



<b>Subject:</b>	Off-Street Car Parking: Future Delivery Options
<b>Date:</b>	13 October 2015
<b>Reporting Officer:</b>	Siobhan Toland, Lead Operations Officer
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<b>Is this report restricted?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	The purpose of this report is to seek Committee approval on the recommended optimum service delivery method for off-street car parks across the 11 council sector post 31 <sup>st</sup> October 2016.
<b>2.0</b>	<b>Recommendations</b>
2.1	<p>The Committee is recommended to approve the proposal put forward by the 'Off-Street Parking Subgroup' (which has representation from all 11 councils) and which was further endorsed by the Local Government Chief Executives' Group (LGCEG) on 28 August to:</p> <ul style="list-style-type: none"><li>- <i>enter into discussions with the DRD to extend the Agency Agreement and Technical Specification for all councils, for the delivery of off street parking for a further period of 3 years - with the option to extend beyond this time if required.</i></li></ul>
<b>3.0</b>	<b>Key issues</b>
3.1	<p><b>Background</b></p> <p>The transfer of the Off-Street Parking functions from the DRD to local councils occurred on 1 April 2015 by virtue of the Off-Street Parking (Functions of District Councils) Act 2015. In preparation for the transfer, it was agreed that local government would establish a</p>

Regional Off-Street Parking Group (a sub-group of LGCEG) to take forward the operational actions required to ensure the smooth transfer of the function and assets on 1 April.

- 3.2 At the last meeting of the Regional Group on 30 June 2015 the representatives from the councils examined a detailed options paper covering a variety of possible service models for the delivery of off-street parking after October 2016 with a view to making a recommendation to the LGCEG on a preferred way forward

***Options for Future Delivery Models***

- 3.3 The Regional sub group met in June 2015 to review the potential service delivery options for post 31<sup>st</sup> October 2016. The options considered covered a variety of possible service delivery models ranging from the 'as is' Agency Agreement, to the internalisation of the function within each council to the externalisation of all aspects of the service via an alternative means.

- 3.4 The Group unanimously agreed to support the option to ***maintain the status quo and enter into discussions with the DRD to extend the Agency Agreement and the Technical Specification for all councils for a period of 3 years.***

- 3.5 This option would extend the Agency Agreement with DRD but would seek flexibility with respect to aspects that councils normally deliver in house - such as cleaning and maintenance of planted areas.

- 3.6 It was proposed that the Agency Agreement be extended for 3 years with an option to extend if required until the end of NSL contract.

- 3.7 There are a number of factors which contributed to the selection of this option by the Sub-Group and these are listed below:

- This is a new function transferred to the councils and they are still learning about the operating business and given the dates decisions are required by, it was considered still very early for councils to make a call on what changes would be for the best. To date there have been no significant issues with the Agency Agreement and no complaints from the public.

- New council structures and service models are still in a state of transition and more time may be required to decide on the most effective and efficient arrangements for the management of off-street car parking within other corporate agendas.
- Continuing with the existing Agency Agreement will mean minimal change for the councils as there is significant work to redesign the service. Also the detailed work and negotiations in terms of developing and reaching agreement on the Agency Agreement and Technical Specification has only recently been completed.
- The timeframes for agreeing and implementing a new service delivery model at this stage are extremely tight and may leave councils vulnerable if the successful implementation was not completed on time to the required standard.
- Remaining with the status quo will ensure continuity of service for the public. It would also mean that significant officer time would be saved and the considerable procurement costs of such an exercise would be avoided.
- Given the size and scope of the current contract DRD procured the Council officers on the regional group are of the view that we are getting economies of scale and therefore receiving value for money in this contract. If arrangements were to change each council would have to consider how effective and efficient a new service delivery would be.
- A final key element in reaching this conclusion was that an extended / renegotiated Agency Agreement and Technical Specification would allow the councils time to determine the objectives to be achieved from car parking and consider and develop a long term parking approach or strategy for the future benefit of their districts.

***Back up option***

3.8 A further backup option was also agreed in the event that DRD are unwilling to continue to provide the back office Penalty Charge Notice (PCN) processing as part of the agreement post Oct 2016. This option would involve the separate procurement of PCN processing with IT support whilst drawing on the current NSL contract through a new Agency Agreement with DRD.

## **Conclusion**

- 3.9 The Sub Group concluded that to move away from the current arrangements and either go through a separate procurement exercise or bring in house would be costly, complicated and time consuming given the experience and knowledge of the local authorities in this function. In addition, such a move away from the current Agency Agreement and Technical Specification would require councils to acquire alternative provision of each of the aspects currently covered by both the DRD and NSL as set out below:
- 3.10 **The DRD element** of the Agency Agreement and Technical Specification covers:
- *Contract Management of NSL*
  - *PCN processing including staff costs / challenges and appeals process / IT systems and support / collection of PCN income banking and administration (including CC charges) / stationary / legal fees / DVA costs*
  - *Communications*
  - *Reconciliation of income streams (cash / season tickets / cashless payments)*
  - *Queries*
  - *Audit checks of income streams*
  - *Management information reports*
- 3.11 **The NSL element** covers:
- *Traffic attendants deployment including enforcement patrols / issuing PCNs / Equipment / Uniforms / attendance at appeals / training / supervision / management / administration / stationary / office overhead etc*
  - *P&D machine maintenance including servicing / parts & labour / tickets etc Cash collection, reconciliation and banking including staff / premises / banking charges / vehicles / insurance etc*
  - *Cleaning including litter picking / mechanical sweeps/ annual mechanical sweep covering vehicles / materials / insurances and so on*
  - *Plant maintenance*
  - *Annual mechanical sweep*
  - *Signage provision*
  - *Clamping and removal*

3.12	<p>As well as the consideration and inclusion of these elements in any future delivery model consideration was also given to the financial impacts of change as well as the HR aspects such as TUPE, the significant change the councils have already encountered and will further encounter with the transfer of regeneration in 2016, as well as the officer time that would be required to ensure councils were in a position to deliver this function through an alternative method.</p> <p><b>Financial &amp; Resource Implications</b></p>
3.13	<p>The financial implications are not known at this time but updates will be brought as and when negotiations begin / progress with the DRD. The DRD will enter into negotiations with the supplier upon endorsement from the 11 councils and will provide indicative costing as soon as they are known. Officer time will be required to organise and undertake the negotiations including officers from Environmental Health, Legal Services, Financial Services and the LGR Office. Other specialist officers may be called upon if required.</p> <p><b>Equality or Good Relations Implications</b></p>
3.14	<p>There are no equality or good relations implications at the time of writing.</p>
<b>4.0</b>	<b>Appendices – Documents Attached</b>
4.1	None