

CABINET MEETING – 5 NOVEMBER 2008

EXECUTIVE SUMMARY SHEET

Title of Report:

Civil Parking Enforcement – Options for Service Delivery

Author(s):

Director of Development and Regeneration

Purpose of Report:

To inform Cabinet of the termination date of the off street parking enforcement contract with NCP Services associated with Civil Parking Enforcement (CPE) and to propose that subsequently the service be provided in-house.

Description of Decision:

Cabinet is recommended to;

- i) note the termination date of NCP Services off street parking enforcement contract of 2nd February 2010.
- ii) approve the option to provide Civil Parking Enforcement as an in-house delivered service from 3rd February 2010.
- iii) authorise the Director of Development and Regeneration and the City Solicitor to take appropriate action.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

The decision is required to ensure that the Council can fulfil its statutory role and responsibilities with regard to Civil Parking Enforcement following the termination of the NCP Services contract for off street parking enforcement on 2nd February 2010.

Alternative options to be considered and recommended to be rejected:

As contained in the report.

Is this a “Key Decision” as defined in the Constitution?

Yes

Is it included in the Forward Plan?

Yes

Relevant Review Committee:

Environmental and Planning

CIVIL PARKING ENFORCEMENT – OPTIONS FOR SERVICE DELIVERY

Report by the Director of Development and Regeneration

1.0 PURPOSE OF REPORT

- 1.1 To inform Cabinet of the termination date of the off street parking enforcement contract with NCP Services associated with Civil Parking Enforcement (CPE) and to propose that subsequently the service be provided in-house.

2.0 DESCRIPTION OF DECISION

- 2.1 Cabinet is recommended to;

- iii) note the termination date of NCP Services off street parking enforcement contract of 2nd February 2010.
- iv) approve the option to provide Civil Parking Enforcement as an in-house delivered service from 3rd February 2010.
- iii) authorise the Director of Development and Regeneration and the City Solicitor to take appropriate action.

3.0 BACKGROUND

- 3.1 At the Cabinet meeting held on 6th November 2002 National Car Parks (now NCP Services) were awarded the Parking Services Enforcement contract for a period of seven years and commenced duties on 3rd February 2003. Consequently the contract expires on 2nd February 2010.
- 3.2 At the time the contract was awarded, the duties included enforcement of both on and off-street parking places and waiting restrictions in accordance with the requirements of the Road Traffic Regulation Act 1991. At the meeting held on 27th September 2007 Cabinet agreed that the Council be responsible for providing on-street enforcement and the contract with NCP was revised accordingly with NCP Services retaining off street enforcement operations including cash collection and cleansing of car parks. Existing NCP on-street personnel were transferred to the Council under the Transfer of Undertakings (Protection of Employment) regulations (TUPE). This new arrangement came into effect as from 1st December 2007.
- 3.3 On 31st March 2008, the relevant provisions of the Road Traffic Act (RTA) 1991 was repealed when Part 6 of the Traffic Management Act 2004 (TMA) and the associated regulations introduced Civil Parking

Enforcement (CPE). The provisions for CPE largely replicated and updated the arrangements for Decriminalised Parking Enforcement (DPE). CPE introduced some changes in terminology and different parking penalties which are now applied depending on the seriousness of the contravention.

4.0 REASONS FOR DECISION

- 4.1 The decision is required to ensure that the Council can fulfil its statutory role and responsibilities with regard to Civil Parking Enforcement following the termination of the NCP Services contract for off street parking enforcement on 2nd February 2010.

5.0 OPTIONS FOR SERVICE DELIVERY

- 5.1 Consideration has to be given to future service delivery when the contract expires in February 2010. The options available for on-street and off-street enforcement are;

Option 1. Council/Contractor

The Council to continue to operate an in-house on street enforcement team with off-street enforcement including cash collection and cleansing of car parks being subject to competitive tender.

Option 2. Council/In-House

The Council to manage in its entirety both on and off street enforcement including cash collection and cleansing of car parks.

Option 3 External Contractor

Both on and off-street enforcement including cash collection and cleansing of car parks in its entirety to be subject to competitive tender.

6.0 OPERATIONAL REQUIREMENTS

- 6.1 There are three elements comprising the current enforcement regime;

a) MANAGEMENT AND NOTICE PROCESSING TEAM
(CURRENTLY IN-HOUSE PROVISION)

Formal appeals associated with CPE have been delivered in-house since inception and ensures that sensitive issues are dealt with direct by Council employees. At present the parking management team consists of:

1 No. Parking Services Manager
1 No. Deputy Parking Services Manager

- 1 No. Parking Officer
- 2 No. Senior Appeals Officers
- 2 No. Appeals Assistants
- 2 No. Administrative Assistants

6.2 The parking management team that undertakes the administrative function associated with penalty charge notices has been the subject of a recent review undertaken by RTA Associates which concludes that “the service has a proven record of fairness and consistency”. It engages with the Traffic Penalty Tribunal which is an independent body that provides arbitration in the event that the Council and the appellant cannot agree on the outcome of an appeal. The current staffing budget for providing the management and Notice Processing Team is £274,500.

b) ON STREET ENFORCEMENT (CURRENTLY IN-HOUSE PROVISION)

6.3 The existing establishment for on-street enforcement is made up of the following:

- 1 No. Customer Liaison Officer
- 1 No. Monitoring Officer
- 3 No. Senior Civil Enforcement Officers
- 1 No. Radio Controller
- 15 No. Civil Enforcement Officers (CEOs)

6.4 The enforcement team patrols 10 different rotas covering all the parking, waiting and loading restrictions throughout the city. The majority of parking activity inevitably occurs in the city centre and this is where the majority of staff are deployed with other areas patrolled less frequently. A mobile CEO is deployed to visit other locations and reported incidents. The annual staffing budget for providing this service is £418,500.

(c) OFF STREET ENFORCEMENT (CURRENTLY CONTRACTOR PROVISION)

6.5 NCP Services currently provides the off street enforcement team whose staff are accommodated in the St Mary’s, Sunnyside, Central and Civic Centre car parks. In addition they undertake cash collection and cleansing of the car parks. The current establishment consists of;

- 8 No. Senior Civil Enforcement Officers
- 30 No. Civil Enforcement Officers
- 1 No. Cash collection Supervisor
- 1 No. Cash collection operative
- 2 No. Cleansing operatives

The estimated cost of providing this service is £1,085,000

7.0 CONSIDERATION OF OPTIONS

Option 1 Council/Contractor

The Council to continue to operate an in house on street enforcement team with off street enforcement including cash collection and cleansing of car parks being subject to competitive tender.

The current arrangements comprise a hybrid service, as a consequence of the Council's decision in 2007 to provide on-street enforcement services direct. This arrangement is characterised by having public sector and private sector Civil Enforcement Officers with differing pay scales, uniforms and management arrangements. Experience has shown that this does not achieve optimum efficiency and can be confusing for the public. No other authority operates this type of enforcement arrangement.

Option 2 Council In-House

The Council to manage in its entirety both on and off street enforcement including cash collection and cleansing of car parks.

The in-house on street enforcement team was introduced as from 1st December 2007 and given the relatively short period of time in operation the team is performing a sensitive service effectively under sometimes difficult circumstances. It could be expanded to cover the whole service provision as off-street enforcement would integrate relatively easily with the more complex on street enforcement regime.

The Council's Consultants, RTA Associates who have undertaken the Sunderland Parking Enforcement Consultancy review have recommended that the off street enforcement service should be brought back in house as soon as the current contract with NCP Services concludes. The report states that the Council has achieved very high standards of service provision whilst recognising that continuous improvements are needed to make the system more efficient and cost effective. Also, that the council adopts a firm but fair approach with regard to enforcement and the rapport with the public is excellent.

Existing NCP Services enforcement personnel, the cash collection team and cleansing operatives would be subject to a TUPE transfer. There would be no accommodation implications as staff would continue to be based at the four multi storey car parks namely, St Mary's, Sunnyside, Central and Civic Centre car parks.

Option 3 External Contractor

Both on and off-street enforcement including cash collection and cleansing of car parks in its entirety be subject to competitive tender.

Externalising the whole of the on and off-street enforcement service will reduce day to day management obligations for service delivery, recruitment, retention, sickness levels and disciplinary issues and the like. However, there would be less direct control over what is a sensitive public service. RTA Associates view is that that all enforcement operations should be returned in-house at the earliest opportunity. Existing Council enforcement staff would be the subject of a TUPE transfer.

8.0 OTHER RELATED SERVICE MATTERS

- 8.1 The recent review of parking enforcement undertaken by RTA Associates suggests that the current ICT arrangements are brought in-house in order to reduce costs and improve efficiencies.
- 8.2 Cash collection from ticket machines and cleansing of car parks is currently undertaken by NCP Services. These would be reviewed as part of the introduction of a chosen service delivery model.

9.0 SUMMARY OF COSTS

- 9.1 Below is shown the provisional estimated costs associated with each option for service delivery. Clearly assumptions have been made in relation to some of these costs, particularly where the estimated costs of appointing an external contractor option is concerned. The costs shown are those anticipated to vary depending on option chosen. They do not represent the full cost of the service.

Item	OPTION 1 Council/ Contractor £	OPTION 2 Council In- House £	OPTION 3 External Contractor £
Parking management team	274,500	274,500	274,500
On Street Enforcement team	418,500	418,500	460,000
Off Street Enforcement Team	1,085,000	823,000	1,085,000
Cash Collection	Included	26,000	Included
Cleansing of car parks	Included	63,500	Included
Cash counting machine support	Included	500	Included
Software support	1,500	1,500	1,500

Post code software	255	255	255
DVLA enquiries	500	500	500
Uniforms	8,000	24,000	Included
Transport	Included	2,000	Included
Training	5,000	15,000	Included
Printers	900	1,850	Included
Electronic Handhelds	1,300	2,600	Included
Cameras	200	400	included
Anticipated annual cost of service	£1,795,655	£1,654,105	£1,821,755

Costs referred to as 'Included' are already contained within the current NCP contract price.

- 9.2 In addition to the costs identified above, it is anticipated that additional one-off costs will be incurred in year one as detailed below:

	OPTION 1	OPTION 2	OPTION 3
Item	Council/ Contractor £	Council In- House £	External Contractor £
Notice Software processing	47,000	47,000	47,000
Cash Counting machine	0	5,000	0
Additional Training	5,000	15,000	0
Additional One-off Cost	52,000	67,000	47,000

10.0 NEIGHBOURING AUTHORITIES

- 10.1 For information, the table below shows other local authorities within the Region who are currently operating CPE and their arrangements for the parking enforcement function:

Authority	Enforcement Regime
Gateshead	Wholly In-house
South Tyneside	Wholly Contracted out
North Tyneside	Wholly In-house
Stockton	Wholly In-house
Hartlepool	Wholly In-house
Middlesbrough	Wholly In-house
Redcar and Cleveland	Wholly In-house

11.0 RELEVANT CONSIDERATIONS

FINANCIAL IMPLICATIONS

- 11.1 Provision exists within the revenue budget to meet the current budgeted costs of Civil Parking Enforcement. To the extent that

savings are generated or additional costs incurred the budget implications will be considered as part of the Medium Term Financial Strategy, though on the basis of the analysis contained in this report it is estimated that there will be a saving in the first year of £72,295 with ongoing savings compared to the budgeted position of £139,295.

EMPLOYEE IMPLICATIONS

- 11.2 The transfer of the off - street parking service to the Council would effect a transfer to the Council's employment of NCP Services employees currently assigned to this work, under the Transfer of Undertakings (Protection of Employment) Regulations 2006. At current staffing levels this would involve the transfer of 42 staff as detailed in paragraph 6.6.
- 11.3 Employees would transfer to the Council on their existing terms and conditions of employment in accordance with the TUPE Regulations. Future consideration would need to be given to harmonising the terms and conditions of employment of transferring employees, in line with the Council's terms and conditions of employment, in order to deliver and meet the needs of future service delivery plans for the new in-house off-street parking service, and to ensure that any potential equal pay implications are managed. This would require the usual consultative processes with Trade Unions and affected employees. A detailed report on this matter will be submitted to a forthcoming Personnel Committee meeting.

PROJECT MANAGEMENT METHODOLOGY

- 11.4 The Council's project management methodology is to be used to implement the service transformation.

12.0 STAGES OF IMPLEMENTATION

- 12.1 Subject to accepting the recommended option, the table below shows the key stages in the implementation process which is expected to take around 15 months.

Stages of Implementation	Scheduled start	Scheduled finish
Review and revise internal operations to prepare for the new regime	December 2008	January 2010
Procurement of new notice processing software and associated equipment	December 2008	December 2009

Commence negotiations with staff and trade unions	December 2008	February 2010
Consult with Council employees	December 2008	December 2008
Review establishment of proposed structure	April 2009	October 2009
Confirm with NCP Services termination of contract	June 2009	June 2009
Agree information technology links with DVLA	June 2009	November 2009
Install new notice processing software	November 2009	February 2010
Staff training	December 2009	February 2010
Order uniforms	November 2009	January 2010
Develop communications strategy	December 2009	February 2010
Update Parking Charter	January 2010	February 2010
Continual monitoring of all aspects of CPE	February 2010	ongoing

Background Papers

- i) Parking Services Enforcement Contract
- ii) Consultants report on the Review of Parking Enforcement
- iii) Cabinet report dated 27th September 2007
- iv) Cabinet report dated 6th November 2002