

Report

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Report to:	Enterprise Services Committee
Date of Meeting:	19 June 2012
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	Parking Service – Partnership Contract
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ request approval for the Executive Director (Community and Enterprise Resources), to enter into a contract for the provision of parking administration services, subject to terms and conditions acceptable to the Council being agreed.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the Executive Director (Community and Enterprise Resources), in consultation with the Head of Legal Services, be authorised to enter into a contract with Imperial Civil Enforcement Solutions (ICES) for the provision of parking administration services, subject to terms and conditions acceptable to the Council being agreed.

3. Background

- 3.1. South Lanarkshire Council introduced decriminalised parking enforcement (DPE) some 7 years ago and has delivered the services successfully over this period using an in-house team.
- 3.2. A number of other authorities in the Strathclyde area are now at various stages of introducing DPE and are assessing options for the delivery of the necessary services. While all intend to employ their own Parking Attendants, the delivery of the back office functions is proving more challenging and in some cases there is not considered to be sufficient workload or in-house expertise to make the in-house delivery of these services a viable option. In such circumstances, councils are looking at options to outsource the back office functions.
- 3.3. This Council has worked with ICES for 12 years and enjoys an excellent working relationship. ICES currently provides the hardware and software required to support DPE.
- 3.4. In England, ICES also provides back office support to many local authorities. This includes the issue of statutory notices, dealing with appeals and facilitating debt collection. ICES is aware of the potentially expanding market for services of this type in Scotland but lacks detailed knowledge and experience of dealing with the relevant Scottish legislation. For this reason, they wish to establish a partnership with a

Scottish council who can provide these services. Having considered available options, their preference is to work with this Council.

4. Potential Principles of Agreement

4.1. Initial liaison with ICES has taken place including 2 face to face meetings. It is considered that there is mutual benefit in partnership working and it is currently proposed that:-

- ◆ ICES provide the software, host information databases and provide online payment facilities. They can also provide client Councils with hardware such as hand-held units, cradles and printers
- ◆ The Council would provide administrative support, including issuing statutory notices, dealing with incoming mail, considering appeals and liaising with Sheriff Officers

4.2. It is proposed that ICES contracts directly with client authorities who are introducing DPE and sub-contract the administrative support to the Council.

4.3. Initial discussions have been around a negotiated fee for this Council of £5.15 per Penalty Charge Notice processed.

4.4. It is intended that sub-contract arrangements are staged with separate agreements as further Councils introduce DPE.

5. Potential Implementation

5.1. South Ayrshire Council is closest to achieving DPE status and is currently looking at a “go live” date in September of this year. It predicts an annual issue of 8,000 Penalty Charge Notices. East Dunbartonshire Council are also investigating outsourcing notice processing when it takes on DPE powers, currently planned for next year.

5.2. It is considered that the Council could absorb the additional workload associated with it issuing up to 8,000 Penalty Charge Notices per annum, within the existing staffing structure. It is estimated that income and costs would be as follows:-

<u>PCNs issued</u>	<u>Income</u>	<u>Cost</u>
8000	£41,200	£2,612

5.3. In the medium term, should further councils introduce DPE, it is likely that staffing levels would require to be increased to match an increasing workload for our staff. Should this situation develop, this will be the subject of a further report.

6. Benefits and Risks

6.1. An initiative of this type offers the opportunity to safeguard, and potentially expand, local employment as well as increasing the knowledge/skills of our staff. It is also consistent with the national enthusiasm for shared services and offers the opportunity to generate additional income which will contribute to meeting future savings targets.

6.2. There is some degree of risk associated with lower than anticipated levels of workload or a Council withdrawing from its contract with ICES. However, it is considered that the level of risk is moderate and can potentially be mitigated by the use of temporary employment contracts in the event of the establishment size being increased.

7. Employee Implications

- 7.1. There are no employee implications associated with the initial proposals; however, there is potential for increasing employment locally should additional councils implement DPE.

8. Financial Implications

- 8.1. It is estimated that the proposals will attract an initial £38,588 per annum net income.

9. Other Implications

- 9.1. As this is a commercial venture there are risks. However, these can be mitigated through appropriate contract terms in the first instance and, should additional work be attracted, through the use of temporary contracts as outlined in paragraph 6.2 of the report.
- 9.2. There are no significant issues in terms of sustainability arising from the recommendations in this report.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. There is no requirement to carry out an impact assessment in terms of the proposals contained within this report.
- 10.2. Consultation has been undertaken with the appropriate trade unions who are supportive.

Colin McDowall

Executive Director (Community and Enterprise Resources)

29 May 2012

Link(s) to Council Objectives/Improvement Themes/Values

- Partnership working
- Support the local economy

Previous References

None

List of Background Papers

None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Gordon Mackay, Head of Roads and Transportation Services

Ext: 4484 (Tel: 01698 454484)

E-mail: gordon.mackay@southlanarkshire.gov.uk