

# Cabinet



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Civil Parking Enforcement</b>	
<b>Report No:</b>	<b>CAB/FH/17/014</b>	
<b>Report to and dates:</b>	<b>Cabinet</b>	14 February 2017
	<b>Council</b>	22 February 2017
<b>Portfolio holder:</b>	Councillor David Bowman Portfolio Holder for Operations <b>Tel:</b> 07711 593737 <b>Email:</b> <a href="mailto:david.bowman@forest-heath.gov.uk">david.bowman@forest-heath.gov.uk</a>	
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	<b>Purpose of report:</b> To receive a proposal for the transfer of Civil Parking Enforcement to West Suffolk authorities and agree formal decision making process.	
<b>Recommendation:</b>	<b>Subject to the approval of Council, Cabinet is <u>RECOMMENDED</u> to:</b>  (1) <b>Note the contents of this report and the estimated financial impact of introducing Civil Parking Enforcement shown at Exempt Appendix A to Report No: CAB/FH/17/000.</b>  (2) <b>Support Suffolk County Council in seeking the transfer of Civil Parking Enforcement powers to Forest Heath District Council.</b>  (3) <b>Enter into an Agency Agreement with Suffolk County Council for the period 2019-2029 to undertake delegated Civil Parking Enforcement Powers across the District.</b>	

	<p><b>(4) Contribute £10,000 towards the countywide set up costs for Civil Parking Enforcement.</b></p> <p><b>(5) Agree that Forest Heath District Council will meet the cost of operating Civil Parking Enforcement delivered by a shared West Suffolk service, subject to:</b></p> <ul style="list-style-type: none"> <li><b>(i) the retention of all on-street parking income;</b></li> <li><b>(ii) a Service Level Agreement with Suffolk County Council on the processing of new requests for restrictions and maintenance of lines and signs; and</b></li> <li><b>(iii) assume delegated responsibility to this authority for on street pay and display tariff setting, and provision of on-street parking bays (subject to a Highway Authority pre-defined assessment).</b></li> </ul> <p><b>(6) Note the planned introduction on on-street charging in Newmarket High Street (as previously agreed by Cabinet 22 December 2015; Report No: CAB/FH/15/063) and request that Suffolk County Council prioritise the development of this scheme at the earliest opportunity.</b></p> <p><b>(7) Subject to resident consultation, approve the introduction of an on-street resident permit scheme in Newmarket.</b></p> <p><b>(8) Approve the review of off-street parking tariffs and identify further opportunities for on-street charging by the end of 2017.</b></p> <p><b>(9) Approve the use of reserves in the short term to offset the deficit to provide time to review full financial implications post implementation.</b></p> <p><b>(10) Approve delegated authority to the Assistant Director (Operations), in consultation with the Portfolio Holder for Operations, to sign-off the final agreements relating to the introduction of Civil Parking Enforcement.</b></p>
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<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/> As it is a decision of full Council and not Cabinet	
<b>Consultation:</b>		<ul style="list-style-type: none"> <li>N/A</li> </ul>	
<b>Alternative option(s):</b>		<ul style="list-style-type: none"> <li>Civil Parking enforcement powers to be retained by Suffolk Police</li> <li>Civil Parking Enforcement contracted to another authority/private sector by Suffolk County Council</li> </ul>	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>Significant annual financial expenditure and a reliance on income receipts to mitigate operating deficit.</li> </ul>	
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>Staffing restructure will be required to accommodate expanded team.</li> <li>Existing staff will require training in new roles.</li> </ul>	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>Enforcement undertaken under RTA 1984 Act.</li> </ul>	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
The Council decides not to enter into CPE agreement with SCC	Medium	Both Authorities agree terms as define in this report	Low
Transfer of CPE not approved by Secretary of State	Medium	Robust business cases Consent from all strategic county bodies	Low
Risk of Penalty Charge Notice shortfalls	Medium	Conservative estimates have factored the number of PCN issued/income assumptions based on experience elsewhere and levels of existing enforcement in West Suffolk.	Low

Annual financial deficit on CPE account	High	Deficit can be mitigated by on street parking charges (through delegated powers transferred from SCC) and/or increased income generated by of street car parks. A SLA with SCC providing financial safeguards for the delay to maintenance/repair of lines and signs resulting in loss of income.	Medium/ Low
Safety implications for lone working of Civil Enforcement Officer	Medium	Radio's, body worn video devices and staff training budgeted for in business case	Low
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		None	
<b>Documents attached:</b>		<b>Exempt Appendix A</b> – Estimated financial impact for implementing Civil Parking Enforcement in FHDC.	

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## **1. Key issues and reasons for recommendation(s)**

### **1 Background**

- 1.1 Civil Parking Enforcement (CPE) is where local authorities take over responsibility for 'on-street' parking restrictions from the police. Of the 327 District Councils in England, just 25 are not designated as Civil Enforcement Areas (CEAs). Suffolk hosts 6 of those 25 where parking violations are still enforced by the police.
- 1.2 Suffolk Constabulary is not permitted to retain any income from parking enforcement with all monies being sent to the Treasury. Given competing higher priorities and reduced resources, the current level of parking enforcement in Suffolk is seriously limited. Therefore there is an emerging collective desire to move the responsibility for the enforcement of on-street parking restrictions in Suffolk from the Police to Local Authorities. This was recently endorsed by the Suffolk Public Sector Leaders Group (SPSLG) in seeking to ensure there is a basic level of enforcement in the county. It is viewed that CPE has the benefit a common enforcement service for both on and off street parking for the convenience and ease of understanding for the motorist as well as a more efficient operation.
- 1.3 In two-tier authority areas such as Suffolk, subject to the consent of the Secretary of State for Transport, CPE can only be transferred to the County Council who may operate it directly or by delegation under an agency agreement with District and Borough Councils. Suffolk County Council (SCC) has already delegated CPE powers to Ipswich Borough Council for 11 years and a similar form of delegation is preferred across Suffolk with three separate operational teams patrolling the county - West Suffolk (Forest Heath and St Edmundsbury), East Suffolk and Ipswich. The Mid Suffolk and Babergh authorities have declined to undertake the management of CPE themselves and the enforcement of these districts will be shared across the three operational teams. Babergh and Mid Suffolk Councils have also approached West Suffolk to manage some its off street car parks, including Sudbury and Stowmarket, on a full cost recovery basis.
- 1.4 The proposed powers delegated to this Council would include the enforcement of double yellow lines, loading bays, taxi ranks, school keep clear areas and bus stops. The frequency of patrols is a significant factor and the deployment plan will be consistent with guidelines set out under the Traffic Management Act 2004 on which the Secretary of State for Transport will consider granting approval for CPE in the county.

### **2 Financial Implications**

- 2.1 There are financial implications resulting from CPE. The set up costs for implementing the scheme across the county will be in the region of £1.13m which includes the cost of equipment and software requirements along with the associated costs of submitting the CPE application to the Department of Transport. The set up costs of £1.13m will be shared with

£10,000 met by the six district and borough councils (excluding Ipswich Borough Council where CPE already exists), £190,000 from the police and the remaining £880,000 met by the Council. The county council will also fund the review of all lines, signs and the accompanying traffic regulation orders at a likely cost of £250,000.

- 2.2 The revenue implications for this Councils is important. Minded that in having the CPE powers delegated to the District Council, each Council will assume the financial risk of the scheme in there locality. External consultants - Mouchel, were appointed to support all Suffolk authorities in the business planning process for the project with the aim of providing realistic cost and income assumptions.
- 2.3 The level of expenditure is dependent on the level of enforcement required which will determine the number of staff and vehicles that are needed. It is assumed that 1Team Leader and 4 Civil Enforcement Officers are employed in FHDC in addition to a patrol manager, radio controller and staff processing Penalty Charge Notices. This is a prudent forecast as overprovision would lead to an inefficient parking operation. Economies of scale savings may result from procurement and, subject to a separate business case, consideration will also be given to a shared Suffolk back of house system for the processing of fines. It is estimated that the annual cost of operating the scheme will be around £260,000 in FHDC.
- 2.4 Under their guidance for CPE applications, the Department of Transport advise that schemes should be self-financing as soon as practicable and off street car park income is not required to underwrite the costs (with exception of Penalty Charge Notices). Therefore the financial model for CPE is reliant on limited revenue opportunities, generated from unpredictable and as yet unknown levels of Penalty Charge Notices (PCN's). Fine income is difficult to predict but having taken external advice and made comparisons with other authorities, it is estimated that average annual income from PCN's will be £100,000 in FHDC and thereby an annual operating CPE deficit of £160,000 in FHDC (and a combined deficit of £540,000 across West Suffolk).
- 2.5 CPE is unlikely to reach a cost neutral position based on the projected expenditure and estimated income from the issue of parking fines in FHDC. On-street income in other civil enforcement areas has been accepted as the preferred mechanism to ensure the viability of the CPE service and ensures no long term financial dependency from other Council funding steams. Currently on-street pay and display parking charging is only operated in Bury St Edmunds and Ipswich.
- 2.6 Suffolk County Council has offered that all income generated on street can be retained to off-set the costs of CPE by the local District or Borough Council managing the scheme. Any surplus funds derived from on street income may only be reinvested into transport related initiatives. In addition, SCC have offered to allow the districts to take control over the provision of on-street pay and display parking, including determining its

location and tariffs (subject to consultation with the Highway Authority). The County Council would retain primacy over actual location of such parking against agreed criteria which will be developed. Such criteria would be for instance if the Council as highway authority considers that road safety or traffic management would be adversely affected or if there would be adverse consequential impacts on other parts of the highway network.

- 2.7 Exempt appendix A sets out the estimated budgetary position for FHDC. This has identified in-house efficiencies and economy of scale savings, including the displacement of vehicles who park illegally on-street to off-street parks. Members will note no significant impact on the off street parking account.
- 2.8 In summary, the FHDC CPE account will operate at a deficit of £160,000 unless other income sources are agreed to off-set this loss. Cabinet will note that they approved in principal the introduction of Pay and Display charges on Newmarket High Street on 20 December 2015 (Report No: CAB/FH/15/063 paragraph 2.4ix) and sought SCC to develop a scheme. This would potentially generate in excess of £100,000 pa (subject to a detailed Business Case). Members are recommended to request that SCC prioritise the development of this scheme at the earliest opportunity.
- 2.9 Cabinet will also be aware that further consultation on a Resident Parking Scheme will commence in Newmarket this spring. Should a scheme have widespread support by residents, the income from permit sales would fund the costs of enforcement and may generate further displacement of vehicles to the off street car parks, contributing in the region of £30,000 per annum.
- 2.10 SCC has advised that new on-street pay and display and resident parking schemes take on average 18 months to work and implement. Members should not assume either scheme will be operational by 2019 but be assured that work will commence as a priority.
- 2.11 Minded that the cost of CPE may not be fully recoverable from on street charges alone, Members should consider the use of off-street car parking income. Whilst existing receipts are factored into the Council's mid-term financial strategy, income generated by an increase to existing tariffs or the introduction of charges for car parks that are currently free, could be used. The withdrawal of free parking could also provide an opportunity to establish on-street pay and display parking.
- 2.12 In conclusion, CPE is likely to operate at a £160,000 loss in the 2019/2020 financial year although the deficit will be significantly reduced to £30,000 in 2020/21. Cabinet are therefore recommended to agree the following options to offset the deficit in the short term and mitigate against any delay to potential on street income receipts:-
- Review off street parking tariffs and identify further opportunities for on street charging by the end of 2017.
  - The use of reserves in the short-term to offset the deficit that will

provide time to review full financial implications post implementation.

- 2.13 Financial risk to FHDC can be further mitigated by a robust Service Level Agreement (SLA) with the County Council which would set clear timescales for maintenance and repair of the signs and lines on the highway to be compliant with the Traffic Regulation Order. A delay would result in potential lost income from enforcement and therefore the agreement would seek financial penalties if the redial works are not dealt within a reasonable period of time.

### **3 Programme Management**

- 3.1 Formal agreement by all authorities in Suffolk to endorse the transfer of CPE powers from the police is needed by the end of February 2017. Each authority will need to approve its individual business case and accept financial risk for their own CPE operation. This endorsement is required for the application to the Secretary of State for Transport. It is anticipated the formal application will be made by the end of this year with the CPE becoming fully operational by April 2019
- 3.2 The delegation of CPE operations in SEBC and FHDC will be underpinned an Agency Agreement with Suffolk County Council for the period 2019-2029. The latter will detail the terms of the CPE delegation from SCC and include how the scheme is managed and financed Delegated authority is required for the Assistant Director (Operations) to sign off the final agreement.