

Cabinet Briefing Note on Civil Parking Enforcement

1.0 Introduction

- 1.1 The current Parkwise Agency Agreement with Lancashire County Council expires in September 2009 and arrangements for local parking enforcement are due to change. This briefing note outlines the changes and the procurement options that have been investigated. These options have been investigated by the County Council and Team Lancashire and this briefing note provides background information on the current position. Both procurement options are reaching a critical point in terms of the amount of time that is required to implement them to ensure effective arrangements are in place by September.

2.0 Background Information

- 2.1 Civil Parking Enforcement (CPE), formally known as DPE, has been operating within the Lancaster district since 2004 under the countywide Parkwise agency agreement arrangements. The on-street enforcement is carried out on behalf of the County Council as highway authority and the off-street car park enforcement is carried out for the City Council.
- 2.2 Cabinet considered a report last September about the future operational arrangements for CPE and approved Option 1b subject to its operation being within the budget framework and entering into an agreement with the County Council (Minute No.53). Option 1b effectively maintained the current operational arrangements but required the majority of the Lancashire districts to sign up to capping arrangements that would limit the cost of providing the on-street element of the parking enforcement service.
- 2.3 Lancashire Chief Finance Officers (LCFOs) subsequently considered the proposals for Option 1b and were asked to provide the County Council with an 'in principle' agreement to the capping arrangements. In view of concerns regarding transferring the financial risk for undertaking the on-street element onto the districts, responses from district councils indicated that at least three districts were unlikely to commit to Option 1b. For the remaining districts whilst there was a stated 'in principle' agreement, they had continuing concerns around financial risk and in a number of cases their agreement was therefore subject to a number of conditions reflecting those concerns.
- 2.4 The County Council faced with increasing difficulties in proceeding with Option 1b and concerns over tender deadlines for the procurement of enforcement and back office IT systems, reconsidered its position in terms of delivering a model that would be operationally and financially viable. Given the constraints and practical considerations involved with the tendering process, and after further discussions with their Cabinet Member, an alternative option known as Option 2 was approved to ensure an efficient and effective parking enforcement service would be in place by September 2009.
- 2.5 Option 2 is where the County Council undertake the on-street parking enforcement and the districts undertake their off-street enforcement in their own car parks. Under this option the County Council would procure an

enforcement contractor, maintain a central notice processing office and a back office software system to process Penalty Charge Notices (PCNs). The districts would then have the option to buy into these services for their off-street car park enforcement.

3.0 Current Position

3.1 County Council Procurement Arrangements

3.2 The County Council has been evaluating tenders for the provision of a combined enforcement and back office notice processing IT system. The County's procurement timetable has been delayed and at the time of preparing this briefing note the County's Chief Executive has approved the preferred contractor but details have not been released to the district councils. When confirmation of the contractor is communicated to the districts further detailed information on the proposed arrangements will also be provided including the costs of providing the various services for off-street parking enforcement and Cash in Transit (CIT).

3.3 Team Lancashire Procurement Arrangements

3.4 The district councils operating within the current partnership arrangements expressed concern about County's decision to undertake the on-street element of local parking enforcement particularly as the existing partnership arrangements have been successful from an operational point of view. In view of this concern the central Lancashire cluster of Preston, South Ribble, Chorley and West Lancs along with Lancaster agreed to work together to see if there was scope for sharing services for off-street parking enforcement and income collection through the other procurement measures. This work has been undertaken under the Team Lancashire approach where the partnership is founded on a common vision set out in the concordat "Working Better Together"; which is a shared understanding to deliver solutions to problems facing the Lancashire authorities. All 12 districts within the existing partnership have now expressed an interest in considering these other procurement options.

Team Lancashire has undertaken an options appraisal and has invited tenders for the provision of off-street parking enforcement including CIT and the provision of a parking management information system and related services. The tenders were invited on the basis that the interested companies must comply with existing approved procurement frameworks. Where possible the tenders have been provided in a similar format to the County's proposals to assist with assessing their suitability. These tenders have been evaluated by representatives from Team Lancashire and a panel from the district councils. A preferred option has been selected and Team Lancashire is currently inviting comments from the districts.

3.5 In-House Enforcement and Back Office Option

3.6 One of the main benefits that has been achieved with the current outsourced enforcement arrangements is the ability to increase or decrease the amount of CEO deployment at 6 weeks notice. This has allowed the City Council to respond to changing requirements and better compliance with parking restrictions. Civil Enforcement Officers (CEOs) are also supplied fully trained

and equipped and the Contractor is paid per deployed hour. This flexibility on a reduced off-street operation will still be an advantage as the City Council looks at the strategic management of its car parks in line with the parking strategy and as part of potential redevelopment opportunities in the district. An in-house enforcement team would be paid on an employed hourly basis along with all the other establishment and on-costs. In addition the CEOs would need to be equipped and trained using other service providers. The ability to increase or decrease the levels of deployment under this option would be more difficult.

For back office notice processing arrangements many authorities are using either hosted services provided by software suppliers or through centralised notice processing offices. This allows all payment options to be offered, electronic transfer of data with the DVLA and the Traffic Enforcement Centre and the provision of bureau services for the bulk handling of statutory correspondence. This enables authorities to take advantage of economies of scale and to provide these services more cost effectively.

The cost of providing an in-house enforcement service and an independent back office is being estimated as part of the operational and financial assessment of the other options. However, it is likely that this option will be less effective and more expensive and would be difficult to achieve within the limited timescales.

3.7 Cash In Transit

- 3.8 The collection and counting of revenue from the City Council's car parks is an element of the service provided by the existing contractor and the costs are accounted for in the Off-Street Car Parks parking account. The reconciliation and banking element is currently undertaken by staff in the parking team and a separate contractor is used to transport the money to the cash handling centre used by the City Council's bank. This service is an integral part of the off-street parking function and is logistically very important in terms of income generation and business continuity. The cost of providing this service will be evaluated under the above potential options.

3.9 Form of Agreement and Contracts

- 3.10 The City Council will be expected to sign a contract with the County's successful contractor if the enforcement service is to be provided under this option. It is unclear at this stage whether a Service Level Agreement (SLA) with the County Council for the provision of back office services will be prepared but districts will be raising this issue. A number of contracts or SLAs with the Team Lancashire service providers is envisaged but again further information is not available at this stage. When the situation becomes clearer these issues will be discussed with the Head of Legal and Human Resources.

4.0 Transfer of Undertakings (Protection of Employment) Regulations 2006

- 4.1 The transfer of on-street parking enforcement to the County Council from September 2009 means that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) has to be considered. Discussions have taken place with the County Council's legal and HR representatives and

the City Council's HR representatives and it has been confirmed that two members of the parking team will transfer to the County Council.

5.0 Details of Consultation

- 5.1 The County Council's approach to on-street parking enforcement has been discussed on several occasions at Lancashire Leaders' and LCFOs meetings. The Parkwise Managers' meetings have discussed the arrangements for September 2009 onwards and copies of the County Council's ITT document have been provided to the relevant district directors and senior managers.

The Team Lancashire initiative has been discussed at its Shared Services Board. A network of Parking Managers discussed the expressions of interest with a panel of district representatives evaluating the final submissions. Team Lancashire and district Procurement Managers have also been involved in the process. The preferred option is likely to be the subject of a report to the Shared Services Board and/or the relevant Chief Executives.

6.0 Conclusion

- 6.1 It has not been possible to prepare a detailed Cabinet report within the normal meeting timescales in view of the County's information being delayed and the alternative proposals being investigated by Team Lancashire only recently being concluded. When the detailed operational and financial implications of all the options has been provided officers can fully evaluate these and recommend a preferred option for the provision of these off-street parking services for the City Council.
- 6.2 It is likely that a decision will need to be made around the end of June and outside the normal cycle of Cabinet meetings. This is to ensure that service providers have sufficient time to implement their solutions by September. An Urgent Business Report is therefore likely to be required and if this is the case the Chairman of Overview and Scrutiny may need to be consulted with a view to waiving the call in.

For further information please contact:

David Hopwood 01524 582817
Graham Cox 01524 582504

Urgent Business Procedure:
Gill Noall 01524 582060