

REPORT TITLE: THE FUTURE OF THE TRAFFIC MANAGEMENT AND CIVIL
PARKING ENFORCEMENT AGENCY AGREEMENTS

HEALTH AND ENVIRONMENT POLICY COMMITTEE – 9 JULY 2019
CABINET – 17 JULY 2019

REPORT OF CABINET MEMBER: Cllr Lynda Murphy, Environment

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WARD(S): ALL

PURPOSE

The City Council has for many years carried out on-street civil parking enforcement, which includes residents' permit parking zones, and traffic management functions on behalf of Hampshire County Council.

In 2018 the County Council served two year's notice to end Decriminalised Parking (On-street parking) arrangements. Consequently, unless new arrangements are agreed between the authorities this function would be recovered by the County Council and they would be responsible for delivering the service from April 2020.

This report sets out the potential impacts of entering into new arrangements with the County Council to deliver these functions as well as implications of not doing so which would mean the City Council would no longer be responsible for on-street parking enforcement and traffic management. Whilst entering into new arrangements with the County Council may have consequences which could be challenging for the City Council it is considered that retaining control of these functions offer benefits which mean that this is the best option and is therefore recommended.

RECOMMENDATIONS:

1. That the City Council enters into new agency agreements with Hampshire County Council in relation to the delivery of traffic management and on-street civil parking enforcement with effect from April 2020.

2. That the Strategic Director of Services be delegated to finalise and enter into the agency agreement with Hampshire County Council in relation to the delivery of traffic management and on-street civil parking enforcement with effect from April 2020.

IMPLICATIONS:1 COUNCIL STRATEGY OUTCOME

- 1.1 Traffic management and on-street parking enforcement services make an important contribution to Improving the quality of the District's environment and, in particular, to the objective of improving the environment and reducing harmful emissions through holistic transport planning. They also contribute towards making Winchester a safe and pleasant place to live, work and visit.

2 FINANCIAL IMPLICATIONS

- 2.1 Resident permit parking was broadly cost neutral in 2018/19. However, with regard to the on-street element of the function, there was a deficit of around £246k because the costs of administration and enforcement exceeded income from penalty charge notices, parking fees and so on. Overall there was a deficit for the on-street parking account of around £230k.

Winchester District - on-street agency parking
2018/19 (£000)

	On-Street	Residents	Total
Income			
Penalty Charge Notices	(138)	(56)	(194)
Parking Fees	(68)		(68)
Parking Permits		(412)	(412)
Other Fees (Waivers etc)	(18)	(20)	(38)
	<u>(224)</u>	<u>(488)</u>	<u>(712)</u>
Expenditure			
Engineering		23	23
Parking Enforcement	157	169	326
Parking Administration	313	280	593
	<u>470</u>	<u>472</u>	<u>942</u>
Total Net (Surplus) / Deficit	246	(16)	230

- 2.2 A full review of the current cost apportionments will be undertaken over the summer to ensure a robust basis to move towards the new arrangements. The new agency agreements are not budgeted to have a net financial impact on the Council and this will need to be borne in mind when agreeing new pricing structures. Based on the table above there will clearly be a major shift required to ensure the service is operated on a full cost recovery basis, including the County Council's costs which are not currently reflected.
- 2.3 The County Council is requiring that the new agency arrangements must operate on a full cost recovery basis which would also need to take account of

the County Council's own costs. This will take a number of forms such as increased residents' permit charges and on-street parking fees.

- 2.4 The County Council have also stipulated a more detailed and standardised approach will be required in relation to annual reporting. Any deficit in the on-street parking account would need to be absorbed by the City Council whilst any surplus would be shared equally between the two authorities and can be used for services associated with parking and roads.
- 2.5 The revised agency agreement requires an increase in permit charges to £50 for first permits, which can be phased over three years. This increase will address the deficit highlighted above and contribute to the County Council's operating costs. Also, a review of parking administration is currently being undertaken to ensure apportionment of costs to On Street and Residents parking is accurate in the future.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Civil parking enforcement and traffic management is further to the Traffic Management Act 2004 in conjunction with the Regulations that give effect to the parking provisions in Part 6 of the Traffic Management Act 2004. The City area is a designated civil parking enforcement area and as such required to meet the Network Management duties set out in section 16 of the Traffic Management Act 2004.
- 3.2 The agreement with the County transfers the liability to ensure that the statutory requirements of the Traffic Management Act 2004 are met. Options for not entering into an agreement with Hampshire County Council in relation to the delivery of traffic management and on-street civil parking enforcement with effect from April 2020 are correctly set out by Officers in this report.
- 3.3 Legal input is required at an early stage, such as negotiating the heads of terms, associated with, and the preparation, negotiation and completion of new agency agreements or variations to existing agreements.

4 WORKFORCE IMPLICATIONS

- 4.1 Under the current agency arrangements the City Council employs a range of people to undertake on-street civil parking enforcement including back office (administration) staff who deal with penalty charge notices and permit parking for example, as well as Civil Enforcement Officers who patrol the streets to ensure compliance with waiting restrictions like single and double yellow lines. These are the same staff that are responsible for off-street parking (Council car parks) and so they divide their time between on-street and off-street work. It is estimated that majority of these members of staff spend less than half their time on on-street parking activities. The City Council also employs 2 members of staff to undertake traffic management.
- 4.2 In the event that the City Council and County Council do not agree new arrangements for on-street civil parking enforcement and traffic management,

a TUPE type situation and other staffing matters will arise and will need to be addressed as these functions will be delivered by Hampshire. However, the City Council will need to retain a Parking team to deal with off-street parking including enforcement, tickets and car park maintenance.

5 PROPERTY AND ASSET IMPLICATIONS

5.1 None

6 CONSULTATION AND COMMUNICATION

6.1 District council representatives have met regularly with Hampshire County Council and discussions have achieved positive changes to the original proposals (three year phasing of charge increases and the removal of a condition to share 50% of all “pay and display” income”)

6.2 Parking staff have been kept informed of the proposals.

7 ENVIRONMENTAL CONSIDERATIONS

7.1 The effective management of traffic and “on street” parking can have a direct impact on the environment. The agreement includes a commitment to work with the County Council on extending electric vehicle charging in “on street” areas where possible.

8 EQUALITY IMPACT ASSESSEMENT

8.1 Neutral in the context of the future of the highway agency agreements.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 Not applicable in the context of the future of the highway agency agreements.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<i>Property None</i>		
<i>Community Support The increase in permit charges, introduction of additional on-street charges, and abolition of free on-street parking will be likely to attract public criticism.</i>	Need to explain how the new agency agreement works and why cost increases are justified. Consider phased approach to parking charge changes.	Work with Hampshire County Council on communications.
<i>Timescales Failure to agree a new agency agreement will result in Hampshire County Council</i>	Agree new agency agreements with Hampshire County Council.	

<i>delivering on-street civil parking enforcement and traffic management from 2020.</i>		
<i>Project capacity None</i>		
<i>Financial / VfM Agency agreement for on-street civil parking enforcement will need to operate on full cost recovery basis and any deficit will be met by the City Council Potential severance costs for staff if TUPE doesn't apply</i>	Ensure fees and charges are set at a level to enable full cost recovery. Recommended to retain agency. Review of team to ensure accurate apportionment of costs.	
<i>Legal Risk of challenge to increased charges</i>	Work with the County Council and ensure correct procedures are followed.	
<i>Innovation None</i>		
<i>Reputation See Community Support above.</i>		
<i>Other</i>		

11 SUPPORTING INFORMATION:

- 11.1 As part of their role as highway authority Hampshire County Council is responsible for on street parking services and traffic management. This includes making and enforcing traffic regulation orders for a range of waiting restrictions, like single and double yellow lines and residents' permit zone parking, as well as on-street parking charges.
- 11.2 For many years, the City Council has delivered these services on their behalf in accordance with agency agreements which cover both on-street civil parking enforcement and traffic management.
- 11.3 However, in 2018 the County Council served two year's notice to end Decriminalised Parking (On-street parking) arrangements. Consequently, unless new arrangements are agreed between the two authorities, this function would be recovered by Hampshire and they would be responsible for delivering the service from April 2020. It is understood that several district/borough councils have already decided to hand-back the agency agreements but a number of others are committed to continuing to provide this service in accordance with the proposed new arrangements. Some have yet to confirm their course of action. The position relating to each Hampshire authority in spring this year was explained in a Parking up-date report

considered by Hampshire County Council's Executive Member for Environment and Transport on 12th March 2019 (see background papers). The report further clarifies that the County Council is intending to procure an external provider to deliver on-street services in areas where the district/borough councils have decided against continuing with this function.

- 11.4 The County Council has also indicated that district councils cannot retain only the traffic management function. Unless arrangements are made to continue with on-street parking enforcement therefore the County Council will also be responsible for direct delivery of traffic management across the District. This was previously considered in December 2016 (CAB2873) when the City Council resolved to keep traffic management and committed to fund up to 60% of its costs.
- 11.5 Hampshire is seeking to make a number of changes to the way on-street parking services are delivered on its behalf for those districts that decide to continue with these activities to achieve greater consistency across the county and to ensure full cost recovery. This means that there would be less discretion for the City Council in deciding how this service would be delivered in future.
- 11.6 Key elements of the proposed new arrangement for districts wishing to retain the management of on street parking services can be summarised as follows:
 - a) New agency agreement to be introduced with effect from April 2020. New agreements would be more specific and set core standards for future management of parking services.
 - b) There would be a commitment to achieve a standard charge for residents' permits across Hampshire (£50 for first permits, which is more than double the current City Council charge of £22).
 - c) A commitment to extend on charged for "on street" parking services to market towns (no charges currently in market towns) and to dispense with free on-street parking such as in the Winchester city centre.
 - d) Introduction of a standard annual account, ensuring all agencies report and account for parking finances consistently. Any surpluses over and above full costs would be shared equally between the City Council and County Council. Any deficit would need to be met by the City Council.
 - e) A commitment to introduce electric charging points over time as finances permit.
 - f) New policy for residential parking schemes (residents' permit parking).
- 11.7 Clearly, in striving for greater consistency in how the on-street parking services are delivered and full cost recovery, the City Council would have less flexibility in terms of managing these activities and setting the level of charges. For example the proposed increase in the cost of residents' first

permits to £50 and the scrapping of free on-street parking, as well as introducing charges in market towns (pay and display), would be likely to raise objections amongst householders in permit zones, as well as the wider public and businesses as new charges could impact on visitor numbers relating to town and village centres. In terms of traffic management the Council would need to follow new County guidance which may result in fewer areas meeting the criteria for permit parking. There is therefore scope for criticism of the City Council in delivering these changes.

- 11.8 This being the case the new agency agreements will introduce a minimum charge of £50 for residents' first permits (current charge in Winchester is £22 but tariffs vary widely across Hampshire) which is based upon a figure of £1 per week rounded down. In Winchester the current number of residents' first parking permits (£22) is c3000 out of a total number of residents' permits of around 4150 which includes second permits. There are also about 4700 visitor permits along with scratch cards (c2900) and a small number of other types of permits such as those relating to amenity groups and business customer permits. There is also an expectation that there will be an end to free on-street parking so in Winchester this would mean no free 30 minutes and other towns and villages across the District, such as New Alresford, would see on-street charges brought in for the first time (pay and display). Currently there are no tariffs but waiting times are limited. However, the County Council has advised that these changes could be phased in over time.
- 11.9 However, by agreeing to new agency arrangements with the County Council, the City Council would retain control over these functions. This would present a number of benefits in that there are likely to be operational advantages in continuing to undertake on and off-street activities both in terms of parking enforcement and back office support and administration.
- 11.10 In addition, by keeping the traffic management function, the City Council would decide which schemes to prioritise across the District when drafting its annual programme (typically 15-20 parking schemes) which enables us to respond to local needs and to address concerns in particular areas where on-street parking issues exist. The City Council is therefore able to adopt an agile and responsive approach to on-street parking management. If the County Council took back this service they would be unlikely to deliver the number and range of schemes which the City Council has carried out in recent years.
- 11.11 Overall therefore, whilst there may be some challenges and possibly difficult issues for the City Council to address by retaining the agency functions, particularly around revised permit and new on-street parking charges, continuing with the on-street civil parking enforcement and traffic management functions would enable the City Council to retain local control within the wider County framework and is therefore the recommended option.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 The City Council could decide not to enter into new agency agreements in which case traffic management and on-street civil parking enforcement functions would be delivered by the County Council. Some district/borough councils have already resolved to take this option (see background papers for details). However, as explained above, it is considered that there are operational and other advantages in keeping these functions at the City Council in terms of retaining local control on important outward facing service areas. In addition, even if the City Council does not continue to deliver these activities, the changes outlined in this report would still be made directly by the County Council. Consequently, this option was rejected.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

Future of the Traffic Management and Development Management Agency Agreements with Hampshire County Council – CAB2873 December 7th 2016.

Other Background Documents:-

Hampshire County Council – Executive Member for Environment and Transport decision day 12th March 2019 – Parking Up-date report.
<http://democracy.hants.gov.uk/ieListDocuments.aspx?CId=170&MId=3566>

APPENDICES:

None