

Runnymede Borough Council

ECONOMIC DEVELOPMENT COMMITTEE

24 JUNE 2010

ADDITIONAL ITEM

SURREY COUNTY COUNCIL PROPOSALS FOR CIVIL PARKING ENFORCEMENT (DTS)

By reason of special circumstances the Chairman has agreed that this report be considered as a matter of urgency in order to form a view prior to any decision by Surrey County Council.

**1. Purpose of Report**

**1.1 To inform the Committee of Surrey County Council's proposals for future arrangements for parking enforcement in Surrey and seek views to respond to these.**

**2. Background Information**

- 2.1 On Tuesday 25 May Surrey County Council's (SCC) Transport Select Committee considered a report on the future enforcement and administration of civil parking enforcement in Surrey. A copy of the report is attached as Appendix 'D'.
- 2.2 The current arrangement whereby the eleven Boroughs and Districts operate on-street parking enforcement alongside their management of off-street car parks was phased in between 2004 and 2007 after SCC took over the responsibility for on-street parking enforcement from the police. RBC began on-street enforcement in November 2004. The agency agreements have been amended so that they all end on 31 March 2011 and SCC has little time to consider alternative options for future arrangements.
- 2.3 SCC's main concern is that the civil parking enforcement operation costs about £3.6M with income of £3.1M (deficit of about £0.5M).
- 2.4 The Transport Select Committee considered five options for future arrangements:
1. No change.
  2. Boroughs and Districts combine areas to reduce duplication of staff.
  3. Four 'area contracts' combining Boroughs/Districts. SCC states that the Boroughs/Districts could bid for the tender against the private sector. If a private contractor is selected the report states that Boroughs and Districts could include off street car park enforcement within this contract.
  4. Single county wide enforcement contract. Unlikely that Boroughs/Districts could bid. The report states that they could include off street car park enforcement in this contract.
  5. Delegate total responsibility to Boroughs/Districts. SCC as highway authority could not delegate the responsibility but could pass the parking operation to the Boroughs and Districts with no subsidy and the Boroughs and Districts retaining the surplus.
- 2.5 The Committee recommended Option 3, the introduction of up to four area enforcement contracts with the option for service providers to tender for one or more areas. The recommendation was to be put to a SCC Cabinet meeting on 27 June 2010 however the matter has been deferred from that meeting.

- 2.6 This recommendation is likely to preclude future involvement of Boroughs and Districts in on-street enforcement and result in two organisations carrying out enforcement in each area unless the Borough/Districts handed over off-street enforcement to the contractor. RBC could bid for the work whether alone or in partnership, but commercial risk would pass to the Boroughs if pricing was wrong.
3. Report
- 3.1 Under the agency agreements the Boroughs and Districts claim quarterly in arrears for all of their costs in operating the enforcement service. Any income from the on-street enforcement in Runnymede is passed to SCC. In Runnymede the only income is from penalty charge notices. In other Boroughs there is income from CPZ's and on-street parking charges.
- 3.2 The report to the Transport Select Committee says that SCC has limited control over what they are charged. In fact SCC could have taken the opportunity to discuss costs at any time during the last six years that the agency agreements have been operating. RBC submits a very detailed spreadsheet of the costs it is claiming and SCC has only questioned the payment of one item on one occasion in the six years. The Agency Agreement specifically provided for reviews which could have looked at costs and action to reduce deficits.
- 3.3 SCC, with the advice of the consultant that they employed in setting up the agencies, originally accepted that on-street parking enforcement can only operate at a deficit, particularly in a Borough where there are no CPZ's or on-street parking charges to generate income.
- 3.4 It is only recently that SCC has announced that they wish to reduce the on-street parking deficit. The analysis described in the Transport Select Committee report was carried out with no consultation with the Boroughs and Districts. Instead of proposing radical changes that affect all of the Boroughs and Districts, their staff and their off street parking operations SCC could have worked with the agents to find ways of making the economies needed to change the financial 'balance sheet'. This could have included introducing CPZ's and on-street parking charges where they don't currently exist.
- 3.5 The report states that "informal discussions have been held with district and borough councils". Prior to the circulation of the report borough and district parking officers had discussed the future of the service with county officers but were not aware at that time of the conclusions contained in the report.
- 3.6 The report also states that having eleven agents' results in a duplication of efforts. This comment fails to recognise that the agents are also operating off-street car parks, most of which operate at a surplus. This was the original reason for choosing the Boroughs and Districts to operate on-street enforcement in their areas. This arrangement is, potentially, a better deal for the Surrey taxpayer as a whole.
- 3.7 SCC is proposing to carry out a tender process for the management of on-street parking enforcement on the assumption that this will be more cost effective. They don't appear to have prepared any cost estimates to support this assumption as they have not yet decided how many client staff to manage the contract.
- 3.8 The proposals give Boroughs and Districts the opportunity to tender alongside commercial providers but the timescales do not give them the opportunity to explore all of the partnering options that could bring about a more efficient and effective service than the proposed arrangements.

#### 4. Runnymede Officers' Concerns

##### 4.1 There are a wide range of concerns about the SCC proposals:

- SCC has not adequately worked with the current providers (Boroughs and Districts) to reduce the deficit and work towards a break-even point under the current arrangements;
- SCC has not adequately consulted with Boroughs and Districts in reaching this recommendation;
- The report fails to recognise the overall benefits to Council tax payers of the Boroughs/Districts operating both on and off street enforcement in each area;
- The recommendation goes against the 'partnership working' that SCC has been promoting;
- Unless Boroughs and Districts agree to include their car parks in the contract two separate organisations will be carrying out enforcement in the same area (on-street/off-street);
- There is concern about the performance of contractors who have won contracts elsewhere;
- SCC has not appreciated the contribution made by the Borough and District parking teams in dealing with complaints and appeals and the other administration issues involved, including dealing with problem areas, liaising with the police on problems such as outside schools;
- Employing contractors would result in a loss of local knowledge and local control;
- Most Boroughs/Districts would not be willing to hand over control of their car parks;
- Staff would be TUPE'd to the new contractor, resulting in an uncertain future;
- SCC has not carried out adequate consultation with Boroughs/Districts in reaching the recommendation

#### 5. Council Policy

5.1 The Council has long had a policy to seek to work collaboratively with others in partnerships that offer mutual benefit. Most recently this has been formalised through the Surrey First Initiative which originally arose from Surrey County Council.

#### 6. Legal Implications

6.1 Under the Traffic Management Act 2004 enforcement of off- street parking places can be undertaken by the district council which provided them under the Road Traffic Regulation Act 1984. Operational Guidance to Local Authorities stresses that there should be very close co-operation between districts and their county. It further confirms that there should be significant efficiency gains in having a unified civil parking enforcement operation.

7. Conclusions

- 7.1 It is disappointing that SCC has chosen to take this action with little consultation with Boroughs and Districts. There is particular concern that new arrangements will be less efficient and more costly to local tax payers, when taken in the round with separate off-street parking arrangements.
- 7.2 It is considered that working collaboratively with districts, mutually acceptable arrangements could have been put in place that reduced SCC's costs whilst maintaining efficient operation.
- 7.3 Given Runnymede's experience in running both on and off-street parking enforcement, it is considered that a reasonable case can be put that it be devolved locally and run on behalf of the County Council. The mechanism by which this could be done needs further work and may well involve collaborative working with other Councils.
- 7.4 Such arrangements could be achieved through a variation in the Agency agreement and such an agreement would be required as it remains a County Council function.
- 7.5 The cost implications would have to be looked at carefully as if Runnymede took over the function in its entirety (keeping income from Penalty Charge Notices but bearing all costs) it also takes responsibility for all financial risk. Whilst an initial informal assessment would suggest that the service could be operated on a 'break-even' basis, this needs to be properly modelled in terms of a business case.

**OFFICERS' RECOMMENDATION that –**

**Runnymede Borough Council seeks to take over administration of on-street car parking management in the Borough from Surrey County Council, and continue to manage on and off-street parking, working alone or in collaboration with others and that further reports on this be brought back to this Committee.**

**(TO RESOLVE)**

Background Papers

Transport Select Committee meeting agenda, Surrey County Council, 25 May 2010