
Review of Car Parking for Union Street Staff

Report to

Commissioner's Board

Date

18 July 2018

Report by

Assistant Director, Technical and Commercial

Report Number

LFC-0044

#NOT PROTECTIVELY MARKED

Summary

The sale of Southwark Training Centre (STC), expected to complete in September 2018 will result in the reduction of 35 car parking spaces for London Fire Commissioner (LFC) officers based at Union Street. The Commissioner requires parking facilities as close as is possible to its headquarters at Union Street, this is to ensure that operational staff are able to attend incidents throughout London in a timely manner, with the appropriate equipment as a critical part of their operational duties and in accordance with the Brigade's operational response protocol. Currently, these officers use the facilities at Ewer Street, Sawyer Street and STC.

Officers have carried out a review of the existing parking provisions, this identifying that some facilities are under utilised. We are also in conversation with one of our existing parking providers to pursue opportunities to enter into new longer lease arrangements to ensure continuity of car parking until 2025.

Recommendation

The London Fire Commissioner gives approval for the Assistant Director, Technical and Commercial to negotiate and execute a new lease agreement for Galliard Homes Car Park, for a period of five years to take effect when the current lease expires in 2020, to take advantage of the preferential terms offered as set out in paragraphs three and five.

Background

1. Currently there are 120 car parking spaces available for Union Street staff. The locations of these relative to the Commissioner's Union Street office are detailed in Appendix 1.
2. The existing car parking capacities, lease arrangements and associated costs are as follows:
 - Galliard Homes – provides 28 parking spaces. The current lease expires April 2020 with a mutual annual break clause after 12 months and on the anniversary of the lease. The rental is £30k per annum.

- Sawyer Street – provides 40 car parking spaces, six of which are electric vehicle charging facilities, and 10 motorcycle spaces. The present lease is for 200 years (from 1996) for the sole use of London Fire Brigade while the Grotto was used for training purposes. The rent is a peppercorn.
 - Ewer Street – provides 17 parking spaces. These car parking spaces are incorporated into the lease of Union Street Offices and will cease with the expiry of the building lease in 2027.
 - Southwark Training Centre and Winchester House – provides 35 car parking spaces, cycle storage for 30 bicycles and 10 motorcycles. The freehold is currently owned by the LFC so no rent is payable.
3. Officers considered ending the current lease arrangements with Galliard Homes and entering in to a new arrangement now in order to remove the early break clause. However, following advice from our property advisors, Dron & Wright (D&W), it was recommended that we should continue with our current lease arrangement until it ends on 30 April 2020 on existing terms and costs. This recommendation is based upon the fact that the LFC has, as part of the existing arrangement, paid Stamp Duty Land Tax to April 2020 on this site and if a new lease was entered into we would be paying Stamp Duty twice for the same initial two-year period.
 4. When D&W approached Galliard Homes, they offered a new revisionary lease agreement. A revisionary lease is one entered into by both parties now, with a term date that only commences once our existing lease expires in April 2020. This arrangement uses the terms and conditions of the current lease, subject to minor changes, which includes removal of the annual break clause. They have offered a five-year lease, which will continue at the current cost of £30K pa for the first two years, then increase in line with the Retail Price Index thereafter. In order to secure this proposition, they require agreement now, hence the decision of the LFC being requested at this time.
 5. The new lease agreement with Galliard Homes will remove the annual break clause and secure LFC parking until April 2025. The lease will end two years before the current lease at Union Street which expires in 2027 and has resulted in preferential terms set out in the table below. Officers will carry out a review into the car parking provisions for staff based at Union Street in spring 2020.

Predicted cost over the term of the lease					
	Year 1 2020/21	Year 2 21/22	Year 3 22/23	Year 4 23/24	Year 5 24/25
Costs	30,000	30,000			
Predicted costs including RPI @ 3%			30,900	31,827	32,781
Total £					155,508

Review of Car Parking Availability

6. Presently there are 120 staff requiring car parking spaces. These are mostly operational staff and a small number of FLEET, Fire Cadets and non-uniformed (FRS) staff. When STC closes there will be an overall shortage of 35 spaces.

7. Presently due to operational shift patterns, annual leave and training there is some flexibility to over allocate the number of parking spaces available. This is supported by the table below showing the unused car parking spaces at Galliard Homes, Ewer and Sawyer Street between 24 May and 5 June 2018. Four of the days in the table below were over school half-term period, however ad-hoc reviews since have yielded the same results. On average between Galliard Homes and Sawyer Street there are around 40 spaces underutilised daily. This will enable all staff currently parking at STC to move into Galliard Homes and will guarantee principal officer parking.

Vacant Car Parking Availability				
Day	Sawyer	Galliards	Ewer	Total available spaces
Total Spaces	40	28	17	
Thursday 24th May 2018	19	24	0	43
Friday 25th May 2018	21	22	0	43
Tuesday 29th May 2018	No data	No data	0	N/A
Wednesday 30th May 2018	20	26	0	46
Thursday 31st May 2018	17	23	0	40
Friday 01st June 2018	33	22	0	55
Tuesday 05th June 2018	16	25	0	41

Planning arrangements

8. Sawyer Street is subject to a lease condition that the Grotto site must be used for training by the Brigade. In order to formalise the continued use of Sawyer Street for car parking, a change of use certificate has been submitted to London Borough (LB) of Southwark (landlords of the Grotto site) by the developer (Hadston) on the LFC's behalf as part of the sale agreement of STC site. The outcome of this application is expected in summer 2018.
9. Part of the planning application by Hadston is to include a provision for part of the Grotto site to be used for increased bicycle parking. This permission has been granted and will result in the creation of 85 bicycle parking spaces. However, as an interim while these works are carried out, staff will be permitted to use the STC site for bicycle parking.

10. The LFC's consultants Dron and Wright have been in conversation with Hadston to continue the use of STC for parking for a period of time following completion of the sale which is expected in late summer 2018. Unfortunately, this has not been possible and LFC will be required to give up all of the existing vehicle parking at STC six to eight weeks after completion.
11. When the development agreement for STC was approved, a growth of £30k was agreed in order to replace the expected loss of car parking. This was offered up as a saving in 2017/18 on the understanding that a parking review would be conducted in order to manage the reduction in spaces. The saving assumed that the lease for parking at the Galliard Homes site could also be given up as part of this, resulting in a total saving of £61k. Due to a restructure within the property department the review did not take place.

Alternative sites

12. Officers requested our property consultants to seek alternative potential car parking sites close to Union Street. Currently only one site is available to lease in the railway arches near Walden's Grove, SE1. This site consists of seven arches, each with the potential to accommodate 15 car spaces. The rental cost is circa £200,000 per annum inclusive of rates and service charges, with an average cost per parking space £4,450 per annum.
13. This option is available but is not recommended in this report due to cost per space compared with the cost of renting spaces at Galliard Homes.
14. To offset the impact and further reduce the need to use public car parking, a further recommendation to the Board is to implement the following actions:
 - (a) Parking spaces at Galliard Homes, Sawyer Street and Ewer Street are allocated to LFC Officers.
 - (b) In the unlikely event staff are unable to find a parking space, they seek alternative parking in a public car park located within the vicinity of Union Street offices and claim the expense back. Appendix 2 details the local public car parks and costs available.
 - (c) That all non-operational or response vehicles held by FLEET or the Fire Cadets are parked at fire stations with easy access to Union Street i.e. Dockhead and Dowgate fire stations.
 - (d) That all car parking spaces be reallocated from August 2018 to operational and eligible FRS staff, and thereafter follow a new allocation procedure.
15. All operational staff based at Union street and FRS staff named on the recent return be allocated a car park. Going forward, an application form available from Property will be completed by the applicant and agreed by the Head of Service or Deputy Assistant Commissioner, the form will be submitted to the HQ Manager for consideration by the Property DAC. The provision of additional local parking as detailed in (b) above is to reassure staff that they can park their vehicle if unable to find a parking space. It is not anticipated that additional parking costs will overly impact on departmental budgets due to the parking availability described in the survey.

Finance comments

16. This report recommends that a new lease is entered into for car parking spaces for a period of five years, at an annual cost of £30k. This expenditure is currently unbudgeted, and a growth bid should be submitted for this proposal as part of the budget process for 2019/20.

17. Appendix two notes the charges that could be incurred if public spaces are required. This is not expected to be material however and will be charged to the departments where the staff are located.

Workforce comments

18. The Assistant Director, Technical and Commercial sent an email to all Heads of Service requesting a return on parking requirements for their staff. This return has been used to confirm parking requirements.
19. All staff will be communicated with via email to inform them of the new arrangements.

Legal comments

20. Section 5A of the Fire and Rescue Services Act 2004 gives the Commissioner the power to do anything which they consider appropriate as incidental to their functional purposes. It also gives the Commissioner a statutory power to do anything which they consider appropriate for purposes indirectly incidental to their functional purposes through any number of removes. The Commissioner therefore has the necessary statutory powers to undertake the activities proposed in this report. The General Counsel has been consulted and has provided advice in relation to the lease arrangements proposed in this report.

Sustainability implications

21. In order to achieve the targets set by the Mayor for fleet, there will be an increasing number of low emission vehicles in the fleet, particularly increasing toward the 2025 target for all light vehicles including vans to be zero emission capable and all heavy vehicles by 2030. This is likely to lead to increased electrification of the fleet and a corresponding need for chargepoints. The only car parking facility identified for Headquarters suitable for chargepoint installations is Sawyer St, with a further 6 points planned for installation through the recently awarded electric vehicle chargepoints contract. Dowgate Fire Station currently has 2 charging points available, and Dockhead Fire Station is scheduled for 2 charging points to be installed.
22. The previous LFB Travel Plan, which is currently under review included targets to increase staff cycling to work, or for business. A further target will be proposed under the upcoming single environment action plan in support of the Healthy Streets strategic approach detailed in the Mayor's London Environment Strategy, of which support to encourage cycling forms a major part. The provision of safe, secure and covered bicycle parking is a key measure to encourage staff to cycle as outlined in the TfL workplace cycle parking guide.

Equalities implications

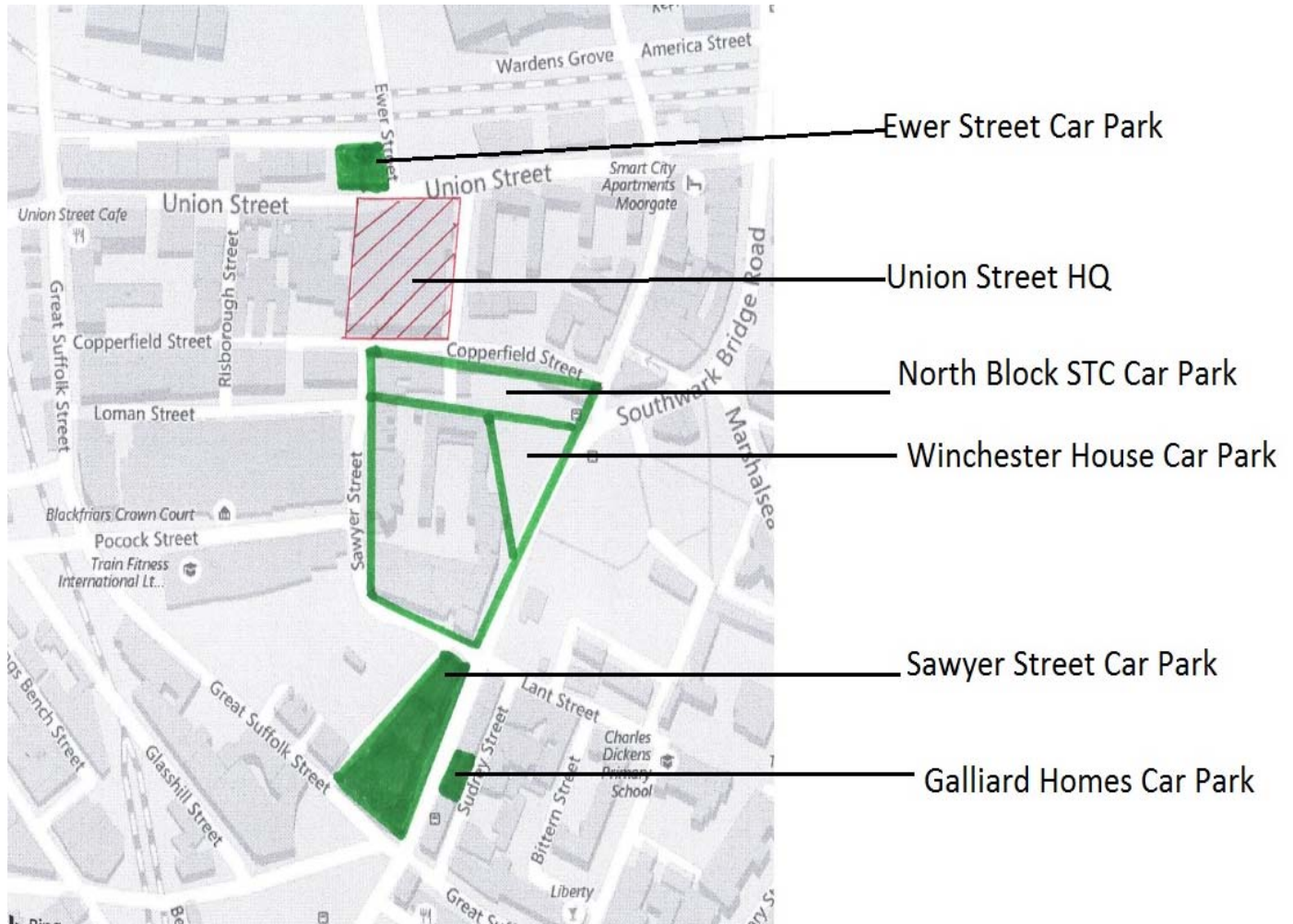
23. A small number of FRS staff drive to work and use the car parking available. This is for various medical and mobility reasons. Wherever possible we will continue to allow FRS staff to use these facilities.

Consultation [Note: this section is for internal reference only – consultation information for public consideration should be included within the body of the report]

Q d p h2ur d n	P h w k r g # f r q v x o h g
Peter O'Brien – Finance Officer	Email
Leah Armstrong – Estates and Programme Manager	Email
David O'Sullivan - Finance	Email
Rhys Powell – Fleet	Verbal

Q d p h2ur d n	P h w k r g # f r q v x o n g
Steve Dark – Estates consultant	Email

Appendix 1 – Existing Car park Location



Appendix 2 – Table 1 Public car parking and charges within the vicinity of Union Street

CAR PARK	ADDRESS	Opening Hours	Days	HOURLY £	DAY RATE £	24 HOUR RATE £
STORAGE SOLUTIONS	17–23 Southwark Street, SE1 1TA	06:00 - 19:00	7 days	N/a	£15.00	
Looking for Car Parking	39 York Road, SE1 7NQ		7 days	£5.00	£20.00	£20.00
Great Suffolk Street Parking	Near Corner of Union Street SE1 0UE		7 days	£3.50	£18.00	£28.00
A-K Car Park	America Street SE1 0NJ	06:00 - 18:00				
		08:00-18:00	Sunday	n/a	£15.00	£23.00
Ibis Hotel	59 Thrale Street, SE1 9HW	8:00 -18:00	7 days	£4.50	£18.00	£30.00
		18:00- 08:00	7 days		£12.00	£30.00
NCP London Bridge	Kipling Street SE1 3RU		yes	£8.00	£32.00	£32.00