

<p>Title of Report:</p> <p>Future Delivery of Off-Street Car Park Enforcement And Penalty Charge Notice Processing</p>	<p>Officer presenting: Head of Business</p> <p>Author: Off-Street Car Parking Officer</p>
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1 Purpose of Report/Recommendations

- 1.1 To seek the approval of Members to extend the existing Agency Agreement with the Department for Infrastructure (DfI) for the provision of the Off-Street Car Park Enforcement and Penalty Charge Notice Processing services for a further period of 3 years from 1 November 2019 until 31 October 2022.

2 Background

- 2.1 Derry City and Strabane District Council currently operate 15 no paid car parks throughout the City of Derry/Londonderry and Strabane Town Centre.
- 2.2 At the time of the Transfer of the Off-Street Car Parking function, there was only 18 months remaining of the pre-existing contract between the DfI and NSL for the provision of Off-Street Car Parking Enforcement and a Penalty Charge Notice Processing Service. It was considered at the time that it would be best for all Councils to agree to enter into a new 3 year Agency Agreement with the DfI up until 31 October 2019.
- 2.3 Following the decision by Councils to continue with the Agency Agreement for the 2016-2019 period, the NI Regional Off-Street Car Parking Group, on which each of the 11 Councils is represented, recommended the appointment of consultants to assess the future delivery options associated with enforcement and PCN processing. Councils agreed to this proposal and AECOM were appointed via the SCAPE framework for procurement. The DfI has given a deadline of 31 December 2017 for a decision as to whether or not Councils wished to extend or terminate the Contract.

3 Key Issues

3.1 Following extensive consultations with Councils, DfI and service providers around the world, AECOM has completed an analysis of the PCN Income; Comparisons of Traffic Attendant Billed Hours; Private Sector estimated costs; PCN Processing Costs; the experience of Parking Partnerships in English Councils; Council Staff Costs associated with alternative options; Collaborative Delivery; and Pay on Foot calculations.

3.2 Seven options were considered:-

1. Renew contract with DfI/NSL;
2. a) Privately Delivered Service from a single provider;
b) Privately Delivered Service (combination of 2 or more private sector providers);
4. Conversion to Pay on Foot;
5. Partial conversion to Pay on Foot and remainder DfI Pay & Display;
6. Bay sensors and Automatic Number Plate Recognition enforcement;
7. Camera Monitoring and the remainder by private sector (as per Option 2a above).

Options 2a, 2b, 4, 5 and 7 would require Council staff estimated at 1.5 or 2 full time equivalent. These staff would also be involved in the debt collection aspects as private sector costs associated with this work were not obtainable. There is currently a lack of clarity as to whether Option 6 is available for Councils in Northern Ireland from a legal perspective.

3.3 The Regional Off-Street Parking Group has met and officers representing 10 of the 11 Councils have indicated their intention to recommend that their Councils extend the existing Contract with DfI, albeit with certain caveats as outlined below. The remaining Council (Causeway Coast and Glens) is as yet undecided.

3.4 The AECOM analysis has served, not only to show that Councils have exercised due diligence in market testing to ensure Value for Money, but also to highlight a number of issues which Councils will be able to challenge DfI/NSL with regard to, in an effort to derive more from the contract; reduce costs and mitigate the risk of successful appeals against PCNs. The data collected had not previously been available to all Councils and will now be used for the purposes of benchmarking and holding DfI to account.

- 3.5 In the event of Council agreeing to extend the Agency Agreement with DfI, this will be on the basis of closer scrutiny of issues raised as a result of the data findings across all 11 Councils, the introduction of KPIs together with operational modifications such as the conversion of the existing Pay & Display machines to alpha-numeric versions to reduce the risk and cost of fraudulent appeals and prevention of ticket transfer.

4 Financial, Equality, Legal, HR and Other Implications

- 4.1 In the event of Council agreeing to extend the Contract with DfI, the costs are likely to be in close proximity to the existing costs, approximately £211,000.00 per year, covered by the existing Off-Street Car Parking budget;
- 4.2 Should Council agree to extend the Contract with DfI, no further payment will be required for the next stages of the AECOM work, i.e. a savings of approximately £4,000.00 to Council.

5 Recommendations

- 5.1 Members are asked to note that AECOM has completed its analysis in relation to the future delivery options for Off-Street Car Parking (an Executive Summary of which is attached at Appendix 1);
- 5.2 Agree to extending the existing Agency Agreement with the DfI for the provision of the above services for a further period of 3 years from 1 November 2019 until 31 October 2022;
- 5.3 Note the proposals to utilise the findings of the AECOM analysis to improve the service delivery of the DfI and NSL as well as mitigating the risk of costs associated with successful appeals.