

Cabinet

Report Title:	Extending Civil Parking Enforcement Throughout Suffolk
Meeting Date:	21 February 2017
Lead Councillor(s):	Councillor James Finch
Local Councillor(s):	All county councillors outside of Ipswich
Director:	Geoff Dobson, Director of Resource Management
Assistant Director or Head of Service:	Mark Stevens, Assistant Director Operational Highways
Author:	Alan Thorndyke, Head of Highway Network Management. 01473 264955, alan.thorndyke@suffolk.gov.uk

Brief summary of report

1. The report outlines a proposal for the extension of Civil Parking Enforcement (CPE) from within Ipswich to throughout Suffolk. CPE is where the enforcement of waiting restrictions on the highway is taken over from the police by local authorities. The proposal envisages most district or borough councils undertaking this acting under agency agreements with the Council. A basis for initial and on-going funding together with risk sharing has been agreed by the various parties involved. The proposal does require significant funding by the Council.

What is Cabinet being asked to decide?

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| <ol style="list-style-type: none"> 2. To agree that the Council should support the extension of CPE across Suffolk as outlined in para 42 of this report. 3. That the Director of Resource Management in consultation with the Cabinet Member for Highways and Transport be authorised to enter into agency agreements and service level agreements with district and borough councils, the basis of which shall not be materially different from those outlined in this report. |
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Reason for recommendation

4. It is understandable that Suffolk Constabulary (i.e. 'the police') no longer wishes to undertake such enforcement and that, in the best interests of the residents of Suffolk, its resources should be deployed according to its priorities of threat, harm and risk. This means that alternative arrangements need to be made to ensure that on-street parking restrictions are properly enforced and this responsibility falls to the County Council in its capacity as the local highway authority. Given that Ipswich Borough Council has undertaken CPE effectively on behalf of the County Council for some 11 years and that district and borough councils already undertake enforcement within their own off-street car parks

(and some undertake enforcement of residents' parking), it is considered most effective to develop these enforcement activities further.

What are the key issues to consider?

5. Is the proposed arrangement with district and borough council the most effective way of extending CPE or should other models be considered? Possible alternatives of one district or borough council or a private contractor undertaking this across the county on behalf of the County Council have been considered and this is explained further in the main body of the report.
6. A balance of cost and risk has been established between the Council, district and borough councils and the police. Cabinet may wish to consider whether this balance is fair and reasonable, appreciating that a pragmatic and timely way of extending CPE needs to be found.

What are the resource and risk implications?

7. There are considerable risk and cost implications for the County Council and the district and borough councils who will be undertaking CPE within their areas. A detailed financial feasibility study by an independent specialist consultant was commissioned to assist in understanding cost and risk. This has been further developed by the district and borough councils who have prepared their own business cases for their own activities which would sit alongside their off-street parking enforcement.
8. Set-up costs for CPE up to assumed implementation in the spring of 2019 are estimated to be £1.13m (including the cost of managing the project overall). Of this, £60,000 will be met by the district and borough councils and £190,000 by the police with the remaining £880,000 met by the Council. The Council will also need to carefully review all its parking-related traffic regulation orders and, where necessary, amend the associated signs and lines around Suffolk's highway network at an estimated cost of £250,000. It is anticipated that these costs would be funded over the two financial years from the Council's On Street Parking Account (OSPA). This has an annual income of approximately £750,000 and represents the surplus from the management of the two car parks which are, in fact, on the public highway at Angel Hill, Bury St Edmunds and Cromwell Square, Ipswich, together with the surplus from on-street paid parking in Bury St Edmunds.
9. Forest Heath District Council and St Edmundsbury Borough Council (hereafter referred to as West Suffolk) and Waveney District Council and Suffolk Coastal District Council (hereafter referred to as East Suffolk) together with Ipswich Borough Council will undertake CPE within their areas and bear all the operating financial risk. Inevitably, there will be an annual operational deficit which those councils will be able to off-set against on-street or off-street parking income from within their areas. For operational and logistical reasons, Mid-Suffolk and Babergh District Councils do not wish to undertake CPE. Therefore, Ipswich Borough Council, East and West Suffolk have agreed to extend their activities to cover that area on the basis of the best operational split. Within that area, there is likely to be an annual operating deficit of the order of £125,000. However, the suitability of some on-street paid parking which supports wider transport objectives will be considered for the area which could be used to off-set this figure. The likely level of this is not known at this time. How this deficit will be funded is outlined in para 42.

10. It has been determined that an Equality Impact Assessment is not required for these proposals as the primary change is who undertakes enforcement not the basis of the enforcement.

What are the timescales associated with this decision?

11. There is a large amount of preparatory work involved in implementing CPE across the County which includes an extensive application to the Secretary of State for Transport to provide the necessary powers and a review of every traffic regulation order restricting parking and alignment of such orders with the associated existing lines and signs on Suffolk's highway network. An outline programme for this has been prepared and a realistic target for the implementation is the spring of 2019. Should there be any delay in making a decision on this matter, this would potentially delay the implementation date.

Alternative options

12. The feasibility study undertaken considered and evaluated two other options which were –
 1. One district or borough council undertaking CPE throughout Suffolk.
 2. A private contractor undertaking CPE throughout Suffolk.

These options are further explained in the main body of the report. The option of the police continuing to undertake such enforcement is not realistic and they now need to prioritise their resources in other areas. It should be noted that, of the 327 district councils in England, 25 are not designated as Civil Enforcement Areas (CEAs). Six of these 25 council areas are in Suffolk. No income is retained by the police for the current enforcement action, all monies being sent to HM Treasury whereas, under CPE, it will be retained by the local authority.

Who will be affected by this decision?

13. Anyone parking illegally on the public highway can expect a higher level of enforcement than currently exists. There will be improved road safety and traffic management for all users of the public highway

Main Body of report

General Background

14. Civil Parking Enforcement is where local authorities take over responsibility for enforcing 'on-street' parking restrictions from the police. These powers were introduced by the Road Traffic Act 1991 (amended by the Traffic Management Act 2004). This is a power not a duty and local authorities have to apply to the Secretary of State for Transport for a designation order to take on the powers and responsibility. Civil enforcement officers enforce on-street and off-street using penalty charge notices (PCNs) for most non-endorsement offences. The income is held by the authority and off-sets the costs. Motorists may contest a PCN and a process must be put in place to deal with this. The relative advantages and disadvantages of CPE are -

Advantages

1. Safer traffic conditions and improved traffic flow reducing local congestion and supporting the economy.

2. More locally accountable and adaptable to meet local needs.
3. Most cost effective management achieved by the co-ordination of on-street and off-street parking enforcement in a discrete area.
4. Any surpluses redirected locally.

Disadvantages

1. Once CPE is introduced, it cannot be revoked
 2. Significant financial risks – operating deficit and large startup costs. The Government sets the financial charges for PCNs rather than this being locally determined.
15. However, it should be noted that the police retain sole responsibility for certain offences in a CPE area, namely:
1. Enforcing certain parking offences, principally endorsable offences such as dangerous parking, obstruction, and failure to comply with police 'no parking' signs placed in emergencies;
 2. Enforcing the full range of moving traffic offences and infringements;
 3. Acting against any vehicle where security or other traffic policing issues are involved, including the need to close roads or set up diversions; and
 4. Enforcing all parking restrictions on roads outside civil enforcement areas (CEAs) – namely trunk roads.
16. Under the Traffic Management Act 2004, the police have retained the enforcement power for vehicles stopping on or near pedestrian crossings. In terms of process, the police prosecution takes precedence over the local authority and, if in conflict, the penalty charge notice (PCN) issued by the local authority must be cancelled.
17. For the designation order application, the Secretary of State needs to be satisfied that:
1. the authority has reviewed its existing parking policies and analyses how CPE will contribute to overall transport objectives
 2. the authority has consulted as required and taken account of stakeholder views in finalizing the application
 3. proposed penalty charges are proportionate to the scale of the traffic management issues facing the enforcement authority
 4. there is consistency with neighboring schemes so that motorists and others affected can understand how it works
 5. all traffic regulation orders (TROs), traffic signs and road markings are in compliance with legal requirements and the traffic signs and road markings are consistent with each and every order.

Background in Suffolk

18. CPE was introduced in Ipswich in 2005 and has been administered by Ipswich Borough Council (IBC) under an agency agreement on behalf of the Council. The primary thinking at that time was:

1. A need to improve enforcement to support wider transport and economic objectives.
 2. IBC already undertook enforcement for off-street and residents' parking areas and there were clearly economies of scale in enforcing on-street.
19. The intention at that time was to evaluate how that worked out with a view to considering how it might be extended more widely. To support this, the County Council commissioned a specialist consultant to undertake a feasibility study in extending CPE in 2009. From this and other information, it was concluded that:
1. This is a major commitment.
 2. Will take 2-3 years to introduce.
 3. There are major financial costs and risks.
 4. Could be introduced on a phased basis but potentially more costly
 5. There are a range of options to implement including public or private providers.
20. Since that time, the introduction of CPE across Suffolk has not been a priority for the County Council when set against other competing demands in the highways service.

Current proposals

21. At the Suffolk Public Sector Leaders Group (PSLG – grouping of Suffolk-wide Leaders and Chief Executives) on the 15 January 2016, the Chief Constable presented a paper that sought agreement to develop a business case to extend CPE from Ipswich to across the whole county. It is evident that the police need to prioritise their activity based on threat, harm and risk. As a consequence, parking-related calls to the police remain high volume but low risk, resulting in levels of enforcement that do not meet with the expectations of communities.
22. To help put this in context, the new policing model in Suffolk implemented in April 2016 places the emphasis on deploying police resources according to threat, harm and risk, with community teams' key focus on dealing with issues concerning:
 1. vulnerability and safeguarding
 2. community engagement
 3. demand management
 4. crime reduction
23. For this reason, dealing with parking offences is a lower policing priority and complaints of illegal parking will not automatically result in police attending them. However, where there is a clear offence that poses a risk to public safety there is an expectation that the police will deal with and consider prosecution where criminal, community, or vulnerability issues are identified. In particular, where there is an issue with a specific location which is causing community concern, the local Safer Neighbourhood Team will put in place a suitable plan of action to deal with the issues arising.
24. The adoption of CPE across Suffolk would enable an effective and efficient model that provides a whole system approach towards parking and traffic flow.

It moves the enforcement of parking from a reactive footing under the police as described above to a proactive approach under CPE. It is worth reiterating that CPE should contribute to the authority's transport policies and objectives. CPE should support the Council's statutory duty as the local traffic authority to managing the traffic network to ensure: the expeditious movement of traffic; improve road safety; improve the local environment; and accessibility of public transport. It should not be either a simple demand-led approach nor should it seek to raise the maximum income.

25. It was agreed at the PSLG meeting that a Suffolk Civil Parking Enforcement Working Group (SCPEWG) would be established of representatives from the police and local authorities across the County to take forward the development of a business case for the advancement of CPE. The principles on which this should be based were agreed as follows:
 1. A whole system approach is required that ensures all on-road and off-road parking and enforcement is fully co-ordinated, acknowledging the need for flexibility. Associated bureaucracy is minimised as far as practicable;
 2. Financial considerations - It is recognised that district/borough councils will have differing starting positions and have specific issues. Any solution must recognise and address any concerns this may bring;
 3. Based on the premise that Suffolk will move to CPE, setting a realistic timescale for implementation is vital, taking into account the 10-step application process, local issues, transitional arrangements and available resources;
 4. There must be a positive impact on partnership working and public perception.
26. The SCPEWG was established and developed the following terms of reference:
 1. The overarching aim of the Working Group is to develop a business case to consider the transition of parking enforcement from the police to the local authorities in Suffolk;
 2. The Working Group will meet on a monthly basis and will report on progress to the PSLG on a regular basis;
 3. The Working Group will comprise representation from Suffolk Constabulary, Suffolk County Council, Ipswich Borough Council, East Suffolk, West Suffolk and Mid Suffolk and Babergh District Councils;
 4. The business case needs to meet the needs of Suffolk, providing flexibility to accommodate all parties and delivering the above principles;
 5. The business case will be presented to the PSLG to determine how parking should be enforced by local authorities in Suffolk and under what terms and conditions.
27. Progress to date by SCPEWG was reported to the PSLG meeting on the 13 May 2016 and it was agreed that SCPEWG should commission specialist consultants to produce a feasibility study to explore the financial implications and options for introducing CPE across the whole County and report back to the PSLG. Whilst the position in Ipswich was well understood, it was recognised that extending CPE outside of a relatively small urban area with extensive restrictions to a large rural county with widespread restrictions

represents a completely different situation. It was therefore necessary to review carefully issues such as resource levels, travelling costs and likely levels of PCNs in rural locations.

28. Three options were considered in the study:
1. Ipswich Borough Council, West Suffolk and East Suffolk, to undertake enforcement in their respective areas and to cover the Mid Suffolk and Babergh area in an arrangement to be agreed
 2. A parking partnership of all the councils with one district/borough acting as lead authority and running a single patrol operation for the whole County.
 3. A single patrol operation for the whole County, provided by a private-sector provider managed by Suffolk County Council.
29. The key findings of the study were:
1. All options are likely to take up to three years to implement
 2. Up to one year is needed to work up the individual business cases, obtain political support and establish governance
 3. Two years is needed to allow for an application to the Secretary of State, review all signs and lines and set up the necessary operations.
 4. Set-up costs of between £1.13m and £1.67m net
 5. An average annual deficit of between £1.36m and £1.53m net.
 6. Sensitivity testing has been carried out with two levels of enforcement explored: an ideal level and half of that. The financial implications of this are outlined in the main body of the report.
 7. It is common that most authorities across the Country find that there are deficits for enforcement and that other income sources are required to support the activity.
 8. On and/or off-street parking income could be used to overcome these deficits and contribute to the set-up costs in Suffolk.
30. The relative advantages and disadvantages of the three options were –

Option1

Main Disadvantages

Less economies of scale
 Less flexibility to redeploy resources within county
 Financial risks with district councils
 Potential inconsistencies but could be mitigated

Main Advantages

Local decision making
 No partnership required
 IBC agency continues
 No TUPE implications

Option 2

Main Disadvantages

Creation of partnership

Main Advantages

Greater economies of scale

Less local decision making	Greater flexibility for resource redeployment
Financial risks with district councils	Improved consistency
Staff TUPE	
Less local responsiveness	

Option 3

Main Disadvantages	Main Advantages
Contract management	National economies
Contract changes will incur cost	Most flexibility
Staff TUPE	No partnership required
Risk sharing will inflate pricing	Greatest consistency
Less local responsiveness	Experienced provider
District loss of control over off-street enforcement	Potential risk sharing

The fundamental basis for the financial modelling is all relevant costs, both set up and on-going, are off-set by income from PCNs only. The following costs are the consultant's best estimates for a new operation.

31. The summary financial implications of the options are –

	Set-Up Costs	Average Annual Revenue Deficit
Option 1	£1.13M	£1.53M
Option 2	£1.18M	£1.46M
Option 3	£1.67M	£1.36M

These headline figures are the net cost for implementing the options after an allowance for the current operation in Ipswich. Estimates for implementing CPE might appear to be high and inevitably there are a range of assumptions that have had to be made about the operational variables and the most significant of these are now explained.

32. In terms of the scope of restrictions that will be enforced, it has been assumed all the council-owned public car parks that are currently patrolled by the districts and boroughs in Suffolk will be included. Additionally, it is assumed that the full suite of parking contraventions will be enforced by the local authorities on the public highways. These include waiting and loading restrictions (yellow lines and kerb marks), permitted parking places (resident bays, limited-stay bays, pay & display bays, etc.), loading bays, taxi ranks, school-keep-clear markings, double parking, dropped kerbs, bus stops, clearways and footway parking where it is prohibited. What is not included is moving traffic contraventions (yellow box junctions, banned turns and one-way streets) and enforcement of bus lanes which would continue to be undertaken by the police.
33. The frequency of patrols is a significant factor and a desirable level has been established, based on research from elsewhere and reflects some of the current levels in the off-street car parks. It is a significant increase above the current level undertaken by the police. For sensitivity testing purposes, a patrol

level of half of this has been tested and the financial implications are that set-up costs are reduced by 16% and annual revenue deficits by 25%. It is not considered that this represents value for money.

34. The number of PCNs issued is one of the most difficult variables to predict but one of the most important for the financial modelling. The following table gives the likely PCNs to be issued per year for the ideal level of patrol:

District/borough	PCNs likely to be issued on public highway	PCNs likely to be issued in car parks	Total PCNs likely to be issued
Babergh	1,631	1,305	2,936
Forest Heath	1,631	1,727	3,358
Ipswich	14,489	2,661	17,149
Mid Suffolk	1,631	491	2,122
St Edmundsbury	6,812	3,972	10,784
Suffolk Coastal	3,070	3,761	6,831
Waveney	7,388	4,404	11,791
Total (whole County)	36,652	18,321	54,971

35. These estimated figures are based on a range of researched data. Information was given by Ipswich Borough Council on its current CPE operation and other district councils provided similar data sets for their car parks and residents' parking schemes.
36. In order to estimate the number of civil enforcement officers (CEOs) required, a high-level deployment plan was created. This uses information such as locations of restrictions, frequency of patrol, etc. to build a general picture of how many CEOs need to be deployed to each area each day.
37. When PCNs have been issued, they must be processed. This processing can include:
1. Sending legal notices to motorists.
 2. Investigating and responding to challenges against notices.
 3. Receiving payments and dealing with enquiries.
 4. Processing unpaid penalty charges through the courts and recovery.
 5. Writing off notices that cannot be collected.
38. Typically, an authority will appoint a team which includes a manager, some officers to investigate PCN challenges and some officers to deal with the payment and debt recovery functions. The SCPEWG have suggested that a single processing team could be appointed to process all the penalty charges in Suffolk, regardless of which patrol model is chosen. However, the relative merits of this against the alternative of individual authorities undertaking this activity is under review.

39. SCPEWG has reviewed the feasibility report and other factors and came to the view that option 1 was the most appropriate. The reasons for this were:
1. It best aligns with the principles given to SCPEWG and its Terms of Reference
 2. It provides effective local decision making
 3. It provides most effective local responsiveness.
 4. No formal partnerships are required
 5. It shares financial risk. All district councils (except Mid – Suffolk and Babergh) will bear financial risks for their areas.
40. SCPEWG consider that Option 1 gives a whole system approach co-ordinating on-street and off-street parking, recognises the positions of the different councils and is an effective approach. Whilst Option 3 may be operationally cheaper, this can only be firmly established by specific market testing and is less likely to facilitate local decision making and responsiveness, factors which the group believes to be important. Option 1 is the most equitable given that most district councils and the County Council will, in principle, share financial risk. On balance, Option 1 was considered to offer overall best value when including economic, environmental and social value.
41. This option was recommended to the PSLG on 18 November 2016 and it was agreed that this was the most appropriate option and that each local authority should thereafter seek agreement for this through its relevant committees. Ipswich Borough Council Executive on 10 January 2017 endorsed the proposals. Mid-Suffolk District Council Executive considered this matter on 6 February, St Edmundsbury Borough Council Cabinet on 6 February, Babergh District Council Strategy Committee on 9 February, Forest Heath District Council Cabinet on 14 February, Suffolk Coastal District Council Cabinet on 7 February and Waveney District Council Cabinet on 15 February. The outcomes from these meetings will be verbally reported to the meeting. St Edmundsbury Borough Council's Full Council will consider the matter on 21 February. Waveney District Council Full Council and Forest Heath District Council Full Council will also consider the matter on 22 February and Suffolk Coastal District Council Full Council on 23 February.
42. In summary, the main principles of this preferred option are:
1. Ipswich Borough Council, West Suffolk and East Suffolk will operate under agency agreements from the County Council lasting for an initial ten years for their own area. All three will also cover the Mid-Suffolk and Babergh area on an agreed operational split.
 2. All three will each bear the annual operating financial risk for their own areas and can introduce on-street paid parking at tariffs set by themselves to mitigate any deficit and also use off-street parking revenues if they so choose.
 3. The Council would retain primacy over actual location of on-street parking against agreed criteria which will be developed. Such criteria would be, for instance, if the County Council as the local highway authority considers that road safety or traffic management would be adversely affected or if

there would be adverse consequential impacts on other parts of the highway network.

4. If any surpluses are made by these agents, they are free to use them on transport-related improvements in their areas.
 5. For the Mid-Suffolk and Babergh area, there is likely to be a total annual operating deficit of the order of £125,000. It may be possible to off-set this by new on-street parking charges. In this area, Ipswich Borough Council, West and East Suffolk will undertake CPE over an agreed proportion on the basis that they will take the risk of any operating deficit in return for retaining the OSPA surplus. (see para 45 for further details)
 6. The County Council will retain traffic regulation order-making powers for any new parking restrictions. It will enter into a service level agreement with district and borough councils to outline how and in what timescale requests for new or changed parking restrictions will be considered.
 7. The County Council will maintain signs and lines under a service level agreement with district and borough councils to ensure enforcement remains effective and there is no loss of income to the councils.
 8. Set-up costs of £1.13m will be shared with £10,000 met by each of the six district and borough councils (excluding Ipswich Borough Council where CPE already exists), £190,000 from the police and the remaining £880,000 met by the County Council. The County Council will also fund the review and up-date all lines, signs and the accompanying traffic regulation orders at a likely cost of £250,000.
 9. The County Council's On Street Parking Account (OSPA – approx. £750,000/yr. income) will be used to fund its proportion of the set-up costs.
43. The financial considerations for some of the district and borough councils and the County Council are significant. In the case of Ipswich Borough Council, there is already some eleven years' experience and currently there is a modest operating annual surplus after on-street paid parking (excluding Cromwell Square) is accounted for. In broad terms, this will continue and the Borough Council is content with this arrangement. The business case for East Suffolk indicates an annual deficit of some £240,000 and it is prepared to subsidise this from its off-street parking income or from on-street paid parking at suitable locations to be agreed with the County Council which support wider transport objectives. There is likely to an annual deficit of some £171,000 in West Suffolk even after the current level of on-street paid parking income (excluding Angel Hill, Bury St Edmunds) is taken into account. Consideration will be given to further on-street paid parking to off-set this at locations to be agreed with the County Council but only where this would support wider transport objectives.
44. The use of the OSPA account has been the subject of extensive discussions between Ipswich Borough Council, St Edmundsbury Borough Council and the County Council. The latter's position has always been that this is a fund raised on the public highway and it is for the Council to determine its use. Historically, it has been used to fund a wide range of transport-related projects across the whole of the County. It is recognised that, in order to extend CPE, funding for the set-up costs will be required. From the County Council's perspective, it is considered that the primary source for all such funding should be the OSPA.

This is a source of income from parking which would be used to support enforcement of parking restrictions.

45. In recognition of the collaborative approach taken by the district and borough councils and the risks that they are taking, it has been agreed that, after CPE is introduced, the County Council will allow Ipswich Borough Council and West Suffolk to retain the OSPA funds raised in their respective areas. This would be in return for all the district and borough councils agreeing a basis on which any annual operating deficit would be funded within the Babergh and Mid Suffolk area. The Council would not bear any financial risk for this area. Effectively, the County Council is using the OSPA account to allow CPE to be extended throughout the County and therefore none of this would be available to them in the future to support any further transport-related projects. However, the district and borough councils with an ongoing on-street parking surplus could still invest in transport projects in consultation with and subject to the approval of the County Council where necessary as the highway authority.
46. In drafting the agency agreements and the service level agreements, the County Council will need to be mindful of the unlikely event that East Suffolk, West Suffolk and/or Ipswich Borough Council chose to cease undertaking parking enforcement on the County Council's behalf.
47. If such a situation were to arise in either Ipswich or West Suffolk, the on-street parking surplus for the relevant location would automatically revert to the County Council along with the need to put in place replacement parking enforcement. This would either be through future delivery by the local authorities wishing to retain local parking enforcement or through the County Council putting in place its own enforcement arrangements.

Sources of further information

- a) CPE in Suffolk – Business Case Report – September 2016 – Mouchel Consultants.
- b) SCPEWG report to Public Sector Leaders Group 18 November 2016