

Parking Services Update

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Cabinet Member: Councillor John Woodman, Highways and Transport

Division and Local Member: All Divisions and Members

1. Summary

1.1. This report is submitted to update the Scrutiny committee on the following matters.

1. Update following the insourcing of the back office Notice processing and associated services
2. Update following the extension of the Enforcement Services contract with NSL
3. Update on the Parking Services Budget
4. Update following the introduction of the revised resident parking policy
5. Update on future initiatives

1.2. Parking Services supports Economic Development within the County Plan, by keeping the traffic moving and reducing congestion.

2. Issues for consideration / Recommendations

- 2.1. Members are requested to note the report and comment in respect of
- I. the changes made in how Parking Services is delivered within the County.
 - II. the use of surpluses of the parking account .
 - III. the introduction of the resident parking policy
 - IV. the future initiatives to assist with the development of the relevant contract specifications.

3. Background

3.1. Members will be aware from the previous report the delivery of the parking service across Somerset was subject to three changes.

- I. Extension of parking enforcement contract

The parking contract that commenced in June 2012 for an initial period of 5 years to June 2017 contained options for extensions. Due to the performance of the appointed contractor NSL negotiations concluded with an agreement to extend the contract for a further two years.

- II. Insourcing of back office processing and IT services

The original parking enforcement contract included the back office processing and provision of IT services. The back office processing which included telephone call handling was undertaken by NSL in the shared service centre

based in Oldham. The remote location had a number of challenges in terms of contract management and lack of local knowledge. The contract negotiations involved the agreement that NSL would no longer provide these services and they would transfer to Somerset County Council.

III. Revised resident parking policy

The revised policy had the aim of making the process to request that resident parking be considered easier. The new revised policy has been published on our website which has increased the level of enquiries.

3.2. Extension of the enforcement services contract

The contract with NSSL was extended for a further period to June 2019.

The negotiations resulted in a number of key outcomes.

- I. Relocation of the Taunton operational base to Taunton library (Somerset County Council premises)
- II. The agreement of a discounted sum in respect of amortised the original set up costs incurred by NSL.
- III. An increase in the level enforcement to improve coverage across the County.
- IV. The recruitment of home deployed civil enforcement officers.

The contract extension agreed to introduce home deployment of Civil Enforcement Officers CEO's. The primary benefit of home deployment was to reduce the amount of travelling time from the operational base to their patrol area.

Overall the home deployment has been considered a success. The innovation has been recognised by being shortlisted in the Parking Innovation category of the British Parking Awards 2018. Further details of the initiative have been reported in Parking News (March 2018), Appendix 1.

7 CEO's are now deployed from home in the following areas.

Frome	Mendip District Council
Minehead	West Somerset District Council
Burnham On Sea	Sedgemoor District Council
Chard	South Somerset District Council

Performance from the contractor has continued since the extension was agreed. The home deployed CEO's and an increase in annual hours of deployment has resulted in improved coverage across the County with activity remaining in line with expectations.

The extension negotiations agreed a robust matrix of performance management for both the contract as a whole and individuals civil enforcement officers. Weekly contract meetings are held to address any shortcomings in performance.

Agreement was also reached to introduce a number of service credits where performance fell below agreed thresholds. Since agreeing the extension it has not been necessary to invoke service credits as the overall performance has

been above the agreed thresholds.

NSL Initiatives

The contract negotiations agreed to investigate a number of options, overall the progress has been mixed as below.

CEO Uniforms

It has been agreed to 'soften' the uniform with individuals able to select a short 'blouson' type jacket rather than the traditional long coat. To avoid a significant cost the uniform will be replaced as and when existing clothing is changed. Smart shorts remain an option during warm weather.

Signs and lines

It has not been possible to progress NSL providing lining and signing services due to potential conflict with the County Council's highway maintenance contractor.

Environmental Enforcement Services

The provision of environmental enforcement services which is primarily a District Council function remains an option. Initial discussions have taken place with one of the District Councils with an initial proposal to undertaken enforcement for a short period. This did not progress primarily due to the overall costs; environmental enforcement is unlikely to be self-financing and the diversion from their primary role. Whilst the same individual can be authorised for both environmental and parking enforcement they are currently not permitted to undertake both activities at the same time.

Enforcement of persistent evaders

Research and discussions have identified three areas that require resolving before immobilisation or removal of evaders can be considered.

1. The storage of removed vehicles or immobilised vehicles not removed by the end of enforcement patrols (generally after 6pm)
2. The ability to effect release including payment after 6p
3. The difficulty of addressing persistent evaders parked in District Car parks. Whilst these are public areas, they are not considered as highway, immobilisation/removal is therefore more problematic.

Research and investigation into resolving these issues continues.

3.3. Insourcing of back office processing and IT services

The business case for the insourcing of back office processing identified a number of benefits to customers, members of the public and residents.

Trained Staff

The fully resourced and enlarged parking services team consists of 9 staff an increase of 5, 4 permanent and 1 apprentice. All new officers have completed their Level 3 Award in Notice Processing. In addition relevant training has been provided to the core staff within the Somerset County Council contact centre to enable a fully informed response to be provided to callers as the default service level, with only more detailed and complex cases transferred to parking services.

Flexibility

The provision of a new IT system and under the control of parking service has enabled changes to correspondence and processes to be made with the minimal of delay. This has ensured that residents are not inconvenienced when changes are needed to the permit system or by the delay of correspondence whilst changes are made to documentation.

Improved responses

The fully trained team are achieving the objective of improving correspondence; whilst the total number of penalties (including bus gates) has increased the trend for correspondence in relation to correspondence levels has decreased. Regular checks of correspondence has identified the standard of correspondence is at the required level and in accordance with the published guidelines.

Local Knowledge

With all parking services and contact centre staff based in Somerset complaints no further complaints are received about the lack of knowledge and understanding of locations.

The success of the insourcing project was recognised at the Staff Awards event when the project one the award for Creativity and Innovation

Statistical Analysis

Details of the analysis of performance between NSL and the insourced team are shown at appendix 2.

Overall the statistics show the insourcing team is handling higher levels of correspondence than the previous contractor with an improved quality. The improved quality is evidenced by a reduction in the ratio of representations received in relation to challenges. A representation is received after a challenge.

Performance Statistics to 31 March 2018

Penalties served	50,068
Enquires and telephone calls received	23,182
Annual visitor permits (paper)	747
Annual resident permits (virtual)	1,794
Daily scratch cards (paper)	57,520
Carer permits (virtual)	228
Items of correspondence sent by post	52,276
Responses sent by email	6,144
Penalty payments made online	26,205
	(£902,227)
Penalty payments made via automated telephone system	9,137
	(£316,162)
Challenges and representations via online portal	61%
Correspondence reply within 10 days	94%*
	*further investigation to be undertaken

3.4. Parking Services Account

Parking revenue associated from enforcement activities is governed by Section 55 of The Road Traffic Regulation Act 1984.

Section 55 requires that all income is to be used for parking related activities any surplus not required for such matters can only be used for traffic or transport related initiatives.

Section 55 also states that parking charges cannot be used for the sole purpose of raising revenue.

Expenditure		2016/17	2017/18*	Variance
1	NSL Contract	1,705,667	1,515,934	-189,733
2	Notice Processing - Set Up	-	53,846	+53,846
3	Agency	-	-	-
4	Traffic Penalty Tribunal	7,848	25,120	+17,272
5	Council Officer Costs	159,510	258,816	+99,306
6	Advertising for Staff	-	-	-
7	Travel	- 904	1,805	+901
8	Training		5,056	+5,056
9	General Office & Stationery	1,376	7,445	+6,069
10	Cost of Meetings	158	473	+315
11	Subscriptions	644	805	+161
12	Professional & Legal	8,070	3,077	-4,993
13	Maintenance	2,735	-	-2,735
14	Cashless parking	-	7,067	+7,067
15	Premises	-	30,000	+30,000
16	Misc	-	1,581	+1,581
17	IT Systems	-	21,648	+21,648
18	Printing and Postage	-	32,097	+32,097
19	Traffic Enforcement Centre	-	20,000	+20,000
20	Central Services	61,513	115,486	+53,973
	Total Expenditure	1,946,617	2,100,256	
1	On Street P&D Income	373,506	371,049	
2	Off Street PCN Income	1,580	1,533	
3	On Street PCN Income	739,968	778,071	
4	Agency Income	655,936	679,516	
5	Bus Gate PCN Income	122,294	379,361	
6	Permit Income	220,110	203,423	
7	Dispensation/Suspension Income	20,550	23,475	
8	Misc	6,553		
	Total Income	2,140,497	2,436,427	
	*subject to confirmation Surplus	193,880	336,171	

The surplus in respect of 2016/2017 and 2017/2018 has been allocated towards traffic management initiatives and reinvested into the service. The surplus is not being relied upon with initiatives identified as and when a surplus is reported towards the end of the year.

Within the above expenditure categories there are a number of new items of expenditure and large increases. These are directly related to the insourcing of the back office processing team.

In most cases the new expenditure would have been met by our contractor NSL.

The appropriate budget has been allocated to the relevant expenditure, i.e. additional staff recruited to “replace the staff who previously undertook the service remotely in Oldham”.

Additional specific expenditure is now reported to reflect the way the service is being delivered, e.g. use of the remote printing and postage service.

The overall NSL contract cost has not reduced on a “like for like” basis as the extension discussions agreed the overall level of chargeable enforcement (circa 7,000) would be increased.

The additional enforcement expenditure has been offset by increased revenues during the financial year 2017/2018.

3.5. Resident Parking Policy

Following the publication of the revised resident parking policy a number of requests have been received both direct from residents and with consultation with members.

The following requests have been received.

Location	Source	Status
St Cuthberts Street, Wells	Resident petition	Discussions with Councillor Munt to identify extent and content of consultation
Maxwell Street, Taunton	Resident petition in conjunction with Councillor Williams	Initial consultation being prepared to residents situated within agreed area
Malvern Terrace, Taunton	Resident petition in conjunction with Councillor Fraschini	Initial consultation being prepared to residents
Richmond Park, Taunton	Resident petition in conjunction with Councillor Hunt	Analysis of initial petition being assessed
Barclay Street, Bridgwater	Resident petition	Initial analysis indicated a shortfall in support.
Wells Road, Glastonbury	Resident petition	Analysis of initial petition being assessed
Frome, various locations		Informal meetings held with Frome Councillors and residents in conjunction with Councillor Clarke

Regular emails and calls are received from residents indicating that additional schemes are likely to be received.

3.6. Future Initiatives

During the coming year parking services will be undertaking two contract tenders.

- A. Re procurement of parking enforcement services. The extension agreed in June 2017 for the current NSL contract cannot be extended further, it will be necessary to retender the service for commencement from June 2019.
- B. The council's current pay phone service (mobile phone payment) is due to expire in October 2018.

The service is currently used at all County Council on street locations and Taunton Deane, Mendip, Sedgemoor and West Somerset car parks.

During 2017 the total usage of the service amounted to:

588,347 transactions
£2,053,841 of parking revenue

4. Appendices

- 4.1. Appendix 1 – Parking News article regarding home deployment
Appendix 2 – Comparison of performance data post in-sourcing and extension