

**A JOINT PARKING SERVICE FOR BRAINTREE DC, COLCHESTER BC AND
UTTLESFORD DC**

Agenda Item 10d

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Background Papers:- Reports to Performance and Efficiency Board
Financial Implications:- Included in report
Equalities Implications:- Included in report
Legal Implications:- Included in report
Options: None
Risks: Included in report

EXECUTIVE SUMMARY

This report seeks approval to proceed with the establishment of a joint Parking Service for Braintree, Colchester and Uttlesford Councils, hosted by Colchester Borough Council and overseen by a Joint Committee. The target for introducing the joint service is 1 April 2009.

There is a need for change to ensure that parking services in all three authorities are effective and financially viable. Both Braintree and Uttlesford Councils are currently operating interim management arrangements that are not sustainable. All three authorities are constrained in their current capacity to develop their services and tackle deficits in on-street parking.

An options appraisal concluded that creating a joint service would be the best solution to address these issues. It would meet all three Councils' objectives including improved quality of service and ongoing financial savings of approximately £60k per annum during the first three years of operation that the three authorities would share equally.

However in the first year, implementation costs and other potential costs specific to Braintree and Uttlesford associated with the transfer of staff, will offset these savings and actual savings will be minimal.

It is proposed that the new service would be overseen by a Joint Governance Committee to manage and to provide appropriate governance. (Appendix 2)

The proposals were considered at meetings of the joint Braintree/Colchester Programme Board on 16 July and 27 August and at Uttlesford Environment Committee on 16 September. The recommendation to proceed with the creation of a joint service was agreed in principle, based on the detailed Options Appraisal Report.

DECISION

Members are requested to:-

1. Approve in principle the creation of a joint parking service with Colchester Borough Council and Uttlesford District Council in line with the current base operating budget of the service.
2. Delegate authority to the Cabinet Member for Environment and Sustainability to develop the arrangements with the partner authorities and to formally agree the Joint Committee Agreement specifying the scope of the arrangements, responsibilities and financial implications for the three authorities.
3. Nominate two Members of Cabinet to represent Braintree at the Joint Committee meetings.

BACKGROUND

This reports sets out proposals for establishing a future joint parking service between Braintree, (BDC) Uttlesford (UDC) and Colchester (CBC) Councils, as part of Braintree and Colchester agreement to explore opportunities for working together. UDC is involved as we already have an existing collaborative approach with them.

A full appraisal of the various options was evaluated by a joint team of officers. The common objectives are: to resolve short-term financial and resilience issues; to make improvements in performance and efficiency; and to advance a long-term vision for a wider Parking Service. This resulted in a preferred option that was approved in principle by the Braintree/Colchester Joint Programme Board and by UDC's Environment Committee.

CURRENT ARRANGEMENTS

All three Councils operate a number of car parks and are responsible for off-street and on-street parking enforcement (the latter on behalf of Essex County Council under an agency agreement). This involves teams of Civil Enforcement Officers and staff involved in the operation of car parks, as well as office-based staff dealing with parking charge case management, permits, customer information, performance etc. The scale of the operations varies considerably according to the nature of the districts, the provision of parking spaces and the extent of local parking restrictions.

BDC is currently operating under interim arrangements following the departure of Simon Taylor (Parking Manager) and Dawn Johnson (Parking Supervisor) pending a conclusion to this joint review. UDC has lost a Parking Manager. CBC has reviewed and reorganised its Parking Service, which is designed to be scaled up for additional work if required and is currently providing a Parking Service on behalf of Forest Heath DC.

The County Council has indicated that it is in favour of joint service partnerships, seeing them as a positive step towards elimination of the need for deficit support, which they provide through the agency agreement. The partnership would also allow acquisition of new technology that will help to clarify the resources required to operate Decriminalised Parking Enforcement.

PROPOSAL

The preferred option is for a joint service for all three Councils, hosted by one authority and overseen by a Joint Committee. It would be run from a central office, with front-line staff based locally in each area. Each Council would retain responsibility for car park assets, and make decisions on policy and strategy issues. The main features are detailed in Appendix 1.

BENEFITS

The benefits expected from the proposal include :

Short term financial savings and resilience

- Economies of scale. A single team should allow savings in managerial supervision, accommodation and other overheads.
- Continuity and Resilience. Pooled resource would help to buffer the effects of staff absences and sudden changes in workload.
- Joint procurement. Shared contracts for aspects such as purchase of new equipment and cash collection should be more cost-effective.

Improvements in performance and efficiency

- Shared technical expertise. For example, in relation to performance analysis and pricing strategy.
- Spread of good practices. Where one authority has already developed improved ways of working, the others would be able to adopt similar standards and practices.
- Efficiency gains. There would be improvements from better performance analysis, logistical and workforce planning, aided by flexible working.
- Investment in innovation (e.g. new technology that will bring efficiency improvements) would be more viable for a larger joint operation.

Long-term vision for a wider Parking Service

- Joint strategic planning A joint approach to the development of strategies such as pricing models and planning future car park needs.
- Greater influence A single voice speaking for all three Authorities would carry more weight with other organisations, politically and commercially.

CONSULTATION AND COMMUNICATION

Any staff potentially affected by changes in service provision will be consulted and kept informed according to the Councils' established policies and procedures. Press releases and other publicity will be issued when the Councils take the decision to establish the joint service, and when the new service is launched.

FINANCIAL IMPLICATIONS

The immediate financial implications are summarised in Table 1, which shows the current level of spending on Parking, estimates of the contributions to the joint service to be made in the first three years and resulting savings to each Council. These figures are indicative estimates that will be decided through the Authorities' 2009/10 budget-setting procedures.

Within the first full year of joint operation, an overall cashable benefit of £60k is expected across the three Councils combined. This is in addition to the savings already achieved by BDC and UDC by deciding not to fill their vacant Parking Manager posts (£16k and £25k respectively). Both Councils would also make small efficiency gains through freeing up accommodation and managers' time that could be diverted to other activities. However, the saving in management time would be partly offset by the inputs required for the work of the Joint Committee.

Further savings and efficiency gains would be expected as a result of service development and process improvements in later years. New investment in the joint service would be expected to improve efficiency through routing & scheduling software and other enhancements. The changes currently envisaged will be incorporated in a provisional three-year Business Plan. At

this stage, transport expenditure has not been transferred to the joint service; this is expected to be addressed during 2009/10.

The one-off implementation costs are estimated to be about £17k for changes to systems and processes, plus staff-related costs of up to £14k for Braintree and £44k for Uttlesford (depending on the numbers of posts affected by relocation or redundancy). It is hoped that staff-related costs would be small in practice: few staff are in posts that are planned to relocate and redundancies would be minimised through redeployment as far as possible. Even with a substantial contingency allowance, implementation costs would be paid back within one to two years.

Table 1. Financial implications of creating a joint parking service			
	Colchester BC	Braintree DC	Uttlesford DC
Current Finances (08/09) £			
Total Direct Expenditure	2,197,800	519,400	184,650
Total income	(5,423,900)	(1,100,560)	(990,980)
Total Indirect Expenditure	1,585,700	250,130	490,180
Surplus	(1,640,400)	(331,030)	(316,150)
Estimated Annual Contributions to the joint service £			Note 1
2009/10	1,324,980	309,600	264,120
2010/11	1,364,730	318,890	272,040
2011/12	1,405,670	328,450	280,200
Potential initial set-up costs (all in 2009/10) £			
Systems/processes Note 2.	5,666	5,666	5,666
Staff-related costs Note 3.	0	≤14,190	≤ 44,296
Predicted Net costs (+) or savings (-) £, after transfer of funds to the joint service			
2009/10 Note 4.	- 14,247	+ 57	+ 30,069
2010/11	- 20,510	- 20,510	- 20,510
2111/12	- 21,125	- 21,125	- 21,125

Note 1. Estimates of costs and savings in 2008/09 prices are increased by 3% each year for inflation

Note 2. Each Council bears an equal share of the estimated common set-up costs for changes to systems and practices.

Note 3. Braintree DC and Uttlesford DC incur specific costs due to the transfers of their staff. The maximum potential costs are used; in practice, they are expected to be lower.

Note 4. The figures for BDC and UDC are a worst-case scenario, because of the use of maximum staff-related costs.

Table 1 shows that after taking account of estimated initial set-up costs, CBC will enjoy a financial saving in the first year of operation of the joint service, and all three Councils will make savings from year 2 onwards. It is likely that the net position for BDC and UDC will be more favourable than indicated, if staff-related costs are lower than the worst-case assumption used.

EQUALITIES AND COMMUNITY SAFETY IMPLICATIONS

Enhanced enforcement will help to reduce problems of dangerous parking and the misuse of disabled parking facilities.

HEALTH AND SAFETY AND HUMAN RIGHTS IMPLICATIONS

None identified.

LEGAL IMPLICATIONS

Each Council will remain accountable for the delivery of their responsibilities under the agency agreements with Essex County Council for on-street parking enforcement. The Joint Committee will take over dealing with cases from their districts going to the Traffic Penalty Tribunal.

RISK MANAGEMENT IMPLICATIONS

Risks of creating a new service include:

- Loss of direct Council control over practical operations
- Potential difficulties in remote management of locally-based staff
- Complications in accounting for the operation of DPE on behalf of the County Council
- Dips in performance and efficiency during transition

All of these are containable if the new service is well-designed and managed, with contingency plans in place. No risks are regarded as high probability or high impact.

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10th November 2008