

## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
10 October 2017

**Subject:** **PARKING ENFORCEMENT**

**All Ward(s)**  
**Portfolio Holder for Governance: Councillor Mrs I Sanderson**

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### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 The purpose of this report is to seek approval for the Council's future procurement of a Civil Parking Enforcement service in its off-street car parks where parking orders apply
- 1.2 In May 2013 Civil Parking Enforcement (CPE) was implemented in Hambleton, this was part of County-wide introduction of CPE in North Yorkshire, excluding Scarborough and Harrogate where CPE already applied. Prior to the introduction of CPE the Council carried out parking enforcement in its off-street car parks under the Road Traffic Regulation Act 1984 using officers based in the Design and Maintenance and Legal Sections. Three directly employed part-time Parking Enforcement Officers (PEO) enforced parking regulations in off-street car parks in Bedale, Northallerton, Stokesley and Thirsk.
- 1.3 A partnership approach to the County-wide CPE implementation was adopted involving North Yorkshire County (NYCC), the District Councils and North Yorkshire Police (NYP). Following consideration of a number of enforcement models the Council agreed to support a model based on extending the existing Harrogate and Scarborough CPE parking enforcement operations as set out below:-
  - Scarborough Borough Council managing the on and off street enforcement operation in Hambleton, Richmondshire and Ryedale.
  - Harrogate Borough Council managing the on and off street enforcement operation in Craven and Selby.
- 1.4 The adopted enforcement model represents a balanced geographic split, utilising the experience and expertise of the existing CPE operations with the joint on and off-street enforcement preferred by Government and offered the most cost effective way of introducing CPE and providing consistency, clarity and transparency for the public.
- 1.5 The adopted model of parking enforcement means that rather than delivery of an in-house service the Council now buys in a CPE service from Scarborough Borough Council. Neither the introduction of CPE nor the parking enforcement model adopted affects the Council's function of parking authority responsible for off-street car parks other than in respect of enforcement where it must operate in accordance with the CPE legislation and that legislation cannot be reversed.
- 1.6 Scarborough Borough Council was engaged through a Service Level Agreement (SLA) commencing on 30 May 2013. The initial period of the agreement was for three years with a two year option exercised extending the agreement through to 29 May 2018.
- 1.7 Under the SLA the Council retain local control over where off-street enforcement takes place within the CPE legislative framework.

- 1.8 The parking enforcement officers provide a frontline Council presence in its off-street car parks. The role has a number of elements with PEO's able to provide information about the parking regulations and the local area, they act as a visible reminder to car park users that off-street parking is enforced and in the event of non-compliance with parking regulations they can then take enforcement action through the issue of Penalty Charge Notices (PCN). They are also a visible, on-the-ground Council presence and should have regard to this dealing with the public.
- 1.9 The PEO's wider role includes renewing pay and display machine ticket rolls, undertaking basic maintenance and repairs such as checking the operation of machines and freeing coin jams, they are also available to assist the cash collection contractors.
- 1.10 The back-office of the enforcement service manages the Penalty Charge Notice (PCN) processing procedure, including responding to challenges to PCN's, managing and processing payments and managing any bailiff action. If resolution cannot be reached with a PCN recipient and there is escalation of a challenge then the PATROL (Parking and Traffic Regulations Outside London) procedure is applied. This independent service promotes fairness and understanding of parking enforcement and operates an independent parking adjudication scheme.
- 1.11 The enforcement service also manages parking suspensions associated with events for example the Tour De Yorkshire, Northallerton Mayfair and events over the festive period.
- 1.12 Scarborough Borough Council (SBC) operates on behalf of the Council, so all payments received in relation to the issue of PCN's are returned to the Council. As SBC operate on and off-street then expenditure on the enforcement service is apportioned between the District and County. The charges associated with frontline PEO's are apportioned based on patrolling time spent on and off-street. The back-office charges for administration of PCN's are apportioned on the basis of the respective number of challenges received for on and off-street offences.
- 1.13 To support the implementation of CPE and in recognition that there could be a potential 'cost' to the Council due to the introduction of CPE, an underwriting agreement was reached between the Districts and County Council. Under the agreement NYCC guaranteed to maintain the Council's baseline financial position prior to the implementation of CPE during the operation of CPE. The agreement is limited to a maximum duration of 5 years subject to the District's evidencing a cost to operate CPE. The NYCC underwriting agreement will expire in May 2018; thereafter the Council will be responsible for the cost of the service. In the most recent financial year 2016/17 the surplus on the SBC provided enforcement service was £22,532, this represents a cost to the Council compared to the baseline position pre CPE of £11,448.
- 1.14 The Council's baseline financial position was established based on the enforcement service in the year prior to the implementation of CPE. The table below shows the baseline financial position and each year of SBC enforcement operation. The payments received in the Council's baseline position (prior to CPE) are higher as a higher penalty charge rate was applied by the Council of £50 rising to £75 if no payment within 28 days, compared to the two tier CPE statutory penalty charge levels of £50 and £70 discounted by 50% if payment received within 14 days.

	<b>Income £</b>	<b>Expenditure £</b>	<b>Deficit/(surplus) £</b>	<b>NYCC underwriting £</b>
<b>Baseline position (2012/13)</b>	74,965	40,985	(33,980)	
<b>2013/14 (Jun-Mar)</b>	36,277	52,266	15,989	49,969
<b>2014/15</b>	64,103	49,748	(14,355)	19,625
<b>2015/16</b>	50,486	30,322	(20,164)	13,816
<b>2016/17</b>	51,522	28,990	(22,532)	11,448

## **2.0 CONSIDERATION OF OPTIONS**

### 2.1 Enforcement options considered:

- Establish in-house CPE management
- Extend existing Scarborough Borough Council CPE SLA
- Procure alternative public sector CPE operator
- Procure alternative private sector CPE operator

### 2.2 There are common elements of the existing enforcement service under CPE that will apply to an in-house service and to any enforcement agent who will operate on behalf of the Council:

- Hambleton are the parking enforcement authority, the Council retains local control of parking enforcement.
- CPE legislation will continue to apply as it is effectively irreversible.
- The Hambleton off-street parking orders will continue to apply within the CPE legislative framework.
- The underwriting agreement with NYCC will expire for the next period of CPE operation, at current rates there is a £11.5k reduction in income to the Council, this applies to all procurement options.
- The agent will operate under the CPE legislation, including the PATROL scheme (Parking and Traffic Regulations Outside London) which promotes fairness and understanding of parking enforcement and operates an independent parking adjudication service
- SBC has indicated that TUPE will apply to the full-time frontline PEO resource, so an existing officer will transfer to the Council. There will be no back office TUPE implications.

### 2.3 **Establish In-house CPE management**

If an in-house service was to be established this will allow the Council to directly manage the frontline PEO's and back office administration of PCN's. There will be direct feedback to the Council from the car park user. Based on the previous operation this would include an officer resource (0.25 FTE) to manage the enforcement service based in the Design and Maintenance team, an additional legal resource (0.5 FTE), and to match current enforcement levels a part-time PEO (0.3 FTE) employed in addition to the full-time PEO. Under current legislation the PEO would have to be employed from SBC through TUPE arrangements, this would result in the same staff operating in the public domain. The enforcement ICT hardware and software would have to be procured and set-up, a bailiff service appointed and access to DVLA owner records procured. The estimated cost to set-up a new enforcement service is £20,000-£25,000. Annual revenue expenditure by the Council in providing the service in 2012/13 was £40,985, this compares to current expenditure in 2016/17 of £28,990 by SBC to provide enforcement services.

- 2.4 An in-house Council service will mean two uniformed parking enforcement resources visible in Hambleton, each employed and supervised through different organisations. There would be limited resilience in a small team, both in enforcement presence and back office, to support an in-house operation.
- 2.5 CPE was subject to a Scrutiny Committee policy review in 2016/17, the final report is provided as a background document. The conclusion of the Committee from the evidence presented was that the current arrangements for Civil Parking Enforcement provided by SBC were effective and fit for purpose, with the Committee making the following recommendations:-
- Regular feedback on enforcement was an area identified for possible improvement as this was considered to be weak.
  - When considering options for future delivery of CPE, that this should cover all options including bringing the service back in-house.
  - Training should be provided for Civil Parking Enforcement Officers on dealing with difficult customers.
- 2.6 **Extend existing Scarborough Borough Council CPE SLA**  
The second enforcement service option is to extend the current SLA with SBC. The Scrutiny Committee concluded that the service is effective and fit for purpose, subject to areas of service improvement. The County Council are continuing their agreement with Scarborough and Harrogate to provide countywide on-street parking provision.
- 2.7 If the Council were to extend their SLA with SBC, the proposal would be to extend the SLA for a three year term with a two year option to extend, a review of the service at the end of two years with a termination notice period of a minimum of six months if the Council wishes to change the arrangements. Work has commenced on the service improvements highlighted by the Scrutiny Committee, which will be monitored on an on-going basis during quarterly meetings.
- 2.8 The shared on/off-street parking enforcement resource does provide for a single uniformed presence in Hambleton which provides consistency, clarity and transparency for the public. There are resilience benefits to the SBC operation with a larger resource pool to provide holiday and sickness absence cover, as well as additional PEO's if a larger presence is required to cover events. The inherent resilience of using shared enforcement resources is mirrored in the back office administration, with a larger resource pool to cover for holidays, sickness absence and natural variations in workload.
- 2.9 **Procure alternative Public or Private sector CPE Operator**  
CPE has been implemented in all Local Authority areas that border the County. Each of the neighbouring authorities operates parking enforcement within the CPE statutory framework as the service operated by SBC. The neighbouring authorities all operate only within their own administrative areas. There are also a limited number of private companies who operate parking enforcement services similar to CPE on public sector premises for example hospitals and railway stations. There are also a larger number of private companies that operate parking enforcement on private premises; these regimes operate under a different legislative framework to CPE.
- 2.10 **Procure alternative Public sector CPE Operator**  
All the neighbouring local authorities have CPE under the statutory framework which operates subject to local regulations as the service provided by SBC, though none operate outside their administrative areas. Officer time costs account for 75-80% of the cost of enforcement with a further 3-5% on third party charges to PATROL, the remaining charges

relate to transport, ICT and supplies. There will be a significant cost to establish a CPE operation that complies with the Council's local conditions. The Council will retain control of the local enforcement through management of the enforcement agent. The frontline enforcement will be provided by the TUPE'd SBC enforcement officer with and additional part-time resource. An off-street only enforcement service will be less efficient than a shared on/off-street service; through the back office administration will be provided by an existing similar service.

- 2.11 **Procure alternative Private sector CPE Operator** – procurement of an alternative organisation. Private parking enforcement companies would be required to establish a CPE enforcement system; this would have to meet the CPE legislative framework. A private company would potentially have the ICT hardware but there would be a cost to establish a bespoke CPE compliant system that meets local regulations. The Council will retain control of the local enforcement through management of the enforcement agent. The frontline enforcement will be provided by the TUPE'd SBC enforcement officer with and additional part-time resource. An off-street only enforcement service will be less efficient than a shared on/off-street service; there is likely to be an existing back office establishment that will need to be adapted to meet local regulations. There is a potential reputational issue for the Council through operation by a private company.

### **3.0 LINK TO COUNCIL PRIORITIES:**

- 3.1 This report links to the Council's priorities on driving economic growth by supporting provision off-street parking that is efficiency operated.

### **4.0 RISK ASSESSMENT:**

- 4.1 There are no significant risks associated with approving this report.

### **5.0 FINANCIAL IMPLICATIONS:**

- 5.1 The revenue effect is shown for the expiry of the NYCC underwriting agreement in May 2018.

Overall the revenue effects of this will be as follows:-

<b>Revenue Effects</b>	<b>2017/18 £</b>	<b>2018/19 £</b>	<b>2019/20 £</b>	<b>2020/21 £</b>
Cost of parking enforcement service	<u>0.00</u>	<u>11,500</u>	<u>11,500</u>	<u>11,500</u>
Financed by:				
Amount in base budget		<u>11,500</u>	<u>11,500</u>	<u>11,500</u>
Savings from .....				
One-Fund				
Grant				
Growth Item approved				
Etc, etc				
	<b><u>0.00</u></b>	<b><u>11,500</u></b>	<b><u>11,500</u></b>	<b><u>11,500</u></b>

- 5.3 There is no capital expenditure if the enforcement service continues to be provided under an extension to the SLA with Scarborough Borough Council. If an in-house service is established or alternative service provider procured then there will be a capital cost to set up the enforcement service of £20,000 to £25,000.

## **6.0 LEGAL IMPLICATIONS:**

- 6.1 An additional legal resource (0.5 fte) would have to be employed, if the service was to return to in-house operation and management.
- 6.2 There are no other legal implications associated with this report.

## **7.0 EQUALITY/DIVERSITY ISSUES:**

- 7.1 Equality and Diversity Issues have been considered however there are no issues associated with this report.

## **8.0 RECOMMENDATIONS:**

8.1 It is recommended that:

- (1) Cabinet approves and recommends to Council that the current Service Level Agreement with Scarborough Borough Council for the provision of Civil Parking Enforcement services is renewed for a three year period with an option to extend by officer decision for a period of two years.
- (2) That the the Service Level Agreement incorporates improved feedback and communication with Scarborough Borough Council and reporting to Councillors and Management Team; Parking Enforcement Officers undertake further customer service training with regular training updates and performance reviews.
- (3) A review of the service is undertaken on the two year anniversary of the Service Level Agreement with report to Cabinet and a minimum six months' notice to be included in the Service level Agreement to terminate or extend the Agreement.

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**Background papers:** Civil Parking Enforcement – Scrutiny Committee review report – March 2017

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