

# LONDON BOROUGH OF BRENT

**EXECUTIVE**  
**8<sup>th</sup> December, 2003**

REPORT NO: FROM THE DIRECTOR OF ENVIRONMENT

FOR ACTION

NAME OF WARD: ALL

**Report Title : DRURY WAY LORRY PARK**

## **1.0 SUMMARY**

1.1 This report describes a proposal to close the Lorry Park facility in Drury Way, NW10.

## **2.0 RECOMMENDATIONS**

2.1 That the Executive note the current position with regards to the Council-owned site in Drury Way, NW10 and its current usage for purposes other than a Lorry Park facility.

2.2 That the Executive approves the withdrawal of the Lorry Park facility and the termination of arrangements with Team Relocations (previously known as Trans Euro) from 31<sup>st</sup> January 2004.

2.3 That the Executive requests the Core Property Team to identify options for the site's future use and receives further reports on the short and long term use of the site.

## **3.0 FINANCIAL IMPLICATIONS**

3.1 The Council's Lorry Park facility at Drury Way, NW10 is currently budgeted for at a net cost of £6,000 to the Council.

3.2 Projections for the Lorry Park at the beginning of the 2003/04 financial year showed estimated expenditure of £90,100 and estimated income of £36,800 and on the basis of these amounts, a potential saving of £53,300 would result from the closure of the Lorry Park.

- 3.3 At the end of October 2003, projections for the Lorry Park showed expenditure of £93,300 and income of £42,400 – that is a net cost for 2003/04 of £50,900. The difference between this figure and the budgeted figure shown at paragraph 3.1 is largely explained by the increased security costs outlined in paragraph 7.10 together with an estimate that income will be on the same level as last year. This overspend will be met from increased surplus in other areas of the Parking Account.
- 3.4 Up-to-date projections for expenditure and income continue to be somewhat difficult to establish due to irregular invoicing by Team Relocations.
- 3.5 The last invoice paid related to the period October 2002 to January 2003. A subsequent invoice covering the period February 2003 to April 2003 is on hold, pending a response to queries raised with Team Relocations. Further invoices for the period May 2003 to August 2003 are also awaiting the response to queries.
- 3.6 A cheque in respect of income for the period October 2002 to January 2003 was received in May 2003 for the sum of £10,817.88p.
- 3.7 The Director of Environment has identified a potential saving in closing the Lorry park facility of £55,000 as part of the Council's budget setting process for 2004/05.
- 3.8 Should the Executive decide to withdraw the lorry park facility and terminate the arrangements with Trans Euro, the Council will continue to incur costs in respect of NNDR (estimated £12,000 in 2003/04) and security costs (estimated up to £73,000 in 2003/04) unless the site was disposed of. There may be scope for providing site security at a lower cost than currently incurred when the Council takes direct responsibility for procuring these services after the lorry park facility is withdrawn.
- 3.9 Further reports will identify potential future uses of the site and explain how the site running costs can be offset. In the short term, up to the point of termination of these arrangements, these will fall to the parking account. Thereafter, the costs can be recovered from the future users of the site, e.g. through rental payments.

#### **4.0 STAFFING IMPLICATIONS**

- 4.1 There are no staffing implications as a result of this report.

#### **5.0 ENVIRONMENTAL IMPLICATIONS**

- 5.1 The Lorry Park facility was intended to provide off street overnight parking for heavy goods vehicles. However, as noted in the Report the actual usage of the Lorry Park for this purpose is doubtful as the site is being used for a variety of other purposes over which the Council has no direct knowledge, control or financial interest.
- 5.2 The proposal to terminate the (unwritten) agreement with Team Relocations and withdraw the Lorry Park facility formally, will allow the Council to regain direct control over the site's future use, and ensure that any adverse environmental impacts are properly controlled.

## **6.0 LEGAL IMPLICATIONS**

- 6.1 The Council sold part of the Drury Lane Lorry Park to Trans Euro on 30<sup>th</sup> August 1996. The buyers undertook to erect and maintain a 2 metre high chain link fence on the boundary between the property sold and the property retained.
- 6.2 The buyer also undertook to relocate existing occupiers of the retained land onto the land disposed of and allow them to remain there for a minimum period of 6 months and to allow existing occupiers to remain there for the same length of time.
- 6.3 Thereafter any occupiers remaining on the site were allowed to remain for a further period of up to two years on such terms as the buyer may reasonably impose but subject to that occupation being only for the purpose of lorry parking.
- 6.4 StreetCare were to manage the retained land as an overnight lorry park.
- 6.5 The Council is not obliged to provide overnight lorry parks but it has the power to do so under s115 of the Highways Act 1980.
- 6.6 It is not clear how it came about that Trans Euro appear to be managing the lorry park on the Council's behalf, but such a contract is a services contract and falls within the scope of the European Procurement Directive and if the value amounted to more than the relevant threshold at the time of letting (currently £154,000 over the life of the contract) it should have been tendered in accordance with the Directive. Furthermore, the letting of the contract should have been in accordance with the Council's Standing Orders at the time of letting the contract. These arrangements could be subject to challenge and so should be terminated as soon as possible.

## **7.0 DETAILS**

- 7.1 The Drury Way Lorry Park was established in 1996 when the Council sold approximately two acres of land at Drury Way to TransEuro. The Council retained the remaining one-acre to continue to be used as a Lorry Park, which TransEuro (now known as Team Relocations) would manage on behalf of the Council. StreetCare were to manage the lorry park for the parking of lorries overnight.
- 7.2 The intention of the facility is to provide an overnight parking facility for heavy goods vehicles in the Borough of Brent. A number of concerns exist about the use of the current site, and these concerns were most recently highlighted in an Internal Audit carried out by the Council's Audit and Investigations Unit.
- 7.3 In practical terms, the Lorry Park is not used for its intended purpose and this appears to have been the case for some considerable time. There is no legal obligation on the Council to provide a lorry park but in the past the Council considered it ought to provide a parking facility as lorries are banned from parking in Brent residential areas.

- 7.4 The audit investigation has confirmed previous concerns that the site is not used, or currently able to be used, for overnight lorry parking but is in a variety of other uses.
- 7.5 Skips and skip lorries occupy around half of the area, most of which bear the identities of a local skip company. A number of coaches and buses (bearing various liveries and operator names) are parked on the site, and there is also a small workshop.
- 7.6 Several visits to the site since the audit have shown that the site is fully occupied by the above uses, with little or no physical space for lorry parking. The audit established that it was likely that any lorries requiring parking facilities were accommodated in Team Relocations' adjacent premises.
- 7.7 Officers believe, therefore, that formally closing the intended Lorry Park facility would have no real impact on heavy goods vehicles visiting the area as for all intents and purposes the Lorry Park itself has not provided overnight parking for some time. The proposal will also deliver a cost saving, which is being put forward as part of the Council's Revenue Budget process for 2004/05.
- 7.8 It has not been possible to establish the existence of any written agreement or contract between Team Relocations and the Council. The proposal in this Report is to withdraw the facility from 31<sup>st</sup> January 2004. Whilst an earlier date (say, 31<sup>st</sup> December 2003) might be preferable in some ways, the recommended date will give officers time to manage the process of securing the site's future management.
- 7.9 The financial arrangements are intended to be that in return for managing the Council's site as a Lorry Park, Team Relocations collect the income from parking and pay one-third of this over to the Council. Team Relocations invoice the Council for costs associated with security, telephone, electricity, water and maintenance as well as a management fee. The Council meets 100% of NNDR.
- 7.10 The security costs have, until recently, been a one-third share of the total site security costs. However, in May 2003 Team Relocations notified the Council that future billing would be on the basis of Brent paying 100% of the site security costs. They stated that following a break-in to their own premises, Team Relocations have altered the internal layout to the extent that the security arrangements were now only necessary for the (Brent Council) Lorry Park.
- 7.11 Payments to Team Relocations have been put on hold, pending further enquiries and the resolution of queries.
- 7.12 As stated in section 3 of this Report, the Council is currently running the site at a loss, and the increased security costs will increase this significantly.
- 7.13 Officers propose to withdraw the Lorry Park facility at short notice (with effect from 31<sup>st</sup> January 2004) in order to reduce the financial loss in the current year and suggest that discussions take place between the Council's Property Unit and the existing occupiers about their future tenure.
- 7.14 The Council's Corporate Property Unit will then have the opportunity to consider other potential uses for the site if the existing various uses do not continue.

- 7.15 In summary, the Officer recommendation to close the Lorry Park will not only achieve a budget saving, but allow the site to be brought under closer management and allow discussions to take place on its future use.
- 7.16 Given that the site is not actually used as a Lorry Park currently (and appears not to have been for some time), there should be little or no real impact on overnight lorry parking in the withdrawal of the facility.
- 7.17 It should be recognised, however, that the Council could decide to maintain the lorry park facility and either manage the site itself (as per the intention in 1996) or let a contract as referred to in paragraph 6.6.
- 7.18 At this stage this has not been explored with the Council's Core Property Team who the Director of Environment believes would be better suited to the role of managing the site's future use. This can be explored in further reports to the Executive. However, as stated in paragraph 7.16 the site has not been used as a lorry park for sometime and the Director of Environment does not believe that re-establishing a lorry park facility would be a viable option for the Council or that there would be a great demand for one.
- 7.19 Notices will be placed at the site, setting out the proposed closure of the Lorry Park and comments invited.

## **8.0 BACKGROUND INFORMATION**

- Draft Management Letter (Confidential) – Parking Control Accounts (03.10.03)
- Letter from Team Relocations, dated 21<sup>st</sup> May 2003.

Any person wishing to inspect the above papers should contact Keith Balmer, StreetCare Unit, Brent House, 349-357 High Road, Wembley, Middlesex HA9 6BZ, Telephone: 020 8937 5066.

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