Report to the Cabinet

Report reference: ***C-007a-2010/11***
Date of meeting: ***7 June 2010***

Epping Forest District Council

Portfolio: **Operational Planning and Transport**

Subject: **Parking Review Funding Allocation**

Responsible Officer: **Kim Durrani** **(01992 564055)**

Democratic Services Officer: **Gary Woodhall** **(01992 564470)**

Recommendations/Decisions Required:

(1) To note the excessive advertising costs and revised estimated cost of completing all three ongoing parking reviews of £800,000, including £50,000 contingency, against the available capital budget allocation of £672,000, creating a shortfall of £128,000, and a slippage of over 6 weeks in the programme;

(2) To support Essex County Council (ECC) in seeking recovery of the estimated costs of advertising of £20,000 plus associated costs from it's publishers or the newspaper group on the grounds that the paper did not cover the entire parking review area,

(3) To consider the following options;

(a) abandon all three ongoing parking review schemes and re-allocate funding to explore opportunities for providing more car parking facilities in the three towns. As a consequence estimated abortive costs to date of £215,000 would be charged to the District Development Fund (DDF), as required under accounting standards;

(b) implement Epping and Buckhurst Hill Parking Review Schemes at an estimated cost of £456,000. Seek savings within existing parking review budgets to enable implementation of Loughton Broadway Parking Review (LBPR). Alternatively estimated abortive costs of £35,000 in respect of LBPR would be charged to the DDF;

(c) to abandon all three parking reviews and charge all abortive cost to date of £215,000 to the DDF and seek funding opportunities offered by any new private development to carry out parking reviews for example Section 106 funding; or

(d) recommend to Council a supplementary Capital Estimate of £128,000 to complete all three ongoing parking reviews in Epping, Buckhurst Hill and Loughton;

Executive Summary:

The District Council implemented a number of parking reviews when it had the previous agency agreement with Essex County Council (ECC), as the Highways Authority. However when the agency agreement ended in 2006 the powers to undertake such work reverted back to the County Council.

The Council is currently committed to undertake parking reviews in Epping, Buckhurst Hill and Loughton Broadway to address parking difficulties. The reviews are at various stages

with Epping being most advanced followed by Buckhurst Hill and then Loughton. Informal consultations have been carried out in all three areas with mixed responses received from residents.

A key issue is the large cost of undertaking these reviews. The existing budget allocation is not enough to complete all three reviews.

This is a key decision

"to seek to deal with problems associated with vehicle parking in the built up areas of the District", Action Plan (Council Plan 2006-2010) Ref: HN7

Reasons for Proposed Decision:

There is inadequate budget allocation to complete all three ongoing parking reviews. It is necessary that either additional funding is made available or the scope of parking reviews is scaled back or one or more schemes be abandoned.

Other Options for Action:

The options are as set out in recommendation 3.

Report:

History and Background:

1. The Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996 enables the Highway Authority/ECC to introduce area wide parking restrictions on public highways. A number of area wide parking restriction schemes were introduced by the District Council when it was the Highways Authority, under delegated agreement with Essex County Council.

2. The Agency Agreement between the two councils ended in 2006 which means that the County Council is the Highways Authority and only it has the powers to introduce parking restrictions on public highways. However the County Council has adopted a policy of not undertaking area wide parking reviews, it only carries out local traffic safety schemes and small scale traffic restrictions.

3. The District Council, under pressure from residents, to reduce the impact of commuter parking, and to improve the use of available car parking spaces, undertook to carry out large area wide parking reviews in Epping and Buckhurst Hill. Both these schemes were completed by ECC on behalf of the Council in 2007.

4. The Epping and Buckhurst Hill parking reviews resulted in the displaced vehicles moving outwards. This meant that new areas of both the towns were now getting affected with displaced vehicles. This was creating problems for residents and Members resolved to undertake a review of parking restrictions introduced in 2007.

5. The District Council instructed the County Council to undertake a review of the impact of parking restrictions introduced in Epping and Buckhurst Hill in 2007 and propose amendments to reduce the impact on residents. Members also agreed to undertake a new parking review of the Loughton Broadway area.

6. The County Council has undertaken considerable work, on behalf of and paid for by the Council. Officers of the County Council prepared initial proposals which were then discussed with elected District and County ward members. Informal public consultations

have been held with residents within the affected review areas and the next stage is to carry out statutory public consultations.

7. It is a legal requirement that the statutory consultation should be published in a local newspaper which is circulated in the area in which any road or other place to which the parking restriction relates, in other words the paper should cover the entire area of the parking review.

8. The County Council, in order to secure better value for money, asked it's publishers to investigate sources of advertising. This included the NewsQuest Group who own a number of local newspapers in this area, including the Independent and the Guardian. Newsquest Group confirmed that the local Epping Forest Independent covered all of the Epping Parking Review area, and that the rate of advertising were almost half of those charged by the Guardian newspaper. Unfortunately it later came to light that the Independent newspaper does not offer the same statutory coverage required under legislation. As a consequence the consultation recently carried out has been abortive and a new formal public consultation is required in the Guardian newspaper. This will create further slippage in the planned programme of works even if additional capital funding allocation is made available.

9. The County Council is of the opinion that it was misinformed in that the Independent newspaper does not offer the same coverage as the Guardian. It is the County Council's intention to seek recovery of the abortive advertisement costs and associated officer time in preparing the advertisements. On the basis of information available the Council finds itself in a situation where abortive costs have arisen which are not of its making. It is the Council's view that the actual costs for advertising along with other abortive costs should be recovered from the County's publishers or the newspaper group **(recommendation 2)**

10. In the current climate of pressure on public sector finances it is deemed inappropriate to spend a sum of £284,000 on placing advertisements in newspapers. While there are easier and much cheaper ways of communicating with local residents for example using postal service, legislation dictates that local newspapers must be used. The Council can reduce further financial risk and avoid the accusation of spending excessive amounts on advertising by cancelling all three parking reviews. This will however require that all costs so far, currently estimated at £215,000 will be charged as revenue expenditure to the DDF. This is required by accounting standards which forbid the capitalisation of abortive costs. **(recommendation 3(a))**

11. The Epping and Buckhurst Hill schemes are reviews of the impact of the original parking review in 2007. Informal public consultations, via direct mail shot to residents, have resulted in valuable information being obtained. This has been used to reform and update designs. As the cost of both these schemes is within current budget allocation and they are at a more advanced stage than the Loughton Broadway Parking Review (LBPR), it is possible to implement these two schemes and while doing so consider cheaper procurement options to try and achieve savings for undertaking the LBPR. However if savings are not forthcoming then LBPR can not be carried out and the estimated abortive expenditure of £35,000 will be charged to the DDF **(recommendation 3(b))**

12. There is the option to cease all work on the ongoing parking reviews, charge the estimated abortive costs to the DDF and seek opportunities offered by new developments to carry out area wide parking reviews **(recommendation 3(c))**

13. The revised advertising costs of £284,000 are more than double those previously estimated. The existing budget allocation is insufficient to achieve completion of all three ongoing parking reviews unless a supplementary Capital Estimate of £128,000, including £50,000 for contingency to deal with any unforeseen expenditure, is approved

(recommendation 3(d))

Resource Implications:

The parking reviews are carried out by Essex County Council on behalf of the District Council. All costs associated with the parking reviews are borne by the District Council, this is because the County has an adopted policy of not undertaking any large parking schemes. It only undertakes work on safety grounds for example junction protection or where there are severe local parking problems.

The Capital Programme has a budget allocation of £672,000 for the three ongoing parking review schemes. Expenditure of £125,000 was incurred in the last financial year and is due for payment. This leaves a remaining balance of £547,000 which is £78,000 less than the current ECC estimate of remaining work of £625,000. In order to better deal with any future cost risks a capital contingency of £50,000 should be allocated to the project budget, brining the total additional supplementary estimated required to £128,000. As a result of the abortive work even if additional funding is approved there will be a slippage of over 6 weeks in the implementation of these schemes. **(recommendation 1)**

A table on the financial statements is attached at Appendix 1.

If it is necessary to fund abortive costs from the DDF, the ability of the Council to include new schemes in the DDF programme will be severely restricted.

The Council collect Penalty Charge Notice (PCN) income from any parking contraventions on the public highway, as an agent to ECC. However the Council is under notice from ECC for termination of this agreement on 31 March 2011.

Legal & Governance Implications:

Implementation of new parking restrictions under the Traffic Management Act 2004 brought about as a result of these parking reviews, as agents to ECC. This could mean that the District Council may not carry out this service or receive the income from it.

Safer, Cleaner, Greener Implications:

Ensuring optimum utilisation of available car parking spaces on the public highway.

Consultation:

Three informal area wide consultations held, each resident received a letter and plan showing the impact on them, larger plans on display in civic offices and local libraries.

Background Papers:
None.

Impact Assessments:

Risk Management
Financial risks if costs increase further, which is likely given the contentious nature of such reviews. Reputational risks to the Council if it is seen to be spending excessive amounts on placing adverts in the press (35% of the costs of the schemes consists of advertising).

The County Council is the highways authority and it has a policy of not carrying out area wide parking reviews, the Council could be challenged on why it is doing so, especially at such high costs.

Equality & Diversity

The County Council will continue to make traffic regulation to offer dedicated parking spaces for disabled badge car owners.

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?		No
Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?		No
What equality implications were identified through the Equality Impact Assessment process?		
N/A.		
How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?		
N/A.		