

08 February 2011

North Essex Parking Partnership
and Essex County Council

Civil Parking Enforcement

Strategic Commissioning
Agreement
February 2011

EssexWorks.

For a better quality of life

Contents

Contents.....	2
Introduction	3
Strategic Principles	3
Scope of services commissioned.....	7
Financial Agreement.....	8
Roles & Responsibilities	9
Parking Policy framework and Service outcomes.....	14
Business Planning and Performance Monitoring	15
Dispute and Termination.....	18
Annex A: Commissioning Contract	19
Annex B: Financial and Transition Agreement	20
Annex C: Scope of Delegated Services.....	24
Annex D: Parking Policy Framework	26

Introduction

1. The purpose of this document is to describe the strategic, financial and operational relationship between Essex County Council, the Service Commissioner, and North Essex Parking Partnership, the Service Provider. It provides a management summary of the arrangements. A separate legal document enabling the formal delegation of service and covering full contracting arrangements is attached at Annex A.

Strategic Principles

2. The shared ambition between Essex County Council and the District and Borough Councils in Essex is for Essex County Council to operate as a strategic commissioner of services and the Districts and Boroughs to have control over local parking policies and the management of all aspects of the associated operation. The ambition will be delivered through a strategic and collaborative partnering arrangement.
3. The intention is to bring together parking policy into a framework meeting both county wide and local policy objectives. The efficient and effective delivery of policy objectives will be achieved through the creation of an integrated service that joins together enforcement, signs and lines and traffic regulation order activity. In turn operating costs will be optimised through economies of scale.

4. The establishment of the partnering relationship will be underpinned by a number of core principles that will run through the term of the agreement.

These are:

- a. Essex County Council will delegate to two Partnerships, (formally through a Joint Committee), the authority for on-street enforcement & charging, relevant sign & line maintenance and the power to make relevant traffic orders. This delegation will formally be to a Joint Committee formed by the District and Borough Councils in the Partnership;
- b. The agreement with the Partnerships will be for 7 years with a mutual option to extend for a further 4 years up to a total of 11 years;
- c. The Parking service will be delivered through two Partnerships, one for North Essex and one for South Essex. The North Essex partnership will be formed by Braintree, Colchester, Epping Forest, Harlow, Tendring and Uttlesford. Colchester will be the lead authority;
- d. The Partnerships will be responsible for any financial surplus and/or deficit created by the parking operation following the first two years agreed arrangements. For the avoidance of doubt the Parking Partnership will manage the financial position such that no investment is required from ECC with effect from the financial year 2013-14. Both start afresh with no deficit or liabilities. ;

- e. The Partnerships will form a Partnership Board to provide governance for the service – this will have both political and operational involvement. The Partnerships will formalise an agreement between themselves to manage the car parking operation and its finances;
- f. The Partnerships will determine the most appropriate model for delivering the service including reviewing strategic options for example, the use of the private sector and the creation of a Local Authority trading company;
- g. The success of the Partnerships will be monitored and assessed using a agreed set of strategic outcome measures. Detailed operational performance indicators will be established and reported within each partnership;
- h. Any termination of the agreement will require 12 months notice in writing by either Essex County Council or the North Parking Partnership and where possible but not exclusively this will coincide with the end of a financial year;
- i. In the event that an authority (excluding ECC) chooses not to formally join the partnership they will be deemed to have joined and decisions relating to their locality will be taken by the Partnership;

- j. The commissioned service is not restricted to Civil Parking Enforcement and associated matters. ECC may consider commissioning additional services through this model but the acceptance of such additional services would require the written consent of the relevant Parking Partnership.
5. Specific principles relating to supporting a successful start for the Partnership model over a two year transition period are set out in Annex B. These arrangements will be subject to on-going negotiation over the transition period.

Scope of services commissioned

6. The County Council will commission the following services from each partnership:
 - a. Collection of charges for on-street parking within the Permitted Parking Area;
 - b. The administration of residents' parking schemes and the collection of charges for permits;
 - c. Issuing Penalty Charge Notices;
 - d. Dealing with the representations arising from the above;
 - e. Taking steps necessary to recover payments due;
 - f. Immobilisation and the removal, recovery, storage and disposal of vehicles and collection of charges in connection with the above activities;
 - g. Making of all relevant traffic regulation orders. Transition arrangements will apply for the first year of operation and these are set out in Annex B);
 - h. Procurement and maintenance of signs and lines relating to on-street enforcement.
 - (i) Signs and lines required as part of a new capital scheme will be funded through that scheme (even where it was decided that the Partnership would deliver the work)
 - (ii) Signs and lines required as part of a development proposal will be funded by the developer (even where

it was decided that the Partnership would deliver the work)

- (iii) Signs and lines that need to be reinstated following resurfacing will be funded by ECC whether or not the signs and lines work would be delivered by ECC or the Partnership. It is envisaged that the Partnerships would have the option of whether the Partnership wished to carry out the work, or whether they wished ECC to carry out the work. Either way, ECC would fund the work provided that the work was not substantially more expensive than the signs and lines having been replaced.
- (iv) ECC through its contractors is willing to make its contractual arrangements available to the Partnerships, at cost, where partnerships desire to make use of them, for signs and lines related activity.

7. The County Council will delegate powers as required to each partnership to enable the legal discharge of these functions. These details are set out in Annex C.

Financial Agreement

8. The overarching objective is to establish a sustainable parking enforcement service that generates a surplus for re-investment. In the first two years the priority is to ensure the successful transition and set up of the new partnership operations.

9. The key financial principles that underpin the agreement are that the partnership will:

- a. Be responsible for any financial surplus and/or deficit after the first two years of the date of the commencement of the new operation such that no

- further investment is required from ECC with effect from the financial year 2013/14;
- b. Determine the levels and nature of fees and charges;
 - c. Establish and manage the cost of the operation;
 - d. Decide how any surplus is re-invested in parking services;
10. The partnership will develop an annual financial plan (by 30 September 2011 for 2012/13 and by end of January for each subsequent year) that will form an integral part of the joint business planning process between the Commissioner and the Partnerships. Achieving financial stability and optimising efficiencies are critical success measures the commissioner and partnerships will work together to achieve.
11. Details of specific financial arrangements that will exist for the transition and set-up period are set out in Annex B.

Roles & Responsibilities

12. The arrangements for the delivery of the on-street car parking enforcement service in Essex will be undertaken within the spirit of a strategic partnership specification. The key features of this will be
- a. Joint development of the specification between Commissioner and the Parking Partnerships;

- b. Slim-line governance arrangements between Commissioner and Parking Partnership with two meetings each year of a Joint Strategic Board. Additional meetings may be held as appropriate;
- c. Single lines of accountability between Commissioner and the Partnerships.

13. Essex County Council (ECC) will act as the strategic Commissioner of the on-street parking service. It will form a Joint Strategic Board. The function of the Joint Strategic Board will be to:

- a. Jointly agree the County Wide parking policy framework;
- b. Provide a forum to discuss strategic issues relating to parking across Essex;
- c. Provide a forum to review at a strategic level the success of the partnership.

14. The Joint Strategic Board will be chaired by an ECC Member and have Member and Officer representatives from each Partnership. It will not have executive authority.

15. The Commissioner will produce a County Wide policy framework and agree it with the Joint Strategic Board and Partnerships. The policy framework will contain a high level statement of the core purpose, outcomes and objectives sought from the delivery of the service.

16. ECC in its capacity as the service Commissioner will retain influence in the setting of local parking policies in order to ensure that primary legislation obligations are met. This includes design of parking policies with respect to:

- a. Traffic network;
- b. Safety;
- c. Environment;
- d. Public transport quality and accessibility;
- e. Disabled persons;
- f. Kerb space demands.

17. The Commissioner will provide strategic and operational guidance to the partnerships in order to ensure that parking policies are consistent with local travel plans.

18. The Commissioner will retain responsibility for ensuring that the partnerships:

- a. Comply in full with legislation and guidance;
- b. Meet the network responsibilities;
- c. Meet the duty to set and publish penalty charge levels.

19. The Commissioner will collate reports from both partnerships into an ECC combined report and ensure that any surplus generated by the Partnerships is utilised in accordance with the Traffic Management Act.

20. Each Partnership will constitute a Partnership Board/Joint Committee in order to provide governance of the operating arrangements. The Partnership Board will comprise a designated member from each local authority within the partnership.

21. Each Partnership will form a Partnership Agreement which will be formally agreed and adopted by (date). It will form the basis for the governance of the partnership. This agreement will be signed by all partners. If a partner decides not to join or wishes to leave the Partnership the Partnership has been delegated authority from Essex County Council to make all decisions relating to on street parking in that area.

22. The partnership agreement will set out, as a minimum:

- a. How strategic issues are decided;
- b. How parking policies will be determined on a locality by locality basis;
- c. How financial risks and opportunities are managed and met;

23. Each Partnership will ensure that any performance and financial reporting requirements are adhered to within the timescales set.

24. Each Partnership will contribute to and agree the County Wide Parking Policy Framework. They will, in turn, ensure that the operation complies in full with the policy framework and any legislative requirements.

25. Each Partnership will appoint a lead authority who will:

- a. On behalf of the Partnership, act as the enforcement authority for the six local authority areas those functions delegated by ECC;
- b. Take operational responsibility for the delivery of the whole service;
- c. Act as the employer of staff engaged in on-street enforcement activities, traffic regulation orders and signs and lines work as appropriate;
- d. Procure and manage any assets and infrastructure required by the operation as agents for the Commissioner, such as; IT, Radios & Cameras and Vehicles
- e. Take responsibility for all data and information on behalf of the Partnership and respond to any Freedom of Information requests

26. The Partnership will address each of the points above in a Partnership Agreement.:

27. Essex County Council undertakes to indemnify and keep indemnified Colchester Borough Council against all costs liabilities and expenses incurred or suffered in connection with any claim by a former Essex County Council employee (“the claimant”) where:

- a. the claimant has, by operation of TUPE, transferred to Colchester Borough Council in connection with the set up/operation of the North Essex Parking Partnership; and

b. the claim arises from, or is otherwise referable to, the claimant's employment with Essex County Council prior to the TUPE transfer date.

28. Essex County Council also undertakes to indemnify and keep indemnified Colchester Borough Council against all costs liabilities and expenses incurred or suffered in connection with any claim by an employee or former employee of Essex County Council (or by an individual asserting such status) that s/he has, or should have, transferred to Colchester Borough Council under TUPE.

Parking Policy framework and Service outcomes

29. A County wide policy framework will be developed through a collaborative engagement between the representatives of Commissioner and the Parking Partnerships at the Joint Strategic Board.

30. It will contain two main features:

- a. County level – a statement of joint ambition and strategic outcomes sought
- b. District and Borough level – a statement of how the joint ambition and county wide strategic outcomes are reflected in the setting of local priorities, enforcement and pricing policies within each parking partnership's business plan

31. It is intended that the Joint Strategic Board will finalise the policy framework within 6 months of the commencement of the new working arrangements and will then keep in review on an annual basis. A draft summary of the proposed strategic outcomes is set out below:

- a. Reduced congestion and number and severity of traffic accidents;
- b. Reduced negative effect of transport on the environment;
- c. Maintenance of the highway assets of the County;
- d. Improved access to jobs and services;
- e. Encouragement of healthier travel choices and employer travel plans;
- f. Operate with financial sustainability

32. Further explanatory rationale contained in Annex D:

Business Planning and Performance Monitoring

33. An annual business planning process will be undertaken between the Commissioner and each Partnership. This will be timed to align with normal annual planning rounds in County, Districts and Boroughs to ensure synergy with wider decision making and budget setting.

34. The intention is to ensure a collaboratively developed business plan emerges that is both ambitious and achievable. The plan itself will be a short document that will contain, as a minimum, a brief one page statement on the following:

- a. Local policy priorities that reflect county wider outcomes

- b. Joint outcome based strategic success measures for the year ahead
 - c. A financial plan
 - d. An operating plan with associated key performance indicators
 - e. Proposals for innovation and development of the service
35. To embed collaborative working and support the successful transition to the new partnerships, for the first year of operation the annual Business Plan will be in place by the 1st April 2011 and will be reviewed at quarterly meetings between the Commissioner and the Partnership. This will be an officer meeting. Thereafter, the business plan review will move to a 6 monthly interval.
36. In the spirit of a strategic partnership agreement, the focus of performance monitoring will be on the achievement of the agreed set of joint strategic success measures. The intention is that these outcome based measures will express shared success of the strategic partnership and will require both commissioner and partnership to work collaboratively to ensure their achievement. The forum for discussing this will be the Joint Strategic Board.
37. Five strategic success measures for the first year of operation are proposed, as follows:
- a. Practical demonstration of the creation and maintenance of collaborative behaviours and productive relationships between Districts and Boroughs within with each partnership, including the role and behaviour of the lead delivery authority;

- b. Practical demonstration of the creation and maintenance of collaborative behaviours and productive relationships between the Commissioner and each Partnership, including establishing appropriate roles and behaviours within the Commissioning organisation;
- c. Establishing financial stability of the new partnerships;
- d. Optimisation of the opportunities for end to end operational efficiency;
- e. Achievement of consistency in policies, restrictions and enforcement;

38. Detailed operational key performance indicators (KPIs) will be established and reported within each partnership. These will be for the partnership to determine but as a minimum are expected to cover:

- a. Financial – income and expenditure against business plan
- b. Service – [insert details from Tom O, Richard W and Nick B]
 - PCNs
 - TROs
 - Signs and Lines
- c. Operational
 - Staffing performance
- d. [insert others if needed]

39. The partnership will undertake to share their regular operational performance reports with the commissioner for information purposes only and for purposes

associated with the Commissioner's compliance with the Traffic Management Act, such as ensuring the proper use of any surpluses generated.

Dispute and Termination

40. Full details relating to dispute resolution and termination arrangements are contained in the formal contracting agreement at Annex A.

41. In summary disputes will be resolved through the following:

- a. [insert headlines]
- b. [insert headlines]

42. In summary terminations arrangements apply as follows:

- a. The Commissioner shall have the right to terminate the contract...
[insert short plain English paragraph]
- b. The Partnership shall have the right to terminate the contract... [insert short plain English paragraph]

Annex A: Commissioning Contract

Annex B: Financial and Transition Agreement

1. The Financial Agreement between the Commissioner and the Parking partnerships will include:

a. Operating surplus/deficit for year 1 (2011/12) and year 2 (2012/13).

Whilst investigation continues into the arrangements it is not reasonable to hold the Partnerships to the estimates set out in the Business Case estimates for their years 1 and 2 estimates. Therefore the Partnerships will work to minimise the costs and ECC recognises its liability to reimburse acceptable deficits in years 1 and 2;

b. Implementation costs for year 1 (2011/12). Provisionally these are estimated to be £100,000;

c. A budget across Essex of £500k to be allocated 50% each to the two partnerships will be available for the backlog of Signs and Lines work in 2011/12. The budget will be retained by Essex County Council in 2011/12. The Partnership will determine the priorities and manage the work programme. including the contracting of works. The Partnership will invoice Essex County Council for all work completed.

d. A budget across Essex of £300k to be allocated 50% each to the two partnerships will be available for ongoing maintenance of Signs and

Lines work. The budget will be retained by Essex County Council. The Partnership will determine the priorities and manage the work programme including the contracting works. The Partnership will invoice Essex County Council for all work completed.

- e. Essex County Council will retain the function, budget and continue to commission Traffic Regulation Orders in 2011/12 This will be reviewed throughout 2011/12 and will form part of the Business Planning process for subsequent years.
2. In first year of operation, i.e. 2011/12, the financial agreement between Essex CC and the North Essex partnership will include:
- a. The funding of a £208k deficit put forward in the business case and a commitment to meet an acceptable but yet to be agreed deficit beyond this point. During the first year of operation the partnership will use its best endeavours to contain the deficit within this figure. ECC is committed to meet any figure in excess of this provided that the partnership can demonstrate mitigating circumstances. In particular the validity of the costs must be demonstrated and that these have been wholly and necessarily incurred on behalf of the partnership in the discharge of its functions. The partnership will also be required demonstrate that all reasonable efforts have been made to secure income levels in line with business plan expectations.

- b. The funding of all redundancy costs as part of the set up of the new partnership operation – i.e. within the first six months of the partnership operation;
- c. The funding of essential implementation costs of circa. £100k;
- d. An arrangement for the transition of signs and lines and relevant traffic orders from Essex County Council to the partnership. This includes both function and budget (an ingoing sum towards a plan to address the backlog and when there is a more informed understanding of the position a commitment to negotiate the resources needed to maintain the activity). Specifically:
 - i. in year 1 funding will not be allocated to the partnerships for TRO activity;
 - ii. Essex County Council will make available any TRO resource it has (primarily through the former area offices);
 - iii. there will be no charge to the Partnerships for this work;
 - iv. these arrangements will be facilitated by the ECC Commissioner;
 - v. the partnerships are required to channel these requests through the Commissioner;
 - vi. the information generated from these arrangements will be used to inform the optimum arrangements for TRO activity after year 1 of the transition arrangements and the Partnerships and

Commissioner will work together to determine the operating model thereafter.

3. The delegation to the Partnership also includes Car Parking Enforcement for Epping Forest District Council including the outsource contract until it expires in September 2011. As such Epping Forest will be a fully formed and accountable member of the Partnership from 1 April 2011. When the outsource contract expires the Epping Forest operation will join the rest of the partnership. At that point any reasonable redundancy costs that do arise within the first six months will be met by Essex County Council.

Annex C: Scope of Delegated Services

1. In exercise of the powers contained in Section 19 of the 2000 Act and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000 the County Council agrees and arranges that the Parking Partnerships shall discharge on behalf of the County Council such functions and provide such services within the area of this Agreement as are specified in the clauses below.

2. The functions and services to which this Agreement relates are:-
 - a. the exercise of all duties and power given to the County Council pursuant to the Designation Order
 - b. the collection of charges for on-street parking within the Permitted Parking Area to include the administration of residents' parking schemes and the collection of charges for permits.

3. Without prejudice to the generality of the above it is declared that the functions include:-
 - a. issuing Penalty Charge Notices
 - b. dealing with the representations arising from a) above

- c. taking steps necessary to recover payments due
 - d. subject to the condition set out here, the exercise of the powers for immobilisation and the removal, recovery, storage and disposal of vehicles and collection of charges in connection with the above activities
 - e. the making of all traffic regulation orders in accordance with the statutory procedure laid down in the Procedure Regulations 1996 and enforceable under the 1991 Act and in accordance with the County Council's formally adopted policies (hereinafter called Traffic Regulation Orders).
 - f. the installation and maintenance of signs and lines to support the aforementioned Traffic Regulation Orders
4. The Parking Partnership shall not commence to exercise powers under the 1991 Act for the immobilisation and/or removal of vehicles until the County Council has given consent and then the use of those powers will be in accordance with the County Council's policy. The parties to this agreement hereby agree to exclude the rights of third parties under the Contracts (Rights of Third Parties) Act 1999 to the extent allowed by law.

Annex D: Parking Policy Framework

1. A summary of the service outcomes that the policies and activities of the Parking Partnerships will contribute to and form the basis of the County level Policy framework is set out below.

a. Reduce congestion and number of and severity of traffic accidents

- Parking restrictions, particularly in the form of charges for parking or limited availability of spaces will tend to reduce the demand for travel into town centres by private car drivers. Congestion experienced by other drivers will consequently reduce.
- Restrictions around junctions will also allow traffic to flow more freely, further reducing the potential for congestion
- Analysis of Road Traffic Collisions (RTC's) has shown that improperly or inappropriately parked vehicles can be a common causal or contributory factor. Parking restrictions can help to reduce the occurrence of this type of parking.
- The positioning of parking bays can also be a major contributor to reduction in traffic speeds in what should be low speed residential or retail areas.

b. Reduce the effect of transport on the environment

- Traffic is a major contributor to reduced air quality levels, particularly traffic which is queuing in areas of limited capacity or obstructed by parked vehicles.

- As well as reducing the wasted engine running time, simply reducing the number of vehicles will have positive effects.

c. Maintain the highway assets of the county

- Reducing the number of vehicles using each road should increase the intervals between major maintenance of the highway. However this benefit is only slight as the predominant reduction is in private cars whilst the majority of damage is caused by heavy goods vehicles.

d. Improve access to jobs and services

- In this sense access is predominantly about public transport availability for those without their own transport or who choose not to use it because of the parking restrictions.
- Former car drivers will create an increased demand for public transport which if acted upon will increase the viability of public transport services generally, with benefits for all users.

e. Encourage healthier travel choices and employer travel plans

- Some drivers will switch to alternative travel methods such as walking and cycling, either for recreational or commuting purposes.

- This will improve the individual's level of fitness and health, though it should be borne in mind that cyclists in particular are amongst the most vulnerable to accident and injury.
- Depending on the availability of parking facilities at the place of work, parking restrictions may encourage companies to take a look at their employees travel habits.
- Companies may assist in reducing the overall level of dependence on the private car by assisting in car sharing arrangements or they might provide facilities such as cycle parking, changing rooms and showers.

These wider benefits should always be taken into account when considering the need for the Parking Partnerships to retain an overall coordinating role between highway, traffic and parking management roles and also when conversing with the public, officers or members about the overall justification for parking controls, restrictions, charging and enforcement.