



# North Essex Parking Partnership

1 December 2015

NORTH ESSEX

Title: Park Safe Car Cost-Benefit Analysis

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Presented by: *For delegated decision*



This report sets out the costs and benefits of the possible purchase of a ParkSafe car to continue Camera Enforcement in North Essex.

**A portion of the report is exempt from publication by virtue of it containing information which is commercial in confidence.**

## 1. Decision

- 1.1. To approve the recommendation to provide the Park Safe (CCTV) operation in-house and the procurement of the operating system using balances held in the Civil Parking Reserve.
- 1.2. To delegate responsibility to the NEPP Group Manager to fund a vehicle from the Civil Parking Reserve or through a Contract Hire arrangement, enabling choice of the most commercially advantageous option.

*The decision has been delegated to the Chair of the Committee, after consultation with Members, having received this report.*

## 2. Introduction

- 2.1. The ParkSafe operation is to provide a more effective deterrent against motorists taking the chance of parking on school zig-zag markings. A trial of a ParkSafe vehicle was conducted in order to gather data and evidence.
- 2.2. At its AGM on 18 June 2015, Members of the Joint Committee considered a confidential report which outlined options for the future of the ParkSafe operation, following a 12-month trial with an external provider.

Options in the last report gave a choice between:

1. Ceasing the service;
2. Carrying on with a contracted service, with details; or
3. Bringing the service in-house.

2.3. The Joint Committee decided that, if Option 3 was considered operationally and financially viable the service should be brought in-house. However, Members deferred a decision until a more comprehensive report was available. The final decision was delegated to the Chair of the Committee, to avoid any on-going delay, as the next meeting would not be until late October 2015.

### **3. Options Analysis**

3.1. Option 1: – At the meeting of 18 June 2015, Members supported the continued use of the ParkSafe Car.

- data from the trial showed there was sufficient contravention of regulations to warrant this method of enforcement, in addition to the regular foot patrols.
- During the trial it was acknowledged that the vehicle could cover more sites than Civil Enforcement Officers on foot patrol could reach.
- At the site of each visit, the ParkSafe car was able to collect more data leading to the issue of more PCNs than a foot patrol – the foot patrols are not able to gather evidence from all vehicles committing contraventions, whereas the car is able to cover all vehicles in one pass and visit more sites. The policy of foot patrolling remains, with the ParkSafe vehicle acting as an enhancement to effect a longer term change in driver behaviour.
- Information is given in the Appendix, Table 1.

3.2. Option 2: – As discussed in the previous report (18 June 2015), the contractor who carried out the trial ruled themselves out of the market.

- Legislative changes during 2105 reduced the amount of ways that CCTV cars could be used and the supplier had stated that unless a future contract included additional functions, e.g. bailiff work for the whole of NEPP, they would not be able to continue to provide the service.
- No other similar arrangements are known to exist with other bailiffs.
- To provide greater flexibility, the bailiff tender has already been let separately with three different bailiffs and it is recommended not to continue with an outsourced contract.

3.3. Option 3: – There is sufficient funding in the Civil Parking Reserve Fund to purchase the operating the equipment outright.

- It would be prudent to plan for any replacement costs during the next few years.
- The host vehicle to which the system is fitted would be acquired through lease or purchase, as part of the fleet replacement currently being considered, using the lead authority's procurement service, and the lease and maintenance funded from revenue.
- Providing an in-house service would allow NEPP to control the deployment of the vehicle, allowing it to be more flexible in performing other duties (such as patrol transport when not used in ParkSafe mode and survey work).

### **4. Financial**

4.1. The costs and income forecasts in this report have been taken from the work of the NEPP trial, with additional data included from the South Essex Parking Partnership (SEPP) to show a comparison with an operational vehicle.

- 4.2. The tables in the Appendix show the likely “worst case” in terms of costs, having compared trial data and actual SEPP figures.
- 4.3. Equipment can be fitted onto/in an existing vehicle, and the vehicle used for patrol outside school start/finish times. In this case, initial costs will reduce by £8.6k and recurring costs by £5k, as they are included in current patrol vehicle budgets.
- 4.4. The Review Station would not be required if other similar work, such as the administration of bus lane contraventions presently under consideration by Essex County Council, can be secured – if so, the review station will be budgeted-for elsewhere and result in a reduced, shared, cost.
- 4.5. The decision either to purchase or lease a host vehicle would be made by the lead authority at the time of procurement.
- 4.6. The ParkSafe car costs can be split into three main areas – initial (purchase) costs; recurring (maintenance & running) costs and replacement (hard/software upgrade) costs, for which sum has been allowed in the forecast. An illustration is shown in the Appendix, Table 3.
- 4.7. Forecast annual income from the number of ParkSafe PCN’s issued is expected to cover the following:
  - Repayment of the set-up costs from the Civil Parking Reserve.
  - Annual operating and maintenance costs,
  - Contribution to replacement costs of system hardware
- 4.8. Appendix, Table 2, shows the annual PCN income expected from the ParkSafe operation, (183 operational days), was achieved. Based on 9 PCN’s being issued a day per income of approx. £53k p.a. would be generated, which after operating costs would provide a small surplus of approx. £10k p.a. to repay the initial set-up costs and provide a reserve for the future replacement of the hardware and equipment.
- 4.9. At the forecast rates, the ParkSafe car will have paid back the initial purchase costs by the end of the fourth year; at 8 or 10 PCN per day, by year 3 or year 7 respectively. (The income projections are based on the external trial – average £32 per PCN was achieved)
- 4.10. As a direct comparison, the SEPP forecast income is £65,576 p.a. The SEPP car has been operating for a number of years in one district. The SEPP vehicle’s business plan is included in Table 3 in order to show a comparison with the figures prepared for the NEPP vehicle.

## **5. Risks**

- Income levels may not be achieved – the operation of the vehicle will be kept under review
- Initial set-up costs may be higher than expected – quotations rather than estimates have been acquired.
- Funding may not be adequate to repay the reserve fund, payback period may be longer – the operation of the vehicle will be kept under review.
- The equipment is unique, any breakdowns will affect the operation – the hardware and equipment is supplied to a number of authorities and covered by a maintenance agreement

- Availability of trained staff – sufficient staff will be trained in the use of the system.
- Adverse publicity public critical of this method of enforcement – a communications plan will accompany the operation of the vehicle.

## 6. Digital Permits and Surveys

6.1. The ParkSafe car will be used to survey parking areas to assist in the foot patrol of resident permits; analyse route and parking patterns; help with the design and planning of more efficient enforcement patrols and the provision of better data for preparing new parking schemes.

## 7. Recommendation

7.1. It is recommended that the equipment is purchased with Option 3 selected (i.e. that purchase costs of hardware are initially funded from existing balances and operational costs are funded from the income provided by the work of the vehicle) and that NEPP provide the ParkSafe operation in-house.

*Approved by Councillor Robert Mitchell, Chairman of the North Essex Parking Partnership Joint Committee, in accordance with the delegation from the Joint Committee set out in minute 23 of the meeting on 18 June 2015.*

Signed.....



Date.....

17/Dec/2015