

Report Title:	Parking Enforcement – Contract Review
Contains Confidential or Exempt Information?	No - Part I
Member reporting:	Councillor Cannon, Lead Member Public Protection
Meeting and Date:	Cabinet – 29 August 2019
Responsible Officer(s):	Hilary Hall, Interim Director of Adult Services and Deputy Director Strategy & Commissioning
Wards affected:	All

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REPORT SUMMARY

1. In July 2017, Cabinet awarded a contract to NSL for the delivery of parking enforcement services. The contract commenced on 1 December 2017 for an initial two-year period with options to extend for a further two-years (plus one-year).
2. Contract performance levels have been consistently high with the majority of performance indicators regularly achieved. In addition, NSL has been a valuable external partner supporting events such as The Royal Wedding and Royal Ascot and has established excellent working relationships with the Community Wardens and other partners, for example, Thames Valley Police.
3. The current delivery model is a successful example of a commissioned service which has improved performance levels directly benefitting residents. Therefore, it is recommended that the contract be extended for two-years commencing on 1 December 2019.
4. However, there is an emerging need for visibility of enforcement services in rural and out of town areas and the report recommends a one-year pilot to address these issues by uplifting the contracted weekly deployed hours by 25%. The issues will be identified through resident reporting on the report it function and through direct liaison with Ward Councillors and parish councils.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Cabinet notes the report and:

- i) **Approves the award of a two-year contract extension for parking enforcement to NSL commencing on 1 December 2019**
- ii) **Approves one-off additional funding of £69,336 to run a one year pilot scheme to address enforcement issues in rural and out of town areas by uplifting the contracted weekly deployed hours of NSL by 25%.**

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 In July 2017 Cabinet considered a contract to NSL to deliver parking enforcement services for an initial two-year period with options to extend for a further two-years (plus one-year).
- 2.2 The contract award was a first time outsource for this service area responding to increasing demands on the parking management and enforcement service. A competitive procurement exercise to understand opportunities for service provision through a commercial provider was approved and a contract subsequently awarded to NSL.
- 2.3 Service elements within the contract are:
- On and off street civil parking enforcement.
 - First and second line machine maintenance for both on and off street machines.
 - Vehicle removal, relocations and abandoned vehicle enforcement.
 - Software provision.
 - Parking suspension management.
 - Event management - Royal Ascot / Windsor Guard Change.
 - Partnership working with Royal Borough Community Wardens and Thames Valley Police, including joint patrols and intelligence sharing.
- 2.4 The original objectives in awarding the contract have been achieved and operational contract performance is measured through a series of key performance measures, see Appendix A.
- 2.5 Performance levels have been consistently high with the following key successes:
- Penalty Charge Notice (PCN) productivity increased from an average of 1,500 PCNs per month in 2017 to an average of 1,894 per month with a sustained improvement in productivity.
 - 18,500 additional locations visited annually with reduced resource levels.
 - Error rate for PCNs reduced to 0.67% from 0.94%.
 - Excellent partnership working for events, including Royal Ascot and Windsor Guard Change, with Thames Valley Police and Royal Borough Community Wardens.
 - Smooth transition of staff from the Royal Borough to an external provider.
 - Greater intelligence across the business sector.
- 2.6 Whilst performance levels are high, there have been challenges, primarily with respect to recruitment and retention of Civil Enforcement Officers in order to deliver, or exceed contract standards. NSL has drawn upon resilience within their broader business to minimise the impact. However, there have been periods when performance has been adversely affected. There have also been challenges and delays in delivering the virtual permit system, which is now being trialled. Contract standards are achieved currently through the deployment of 21 civil enforcement officers.
- Rural and out of town areas**
- 2.7 Customer feedback has highlighted concerns around visibility and presence in rural and out of town areas. The contract requires that a minimum number of deployed hours are provided but is consciously not prescriptive in terms of

patrol routes and patterns. The majority of restrictions which require enforcement are in urban areas and car parks where a charge is imposed - this impacts upon the pattern of patrols.

- 2.8 Although there is flexibility to instruct and deploy resources to respond to customer complaints or known problems, for example, outside schools or village centres, there is limited scope within the existing contract to focus on rural and out of town areas.
- 2.9 It is, therefore, recommended that, as a one year pilot, the contracted deployed hours within the contract are uplifted by 25% at a total cost of £69,336. This additional resource would focus on enforcement in rural and out of town areas and would be directed by resident reports through the updated report it function on the website and direct liaison with Ward Councillors and parish councils. At the end of the 12 month pilot, there would be a robust evaluation to determine next steps.

Options

Table 1: Options arising from this report

Option	Comments
<p>Award a contract extension for two-years commencing on 1 December 2019 and uplift the contracted deployed hours by 25% for one year in order to focus on enforcement in rural and out of town areas.</p> <p>This is the recommended option</p>	<p>Performance levels are consistently high; added value is delivered through resilience and broader business sector intelligence and strong partnerships have been created benefitting residents</p>
<p>Allow the contract to end on 30 November 2019 and commence a reprocurement with immediate effect on a similar basis</p> <p>This is not recommended</p>	<p>High levels of performance are consistently achieved and the service scope is well defined. A further procurement may deliver financial efficiencies but this is unknown and creates risk. Timescales to procure and award for 1 December 2019 are challenging</p>
<p>Allow the contract to end on 30 November 2019 and return to a self-delivered service</p> <p>This is not recommended</p>	<p>High levels of performance are consistently achieved under the current delivery model. Self-delivery transfers risk back into the Royal Borough; reduces resilience and may increase total service costs</p>

3. KEY IMPLICATIONS

- 3.1 The key implications are set out in table 2.

Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Deployed hours achieved	Below 97%	Above 97%	Above 100%	N/A	30 November 2021
Penalty Charge Notices cancelled as a result of CEO error	Greater than 1%	Less than 1%	N/A	N/A	30 November 2021
Increase in deployed hours to carry out enforcement in rural and out of town areas	Less than 25%	25%	N/A	N/A	30 November 2020

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The annual contract value is £893,000 which is subject to an annual inflationary CPI increase which was 2.3% in 2019.
- 4.2 The approval of the one year pilot of rural and out of town enforcement will incur a one-off revenue cost of £69,336 which will be met from reserves, see table 3.

Table 3: Financial Impact of report's recommendations

REVENUE COSTS	2019/20	2020/21	2021/22
Additional total	£23,112	£46,224	£0
Reduction	£0	£0	£0
Net Impact	£0	£0	£0

CAPITAL COSTS	2019/20	2020/21	2021/22
Additional total	£0	£0	£0
Reduction	£0	£0	£0
Net Impact	£0	£0	£0

5. LEGAL IMPLICATIONS

- 5.1 Parking enforcement and associated functions are carried out by enforcement authorities under the Traffic Management Act 2004 (TMA 2004) and the Road Traffic Regulation Act 2984 (as amended) (RTRA 1984).
- 5.2 Case law has clarified that the purpose of civil parking enforcement is not to raise revenue and local authorities would be acting outside of their legal

powers if they are seeking to use civil parking enforcement as a vehicle to raise income. The purpose of penalty charges is to dissuade motorists from breaking parking restrictions, the objective of civil parking enforcement should be for 100% compliance, with no penalty charges.

- 5.3 The income from any penalty charge payments received must only be used in accordance with section 55 of RTRA which allows the income to be spent on highways and transport schemes.
- 5.4 The council is enabled, by section 111 of the Local Government Act 1972, to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The council, therefore, has a general power to enter into contracts for the discharge of any of its functions; including the proposed contract set out in this report.

6. RISK MANAGEMENT

Table 4: Impact of risk and mitigation

Risks	Uncontrolled risk	Controls	Controlled risk
The balance of enforcement between rural; out of town and urban areas does not meet customer expectations	MEDIUM	The contract is flexible and patrols can be flexed to respond to customer need. The additional one off pilot will focus on rural and out of town enforcement.	LOW
Lack of ability to manage contract performance	HIGH	Contract management via a specialist commissioning team will continue to manage a suite of key performance	LOW
Unfair/inappropriate enforcement	MEDIUM	Contractual compliance with council's parking enforcement strategy. Ability for the council to direct resources specified in contract.	LOW

7. POTENTIAL IMPACTS

- 7.1 The impacts pertaining to staffing; sustainability; equalities and community cohesion and property assets were fully evaluated and appraised as part of the original contract award decision. The recommendation of this report is to award a contract extension based on the same terms and conditions, therefore there are no additional impacts.

8. CONSULTATION

- 8.1 Consultation and engagement has been undertaken with the supplier and the Lead Member for Public Protection whose portfolio includes parking enforcement.

9. TIMETABLE FOR IMPLEMENTATION

- 9.1 Implementation date if not called in: 1 December 2019

Table 5: Implementation timetable

Date	Details
29 August 2019	Cabinet Decision
September - October	Recruitment of additional resource by NSL to meet the requirements of the one year pilot.
1 st December 2019	Commencement of contract extension and one year pilot
30 November 2020	End of one year pilot
December 2020 – January 2021	Evaluation of pilot outcomes and decision on next steps.

10. APPENDICES

- 10.1 This report is supported by one appendix:
- Appendix A: Contract performance dashboard

11. BACKGROUND DOCUMENTS

- 11.1 This report is supported by the following background document:
- Cabinet Report (27th July 2017) – Civil Enforcement: Contract Award

12. CONSULTATION (MANDATORY)

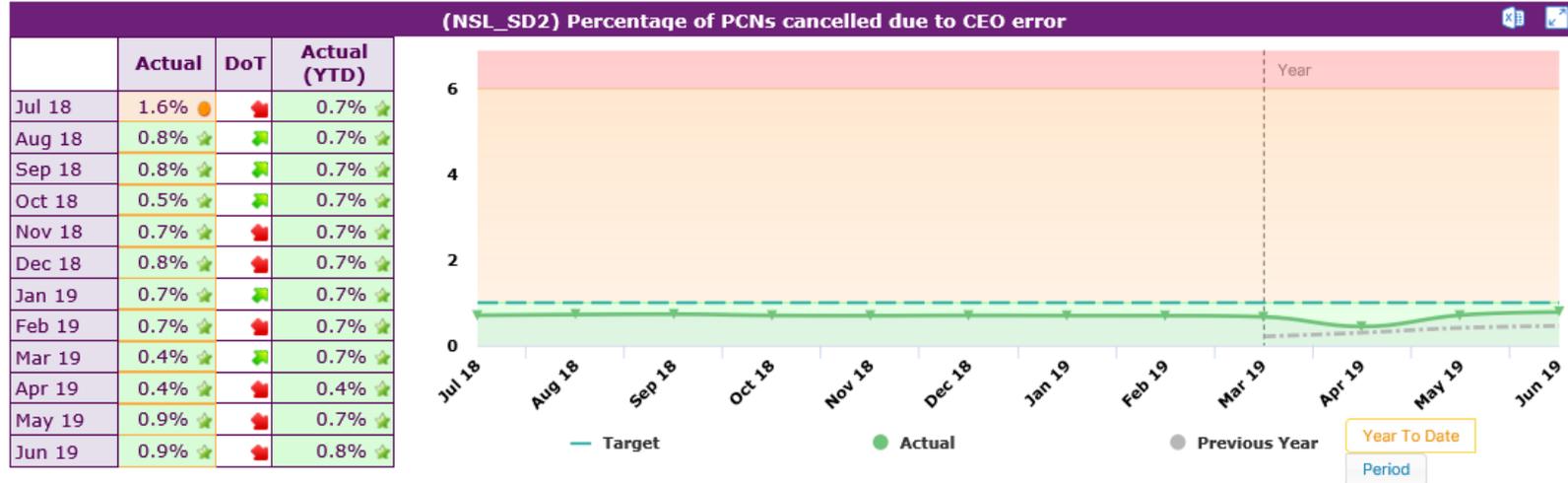
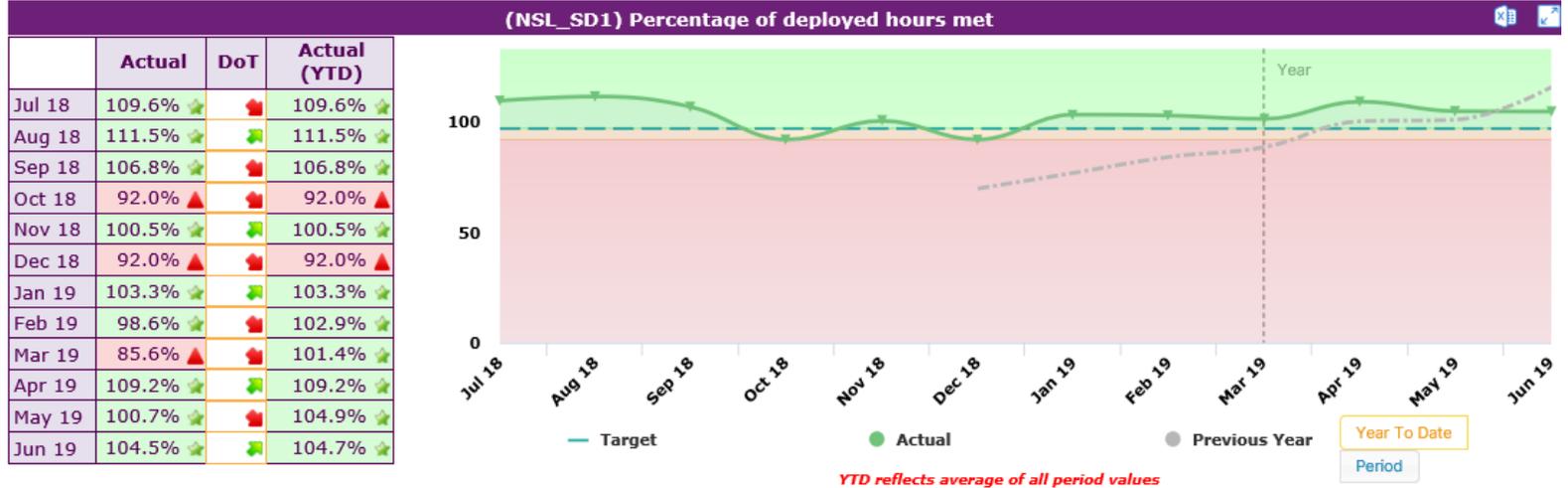
Name of consultee	Post held	Date sent	Date returned
Cllr Cannon	Lead Member for Public Protection	25/07/19 09/08/19	25/07/19 19/08/19
Duncan Sharkey	Managing Director	25/06/19 24/07/19	23/07/19
Russell O'Keefe	Executive Director	25/06/19	
Andy Jeffs	Executive Director	25/06/19	25/06/19
Rob Stubbs	Section 151 Officer	25/06/19	15/08/19
Elaine Browne	Interim Head of Law and Governance	25/06/19	27/06/19
Nikki Craig	Head of HR and Corporate Projects	25/06/19	25/06/19
Louisa Dean	Communications	25/06/19	25/06/19
Kevin McDaniel	Director of Children's Services	25/06/19	25/06/19
Hilary Hall	Interim Director of Adult Services and Deputy Director	25/06/19 24/07/19	25/06/19 24/07/19

Name of consultee	Post held	Date sent	Date returned
	of Commissioning and Strategy	09/08/19	09/08/19

REPORT HISTORY

Decision type:	Urgency item?	To Follow item?
Key decision: Added to Forward Plan 30 th May 2019	No	N/A
Report Author: Ben Smith: Head of Commissioning Communities (07802) 338170		

NSL Detailed Trends Report 2018/19



Number of PCNs cancelled due to CEO error



Dates

All 12 selected



(NSL_3) Percentage of cases where IT availability failure was not resolved



30 Jun 19

0.0

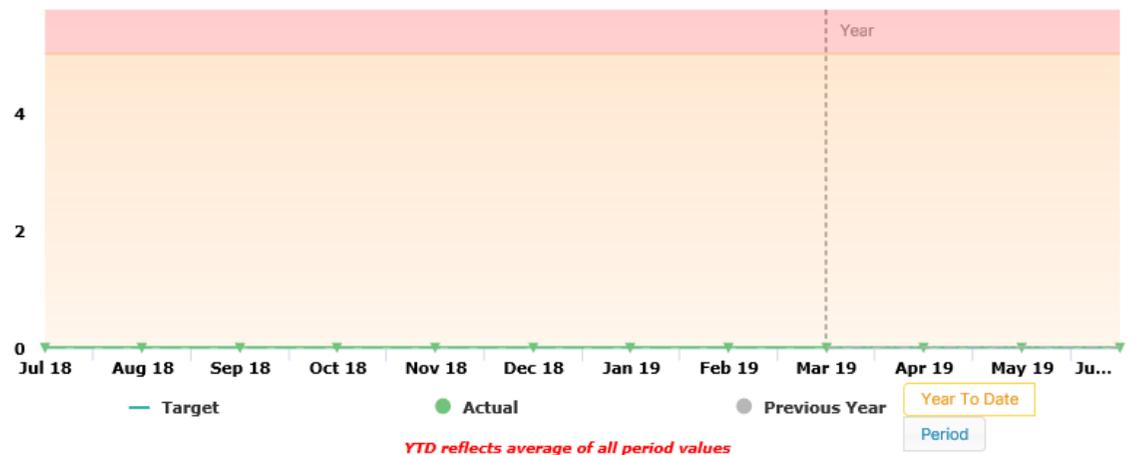
percentage

Succeeding

(NSL_SD3) Percentage of cases where IT availability failure was not resolved



	Actual	DoT	Actual
Jul 18	0.0% 🌟	➡	0.0% 🌟
Aug 18	0.0% 🌟	➡	0.0% 🌟
Sep 18	0.0% 🌟	➡	0.0% 🌟
Oct 18	0.0% 🌟	➡	0.0% 🌟
Nov 18	0.0% 🌟	➡	0.0% 🌟
Dec 18	0.0% 🌟	➡	0.0% 🌟
Jan 19	0.0% 🌟	➡	0.0% 🌟
Feb 19	0.0% 🌟	➡	0.0% 🌟
Mar 19	0.0% 🌟	➡	0.0% 🌟
Apr 19	0.0% 🌟	➡	0.0% 🌟
May 19	0.0% 🌟	➡	0.0% 🌟
Jun 19	0.0% 🌟	➡	0.0% 🌟



(NSL_4) Percentage of failures in online case management / payment

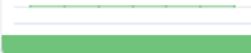


30 Jun 19

0.0

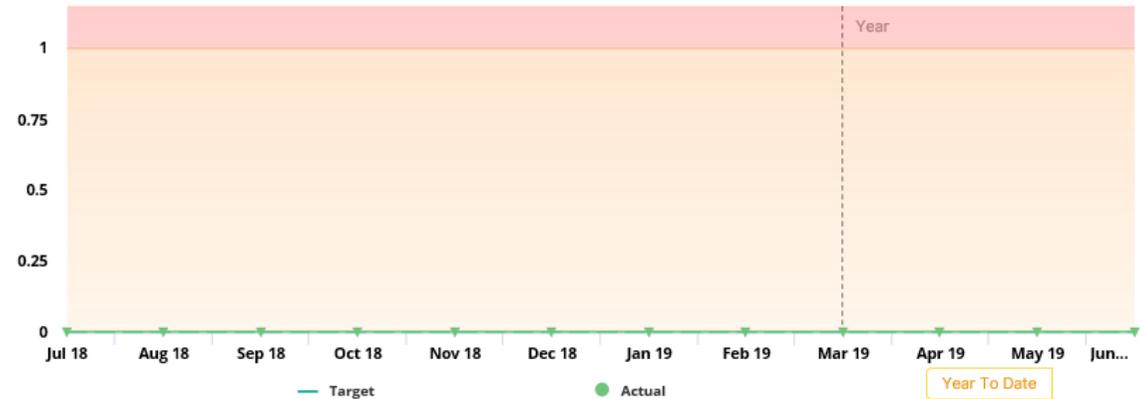
percentage

Succeeding



(NSL_SD4) Percentage availability of online case management system

	Actual	DoT	Actual (YTD)
Jul 18	0.0%	→	0.0%
Aug 18	0.0%	→	0.0%
Sep 18	0.0%	→	0.0%
Oct 18	0.0%	→	0.0%
Nov 18	0.0%	→	0.0%
Dec 18	0.0%	→	0.0%
Jan 19	0.0%	→	0.0%
Feb 19	0.0%	→	0.0%
Mar 19	0.0%	→	0.0%
Apr 19	0.0%	→	0.0%
May 19	0.0%	→	0.0%
Jun 19	0.0%	→	0.0%



YTD reflects average of all period values

(NSL_5) Percentage of Contractor IT support requests responded to



30 Jun 19

100

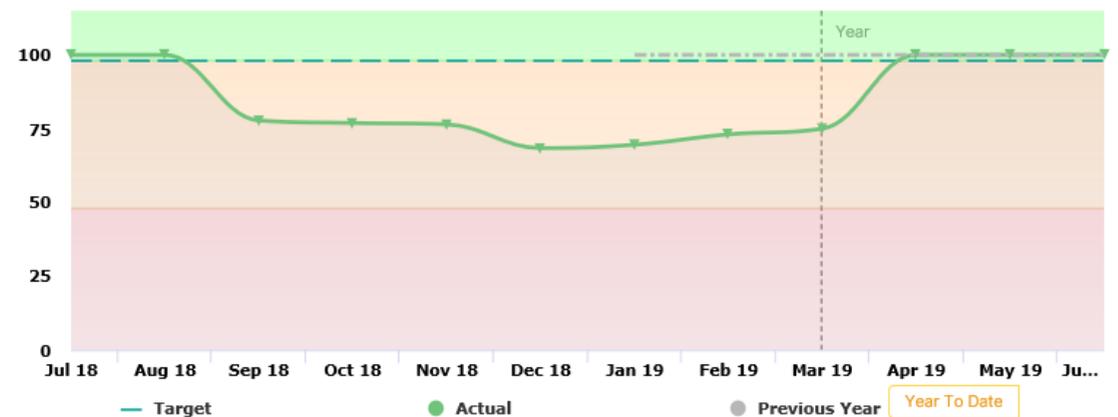
percentage

Succeeding

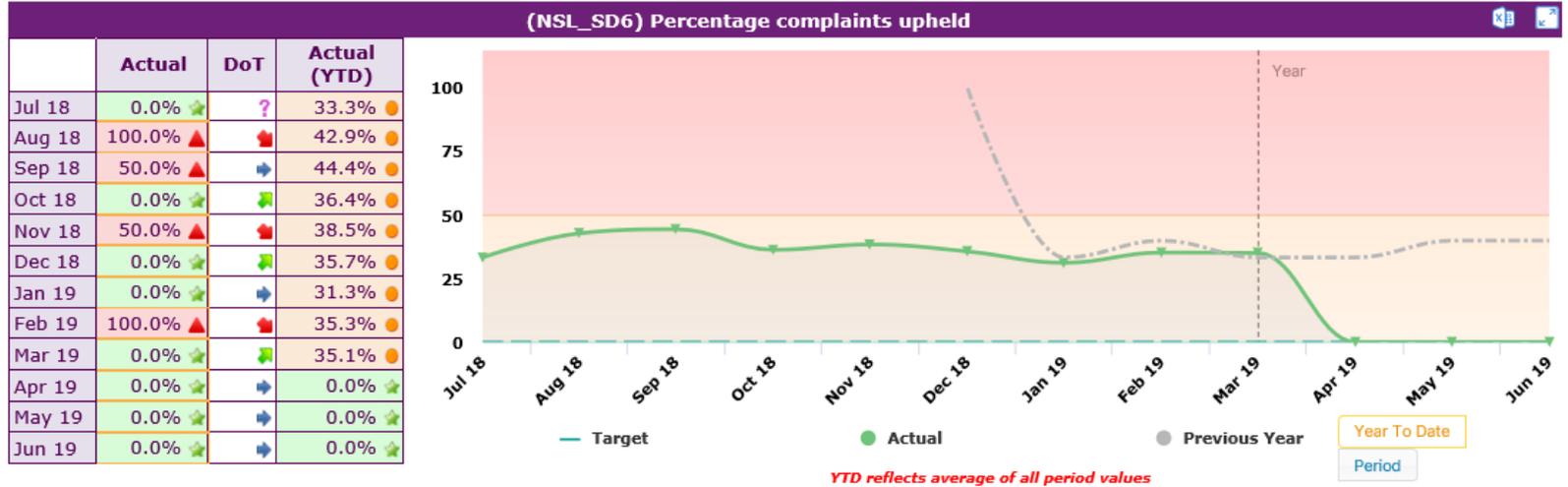


(NSL_SD5) Percentage IT support requests responded to within 1 working day

	Actual	DoT	Actual (YTD)
Jul 18	100.0%	?	100.0%
Aug 18	100.0%	→	100.0%
Sep 18	0.0%	▲	77.8%
Oct 18	75.0%	→	76.9%
Nov 18	75.0%	→	76.5%
Dec 18	0.0%	▲	68.4%
Jan 19	75.0%	→	69.6%
Feb 19	100.0%	→	73.1%
Mar 19	100.0%	→	75.0%
Apr 19	100.0%	→	100.0%
May 19	100.0%	→	100.0%
Jun 19	100.0%	→	100.0%



YTD reflects average of all period values



Commentary: There were 17 complaints received across the year, six of them were upheld (35.3%).

