

## **Budget and Performance Panel**

### **Parkwise Finance and Performance 26<sup>th</sup> February 2008**

### **Report of Head of Property Services**

#### **PURPOSE OF REPORT**

This report is intended to provide the Panel with information on the finance and performance of the Parkwise partnership arrangements.

**This report is public**

#### **RECOMMENDATIONS**

**(1) That the report be noted**

##### **1.0 Introduction**

- 1.1 Parkwise is the county-wide parking enforcement arrangement that operates within 12 district councils in partnership with Lancashire County Council. The initial arrangements operate for 5 years until September 2009 and are managed under an Agency Agreement with the County Council for both on-street and off-street parking enforcement operations.
- 1.2 The Panel has requested a report on car parking pricing, the cost of enforcement and the possible introduction of car park barriers. Cabinet considers car park pricing in an Annual Review of Parking Fees report that is aimed at achieving both parking policy and budgetary objectives. The review for 2008/09 was determined by Cabinet in January and the approved amended charges will be introduced in April.
- 1.3 This report is primarily concerned with the finance and performance of parking enforcement (known as DPE) operating under the Parkwise partnership arrangements. A separate report has been included within this agenda on pay on exit car parks or car parks with barriers, both of which are known as Pay on Foot car parks.

## 2.0 Details

2.1 The Panel has previously requested information about the cost of enforcement and information on whether the current method of operating pay and display car parks patrolled by Parking Attendants is providing value for money. As previously mentioned the advantages and disadvantages of operating pay and display and pay on foot car parks is covered by a separate report included within this agenda. However, it is worth mentioning in this report that Pay on Foot has substantial capital investment requirements and is very difficult to install into existing multi-storey and surface car parks due to the design and space requirements that are required to successfully operate the system.

2.2 The City Council operates two parking enforcement accounts in respect of on-street and off-street parking. Should there be a surplus on the on-street account, this is payable to the County Council as the highway authority. Should the off-street be in surplus, it is initially used to offset any on-street deficit (should there be any), then any remaining surplus is then retained by the City Council.

DPE is considered as part of the Corporate Financial Monitoring and Performance Review Team meetings (PRT). A copy of the latest monitoring statement (Quarter 3) is attached at Appendix A. This shows a favourable variance on the on-street account of £5,194 and this is likely to be sustained throughout Q4.

2.3 Lancaster's DPE operation is performing well compared with the other 11 Lancashire districts. A comparison of DPE costs for overheads, enforcement and total costs based on every penalty charge (PCN) issued in all districts is included in Appendices B, C and D, respectively.

2.4 The current enforcement arrangements through the Parkwise partnership are considered to be cost effective for the Lancaster district. Flexible Parking Attendant deployment through the county-wide enforcement contract is also an advantage. This allows the City Council to either increase or decrease deployment resources at relatively short notice. The combination of Parking Attendants and pay and display is also beneficial where there are numerous car parks with fairly low maximum parking capacities covering two main town centres.

2.5 The county-wide DPE financial position has been considered by Lancashire Chief Executives and Lancashire Chief Financial Officers (LCFOs). A statement of total projected income and expenditure across all districts over the initial five-year agreement is attached at Appendix E.

In view of the overall projected deficit the County Council, through LCFOs, is currently reviewing the existing five year agreement and has commissioned a full financial and operational audit of the Parkwise arrangements. This is to ensure consistency of approach and reasonableness of cost.

The County Council is also considering options for a suitable partnership model after September 2009. LCFOs have agreed that the options should be fully evaluated in order to determine the best approach and to present a report to Lancashire Chief Executives. This work has already been commissioned and a report to the Chief Executives is expected in late Spring/early Summer.

2.6 In January the County Council's Sustainable Development Overview and Scrutiny Committee also considered a report on the Parkwise Financial and Communications arrangements.

This report provides additional background information and can be accessed via <http://www3.lancashire.gov.uk/council/meetings/displayAgendas.asp?meetid=5076>

### 3.0 Conclusion

- 3.1 The current method of deploying Parking Attendants for car park enforcement through the Parkwise partnership arrangements until September 2009 is considered to be cost effective. However, Members should await the outcome of the review currently being undertaken by the County Council that will determine the preferred service delivery option beyond 2009.

#### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

DPE has community safety impacts in terms of improving road safety, and vehicle and personal security. It also has sustainability impacts in terms of reducing traffic congestion and operating in financial balance.

#### **FINANCIAL IMPLICATIONS**

None arising directly as a result of this report.

#### **SECTION 151 OFFICER'S COMMENTS**

The Section 151 Officer has been consulted and has no further comments.

#### **LEGAL IMPLICATIONS**

None arising directly as a result of this report.

#### **MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

#### **BACKGROUND PAPERS**

Budget and Performance Panel Minutes and Action Sheet 27/11/07.

Overview and Scrutiny Committee 5/9/07.

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