


<b>Agenda Item No:</b>	9	
<b>Committee:</b>	Cabinet	
<b>Date:</b>	18 December 2023	
<b>Report Title:</b>	Property, Assets & Major Projects – On and Off-Street Parking Enforcement Update Paper	

## 1 Purpose / Summary

- 1.1 To update members on the current progress made by FDC and Cambridgeshire County Council (CCC) in respect of the CPE implementation works, following the previous Cabinet update paper on 17 July 2023.

## 2 Key Issues

- Cambridgeshire County Council CPE Progress
- Traffic Regulation Order Survey, Review and Corrective Works
- CPE Civil/Special Enforcement Area Designation Order
- Agency Agreement and Service Level Agreement
- Off Street Parking Places Regulation Review
- Project Delivery Timeline
- On and Off-Street Enforcement and Administration Costs
- Project Risks and Funding
- Fenland Sign & Line Corrective Work Costs
- Updated CPE Set-up Costs
- Updated Estimated Operating Costs
- Revised CPE Timetable
- Liaison with Key Partners
- SCDC, HDC CPE Progress

## 3 Recommendations

- 3.1 It is recommended that Cabinet:
- a) Note progress made to date by FDC and CCC in relation to moving the implementation of CPE forward.
  - b) Note the predicted increase in the overall project delivery cost.
  - c) Request that a decision is taken on how the project shortfall will be funded.
  - d) To delegate to the Leader and Deputy Leader the ability to identify, take advice on as necessary and negotiate the red flag issues arising from the draft agency and service level agreements and to report back to Cabinet if agreement cannot be reached.

Wards Affected	ALL
Forward Plan Reference	
Portfolio Holder(s)	Cllr Chris Boden – Leader of the Council Cllr Jan French – Deputy Leader of the Council
Report Originator(s)	Garry Edwards - Engineering Manager <a href="mailto:gedwards@fenland.gov.uk">gedwards@fenland.gov.uk</a>
Contact Officer(s)	Garry Edwards - Engineering Manager <a href="mailto:gedwards@fenland.gov.uk">gedwards@fenland.gov.uk</a> Peter Catchpole - Corporate Director (Finance) <a href="mailto:petercatchpole@fenland.gov.uk">petercatchpole@fenland.gov.uk</a>
Background Papers	FDC Cabinet Paper 17-07-2023

## Report:

### 1 BACKGROUND AND INTENDED OUTCOMES

#### **Cambridgeshire County Council CPE Progress**

- 1.1 Following funding approval from Cambridgeshire County Council in February, works commenced on developing the design work packages for the traffic regulation order sign and line rectification works. The design work packages being prepared by the County Councils framework contractor Milestone were due for completion at the end of September along with the associated corrective work costs.
- 1.2 Cambridgeshire County Council and FDC officers have continued to meet regularly to discuss progress for the various aspects of the CPE project.
- 1.3 The draft application to the Department for Transport for a Civil/Special Enforcement Area Designation Order for the introduction of CPE in Fenland was prepared in February by Cambridgeshire County Council in partnership with FDC. No further work on the application can be undertaken until:
  - agreement has been reached by both authorities on the CPE agency and service level agreements and a sealed agreement is in place.
  - correction work funding for the TRO sign and line works has been approved
  - an updated CPE implementation programme has been agreed including a delivery timeline for all remedial work.
  - FDC's preferred enforcement and administration service provider should also have been determined.

#### **Traffic Regulation Order Survey, Review and Corrective Works**

- 1.4 The design work packages prepared by the County Councils framework contractor Milestone have been used to inform target costs for each of Fenlands four Market Towns and surrounding villages.

- 1.5 The target costs referred to as tranches one to four have taken a number of months to prepare and have now been received. Each tranche represents one of the Market Towns and surrounding areas where traffic regulation orders are currently in place. Collectively, 294 signing defects were found to exist along with 743 lining defects. The target cost (estimated cost which could go up or down) for the signing and lining work totals £538,539.39.
- 1.6 The design package works have been prepared based on sign and line defects which were rated as poor at the time of the TRO survey. The TRO survey works were undertaken in November 2021 and therefore it is inevitable that further lining defects will undoubtedly exist. Lining which at the time was considered to be in fair condition (remedial work action needed within two years) will now likely need to be included.
- 1.7 At this stage it is not known which organisation would fund defects noted during the initial TRO survey as being fair, however it is estimated that such additional lining works could cost in the region of £53,853.94. This figure is purely an estimate and has been based on 10% of the lining query costs.
- 1.8 It is understood that the large uplift in the previously advised estimated target costs is the result of Milestone now having obtained estimates from one of their preferred sub-contractors.
- 1.9 It is important to note that civil parking enforcement relates only to the enforcement of static restrictions e.g. loading bays, double and single yellow lines etc and not moving traffic offences such as speed limit signs, driving in cycle lanes, one way systems and no entry restrictions etc. The enforcement of moving traffic offences will remain a police responsibility
- 1.10 Whilst the corrective signing works are not weather dependant, the lining works would need to be undertaken during the spring/summer months. The County Council have advised that FDC would need to place a purchase order for the corrective works with Milestone to enable the contractor to plan resources. Should there be any substantial delay in placing the order for the works, the target cost would need to be reviewed. The target costs used within this report are valid for 90 days.

### **CPE Civil/Special Enforcement Area Designation Order**

- 1.11 The Highway Authority can apply to the Secretary of State for a Civil/Special Enforcement Area Designation Order for the introduction CPE in March or September to correspond with parliament sitting time. Whilst a draft of the application has already been undertaken by CCC and FDC officers there are several areas that cannot be completed until a decision on the enforcement and administration provider has been agreed. The formation of the agency and service level agreement remains the priority and following common ground being found between both authorities, officers will continue to pursue enforcement and administration options.

### **Agency and Service Level Agreement**

- 1.12 The County Council require that a signed and sealed agency and service level agreement between the two authorities is in place prior to the application being made. Although both documents have been initially drafted there are a number of red flags within the agreement that officers have raised associated with various delegation clauses.

- 1.13 The County Council require FDC as agents to become responsible for the administration of all parking suspensions, waivers, and dispensations on the highway. To date members have indicated this would not be deemed acceptable due to the additional resource implications this would place on FDC. However, some common ground on the various red flag clauses will need to be found prior to seeking legal advice. The detail within the agreements will impact on both the necessary FDC resources needed to operate CPE and the annual revenue deficit placed on FDC for the term of the agreement.
- 1.14 As agents for CCC under the agency agreement FDC would need to provide a suitable and sufficient level of enforcement to cover Fenlands administrative area. Future changes in legislation such as pavement parking would influence the level of enforcement required which would likely increase operational costs.
- 1.15 Currently the County Council do not have a specific budget for sign and line maintenance and FDC officers are not aware of any proposal to make suitable provision. Whilst under the terms of the agreement the County Council would likely remain responsible for sign and line maintenance, there would be huge enforcement challenges for FDC post CPE implementation if PCN's cannot be issued due to continued poor signs and line maintenance.

#### **Off Street Parking Places Regulation Review**

- 1.16 In preparation for the implementation of CPE, a new district wide Off Street Parking Places Order has been drafted. It is recommended that short and long stay parking periods remain consistent across each of the four Market Towns (3/4 hours short, 9/10 hours long) to reduce the complexity for enforcement officers. Variation in maximum stay periods would however need to be more site specific for car parks located adjacent to facilities such as rail stations.
- 1.17 Fenland have twenty public car parks and a further eight FDC sites with parking facilities which would be brought in under the new OSPPO. Each site will require new signage and either additional or modified lining, the cost of which has been assessed separately to the TRO signing and lining requirements.

#### **Project Delivery Timeline**

- 1.18 FDC received the updated design work package target costs for all four Tranches on 23rd November. The target costs are valid for 90 days after which time Milestone would be entitled to reprice the works. If FDC are to procure the sign and line works using the County Councils framework contractor it should be noted that until a purchase order is placed, monthly price increases would be applicable.
- 1.19 An alternative means of procurement maybe an option by an open tendered approach and based on limited market pricing research (conducted by HDC) it is understood that the corrective work costs could be reduced by up to half. However it should also be recognised that a substantial amount of officer time would also be required to produce the necessary contract documentation and co-ordinate the works on the ground which would need to be recharged back to the project.

- 1.20 It is recognised that a purchase order is unlikely to be placed for the corrective sign and line works until such time as a mutual agreement between both authorities has been reached and sealed. The lining works can only be undertaken during dry weather conditions which would therefore limit the works delivery period to between March and September 2024 or 2025.
- 1.21 Fortunately, FDC's request was approved by the CPCA to extend the CPE grant funding to December 2025, however given some of the project constraints, the overall project delivery programme remains very tight.
- 1.22 It has previously been advised that applications to the Secretary of State for a CPE CEA/SEA order can only be made in April and October each year and that the application process takes approximately 6 months. The County Council have already advised they would not be prepared to make such an application until the agency and service level agreements are in place. Therefore time is of the essence to complete both these tasks by October 2024 to enable sufficient time to deliver both the corrective sign and line works and the enforcement and administrative service procurement.
- 1.23 The project critical path would be reached by October 2024 and should both the agency and service level agreements not be in place and an application for CPE made to the Secretary of State, an extension to the CPCA grant funding would be required.

#### **On and Off-Street Enforcement and Administration Costs**

- 1.24 Three neighbouring local authorities have to date expressed an interest in providing both the CPE administrative and enforcement services for FDC under a shared service provision contract. No further progress on this aspect of the CPE project has been made until the fundamentals between both organisations have been agreed. However in light of the rising material, fuel, and labour costs since undertaking the original CPE feasibility works in 2019, the estimated administration and enforcement costs have been updated.
- 1.25 Using the cheapest external service provision model it is now predicted the annual FDC CPE deficit will be £45,469.20 per year based on an operational expenditure of £227,346 within the first 5 years.

#### **Project Risks and Funding**

- 1.26 The greatest project risk remains affordability in terms of the rising implementation cost associated with the corrective sign and line costs. The initial estimated cost for the corrective works based on other local authority CPE implementation projects was £140k. However due to the usually high number of sign and line defects picked up during the TRO survey within Fenland, the cost of the sign and line corrective works is currently estimated to be £592,393.33. This means that there is currently a significant project funding shortfall in the region of £500,555.33.
- 1.27 The other project risk is associated with time and the ability for both authorities to reach a mutual agreement on the red flag issues highlighted within the draft agency agreement. Until such time as the agency agreement is in place the application to the Secretary of State cannot be made and the corrective sign and line works programmed.

- 1.28 The procurement of an enforcement and administration service provider along with implementing a shared service provider agreement is likely to take up to 9 months. The application for the CPE order will need to be made by April 2025 to allow sufficient time for the order to be implemented before the grant funding end and CPE go live date of December 2025.

### **Liaison with Key Partners**

- 1.29 Cambridgeshire County Council formally consulted all statutory consultees and partner organisations on the implementation of CPE within Fenland. The consultation closed at the end of April 2022 and no objections were received. The collective feedback will be used to inform the CEA/SEA DfT application.

### **SCDC, HDC CPE Progress**

- 1.30 An application to the Department for Transport for a Civil/Special Enforcement Area Designation Order for the introduction of CPE in South Cambridgeshire has been submitted by Cambridgeshire County Council in partnership with SCDC. A DfT application for bus lane and moving traffic contraventions will be applied for separately in April 2024.
- 1.31 The SCDC implementation works are now almost complete and the go live date scheduled for December 2023. The predicted implementation cost for SCDC is estimated to be in the region of £530k.
- 1.32 An unusually large amount of sign and line defects were recorded within Huntingdonshire during the TRO survey works, with a large proportion of the defects being located within St Neots. County Council officers completed a review of the TRO queries and predicted the HDC corrective sign and line work costs to be in the region of £950k.
- 1.33 This is a huge increase from the previously estimated cost of £280k. HDC officers have since appraised local market rates to see if the corrective sign and line works could be delivered outside of the CCC framework contract and within the Councils allocated budget. It is currently not known the extent of savings that could be made, or the level of staff resource needed to procure the works outside of the CCC framework contract.
- 1.34 Huntingdonshire District Council have been working on a draft CPE agency and service level agreement with Cambridgeshire County Council following a member consultation exercise. It is understood that some progress has been made on agreeing some of the red flag areas.

## **2 RECOMMENDATIONS**

- 2.1 Note the progress being made by FDC and CCC in respect of moving the introduction of CPE forward.
- 2.2 Note the predicted increase in the overall project delivery cost.
- 2.3 Request that a decision is taken on how the project shortfall will be funded.
- 2.4 That the member/officer CPE project team meet to discuss and agree the agency agreement red flag areas.

### **3 CONSULTATION**

3.1 N/A

### **4 ALTERNATIVE OPTIONS CONSIDERED**

4.1 The only alternative option is to continue as is now with the Police carrying out any enforcement duties although this is not seen as a priority area of focus for the Police. Additionally given the current non-compliant status of the vast majority of the districts' signs and lines enforcement in any guise is considered challenging at present.

### **5 IMPLICATIONS**

#### **Legal Implications**

5.1 The legal implications so far as they are currently known are as set out within the main body to this report. A full review of the contractual documentation will need to take place once the red flag areas of the draft Agency Agreement has been agreed by members.

### **6 Financial Implications**

6.1 Now that the target cost for the corrective sign and line works has been received, it is estimated that there will be a significant budget shortfall in the region of £500,000. Unless further external funding is obtained or internal funding allocated, the implementation of CPE would be unviable.

6.2 It is likely that some savings could be made from tendering the corrective sign and line works, however this is likely to need additional FDC and contractual resource to procure and co-ordinate the works on the ground.

### **7 Equality Implications**

7.1 None

### **8 SCHEDULES**

8.1 Fenland Sign & Line Corrective Work Costs

8.2 Updated CPE Set-up Costs

8.3 Updated Estimated CPE Operating Costs

8.4 Revised CPE Timetable

## 8.1 Fenland Sign & Line Corrective Work Costs

Fenland Sign & Line Corrective Work Costs				
(Cost produced using CCC NEC framework contract - Option D)				
<b>Tranche One - Whittlesey</b>		<b>Cost per Query</b>	<b>Target Cost £ (not an actual cost and may rise or fall)</b>	<b>Total Estimated Cost for Tranche £</b>
No. of Sign/Post/Foundation Queries	44	£395.33	£17,394.52	-
No. of Lining Queries	150	£507.10	£76,065.19	-
<b>T1 Estimated Cost (cost now outside of 90 day period and to be updated)</b>				<b>£ 93,459.71</b>
<b>Tranche Two - Chatteris</b>		<b>Cost per Query</b>	<b>Target Cost £ (not an actual cost and may rise or fall)</b>	<b>Total Estimated Cost for Tranche £</b>
No. of Sign/Post/Foundation Queries	56	£509.37	£28,524.52	-
No. of Lining Queries	89	£655.84	£58,370.15	-
<b>T2 Estimated Cost (cost now outside of 90 day period and to be updated)</b>				<b>£ 86,894.67</b>
<b>Tranche Three - March</b>		<b>Cost per Query</b>	<b>Target Cost £ (not an actual cost and may rise or fall)</b>	<b>Total Estimated Cost for Tranche £</b>
No. of Sign/Post/Foundation Queries	55	£623.28	£34,280.58	No. of Sign/Post/Foundation Queries
No. of Lining Queries	148	£417.75	£61,826.68	No. of Lining Queries
<b>T3 Estimated Cost (cost now outside of 90 day period and to be updated)</b>				<b>£ 96,107.26</b>
<b>Tranche Four - Wisbech</b>		<b>Cost per Query</b>	<b>Target Cost £ (not an actual cost and may rise or fall)</b>	<b>Total Estimated Cost for Tranche £</b>
No. of Sign/Post/Foundation Queries	139	£439.00	£61,021.41	No. of Sign/Post/Foundation Queries
No. of Lining Queries	356	£564.77	£201,056.34	No. of Lining Queries
<b>T3 Estimated Cost</b>				<b>£ 262,077.75</b>
Total Estimated Cost for All Four Tranches (excl contingencies)				<b>£ 538,539.39</b>
<b>Total Estimated Cost for All Four Tranches (Inc 10% Contingencies)</b>				<b>£ 592,393.33</b>

**Note:** The County Council provided updated target costs for All four Tranches on 20<sup>th</sup> November 2023. The above target costs are valid for 90 days following which milestone would be entitled to reprice. The target cost excludes any contingency allowance for undertaking the corrective works in 2024 which have been based on the 2021 sign and line survey.



## 8.2 Updated CPE Set-up Costs

Items	Capital Set-up Cost (£)	Revenue Shortfall (£)
<b>Feasibility Work Costs</b>		
Fenland Parking Review and Strategy Document (for FDC Car Parks) Recommended - Consultancy Cost	£15,000	-
Consultant cost for On Street CPE feasibility study	£6,518	-
Consultant cost for On Street TRO sign & lines survey and submission of business case to DfT in conjunction with CCC	£54,269.00	-
Legal costs for DfT application indicative	£5,000	-
<b>Estimated Implementation Costs</b>		
Consultant cost for implementation works	£29,375.00	
TRO corrective sign and line costs. CCC target cost based on 2021 survey	£538,539.39	
Contingency Allowance for 2021 corrective sign & line implementation in 2024 based on 2021 sign and line survey (10%)	£53,853.94	
Consultation costs for FDC Parking Place Orders Review	3,500	
Legal and Consultation costs for FDC Parking Place Orders (Estimated)	10,000	
Signage costs for updated FDC Parking Place Orders and short and long stay parking	57,500	
Solar Powered Ticket Dispensing Machines (28 no solar machines for 28 car parks 2425 spaces @ £4000 Each)	£112,000	
Permitting set up costs for Off-Street Car Parks	£10,000	
Public Consultation/ Advertisement	£5,000	
<b>Total Estimated Set-Up Cost</b>	<b>£900,555.33</b>	
<b>Estimated Budget Shortfall</b>		<b>£500,555.33</b>

## 8.3 Updated Estimated CPE Operating Costs

Items	Revenue Cost Per year	Revenue Income per year
Income from PCNs based on issuing 2432 tickets (@ £50-£70) a year using 2 Full Time CEO's		£62,001
County Court Costs		£1,337
Operational Management	£12,005	
On Street Enforcement Cost	£50,222.40	
Off Street Enforcement Cost	£31,592.80	
Ticket & Permit Processing	£14,987.00	
<b>Total Estimated Income</b>		<b>£63,338</b>
<b>Total Estimated Operational Costs</b>	<b>£108,807.20</b>	
<b>Annual Revenue Deficit</b>	<b>£45,469.20 DEFICIT</b>	

## Notes

- Operating costs have been based on 2 full-time officers only. It is considered that 4 FTE CEO's would provide greater cover and resilience but would also further increase revenue costs. Having less CEO's or using part time CEO's would consequently reduce PCN income by virtue of having less time deployed on-street issuing tickets. This would also not provide sufficient resource levels to police on street and short/long stay parking facilities within the four Market Towns and 28 Council parking facilities.
- The annual estimated CPE operating costs have been produced using the fully external enforcement and administration feasibility model V3 preferred by members.
- Running Civil Parking Enforcement in a largely rural area with spread out Market Towns, such as those in Fenland, the factor of Civil Enforcement Officer downtime has to be considered. CEO's will spend time travelling between small market towns and the likelihood of finding any parking infringements is lower than in a busy city centre such as Cambridge.
- The above income and operational CPE costs excludes any costs associated with managing On-street parking, permits, dispensations, waivers, and suspensions which would be subject to agreement with CCC.

## 8.4 Revised CPE Timetable

Action	Indicative dates	Individual Task Duration
Draft and Implement an FDC/CCC CPE Agency Agreement and SLA (subject to Red Flag areas being agreed)	Jan-June 2024	6 months
CCC to prepare and submit a detailed costed business case/application to DfT	July 2024	1 month
Submission of CPE Application to DfT October for designation order. (current time for DfT consideration/approval is 6 months)	October 2024	6 months
Undertake a review of all FDC off street parking places orders to include short & long stay parking and permitting	June-Sept 2024	3 months
Consultant to undertake an FDC Parking Review and District wide parking Strategy to link to the corporate transport objectives	July-Dec 2024	6 months
Implementation of On-street corrective sign and line works	March 2025	6 months
Implementation of CPE FDC car park signage	March 2025	6 months
Public/Partner Notice (mandatory prior to implementation of CPE)	October 2025	2 months