

Durham County South

Civil Parking Enforcement

Business Case



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Durham County Council:
Regeneration and Economic Development

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1.0 Purpose

- 1.1 This business case is the final of three cases prepared for County Durham and has been produced following previous methodology to demonstrate a value for money approach to parking management in the south of the County. It outlines the business case for the economic management and financial delivery of parking enforcement operations in the south of County Durham (former districts of Weardale, Teesdale and Sedgefield). It examines strategic fit, setting out the rationale for the proposal together with the predicted costs and affordability to deliver and sustain a first class parking service. The proposal includes detail of resource requirements to deliver the project.
- 1.2 Parking control in the south of the County consists of public off street car parks enforced by the County Council and regulatory restrictions for waiting and loading primarily in the main town centres. No 'on street' Pay and Display or permit parking has been introduced in the south of the County.
- 1.3 The subject area consists of the main town centres of Crook, Spennymoor, Ferryhill, Bishop Auckland, Newton Aycliffe, Shildon and Barnard Castle, The area also contains numerous small rural settlements, some with free off street parking provision and most with some form of regulatory control through waiting restrictions.

2.0 Strategic fit

- 2.0.1 The Durham County Council Local Transport Plan (2000-2006) set the context for parking control in the County and established CPE as a clear policy to enhance economic growth and remove conflicting demands. In 2000 the County Council introduced its first controlled on street parking zone in Durham City. The former district authority controlled off street

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Pay and Display provisions and the former County Council assumed responsibility for all on street Pay and Display and permit parking. Durham Constabulary retained responsibility to enforce waiting and loading.

- 2.0.2 CPE was introduced in a phased approach in Durham District in October 2008 and in the North of the County in 2011. This phased approach has allowed the County Council to make a measured, and manageable introduction of CPE and to develop a professional, well trained and competent workforce working within the enforcement and appeals processes. The approach has included development of an in house mapping system for Traffic Regulation Orders. This low cost approach has proven to be successful and has avoided the need for consultant support.
- 2.0.3 The South of County Durham lies adjacent to local authorities already operating CPE. Darlington Borough Council, Stockton on Tees Borough Council, and Hartlepool Borough Council currently operate under the Traffic Management Act, whilst rural neighbours North Yorkshire Council retain operations in accordance with the Road Traffic Regulations Act in the Richmondshire district. To the west of the County border the outer rural areas of Cumbria and Northumberland. Both these authorities presently operate under civil Parking enforcement. CPE in the South of County Durham will therefore afford consistency with neighbouring authorities.
- 2.0.4 The Durham County Council Parking Strategy sets out the aims and objectives which the County Council wish to meet in managing parking control in the County. These aims and objectives apply equally in the south of the County as they presently do in the central and northern areas. These include:-

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- Encourage sensible and safe parking
- Improve traffic flow and reduce congestion on our roads
- Enhance efficiency in the use of on street parking (increased turnover of vehicles maximising use of parking space)
- Improve safety for all road users
- Allow buses and authorised service vehicles to operate more efficiently
- Greater ability to target enforcement effort
- Improve the general environment
- Improve access to shops, offices, schools and other premises
- Improve enforcement of disabled persons/ permit only bays
- Integration of on street and off street enforcement regimes
- Single responsibility for parking enforcement leading to improved public acceptance and understanding.

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2.1 Current Operations

- 2.1.1 Processes and procedures have been established to enable a legal, consistent and fair approach to delivery and management of a parking service for County Durham. A parking services team has been set up to deal with the increased caseload.
- 2.1.2 Currently parking enforcement and notice processing is delivered on behalf of the County Council through a contract with NSL Ltd. The present contract has operated since 1st October 2007 and was let for a 5 year period with an option for a further 2 year extension. The current contract was varied to include enforcement in the north of the County in 2011 and It is intended that the contract will be varied to include the south of the County.
- 2.1.3 A total of 13358 Penalty Charge Notices certified by the Traffic Penalty Tribunal Joint Committee were issued for the 20011/12 financial year. These have included those issued since November 2011 in the north of the County. It is predicted that, on current resource levels 20,000 PCN's will be issued in 2012/13 in the areas currently covered by CPE. This reflects an early prediction of 20,000 as set out in the business case for the north of the County.
- 2.1.4 All income generated from parking control measures, is used to support management and operations of Civil Parking Enforcement, Durham Park and Ride and Durham Road User Charge scheme. It is aimed to continue to achieve this balance of income and expenditure so that no external subsidies are required. .
- 2.1.5 Whilst it is recognised that the aim of civil parking enforcement should be for high compliance, the reality is that Notice issue may initially increase as enforcement in those areas that have lacked attention takes place.

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The County Council's successful approach to such issues has been to educate initially by the issue of Warning Notices in the first eight weeks of operation.

2.2 Risks, constraints and dependencies

- 2.2.1 The additional income generated as a result of CPE in the South of the county will meet the additional costs of enforcement by the County Council's contractors. These costs are known and therefore risk of incorrectly predicting the costs is extremely low. Should CPE for South Durham be approved it is considered that financial risk to the Council is minimal. No other risks are borne by other parties and liability and resource burden will be removed from Durham Constabulary.
- 2.2.2 As a result of continued non compliance with regulation a highways operational risk continues without CPE. Increased incidence of non compliance with regulations leads to a less safe and less efficient highway network. Lack of enforcement resource from the Police has resulted in more contraventions and a reduction in income to the County Council from off street parking alternatives.
- 2.2.3 Durham Constabulary is fully supportive of the County Council and the planned approach to parking enforcement for South Durham. Financial pressures on the Police Authority can be relieved through reduction in front line resource and back office support. Support has been expressed from various groups and stakeholders who consider improved enforcement will enhance the economic vitality and viability of our town centres.

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- 2.2.4 The proven financial model established and tested for the previous stages of CPE will be applied to this element of the project. The County Council have directed significant funding for remedial measures for lining and signing works. An ongoing regime of sign maintenance and lining recovery has ensured that traffic regulation orders are effective. It is not envisaged there are any financial constraints to delivery.
- 2.2.5 Current enforcement resource will be supplemented with additional enforcement officers deployed in the south of the County. Back office systems and support are in place and will be utilised for the Durham south project. NSL Ltd will be requested to provide additional resource as a variation to the existing contract. Discussions and negotiations have commenced to ensure this aspect of the project can be secured.

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3.0 Economic Case

3.0.1 Controlling parking in public spaces must be considered acceptable by all and must be viewed as a service that is of benefit. Where public parking is subject to a charge the public must accept that the value of benefit of the charge outweighs those charges made. Failure to meet this basic premise would result in under utilised parking space, conflicting demands for uncontrolled parking space, and potential increases in contravention of regulatory parking restrictions. This potentially impacts on the economic viability of the area.

3.0.2 Parking charges are only applied and have previously been established in off street car parks in Bishop Auckland and Barnard Castle centres. This has been based on a supply and demand analysis of parking space to determine the charges the public are willing to meet for the convenience of leaving a vehicle close to their destination. An additional scheme presently under progress is to introduce off street parking to Hardwick Country Park Sedgefield. This is a significant tourist and visitor attraction owned and managed by the County Council.

3.0.3 Demand for parking space has been driven by the economic activity within our town centres. Bishop Auckland is subject to charging at central off street car parks where convenient alternative parking is not available. This situation is constantly under review subject to changing demands with town centre development.

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3.1 Option analysis

- 3.1.1 Regulatory parking restrictions in the south of the County have been in place for a significant period of time in areas of towns and villages where parking demand can create an unsafe environment or where parked vehicles may cause obstruction and impede operation of local centres.
- 3.1.2 Reduced police resource over recent years has resulted in an increase in contravention of restrictions leading to a less safe environment, and a poorer performing highway network.
- 3.1.3 Civil Parking Enforcement will allow the County Council to efficiently manage parking demand, thus enhancing the viability of our population centres.
- 3.1.4 Selective revocation of existing parking restrictions has been considered where necessary but an extensive programme of revocation would not be an option if we are to continue to deliver a safe and efficient network. In a small number of cases where use of the highway has changed and there are no safety issues revocation of restrictions is being addressed. Civil Parking Enforcement will afford the opportunity to improve network management and to provide a safe environment for all highway users.
- 3.1.5 Operating parking enforcement with the current ad hoc Police resource could continue. However, the lack of Police resource for parking enforcement is now visibly evident in some towns with extremely high levels of contraventions taking place by the public. With increasing demand on Police resource, lack of enforcement is likely to result in a continued and increasing number of contraventions creating an unsafe and inefficient network for all users.

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3.1.6 No other viable options to mitigate the inconvenience of conflicting parking demand have been identified within this business case.

3.2 Cost/benefit

3.2.1 The cost to physically implement Civil Parking enforcement arises from the legal process of revoking and making Traffic Regulation Orders, and the cost of addressing signing and lining defects. A capital outlay of £150,000 has been allocated from the County Council funding to address lining and signing inconsistencies and irregularities.

3.2.2 With increasing pressures and potential reduced funding from the LTP maintenance block, the authority will fund future maintenance of regulatory markings from parking income. This should not place any further cost burden on the authority than that which already exists.

3.2.3 Total non quantifiable benefits to the public, increased trade/footfall for traders, reduced time delays for public transport operators, reduced demand on Police resource (Cash releasing benefit from removal of operations), and others, cannot be accurately quantified through monetary value. The benefits parking control can bring through reducing accident statistics in line with the our Road Safety Strategy significantly adds value. The capital and revenue outlays can be significantly offset by the value of casualty savings.

3.2.4 Economic benefits through enhanced unobstructed town centres can be gained by a consistent fair and proportionate system of parking control. Again, although not easily quantified, it is envisaged these would be far in excess of the costs either in outlay to the authority or in costs to the private individual for parking charges. Recent studies reported from a neighbouring authority suggests that the potential value of a parking space to the local economy can be in the region of £20,000 per space

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per year. Uncontrolled space would suggest this value could be lost to the local economy.

4.0 Financial Case (affordability)

4.1 The current operation of Civil Parking Enforcement within the County will allow benefits through advantage in economies of scale. The present enforcement contractor has relocated in Durham city in March 2012 and provides operating costs with accommodation and overheads at a cost of approximately £198,000 per month. Enforcement in the South of the County would be extended from this accommodation using current computerised systems with extended licenses. Following discussions with the contractor about capacity of computerised systems, it is not envisaged an increase in this cost would be significant.

Table 1: Current income from parking activity in the south of the county .

Southern Area Income	Per annum
P&D off street car parks ¹	£540,000
Notice Issue Income ²	£47,000
Total income	£587,000

Table 2: Current expenditure from parking activity.

Southern Area Income	Per annum
Deployed enforcement	£75738 ³
Notice Issue costs	£5,933 ⁴
Notice processing costs	£2,175
Cash collection costs	£29,534 ⁵
Administrative support costs	£5,000
Transport Costs	£4,360
Overheads	£5,000
Total expenditure	£127,740

Table 2

¹ From Parking account 1112 (Amendment) .XLS

² Barnard castle 1050 Bishop 1635 in 11/12 (70% at £25)

³ Two enforcement officers (*126.23*25*12)

⁴ 2685 Notices at £2.21

⁵ 90 collections / month at Bishop 50 collections at Barnard. At £17.58

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4.2 Table 1 above indicates that, under the present system the County Council make a surplus of approximately £460,000 per year from off street car park Pay and Display operations.

4.3 Should Civil Parking enforcement be introduced in the south of the County income will be generated from penalty notices served in restricted parts of the highway and additional income will be generated in off street car parks due to increased compliance. Table 3 below indicates an additional income of approximately £134,000 per year.

Table 3: Predicted Income from Southern Area.

Southern Area Income	Per Annum,
P&D off street car parks	£540,000
Increased income from increased compliance	£20,000
Notice Issue Income off street	£47,000
Notice Issue Income on street	£114,000 ⁶
Total Predicted Income	£721,000

4.4 Set against the increased income is the increased cost of enforcement of on street enforcement. A range of resource deployment strategies were tested for CPE in the north of the county. This approach can be used to assess the range of costs for deployment in the south. Lower levels of enforcement would reduce costs but result in higher levels of contravention. Higher levels of enforcement would increase costs with resultant income unable to meet costs. It is therefore essential that a balanced approach to enforcement is achieved.

4.5 The operation of CPE in the rest of the county has been in place since November 2011. Whilst this has not been in place a full financial year, costs are indicative of the possible additional costs to enforce in the south of the County. Deployed hours from officers can be increased or decreased and

⁶ This is based on contravention data provided by Durham constabulary. It is envisaged that Notice issue activity will increase by approximately 20% from the 3802 in 2007. Since 2007 notice issue has reduced to approximately 1040 in 2011. It is based on 50% full discount and 25% full payments.

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will be managed based on the level of contravention that may continue after initial enforcement activity. The indicative cost of officers is based on a worst case scenario where deployed hours are maintained at a high level. Experience has shown that deployed hours can reduce with increased compliance and year 2 onwards is likely to see a saving in enforcement man hours required. A level of enforcement where deployment is consistent through the year consisting of one enforcement officer in each major area, would be likely to result in an expenditure model as follows:-

Table 5: Predicted Expenditure.

Southern Area Enforcement	Per annum
4 CEO officers	£151,476
Officers would have responsibility for regulatory controls in the Town Centre	
Notice issue and process	£14,351
Cash Collection Town Centre	£29,534
Officer Equipment costs	£2,400
Officer Transport costs	£4,000
Additional Client Support Staff Resource	£30,000
Sign and line maintenance	10,000
Additional contractor support and management	10,000
Total Operation Cost	£251,761

- 4.7 A managed deployed workforce targeted at areas with greatest contravention and need would deliver the most cost effective enforcement strategy. It is envisaged that initial requirements for enforcement resource may be high but would reduce to sustainable and affordable levels appropriate to the continued levels of contravention. The high level enforcement strategy is indicated to yield a surplus of £469,239.
- 4.8 As shown above the additional expenditure to enforce on street regulation can be covered by the additional income from penalty Notice issue. This business case demonstrates a marginal surplus which will depend on levels of enforcement and compliance.

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5.0 Management Case

- 5.1 Responsibility for network management is held by the Council's Head of Transport in the service area of Regeneration and Economic Development. A pyramid staff structure reports to the Head of Service consisting of a Business Manager, Section Manager, and Parking Services Manager.
- 5.2 The parking services team consists of the Parking Contract manager who oversees the enforcement contract and together with three support staff, manage the representation and appeals process. Expansion of the CPE scheme in the south of the County brings the requirement for an additional member of staff to fulfil the representations and appeals support role for the increased PCN issue.
- 5.3 The current enforcement operations delivered by NSL Ltd are managed by the Parking Contract Manger on behalf of the Country Council. The manager monitors and reports on all activity and acts as liaison between NSL Ltd. and the Council's legal team.
- 5.4 NSL Ltd. deal with all initial parking enquiries on behalf of the Council with formal representations and appeals, and preparation for adjudication and appeal case work carried out by the Parking Services Team.
- 5.5 Under current government guidance representations received under the Civil Parking Enforcement process are considered by the County Council and not the organisation which issued the Notice. This, together with the administrative processes in dealing with the Traffic Penalty Tribunal Service will continue with the additional support resource. The cost of an additional post is approximately £30,000 to be covered from income generation from the south of the County.

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- 5.6 Accommodation will be provided for additional enforcement and back office personnel within the current contractor's establishment. Additional accommodation for County Council contract support team has been allocated.
- 5.7 The success of any parking enforcement regime is underpinned by the accuracy of legal orders supporting restrictions, and the clarity and consistency of information provided to drivers through road markings and signs. It is essential that all road markings and signs reflect consistently the requirements of the legal order. Maintenance of these features is essential so that drivers understand the restrictions and the system does not fall into disrepute with constant challenges regarding these features. It is therefore essential that a proactive rather than routine or reactive maintenance operation is in place. As such it is proposed that £10,000 from parking income will be directed specifically at line and sign maintenance each year to ensure the successful operation of the initiative.
- 5.8 Under current operations non payment of charges in off street car parks result in a summons being served and drivers are prosecuted through the Magistrates Court. Any fine imposed by the Magistrates is retained by HM Treasury. The Council may claim costs against defendants together with the initial Excess Charge. Presently the Council claim £100 for each successful prosecution. The Council are represented at each Magistrates hearing by a trained Solicitor and a Clerical Officer. CPE will remove this demand on legal services support although ad hoc legal service advice will still be required.

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Conclusion

- 6.1 The need to complete a coherent and consistent approach to parking enforcement in County Durham has become increasingly evident to the general public as Police resource has reduced. Data supplied by Durham constabulary shows year on year decreases in contravention notices served by them. This supports the view that action needs to be taken to introduce a single understandable and affordable enforcement regime throughout the County.

- 6.2 Income and expenditure comparisons indicate that a viable scheme could operate under Civil parking enforcement with excess revenue being used as at present to meet the costs of operations.

- 6.3 The financial analysis has been undertaken with significant robustness where no increases in income from Pay and Display parking are predicted and levels of Contravention Notice income have been held low. Experience has shown that, as compliance is reached Pay and Display income is likely to increase and contraventions decrease.

- 6.4 It is considered that conservative estimates of income have been used in this analysis. This business case supports the proposal to proceed with Civil Parking Enforcement from 1st November 2012.