

<b>Committee:</b>	Cabinet	<b>Date:</b>
<b>Title:</b>	North Essex Parking Partnership Agreement 2022	Tuesday, 11 January 2022
<b>Portfolio Holder:</b>	Councillor Richard Freeman Portfolio Holder for Council and Public Services	
<b>Report Author:</b>	Linda Howells, Economic Development Officer lhowells@uttlesford.gov.uk Angela Knight, Assistant Director - Resources aknight@uttlesford.gov.uk	<b>Key decision:</b> No

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## Summary

1. Essex County Council is responsible for on-street parking services. They do not need to involve other tiers of local government in the management of this although they do invite the districts to be a part of the process.
2. Essex County Council established two on street parking partnerships, the North Essex Partnership (NEPP) and the South Essex Partnership (SEPP) both became operational in April 2011 for a term of 11 years. The current partnership agreement ends on the 31 March 2022.
3. Essex County Council and Colchester Borough Council, as the lead authority formed a Joint Committee and invited other districts to join as partners.
4. Being a member of the Joint Committee gives District and Borough Councils a say in how on-street parking services are run, and to influence parking policy decisions. Uttlesford have been a partner in the agreement since April 2011.
5. The NEPP also provides off street parking services and this is managed through a separate Service Level Agreement (SLA). The current SLA ends in line with the NEPP Partnership on the 31 March 2022.
6. If Uttlesford were not to sign up to the new partnership agreement, Essex via NEPP would continue to deliver the on street parking services as this is a County Council responsibility. The Council would also not be able to renew its Service Level Agreement for its off street parking services.

## Recommendations

7. The Cabinet is recommended to approve
  - a. Continue as a Partner with NEPP as per the new agreement and remain a member of the Joint Committee
  - b. To continue its arrangement with NEPP for the delivery of the off-street parking services via a new Service Level Agreement

- c. Cllr Richard Freeman, Portfolio Holder for Council and Public Services and the Assistant Director of Resources have delegated authority to finalise the Partnership Agreement and the Service Level Agreement for all parking services.

### Financial Implications

- 8. The Parking Partnership delivers parking services within the available resources and reports to the Joint Committee. All income from the on-street operations goes into a ring-fenced fund to provide the Joint Committee services.
- 9. Any deficit would have to be covered by the partners, under the terms of the Partnership Agreement, this position is unlikely to occur due to the lead authority policies in place to limit its expenditure.
- 10. If the council opted out of the NEPP agreement an alternative solution would have to be found to deliver the off street parking services and the cost would be significantly higher than the current cost of being a partner in NEPP.

### Background Papers

- 11. A letter from Essex County Council to the Joint Committee setting out the Parking Partnership offer has been attached as Appendix A.

### Impact

- 12.

Communication/Consultation	Corporate Management Team and Joint Executive Team
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	Provides long term option for Car Parking Services
Ward-specific impacts	Off street parking managed by the Partnership agreement for all areas in the district
Workforce/Workplace	N/A

## The Parking Partnership

13. In 2002/03, the 12 individual Districts in Essex managed their own off street car park services. Each district also provided on-street services on behalf of Essex County Council (ECC), which operated at a £1 million p.a. deficit. The deficit was supported by ECC and due to this a new way of working needed to be identified to eliminate that deficit.
14. Essex County Council is responsible for on-street parking services; it is theirs to control or procure as they see fit. They do not need to involve other tiers of local government although they do invite the districts to be a part of the process.
15. In 2007/08 a Parking Partnership was established covering three of the north Essex authorities (Uttlesford, Braintree and Colchester), delivering both on-street and off-street services.
16. In 2010 ECC established two on-street partnerships, the North Essex Parking Partnership (NEPP) and the South Essex Parking Partnership (SEPP), both became operational on 1 April 2011.
17. The partnerships are managed by a Joint Committee which was initially between Essex County Council and the Lead Authority, other districts were invited to join.
18. The Joint Parking Agreements offered an 11-year term, split into an initial 7 years, plus a 4-year extension, a new agreement is required to commence from the 1 April 2022.
19. Four of the NEPP local authorities (Braintree, Colchester, Harlow and Uttlesford) have Service Level Agreements (SLAs) with NEPP to provide off-street services in their districts. These SLA's also end on the 31 March 2022.
20. The current On-Street North Essex Parking Partnership (NEPP), where Colchester Borough Council act as lead authority, was based on the 2007/08 model. The NEPP provides highway and kerbside parking management as a separate self-funding enterprise, returning a small surplus each year.
21. The on-street operation receives income from penalty charge notices, kerbside parking, residential schemes and their visitors, dispensations, suspensions and exemptions, and this income is ringfenced to provide the expenditure budget to run NEPP services.
22. The Business Plan and Budget each year is set to break even as close as is possible. All income from the on-street operations goes into a ring-fenced fund to provide the Joint Committee services. Despite press articles, this does not amount to a great level of surplus and any surpluses are first reinvested into the service.
23. In the unlikely event that there is any deficit, this will have to be covered by the partners, under the terms of the Partnership Agreement. It is for this reason that the Partnership's lead authority operates in a prudent manner and has policies in place to limit its expenditure and they are required to report to the Joint Committee on a regular basis.
24. The management of the budget to break even might mean that not all the desires of the Partners can be fulfilled, either in terms of patrols, schemes, signage, or other

projects, but the lead authority ensures that a fair share of resources is allocated to each of the Partners.

25. The current partnership has agreed to fund £70,000 for our Car Parking Review, which is due to take place in the early part of next year.

### **The NEPP Partnership Agreement – 31 March 2022**

26. ECC Cabinet agreed on 21 September 2021 to establish a replacement Parking Partnership on a similar basis to the existing partnership. Colchester Borough Council agreed at its Cabinet on the 17 November 2021 to continue to be a part of NEPP and the lead authority.
27. The new NEPP Joint Committee can now be formed between Essex and Colchester, and a new Joint Parking Agreement made, other Districts have now been invited to sign up to this agreement.
28. The new agreement will commence on the 1 April 2022 with an initial five-year term with up to three further one-year extensions.
29. ECC has indicated that it would be interested in delegating other functions to the Partnership, although no details have been shared at the current time.
30. Any surplus generated by the partnership will first be used to ensure that a contingency reserve is maintained at £300,000 to support any possible future deficits. The remaining surplus will then be apportioned 55:45 to NEPP:Essex.
31. The NEPP share of the surplus will be used to fund the cost of the Traffic Regulation Order (TRO) operation which has a budget of £329,000. If there is a shortfall in the NEPP share (an amount less than £329,000) ECC will fund the shortfall, but any surplus over £329,000 NEPP will be able to retain and reinvest it in other areas of the service.
32. The ECC share of any surplus, will first cover any shortfall in the £329k TRO operational costs, the remaining surplus spending plans will be decided by a Panel made up of the NEPP Chair, SEPP Chair, an ECC representative, and the Portfolio Holder with responsibility for Highways.

### **Off-Street Parking**

33. Four north Essex districts have off-street car parking services provided by NEPP. This is carried out under the same legislation, but on a shared services approach with an individual Service Level Agreement between each local authority and NEPP.
34. It is for the Client District to decide what services it would like the Partnership Operation (NEPP) to provide on its behalf. The scope of services provided can be anywhere from nothing to all the services, including strategy, management and operational. The level of services engaged by each District vary and depends upon their circumstances.
35. The same legislation is applied to the SLA as for the main agreement, and this dictates services have to be provided at cost, the Lead Authority therefore provides a budget for the services and the Client District pays a contribution for the services they require. Unlike the on-street operation, there is no ring-fenced fund; and the Client District retains all of the income

36. The Client District retains sovereignty of its car parks – that is to say, all decision making, tariff setting, asset management – in fact anything planted in the ground remains the responsibility of the Client District.
37. The SLA sets out the scope of services, and these vary between authorities. For instance, NEPP provides cash collection, machine maintenance, parking patrols and enforcement follow-up (plus any calls), permits/season tickets and other car park management. The list of possible services available is much longer, and the options can be specified and costed as required.

#### Benefits of joining the On-Street Partnership

38. Being a member of the Joint Committee gives District and Borough Councils a say in how the on-street parking services are run, and the ability to influence parking policy decisions.

#### Benefits of renewing Service Level Agreement (SLA) – Off Street Partnership

39. The main benefits of the Partnership working are resilience, efficiency, cross-working, and innovation brought by having a centre of excellence, for example, the MiPermit service was invented by NEPP with Chipside.
40. If the SLA was not renewed with the Partnership the council would have to find an alternative solution to providing any off-street services in the car parks after 31/3/2022.
41. The immediate implications of not continuing with the partnership would generate issues regarding the administration and cost of transferring staff (TUPE), plus setting up contracts to operate the service with DVLA, TPT, TEC, software providers, cash collection, bailiffs and so on.

### **Risk Analysis**

42.

Risk	Likelihood	Impact	Mitigating actions
Not signing up to the partnership agreement	4 –alternative solution will not be achievable before the deadline of 31 March 2022	4 – high cost and no service in place to manage the off street parking services	There are break clauses in the agreement which will allow the council to consider options and would be able to give notice to leave the partnership before the full term of the agreement

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.