a £30,000 provision for maternity cover and the vacancy level remains at 2%; and
  - An estimated 2% inflationary increase on contracts, but all other running cost budgets for 2022/23 to be held at the 2021/22 level.
5. The following paragraphs detail the main proposed budget headings for 2022/23 and highlight any significant changes over 2021/22. The proposed level of expenditure for 2022/23 amounts to £238.371 million. A sum of £223.140 million relates to direct expenditure on the transport operators providing the Freedom Pass and the Taxicard schemes, leaving £15.231 million relating to expenditure on parking and traffic related traded service and other operating expenditure. This compares to a sum of £14.874 million for the current year, an increase of £357,000, or 2.4%, much of which is matched by additional income.

### **Freedom Pass**

6. The main settlement with TfL for concessionary travel is still being negotiated. The early estimates indicate a cost of £201.593 million, representing a provisional reduction of £74.382 million, or 26.95%, on the figure of £275.975 million for 2021/22. The reduction is significant and represents estimates considering the ongoing COVID-19 pandemic. This reduction is provisional and officers continue to negotiate with TfL on the final settlement figure.

7. The Rail Delivery Group (RDG) settlement is still being negotiated. Early estimates are for a reduction of costs of £6.559 Million, reducing this part to £10.000 million compared to the budget of £16.559 million for the current year. However, officers are continuing to negotiate regarding the price per journey to be paid and will update TEC accordingly in December.
8. The budget for payments to other bus operators for local journeys originating in London has been maintained at £1.1 million, following projections for 2022/23, based on the 2020/21 outturn position and the current year to date.
9. The budget for the freedom pass issuing costs was £1.518 million for 2021/22. For 2022/23, it is proposed that the budget remains at this level, which will include the cost of an annual pass eligibility review that yields significant cost savings to boroughs.
10. For income in respect of replacement Freedom Passes, current trends indicate that income is forecasted to recover to pre-lockdown levels. The 2022/23 income budget has therefore been increased to £750,000 and there is no proposed change to the unit cost of £12 for a replacement pass. As stated in paragraph 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 and uncommitted reserves in 2022/23.
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 £750,000 (paragraph 10 above) will be transferred to a specific reserve to accumulate funds to offset the cost of future major pass renewal exercises. The current projected balance on this element of the specific reserve is £987,000, as highlighted in paragraph 51.
12. Final negotiations on the actual amounts payable to operators will be completed in time for the meetings of the Leaders' Committee on 7



December and the main TEC Committee on 9 December; any late variations to these provisional figures will be shared at these meetings.

13. A summary of the provisional freedom pass costs for 2022/23, compared to the actual costs for the current year, are summarised in Table 1 below:

Table 1 – Comparative cost of Freedom Pass 2022/23 and 2021/22

<b>Estimated Cost of Freedom Pass</b>	<b>2022/23(£000)</b>	<b>2021/22(£000)</b>
TfL Settlement	201,593	275,975
RDG Settlement	10,000	16,559
Non TfL Bus Operators Settlement	1,100	1,100
Support services and issue costs	1,518	1,518
<b>Total Cost</b>	<b>214,211</b>	<b>295,152</b>

14. The total cost of the scheme is fully funded by boroughs and the estimated cost payable by boroughs in 2022/23 is £214.211 million, compared to £295.152 million payable for 2021/22. This represents a reduction of £80.9 million or 27.4% which reflects significant reductions in anticipated usage of the schemes due to the ongoing impact of the Covid-19 pandemic. The majority of costs payable by boroughs will be apportioned in line 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 2022/23, the total cost is estimated to be £521,000 which is consistent with 2021/22 costs of £520,000. This equates to £15,775 per borough. However, it is proposed to continue to use income accruing from the replacement of lost and damaged Freedom Passes (refer paragraph 10) to continue to levy a nil charge in 2022/23, which members are asked to recommend to the main Committee. This position will be reviewed annually to ensure forecast income streams continue to cover the in-house costs of administering the scheme.

## **Taxicard Scheme**



16. As stated in paragraph 4, it is assumed that TfL will provide an estimated fixed contribution of £8.859 million, no change in the figure for 2021/22. The total borough contribution towards the Taxicard scheme in 2022/23 is estimated to be £1.588 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 2022. The indicative budgetary provision for the taxicard trips contract with ComCab (London), will, therefore, be an amalgam of the TfL and borough funding, currently equating to £10.447 million for 2022/23, the same figure as for the current year. However, several factors such as usage of the scheme particularly considering the ongoing impact of Covid-19 could influence the final outturn position for 2022/23.
17. The gross cost of administration of the Taxicard Scheme is estimated to be £630,000 in 2022/23 compared to £599,000 in 2021/22. After excluding an estimated separate contribution from TfL towards these administrative costs of £124,000 and anticipated income of £18,000 from charging for replacement taxi cards, the net cost chargeable to boroughs in 2022/23 is £488,000. However, it is proposed to continue to use uncommitted general reserves held by the Committee of £150,000 to hold the total charge to boroughs at the 2022/23 level of £338,000.
18. The active Taxicard total membership as at 30 September 2021 is 57,426, compared to 58,534 as at 30 September 2020, a marginal decrease of 1,108, or 1.9% which reflects the continuing impact of Covid-19. The decrease in the spreading base and the recommended use of reserves of £150,000 has increased the underlying subsidised unit cost of a scheme member from £5.78 to £5.89 per member.

### **London Lorry Control Scheme**

19. The total charge 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 2021/22, June 2020. The total cost of administering the scheme is

estimated to be £767,635 in 2022/23, compared to £769,704 in 2021/22.

This figure includes a sum of £50,000 that has been retained in anticipation of further development of the scheme in 2022/23.

20. After consideration of projected income of £1 million from the enforcement of the scheme, it is proposed that there will be no borough or TfL contribution in 2022/23, as for the current year. 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 maintained at the 2021/22 rates in line with the recommendation of the Senior Salaries Review Board to freeze pay. 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. However, a 1.25% National Insurance Contribution rate increase has been included, which increases the hourly rate by £0.53 from £67.18 to £67.71. All adjudicators have been entitled to be provided with a workplace pension scheme from August 2017. The employers' contribution to the scheme offered to the adjudicators will be 3% in 2022/23 which is no change to 2021/22. Current analysis indicates that 80% of ETA adjudicators are eligible to remain in the scheme under current earnings eligibility rules and this is included in the hourly rate of £67.71.
22. The estimated volume of Environment and Traffic Adjudicators (ETA) appeals for 2022/23, based on indicative volumes to date in 2021/22, is 48,820, compared to the budgeted figure of 43,995 for the current year. The actual number of appeals represented by corresponding financial transactions posted in the accounts in 2020/21 was 39,076 including Statutory Declarations, Moving Traffic Offences and Lorry Control Appeals, however, this was significantly impacted upon by the national lockdown and ETA appeals have now steadily increased.

23. The average throughput of appeals to date for the current year is 3.53 appeals heard per hour, compared to 3.79 appeals per hour when the current year budget was set in December 2020. This average figure takes account of all adjudicator time spent on postal and personal appeal hearing and also non-appeal 'duty adjudicator' activities. The slight decrease in throughput is attributable to several reasons including the impact that Covid-19 has had on working arrangements. Based on this forecast figure including an increase in the number of appeals and allowing for increased to National Insurance the ETA adjudicator fees base budget of £780,000 has, therefore, been increased to £937,000 for 2022/23.

#### **Road User Charging Adjudicators (RUCA) Fees**

24. For RUCA Appeals, the estimated volume of appeals for 2022/23, based on 2021/22 actual volumes to date and taking in to account the expansion to the scheme from 25 October 2021 is 24,244, compared to 19,478 for the current year. Under the terms of the contract, TfL/GLA will reimburse London Councils on a cost-recovery basis for the variable cost of RUCA appeals, ensuring that a break-even position continues in respect of these variable transactions.

25. Based on the estimate level of appeals and anticipated increase in hourly rates the budget for RUCA adjudicators' fees has been increased by £385,000 to £917,000 which reflects the associated costs forecasted as a result of the scheme expansion. The Committee will be fully reimbursed at cost by the GLA/TfL for the hearing of RUCA/ULEZ appeals under the current contract arrangements, subject to the potential risk highlighted in the paragraph 3 surrounding TfL funding.

#### **Appeals Unit Charges 2022/23**

26. The estimated overall cost for hearing appeals for 2022/23 is laid out in Table 2 below:

**Table 2 – Proposed Unit Cost for Appeals 2022/23**

	<b>ETA</b>	<b>RUCA</b>	<b>Total</b>
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<b>Estimated Appeal Nos.</b>	<b>48,820 (67%)</b>	<b>24,244 (33%)</b>	<b>73,064 (100%)</b>
<b>Average Case per hour</b>	<b>3.53</b>	<b>1.79</b>	
<b>Adjudicator Hours</b>	<b>13,830</b>	<b>13,544</b>	<b>27,374</b>
<b>Expenditure</b>			
Adjudicators Fees	937,224	917,350	1,854,574
Northgate Variable Cost	310,757	139,950	450,707
<b>Total</b>	<b>1,247,981</b>	<b>1,057,300</b>	<b>2,305,281</b>
<b>Income</b>			
Hearing Fees	1,247,981	1,057,300	2,305,281
<b>Average Indicative Unit Cost of Appeal</b>	<b>25.56</b>	<b>43.61</b>	<b>31.55</b>

27. For ETA appeals, based on an estimated 48,820 appeals and a projected throughput rate of 3.53 cases being heard per hour during 2022/23, it is proposed that the indicative hard copy unit ETA appeal cost for 2022/23 is £29.36, an increase of £1.52 or 5.47% on the charge of £27.84 for 2021/22. For appeals where electronic evidence is provided by an enforcing authority, it is proposed that the unit cost will increase by £1.50 or 6.22% to £25.55. The lower charge to boroughs recognises the reduced charge from London Councils contractor 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. boroughs will pay a differential charge for the processing of ETA statutory declarations. For hard copy statutory declarations, the proposed unit charge will be £23.64 compared to the charge of £22.15 for the current year, which represents an increase of £1.49, or 6.7%. For electronic statutory declarations, the proposed unit charge will be £22.88, an increase of £1.48, or 6.9% on the electronic appeal unit charge of £21.40 for the current year. The Executive Sub-Committee is asked, therefore, to recommend that the main Committee approve these appeal charges to users for 2022/23.

28. London Councils is contracted to provide the RUCA appeals service until January 2022 (TfL can extend this arrangement by two further years and London Councils is currently in negotiations to do so) under the current contract arrangements effective from 1 January 2017. Under the terms of the contract, TfL/GLA will reimburse London Councils on a cost-recovery basis for the variable cost of RUCA appeals, ensuring that a break-even

position continues in respect of these variable transactions. The rechargeable level of fixed costs associated with this contract is £1.188 million for 2022/23; a significant increase of £352,000 on the 2021/22 budgeted level of £836,000 (subject to agreement by TfL), which reflects the associated costs forecasted as a result of the scheme expansion (paragraph 24).

### **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, TfL and the GLA as part of the unit cost charge. Trends suggest that transaction volumes appear to be reducing for the use of the TRACE electronic systems but are increasing for the use of the TEC system. TRACE electronic transactions are projected to decrease and TRACE Fax transactions will be consistent with the current year budget figures set in December 2020. The estimated effect on expenditure trends are illustrated in Table 3 below:

**Table 3 – Estimated expenditure on variable parking services 2022/23 and 2021/22**

<b>2022/23</b>	<b>Estimated Volumes (Nos)</b>	<b>Contractor Charge (£)</b>	<b>Expenditure Budget (£)</b>
TRACE (Electronic)	33,636	1.851/1.888	63,205
TRACE (Fax Transaction)	3,745	4.047/4.157	15,477
TEC	1,267,202	0.0977/0.0997	125,738
<b>Total</b>			<b>204,419</b>
<b>2021/22</b>	<b>Estimated Volumes (Nos)</b>	<b>Contractor Charge (£)</b>	<b>Expenditure Budget (£)</b>
TRACE (Electronic)	45,187	1.838/1.871	84,176
TRACE (Fax Transaction)	3,755	4.047/4.128	15,460
TEC	1,126,413	0.097/0.099	110,934
<b>Total</b>			<b>210,570</b>

30. The estimated decrease in expenditure between 2021/22 and 2022/23 based on the actual transaction volumes and estimated movement in contract prices is £6,151.

31. The corresponding estimated effect on income trends are illustrated in Table 4 below:

**Table 4 – Estimated income accruing from variable parking services 2022/23 and 2021/22**

<b>2022/23</b>	<b>Estimated Volumes (Nos)</b>	<b>Proposed Unit Charge (£)</b>	<b>Income Budget (£)</b>
TRACE (Electronic)	33,636	7.53	253,279
TRACE (Fax Transaction)	3,744.50	7.70	28,833
TEC	1,267,202	0.175	221,760
<b>Total</b>			<b>503,872</b>
<b>2021/22</b>	<b>Estimated Volumes (Nos)</b>	<b>Proposed Unit Charge (£)</b>	<b>Income Budget (£)</b>
TRACE (Electronic)	45,187	7.53	340,258
TRACE (Fax Transaction)	3,755	7.70	28,914
TEC	1,126,413	0.175	197,122
<b>Total</b>			<b>566,294</b>

32. The estimated effect on income, between 2021/22 and 2022/23, based on the actual transaction volumes in the first 6 months of the current year and a zero increase in charges to users, is a decrease of £62,422. As stated above, however, there is a marginal decrease in expenditure. The net overall decrease in budgeted income is £56,271. The charging structure historically approved by TEC for the provision of the variable parking services (excluding appeals) includes a marginal profit element in each of the charges made to boroughs and other users for these services.

However, based on current volumes, it is proposed that there should be no increase in the three charges to boroughs for 2022/23.

33. Members will recall that the measures were approved by TEC from 2018/19 to begin the phasing out of TRACE fax and email service as a default means for enforcement authorities to notify the service of vehicles that have been moved.
34. In order to encourage enforcement authorities to use the electronic notification systems by default and thereby reduce processing time, all TRACE fax and email notifications were, therefore, charged at the electronic rate (£7.53) plus the fax/email rate (£7.70) making a total of £15.23 per transaction and the dual charging mechanism is recommended for continuation for 2022/23.
35. The Executive Sub-Committee is asked, therefore, to recommend that the main Committee approve the following non-appeal charges to users for 2022/23:
- The TRACE (Electronic) charge of £7.53 per transaction, no change on the current year;
  - The TRACE (Fax/email) Charge of £7.70 per transaction, in addition to the electronic charge of £7.53 per transaction, making a total of £15.23, no change on the current year;
  - The TEC charge of £0.175 per transaction, no change on the current year.

### **Parking Enforcement Service Charge**

36. 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 total fixed cost is allocated to users in accordance with the number of PCNs issued, which for 2021/22 will be the 5,289,447 PCNs issued by enforcing authorities during 2020/21, which is detailed in Appendix D. For 2022/23, expenditure of £3.172 million needs to be recouped, compared to £3.060 million for 2021/22, with the increase



relating to cost associated with the extension of the ULEZ scheme. This is detailed in Table 5 below:

**Table 5 – Breakdown of Parking Enforcement Charge 2022/23**

	<b>2022/23 (£000)</b>	<b>2021/22 (£000)</b>
Fixed Contract Costs	1,295	1,308
Hearing Centre Premises Costs	621	621
Direct Staffing Costs	637	599
General Office Expenditure	46	46
Central Recharges	573	486
<b>Total</b>	<b>3,172</b>	<b>3,060</b>

37. After top-slicing the amount for the estimated fixed costs of £1.188 million attributable to the contract with the GLA/TfL in respect of road user charging appeals (RUCA) and ULEZ, a total of £1.984 million remains to be apportioned through the 5.289 million PCN's issued by boroughs and TfL in 2020/21 in respect of parking, bus lane and moving traffic offences, compared to 6.187 million issued in 2019/20. The reduction in the number of PCNs issued over the two comparative years reduces the cost spreading base, which leads to a marginal increase in the actual unit charge to boroughs and TfL of £0.016 per PCN, or 4%, from £0.3596 to £0.3751 per PCN for 2022/23. In addition, under the terms of the contract with Northgate, there is a separate fixed cost identified in respect of the borough use of the TRACE and TEC systems. For 2020/21, this sum was £97,000 and is estimated to increase to £98,000 in 2022/23. This sum will be apportioned to boroughs in accordance with volumes of transaction generated on each system by users.

### **Parking Core Administration Charge**

38. 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 2021/22 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 2022/23.

### **Registration of Debt at the Traffic Enforcement Centre (TEC) - 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 last increased the £8 unit fee to £9 in October 2021, although no further increases are envisaged during 2022/23. Volumes generated by users registered parking debt is expected to be maintained at £4 million for the current year, so it is, therefore, proposed keep both the income and expenditure budgets for 2022/23 at £4 million.

Estimated individual borough costs for 2022/23 covering the proposed charges highlighted in paragraphs 15-39 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.

### **Contractual Commitments**

40. **Staffing Costs** -The proposed staffing budget for TEC for 2022/23 is illustrated in Table 6 below:

<b>Table 6– TEC Indicative Staffing Budget 2022/23</b>	<b>£000</b>
<b>2021/22 Revised Budget</b>	<b>2,424</b>
Addition Environmental Officer covered by reserves/TfL	-
0.25% reduction to 2021/22 estimated pay award	(6)
Increase to Employers NI	19
2% pay award 2022/23	48
Incremental salary drift/other adjustments	(20)
<b>2022/23 Base Budget</b>	<b>2,465</b>
Split between:	
Services - Parking and Traffic	112
Services - ETA	360
Services - RUCA	277
Services - Transport and Mobility	855
PAPA - Policy	460

PAPA - Communications	273
Chief Executive - Committee Servicing	62
Chief Executive - DP/FOI work	66
<b>2021/22 Base Budget</b>	<b>2,465</b>

41. In line with other London Councils funding streams, the vacancy level for 2022/23 remains at 2%. The salary figures include an estimated 2% cost of living increase on all costs for 2022/23 along with an increase on the Employers Pension NI rate payable from 13.8% to 15.05%. In addition to the salaries figure of £2.465 million shown in Table 6, the £19,000 budgetary provision for member's allowances has been maintained at the 2021/22 level, as has the provision for maternity cover of £30,000.

42. **Accommodation Costs – Chancery Exchange** – The appeals hearing centre at Chancery Exchange, EC4 has been operational since July 2015. The budget for 2021/22 of £500,097 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 £103,502 is required, along with the continuation of a provision for potential redecoration, dilapidation and reinstatement costs payable at the end of the Chancery Exchange lease of £18,195 per annum. The total Hearing Centre premises costs are therefore £621,793. These costs are fully recovered as part of the Parking Enforcement service charge (refer paragraphs 36-37).

43. **Accommodation Costs - Southwark Street** – These are included as part of central recharges cost. These costs are spread based on number of FTE's directly chargeable to the TEC funding stream. 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**

44. **Research Budget** – It is recommended that the budget for 2022/23 is maintained at the current year's level of £40,000.

45. **General/Office Costs** - The budgetary provision of £492,000 for 2022/23 is broken down in Table 7 below:

<b>Table 7 – TEC General/Office costs budget 2020/21</b>	<b>£000</b>
<b>2021/22 Revised Budget</b>	<b>474</b>
General/office costs inflation	18
<b>2022/23 Base Budget</b>	<b>492</b>
Split between:	
System Developments	100
General/Office costs – postage, telephones, copiers, etc.	167
Appeals related legal costs	26
External audit fees*	28
City of London finance, legal, HR and IT SLA*	171
<b>2021/22 Base Budget</b>	<b>492</b>

\*forms part of central recharge costs

46. The increase primarily relates to a slight increase in general office running and IT SLA costs.

47. Inflation of 2% has been allowed for 2022/23 on some elements of 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 36) 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 review by London Councils external auditors. The premises costs of the hearing centre are split between the ETA and RUCA functions, as detailed in paragraphs 36-37. Of the total central costs to be apportioned to TEC in 2021/22 (excluding LEPT) of £1,614,112, a sum of £1,077,709 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 £536,403 relates to the TEC policy, communication and administrative functions based at Southwark Street. A further sum of £621,793 relates to the premises costs at Chancery Exchange.

### **Transfer from Reserves**

49. As detailed in paragraph 52 below, it is proposed that this Committee recommend that the main Committee approve the transfer of a sum of £721,000 from uncommitted general reserves to cover direct service costs and balance the budget to smooth the effect of the underlying increase to direct service costs. This is a decrease of £5,000 on the £726,000 approved transfer for the current year, although 2021/22 includes a £150,000 allowance to cover reductions in replacement freedom pass income. With regards to the Taxicard Scheme, the recommended use of a sum of £150,000 will increase the underlying subsidised unit cost of a scheme member from £5.78 to £5.89 per member. The boroughs will pay no more in 2022/23 than the £338,000 paid towards administering the Taxicard Scheme in the current year, as detailed in paragraphs 17-18 above. Should members agree, a further use of £160,000 from uncommitted reserves will be used to fund a new programme director to support boroughs on climate change.

### **Other Income**

50. **Miscellaneous Income** – It is estimated that income of £74,000 will continue to accrue from two main sources in 2020/21. 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 medical professionals. This will enable this service to be provided at no cost to boroughs. Secondly, £31,000 is expected to accrue from TfL 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 2022, if all current known liabilities and commitments are considered:

**Table 8– Analysis of Estimated Uncommitted Reserves as at 1 April 2022**

	<b>General Reserve</b>	<b>Specific Reserve</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Pre Audited reserves at 1 April 2021</b>	3,877	2,129	6,006
Amount carried forward from 2020/21	(141)	-	(141)
Approved use in setting 2021/22 budget	(726)	(199)	(925)
Projected Budget Surplus 2021/22 @ M6	522	195	717
Specific Reserves – Environmental Policy work	-	(60)	(60)
Specific Reserves – System Developments	-	(382)	(382)
<b>Projected uncommitted reserves as at 31 March 2022</b>	<b>3,532</b>	<b>1,683</b>	<b>5,215</b>
Proposed use in setting 2022/23 budget	*(881)	(275)	(1,156)
<b>Estimated uncommitted reserves as at 1 April 2022</b>	<b>2,651</b>	<b>1,408</b>	<b>4,059</b>
TEC priority projects	-	(421)	(421)
<b>Estimated uncommitted reserves following potential 2022/23 commitments</b>	<b>2,651</b>	<b>987</b>	<b>3,638</b>

\*includes £160,000 proposal for Climate Change programme director

52. The projected level of uncommitted general reserves as at 1 April 2022 assumes that the draft proposals as laid out in this report is agreed by this Committee and approved by the main TEC meeting in December. It is proposed that a sum of £881,000 be transferred from general reserves, £160,000 of which relates to a new programme director on climate change, which is subject to member approval. The remainder is to cover the full cost of direct service charges and to balance the budget.

53. In addition, the overall reserves position also reflects the projected amount expected to be held in the specific reserve as at 1 April 2022 of £987,000 which will be used to fund future Freedom Pass renewal exercises. The remaining specific reserves of £421,000, highlighted Table8, will be called upon in 2022/23 and 2023/24 to continue to provide policy support to deliver the Climate Change policy work and the EV and car club

coordination functions, which have previously been agreed by members, or other future priority projects agreed by members.

54. After considering the proposed use of general TEC reserves of £1.156 million in setting the 2022/23 budget, subject to agreement of main TEC meeting on 9 December, uncommitted general TEC reserves are forecast reduce to £2.651 million, or 17.4% of proposed operating and trading expenditure of £15.231 million. This figure 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.

55. The holding of reserves of 2.4% above the 15% upper benchmark level equates to £365,000. In considering options for the use of this resource, the Executive Sub-Committee is asked to consider the following factors:

- The likelihood of unforeseen events arising in the remainder of the current financial year, given that the projected surplus for the current year of £717,000 feeds directly into uncommitted general reserves;
- As detailed in paragraph 49 above, it is proposed a sum of £721,000 is transferred from uncommitted general reserves in order to present a balanced budget for 2022/23, along with the additional transfer of £160,000 in relation to the Climate Change Programme Director. Clearly this is not sustainable in the medium to long term so measures will need to be considered by members to bring total income and total expenditure more in to balance. In the short term the excess reserves could be used, as proposed, until a balanced budget is achieved.

### **Summary**

56. This report details the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2022/23. The Executive Sub-Committee is asked to comment on these outline proposals in order that any comments can be consolidated in the further report for the full TEC meeting in December, where the detailed budget proposals and levels of subscriptions and charges for 2022/23 will be presented for final

approval. The proposed level of expenditure for 2022/23 amounts to £238.371 million. A sum of £223.140 million relates to direct expenditure on the transport operators providing the Freedom Pass and the Taxicard schemes, leaving £15.231 million relating to expenditure on parking and traffic related traded service and other operating expenditure. This compares to a comparable sum of £14.874 million for the current year, an increase of £357,000 or 2.4%, much of which relate general inflationary increases.

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**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 2022/23;

Appendix B – Proposed revenue income budget 2022/23;

Appendix C.1 – Indicative charges to boroughs 2022/23;

Appendix C.2 – Indicative charges to boroughs 2021/22; and

Appendix D – Parking Enforcement statistics 2020/21.

**Background Papers**

TEC Budget Working Papers 2021/22 and 2022/23;

TEC Final Accounts Working Papers 2020/21;

TEC Revenue Budget Forecast Working Papers 2021/22; and

London Councils Consolidated Budget Working Papers 2021/22 and 2022/23.

**TEC Expenditure Base Budget 2022/23**

	Revised 2021/22 £000	Develop- ments £000	Base 2021/22 £000	Inflation £000	Original 2022/23 £000
<b>Payments in respect of Concessionary Fares</b>					
TfL	275,975	-74,382	201,593	0	201,593
RDG	16,559	-6,559	10,000	0	10,000
Other Bus Operators	1,100	0	1,100	0	1,100
Freedom Pass issue costs	1,518	0	1,518	0	1,518
Freedom Pass Administration	520	-1	519	2	521
City Fleet Taxicard contract	10,447	0	10,447	0	10,447
Taxicard Administration	598	35	633	-3	630
	306,717	-80,907	225,810	-1	225,810
Grant Payments to Voluntary Organisations	0	0	0	0	0
<b>TEC Trading Account Expenditure</b>					
Payments to Adjudicators- ETA	780	139	919	18	937
Payments to Adjudicators - RUCA	532	367	899	18	917
Northgate variable contract costs - ETA	304	0	304	7	311
Northgate variable contract costs - RUCA	174	0	174	-34	140
Northgate variable contract costs - Other	211	0	211	-7	204
Payments to Northampton County Court	4,000	0	4,000	0	4,000
Lorry Control Administration	911	-142	769	-1	768
ETA/RUCA Administration	3,060	-2	3,058	114	3,172
HEB Administration	43	0	43	0	43
	10,015	363	10,378	115	10,493
<b>Sub-Total</b>	<b>316,732</b>	<b>-80,544</b>	<b>236,188</b>	<b>115</b>	<b>236,303</b>
<b>Operating Expenditure</b>					
<b>Contractual Commitments</b>					
Capital Ambition/RIEP project costs	0	0	0	0	0
Contribution to LOTI	0	0	0	0	0
RPG Regional/Provider Activities	0	0	0	0	0
Southwark Street Leasehold Costs	0	0	0	0	0
Leases for photocopiers	0	0	0	0	0
GLE European Contract	0	0	0	0	0
NG Fixed Costs	97	0	97	1	98
External audit fees	0	0	0	0	0
CoL Finance/Legal/HR/IT SLA	0	0	0	0	0
Depreciation	0	0	0	0	0
Grants GIFTS system support	0	0	0	0	0
	97	0	97	1	98
<b>Salary Commitments</b>					
Non-operational staffing costs	786	-2	784	-11	773
Members	20	0	20	0	20
Maternity/Paternity Provision	30	0	30	0	30
	836	-2	834	-11	823
<b>Discretionary Expenditure</b>					
Staff training/recruitment advertising	0	0	0	0	0
Staff travel	0	0	0	0	0
Other premises costs	0	0	0	0	0
SS ICT support	0	0	0	0	0
Supplies and services	157	0	157	1	158
Digital Enablement	0	0	0	0	0
Research	40	0	40	0	40
Contribution to health related work	0	0	0	0	0
One off payment to boroughs	0	0	0	0	0
System Developments	382	-382	0	0	0
Other 3rd party payments	84	-84	0	68	68
Additional Climate Change	60	-60	0	345	345
Premises recharge	0	0	0	0	0
	723	-526	197	414	611
<b>Total Operating Expenditure</b>	<b>1,656</b>	<b>-528</b>	<b>1,128</b>	<b>404</b>	<b>1,532</b>
<b>Central Recharges</b>	<b>567</b>	<b>-1</b>	<b>566</b>	<b>-30</b>	<b>536</b>
<b>Total Expenditure</b>	<b>318,955</b>	<b>-81,073</b>	<b>237,882</b>	<b>489</b>	<b>238,371</b>



TEC Income Base Budget 2022/23

	Revised 2021/22 £000	Develop- ments £000	Base 2021/22 £000	Inflation £000	Original 2022/23 £000
Borough contributions to TfL	275,975	-74,382	201,593	0	201,593
Borough contributions to RDG	16,559	-6,559	10,000	0	10,000
Borough contributions to other bus operators	1,100	0	1,100	0	1,100
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	600	150	750	0	750
Income from replacing lost/faulty taxicards	18	0	18	0	18
Borough contributions to Taxicard scheme	1,588	0	1,588	0	1,588
TfL contribution to Taxicard scheme	8,859	0	8,859	0	8,859
Borough contributions to taxicard administration	324	0	324	0	324
TfL Contribution to taxicard administration	124	0	124	0	124
	306,665	-80,791	225,874	0	225,874
Borough contribution to grants payments	0	0	0	0	0
ESF Grant Income	0	0	0	0	0
<b>TEC trading account income</b>					
Borough contributions to Lorry ban administration	0	0	0	0	0
Lorry control PCNs	1,000	0	1,000	0	1,000
Borough ETA appeal charges	967	0	967	105	1,072
TfL ETA appeal charges	118	0	118	58	176
RUCA appeals income	706	0	706	351	1,057
Borough fixed parking costs	2,051	0	2,051	-244	1,807
TfL fixed parking costs	270	0	270	5	275
RUCA fixed parking costs	836	0	836	352	1,188
Borough other parking services	566	0	566	-62	504
Northampton County Court Recharges	4,000	0	4,000	0	4,000
	10,514	0	10,514	565	11,079
<b>Sub-Total</b>	<b>317,179</b>	<b>-80,791</b>	<b>236,388</b>	<b>565</b>	<b>236,953</b>
<b>Core borough subscriptions</b>					
Joint Committee	46	0	46	0	46
Grants Administration	0	0	0	0	0
TEC (inc TfL)	51	0	51	0	51
LFEP/MPA subscription	0	0	0	0	0
	97	0	97	0	97
<b>Other Borough charges</b>					
Central Bodies subscription (REO)	0	0	0	0	0
Capital Ambition ICT/e-government core charge	0	0	0	0	0
Borough contributions towards RPG functions	0	0	0	0	0
Borough contributions towards ESF/NRF	0	0	0	0	0
Borough contributions towards LSRAs	0	0	0	0	0
	0	0	0	0	0
<b>Other Income</b>					
CLG grant for Capital Ambition/RIEP strategy	0	0	0	0	0
DFE grant towards YPES direct costs	0	0	0	0	0
LEP funding towards YPES direct costs	0	0	0	0	0
GLA grant for CHIN/CAREBASE	0	0	0	0	0
TfL contribution to LEPT/LBPN	0	0	0	0	0
EU contribution towards LEPT related activities	0	0	0	0	0
ESF contribution towards NRF grants	0	0	0	0	0
Capacity Builders Grant	0	0	0	0	0
MPS contribution to LCSB	0	0	0	0	0
MPS contribution to Sexual Exploitation Scheme	0	0	0	0	0
LCP seminars	0	0	0	0	0
Various grants towards externally funded projects	0	0	0	0	0
Other contributions towards externally funded projects	0	0	0	0	0
Investments	0	0	0	0	0
Room bookings	0	0	0	0	0
Letting of office space	0	0	0	0	0
Deskspace charge to funded groups	0	0	0	0	0
Sales of publications	0	0	0	0	0
I&E trading account income	0	0	0	0	0
TfL secretariat recharge	31	0	31	0	31
Sales of Health Emergency badges	42	1	43	0	43
Miscellaneous income	98	-7	91	0	91
	171	-6	165	0	165
<b>Transfer from Reserves</b>	<b>1,508</b>	<b>-834</b>	<b>674</b>	<b>482</b>	<b>1,156</b>
<b>Central Recharges</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Income Base Budget</b>	<b>318,955</b>	<b>-81,631</b>	<b>237,324</b>	<b>1,047</b>	<b>238,371</b>

# Indicative Charges to Boroughs 2022/2023

# 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 2022/23 (£)	Total Estimate 2021/22 (£)	Estimated Movement (£)
Barking & Dagenham	1,500	55,054	0	6,115	0	38,589	907	992	0	103,158	82,984	20,174
Barnet	1,500	58,542	0	11,589	0	20,006	30	33	10,604	102,303	148,915	-46,612
Bexley	1,500	18,656	0	5,138	0	9,876	0	0	0	35,170	36,778	-1,608
Brent	1,500	59,557	0	14,232	0	14,275	17,133	114	0	106,811	126,480	-19,669
Bromley	1,500	21,494	0	6,622	0	9,001	178	0	0	38,795	41,883	-3,088
Camden	1,500	63,093	0	13,484	0	29,977	11,987	1,821	11,273	133,136	188,730	-55,594
Croydon	1,500	78,344	0	12,625	0	63,183	2,394	1,838	13,071	172,955	138,560	34,395
Ealing	1,500	67,978	0	13,514	0	58,228	297	98	11,019	152,633	126,760	25,872
Enfield	1,500	58,197	0	7,375	0	21,301	7,332	33	3,904	99,641	89,270	10,371
Greenwich	1,500	22,069	0	10,430	0	12,694	357	390	5,961	53,401	47,864	5,536
Hackney	1,500	64,636	0	14,450	0	35,172	7,540	1,903	27,815	153,016	117,285	35,731
Hammersmith & Fulham	1,500	89,784	0	8,323	0	21,654	21,297	130	22,131	164,820	152,223	12,597
Haringey	1,500	62,678	0	12,284	0	39,997	16,791	1,691	15,835	150,776	170,743	-19,967
Harrow	1,500	42,532	0	13,225	0	21,049	0	0	7,868	86,174	128,131	-41,957
Havering	1,500	33,012	0	12,766	0	17,063	15	16	0	64,373	79,908	-15,535
Hillingdon	1,500	21,931	0	5,439	0	7,865	223	244	4,187	41,389	51,710	-10,321
Hounslow	1,500	40,698	0	9,553	0	22,639	6,529	276	1,722	82,918	92,283	-9,365
Islington	1,500	98,327	0	15,703	0	38,150	19,810	293	18,134	191,918	203,781	-11,863
Kensington & Chelsea	1,500	40,123	0	10,053	0	11,523	20,554	390	4,523	88,666	150,597	-61,931
Kingston	1,500	29,665	0	9,135	0	8,906	15	16	0	49,236	65,420	-16,184
Lambeth	1,500	91,822	0	10,565	0	93,332	6,752	7,025	15,447	226,444	193,552	32,892
Lewisham	1,500	58,607	0	9,959	0	43,348	0	0	0	113,414	67,983	45,431
Merton	1,500	33,421	0	9,788	0	21,720	15	16	0	66,460	78,736	-12,277
Newham	1,500	79,521	0	12,037	0	134,749	37,583	439	0	265,828	235,383	30,445
Redbridge	1,500	59,653	0	14,373	0	41,631	0	0	12,541	129,698	113,500	16,199
Richmond	1,500	27,669	0	10,206	0	13,438	461	504	2,055	55,834	53,541	2,292
Southwark	1,500	61,927	0	14,409	0	71,977	6,708	1,268	13,905	171,693	97,048	74,645
Sutton	1,500	18,040	0	7,416	0	3,325	0	0	3,022	33,303	31,950	1,353
Tower Hamlets	1,500	41,381	0	9,329	0	17,427	16,538	244	0	86,419	92,972	-6,553
Waltham Forest	1,500	82,872	0	7,504	0	46,477	30,533	553	0	169,440	152,047	17,393
Wandsworth	1,500	56,917	0	9,105	0	17,332	14,575	7,822	3,120	110,372	123,688	-13,316
City of Westminster	1,500	88,591	0	10,853	0	32,571	5,875	439	13,625	153,454	175,287	-21,833
City of London	1,500	58,641	0	400	0	27,643	208	228	0	88,619	75,022	13,597
	<b>49,500</b>	<b>1,785,431</b>	<b>0</b>	<b>338,000</b>	<b>0</b>	<b>1,066,120</b>	<b>252,640</b>	<b>28,816</b>	<b>221,760</b>	<b>3,742,267</b>	<b>3,731,016</b>	<b>11,251</b>
Transport for London - Street Management	1,500	196,762	0	0	0	178,743	0	0	0	377,006	528,369	-151,363
Transport for London - Congestion Charging	0	1,188,489	0	0	0	1,057,300	0	0	0	2,245,790	1,542,071	703,718
Lorry Control	0	1,715	0	0	0	3,117	640	16	0	5,488	5,622	-134
TEC/TRACE fixed costs	0	0	0	0	0	0	0	0	0	98,000	97,000	1,000
Registration of Debt	0	0	0	0	0	0	0	0	0	4,000,000	4,000,000	0
Transfer from Reserves	0	0	0	0	0	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>51,000</b>	<b>3,172,397</b>	<b>0</b>	<b>338,000</b>	<b>0</b>	<b>2,305,281</b>	<b>253,279</b>	<b>28,833</b>	<b>221,760</b>	<b>10,468,550</b>	<b>9,904,078</b>	<b>564,472</b>

## Indicative Charges to Boroughs 2021/2022

## 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 2021/22 (£)
Barking & Dagenham	1,500	41,626	0	6,393	0	33,146	158	162	0	82,984
Barnet	1,500	87,407	0	11,577	0	32,602	30	31	15,766	148,915
Bexley	1,500	24,327	0	5,219	0	5,731	0	0	0	36,778
Brent	1,500	69,400	0	13,941	0	23,648	17,259	732	0	126,480
Bromley	1,500	28,203	0	6,832	0	5,348	0	0	0	41,883
Camden	1,500	91,471	0	12,901	0	49,032	21,453	1,109	11,264	188,730
Croydon	1,500	63,956	0	12,612	0	46,833	1,152	0	12,507	138,560
Ealing	1,500	65,980	0	13,398	0	34,607	1,611	177	9,487	126,760
Enfield	1,500	49,714	0	6,670	0	18,688	7,982	123	4,592	89,270
Greenwich	1,500	23,844	0	10,398	0	8,759	474	485	2,404	47,864
Hackney	1,500	53,431	0	14,595	0	26,842	8,110	1,232	11,575	117,285
Hammersmith & Fulham	1,500	85,544	0	8,745	0	24,234	24,194	169	7,837	152,223
Haringey	1,500	85,899	0	12,057	0	37,004	21,995	2,441	9,846	170,743
Harrow	1,500	61,826	0	13,849	0	35,077	0	0	15,880	128,131
Havering	1,500	39,011	0	12,976	0	26,406	8	8	0	79,908
Hillingdon	1,500	29,714	0	5,416	0	9,290	821	601	4,368	51,710
Hounslow	1,500	47,635	0	9,427	0	22,630	6,340	154	4,596	92,283
Islington	1,500	107,940	0	15,357	0	39,983	26,754	347	11,900	203,781
Kensington & Chelsea	1,500	71,000	0	10,103	0	18,684	39,608	939	8,762	150,597
Kingston	1,500	44,695	0	9,184	0	10,026	8	8	0	65,420
Lambeth	1,500	88,006	0	10,404	0	69,180	8,772	924	14,766	193,552
Lewisham	1,500	34,534	0	10,161	0	19,204	0	0	2,584	67,983
Merton	1,500	46,611	0	10,069	0	20,557	0	0	0	78,736
Newham	1,500	106,003	0	11,982	0	40,531	64,991	4,805	5,571	235,383
Redbridge	1,500	53,743	0	14,334	0	33,472	0	0	10,451	113,500
Richmond	1,500	29,727	0	10,421	0	9,143	399	408	1,943	53,541
Southwark	1,500	43,454	0	14,277	0	15,149	13,366	2,202	7,100	97,048
Sutton	1,500	16,454	0	7,606	0	5,010	0	0	1,379	31,950
Tower Hamlets	1,500	42,320	0	9,572	0	18,987	18,238	2,356	0	92,972
Waltham Forest	1,500	84,036	0	7,578	0	29,196	28,682	1,055	0	152,047
Wandsworth	1,500	64,193	0	9,150	0	18,153	15,693	7,292	7,709	123,688
City of Westminster	1,500	114,072	0	10,629	0	22,560	10,828	862	14,835	175,287
City of London	1,500	57,639	0	491	0	14,828	279	285	0	75,022
	<b>49,500</b>	<b>1,953,415</b>	<b>0</b>	<b>338,327</b>	<b>0</b>	<b>824,542</b>	<b>339,204</b>	<b>28,906</b>	<b>197,122</b>	<b>3,731,016</b>
Transport for London - Street Management	1,500	269,631	0	0	0	257,238	0	0	0	528,369
Transport for London - Congestion Charging	0	835,798	0	0	0	706,273	0	0	0	1,542,071
Lorry Control	0	1,719	0	0	0	2,841	1,054	8	0	5,622
TEC/TRACE fixed costs	0	0	0	0	0	0	0	0	0	97,000
Registration of Debt	0	0	0	0	0	0	0	0	0	4,000,000
Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>51,000</b>	<b>3,060,563</b>	<b>0</b>	<b>338,327</b>	<b>0</b>	<b>1,790,894</b>	<b>340,258</b>	<b>28,914</b>	<b>197,122</b>	<b>9,904,078</b>

**Parking Enforcement Fixed Costs 2022/23**  
(based on PCNs issued for 2020/21)

**Appendix D**

Enforcing Authority	Total PCNs	Parking Fixed Costs
		0.3751
Barking & Dagenham	146,784	55,054.13
Barnet	156,082	58,541.53
Bexley	49,740	18,655.93
Brent	158,789	59,556.84
Bromley	57,306	21,493.71
Camden	168,218	63,093.36
City of London	156,346	58,640.54
Croydon	208,879	78,344.04
Ealing	181,240	67,977.51
Enfield	155,163	58,196.84
Greenwich	58,839	22,068.69
Hackney	172,332	64,636.40
Hammersmith & Fulham	239,381	89,784.40
Haringey	167,110	62,677.79
Harrow	113,397	42,531.70
Havering	88,016	33,012.08
Hillingdon	58,472	21,931.04
Hounslow	108,509	40,698.37
Islington	262,157	98,326.97
Kensington & Chelsea	106,974	40,122.63
Kingston	79,091	29,664.59
Lambeth	244,814	91,822.15
Lewisham	156,257	58,607.16
Merton	89,106	33,420.90
Newham	212,016	79,520.64
Redbridge	159,045	59,652.85
Richmond	73,770	27,668.84
Southwark	165,108	61,926.90
Sutton	48,097	18,039.70
Tower Hamlets	110,330	41,381.37
Waltham Forest	220,952	82,872.25
Wandsworth	151,752	56,917.48
Westminster	236,200	88,591.31
Transport for London Street Management	524,603	196,762.34
London Councils London Lorry Control Scheme	4,572	1,714.82
<b>Total</b>	<b>5,289,447</b>	<b>1,983,908</b>

# London Councils TEC Executive Sub-Committee

## Month 6 Revenue Forecast 2021/22      Item no: 09

**Report by:** David Sanni      **Job title:** Acting Director of Corporate Resources  
**Date:** 17 November 2021  
**Contact Officer:** David Sanni  
**Telephone:** 020 7934 9704      **Email:** David.sanni@londoncouncils.gov.uk

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### Summary

This report outlines actual income and expenditure against the approved budget to the end of September 2021 for TEC and provides a forecast of the outturn position for 2021/22. At this stage, a surplus of £717,000 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 £1.756 million, due in part to the impact of the Covid-19 on the scheme. The net borough proportion of this underspend is projected to be £1.588 million, with £168,000 accruing to TfL.

### Recommendations

The Executive Sub-Committee is asked to :

- note the projected surplus of £717,000 for the year, plus the forecast net underspend of £1.756 million 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.
-

## Report

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 2021) for the year, which will be reported to the February 2022 meeting of this Committee.
2. The London Councils Transport and Environment Committee's income and expenditure revenue budget for 2021/22 as approved by the Full Committee in December 2020, is set out in Appendix A (Expenditure) and Appendix B (Income). The appendices show the actual income and expenditure at 30 September 2021 and an estimate of the forecast outturn for the year, together with the projected variance from the approved budget. However, the budget is adjusted for:
  - the confirmation of additional system development expenditure of £382,000, funded by a transfer from the special projects reserve;
  - confirmation of payments made in relation to climate change policy work of £60,000, also funded by the special projects reserve; and
  - confirmation of the resources carried forward from 2020/21 of £141,000 approved by this Sub-Committee in July 2021.

## Variance from Budget

3. The current figures indicate that the Committee is projected to underspend gross expenditure budgets by £2.5 million and post a deficit of income of £1.783 million over the approved budget target for the year. However, these figures include offsetting amounts of £1.756 million relating to payments and income for taxicard trips, making an overall projected net surplus of £717,000. 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 2021**

	<b>M6 Actual</b>	<b>Revised Budget</b>	<b>Forecast</b>	<b>Variance</b>
<b>Expenditure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Employee Costs	370	835	795	(40)
Running Costs	16	255	133	(122)
Central Recharges	284	567	567	-
<b>Total Operating Expenditure</b>	<b>670</b>	<b>1,657</b>	<b>1,495</b>	<b>(162)</b>
Payments in respect of Freedom Pass and Taxicard	152,375	306,717	304,695	(2,022)
Direct Services	5,622	10,015	9,702	(313)
Research	-	40	40	-
System Developments	-	382	382	-
Other 3 <sup>rd</sup> Party Payments	-	144	141	(3)

<b>Total Expenditure</b>	<b>158,667</b>	<b>318,955</b>	<b>316,455</b>	<b>(2,500)</b>
<b>Income</b>				
Contributions in respect of Freedom Pass and Taxicard	(152,752)	(306,665)	(305,024)	1,641
Income for direct services	(5,713)	(10,514)	(10,362)	152
Core Member Subscriptions	(49)	(97)	(97)	-
Government Grants	-	-	-	-
Interest on Investments	(11)	-	(22)	(22)
Other Income	(42)	(73)	(83)	(10)
TfL Environment Initiatives	(38)	(98)	(76)	22
Transfer from Reserves	-	(1,508)	(1,508)	-
<b>Total Income</b>	<b>(158,605)</b>	<b>(318,955)</b>	<b>(317,172)</b>	<b>1,783</b>
<b>Net Expenditure</b>	<b>62</b>	<b>-</b>	<b>(717)</b>	<b>(717)</b>

4. The projected surplus of £717,000 is made up broadly of the following:

- A projected overall deficit of £78,000 in respect of TEC parking traded services, after considering an estimate of the level of borough/TfL/GLA usage volumes during the first quarter. The variance is attributable to several areas.
  - Firstly, there is a projected net deficit of £59,000 in respect of environmental and traffic appeals. The estimated number of notice of appeals and statutory declarations received to date amounts to 24,410, giving a projected number for the year of 48,820, 4,825 more than the budgeted figure of 43,995. The current indicative throughput of appeals is 3.50 appeals per hour, compared to a budget figure of 3.79. Further analysis of these figures will be reported at the 9 monthly forecast report, when more substantive data is available.
  - Secondly, the transaction volumes for other parking systems used by boroughs and TfL over the first quarter are projected to result in a net deficit of £53,000;
  - Finally, the other Northgate fixed costs i.e. excluding the above, are forecasted to underspend by £36,000, which reflects a lower than anticipated inflation factor applied to the annual contract increase compared to when the budget was set.
- An additional underspend of £122,000 on the cost of administering the Hearing Centre at Chancery Exchange where the above appeals are heard. This is largely as a result small savings across various expenditure codes including staff vacancy periods;
- There is a forecasted £40,000 underspend on non-operational staffing costs inclusive of the maternity provision, which will continue to be monitored and reported on throughout the year;
- The level of trips made in the claims submitted by the independent bus operators continues to be impacted upon by the Covid-19, which was reflected when setting

the 2021/22 budget. However, trip data for the first 6 months indicates an ongoing recovery with expenditure forecasted to be £914,000 compared to an annual budget of £1.1 million, a projected reduction of £186,000. A detailed review of the claims received over the second half of the year will indicate more accurate levels and the true position of any increase of trips following the pandemic which may impact this variance;

- A projected underspend of £64,000 in respect of the £1.518 million budget for the issuing/reissuing costs of Freedom Passes. This, however, is based on invoices received in the first half of the year so may fluctuate as the year progresses. This budget will therefore be monitored and managed throughout the financial year;
- Based on income collected during the half of the year, income receipts from replacement Freedom Passes also appear to be recovering from the pandemic and associated lockdowns. The 2021/22 revenue budget was reduced by £150,000 to reflect potentially lower levels of income. Of the £600,000 annual budget, forecasted receipts are anticipated to be approximately £731,000, net of bank charges which, along with the above projected reissue budget underspend, will be applied to the TEC committee Freedom Pass Renewal Specific Reserve;
- Based on income collected to date, receipts from Lorry Control PCN income are forecast to exceed the £1 million budget by £100,000;
- An amount of £141,000 was carried forward from 2020/21 in respect of Lorry Control Administration expenditure budget to contribute towards a review of the service. Expenditure of £35,000 has been recognised in the forecasted expenditure. It is anticipated that more detailed plans will be considered during the year therefore this underspend will likely reduce.
- A forecasted amount of interest on investments of £22,000.
- Environmental Initiatives income has reduced by £22,000. This is directly matched to expenditure and the reduction recognises minor delays in the work associated with climate change, particularly around the timing of recruitment of staff.



## Committee Reserves

5. Table 2 below updates the Committee on the projected level of reserves as at 31 March 2022, if all current known liabilities and commitments are considered:

**Table 2– Analysis of Projected Uncommitted Reserves as at 31 March 2022**

	<b>General Reserve</b>	<b>Specific Reserve</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Unaudited reserves at 1 April 2021</b>	<b>3,877</b>	<b>2,129</b>	<b>6,006</b>
Transfer between reserves	-	-	-
Approved in setting 2021/22 budget (December 2020)	(726)	(199)	(925)
Carried forward amounts from 2020/21	(141)	-	(141)
2021/22 Use of Specific Reserves – Climate Change		(60)	(60)
2021/22 Use of Specific Reserves – System Developments		(382)	(382)
Indicative use of specific reserves including TEC special projects		(696)	(696)
Projected Budget Surplus/(Deficit) 2021/22	522	195	717
<b>Estimated Residual Balances at 31 March 2022</b>	<b>3,532</b>	<b>987</b>	<b>4,519</b>

## Conclusions

6. This report reflects the position at the second-quarter stage in the current financial year and forecasts a surplus position of £717,000 for the year. In addition, taxicard trips are forecast to underspend by £717,000, with the borough proportion of this underspend projected to be £1.588 million, with £168,000 accruing to TfL.
7. The majority of the projected surplus is a net effect of various factors such as a small deficit on trading operations, an increase on projected income from replacement Freedom Passes compared to a reduced budget and Lorry Control scheme expenditure.
8. After considering the forecast surplus and known commitments, general reserves are forecast to be £3.532 million at the year-end, which equates to 24.7% of budgeted operating and trading expenditure of £14.290 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. There remains a level of uncertainty surrounding the Covid-19 pandemic and the impact this may have on TEC budgets. Potentially unforeseen issues could impact later in the financial year and this will be reported on accordingly. Options for the treatment of general reserves is explored in greater detail in the report of the draft revenue budget proposals in 2022/23, which is subject to a separate report on this agenda.

## **Recommendations**

9. Members are asked to :

- note the projected surplus of £717,000 for the year, plus the forecast underspend of £1.756 million 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.

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## **Financial Implications for London Councils**

As detailed in report

## **Legal Implications for London Councils**

None

## **Equalities Implications for London Councils**

None

## **Appendices**

Appendix A (Expenditure), Appendix B (Income)

## **Background Papers**

London Councils-TEC Budget working papers 2021/22  
London Councils Income and Expenditure Forecast File 2021/22

	Revised 2021/22 £000	Month 6 ATD £000	Month 6 Forecast £000	Month 6 Variance £000
<b>Payments in respect of Concessionary Fares</b>				
TfL	275,975	137,988	275,975	0
ATOC	16,559	8,280	16,559	0
Other Bus Operators	1,100	457	914	-186
Freedom Pass issue costs	1,518	666	1,454	-64
Freedom Pass Administration	520	256	517	-3
City Fleet Taxicard contract	10,447	4,435	8,691	-1,756
Taxicard Administration	598	293	585	-13
	306,717	152,375	304,695	-2,022
<b>TEC Trading Account Expenditure</b>				
Payments to Adjudicators- ETA	780	391	937	157
Payments to Adjudicators - RUCA	532	191	459	-73
Northgate variable contract costs - ETA	304	156	309	5
Northgate variable contract costs - RUCA	174	39	73	-101
Northgate variable contract costs - Other	211	101	207	-4
Payments to Northampton County Court	4,000	3,109	4,000	0
Lorry Control Administration	911	323	737	-174
ETA/RUCA Administration	3,060	1,291	2,938	-122
HEB Administration	43	21	42	-1
	10,015	5,622	9,702	-313
<b>Sub-Total</b>	<b>316,732</b>	<b>157,997</b>	<b>314,397</b>	<b>-2,335</b>
<b>Operating Expenditure</b>				
<b>Contractual Commitments</b>				
NG Fixed Costs	97	0	97	0
	97	0	97	0
<b>Salary Commitments</b>				
Non-operational staffing costs	786	360	766	-20
Members	20	10	19	-1
Maternity Provision	30	0	10	-20
	835	370	795	-40
<b>Other Commitments</b>				
Supplies and service	158	16	36	-122
Research	40	0	40	0
System Developments	382	0	382	0
Environmental initiatives	144	0	141	-3
	724	16	599	-125
<b>Total Operating Expenditure</b>	<b>1,656</b>	<b>386</b>	<b>1,491</b>	<b>-165</b>
<b>Central Recharges</b>	<b>567</b>	<b>284</b>	<b>567</b>	<b>0</b>
<b>Total Expenditure</b>	<b>318,955</b>	<b>158,667</b>	<b>316,455</b>	<b>-2,500</b>

## TEC M6 Income Forecast 2021/22

## Appendix B

	Revised 2021/22 £000	Month 6 ATD £000	Month 6 Forecast £000	Month 6 Variance £000
Borough contributions to TfL	275,975	137,988	275,975	0
Borough contributions to ATOC	16,559	8,280	16,559	0
Borough contributions to other bus operators	1,100	550	1,100	0
Borough contributions to FP issue costs	1,518	759	1,518	0
Borough contributions to freedom pass administration	0	0	0	0
Income from replacing lost/faulty freedom passes	600	365	731	-131
Income from replacing lost/faulty taxicards	18	1	2	16
Borough contributions to Comcab	1,588	10	0	1,588
TfL contribution to Taxicard scheme	8,859	4,415	8,691	168
Borough contributions to taxicard administration	324	324	324	0
TfL Contribution to taxicard administration	124	62	124	0
	306,665	152,754	305,024	1,641
<b>TEC trading account income</b>				
Borough contributions to Lorry Control administration	0	0	0	0
Lorry Control PCNs	1,000	413	1,100	-100
Borough parking appeal charges	967	588	1,183	-216
TfL parking appeal charges	118	28	67	51
GLA Congestion charging appeal income	706	197	465	241
Borough fixed parking costs	2,051	1,026	2,051	0
TfL fixed parking costs	270	135	270	0
GLA fixed parking costs	836	418	836	0
Borough other parking services	566	195	389	177
Northampton County Court Recharges	4,000	2,714	4,000	0
	10,514	5,714	10,361	153
<b>Sub-Total</b>	<b>317,179</b>	<b>158,468</b>	<b>315,385</b>	<b>1,794</b>
<b>Core borough subscriptions</b>				
Joint Committee	46	23	46	0
TEC (inc TfL)	51	26	51	0
	97	49	97	0
<b>Other Income</b>				
TfL secretariat recharge	31	15	31	0
Investment income	0	11	22	-22
TfL Environment policy priorities	98	38	77	21
Sales of Health Emergency badges	42	26	52	-10
	171	90	182	-11
<b>Transfer from Reserves</b>	<b>1,508</b>	<b>0</b>	<b>1,508</b>	<b>0</b>
<b>Central Recharges</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Income Base Budget</b>	<b>318,955</b>	<b>158,607</b>	<b>317,172</b>	<b>1,783</b>

## **INFORMAL MEETING OF THE LONDON COUNCILS' TRANSPORT AND ENVIRONMENT EXECUTIVE SUB COMMITTEE (VIRTUAL)**

Minutes of an informal virtual meeting of the London Councils' Transport and Environment Executive Sub Committee held on 9 September 2021 at 10:00am.

### **Present:**

Councillor Peter Zinkin (chairing)	LB Barnet
Councillor Huntington-Thresher	LB Bromley
Councillor Martin Whelton	LB Merton
Councillor Hanif Khan	LB Hounslow
Councillor Manuel Abellan	LB Sutton

### Speaker

Councillor Julian Bell	LB Ealing (item 3)
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### **1. Apologies for Absence & Announcement & Deputies**

Apologies for absence were received from Mayor Phil Glanville (LB Hackney – Chair), Councillor Johnny Thalassites (RB Kensington & Chelsea), Councillor Claire Holland (LB Lambeth), Councillor Sophie McGeevor (LB Lewisham), and Alastair Moss (City of London Corporation).

### **2. Declarations of Interest**

There were no other declarations of interest other than those listed at agenda item 2.

### **3. TfL Board Update**

Councillor Julian Bell gave a TfL Board update and presentation to the TEC Executive Sub Committee. He made the following comments:

- Improvements had been made to Southall Station to prepare for the opening of the Elizabeth Line in early 2022.
- This presentation had been geared towards some topics that TEC were interested in. The presentation would be circulated to TEC members following the meeting.
- Demand for public transport was now increasing: bus ridership was up 71% and tube ridership was up 50% from Monday 6 September 2021
- Santander cycle hire was up 118% over the last 7 days and road traffic levels had increased by 97% of normal demand, although levels needed to be kept down in order to improve London's air quality).
- There was a slower recovery during weekdays compared with weekends, although weekdays were now seeing growth (60% increase at weekends and 36% at weekdays, along with an increase in tourist growth by 52%)
- The current funding deal from the Government to TfL of £1.08 billion expired on 11 December 2021. There were various conditions that had to be met that TfL was now on track to complete (delivering operating efficiencies of £300 million by March 2022 and cost reductions of £730 million by April 2023).
- Revenue options had been presented to the Government but were not in the public domain.

- An independent review of the TfL Pension Scheme was now underway and a final report and implementation plan would be issued by 31 March 2022.
- Pay had been frozen until at least December 2021, and a Service Level Review for passenger demand on buses, tubes and trains was now taking place.
- Work was underway with the DfT to look at the business case for implementing driverless trains at Waterloo and City and Piccadilly lines.
- LIP Funding – £100 million had been set out to continue the delivery of healthy streets and active travel programmes, along with £11 million from the DfT Active Travel Fund (Tranche 2). The £100 million was allocated on four priority areas. There continued to be funding uncertainty after 11 December 2021.
- Boroughs needed to submit detailed LIP plans for 2022/23 by 1 November 2021. Draft guidance on this had been produced in August 2021.
- There had been a two year pause on proactive renewals on TfL highway assets in 2018. This had been extended for a further six months because of the pandemic.
- The State of the City in 2019 report estimated a maintenance backlog of London highways assets of £1.1 billion (backlog had grown from £800 million in 2017). London did not receive any vehicle excise duty back, which was an issue.
- The Long Term Capital Plan set out a Safety Minimum scenario for enhancements.
- A case had been put forward for investments in assets as part of the autumn spending review.
- Bus frequency changes would have an adverse impact on the London recovery, although there was some scope for a small 4% reduction of bus services.
- There were a number of frequency reductions over the coming months, which were linked to TfL's financial position and demand patterns. The aim was to enhance outer London services, where the threat of car-based recovery was greatest.
- The ULEZ expansion goes live from 25 October 2021. A marketing campaign had taken place and DVLA had written to the owners of vehicles that would not currently meet the emissions standard. Compliance was over 80% on the current ULEZ (up from 39%).
- New tube stations at Nine Elms and Battersea Power Station opened on 20 September 2021. Tube extension will bring parts of south London to within 15 minutes of West End and The City. This will bring 25,000 new jobs and 20,000 new homes.

### Q and As

Councillor Zinkin asked whether Councillor Bell would be attending the meetings that were held between TEC and the Transport Commissioner. Councillor Bell said that he had missed the last meeting, but did plan to attend them in the future.

Councillor Zinkin said that, with regards to road maintenance, cyclists were more vulnerable to pot holes than cars. He asked whether this had been factored in. Councillor Bell said that the dangers caused by pot holes were well known. He said that submissions regarding pot holes had been made. TfL was still committed to a safety critical response. Councillor Bell said that this would be considered as part of the Spending Review.

Councillor Zinkin asked who had been informed about the 1 November 2021 deadline for boroughs to submit their detailed plans for LIPs. He said that briefings had been carried out to members regarding the application process, but asked how

this would be fed into the guidance. Councillor Bell said that a briefing had gone out about this in August 2021. He said that there was a great deal of work involved in this. Katharina Winbeck, Strategic Lead, Transport & Environment Policy, London Councils, said that briefings had been circulated to all officer networks and would be fed into the LIP guidance. She said that TfL acknowledge that some boroughs might struggle to deliver the proposed three-year plan and are only requiring a one year plan, with the option of doing it longer for boroughs that wish to do that. Katharina Winbeck said that it was hoped that the work put in from officers from the last funding round could be utilised as a starting point for boroughs for their next year's plans. She informed members that another LIP working group would be set-up. Councillor Zinkin said that officers needed to find ways of communicating more the 1 November 2021 date to the members of TEC, and this needed to be taken forward.

Councillor Whelton asked whether there was any indication of a funding agreement with the Government after the 11 December 2021, as this uncertainty was making it very difficult for boroughs to plan ahead in the future. Councillor Whelton asked whether there was any differentiation to the increase in ridership in London during the weekdays (eg more on Mondays and Fridays, or more midweek). Councillor Whelton also felt that the 4% reduction in bus services would have implications on the fleets of bus companies. He asked whether there would be bus route service changes as well, or just the frequency of bus services.

Councillor Bell said that changes at present were taking place in central London. He said that he was unable to give a definitive answer with regards to changes to bus routes (although there may be some). The frequency of certain tube and rail services would need to be factored into this as well. Councillor Bell said that there was a significant difference in demand on Mondays and Fridays (ie less demand on these days), and more demand from Tuesdays to Thursdays. He said that TfL was keeping a close eye on this and was trying to be more responsive to the new normal. Councillor Bell said that he could see the problems with the short-term funding from the Government, as this meant that the boroughs could not do certain things. This was not an efficient way of working and was damaging to borough suppliers. Councillor Bell said that he had not heard anything about the funding yet, but hoped that a decision would not be left to the last minute.

Councillor Khan thanked Councillor Bell for his presentation. He said that the issue regarding bus night services had gone very quiet, and there was no mention of this or the Piccadilly Line. Councillor Bell said that a demand review for buses was taking place now, as part of the ongoing discussions with the Government. The results of this demand review needed to be looked at first. Councillor Bell said that any significant reduction to bus services would not be helpful to the recovery. He said that any planned increases in fares was not "a done deal" yet, because there would be an impact on the recovery if fares were increased while services were being reduced.

Councillor Bell informed members that strike action had been averted over the night tube services in August. Night services were currently still on hold. Councillor Bell said that the reason for this was partly financial, but also because of constraints and being unable to guarantee a Covid-safe service. Also, not having a night-time service had enabled TfL to reduce costs. Stephen Boon, Acting Director of Transport & Mobility, London Councils, said that Mayor Glanville had met with Heidi Alexander, Deputy Mayor for Transport, and the focus of discussions was on bus frequency reductions. However, changes to bus services overall had not been ruled out.

Katharina Winbeck said that bilateral discussions were taking place with boroughs on the affected bus routes. Regarding LIP funding, she said that officers were looking to de-couple Healthy Streets and Active Travel from the TfL negotiation with

Government to give more certainty of funding to that agenda, although there was uncertainty that the DfT would agree to this. Councillor Zinkin said that there were benefits in having a consistent London review on how money was spent.

#### **The TEC Executive Sub Committee:**

- Noted that officers would find ways of communicating more the 1 November 2021 deadline for LIP submissions to TEC members.

#### **4. Transport & Mobility Performance Information**

The TEC Executive Sub Committee received a report that detailed the London Councils' Transport and Mobility Services performance information for Q1 2021/22 and full year 2020/21.

Andy Rollock, Mobility Services Manager, London Councils, introduced this report and gave the following update:

##### London Tribunals:

The target for the number of days to decide appeals (personal and combined – Road User Charging Adjudicators) had been missed due to the current backlog that had accrued from the previous year, although improvements were now being seen.

##### Freedom Pass:

Targets had been missed for the “% of calls answered within 45 seconds” and the “% of calls abandoned”. This was primarily due to the unpredictability of calls and the fact that Covid-19 had caused some of the team that answered these calls to be off sick. A Performance Improvement Plan was being drafted and would be issued to the contractor on 14 September 2021.

Councillor Zinkin said that there were still less abandoned calls in 2021 than there were now. Andy Rollock said that officers were currently looking at their call traffic. He said that their forecasting needed improving and that this had been a problem for them. Stephen Boon informed members that there had been a couple of issues regarding the call centre. One issue was staff absences due to Covid-19. Also, the distribution of calls received during the week prior to the pandemic was consistent. However, this was not the case during the pandemic where calls were inconsistent. Stephen Boon said that the challenges had not been met by the contractor and the next step was to issue a Performance Improvement Notice, which should have a positive impact.

Councillor Zinkin asked whether a Performance Improvement Notice would make any difference. He asked whether financial penalties should be considered. Stephen Boon said that this could be looked at for the next contract. He said that the issue of the Notice should alert the contractor at a senior level. If this failed to improve performance, then the provision could be re-tendered. Councillor Zinkin asked whether the issue of the Notice would come as a surprise to the contractor. Stephen Boon said that he had already hinted to the contractor that a Notice was going to be issued. Councillor Zinkin asked officers to let members know the response to the improvement plan in the future.



## Taxicard

Targets had been met, except for the ASAP bookings target which had been slightly missed. City Fleet had now been acquired by Addison Lee, so improvements would soon be made to the ASAP booking times. Councillor Zinkin asked whether discussions had taken place with Addison Lee with regards to the ASAP bookings. Andy Rollock confirmed that a conversation had taken place with Addison Lee, and vehicles would soon be made available to the Taxicard scheme.

All the targets for Trace had been met and there was no new historical data for the KPI (new) for the London Lorry Control Scheme (LLCS).

### **The TEC Executive Sub Committee:**

- Noted the Transport and Mobility Services Performance information report, and
- Noted that members would be kept informed about the contractor response to the issue of the Performance Improvement Notice.

## **5. July Flooding Update & Issues Arising**

The TEC Executive Sub Committee received a report that highlighted shortcomings in both the incident response and current infrastructure to recent flooding events. The report also outlined the current issues surrounding surface water flooding and proposes initial steps to improve both the emergency response and long-term infrastructure.

Simon Gilby, Principal Policy Officer, London Councils, introduced the report and made the following comments:

- Two flooding events had taken place on 12 and 25 July 2021, involving surface water flooding and sewer flooding due to heavy rainfall. Meetings had taken place with the Deputy Mayors of London and more were planned in the autumn.
- There were four areas to look at: (i) *Improving co-ordination and response* – Information sharing through London Resilience Partnership. More prompt sharing of flooding and residents being able to contact Thames Water more easily. (ii) *Hardship Relief* – the flooding did not meet the insurance specifications, and the recent flooding events were not considered severe or widespread enough, (iii) *Alerts* – this needs to be improved (ie to alert residents to flooding events), (iv) *Addressing events (long term)* – how to address the issues of surface water problems, which were being underestimated.

Councillor Zinkin said that people could only be alerted if it was known what was going to occur with regards to flooding. He said that some flooding events were very localised. Councillor Zinkin asked whether the flooding forecasting was technical enough to alert people. Simon Gilby said that he did not have the answer to this, but would take the question back with him. Councillor Zinkin said that it was easier to deal with large widespread flooding events, rather than localised flooding, and this needed to be monitored.

Simon Gilby said that OFWAT needed more funding in order to model events by water companies. He informed members that the Thames Regional Flood and Coastal Committee (RFCC) was proposing to fund two projects to consider the problems with

surface water flooding (one inside London and one outside London). There were current assets to alleviate surface water flooding, but an increase in capacity was needed in this area (a review here could help). Simon Gilby said that there was also insufficient money to gather information on sewage systems, and a lack of evidence to make the case. To address these issues, a task and finish group would be established, which Mayor Glanville would chair. Simon Gilby said that London Councils would also join a stakeholder advice group to help support the Thames Water review and Gold and Silver emergency arrangements. A further report on this would be presented to TEC at the meeting on 9 December 2021.

Councillor Zinkin asked how the proposal was being put together for the Thames RFCC as part of their planned infrastructure task and finish group to suggest funding towards two projects (paragraph 22 of the report). He said that he was a member of the RFCC, but was not aware of this. Councillor Zinkin said that it was also not clear on who was doing what. He said that although the Thames RFCC had funds, surface water was not part of the mandate (unless drain water was rising). Councillor Zinkin felt that he needed clarity about the linkage with the RFCC programmes and the money it was investing.

Katharina Winbeck said, regarding paragraph 22, that borough officers had brought this (the two projects) to the attention of the RFCC and were working with environmental officers on this. She said that the proposals had been there previously but never got off the ground. The next step with the Thames RFCC was to ascertain how some of this funding could be re-prioritised to surface water schemes, as this was what London Councils was trying to achieve. Councillor Zinkin said that a briefing should be prepared for RFCC members before the next meeting of the RFCC. He said that he was unclear where the spending decision were being taken on the RFCC, and where funds were being targeted, as this appeared to have nothing to do with infrastructure. Councillor Zinkin said that this was an important long-term issue and he was unsure how a task and finish group would disentangle this. He felt that more work was needed on this.

Councillor Abellan said that he was struggling with the clarity of this and how it all pieced together. He said that he was unsure as to who was overseeing these actions. Councillor Abellan said that the report painted a bleak picture. He said that a case had to be made for more funding. More research also needed to take place. Councillor Zinkin said that he thought that the evidence being collated on SUDs was coming along quite nicely. However, he felt that there was concern over the length of time it was taking for the RFCC to do anything. There appeared to be lots of modelling and technical work taking place, but no actual actions. Councillor Zinkin said that he did not have an issue with the recommendations in the report. However, more clarity was needed in the next steps that TEC officers were taking.

Katharina Winbeck said that there was further information in the terms of reference of the task and finish group, and it was hoped that this group would be able to disentangle these issues, especially as there would be a number of stakeholders involved, like Thames Water. She said that she was keen to get a group of people together who understood how the pieces all fitted together. She said that the RFCC had not been able to focus on surface water, but was good on protecting homes and dealing with fluvial and tidal flooding.

Councillor Zinkin said that further clarity was needed on the next steps (paragraphs 27 to 30 of the report) before a further report went to TEC in December 2021. Simon Gilby said that the “next steps” in the report would be updated and sent to TEC Elected

Officers to agree via the TEC Urgency Procedure following the meeting (see post meeting note below).

#### **The TEC Executive Sub Committee:**

- Noted that a further report would be presented to TEC at the December meeting, subject to the changes to the wording of the “next steps” (see post meeting note below), and
- Noted the next steps as outlined in paragraphs 27-30 (to be agreed by the TEC Urgency Procedure following the meeting)

*Post Meeting Note: The following changes to the wording of the “next steps” (paragraphs 27-30) in bold italics, would be sent to TEC Elected Officers, under the TEC Urgency Procedure:*

27. *It has been agreed to set up a task and finish group, **with membership to be confirmed**, but to be co-chaired by Mayor Glanville, Chair of TEC and most likely the other RMAs (**Thames Water and Environment Agency**). Officers suggest that the TEC nominated members of the Thames RFCC will actively be engaged in this process **and that membership includes LEDNet and Thames RFCC. The ToR for this group will be written with input from TEC chair and vice chair and Thames RFCC representatives and will clarify roles and responsibilities.***

28. *London Councils officers to join the stakeholder advisory group of the independent review of Thames Water’s asset performance and to support the inclusion of the London Drainage Engineers Group (LoDEG) in the same.*

29. *London Councils to engage with the forthcoming review of silver and gold arrangements.*

30. *London Councils officers, working with LoDEG, resilience colleagues and others in the boroughs to undertake an initial review to understand **how existing data can be used, and what additional data is required** to assess (i) the costs of the flooding damage, (ii) the current levels of funding for surface water flooding projects, (iii) the current infrastructure in place to prevent surface water flooding, and (iv) future funding requirements. **This could usefully inform the reprioritisation of existing funding to ensure money is spent in areas of greatest risk.***

#### **6. Month 3 TEC Revenue Forecast 2021/22**

The TEC Executive Sub Committee considered a report that outlined actual income and expenditure against the approved budget to the end of June 2021 for TEC and provided a forecast of the outturn position for 2021/22.

Frank Smith, Director of Corporate Resources, London Councils, introduced the report. He said that at this early stage, an underspend of £677,000 was forecast. This showed a recovery from a deficit caused by the pandemic. Frank Smith said that income from the London Lorry Control Scheme (LLCS) was holding up. The budget target had been reduced for replacement Freedom pass income (by £150,000 to £600,000), although income receipts was now recovering since the pandemic.

Frank Smith said that projected uncommitted reserves (paragraph 5, Table 2) remained consistent (£3.544 million General Reserves). The strategy over 3 to 4 years had worked well. Funds had been used for climate change and key services to Londoners. The projection was that £1.5 million would be utilised fully this financial year (these funds could be put into Specific Reserves) (*check with Frank*). Frank Smith said that members were given options about what they wanted to do with funds that exceeded the benchmark of 10 to 15% of operating expenditure. These discussions would take place at the TEC Executive meeting in the autumn (November) where members could decide whether to have money refunded to the boroughs or to put the funds into specific reserves. Councillor Zinkin thanked Frank Smith for the revenue forecast report.

#### **The TEC Executive Sub Committee:**

- Noted the projected surplus of £677,000 for the year, plus the forecast net underspend of £567,000 for overall Taxicard trips, as detailed in this report; and
- Noted 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.

#### **7. Minutes of the TEC Executive Sub Committee held on 15 July 2021**

Councillor Zinkin asked whether there had been any further progress regarding the root causes as to why Londoners from deprived backgrounds were twice as likely to be injured in road accidents (*Item 4, Vision Zero action Plan - Q and As*). Stephen Boon said that he would be meeting the Zero Vision team with TfL next week and would bring this issue up with them. Councillor Zinkin also asked about the question raised by Councillor Huntington-Thresher with regards to how accident statistics were presented. Stephen Boon said that he would also raise that at the Vision Zero meeting next week.

The minutes of the TEC Executive Sub Committee held on 15 July 2021 were noted to be an accurate record (to be agreed via the TEC Urgency Procedure following the meeting).

*The Chair agreed to remove the press and public in that the following items would be exempt from the Access to Information Regulations, and via Schedule 12A of the Local Government Act 1972 (Section 3) in that the items related to the financial or business affairs of a particular person (including the authority holding that information).*

**The meeting finished at 11:29am**

**TEC Expenditure Base Budget 2022/23**

	Revised 2021/22 £000	Develop- ments £000	Base 2021/22 £000	Inflation £000	Original 2022/23 £000
<b>Payments in respect of Concessionary Fares</b>					
TfL	275,975	-74,382	201,593	0	201,593
RDG	16,559	-6,559	10,000	0	10,000
Other Bus Operators	1,100	0	1,100	0	1,100
Freedom Pass issue costs	1,518	0	1,518	0	1,518
Freedom Pass Administration	520	-1	519	2	521
City Fleet Taxicard contract	10,447	0	10,447	0	10,447
Taxicard Administration	598	35	633	-3	630
	306,717	-80,907	225,810	-1	225,810
Grant Payments to Voluntary Organisations	0	0	0	0	0
<b>TEC Trading Account Expenditure</b>					
Payments to Adjudicators- ETA	780	139	919	18	937
Payments to Adjudicators - RUCA	532	367	899	18	917
Northgate variable contract costs - ETA	304	0	304	7	311
Northgate variable contract costs - RUCA	174	0	174	-34	140
Northgate variable contract costs - Other	211	0	211	-7	204
Payments to Northampton County Court	4,000	0	4,000	0	4,000
Lorry Control Administration	911	-142	769	-1	768
ETA/RUCA Administration	3,060	-2	3,058	114	3,172
HEB Administration	43	0	43	0	43
	10,015	363	10,378	115	10,493
<b>Sub-Total</b>	<b>316,732</b>	<b>-80,544</b>	<b>236,188</b>	<b>115</b>	<b>236,303</b>
<b>Operating Expenditure</b>					
<b>Contractual Commitments</b>					
Capital Ambition/RIEP project costs	0	0	0	0	0
Contribution to LOTI	0	0	0	0	0
RPG Regional/Provider Activities	0	0	0	0	0
Southwark Street Leasehold Costs	0	0	0	0	0
Leases for photocopiers	0	0	0	0	0
GLE European Contract	0	0	0	0	0
NG Fixed Costs	97	0	97	1	98
External audit fees	0	0	0	0	0
CoL Finance/Legal/HR/IT SLA	0	0	0	0	0
Depreciation	0	0	0	0	0
Grants GIFTS system support	0	0	0	0	0
	97	0	97	1	98
<b>Salary Commitments</b>					
Non-operational staffing costs	786	-2	784	-11	773
Members	20	0	20	0	20
Maternity/Paternity Provision	30	0	30	0	30
	836	-2	834	-11	823
<b>Discretionary Expenditure</b>					
Staff training/recruitment advertising	0	0	0	0	0
Staff travel	0	0	0	0	0
Other premises costs	0	0	0	0	0
SS ICT support	0	0	0	0	0
Supplies and services	157	0	157	1	158
Digital Enablement	0	0	0	0	0
Research	40	0	40	0	40
Contribution to health related work	0	0	0	0	0
One off payment to boroughs	0	0	0	0	0
System Developments	382	-382	0	0	0
Other 3rd party payments	84	-84	0	68	68
Additional Climate Change	60	-60	0	345	345
Premises recharge	0	0	0	0	0
	723	-526	197	414	611
<b>Total Operating Expenditure</b>	<b>1,656</b>	<b>-528</b>	<b>1,128</b>	<b>404</b>	<b>1,532</b>
<b>Central Recharges</b>	<b>567</b>	<b>-1</b>	<b>566</b>	<b>-30</b>	<b>536</b>
<b>Total Expenditure</b>	<b>318,955</b>	<b>-81,073</b>	<b>237,882</b>	<b>489</b>	<b>238,371</b>

TEC Income Base Budget 2022/23

	Revised 2021/22 £000	Develop- ments £000	Base 2021/22 £000	Inflation £000	Original 2022/23 £000
Borough contributions to TfL	275,975	-74,382	201,593	0	201,593
Borough contributions to RDG	16,559	-6,559	10,000	0	10,000
Borough contributions to other bus operators	1,100	0	1,100	0	1,100
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	600	150	750	0	750
Income from replacing lost/faulty taxicards	18	0	18	0	18
Borough contributions to Taxicard scheme	1,588	0	1,588	0	1,588
TfL contribution to Taxicard scheme	8,859	0	8,859	0	8,859
Borough contributions to taxicard administration	324	0	324	0	324
TfL Contribution to taxicard administration	124	0	124	0	124
	306,665	-80,791	225,874	0	225,874
Borough contribution to grants payments	0	0	0	0	0
ESF Grant Income	0	0	0	0	0
<b>TEC trading account income</b>					
Borough contributions to Lorry ban administration	0	0	0	0	0
Lorry control PCNs	1,000	0	1,000	0	1,000
Borough ETA appeal charges	967	0	967	105	1,072
TfL ETA appeal charges	118	0	118	58	176
RUCA appeals income	706	0	706	351	1,057
Borough fixed parking costs	2,051	0	2,051	-244	1,807
TfL fixed parking costs	270	0	270	5	275
RUCA fixed parking costs	836	0	836	352	1,188
Borough other parking services	566	0	566	-62	504
Northampton County Court Recharges	4,000	0	4,000	0	4,000
	10,514	0	10,514	565	11,079
<b>Sub-Total</b>	<b>317,179</b>	<b>-80,791</b>	<b>236,388</b>	<b>565</b>	<b>236,953</b>
<b>Core borough subscriptions</b>					
Joint Committee	46	0	46	0	46
Grants Administration	0	0	0	0	0
TEC (inc TfL)	51	0	51	0	51
LFEP/MPA subscription	0	0	0	0	0
	97	0	97	0	97
<b>Other Borough charges</b>					
Central Bodies subscription (REO)	0	0	0	0	0
Capital Ambition ICT/e-government core charge	0	0	0	0	0
Borough contributions towards RPG functions	0	0	0	0	0
Borough contributions towards ESF/NRF	0	0	0	0	0
Borough contributions towards LSRAs	0	0	0	0	0
	0	0	0	0	0
<b>Other Income</b>					
CLG grant for Capital Ambition/RIEP strategy	0	0	0	0	0
DFE grant towards YPES direct costs	0	0	0	0	0
LEP funding towards YPES direct costs	0	0	0	0	0
GLA grant for CHIN/CAREBASE	0	0	0	0	0
TfL contribution to LEPT/LBPN	0	0	0	0	0
EU contribution towards LEPT related activities	0	0	0	0	0
ESF contribution towards NRF grants	0	0	0	0	0
Capacity Builders Grant	0	0	0	0	0
MPS contribution to LCSB	0	0	0	0	0
MPS contribution to Sexual Exploitation Scheme	0	0	0	0	0
LCP seminars	0	0	0	0	0
Various grants towards externally funded projects	0	0	0	0	0
Other contributions towards externally funded projects	0	0	0	0	0
Investments	0	0	0	0	0
Room bookings	0	0	0	0	0
Letting of office space	0	0	0	0	0
Deskspace charge to funded groups	0	0	0	0	0
Sales of publications	0	0	0	0	0
I&E trading account income	0	0	0	0	0
TfL secretariat recharge	31	0	31	0	31
Sales of Health Emergency badges	42	1	43	0	43
Miscellaneous income	98	-7	91	0	91
	171	-6	165	0	165
<b>Transfer from Reserves</b>	<b>1,508</b>	<b>-834</b>	<b>674</b>	<b>482</b>	<b>1,156</b>
<b>Central Recharges</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Income Base Budget</b>	<b>318,955</b>	<b>-81,631</b>	<b>237,324</b>	<b>1,047</b>	<b>238,371</b>

**Parking Enforcement Fixed Costs 2022/23**  
(based on PCNs issued for 2020/21)

**Appendix D**

Enforcing Authority	Total PCNs	Parking Fixed Costs
		0.3751
Barking & Dagenham	146,784	55,054.13
Barnet	156,082	58,541.53
Bexley	49,740	18,655.93
Brent	158,789	59,556.84
Bromley	57,306	21,493.71
Camden	168,218	63,093.36
City of London	156,346	58,640.54
Croydon	208,879	78,344.04
Ealing	181,240	67,977.51
Enfield	155,163	58,196.84
Greenwich	58,839	22,068.69
Hackney	172,332	64,636.40
Hammersmith & Fulham	239,381	89,784.40
Haringey	167,110	62,677.79
Harrow	113,397	42,531.70
Havering	88,016	33,012.08
Hillingdon	58,472	21,931.04
Hounslow	108,509	40,698.37
Islington	262,157	98,326.97
Kensington & Chelsea	106,974	40,122.63
Kingston	79,091	29,664.59
Lambeth	244,814	91,822.15
Lewisham	156,257	58,607.16
Merton	89,106	33,420.90
Newham	212,016	79,520.64
Redbridge	159,045	59,652.85
Richmond	73,770	27,668.84
Southwark	165,108	61,926.90
Sutton	48,097	18,039.70
Tower Hamlets	110,330	41,381.37
Waltham Forest	220,952	82,872.25
Wandsworth	151,752	56,917.48
Westminster	236,200	88,591.31
Transport for London Street Management	524,603	196,762.34
London Councils London Lorry Control Scheme	4,572	1,714.82
<b>Total</b>	<b>5,289,447</b>	<b>1,983,908</b>

	Revised 2021/22 £000	Month 6 ATD £000	Month 6 Forecast £000	Month 6 Variance £000
<b>Payments in respect of Concessionary Fares</b>				
TfL	275,975	137,988	275,975	0
ATOC	16,559	8,280	16,559	0
Other Bus Operators	1,100	457	914	-186
Freedom Pass issue costs	1,518	666	1,454	-64
Freedom Pass Administration	520	256	517	-3
City Fleet Taxicard contract	10,447	4,435	8,691	-1,756
Taxicard Administration	598	293	585	-13
	306,717	152,375	304,695	-2,022
<b>TEC Trading Account Expenditure</b>				
Payments to Adjudicators- ETA	780	391	937	157
Payments to Adjudicators - RUCA	532	191	459	-73
Northgate variable contract costs - ETA	304	156	309	5
Northgate variable contract costs - RUCA	174	39	73	-101
Northgate variable contract costs - Other	211	101	207	-4
Payments to Northampton County Court	4,000	3,109	4,000	0
Lorry Control Administration	911	323	737	-174
ETA/RUCA Administration	3,060	1,291	2,938	-122
HEB Administration	43	21	42	-1
	10,015	5,622	9,702	-313
<b>Sub-Total</b>	<b>316,732</b>	<b>157,997</b>	<b>314,397</b>	<b>-2,335</b>
<b>Operating Expenditure</b>				
<b>Contractual Commitments</b>				
NG Fixed Costs	97	0	97	0
	97	0	97	0
<b>Salary Commitments</b>				
Non-operational staffing costs	786	360	766	-20
Members	20	10	19	-1
Maternity Provision	30	0	10	-20
	835	370	795	-40
<b>Other Commitments</b>				
Supplies and service	158	16	36	-122
Research	40	0	40	0
System Developments	382	0	382	0
Environmental initiatives	144	0	141	-3
	724	16	599	-125
<b>Total Operating Expenditure</b>	<b>1,656</b>	<b>386</b>	<b>1,491</b>	<b>-165</b>
<b>Central Recharges</b>	<b>567</b>	<b>284</b>	<b>567</b>	<b>0</b>
<b>Total Expenditure</b>	<b>318,955</b>	<b>158,667</b>	<b>316,455</b>	<b>-2,500</b>



## TEC M6 Income Forecast 2021/22

## Appendix B

	Revised 2021/22 £000	Month 6 ATD £000	Month 6 Forecast £000	Month 6 Variance £000
Borough contributions to TfL	275,975	137,988	275,975	0
Borough contributions to ATOC	16,559	8,280	16,559	0
Borough contributions to other bus operators	1,100	550	1,100	0
Borough contributions to FP issue costs	1,518	759	1,518	0
Borough contributions to freedom pass administration	0	0	0	0
Income from replacing lost/faulty freedom passes	600	365	731	-131
Income from replacing lost/faulty taxicards	18	1	2	16
Borough contributions to Comcab	1,588	10	0	1,588
TfL contribution to Taxicard scheme	8,859	4,415	8,691	168
Borough contributions to taxicard administration	324	324	324	0
TfL Contribution to taxicard administration	124	62	124	0
	306,665	152,754	305,024	1,641
<b>TEC trading account income</b>				
Borough contributions to Lorry Control administration	0	0	0	0
Lorry Control PCNs	1,000	413	1,100	-100
Borough parking appeal charges	967	588	1,183	-216
TfL parking appeal charges	118	28	67	51
GLA Congestion charging appeal income	706	197	465	241
Borough fixed parking costs	2,051	1,026	2,051	0
TfL fixed parking costs	270	135	270	0
GLA fixed parking costs	836	418	836	0
Borough other parking services	566	195	389	177
Northampton County Court Recharges	4,000	2,714	4,000	0
	10,514	5,714	10,361	153
<b>Sub-Total</b>	<b>317,179</b>	<b>158,468</b>	<b>315,385</b>	<b>1,794</b>
<b>Core borough subscriptions</b>				
Joint Committee	46	23	46	0
TEC (inc TfL)	51	26	51	0
	97	49	97	0
<b>Other Income</b>				
TfL secretariat recharge	31	15	31	0
Investment income	0	11	22	-22
TfL Environment policy priorities	98	38	77	21
Sales of Health Emergency badges	42	26	52	-10
	171	90	182	-11
<b>Transfer from Reserves</b>	<b>1,508</b>	<b>0</b>	<b>1,508</b>	<b>0</b>
<b>Central Recharges</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Income Base Budget</b>	<b>318,955</b>	<b>158,607</b>	<b>317,172</b>	<b>1,783</b>