

<b>Committee(s)</b>	<b>Dated:</b>
Projects Sub– For decision Corporate Projects Board – For decision Markets Committee – For decision	19 April 2016 11 May 2016 10.00 11 May 2016 11.30
<b>Subject:</b> Entry Barrier – New Spitalfields Market (NSM)	<b>Public</b>
<b>Report of:</b> David Smith – Director of Markets and Consumer Protection	<b>For Decision</b>
<b>Report author:</b> Ben Milligan	

### Summary

It is the intention to install a payment barrier (5 barriers) at the front gate of New Spitalfields Market (NSM) (see Appendix 1 and 2). Customers would pay a one-off fee to enter the site for 24hrs. HGVs would pay based on a stepped system; the longer they remain on site, the more they would pay. The objectives are threefold:

- i) to create an income to fund maintenance work and improvements to the site,
- ii) to facilitate the enforcement of site rules regarding fly tipping, operating hours, non-payment of fines etc.,
- iii) to use the revenue generated to stabilise service charge levels going forward.

It is also intended that a weigh bridge is installed.

### Recommendation(s)

Note that no City funding will be required. Funds to install the barrier will come solely from NSM resources. £1m of ring fenced money has been set aside in the Market's funds/reserves. This will easily cover the costs of implementation. Revenue received will replenish these reserve funds before any money is allocated to planned works/improvements or the service charge.

### Main Report

#### Background

Currently there is no barrier that would enable controlled access or charges to be levied for entry into the NSM site. In the past, tenants of the market felt that a charge to enter the site may discourage customers coming onto the site. All of the market's competitors now have established charged entry systems which charge much higher rates than that planned at NSM (see appendix 3). A charged entry system is no longer seen by tenants as a deterrent for custom; it is now viewed by the SpMTA as a revenue stream that could offset large projected costs regarding the fabric of the ageing building as well as a steadying assurance on service charge levels.

## **Current Position**

A small barrier is currently in use at the gate-house, however that is only operated to show when the market is closed. It remains open when the market is in operation.

## **Options**

It is possible that an exit barrier is considered, but this would not lead to any benefits in controlling access. There would be no level of control; it would simply be a charge to exit.

There is the possibility of making the Ruckholt Rd/Sherrin Rd slip road into a two lane entry subject to highways approval and widening the area to the side of the gatehouse to create two lanes. This would ensure traffic into the site remained fast flowing and reduce any risk of vehicles stacking up onto the highway (it is expected that 5 barriers would mean traffic flow would never be slow enough to cause traffic to back into the highway. Entry into the site is controlled somewhat by the speed of the traffic light changes in Ruckholt Road).

Prices and ways of charging for access are negotiable. There could be a set charge i.e £1 for 24 hours of access, or a rising tariff based on time on site i.e. <30 mins = £2, 30 mins –1hr = £3, 1hr to 3hrs = £5 etc.

## **Proposals**

The COL staff car park would be taken out of commission (there is adequate provision for alternative parking to allow for this) to create a three/four lane barrier system (with a fourth/fifth manual barrier at the far end of the current staff car park for constabulary use for stop and search operations) (see Appendix 1 and 2). Two/three barriers would be for cars and vans (they would be height restricted). These vehicles would receive a ticket with the vehicle number plate printed on it (generated by the ANPR). This would allow for 24 hours of access so that they could make multiple journeys within that period. One barrier (the right barrier) would be for HGVs and would have left and right, high level ticket machines so drivers could access tickets from the cabs. HGVs would be given a timed ticket. They would have to pay to exit from an on-site ticket machine and leave via a corresponding HGV barrier on exit. The longer they stay, the more the charge is. Any issues with vehicles could be picked up at the gatehouse at these barriers. This would give staff time to address the vehicle as it passes the gate house or ask them to turn around if access is denied.

The most recent traffic survey indicated that on average 2950 vehicles use the site daily (17,736 a week). 52.4% were vans, 10% HGVs and Artics and 37.6% cars with the most busy times being between 00:00 and 01:00. There is not an analysis regarding what proportion of this number are tenant and staff vehicles; an educated, conservative guess would suggest that half the vehicles on site are customers. As there is such a high usage of the parking, any barrier and payment mechanism would need to be of sufficient standard and speed so as not to cause any substantial

traffic build up. A debit card touch system would be desirable with the added option of using quick “fee feed” coin machines. A nominal fee of £1 would be suggested as this amount would allow for the quickest processing of traffic. At current levels of traffic and conservatively assuming 50% of traffic are customers, this would create a minimum income of approximately £460,000 per annum. This, less the running costs, would mean there would be a significant, ring fenced fund each year to offset the service charge as well as provide for maintenance or improvement works.

A suitable system would be implemented to ensure that staff had photo ID swipe cards for free entry. Customer vehicles would only be allowed on site during set hours. Pedestrians would not be asked for payment, but they would also be restricted from entering the site (unless they were staff/tenants). There would be two doors for pedestrians. One being a swipe card operated turn-style for staff, the other, a simple gate, opened up at 2am when the market was opened to the public. This would prevent anyone parking outside and walking on site before 2am. Barriers would have screening below the barrier to discourage pedestrians entering under the barrier. Any transfer of staff cards to the public would result in the confiscation of the entry card. Guests to the market including contractors would receive a guest pass from the gate house which should ordinarily be booked in advance.

Alongside the barrier works there would be the installation of a weigh bridge. This would enable tenants to check (for a small fee) if they were legally loaded, and it would also mean that the COL could fully audit the volumes of waste removed from site by the designated waste contractor.

## **Corporate & Strategic Implications**

This proposal has been incorporated in the Departmental Business Plan. It also aligns with the City’s Corporate Asset Management Strategy and strategic objectives, namely that: i) operational assets are fit for purpose and meet service delivery needs, and that ii) opportunities to maximise income generation be explored and promoted where feasible.

## **Implications**

If the proposal was not implemented:

- The constabulary would have less ability to enforce site rules. They would not be able to prevent rogue traders, or problem vehicles accessing the site.
- Opening hours would not be enforced. The site would be effectively forced to run 24/7. The COL would have no level of control on who enters the site and when.
- There is the potential that the service charge would rise over the coming years
- HGV operations would not be controlled and as such the workplace transport risks from HGVs would remain unchanged when the market is in operation.
- The site would continue to be used as a trailer park for HGVs since the other wholesale markets in London charge for parking. Drivers would continue to stay for prolonged periods of time. (There are no facilities for this and as such drivers urinate and defecate in the car parks).

- Individuals who repeatedly break site rules or exhibit risky behaviour could not be excluded from site.
- The market is now 25 years old. Works required to keep it maintained are costly since it is such a large site (32 acres). Without such an income this money must be found from the service charge, which could cause increasing financial difficulty for the smaller businesses.

Other implications:

If, during the procurement stages, it is determined that there is a requirement to expand the road access into the site, approval would be required from Highways to create a second filter access lane (travelling NNE) from Ruckholt Road into Sherrin Road.

## **Conclusion**

There should be an installation of a payment barrier. Customers would pay a one-off fee to enter the site for 24hrs. HGVs would pay based on a stepped system; the longer they remain on site, the more they would pay.

This would facilitate the creation of an income to fund maintenance work and improvements to the site. It would enable more effective enforcement of site rules regarding fly tipping, operating hours, non-payment of fines etc. It would also stabilise service charge levels going forward.

The installation of a weigh bridge would create an income, would aid tenants in complying with the law, and would create a more controlled system of auditing the site waste contract.

## **Appendices**

- Appendix 1 – Current plan of road layout at front gate
- Appendix 2 – Proposed plan of road layout at front gate accounting for barrier positions
- Appendix 3 – Competitor prices for parking at Western International and New Covent Garden.

## **Ben Milligan**

Superintendent New Spitalfields Market

T: [020 7332 6522]

E: [ben.milligan@cityoflondon.gov.uk]