

SURREY COUNTY COUNCIL

CABINET

DATE: 23 OCTOBER 2012

REPORT OF: MR JOHN FUREY, CABINET MEMBER FOR TRANSPORT AND ENVIRONMENT

LEAD OFFICER: JASON RUSSELL, ASSISTANT DIRECTOR SURREY HIGHWAYS

SUBJECT: OPERATION OF CIVIL PARKING ENFORCEMENT



**SUMMARY OF ISSUE:**

This report considers how the County Council will manage the future enforcement and administration of civil parking enforcement within Surrey.

The report recommends entering into long term on-street parking agency agreements with those Districts willing to undertake the function and to formalise an oversight and monitoring role for the Local Committees.

**RECOMMENDATIONS:**

It is recommended that:

1. the introduction of new agency agreements in line with the terms specified within this report sections 13-18 is approved and authorise the Assistant Director for Highways, in consultation with the Cabinet Member for Transport and Environment be authorised to finalise details and implement the new agreements
2. Local Committees have an oversight and monitoring role for on-street parking enforcement within their area
3. the Assistant Director for Highways, in consultation with the Cabinet Member for Transport and Environment, be authorised to enter into suitable alternative short term arrangements to ensure continuation of on-street parking enforcement in the event that such arrangements become necessary.

**REASON FOR RECOMMENDATIONS:**

To ensure the County Council effectively and efficiently manages on-street parking in Surrey.

**DETAILS:**

**Introduction and background**

1. The County Council is responsible for the management of on-street parking enforcement. Currently, this function is discharged through agency agreements with 9 of the 11 District / Borough Councils. From April 2011,

Tandridge and Waverley have been managed by Reigate & Banstead and Guildford Borough Councils respectively.

2. The current agency agreements with our nine partners are due to expire at the end of this calendar year and there is therefore a need to enter into new arrangements. This affords an opportunity to examine the agreements to ensure they offer the best solution for all parties. The Environment and Transport Select Committee considered a similar report to this at their meeting of the 19 September 2012.
3. In the event that a new agreement is not reached with a particular District / Borough, there will be a need to ensure there is the option for the County Council to extend the existing agency agreement or enter into alternative arrangements if we are to continue to provide on-street enforcement. Evidence from other areas of the Country has shown that if on-street parking enforcement ceases, drivers soon realise this and a significant minority will park inconsiderately to the detriment of traffic flow, road safety and the local environment.
4. Following extensive discussions with relevant parties over the past two years at both Member and Officer level, a number of parameters for future agency agreements have been developed. These are set out in this report within sections 13-18.
5. Much improvement has been made in the operation, management and financial viability of Civil Parking Enforcement since the County Council first took over responsibility for it from Surrey Police (on a phased basis between 2004 and 2007). The police do retain powers to deal with incidents of dangerous parking or obstruction.
6. Parking enforcement can be a contentious issue with some residents and Members. Residents can demand new restrictions to suit their personal circumstances and there is often a conflict of views within any one local area. Officers receive frequent complaints that overzealous enforcement can be detrimental to small businesses and the economy as a whole. Conversely, complaints about lack of enforcement are equally commonplace. In general there are three types of enforcement:
  - Safety / traffic critical – essential to protect sight lines or traffic flow
  - Environmental / economic – aids a specific local area (e.g. limited period waiting bays) but can be resource hungry
  - Educational – enforcement that can assist with driver behaviour and residents' concerns, such as anti-social parking across drives.

Within Surrey, Local Committees are responsible for introducing or amending parking restrictions. It should be expected that if a Local Committee deems restrictions necessary, then they will be enforced. The frequency of enforcement will vary depending upon need and resources.

7. On-street parking enforcement is not a mechanism for generating income. However, if, through good operational management a surplus is generated, it is legitimate to use this for the benefit of residents or highway users. How any surplus can be used is prescribed in law, but broadly speaking it is acceptable to use it for highway improvements, the provision of public passenger

transport services, environmental improvement or improving the appearance or amenity of open space or water to which the public have access.

8. Since April 2011, our enforcement agents have accepted responsibility for any financial deficit on their parking accounts. To simplify the arrangements, the historic split between “Civil Parking Enforcement” and “Controlled Parking Zones” has been removed – there is now a single parking account for each District. This is a marked change from previous arrangements where the County Council was responsible for any financial deficits. To reflect this change, the County Council agreed to ring fence any surplus from 2011/12 to assist agents who operated at a deficit. Figures from 2011/12 indicate that there has been a substantial improvement in operational efficiencies.
9. In late 2011, much work was undertaken by the County Council and the Districts and Boroughs looking at the potential for consortium working. Successes with Guildford operating in Waverley and Reigate & Banstead within Tandridge gave momentum to investigating the options and efficiencies. In the north-west of the County, Officers and Members looked at joint working between Woking, Elmbridge, Runnymede, Spelthorne and Surrey Heath. The exercise was undoubtedly of value, but ultimately discussions failed. Similar less advanced discussions were held with authorities in the east of the County. All parties indicated that they would like any new agency agreements to have the flexibility to accommodate this if in future the circumstances are right.

### **Proposed Agreements**

10. The Districts and Boroughs are responsible for managing and enforcing their own off-street car parks. There are advantages and efficiencies in Districts and Boroughs also having responsibility for on-street enforcement and it removes ambiguity for the travelling public. By entering into agreements with Districts / Boroughs, Civil Enforcement Officers (formerly known as parking attendants and renamed through the Traffic Management Act 2004) are able to work seamlessly both on and off street. In Surrey, parking enforcement is a good example of two tier local government working together.
11. Over the last two years, discussions have been held between all parties at Officer and Member level, with various options being considered. In early 2011 the Environment and Transport Select Committee established a Member parking task group. Many of the recommendations within this report are based on its conclusions and discussions held between authorities.
12. Earlier this summer the Cabinet Member for Transport and Environment wrote to Leaders of the Districts and Boroughs. The following points were explained as the basis for any future agreements
  - Minimum five year agency agreement, with a presumption for rolling extensions.
  - Flexibility in any agreement to facilitate cross boundary working, if and when proposals are agreed between Districts and Boroughs.
  - Local Committees to be responsible for setting levels of charge, subject to minimum fees (such as resident permits, suspensions and dispensations etc ) set County wide.
  - A limited number of performance indicators, agreed by all parties.

- Local Committees to be responsible for approving new on street parking schemes.
- Oversight and monitoring by the Joint Local Committee of the District / Borough and County.
- Operational management will remain the responsibility of the enforcement District / Boroughs or forms of consortia.
- Operational deficits remain with the enforcement provider.
- Operational surpluses will be subject to an agreed split between all three partners\*

\* During discussions at Surrey Leaders a split of 60/20/20 between the Local Committee, Enforcement Agent and the County Council was proposed

Below are the suggested parameters of the future arrangements.

13. *Duration of agreements* – there is a need to offer some certainty to all parties so that investment and staffing levels can be properly planned. It is therefore proposed that all agreements are for a minimum of five years, with rolling two year extensions agreed a minimum of one year prior to the current end date of any agreement) subject to all parties being in agreement. The expectation is that a formal review will be undertaken by all parties after the second complete year of operation to enable any agreed service improvements / agency changes. This will include performance against KPIs. The agreements will have the normal break clause of 12 months notice (by either party) or 6 months if there is an agency breach. If agreement cannot be reached as a final measure termination of the agreement by the County Council would need to be agreed by the Cabinet Member and Assistant Director Highways.
14. *Flexibility of agreements* – any agreement will be with the enforcing agent. As earlier stated, there is a desire for collaborative working. The agency agreement will facilitate this by enabling agents to work together by agreement and revised formal arrangements (subject to oversight and cost clauses to be maintained) will be entered into as required. This may require the issuing of revised agency agreements but authorisation is sought for the principle as officers will need to ensure the necessary legal processes are followed.
15. *Finance* – no matter who undertakes enforcement, on-street parking remains a County Council function. The agents will be expected to provide final accounts by the end of June for the preceding financial year. Any financial deficits (i.e. expenditure is more than income) will remain the responsibility of the agent. Any operational surplus will be distributed as explained in section 12, subject to minor local variations or pre existing arrangements, as agreed by the Cabinet Member. Transfer of any end of year surpluses (if they exist) will take place at the end of June.

It has been suggested by some authorities that in order to manage the risk of a deficit, their parking account surplus/deficit could be assessed on a 2 year cycle rather than annually. Rolling forward any surplus/deficit would go some way to smooth over annual variations and one off events that may affect parking enforcement income. This arrangement could be put into place as required by the respective enforcement authority with the agreement of the Local Committee.

A standard financial spreadsheet is being developed by Surrey Treasurers including SCC Corporate Finance. All agents will use this as a template to

ensure consistent reporting. If an agent enforces more than one district, there will be separate accounts for each area. It is proposed that an 'open book' approach is adopted for the on street parking account in each enforcement area and that they are audited as frequently as deemed necessary by Surrey Audit.

Operational costs broadly include staffing, back office functions, vehicles and accommodation. They do not include "new" restrictions or parking reviews which will continue to be funded from other highways budgets and money under the control of the Local Committee. The intention is that the bulk of any surplus would be under the control of the Local Committee and should they decide they will be able to use this income to fund new schemes.

It is reasonable to expect enforcement to be targeted where it is most needed. If extra enforcement is required (say for a specific event or due to local Member concerns) additional funding can be agreed by the Local Committee.

A share of any operational surplus will be returned to the enforcement agent to help drive efficiencies, with the bulk of the funding being allocated to the Local Committees. All Local Committees have representations from both County and Borough Members with equal voting rights for highway matters. This will enable the Local Committee to allocate any surplus as it deems appropriate to suit local needs or priorities.

16. *Governance* – it is expected that agents will report on operational performance, KPI's and current parking trends to the Local Committee. It will be for the Local Committee to determine the terms of reference which best suits its particular local circumstances although there will be standard performance reporting (see section 17) which can be used as a consistent benchmark. It is anticipated that the Local Committee will wish to establish steering groups to advise the agent of issues or policy concerns in its area. This will enable the Local Committee to have an oversight and monitoring role while responsibility for the actual day to day management and operation of the parking enforcement service will rest with the enforcement agent, not the Local Committee. The agency agreements will be between the County Council and the relevant District / Borough, not the Local Committee.

17. *Performance* – A range of Key Performance Indicators (KPIs) for on-street enforcement have been developed in collaboration with the County Council and Districts and Boroughs. These have been developed to be:

- Robust
- Meaningful
- Measurable

Key to KPI development was that they should reflect not just financial information, but also take into account levels of service and customer and Member satisfaction with the on-street parking operation.

The proposed KPIs are:

1. Total cost to administer the on-street parking service – the overall net cost of operating the on-street enforcement element of the parking service

2. Civil Enforcement Officer (CEO) deployment efficiency - this measures the number of hours of deployed CEO time spent on-street or travelling to sites as a ratio of the total cost of the enforcement operation
3. Penalty Charge Notices (PCNs) issued per deployed hour - the total number of PCNs issued as a ratio of the total number of CEO hours on-street
4. PCN cancellation rate - the total number of PCNs cancelled as a ratio of the total number of PCNs issued
5. PCN appeal rate – the total number of PCNs successfully appealed, as a ratio of the total number of PCNs issued
6. Reliability and management of Pay and Display (P&D) machines - measuring the provision of information for all completed tasks, as well as maintaining accurate and comprehensive records for all tasks.
7. Time taken to issue parking permits / dispensations / suspensions – measuring the average number of days taken to deal with general customer requests for service (excluding PCN appeal or comments on parking restrictions)
8. Customer / Member satisfaction – a measurement of Member and Customer satisfaction through an online survey, which importantly measures perception as well as results

*Note these may be subject to minor alterations to suit local conditions / negotiations.*

It is expected that performance levels will be agreed with agents and evolve with operational experience. KPI data can be benchmarked nationally and locally and used to help resolve disputes and/or improve performance.

Each local authority must produce an annual report detailing key aspects of its enforcement activity. This is stipulated by the operational guidance for Part 6 of the Traffic Management Act 2004 (Civil Enforcement of Traffic Contraventions). This data is collated by the County Council and also helps indicate performance and compliance levels for on and off street parking enforcement.

18. *Standards of enforcement* – all agents will provide a minimum level of enforcement for all restrictions, but it is not possible to enforce all roads constantly and it is expected that agents will use their resources to target safety concerns / disruption. Working with the County Council, agents will prepare enforcement models stipulating the minimum level of typical enforcement for various types of restrictions / roads. This will be subject to oversight and monitoring by the Local Committee. Local Committees will be able to “top up” levels of resource intensive enforcement (such as non-pay and display limited waiting bays,) from local budgets under their control if this is a priority.

#### **Temporary provision in the event of no agreement**

19. There is a need to ensure continued parking enforcement in the event that one of our current agents declines to enter into a new agency agreement. Therefore it is recommend that the Assistant Director for Highways, in consultation with the Cabinet Member, has the authority to:

- a) authorise other Districts to undertake enforcement where the principal District no longer wishes to be involved and enable transitional arrangements to cover any risk / cost
- b) temporarily extend existing agreements while negotiations are concluded on terms similar to those in the current agreements for on-street parking enforcement.

**Development of new restrictions and parking schemes in Surrey**

- 20. Any new restrictions or requests for parking schemes are considered and approved by the relevant Local Committee. The Parking Team leads on these requests for all Districts, except Guildford. Historically Guildford Borough Council has promoted its own schemes, although the approval mechanism is still through the Local Committee.
- 21. Decisions on all parking schemes will continue to go through the Local Committee process with Officer support from the SCC parking team / Guildford Borough Council.
- 22. If there is a desire and capacity with our enforcement agents, there is scope to enable them to locally lead on future reviews. There are resource implications, but this can be considered as part of future reviews. Agency agreements will be designed to enable this flexibility.

<b>CONSULTATION:</b>
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- 23. Overall there has been a positive response to the proposals from the nine Districts and Boroughs which currently act as our agents. Both Tandridge and Waverley have confirmed that they do not wish to become involved and are happy for others to undertake on-street enforcement within their Districts. Negotiations are ongoing, but it is expected that the following will accept these arrangements:
  - o Elmbridge
  - o Epsom & Ewell
  - o Guildford / Waverley
  - o Mole Valley
  - o Runnymede
  - o Spelthorne
  - o Woking
- 24. Discussions are ongoing with Surrey Heath and Reigate & Banstead for their area and for enforcement in Tandridge. It is hoped that any issues will be resolved although if this is not possible, alternative arrangements will need to be established.
- 25. Consultation has taken place with the Environment and Transport Select Committee. Their views and recommendations are attached to the agenda under item 5. A response will be provided at the meeting.

## **RISK MANAGEMENT AND IMPLICATIONS:**

26. There is a risk that parking enforcement will cease if suitable arrangements are not in place. Experience elsewhere has shown that this would have serious implications for traffic flow, parking congestion and road safety.

## **Financial and Value for Money Implications**

27. On-street parking enforcement has been running at a cost to the County Council since 2004. In the years 2004-2011 the net cost to the county in subsidising our agents has been in the region of £0.3-1.0m per annum. In addition to this, there were significant capital costs (between 2003 and 2007) in establishing new enforcement arrangements. Through operational experience, improved working practices and the setting of more realistic fees, collectively our agents have substantially reduced deficits. Under the proposed arrangements the County Council will not be liable for any deficits.

As stated in paragraph 7, on-street parking enforcement is not a mechanism for generating revenue but neither should it operate in a manner which causes a financial loss. The responsibility for managing the service in a cost effective manner will rest with our enforcement agents.

28. The current Medium Term Financial Plan (MTFP) assumes an income from parking of £0.6m from 2013/14 onwards. At the time of agreeing the MTFP various options were being considered for parking which through negotiations with the Districts and feedback from the Local Committee are now not being progressed. If approved, these new arrangements make realising this income figure unlikely to be achieved. This will need to be balanced from other highway budgets and as part of next year's budget setting Officers will work to identify options to cover this potential shortfall.
29. To date, the cost of the Guilford Park and Ride has been subsidised by the on-street parking account for Guildford. An agreement has been made with Guildford Borough Council, which will be reported to the Local Committee, to reduce the net cost of the Park and Ride service. However the existing on-street surplus (for the Guildford area) will continue to be used to subsidise the service as appropriate to ensure continued operation.

## **Section 151 Officer Commentary**

30. The S151 Officer confirms that all material financial and business issues & risks have been considered in this report.

## **Legal Implications – Monitoring Officer**

31. The County Council has the necessary legal powers to operate parking enforcement through the Traffic Management Act 2004. By virtue of the Local Government Act 1972 and the Local Authorities (Arrangements for the Discharge of Functions)(England) Regulations 2012 the Cabinet may make arrangements with another local authority for one of its functions to be discharged by them on such terms as they mutually agree.
32. Whilst Local Committees may be best placed to monitor the ongoing operation of any local arrangements put in place to provide parking enforcement in their area this should not replace any planned scrutiny of on-street parking



restrictions and enforcement in the County by the Environment and Transport Select Committee.

33. As set out earlier in this report, there are legal constraints regarding the purposes to which any surplus income, arising from parking enforcement may be put. The report proposes a 60/20/20 split of any such surplus and each of the respective beneficiaries of that would be limited in respect of the use to which any surplus could be put. Any surplus allocated to the Local Committee would technically be a surplus returned to Surrey County Council, but allocation of any such funding could be delegated by the Leader to the Local Committees as part of the proposed arrangements.

#### **Equalities and Diversity**

34. Effective parking enforcement can assist accessibility for those with visual or mobility impairment by reducing instances of obstructive parking. Parking restrictions also allow blue badge holders better access to shops and services through the provision and enforcement of disabled bays.

Parking policy has been developed in line with Surrey Transport Plan 3 which has been subject to rigorous equality assessments.

#### **Climate change/carbon emissions implications**

35. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change. As part of any agency agreements, officers will encourage the use of low emission vehicles, in connection with parking enforcement works.

#### **WHAT HAPPENS NEXT:**

36. Actions will be put in place to secure new agency agreements.
37. Legal Services will work with the Districts and Boroughs to negotiate and finalise new agency agreements.
38. The Parking team will take the lead on working with relevant Districts / Boroughs to establish overview and monitoring procedures for the Local Committee.
39. In the event that agreement cannot be reached, the Assistant Director together with the Cabinet Member will work to put short term alternative measures in place and a further update will be provided to Members

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#### **Contact Officer:**

Jason Russell, Assistant Director, 020 8541 7395  
Richard Bolton, Local Highways Group Manager, 020 8541 7140  
David Curl, Parking Team Manager, 01372 832154

#### **Consulted:**

Trevor Pugh, Strategic Director for Environment and Infrastructure  
John Furey, Cabinet Member for Highways and Environment  
Environment and Transport Select Committee

**Sources/background papers:**

- Operation of Civil Parking Enforcement report to Select Committee Feb 2010, May 2010, Nov 2011 and Sept 2012.
  - Operation of Civil Parking reports to Cabinet March 2010, June 2010 and Feb 2012.
-