

Dudley Metropolitan Borough Council

Meeting of the Cabinet - 1 November 2006

Joint Report of the Director of the Urban Environment, the Director of Finance and the Director of Law and Property

Civil Parking Enforcement

Purpose of Report

1. To seek Cabinet approval for the introduction of Civil Parking Enforcement (CPE) in the Metropolitan Borough of Dudley with an implementation date of Tuesday 1 April 2008 with all administrative and enforcement operations being carried out 'in-house'

Background

Purpose of Decriminalisation

2. The purpose of CPE is to transfer responsibility for the enforcement of all on-street parking restrictions in a Council's area from the Police to the Council.

Meaning of Decriminalisation

3. The 1991 Road Traffic Act permits Highway Authorities to apply to the Secretary of State for Transport for their area of jurisdiction to become a Special Parking Area.
4. Once a Special Parking Area Application to enable establishment of a CPE has been laid before Parliament, the power to enforce all on-street parking restrictions passes from the Police to the Highway Authority.
5. A major change is that the revenue collected from Penalty Charge Notices for contravention of parking restrictions goes to the Highway Authority, rather than being collected by the Courts and accruing directly to the Government, as happens in the case of the Police Fixed Penalty Notices.
6. An "appeals" system operates with drivers under certain circumstances being able to submit formal "representations" to the Highway Authority; if these representations are rejected by the Highway Authority, recourse is through the independent appeals body, National Parking Adjudication Service (NPAS). This is a national system managed independently of all Highway Authorities. Councils that operate Local

Authority Parking Enforcement must join the NPAS Joint Committee, the current NPAS centre for the West Midlands Area is based at Manchester.

7. A Council having adopted CPE would have the ability to decide how to address issues such as traffic capacity by reducing obstructive parking and traffic restraint by reducing overstaying at time-limited spaces and in sensitive parts of town centres.
8. Councils could also enforce parking restrictions in support of other policies and objectives particularly bearing in mind the far reaching requirements of the Traffic Management Act 2004, which places responsibility on each Highway Authority to promote the free passage of vehicles and pedestrians on highways in its area
9. The principle of CPE is to provide an efficient and effective parking enforcement service, which would:-
 - Minimise illegal parking activities through the issue of penalty charge notices
 - Reduce obstruction on roads
 - Assist traffic movements
 - Improve local conditions and environment
 - Make towns more attractive to visitors
 - Improve air quality
 - Reduce the risk of accidents
 - Improve pedestrian and cyclist mobility
 - Recognise the needs of stakeholders (businesses, shops, residents, schools and other community sectors)
 - Introduce Residents Only Parking schemes in streets at appropriate locations
10. Revenue is ring-fenced for traffic and road safety uses, as a requirement of Special Parking Area status.
11. Extra responsibility is anticipated to be granted to SPAs by Government next year, including enforcement associated with 'school keep clear' areas and 'zig zag' markings at pedestrian crossings. These duties would assist in improving school child safety and the quality of our highways.
12. Local Authority adoption of CPE is now firmly part of Government policy and as such Local Authority Parking Enforcement currently operates in over 100 local authorities, including London, Birmingham Coventry and Sandwell.
13. Walsall and Wolverhampton Councils aim to implement CPE by the end of 2007.
14. By undertaking both administrative and enforcement operations itself the Council could:-

- Directly influence the implementation and enforcement of all on-street parking controls in the Borough.
- Derive income from effective on-street parking enforcement.
- Have the opportunity to manage all operational responsibilities for parking in the Council's area, including the control for enforcement of both on-street and off-street parking as a single service, which should result in economies of scale.
- Improve parking regulation and better traffic management which could be more responsive to public needs.
- Give parking attendants sensible discretion in their use of powers
- Be able to set priorities and levels of enforcement with a degree of sensitivity and reasonable flexibility.
- Bring about a greater turnover of time limited on-street parking spaces, particularly in our town centres. Demand would be managed.
- Allow impartiality of enforcement, removing accusations of bias.
- 'Free up' the Police to deal with more pressing criminal matters in line with their performance lead priorities.
- Make parking attendants the Council's eyes and ears on the ground by being able to report highway maintenance issues.

The Co-ordination of On-Street and Off-Street Parking Services

15. A decision to accept enforcement powers from the Police would be irreversible.
16. Unlike many Authorities, Dudley already has an existing viable Council-controlled car parks operation, with a management and IT capability which can embrace CPE.
17. The integration of on-street and off-street enforcement responsibilities would provide an effective parking service which is responsive to public needs.
18. It is recommended that systems should be established to manage, monitor and report on the performance of all aspects of parking services through a Quality Assured process.
19. Enforcement of parking controls, especially near schools and locations where there is a concentration of vulnerable highway users, is considered particularly important, as are congestion hot spots.
20. Dudley Council Plus would deal with most general public enquiries and the majority of collections of monies, including penalty charge notices .

Views of West Midlands Police

21. West Midlands Police are willing to transfer responsibility for day-to-day on-street parking enforcement to local authorities, in order to concentrate on crime-related targets.

Predictions Regarding Service

22. The consultant's modelling exercise assumed that a maximum of 16 additional Parking Attendants including 3 supervisors (10 operating at present) would be required to enforce on-street parking in Dudley and 3 clerical staff (2 at present) to provide administrative support to CPE processes.
23. It was estimated that the Council could sustain a level of around 28,000 Penalty Charge Notices (PCNs) per year. This projection is based upon the total extent of the Traffic Regulation Orders in the Authority, an assessment of the need for enforcement in the various areas making up the Authority, and an estimate of the numbers of PCNs which would be issued in each area. This is a very conservative figure which in reality is likely to be greatly exceeded. There is also no consideration given to the likely increase in existing car park income as a result of improved on-street enforcement.
24. Bailiff services to recover non payment of fines would be co-ordinated with those used for non-payment of car park fines.

FINANCE

25. Summary details of start up costs and cumulative net surplus as deficit are shown in Appendix A.
26. The proposal is based on an in-house operation which would result in economies of scale being delivered with the current car parking operation, such as with staffing and IT support and applications.
27. The appendix provides a summary of marginal income and expenditure which is in addition to the existing funded car park operation. Start up revenue and capital costs totalling £210,000 would be incurred during 2007/08. Net operational costs during the first 12 months from implementation on 1 April 2008 are forecast to be £224,000. By the second year of operation (2009/10) a net annual surplus of £105,000 is forecast, rising to nearly £120,000 in each subsequent year. In simple terms, this would result in the net costs generated during the first two financial years being repaid over four to five years from the start of the operation. Sandwell MBC originally estimated a pay-back period of three to four years when implementing decriminalised parking, but actually achieved this in less than three years.
28. The model assumes a very conservative number of PCNs being issued, rising from 19,200 in the first year to 27,000 per annum in following years. 70% are assumed to be paid and up to a further 10% recovered through County Court and subsequent (including bailiff) action. It is important that bailiffs should be appointed at the start of the operation, and that a maximum recovery period of no more than six months be agreed, otherwise it is likely to become increasingly difficult to recover debt which is older than six months. For comparison, Sandwell MBC began their operation in 2000 with 35,000 PCNs issued in the first year, and are currently expecting up to 55,000 to be issued this year. There is also no consideration made in these costings of the likely increase in car park income as a consequence of improved enforcement.

29. The start up costs and estimated net operational costs in Year 1 will be met from DUE Directorate Reserves.

LAW

30. The Road Traffic Act 1991 permits the Council, as Highway Authority, to apply to the Secretary of State for Transport to become Special Parking Areas and Permitted Parking Areas.
31. The Council may participate in the National Parking Adjudication Service Joint Committee under Section 101 of the Local Government Act 1972.
32. Traffic Regulation Orders are made under powers contained in Section 1 of the Road Traffic Regulation Act 1984.
33. Off-Street parking places may be provided by the Council under Sections 32 and 35 of the Road Traffic Regulation Act 1984.
34. Section 111 of the Local Government Act 1972 empowers the Council to do anything calculated to facilitate or is conducive or incidental to the discharge of any of its functions.
35. The Traffic Management Act 2004 provides guidance to local authorities on parking policy and enforcement.

EQUALITY IMPACT

36. If introduced, the proposals would contain measures to assist parking by holders of disability "blue badges", and by "ring and ride" transport vehicles.
37. Vulnerable road users, including school children and mobility impaired persons would be assisted by reductions in obstructive parking.
38. The proposals contained within this report comply with the Council's policy regarding Equal & Diversity.

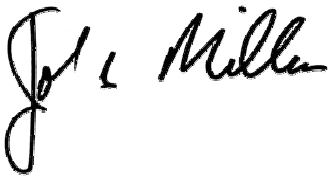
RECOMMENDATION

39. That Cabinet approval, having regard to Parliamentary processes, be given for the adoption of powers to permit the enforcement of on-street parking restrictions, through the creation of a Special Parking Area and a Permitted Parking Area throughout the borough for implementation on 22 October 2007
40. That Cabinet approval be given for funding the full implementation of CPE initially from Council reserves.
41. That the Director of Law and Property and Director of Finance, in consultation with the Cabinet Member for Transportation and the Director of the Urban Environment, be authorised to establish the legal and budgetary frameworks for the introduction of CPE.

42. That Cabinet approval be given to the Council participating in the National Parking Adjudication Service (NPAS) Joint Committee under Section 101 of the Local Government Act 1972.
43. That two Council Members (one acting as the other's deputy) be nominated to represent the Council on the NPAS Joint Committee as and when necessary. It is suggested that the Cabinet Member for Transportation might be lead Member.
44. That Cabinet approval be given to the setting of nationally accepted penalty charges of £60 – reduced to £30 payment within 14 days, and incremented to £90 after non payment (this would be consistent with neighbouring Authorities) for parking offences from the date of the commencement of Decriminalised Parking Enforcement.
45. That the Director of Law and Property be authorised to enter into a NPAS Joint Committee Agreement.
46. That the Director of Law and Property be authorised to assess bailiff service requirements for the non-payment of Penalty Charge Notice costs.

Contact Officer: J. Anderson
Telephone: 01384 814460
Email: john.anderson@dudley.gov.uk

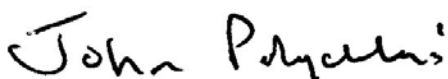
Contact Officer: P. Van Geersdaele
Telephone: 01384 815437
Email: peter.vangeersdaele@dudley.gov.uk



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J. B. MILLAR – DIRECTOR OF THE URBAN ENVIRONMENT



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MIKE S. WILLIAMS, DIRECTOR OF FINANCE



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JOHN POLYCHRONAKIS, DIRECTOR OF LAW AND PROPERTY

BACKGROUND PAPERS

(NOTE: Civil Parking Enforcement used to be called Decriminalised Parking Enforcement)

1. Decriminalised Parking Enforcement Briefing Paper – RTA Associates Ltd – August 2003.
2. Decriminalised Parking Enforcement Study – Consultants Report – RTA Associates Ltd – January 2004.
3. Decriminalised Parking Enforcement Presentation Notes – RTA Associates Ltd.

APPENDIX A

RTA 1991 – FINANCIAL MODEL OF IMPLEMENTATION

CLIENT: **DUDLEY METROPOLITAN BOROUGH COUNCIL**

VERSION: **BASE MODEL**

MODEL VERSION: **8.0**
MODEL DATE: **19.07.06**

SUMMARY OF MARGINAL INCOME & EXPENDITURE

APPENDIX A

	START-UP PERIOD (months)	START-UP CAPITAL	START-UP EXPENSES	FIRST 12 MTHS	SECOND 12 MTHS	THIRD 12 MTHS	FOURTH 12 MTH	FIFTH 12 MTHS
INCOME								
PCNs ISSUED			0	19,246	27,009	27,009	27,009	27,009
PCN PAYMENTS			£0	£368,966	£654,807	£666,956	£666,956	£666,956
CLAMP & REMOVAL PAYMENTS			£0	£0	£0	£0	£0	£0
PERMIT PAYMENTS			£0	£0	£0	£0	£0	£0
CAR PARK RECEIPTS			£0	£0	£0	£0	£0	£0
ON STREET CHARGING			£0	£0	£0	£0	£0	£0
NET C.COURT PROCEEDS			£0	£14,512	£58,047	£58,047	£58,047	£58,047
TOTAL PAYMENTS			£0	£383,478	£712,854	£725,003	£725,003	£725,003
EXPENSES								
OPERATIONAL MANAGEMENT	1	£40,000	£13,546	£6,553	£6,553	£6,553	£6,553	£6,553
ON-STREET ENFORCEMENT	1	£47,732	£53,215	£415,811	£415,811	£415,811	£415,811	£415,811
OFF-STREET ENFORCEMENT	1	£0	£12,192	£16,820	£16,820	£16,820	£16,820	£16,820
CLAMP & REMOVAL CONTROL	1	£0	£0	£0	£0	£0	£0	£0
TICKET & PERMITS PROCESSING	1	£12,600	£28,509	£142,665	£142,665	£142,665	£142,665	£142,665
PAY & DISPLAY	1	£0	£2,722	£25,464	£25,464	£25,464	£25,464	£25,464
TOTAL EXPENSES5		£100,332	£110,183	£607,313	£607,313	£607,313	£607,313	£607,313
ANNUAL NET SURPLUS OR (DEFICIT)			(£100,332)	£110,183	(£223,835)	£105,541	£117,691	£117,691
CUMULATIVE NET SURPLUS OR (DEFICIT) EXCLUDING CAPITAL				(£110,183)	(£334,350)	(£228,477)	(£110,786)	£6,904
CUMULATIVE NET SURPLUS OR (DEFICIT) INCLUDING CAPITAL				(£210,515)	(£434,350)	(£328,809)	(£211,118)	(£93,428)
NPV INTEREST RATE					(£321,348)	(£227,417)	(£128,601)	(£35,380)
YEAR END NPVs (EXCLUDING CAPITAL) 6%								£52,566
NPV INTEREST RATE								
YEAR END NPVs (INCLUDING CAPITAL) 6%					(£421,680)	(£327,749)	(£228,933)	(£135,712)
								(£47,766)

Notes;

1. NPV – Calculation assumes that the Start Up Cost is a negative cash flow at the start of year 1 and that each year's cash flow thereafter is received at the end of the year.
2. SCH REF – Reference to the detailed working schedules attached
3. Start up costs include capital costs, one-off costs incurred before commencement, and percentage of first year expenses calculated from number of months selected in Start-up Period.