

Report to Cabinet

Subject: Joint Management Arrangements for Car Parks

Date: 19 December 2013

Author: Corporate Director on behalf of Senior Leadership Team

Wards Affected

Borough wide.

Purpose

To seek in principle support to entering into an agreement with Broxtowe and Rushcliffe Borough Councils for the joint management of car parking across the three authorities.

Key Decision

This is not a key decision

Background

Following the announcement of further cuts to Local Authority financing, as part of the Comprehensive Spending review 2015, the Council's Senior Leadership Team have been examining options for the further rationalisation of management costs at the Service Manager level; and also to explore new ways of working including looking at opportunities to share services with other authorities where this can reduce costs and/or increase resilience.

The Council is currently progressing changes to management arrangements that will reduce the number of Senior Managers by one by combining the responsibilities of the Service Manager Audit and Risk with Estates Management, Car Parking and Building Maintenance to form a new role of Service Manager Audit and Assets; this will allow the deletion of the post Service Manager Asset Management. This change is anticipated to deliver savings in the order of £43,500 per annum.

Currently responsibility for on street parking rests with the County Council and that for off street parking resides with the district councils. As part of the civil parking regime in operation across the county, the County Council devolved elements of control of on street parking to district councils and the

whole operation for on street and off street parking was wrapped up in a countywide agreement which has been in place since 2008.

The current countywide car parking partnership arrangement and agreement is in need of urgent review as a precursor to the letting of a new countywide contract dealing with the employment of parking enforcement officers and the processing of penalty charge notices (PCNs). The process of this review has highlighted the possibility of reviewing the management arrangements for Car Parking Management which is currently based on an individual district basis.

In discussing the review the opportunity has been taken to discuss with Nottinghamshire Financial Officers the potential for changes to the way car parking is managed across the districts. One of these options included the consideration of joint arrangements between Broxtowe, Gedling and Rushcliffe Borough Councils.

A high level review of the individual council's car parking operation, operating budgets, and basic performance was carried out by the three Councils Finance Officers. The initial findings from that review show that there is a significant opportunity to reduce costs by up to £80,000 across the three Councils and improve performance by joining up managerial responsibility.

1) **Background to the high level review**

The Nottinghamshire Finance Officers started discussions about the financial aspects of any new agreement in April 2013 which linked in to the start of a review that was taking place between the County Council and Car Parking Managers (or equivalent) across the county as to how any future scheme may operate.

It quickly became clear that fundamental changes to the current financial arrangements are required but it also prompted a wider discussion about how car parking management (on street and off street) could be organised more efficiently and effectively, perhaps through shared management arrangements at district level. A suggested 3-hub model was identified as a front runner, with groupings as follows:

- Group 1 : Ashfield & Mansfield
- Group 2 : Bassetlaw & Newark and Sherwood
- Group 3 : Broxtowe, Gedling and Rushcliffe

2) **Group 3 – current operational arrangements**

It is apparent from the high level review that different practices exist across all three districts and that car parking services could be undertaken more

efficiently and more effectively if one centralised unit was established between the three districts with dedicated resources, thereby providing more resilience than currently exists.

Under the current countywide agreement any surplus from the off street car parking enforcement account is the responsibility of the district council but part of any surplus may be called upon to meet any deficit that is incurred within the on street car parking enforcement account. Income from pay and display machines in off street car parks is retained by the respective district council.

An examination of current performance shows that, for instance, the level of income from each PCN issued for off street parking varies between £23.90 and £28.56 and that the cost of enforcement per issued PCN also varies from £15.60 to £19.52. Similar variances exist with on street parking illustrating that performance improvements are possible.

3) What do we want to achieve?

From a district council perspective, the priority is to provide a comprehensive service for our off street car parks to include dealing with pay and display matters, penalty charge notices, permits, dispensations and all public contact by whatever means and all in the most cost efficient and effective manner. It is also accepted that there is a close relationship between on street and off street car parking control if traffic movements in our town centres are to be controlled effectively.

From the County Council perspective their primary responsibilities lie in looking after on street parking enforcement and traffic management generally. They are looking to improve management of the on street service, reduce the number of car parking managers and individual operations that they have to deal with and as a result improve control and liaison with any new enforcement contractor that is appointed by cutting down the points of contact. Again they require the service to be provided cost effectively.

At present the accountability between on and off street car parking is out of alignment since the County Council has effectively passed any financial risk to the respective districts under the countywide car parking agreement. If the on street account is in deficit, then the respective District Council has to make up the shortfall from its off street account whereas if it is in surplus, then the surplus is retained by the County Council. This is perceived as unfair by the districts and there is a consensus that this needs to be changed.

There is little doubt that the controls on street and off street parking have on each other are irrefutably linked and so a joint management arrangement of

both aspects would appear to be the most desirable way forward.

Proposal

Responsibilities for car parking management to be subject to the consideration of shared management arrangements with Broxtowe and Rushcliffe Borough Councils. Whilst details of exactly how this would work between the three districts has still to be developed, it is evident that significant savings of around £80,000 per annum are possible across the three districts subject to agreement with the County Council that part of the costs become rechargeable against any surplus achieved within the on street parking account. The County Council has still to formally agree to this approach.

The biggest problems that may be encountered relate to employee issues and what the future roles may be of employees currently engaged on car parking at each of the three districts. This has still to be finalised at each of the districts.

At this stage in principle support is required to continue to develop the approach and a more detailed report on the final agreed arrangements would then be brought back in due course. Currently proposals and negotiations are at an early stage and it is not yet clear how these joint arrangements will conclude. Existing roles affected by the proposals may be subject to TUPE transfer or internal displacement, which may ultimately result in redundancy costs.

In the event that Car Parking Management responsibilities are shared between the three authorities consideration will need to be given to the additional responsibilities that currently rest with the Car Parks and Engineering team. These residual responsibilities include the management and co-ordination of the Council's Emergency Plan, street nameplates, festive lights and engineering projects.

Alternative Options

The council could decide not to undertake a review, this would mean the car park service would continue in its current format and the opportunity for improved management arrangement and reduced costs would be lost.

Financial Implications

There are no direct financial consequences of undertaking the review; however one of the reasons reviewing this service is to reduce cost. This is likely to be achieved by rationalisation of staffing numbers across the three authorities and by relocating overall management responsibilities to one of the three authorities involved. This could result in the redeployment/TUPE

transfer/redundancy of existing staff involved in delivery of the service. The financial impacts of any recommended changes will be identified in any subsequent report once the review has taken place.

Appendices

None.

Background Papers

None identified.

Recommendation(s)

THAT:

- i) in principle support be given to the development of joint car parking management arrangements with Broxtowe and Rushcliffe Borough Councils:
- ii) a further report is brought back to Cabinet highlighting the operational, staffing and budget implications of a transfer of Car Parking management to a joint arrangement: and
- iii) It is noted that, if there are staffing implications for the Council, then appropriate consultation we need to be carried out with affected employees before the final decision is made.

Reasons for Recommendations

To enable the Council to explore opportunities to improve car park management and/or reduce the cost of the service provision.