
Report To: Environment & Regeneration Committee **Date:** 25 October 2012

Report By: Corporate Director Environment, Regeneration & Resources **Report No:** R263/12/AF/RG

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Subject: Greenock Town Centre Parking Strategy and Decriminalised Parking Enforcement – Business Case Findings

1.0 PURPOSE

- 1.1 To inform Committee of the business case findings for the Greenock Town Centre Parking Strategy and to seek approval to apply to Scottish Ministers for consent to introduce Decriminalised Parking Enforcement (DPE) throughout Inverclyde and to prepare a scheme for the implementation of DPE throughout Inverclyde.

2.0 SUMMARY

- 2.1 Following approval by the Safe, Sustainable Communities Committee to carry out a feasibility study and associated business case for the introduction of DPE within Inverclyde, in conjunction with the Greenock Town Centre Parking Strategy, two business case options have been developed.
- 2.2 These business case options considered the costs and revenues associated with two variations of a DPE scheme appropriate to the requirement to offer as free parking as possible in Inverclyde, and how these costs and revenues could best be balanced.
- 2.3 In light of the findings of the business case, parking in the majority of Inverclyde will be able to be offered free of charge. Parking in Greenock Town Centre will be time limited and enforced by Parking Attendants. However, there is either a need to introduce charged parking in inner town centre car parks (excluding the Bullring and Cathcart Street car parks) or for the Council to subsidise the scheme, to make up the funding deficit.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Committee:

- (a) Notes the findings of the business case developed for the introduction of DPE within Inverclyde as detailed in 7.0 below.
- (b) Recommends the approval of the application to Scottish Ministers for the introduction of DPE throughout Inverclyde on the basis of Option 2 as set out in the report.
- (c) Recommends that it is remitted to the Head of Environmental and Commercial Services to progress and implement DPE scheme Option 2 including the authority to invite tenders for back office support and to seek grant funding from Strathclyde Partnership for Transport.
- (d) Recommends the approval of the promotion of a TRO to implement a Restricted Zone in Cathcart Square.
- (e) Considers the provision of temporary additional policing resources as outlined in paragraph 9.6 as part of the budget setting process.
- (f) Notes the timescale to implement DPE as Summer 2014.
- (g) Notes the intention to use existing enforcement / warden staff to provide business resilience.
- (h) Requests officers to undertake a review after the first year of operation and report back to Committee.

4.0 BACKGROUND

- 4.1 Penalties for failing to comply with on-street parking restrictions are currently issued by Strathclyde Police. The penalty is a fine issued under criminal law because a criminal offence has been committed. Fine revenue is collected by the Exchequer and appeals are dealt with by the courts.

The enforcement of restrictions in off-street car parks under their control is the responsibility of Inverclyde Council.

- 4.2 Greenock Town Centre has suffered from problems with inconsiderately or illegally parked vehicles for a number of years. The town centre's parking supply is inadequately managed to meet the needs of users. Complaints are being received from public and business about parking spaces being unavailable, taken up with long-stay commuters and congestion affecting road safety and deliveries. The situation has worsened since removal of the Traffic Wardens and parking on yellow lines is now commonplace and reportedly having an economic impact on Greenock Town Centre.
- 4.3 In June 2011 Strathclyde Police terminated the Traffic Warden Service as an efficiency saving. Police Officers are still responsible for dealing with parking offences. However this is only possible when their other duties permit. The loss of the Traffic Wardens has led to increased non-compliance with on-street waiting restrictions and a reduction in accessibility to town centres for shoppers and business users.

5.0 DECRIMINALISED PARKING ENFORCEMENT (DPE)

- 5.1 A DPE scheme is able to improve the management of parking, provide better availability of spaces, improve pedestrian safety, improve access for those with impaired mobility, help businesses by providing specific delivery bays and promote a safer and more pleasant town centre environment. Parking Attendants employed by the Council will patrol the streets of all the towns and villages of Inverclyde and the controlled car parks in Greenock.
- 5.2 The Road Traffic Act, 1991, provides for the decriminalisation of most non-endorseable on-street parking offences. The Act allows local authorities to apply to Scottish Ministers for Orders to decriminalise parking offences within the Council area. This means that Parking Attendants sourced by the Council would enforce parking offences and issue penalty charge notices, (PCNs), for non-compliance. The penalty charge is currently set nationally at £60 with a discount to £30 for payment within 14 days. Late payment, over 28 days, increases the penalty charge to £90.

Once DPE is implemented the Police have no role in enforcing parking restrictions. However, endorseable and other 'moving' offences do remain the responsibility of the Police.

Any fines issued by Parking Attendants are treated as civil debts and therefore income generated through the issue of PCNs, is retained by the Council and goes towards scheme running costs or, if in surplus, other transport related schemes. Appeals raised against PCNs are decided by an independent adjudicator. Outstanding debts are dealt with by the Council's existing debt recovery system.

The details of a DPE scheme are given in Appendix 1.

- 5.3 The guidance document for DPE, The Department of Transport's "Guidance on Decriminalised Parking Enforcement Outside London", recommends that a DPE scheme should pay for itself as soon as possible, such that the scheme places no extra burden on the public purse. The revenue generated by the scheme pays for capital loan repayments, wages, running costs and scheme maintenance.

Although it has not been tested to date, Scottish Ministers have suggested they may be willing to grant applications for DPE schemes where the scheme does not earn enough revenue to pay for itself and where Local Authority subsidy is used to make up the shortfall. In this

instance, the Local Authority's DPE business case within the application to Scottish Ministers must demonstrate where the subsidy will be funded from.

5.4 Prior to the introduction of DPE, local authorities must:

- Review all existing waiting restrictions to ensure that they conform to current regulations;
- Assess the anticipated costs and incomes and prepare a business case; and
- Make a successful application to the Scottish Government for an Order under the Road Traffic Act, 1991, for the implementation of DPE.

5.5 DPE is enacted by Statutory Instruments and requires Scottish Ministers' approval using their powers set out in the Road Traffic Act 1991. The decision to introduce DPE is irreversible.

5.6 There are a number of advantages and disadvantages to DPE. They are detailed in Table 1.

Table 1: Advantages and Disadvantages of DPE

Advantages	Disadvantages
<ul style="list-style-type: none"> • Enforcement under Council control i.e. PAs can be directed to priority areas when required • Parking provision responsive to public needs • Well managed, safer network • Congestion removed • Retain PCN income 	<ul style="list-style-type: none"> • Permanent obligation on the Council • PCN income unlikely to meet all costs • Need to charge for some parking or subsidise scheme • Parking charges are unlikely to be popular

5.7 In Scotland, DPE schemes are being operated in Edinburgh, Glasgow, Dundee, Aberdeen, Perth and Kinross, South Lanarkshire, Renfrewshire and East Ayrshire.

Councils actively pursuing DPE include North Ayrshire, South Ayrshire and East Renfrewshire.

6.0 GREENOCK TOWN CENTRE PARKING STRATEGY

6.1 A parking strategy defines where and for how long drivers are allowed to park in order to make best use of the available spaces to serve the types of land use in the area and keep traffic flowing safely. Such a strategy is only as good as its enforcement. DPE provides a means by which the Council (the author of the strategy) is also able to enforce it, and not the separate agency of the Police, as in the past.

6.2 An outline strategy was designed to address the parking issues within Inverclyde. This strategy provides parking opportunities for all road users. It introduces signing and lining to advise where parking can take place and for how long within the restricted day, generally between 0800 and 1800 Monday to Saturday. This strategy was taken to consultation with key stakeholders from the community and to the general public at a number of events in late 2011/early 2012. Around 56% of the 643 members of public who replied to the Citizens' Panel, January 2012 Postal Survey and 57% of the 235 returns from the leaflet drop to 5000 households were generally supportive.

6.3 A briefing on the parking strategy and its proposed enforcement was presented to Elected Members on 28 June 2012. This outlined the background of the work carried out to date and provided some of the headline costs associated with introducing a parking strategy in Greenock and enforcing parking controls in the whole of Inverclyde. As a result Members indicated that the strategy and business case be reviewed and that free parking be provided as much as possible.

6.4 In order to provide free parking as much as possible, the scheme has been scaled back to reduce costs. The original strategy approved at Committee in March 2011, which treated Greenock Town Centre as having inner and outer zones, has been revised to include on-street controls only in the inner town centre. Within this zone, on-street parking is allowed free for up to a maximum duration of 2 hours and long stay parking in car parks has been considered in relation to a number of options. The car parks outside Greenock will remain free and

uncontrolled. All parking in Inverclyde would remain free on Sundays.
The Greenock controlled zone and car parks are presented in Appendix 2.

- 6.5 A separate issue which arose during the preparation of the parking strategy is the operation of Cathcart Square. Following an appraisal of options it is recommended that the Square remain open to vehicles but that it becomes a Restricted Zone. This will clear the square of parked cars, allow businesses and residents around the square and William Street to service their properties and will allow safe and convenient delivery vehicle access to Cathcart Street, without compromising the ability to designate areas for restaurant seating, occasional markets or events on Cathcart Square.
- 6.6 Preparations are underway to purchase a car park in Greenock. This car park is intended to become part of the long stay provision in the Greenock Town Centre Parking Strategy and will contribute to parking income in future. Its contribution has been included in the business case for the scheme below. Members should be aware that the car park is currently leased for another 7½ years and further dialogue will be undertaken with the car park operator once purchased to try and achieve early and as close harmonisation of the management regime with the other proposed long stay car parks. Dialogue will also be undertaken with the owners of another car park in Greenock to explore bringing it back into operation.

7.0 BUSINESS CASE

- 7.1 The key component in the success of the strategy is its enforcement. For this reason it is essential that parking enforcement is decriminalised to allow Inverclyde Council to target problem areas throughout Inverclyde. Without decriminalising parking enforcement we will continue to witness high levels of illegal parking.
- 7.2 It is proposed that a small scale scheme be introduced which allows as much free parking as possible and yet imposes controls on duration of stay to give everyone a fair chance to park long enough to be able to suit their purpose.
- 7.3 Free parking places will require the driver to display a simple cardboard clock disk on the dashboard showing the time at which they parked. The disks are reusable and will be made available free of charge from Council offices and local volunteer traders such as newsagents, etc.
- 7.4 In the car parks where parking charges are proposed, the driver will be required to “pay and display” a ticket from a machine.
- 7.5 Fines will be issued where disks or tickets are not displayed or where disks or tickets have exceeded the permitted time limit.
- 7.6 To assist in the process of comparing the financial performance of different scheme options and to assess the potential advantages and disadvantages of a DPE scheme in Inverclyde, the experienced transportation consultant, Atkins, was commissioned to prepare a business case for the Greenock Town Centre Parking Strategy and DPE. This was undertaken by surveying existing parking behaviour, using the best information available from other DPE Local Authorities and from seeking up to date prices from suppliers.
- 7.7 To provide enforcement of parking restrictions in Greenock and all other towns and villages in Inverclyde, it is proposed to employ 3.8 full time equivalent Parking Attendants, three new posts and 0.8fte to be contributed by existing Council Wardens trained specifically to provide business resilience for sickness, holidays and occasional Saturday and shift working. To keep costs down they are few in number and likely to be managed by an existing senior member of staff and housed in existing premises at West Stewart Street. Parking Attendants will use a scooter to react quickly to parking problems reported in towns and villages outside Greenock town centre.

7.8 To develop the business case, the two simple options in Table 2 were tested.

Table 2: DPE Options

	Option 1	Option 2
On-Street	Free	Free
Off-Street <i>Bullring / Cathcart Street</i>	Short Stay (2 hours) - Free	Short Stay (2 hours) - Free
Off-Street <i>All other Council car parks</i>	Long Stay - Free	Long Stay – Charged Full day £1

7.9 The Atkins assessment takes account of driver behaviour when confronted with parking controls and charges and recognises that a number of drivers will transfer from spaces in the town centre to elsewhere. The predicted transfer of around 800 vehicles will be reviewed at the anniversary of the scheme to ascertain if any consequent issues have arisen and if any remedial measures are required.

7.10 Based on the experience of other authorities and Atkins' assessment, it is unlikely that enough income could be earned by the Council to employ its own fine processing staff. Experience has shown that a minimum number of 6,000 PCNs per year is required to sustain a processing unit of one member of trained staff and the associated computer software. The business case predicts a maximum number of 3,000 PCNs per year. It is proposed that Inverclyde Council enters into a much more cost effective 'shared service' arrangement with a neighbouring local authority to provide the back office service which processes fines and deals with complaints and challenges. Initial approaches to the Scottish authorities offering this service have obtained prices from £6.50 to £7.50 per PCN. This compares favourably with commercial service providers' prices of around £6.50 - £6.95 per PCN. The procurement of this service will be required through a formal tender process.

7.11 The costs have been split into three parts for ease of understanding: preparation costs, operational set-up costs and annual running costs. Preparation costs cover the work to update the Council's traffic regulation orders, revise their wording to suit the DPE legislation and refurbish all the road markings and signs in Inverclyde. Set-up costs include the capital necessary to buy Parking Attendant uniforms, equipment and computers plus their training. Annual running costs include Parking Attendant wages, the hire of the PCN processing service, the replacement of uniforms and equipment through wear and tear and the purchase of ticket stock and other consumables.

7.12 Based on the demand for parking derived from parking surveys and the above criteria and charge rates, Atkins analysed each charging option. The findings of the analysis are presented in Tables 3 and 4.

Table 3: Capital Costs (£)

	Option 1	Option 2
Preparation Cost	344,077	348,037
Operation Set-up Cost	71,686	101,686

Table 4: Running Costs (£)

Annual Running Cost	167,130	181,534
Annual Income	(100,326)	(186,680)
Annual Balance	66,803	(5,146)

Costs are taken from other local authorities' experiences of similar schemes and from direct quotes from suppliers wherever possible. Optimism bias has been applied to only those elements of the costs where their degree of uncertainty has not been able to be reduced through accurate price confirmation at this early stage of the project. Even so it should be borne in mind that these figures are best estimates given the level of accuracy attainable at this stage.

An approach to Strathclyde Partnership for Transport is proposed for grant aid for the costs associated with the updating of the Council's traffic regulation orders. However, this is not guaranteed so it should be assumed that the Council will meet this cost.

The analysis shows that Option 2 can be said to break even within the limits of accuracy of this analysis. Option 2 introduces free time-limited parking in Greenock town centre and a £1 per day parking charge in Greenock's car parks except the Bullring and Cathcart Street.

A breakdown of the costs is provided in Appendix 3.

8.0 CONCLUSIONS

8.1 Based on the findings of the business case the following conclusions are drawn:

- DPE should be implemented over the whole Inverclyde Council area
- Inverclyde Council should employ its own Parking Attendants
- PCN processing should be undertaken through a Shared Back Office arrangement with another Local Authority
- Parking charges should be levied in town centre Council Car Parks in Greenock, excluding the Bullring and Cathcart Street car parks

9.0 NEXT STEPS

- 9.1 If approval is granted by Committee to proceed with the development of this strategy and to introduce DPE in Inverclyde the next step would be to engage in a focussed consultation exercise on the recommended strategy and DPE scheme option.
- 9.2 Following a successful consultation the Council would make an application to introduce DPE to the Scottish Ministers. The Traffic Regulation Orders within the whole of the Council's area would then be amended and updated to give the Parking Attendants the necessary enforcement powers. It is proposed that a working group would be set up, comprising the Police, neighbouring authorities, legal, finance, property and IT/communications, chaired by an experienced member of Environmental Services staff, to steer the successful implementation of DPE and an extensive community publicity and information campaign in advance of its introduction.
- 9.3 The likely timescale for the introduction of the Greenock Town Centre Strategy and DPE is Summer 2014.
- 9.4 After implementation, the first year's operation would be monitored and an end of year review undertaken with relevant stakeholders to identify if any issues consequent on the operation of the scheme have arisen and to propose remedial measures if required.
- 9.5 After the Annual Review, consideration will be given to a second phase of the Parking Strategy for towns and villages outside Greenock.
- 9.6 Due to the extensive period of time before implementation, discussions have been progressing with Strathclyde Police regarding the provision of temporary additional resources which will assist in providing improved policing of a range of community safety aspects within Greenock Town Centre including parking. In this regard, a proposal is awaited from the Police to provide additional full time resources. It is proposed that this matter be considered as part of the budget setting process.

10.0 IMPLICATIONS

10.1 Financial: One-off costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Option 1	Purchase of proposed car park	2012/13	£120,000		Funded from Earmarked Reserve
	Legal Process costs	From 2012/13	£33,900		Funded from EMR
	Other one off set up costs	From 2012/13	£20,100		Funded from EMR
	Implementation staff	2013/14	£42,300		Funded from EMR for 2013/14 only
	Capital Costs	From 2012/13	£199,500		£83,700 funded from EMR, £115,800 from Prudential Borrowing
Option 2	Purchase of proposed car park	2012/13	£120,000		Funded from Earmarked Reserve
	Legal Process costs	From 2012/13	£33,900		Funded from EMR
	Other one off set up costs	From 2012/13	£20,100		Funded from EMR
	Implementation staff	2013/14	£42,300		Funded from EMR for 2013/14 only
	Capital Costs	From 2012/13	£233,400		£83,700 funded from EMR, £149,700 from Prudential Borrowing

10.2 Financial: Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments
Option 1	Ongoing Net Revenue Costs	2014/15	£56,500		This is net of £100,000 PCN fees income
	Loan Charges	2014/15	£10,300		Funds Capital Costs above
Option 2	Ongoing Net Revenue Costs	2014/15	(£19,500)		This is net of £107,000 PCN fees income and £80,000 Car Park Ticket Sales
	Loan Charges	2014/15	£14,500		Funds Capital Costs above

10.3 Legal: Advice will be sought from Legal as appropriate regarding the application to the Scottish Ministers for the introduction of DPE in Inverclyde and their assistance in promoting the TROs required. Their assistance would also be sought in documenting the shared service agreement with an appropriate Local Authority for the provision of Back Office Services.

10.4 Human Resources: Advice will be sought from HR as appropriate regarding the employment of Parking Attendants.

11.0 CONSULTATION

11.1 Legal Services have been consulted on this report.

Finance Services have been consulted on this report.

12.0 EQUALITIES

12.1 This report has no impact on the Council's Equality Agenda.

13.0 ATTACHMENTS

Appendix 1 DPE Summary
 Appendix 2 Parking Strategy Plan
 Appendix 3 Breakdown of Costs

APPENDIX 1 DPE Summary

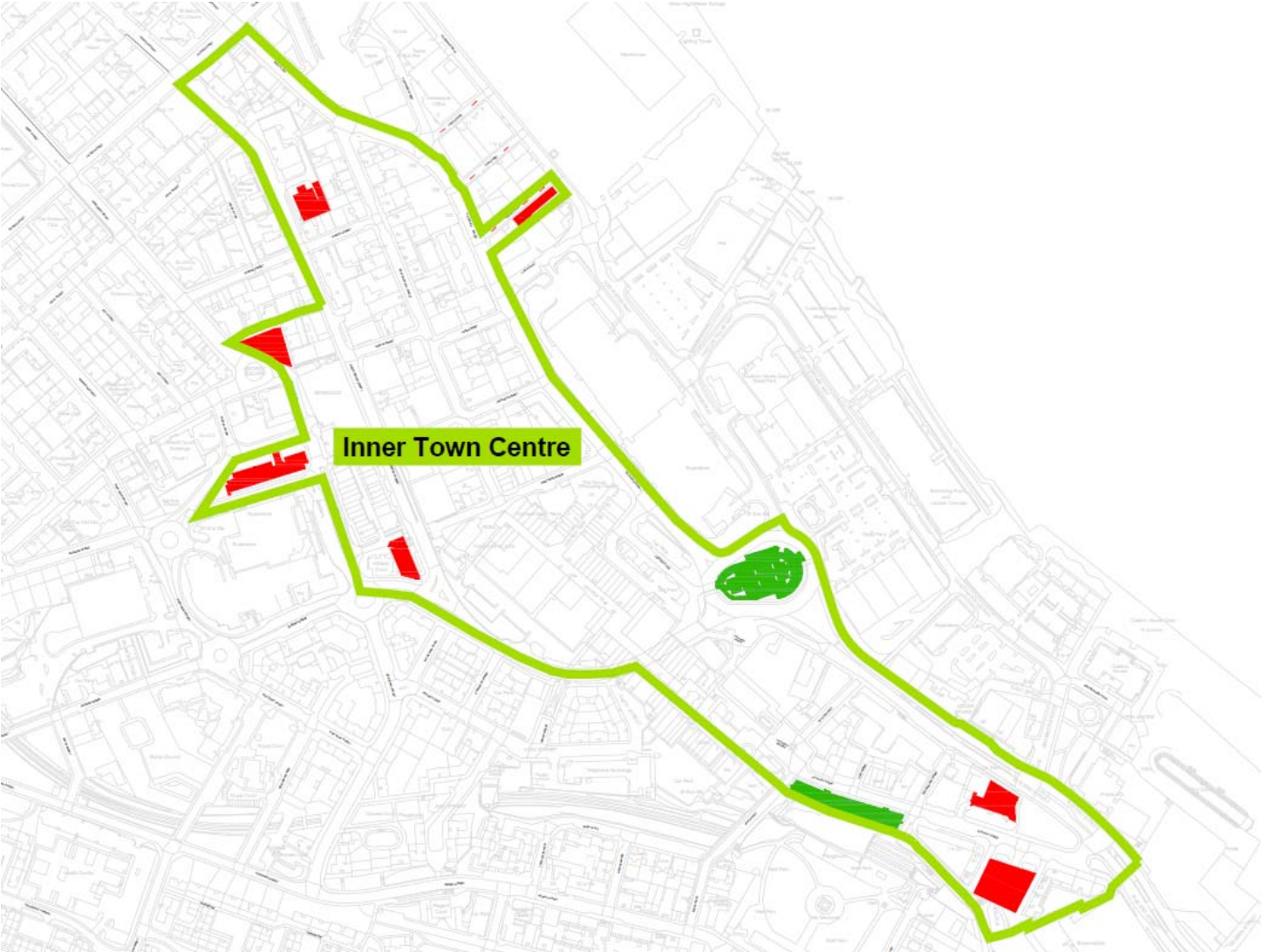
When local authorities take powers to decriminalise parking enforcement, the offences cease to be criminal leading to the following changes:

- (a) Enforcement ceases to be the responsibility of the Police and becomes the responsibility of the local authority;
- (b) Parking attendants, employed by the Council, place Penalty Charge Notices (PCN) on vehicles contravening the parking regulations;
- (c) The penalty charges are civil debts, due to the local authority and enforceable through the normal civil debt recovery process;
- (d) Motorists wishing to contest liability for a PCN may make representations to the local authority and if rejected, may appeal to independent adjudicators whose decision is final; and
- (e) The local authority retains the proceeds from penalty charges which are used to finance the enforcement and adjudication systems.

Other points arising from the arrangements introduced by the 1991 Act are:

- (a) Endorseable parking offences (broadly those that involve dangerous or obstructive parking) continue to be criminal and will only be enforceable by the Police. Any fines for such offences will be collected by the Exchequer;
- (b) Outside the areas where local authorities enforce decriminalised parking, all parking offences will continue to be subject to criminal law; and
- (c) The current system of Excess Charges, (paid to the local authorities) when a parked vehicle exceeds the permitted time limit by up to two hours and Penalty Charges (paid to the Exchequer) ends and the local authority can operate a commercial system of parking charges.

**APPENDIX 2
Parking Strategy Plan**



Inner Town Centre
Green car parks
Red car parks

Up to 2 hr max stay free
Up to 2 hr max stay free
Option 1: Uncontrolled free
Option 2: Flat rate £1 per day

APPENDIX 3
Breakdown of Costs

	Option 1	Option 2
Capital Costs		
Preparation Cost		
Purchase proposed car park	120,000	120,000
Legal process	33,900	33,900
Greenock Signs and Lines	62,270	66,230
Other Signs and Lines	127,907	127,907
Preparation Cost Total	344,077	348,037
Operational Set Up Cost		
Enforcement Equipment	12,943	42,943
Back Office set up	4,300	4,300
Parking Attendant Equipment	6,200	6,200
Training	5,950	5,950
Implementation staff	42,293	42,293
Operational Set Up Cost Total	71,686	101,686
One Off Costs Total	415,763	449,723
Annual Running Costs		
Annual Running Costs		
Greenock signs and lines	4,500	4,788
Other signs and lines	12,188	12,188
Ticket Issuing Equipment	22,482	28,718
Enforcement Equipment	2,566	6,316
Back Office Equipment	3,226	3,307
Parking Attendant Equipment	1,040	1,040
Transport	1,000	1,000
Adjudication etc.	8,000	8,000
Training	1,780	1,780
Parking Attendant Wages	100,000	100,000
Loan Charges	10,348	14,397
Annual Running Cost Total	167,130	181,534
Annual Income		
PCN fines	2810 PCN (100,326)	2988 PCN (106,680)
Ticket sales	0	(80,000)
Annual Income Total	(100,326)	(186,680)
Annual Balance		
Annual Balance	66,803	(5,146)

Assumptions:

Implementation staff costs included for one year. Operational management & supervision will be absorbed by core staff.

Maintenance cycles for Signs & Lines allow for full replacement within the life cycle of 5 years (Lines) & 20 years (Signs). As a result Loan charges will not be required other than for the initial capital spend on implementation of the strategy. Initial Expenditure on Lines is funded fully from the Earmarked Reserve with £35,000 of Signage also funded from the EMR. £8.5k of Loan Charges represent prudential borrowing on the remaining capital spend on signage & will drop off after 20 years.

All other capital spend (Enforcement & Communications Equipment etc) is funded via Prudential borrowing, this will require refresh after 5 or 10years. £2,000 of Loan charges in Option 1 and £6,000 of Loan Charges in Option 2 represents this & will be ongoing in future years to fund refresh.

In several cases maintenance costs etc have been averaged across years, reality will be higher spend in some years, lower in others.