



North Essex Parking Partnership

Joint Committee On-Street Parking

Virtual Committee meeting
Held on Zoom Platform and
livestreamed on Colchester Borough
Council's YouTube channel.

25 June 2020 at 1.00 pm

The vision and aim of the Joint Committee is to provide a merged parking service that provides a single, flexible enterprise of full parking services for the Partner Authorities.

North Essex Parking Partnership

Terms of Reference of the Joint Committee

The role of the Joint Committee is to ensure the effective delivery of Parking Services for Colchester Borough Council, Braintree, Epping Forest, Harlow, Tendring and Uttlesford District Councils, in accordance with the Agreement signed by the authorities in April 2011, covering the period 2011 – 2018.

Members are reminded to abide by the terms of the legal agreement: “The North Essex Parking Partnership Joint Committee Agreement 2011 ‘A combined parking service for North Essex’ ” and in particular paragraphs 32-33.

Sub committees may be established. A sub-committee will operate under the same terms of reference.

The Joint Committee **will be responsible for** all the functions entailed in providing a joint parking service including those for:

- Back-Office Operations
- Parking Enforcement
- Strategy and Policy Development
- Signage and Lines, Traffic Regulation Orders (function to be transferred, over time, as agreed with Essex County Council)
- On-street charging policy insofar as this falls within the remit of local authorities (excepting those certain fees and charges being set out in Regulations)
- Considering objections made in response to advertised Traffic Regulation Orders (as part of a sub-committee of participating councils)
- Car-Park Management (as part of a sub-committee of participating councils)

The following are **excluded** from the Joint Service (these functions will be retained by the individual Partner Authorities):

- Disposal/transfer of items on car-park sites
- Decisions to levy fees and charges at off-street parking sites
- Changes to opening times of off-street parking buildings
- Ownership and stewardship of car-park assets
- Responding to customers who contact the authorities directly

The Joint Committee has the following specific responsibilities:

- the responsibility for on street civil parking enforcement and charging, relevant signs and lines maintenance and the power to make relevant traffic regulation orders in accordance with the provisions contained within the Traffic Management Act 2004 and the Road Traffic Regulation Act 1984

Strategic Planning

- Agreeing a Business Plan and a medium-term Work (or Development) Plan, to form the framework for delivery and development of the service.
- Reviewing proposals and options for strategic issues such as levels of service provision, parking restrictions and general operational policy.

Committee Operating Arrangements

- Operating and engaging in a manner, style and accordance with the Constitution of the Committee, as laid out in the Agreement, in relation to Membership, Committee Support, Meetings, Decision-Making, Monitoring & Assessment, Scrutiny, Conduct & Expenses, Risk and Liability.

Service Delivery

- Debating and deciding
- Providing guidance and support to Officers as required to facilitate effective service delivery.

Monitoring

- Reviewing regular reports on performance, as measured by a range of agreed indicators, and progress in fulfilling the approved plans.
- Publishing an Annual Report of the Service

Decision-making

- Carrying out the specific responsibilities listed in the Agreement, for:
 - Managing the provision of Baseline Services
 - Agreeing Business Plans
 - Agreeing new or revised strategies and processes
 - Agreeing levels of service provision
 - Recommending levels of fees and charges
 - Recommending budget proposals
 - Deciding on the use of end-year surpluses or deficits
 - Determining membership of the British Parking Association or other bodies
 - Approving the Annual Report
 - Fulfilling obligations under the Traffic Management Act and other legislation
 - Delegating functions.

(Note: the Committee will not have responsibility for purely operational decisions such as Staffing.)

Accountability & Governance

- Reporting to the Partner Authorities, by each Committee Member, according to their respective authorities' separate arrangements.
- Complying with the arrangements for Scrutiny of decisions, as laid out in the Agreement
- Responding to the outcome of internal and external Audits

Information for Members of the Public

Access to information and meetings

- You have the right to observe meetings of the Joint Committee, including those which may be conducted online such as by live audio or video broadcast / webcast. You also have the right to see the agenda (the list of items to be discussed at a meeting), which is published at least five working days before the meeting, and minutes once they are published. Dates of the Joint Committee's future meetings are available here: <http://www1.parkingpartnership.org/north/committee>.
- Occasionally certain issues, for instance commercially sensitive information or details concerning an individual, must be considered in private. When this is the case an announcement will be made, the live broadcast will end, and the meeting will be moved to consider the matter in private.
- Online meetings of the Joint Committee are livestreamed and recorded on Colchester Borough Council's YouTube channel: <https://www.youtube.com/user/ColchesterCBC>

Have Your Say!

- The Joint Committee welcomes contributions from members of the public at most of its public meetings.
- If you would like to know more about the Have Your Say! arrangements for this meeting of the Parking Partnership's Joint Committee, please email the Committee Clerk, Owen Howell at: democratic.services@colchester.gov.uk

**North Essex Parking Partnership
Joint Committee Meeting – On-Street**
Thursday 25 June 2020.
Online meeting, [livestreamed on YouTube](#) by
Colchester Borough Council

Attendees

Executive Members:-

Cllr Nigel Avey (Epping Forest)
Cllr Michael Danvers (Harlow)
Cllr Deryk Eke (Uttlesford)
Cllr Mike Lilley (Colchester)
Cllr Robert Mitchell (Essex)
Cllr Richard van Dulken (Braintree)
Cllr Michael Talbot (Tendring)

Agenda

Officers:-

Lou Belgrove (Parking Partnership)
Richard Block (Colchester)
Liz Burr (Essex County Council)
Jason Butcher (Parking Partnership)
Qasim Durrani (Epping Forest)
Owen Howell (Colchester)
Linda Howells (Uttlesford)
Hayley McGrath (Colchester)
Samir Pandya (Braintree)
Miroslav Sihelsky (Harlow)
Ian Taylor (Tendring)
Alexandra Tuthill (Colchester)
Richard Walker (Parking Partnership)
James Warwick (Epping Forest)

Introduced by Page

- 1. Appointment of Chairman for 2020-21**
- 2. Appointment of Deputy Chairman for 2020-21**
- 3. Welcome & Introductions**
- 4. Apologies and Substitutions**
- 5. Declarations of Interest**
The Chairman to invite Councillors to declare individually any interests they may have in the items on the agenda.
- 6. Have Your Say**
The Chairman to invite members of the public or attending councillors if they wish to speak either on an item on the agenda or a general matter.
- 7. Minutes**
To approve as a correct record the draft minutes of the Joint Committee meeting held on 9 January 2020.

North Essex Parking Partnership

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| <p>8. Annual Governance Review and Internal Audit
This report asks the Committee to note the Annual Governance Review and comment on the Internal Audit report for the North Essex Parking Partnership.</p> | <p>Hayley Mcgrath</p> | <p>9-54</p> |
| <p>9. Annual Review of Risk Management
The Committee will be asked to endorse the Risk Management Strategy for 2020/21 and agree the Strategic Risk Register.</p> | <p>Hayley Mcgrath</p> | <p>55-70</p> |
| <p>10. On-street Budget update
This report asks the Committee to review and comment on the end of year financial position for 2019-20 and to decide the Parking Partnership budget for 2020/21.</p> | <p>Lou Belgrove</p> | <p>71-74</p> |
| <p>11. Permit Prices 2021-2022
The Committee will be asked to approve changes to permit prices across the next two financial years to 2022.</p> | <p>Lou Belgrove</p> | <p>75-80</p> |
| <p>12. Annual Report Data
This report asks the Committee to note the data published within the 2019/20 Annual Report, as uploaded to the Partnership's website at regular intervals through the year.</p> | <p>Richard Walker</p> | <p>81-82</p> |
| <p>13. Restrictions, Junctions and ParkSafe School Zones for 3PR support
The Committee is asked to adopt different styles of restrictions, where suitable.</p> | <p>Richard Walker</p> | <p>83-90</p> |
| <p>14. Update regarding progress and deferred decisions relating to projects funded from surplus fund
This report requests the Committee note the progress of projects previously approved at the January 2020 meeting.</p> | <p>Richard Walker</p> | <p>91-94</p> |
| <p>15. NEPP Agreement – Park and Ride Report
The Committee is asked to formalize the Partnership with Park & Ride, adding it into the current Agreement, for the purpose of patrolling and including MiPermit ticketing.</p> | <p>Richard Walker</p> | <p>95-96</p> |
| <p>16. Obstructive Parking Update
Verbal update on any developments relating to obstructive parking enforcement.</p> | <p>Richard Walker</p> | <p>Verbal</p> |
| <p>17. NEPP Beyond 2022: Strategic Positioning Report
This report asks the Committee to decide the future choice for operating beyond the end of the current Agreement on 31 March 2022 to be its preferred option.</p> | <p>Richard Walker</p> | <p>97-102</p> |
| <p>18. Forward Plan 2020-21
To note the North Essex Parking Partnership Forward Plan for 2020-21.</p> | <p>Owen Howell</p> | <p>103-106</p> |

NORTH ESSEX PARKING PARTNERSHIP JOINT COMMITTEE FOR ON-STREET PARKING

**9 January 2020 at 1.00pm
Council Chamber, Epping Forest District Council**

Members Present:

Councillor Nigel Avey (Epping Forest District Council)
Councillor Richard Van Dulken (Braintree District Council)
Councillor Deryk Eke (Uttlesford District Council)
Councillor Mike Lilley (Colchester Borough Council)
Councillor Robert Mitchell (Essex County Council) (Chairman)
Councillor Danny Purton (Harlow District Council)
Councillor Michael Talbot (Tendring District Council)

Substitutions:

None.

Apologies:

None.

Also Present:

Richard Walker (Parking Partnership)
Michael Adamson (Parking Partnership)
Lou Belgrove (Parking Partnership)
Jason Butcher (Parking Partnership)
Danielle Northcott (Parking Partnership)
Liz Burr (Essex County Council)
Qasim Durrani (Epping Forest District Council)
Samir Pandya (Braintree District Council)
Miroslav Sihelsky (Harlow Council)
Ian Taylor (Tendring District Council)
Alexandra Tuthill (Colchester Borough Council)

54. Minutes

RESOLVED that the minutes of the Joint Committee meeting held on 3 October 2019 were confirmed as a correct record, subject to the following amendments:

- a) Page 1, Members present: Add note to indicate that Councillor Robert Mitchell was Chairman.
- b) Page 5, paragraph 3: re-wording of the sentence to make its meaning clear.

55. NEPP Reserve Fund and Work Programme

Richard Walker, NEPP Group Manager, and Jason Butcher, NEPP Project Manager, introduced the report and the bids which had been received for funding from the Partnership's reserve fund.

The Group Manager particularly drew attention to the history of the NEPP, which had been founded to address and bring down the deficit which had been built up when parking services were provided directly by the County Council. That the Partnership had eradicated the deficit and built up a reserve of over £1million was a sign of success, and the reason why this item had become possible. A balanced revenue budget had been maintained, with reserves kept as an operational contingency fund which would be used to cover any unforeseen operating costs.

The operational contingency fund would continue to be held in reserve, ringfenced from the reserves being bid for. It was further recommended that £200k of the project reserve be held aside for use in case any projects needed extra funding for completion.

Since the previous Committee Meeting, the Project Manager had met with Client Officers to help identify and frame bids for funding. In the course of reviewing bid submissions, it was decided to add the category 'conditional approval' for bids which required some extra work or information gathering to be carried out before final approval, which would be delegated to the Chairman.

A summary of the bids received was given, with the scoring criteria being applied to produce recommendations to approve, reject, defer or grant conditional approval to each bid. Officers were asked whether the scoring criteria would be amended to include a scoring criterion relating to the environmental impacts of schemes. The Joint Committee asked whether such a criterion should be retrospectively applied to bids received. Officers explained that the scoring process would be fine tuned and improved for future bids, but that retrospective re-scoring of existing bids would cause delays and make it impossible to gain 'quick wins.'

The bids recommended for approval were discussed, beginning with bids one and two for car park extensions from Uttlesford District Council of 30 spaces and 27 spaces respectively.

In answer to questions from the Committee, officers showed that payback would be possible from bids one and two, and that they should have the effect of reducing demand for on-street parking. It was confirmed that there would be no land purchase required for either bid, as the land was already owned by the District and Parish Council's respectively, and that the District Council would pay back to the Parking Partnership 10% of the income from the additional spaces for the first five years. It was queried whether repayments would continue on those schemes, should the funding not be repaid fully over the first five years. A request for clarification on this point was made, and it was stressed that any terms for repayment should be formally codified to ensure certainty.

A more general point was made that some schemes would have wider positive impacts on parking in general, both within the bidding local authority and, in some cases, across the region.

Clarification as to the nature of scheme five was given, that being a bid to repurpose land adjacent to St Mary's Car Park Colchester, currently derelict, and use it as parking for residents. It was explained that this area was next to a public car park but was not part of it and so would not be providing a direct payback to the Parking Partnership in the way schemes one and two would.

The Committee were asked to consider whether they wished to approve *en bloc* the schemes recommended for approval.

One of the client officers argued that more detail was needed on bids received and on questions relating to timescales and ability to absorb unexpected costs. The Project Manager explained that general detail was supplied in the initial bids, but that it was understood that timelines and project plans would need to be drawn up for approved schemes, and that these could be reported to the Joint Committee through the existing Operational Report.

A member of the Joint Committee cautioned that giving an en-bloc approval would increase the risk that important questions may not be asked, leading to problems later in the process. It was again stressed that, if approved, all schemes proposed would need more work before they would proceed. The schemes for fixed school cameras (scheme 18) and parking bay sensors (scheme 16) were picked out and the further work which would be required, if the schemes were approved.

The Chairman recommended that the Joint Committee approve all bids which had been marked as recommended for approval. There was an understanding that additional work will then be carried out to provide additional details required and clarify such issues such as whether and what repayments are to be made back into reserves e.g. from increased parking revenues.

To avoid lengthy delays in commencing work, it was recommended and agreed that schemes marked for approval should be approved and the Joint Committee then notified should any significant problems or issues with any of them emerge in the future.

The 'conditional approval' recommendations for bids three, four and nine were explained, these bids involving proposals for implementation of variable messaging signage (VMS). More information was required as to the extent of signage required. Should conditional approval be granted, and once the additional information had been obtained, project plans drawn up and full contract value ascertained, these would be presented to the Joint Committee's Chairman for final approval. A Committee member noted that there had been some confusion in comments on these bids, and the Project Manager gave assurance that this would be rectified.

The Chairman stressed the need for deliverability to be shown for VMS and other long-term schemes. It was explained by the Project Manager that Scheme four was less comprehensive than scheme three, due to some VMS already being used in Colchester. However, this was counterbalanced by the fact that there were more routes into Colchester.

The recommendation to defer a decision on scheme 11 (formulate a Parking Strategy for Epping Forest) was explained. The initial recommendation for deferral had arisen from a need for additional information to be provided; this had been resolved and the Group Manager and Project Manager confirmed that the scheme could now be recommended for approval.

The Committee requested an explanation as to why this scheme was costed at an estimated £30k, when the Parking Partnership had assisted in the formulation of a Parking Strategy for Colchester without levying additional charges to that authority. The Group Manager explained that the £30k represented the cost of officers' time, and the duties which had to be forgone in order to assist with the Parking Strategy formulation. It was further explained that the cost of the support provided to help Colchester draft a Parking Strategy had been covered by the contributions that Colchester Borough Council had already made to the Parking Partnership.

It was confirmed that the Parking Strategy formulation for Epping Forest would be a significant, substantial and complex project, given the number of issues and variables at play.

The Joint Committee agreed to grant provisional approval to scheme 11.

The Project Manager explained why bids for funding to assist the installation of electric vehicle (EV) chargepoints had been recommended for rejection. These were schemes 12 and 21. He stated that a framework is available and free-to-the-council which could be implemented rather than bringing individual EV charging schemes for approval.

The approach to EV charging taken by Epping Forest District Council was outlined. Officers had explored options for chargepoints to be managed by an electricity supplier, with payments collected by the Council, thus avoiding punitive rates being charged. Exploratory work had been carried out, but it had then been decided that the Council would not proceed with this.

The recommendation to defer a decision on scheme 13 (St. John's Road Sports Centre – TRO works) was explained, in light of the sports centre development itself having yet to receive approval. It was explained that the work on TROs would include Traffic Regulation Orders from around that area, as these had been found to be no longer effective. The Project Manager advised that it may be better to submit the Sports Centre TRO works and a general review of TROs in the area as two different bids for funding.

Scheme 22 was recommended for deferral. As a proposed extension of the Harlow Town Park Car Park, the Project Manager advised that this scheme bid should be expanded to show the payback (business case) which could be possible. This scheme could then be resubmitted for consideration and would likely score significantly more highly.

The Joint Committee was informed that scheme 23 had erroneously been marked as recommended for approval on the summary sheets, when it should have been recommended for deferral. The issue at play was one involving the mapping software used by the NEPP and which needed resolving before approval could be recommended.

The benefits of using current software to record data relating to the effects of, and any transgressions against, Traffic Regulation Orders (TROs) were discussed, and the Group Manager confirmed that much data collection occurred and that it was important to move the Partnership's use of data forward, and to best utilise the information that was collected. This was especially important, given the likelihood that there will be greater statutory requirements towards transparency and provision of data in the future.

The potential ramifications of scheme 18 (fixed school cameras) were discussed. The current situation is that the Partnership uses cameras on top of mobile units, rather than fixed position cameras. The Group Manager expanded upon this to say that the use of fixed camera points allowed the more versatile mobile units to be redeployed to areas of greater need. Once the fixed cameras had been in place long enough for schools to establish high compliance with traffic markings, cameras could potentially be redeployed to more problematic sites.

The scheme and system proposed would give the maximum possible flexibility for camera placement. The Joint Committee expressed their support for this approach.

Members of the Joint Committee questioned the arrangements and specific details of scheme 16 (on-street parking bay sensors). The Project Manager explained that the proposed use of sensors would allow for up-to-date information on availability to be provided to users e.g. to Blue Badge holders. The data collected would also prove useful in allowing TROs and parking bay placements to be tailored to better meet demand.

Sensors could be installed wherever they were warranted and, once buried, the sensors proposed for use did not protrude above the level of the road.

RESOLVED by the Joint Parking Committee that:

- (a) Provisional approval be granted to bids 1, 2, 5, 6, 7, 8, 10, 11, 14, 15, 16, 17, 18, 19 and 20
- (b) Conditional approval be granted to bids 3, 4, and 9.
- (c) Decisions on bids 13 and 22 be deferred.
- (d) Bids 12 and 21 be rejected.

56. On-street Financial Report

Lou Belgrove, Business Manager for the Parking Partnership, presented the report, which presented the finances of the Partnership as on 17 December 2019, period P9. It was noted that costs continued to be covered, and reserve levels preserved.

RESOLVED that the Joint Parking Committee had noted the On-street Financial Report.

57. Disabled Parking Bay Service

Richard Walker, Partnership Group Manager, introduced the proposal for the Parking Partnership to take on site inspection, TRO and delivery functions of the discretionary disabled parking bay service, currently provided directly by Essex County Council.

It was clarified that this was the part of the service which covered the installation and maintenance of discretionary bays and an outline decision was sought as to whether the Parking Partnership should take on this service provision.

The Committee members discussed the proposal, as stated in the report, and questioned the proposed arrangements for the potential transfer of responsibilities to the Parking Partnership.

Concern was raised that, whilst there were good reasons for the move to be considered, this would involve the Partnership providing personal services for the individuals requesting the bay installations.

The Partnership had not provided such a service before, and this would require collecting input from doctors and dealing with potential objections from neighbours. Community buy-in would be needed and concern was expressed that this would lead the Partnership away from its current and key responsibilities and into an activity which involved neighbourhood politics and disagreements, and potentially financially unviable community work as part of the process of installing new bays.

Members highlighted that there was currently a two- to three-year delay in getting disabled bays installed, which indicated that a large backlog would need to be taken on, in addition to the maintenance of existing bays. The member further

request information as to what the increase in issued blue badges had been following the extension of the scheme to cover those with 'hidden' disabilities, and information as to the additional staff and funding that the Partnership would be given in order to carry out the additional duties. Liz Burr, Senior Road Safety Officer at Essex County Council (ECC), gave assurance that ECC would clear the backlog before the service was transferred to the Parking Partnership. There would be a TUPE implication for the two members of staff who would transfer into the Partnership. The potential for a trial period was discussed, to first see how the service could work if operated by the Parking Partnership and the Group Manager confirmed that what was being sought was an 'approval in principle' decision. Members requested information on the expected financial impact of taking on provision of disabled parking bays and were told that a trial period would show the financial and efficiency implications of taking on the provision of this work stream.

Another member highlighted the extended length of time it took to have bays installed in rural locations and posited that if the Partnership could take on the service without incurring a financial penalty, it would make sense to do so if this would decrease the delay and increase the overall efficiency of the service.

The Chairman clarified that, in most instances where TROs and disabled bays are implemented in an area, the cost of implementing a TRO is the expensive element, in comparison to the bay/s. The Group Manager concurred and explained that, if the proposal were to be accepted, parts of the TRO discovery process will become more cost effective, easier and less costly than is currently the case. The key issue with this was identified as being where the budget for such works currently sits. He expressed the view that more information was needed about effects on the Partnership's budget and the view that more information is needed, but at the same time agreed that it made sense to take on the service, given the current work of the Partnership, and the future of the NEPP.

The Chairman expressed his support for seeking synergies and benefits from co-located working on TROs and disabled bays and moved that a trial be run, with the two officers who work on disabled parking bays to work alongside the NEPP TRO team, and the situation monitored over the coming few months, with feedback, performance and financial outcomes being reported back to the Joint Committee in March 2020.

The Joint Committee agreed that more information was needed and requested that the information gathered during the trial period be provided at its March meeting, and that additional information on blue badge application numbers be also provided, to allow a discussion as to the expected numbers of disabled parking bays expected in the future. Liz Burr agreed to see and provide the information on this.

RESOLVED that:

- (a) A trial be carried out to provide evidence of any efficiency and financial effects from taking on the provision of disabled parking bay installation and administration

- (b) A decision on this item be deferred until the Committee meeting on 19 March, when evidence can be presented to show the likely effects, and when evidence can be given relating to levels of demand/blue badge uptake.

58. Obstructive and Footway Parking Policy

Richard Walker, Partnership Group Manager, gave an update to inform the Committee that no further news or progress had been seen from Government since the Transport Select Committee had reported back in October 2019. The Partnership had laid out the considerations made in preparation for decriminalisation, and the behaviours which would and would not be subject to enforcement. This was a key part of perception management, to ensure that there was a good level of public understanding as to the Partnership's actions in the event of decriminalisation.

The Group Manager explained the general policy, considerations made of proposed exemptions and exceptions and the hierarchy of control, showing where enforcement would be likely to be considered.

The Committee noted that a final decision could not be taken until obstructive footway parking had been decriminalised, but that it was appropriate to set out general rules now, preparing people for enforcement changes and showing Government that the Partnership was ready to take on enforcement duties. By leading from the front, and in partnership with other members of the British Parking Association, it was considered that the putting in place of necessary policies would encourage Government to act. It was considered that such action would not be taken before June, thus giving time for policies to be fine-tuned, including on the exemptions and exceptions to ensure enforcement is appropriate to circumstances, including the type of street or area. More work would also be carried out on the hierarchy table.

RESOLVED that the Committee had noted the report, were satisfied with the draft policy and approved further work to be carried out on it in readiness for decriminalisation.

59. Forward Plan 2019-20

The Committee noted that an item had been scheduled on the future of the Partnership, post 2022, for the meeting on 19 March.

RESOLVED that the Forward Plan 2019-20 be approved.



North Essex Parking Partnership

Meeting Date: 25 June 2020
Title: Annual Governance Review and Internal Audit
Author: Hayley McGrath, Corporate Governance Manager, Colchester BC
Presented by: Hayley McGrath

The report considers the Governance Review and Internal Audit of the North Essex Parking Partnership for the year 2019/20.

1. Recommended Decision(s)

1.1. The Joint Committee is requested to:

- note the Annual Governance Review of the North Essex Parking Partnership (NEPP), and;
- review and comment on the attached Internal Audit report for the North Essex Parking Partnership.

2. Reasons for Recommended Decision(s)

- 2.1. The service is provided by the lead authority on behalf of the partners and it is therefore appropriate that the Joint Committee is provided with assurance that the service is being appropriately managed.

3. Background Information

- 3.1. Previously the Accounts and Audit regulations required the Joint Committee to annually review the service's internal control arrangements and complete a governance statement and a small bodies return. The minimum turn-over limits have been raised and the service no longer has a duty to complete these items.
- 3.2. However, it is felt appropriate that the Joint Committee is still provided with assurances about the effectiveness of the internal control arrangements and the internal audit review forms a significant part of the review.
- 3.3. All audit reports are given one of four assurance ratings – no assurance, limited assurance, substantial assurance or full assurance. This is based on the number and severity of the recommendations. A guide to assurance levels and recommendations is set out at Appendix 1.

4. 2019/20 Governance Review

- 4.1. The small bodies return required the Committee to confirm that the service had complied with several areas of governance. Therefore, the governance review has assessed the following areas:
- An adequate system of internal control was maintained, including measures designed to prevent and detect fraud and corruption.
 - Risks were appropriately assessed and controlled.
 - Accounting records and control systems were subject to an effective system of internal audit.
 - Appropriate action was taken in respect of any external and internal audit recommendations.
- 4.2. Many of the systems that the Partnership uses are managed by Colchester Borough Council and are subject to their internal control procedure and review processes. Colchester Borough Council has a duty to produce an Annual Governance Statement and this indicates that an effective system of control has been in operation during 2019/20.
- 4.3. The service won several external awards during the year, including one for the Annual Report.
- 4.4. The Covid-19 pandemic had a significant impact on the operation of the service at the end of the financial year. Whilst the pandemic has not affected governance arrangements for 2019/20, the potential future impacts have been identified as a risk for 2020/21, and will be included in audits reviews for the foreseeable future.
- 4.5. Overall there are adequate systems of control in place in the North Essex Parking Partnership, with some areas for improvement as outlined in the Internal Audit reports below.

5. 2019/20 Audit Review

- 5.1. The annual partnership audit was carried out in January 2020 and the final report was issued in February 2020. The results of the audit are contained in the report attached at Appendix 2.
- 5.2. There were two level 2 recommendations (down from four last year), which resulted in a substantial assurance rating. The recommendations relate to:
- Re-tender of the contract for cash collection.
 - Consideration of including a summary report of complaints in the e-brief.
- 5.3. Both recommendations have been accepted.
- 5.4. There was an additional ad-hoc audit carried out during the year at the request of the Parking Manager. It was recognised that the back-office controls relating to penalty charge notices and permits could be improved and internal audit were asked to make recommendations for tightening the controls. The report is attached at Appendix 3.
- 5.5. The audit made nine recommendations:
- Updating the parking policies
 - Independent management reviews of Review Queues
 - Formalising the approach to members of staff who receive PCN's
 - Management independently checking that there is evidence to cancel a PCN
 - Management review of Chipside reports relating to transfers between PCN's
 - A log should be maintained of NEPP staff who receive PCN's

- Council tax reference should be kept as evidence of residency for a permit.
- MiPermit should be amended to allow for recording of dispensation reasons
- Management should periodically check transactions to ensure they are appropriate.

5.6. All recommendations have been accepted.

6. Conclusion and Recommendations

- 6.1. Whilst the PCN and permit review highlighted areas for improvement, there were no significant governance issues raised during the year and the audit process did not highlight any areas of concern that affect the overall control arrangements of the Partnership.
- 6.2. The review has demonstrated that the governance arrangements for the Partnership continue to be effective. However, there are some internal controls that could be strengthened, and these are set out as recommendations in the attached internal audit reports.
- 6.3. Members are asked to review and comment on the governance processes and internal audit reports.

7. Standard References

- 7.1. Having considered consultation, equality, diversity and human rights, community safety, health and safety and risk management implications, there are none that are significant to the matters in this report.

8. Appendices

- 8.1 Appendix 1: Key to Assurance Levels
- 8.2 Appendix 2: Partnership Internal Audit Report – February 2020
- 8.3 Appendix 3: Review of Penalty Charge Notices and MiPermit Internal Audit Report September 2019.

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Key to Assurance Levels

Assurance Gradings

Internal Audit classifies internal audit assurance over four categories, defined as follows:

Assurance Level	Evaluation and Testing Conclusion
Full	There is a sound system of internal control designed to achieve the client's objectives. The control processes tested are being consistently applied.
Substantial	While there is a basically sound system of internal control, there are weaknesses, which put some of the client's objectives at risk. There is evidence that the level of non-compliance with some of the control processes may put some of the client's objectives at risk.
Limited	Weaknesses in the system of internal controls are such as to put the client's objectives at risk. The level of non-compliance puts the client's objectives at risk.
No	Control processes are generally weak leaving the processes/systems open to significant error or abuse. Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

Recommendation Gradings

Internal Audit categories recommendations according to their level of priority as follows:

Priority Level	Staff Consulted
1	Major issue for the attention of senior management and the Governance Committee.
2	Important issues to be addressed by management in their areas of responsibility
3	Minor issues resolved on site with local management.

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Colchester Borough Council

Final Internal Audit Report

Parking Services Partnership including Income (Ref: 510)

February 2020

This report ("Report") was prepared by Mazars LLP at the request of Colchester Borough Council and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of Colchester Borough Council and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

Please refer to the Statement of Responsibility in Appendix 5 of this report for further information about responsibilities, limitations and confidentiality.

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1. Executive Summary

1.1. Introduction

This internal audit forms part of the agreement between Mazars LLP and Colchester Borough Council (the Council). This report details the results of the internal audit of the controls in place in relation to the functions that the Council has responsibility for within the Parking Services Partnership including Income, and has been undertaken in accordance with the approved Internal Audit Plan for 2019/20. Our audit approach and a summary of the work undertaken are provided in the Audit Framework in Appendix 1.

1.2. Background

The North Essex Parking Partnership (NEPP) and associated contract was established in April 2011. The contract covers on-street parking on behalf of Essex County Council and the partner authorities of the Council, Braintree District Council, Uttlesford District Council, Harlow District Council, Epping Forest District Council and Tendring District Council.

The Council manages the off-street parking service for Braintree and Uttlesford. A limited off-street service is provided to Harlow. Harlow collect and bank their off-street parking income and manage residents parking permits. This work is completed under direct Service Level Agreements (SLAs) with each local authority.

Income for the Partnership was stated at £1.916m in the year to date, largely consisting of £1.185m from Penalty Charge Notice's, as well as Permits, Season Tickets, Charges and other income. There have been in excess of 58k Penalty Charge Notices (PCN's) issued between April and November 2019.

1.3. Audit Opinion

Audit Opinion & Direction of Travel	No Assurance	Limited Assurance	Substantial Assurance	Full Assurance
	We categorise our opinions according to the assessment of the controls in place and the level of compliance with those controls.			
				
				

Rationale Supporting Award of Opinion and Direction of Travel	The audit work carried out by Internal Audit (the scope of which is detailed in Appendix 1) indicated that: While there is a basically sound system of internal control, there are weaknesses, which put some of the Council's objectives at risk. There is evidence that the level of non-compliance with some of the control processes may put some of the Council's objectives at risk. This opinion results from the fact that we have raised two Priority 2 recommendations; full details are included in the body of the report. The previous audit of this area was completed in April 2019, when a Substantial opinion was awarded. As a result, there has been no change in the level of assurance.
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1.4. Summary of Findings

Policies and Procedures

There is a Development Plan in place which covers the period 2018-2022. This sets direction by defining the partnership's strategy for the future provision and operation of parking, across the areas covered by the partner authorities for the four year period. Consideration for the future of the Partnership post 2022 is also included. The Development Plan was approved by the Joint Committee in December 2016. The Parking Business Manager stated that informal discussions had already begun in relation to the 2022-2026 Development Plan.

A number of policies and procedures are available through the Partnership website. A Parking Policy is in place and which provides a framework, which sets out how they manage parking at the roadside and in car parks. Part 1 of this document explains how the policy framework links the work of the NEPP to the county council's long-term plans. Part 2 sets out how district and borough councils of the NEPP can set local priorities for patrols and pricing which support the long-term plan. This Policy was approved by the NEPP Joint Committee on the 21 March 2019.

Accounting for Income

The NEPP Joint Committee last approved an annual budget at their meeting on 21 March 2019. Performance against the budget is monitored through regular reporting (see the Management Information area of the scope (below) for further details).

Contribution invoices are raised quarterly as per the schedule with the Council Income Team responsible for raising the invoices and collecting the money, including recovery action if payment is not received on time.

Income is also received from Penalty Charge Notices (PCNs), Chipside (the software provider for the parking system) perform a monthly reconciliation of PCNs. Amounts are reconciled from the income received against the PCNs and provide a breakdown by each partner authority. A reconciliation is then performed by the Council of the figures received from Chipside against the amount banked and the contra file (source data) to ensure all income due has been received from Chipside. It was confirmed through review of the Reconciliation Spreadsheet that all reconciliations in the year to date had been performed and independently signed-off (September, October and November 2019).

Joint Committee

The role of the NEPP Joint Committee is to ensure the effective delivery of Parking Services for respective partners.

The Joint Committee meets on a quarterly basis and was confirmed to have done so for the year to date (meetings were held on 21 March 2019, 20 June 2019, 3 October 2019 and 9 January 2020).

Management Information

Client officer meetings take place with representatives from all partner authorities and these meetings occur prior to NEPP Joint Committee meetings. The client officer meetings are not minuted but an action log is maintained, it was confirmed that an action log had been produced for the previous three meetings in March, June and October 2019.

Financial reports, including budget variance and forecasts are provided by the Council's Finance Team on a monthly basis to the Assistant Director for Environment and Parking Business Manager for both on street and off street parking at the Council. It was confirmed that the reports relating to the months of August, September and October 2019 had been completed.

An Annual Report is produced by the Partnership, which includes financial information, as well as an overview of services provided. The 2018/19 Annual Report was approved by the NEPP Joint Committee at their meeting on 3 October 2019 and it was confirmed that this was available on the dedicated Annual Report section of the website.

Procedures for the Collection of Car Park Fees

A schedule is in place for permit fees including residential and non-residential zones. It was confirmed that the schedule runs from 2018-2020 and was approved during the NEPP Joint Committee meeting on 22 March 2018.

A third party cash collection contractor, G4S, is used and responsible for the collection of cash from car parking machines. The contract in place with the G4S was obtained during the audit which confirmed it had been signed by both parties. However, it was identified at the previous audit in 2018/19 that the contract had expired. Further discussions with the Parking Technical Manager confirmed that the contract was being extended on a rolling three month basis, however no evidence was available to verify this. We were informed by the Parking Technical Manager that the Council were looking to retender the contract in January 2020. A recommendation has been raised (Recommendation 1).

Security and Accuracy of Car Park Income Collection

NEPP receive the receipts from the machines detailing the collection amounts from G4S. Reports are then provided which give information on the income that has been collected. A reconciliation takes place against the CALE report (operating software for the car parking machines) in the Pay and Display Income Spreadsheet which splits daily income by machine. These reconciliations are completed by member of the Parking Team and are subsequently signed-off by the Parking Business Manager.

A Bulk Cash Reconciliation is also undertaken to reconcile the income from G4S to the income received in the bank. Collection receipts from G4S are used for this and income is reconciled against the ledger. It was confirmed that personnel changes within the department had led to challenges in keeping

up with the reconciliation during the year, however the Bulk Cash Reconciliation was up to date until 4 December 2019 and that completion is now being monitored and as a result no recommendation has been raised.

Discrepancies, identified during the reconciliation process, are recorded within the Bulk Cash Reconciliation. We were informed by the Parking Business Manager that typically the variances arise due to connectivity issues with the machines and that the receipt of the collection receipts usually helps to identify this. The discrepancies are subsequently actioned and details of the actions are recorded within the Bulk Cash Reconciliation spreadsheet. A colour coding system is used to keep track of the income that has been confirmed and reconciled to date. The Bulk Cash Reconciliation as at 4 December 2019 was examined and it was confirmed that any remaining discrepancies were being dealt with appropriately.

Transfer of Income from Third Parties

It was confirmed that NEPP receives income from various revenue streams, this includes MiPermit, cash collection (G4S) and Wave and Pay (administered via Six Payment Services). MiPermit enables the Partnership to accept electronic payments for pay & display car parking, residents and visitor permits, and season tickets. It was confirmed that the MiPermit, G4S and Six Payment Services income is reconciled on a daily basis. It was confirmed that the Bulk Cash Reconciliation was up-to-date at the time of the audit, as detailed above under the Security and Accuracy of Car Park Income Collection area above.

Production and Review of Management Information including Variance Reporting

The Business Manager at the Council receives monthly budget reports, which detail the Council budget to date, actuals and any variances. The last three months reports (August, September, and October 2019) have been obtained which are split into on street and off street analysis.

The Parking Partnership Group Manager receives budget statements from the Management Accountant for review on a monthly basis to assess the detailed break-down of income.

Access to Car Park Pay Point Keys

Due to the size of the team the Parking Technical Manager oversees the key management. A key register is maintained which covers staff with access to keys, doors and codes on an operational basis. The staff on the register all have access to the areas covered by NEPP and no geographical restrictions are currently in place. The Parking Team are made aware of any new starters directly through the interview process, and staff are subsequently setup accordingly with keys so that they can access the area covered by the partnership. Changes occur when new machines are purchased, however staff consulted revealed that a trend towards electronic parking and third party applications has resulted in a significant reduction of the amount of new machines purchased. Leavers have keys removed prior to their last day. It was confirmed that all staff on the key register as at 4 December 2019 were current members of staff.

Debt Management including Bailiffs and Write Offs

Internal debt management procedural guidance was developed by the Parking Business Manager in January 2018. There are a number of statutory deadlines in place for chasing debts relating to PCNs, e.g. A Notice to Owner (NTO) must be sent within six months. A report of all PCNs, with a

breakdown of what stage they were at, was provided as at 16 December 2019. Examination of this report confirmed that in the year to date only one case had been cancelled because the NTO had not been sent within the legal timeframe and a further 28 cases had been cancelled because other timeframes had not been met. This totalled just 0.3% of PCNs raised.

It was identified at the previous audit in 2018/19 and also in the PCNs and MiPermit audit completed in August 2019 that random checks on PCN cancellations were no longer being completed. The recommendation raised was followed up as part of this audit and it was confirmed that management checks are now completed on cancellations and that cases where the required evidence / reasons are not held that this is followed up with the relevant staff member. A PCN Cancellation Spot Check Statistics spreadsheet was confirmed to be in place where the cases examined and the results of the management check were recorded.

NEPP use three bailiffs for debt recovery services (Jacobs, Equita and Newlyn). It was confirmed that a signed contract for the period 2018-2022 with each of the three Bailiff's used to recover outstanding debts is in place. Performance of the bailiffs is monitored by the Payments and Debt Recovery Manager as part of the corporate debt process.

Enforcement

Enforcement Officers issues PCNs via a handheld device and must record their notes and observations plus take photographs of the vehicle for further evidence. Testing of a random sample of 30 PCNs from 1 April to 30 November 2019 confirmed that they had been assigned an offence code and had supporting evidence available on the case manager system.

Complaints

Complainants are encouraged to first speak to the relevant department to try and resolve any issues before making a formal complaint. We understand this has led to a reduction in the number of formal complaints received.

Complaints are managed via SharePoint and are assigned an investigating officer. Complaints received should be investigated and a reply issued within 28 days, as per the Council Complaints Policy. A random sample of 30 complaints, of the 117 closed from 1 January to 31 December 2019, were examined to confirm that the reply had been issued in a timely manner. No anomalies were identified from this testing. The Parking Partnership Group Manager monitors complaints and response times.

It was recommended as part of the 2018/19 Parking Services Partnership audit that consideration should be given to including a summary report of complaints at each NEPP Joint Committee meeting. It was identified that this recommendation had not yet been implemented and so it has been re-raised. (Recommendation 2).

1.5 Acknowledgement

We would like to thank staff at the Council for their assistance during the audit.

2. Observations and Recommendations

The recommendations from the report are presented below to assist you with the implementation of change.

Adequacy and Effectiveness Assessments (definitions are found in Appendix 2)	Area of Scope	Adequacy of Controls	Effectiveness of Controls	Recommendations Raised		
				Priority 1	Priority 2	Priority 3
	Policies and Procedures	Adequate	Effective	0	0	0
	Accounting for Income	Adequate	Effective	0	0	0
	Joint Committee	Adequate	Effective	0	0	0
	Management Information	Adequate	Effective	0	0	0
	Procedures for the Collection of Car Park Fees	Adequate	Partly Effective	0	1	0
	Security and Accuracy of Car Park Income Collection	Adequate	Effective	0	0	0
	Transfer of income from third parties	Adequate	Effective	0	0	0
	Production and Review of Management Information including Variance Reporting	Adequate	Effective	0	0	0
	Access to Car Park Pay Point Keys	Adequate	Effective	0	0	0
	Debt Management including Bailiffs and Write-Offs	Adequate	Effective	0	0	0
	Enforcement	Adequate	Effective	0	0	0
	Complaints	Adequate	Partly Effective	0	1	0
	Total			0	2	0

Procedures for the Collection of Car Park Fees

2.1. Contract

Priority 2

Recommendation	Rationale	Responsibility
The cash collection service should be formally re-tendered. In the mean-time, whilst the tender process is underway, the Council should formally confirm the rolling contract situation with G4S.	Re-tendering the contract will help to ensure that the best value service is obtained whilst formal confirmation of the current rolling contract arrangements will help to ensure that roles and responsibilities are defined and known. Examination of the contract in place between the Council and G4S confirmed that the agreement had expired. The Parking Technical Manager confirmed that the contract was to be re-tendered in January 2020 and that the existing contract had been extended on a three month rolling basis. However, no evidence could be provided to confirm this had been completed. In the absence of a formal tender process there is an increased risk that value-for-money is not being achieved. Whereas where no formal contract is in place there is an increased risk that both parties will not provide / or receive the services expected and there will be no written agreement to evidence the specified service in the event of a dispute.	Technical Manager
Management Response		Deadline
We will endeavour to get contract details from G4S as soon as possible – but in the mean-time, Procurement have started the re-tender process and we are awaiting the outcome of that.		April 2020

Complaints

2.2. Complaints Reporting

Priority 2

Recommendation	Rationale	Responsibility
Consideration should be given to including a summary report of complaints in each e-brief. The mailing list should include all officers that sit on the NEPP Joint Committee.	Providing management information on complaints to the members of the NEPP Joint Committee will provide clear oversight of any complaints made against the partnership. Discussions with the Parking Partnership Group Manager confirmed that currently complaints are not reported. Where complaints are not reported there is an increased risk that partners remain unaware of issues which may result in poor service and/or reputational damage.	Business Manager
Management Response		Deadline
A summary of valid complaints will be included in the ebrief – however we will need to ensure they are relevant as complaints process is not always used in in the correct manner. Complaints are an operational function which should have very little input from Members and the Committee.		March 2020

2.3. **Direction of Travel**

	Improved since the last audit visit. Position of the arrow indicates previous status.
	Deteriorated since the last audit visit. Position of the arrow indicates previous status.
	Unchanged since the last audit report.
No arrow	Not previously visited by Internal Audit.

Adequacy and Effectiveness Assessments

Please note that adequacy and effectiveness are not connected. The adequacy assessment is made prior to the control effectiveness being tested.

The controls may be adequate but not operating effectively, or they may be partly adequate / inadequate and yet those that are in place may be operating effectively.

In general, partly adequate / inadequate controls can be considered to be of greater significance than when adequate controls are in place but not operating fully effectively - i.e. control gaps are a bigger issue than controls not being fully complied with.

	Adequacy	Effectiveness
	Existing controls are adequate to manage the risks in this area.	Operation of existing controls is effective.
	Existing controls are partly adequate to manage the risks in this area.	Operation of existing controls is partly effective.
	Existing controls are inadequate to manage the risks in this area.	Operation of existing controls is ineffective

Appendix 1 - Audit Framework

Audit Objectives

The audit was designed to assess whether management have implemented adequate and effective controls over the Parking Services Partnership including Income.

Audit Approach and Methodology

The audit approach was developed with reference to the Internal Audit Manual and by an assessment of risks and management controls operating within each area of the scope.

The following procedures were adopted:

- identification of the role and objectives of each area;
- identification of risks within the systems, and controls in existence to allow the control objectives to be achieved; and
- evaluation and testing of controls within the systems.

From these procedures we have identified weaknesses in the systems of control, produced specific proposals to improve the control environment and have drawn an overall conclusion on the design and operation of the system.

Areas Covered

Audit work was undertaken to cover the following areas:

- Policies and Procedures;
- Accounting for Income;
- Joint Committee;
- Management Information;
- Procedures for the collection of Car Park fees;
- Security and accuracy of Car Park income collection;
- Transfer of income from third parties;
- Production and review of management information including variance reporting;
- Access to Car Park pay point keys;

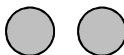
- Debt management including bailiffs and write offs;
- Enforcement; and
- Complaints.

Appendix 2 - Definition of Audit Assurance

Assurance Gradings

For each audit, we arrive at a conclusion that assesses the audit assurance in one of four categories. These arise from:

- Our evaluation opinion: we assess the system of controls, which are in place to achieve the system objectives.
- Our testing opinion: we check whether the controls said to be in place are being consistently applied.

	Full Assurance	There is a sound system of internal control designed to achieve the Council's objectives. The control processes tested are being consistently applied.
	Substantial Assurance	While there is a basically sound system of internal control, there are weaknesses, which put some of the Council's objectives at risk. There is evidence that the level of non-compliance with some of the control processes may put some of the Council's objectives at risk.
	Limited Assurance	Weaknesses in the system of internal controls are such as to put the Council's objectives at risk. The level of non-compliance puts the Council's objectives at risk.
	No Assurance	Control processes are generally weak leaving the processes/systems open to significant error or abuse. Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

The assurance gradings provided above are not comparable with the International Standard on Assurance Engagements (ISAE 3000) issued by the International Audit and Assurance Standards Board and as such the grading of 'Full Assurance' does not imply that there are no risks to the stated objectives.

Recommendation Gradings

In order to assist management in using our internal audit reports, we categorise our recommendations according to their level of priority as follows:

Priority Level	Definition
1	Major issues for the attention of senior management and the Governance and Audit Committee.
2	Important issues to be addressed by management in their areas of responsibility.
3	Minor issues resolved on site with local management.

Appendix 3 - Staff Consulted

Staff Consulted

- Christine Belgrove Parking Business Manager
- Danielle Northcott Parking Business Specialist
- Emma Day Parking Systems Team Leader
- Trevor Degville Parking Technical Manager
- Julie Blackwell Income Officer

Draft Report Distribution

- Richard Block Assistant Director – Environment
- Richard Walker Parking Partnership Group Manager
- Hayley McGrath Corporate Governance Manager

Final Report Distribution

- All of the above

Audit Team

- | | |
|-------------------|--------------------|
| • Graeme Clarke | Director |
| • Vanessa Bateman | Engagement Manager |
| • Sarah Watkins | Field Manager |
| • Jack Taylor | Auditor |

Key contact for this audit will be:

- Sarah Watkins
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Appendix 4 - Audit Timetable and KPIs

	Dates	Target KPI	Days Taken
Planning meeting	2 December 2019		
Fieldwork start	9 December 2019		
Fieldwork completion	20 January 2020		
Exit meeting	20 January 2020		
Draft report issued to Council	4 February 2020	15 days	11 days
Management response received	14 February 2020	15 days	8 days
Final report issued	19 February 2020	15 days	3 days

	KPI for Annual Plan	Percentage for Audit
Percentage of FTE fully or partly CCAB/IIA qualified input	65%	100%
Percentage of recommendations accepted	95%	100%

Appendix 5 - Statement of Responsibility

We take responsibility to Colchester Borough Council for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

This report is confidential and must not be disclosed to any third party or reproduced in whole or in part without our prior written consent. To the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation amendment and/or modification by any third party is entirely at their own risk.

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Colchester Borough Council Final Internal Audit Report PCNs and MiPermit (Ref: 528)

September 2019

This report ("Report") was prepared by Mazars LLP at the request of Colchester Borough Council and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of Colchester Borough Council and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

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1. Executive Summary

1.1. Introduction

This internal audit forms part of the agreement between Mazars LLP and Colchester Borough Council (the Council). This report details the results of the internal audit of the controls in place over the PCNs and MiPermit function and has been undertaken as an additional audit to the approved Internal Audit Plan for 2019/20. Our audit approach and a summary of the work undertaken are provided in the Audit Framework in Appendix 1.

1.2 Background

The North Essex Parking Partnership (NEPP) was established in April 2011. The Council is the Lead Partner whilst the partner authorities are Harlow District Council, Braintree District Council, Epping Forest District Council, Uttlesford District Council, Tendring District Council and Essex County Council.

The NEPP's primary sources of income are through Parking Charges (for example Pay and Display car parks), the sale of Parking Permits, and Penalty Charge Notices (PCNs). PCNs are monitored through the use of the Chipside system whilst the MiPermit system is utilised for the management of parking permits and charges for pay and display car parks.

1.3. Audit Opinion

Audit Opinion & Direction of Travel	No Assurance	Limited Assurance	Substantial Assurance	Full Assurance
	We categorise our opinions according to the assessment of the controls in place and the level of compliance with those controls.			
				
		Not previously audited		
Rationale Supporting Award of Opinion and Direction of Travel	The audit work carried out by Internal Audit (the scope of which is detailed in Appendix 1) indicated that: Weaknesses in the system of internal controls are such as to put the Council's objectives at risk. The level of non-compliance puts the Council's objectives at risk. This opinion results from the fact that we have raised two priority 1 and seven priority 2 recommendations. This is the first audit specifically focusing on PCN's and MiPermit.			

1.4 Summary of Findings

Policies and Procedures

It was confirmed that formal policies are in place which are available to view by any member of the public on the NEPP's website. The policies in place cover; Permit Administration; Customer Care and Complaints; Dispensations; and Enforcement and Discretion. Further to this, there are a number of internal procedural guidance, including a process flow chart and a Parking Partnership Operational Protocols document. The procedural guidance is saved in a shared folder so that any member of the Parking Team can access them.

It was confirmed that the overarching Parking Partnership Policy was approved on the 21 March 2019 meeting of the NEPP Joint Committee. It was noted that the procedural guidance in place is for internal use only and does not therefore require formal ratification.

Review of the policies identified a number of policies that have not been updated for a number of years, including the Parking Partnership Operational Protocols (reviewed December 2016), Temporary Dispensation & Suspension of Parking Restrictions Policy (updated May 2015), Permit, Administration, Customer Care & Complaints Policy (updated May 2015), and the Enforcement & Discretion Policy (updated May 2015). A recommendation has been raised (Recommendation 1).

Penalty Charge Notices

Following the issuance of a PCN, a member of the public has 28 days to pay the amount due or 14 days to receive a discounted rate. The recipient has 14 days to make an 'informal challenge' to the PCN received and the case is placed into a Review Queue for officers to review and decide whether or not to accept the challenge. All documentation and an explanation of the challenge is attached to the Chipside system. If the challenge is rejected and/or the vehicle owner fails to pay the PCN, owner details are requested from the DVLA and once received a Notice to Owner (NTO) is issued to registered owner. At this point the recipient can issue formal representations challenging the PCN; again, all documentation in support of the challenge is attached to the Chipside system.

If cases sit within the Review Queue for six months and are not subject to challenge or the issue of a NTO, they become 'Out of Time' and unenforceable, between 1 April 2019 and 29 July 2019, seven PCNs became unenforceable because of this reason. At the time of the audit, there was no independent review of Review Queues by management and a recommendation has been raised (Recommendation 2).

A random sample of 20 cancelled PCNs processed since April 2019 was selected for testing from a report of all cancelled PCNs. Testing was conducted to confirm that notes and supporting evidence had been attached to the system and that the reason for the cancellation appeared valid. Of the sample selected, one case was identified where no evidence was retained on file to support the decision. Two further cases were identified where the PCN was issued to a member of Council staff, but cancelled because it was their first PCN. There is no formal policy supporting the rationale for not enforcing a PCN and a recommendation has been raised (Recommendation 3).

We were informed that monthly spot checks have been introduced, with the Business Manager conducting spot checks of 10 cancellations for each officer. It was noted that this process was introduced in June and backdated to April 2019. A review of the spot check undertaken for one officer identified a number of gaps in recording a Valid Explanation and retaining Evidence. A recommendation has been raised (Recommendation 4).

It was noted that it is possible to transfer moneys paid between different PCNs. The reasoning for this may be that the recipient of the PCN erroneously paid the PCN under the wrong reference number. When an officer processes a transfer, they are required to add a note on the system evidencing the

reason for the transfer it was confirmed that there were 64 transfers processed in 2019. A random sample of 20 transfers was selected for testing from a report detailing all transfers of money across PCNs, to confirm that there was a valid reason for the transfer being processed. Whilst there were no issues identified from our testing, as all transfers appeared to be correct, there are no independent checks or authorisation of this process. A recommendation has been raised (Recommendation 5).

Daily Overpayment / Underpayment reports are run from the Chipside system. The reports are printed and the checked to confirm that they have been processed correctly. The reports are then signed-off by a manager with the Parking Team. We were provided with the folder containing the reports and it was confirmed that the checks have been conducted consistently.

Discussions with the Business Manager confirmed the intention for all officers involved in the Parking Team to report instances where they have received a PCN and a log to be maintained. The aim being to help ensure full transparency in the issue of the PCN process. At the time of the audit, it was noted that there is no recording of PCNs issued to members of the Parking Team, A recommendation has been raised (Recommendation 6).

MiPermit

Members of the public can purchase parking permits via the MiPermit system, purchases processed through the system are automatically allocated and a receipt is retained on file as proof of the payment. Testing was conducted on a random sample of 10 purchases of permits and it was confirmed in all cases that a receipt had been retained on the system.

Staff have administration rights to both the Chipside and MiPermit systems that allow them to authorise cancellations and dispensations. Due to the size of the Team, the Business Manager has confirmed that implementing enforced segregation between roles is not feasible. At the time of the audit, there was limited secondary review of officers' work, as documented throughout this report. A security log is held for every entry on the MiPermit system, the log details every action taken on the account, including when a permit was purchased and when the account was set up.

Only residents are able to purchase resident parking permits and entitlement to do so is validated through proof of addresses. We were advised that this process had resulted in an increase in workload for the Team with residences awaiting validation falling into a 'review queue' on MiPermit. From 1 August 2019 the verification process was amended to taking the council tax reference as confirmation of residency. However, there is no verification of the council tax number to confirm that it is correct nor are the details recorded on the MiPermit system. A recommendation has been raised (Recommendation 7).

Where payment is not required, a dispensation is granted and recorded on the account. Reasons would include for example where the customer has paid for parking and not received a ticket, a carer visiting a client and needing to park in a residents only parking area, and a builder needing to unload a vehicle in a residents parking area.

Testing of a random sample of 20 MiPermit purchases identified 15 cases that were processed for 'no fee'. Testing was conducted to confirm that the reasoning for no payment being taken was noted on the system and appeared valid. Of the sample selected nine of the non-payments were identified as being dispensations, however there were no notes as to the reasoning why the dispensation had been processed. It was confirmed through discussions with the Office Manager that the MiPermit system does not have a specific area to enter in the rationale for dispensations. One of the free permits was noted as being 'free of charge due to Visitor Permits not yet being required'; the account was reviewed and it was confirmed that no payment had been taken and the Visitor Permits were still available on the MiPermit account. A recommendation has been raised (see recommendation 8).

Historically dispensations have not been processed through the designated Colchester account on MiPermit, resulting in a clear audit trail not being readily available for management to review. We have been advised by the Office Manager that members of the Parking Team have been reminded of the correct account to use. A recommendation has not therefore been raised.

A log of all refunds is maintained that details the name of the person receiving the refund, the type of refund, the amount, and a reference number. For a refund to be processed, an authorised payment request form must be on completed detailing the reasons for the refund and authorised by either Business Manager or the Parking Partnership Group Manager.

A random sample of 20 refunds was selected for testing to confirm that an authorised payment request form was on file, the refund matched the amount paid, and if the refund was in relation to a MiPermit purchase the relevant permit had been cancelled and the amount refunded was prorated to reflect the time the permit was in use. No issues were identified from our testing.

Management Information

Reports are submitted on performance to the NEPP Joint Committee as documented in our annual audit of the Parking Partnership.

This review has focused on the PCNs and MiPermit processes and testing identified that there is currently only limited independent checking of Parking Team staff workloads and actions. The Business Manager confirmed that it is possible to generate a number of reports from the systems covering actions on Chipside and MiPermits, however these were not being generated for review. A recommendation has been raised (Recommendation 9).

1.5 Acknowledgement

We would like to thank staff at Colchester Borough Council for their assistance during the audit.

2. Observations and Recommendations

The recommendations from the report are presented below to assist you with the implementation of change.

Adequacy and Effectiveness Assessments (definitions are found in Appendix 2)	Area of Scope	Adequacy of Controls	Effectiveness of Controls	Recommendations Raised		
				Priority 1	Priority 2	Priority 3
	Policies and Procedures	Adequate	Partly Effective	0	1	0
	PCNs	Adequate	Partly Effective	0	5	0
	MiPermit	Inadequate	Partly Effective	1	1	0
	Management information	Adequate	Partly Effective	1	0	0
	Total			2	7	0

Policies and Procedures

2.1. Policies and Procedural update

Priority 2

Recommendation	Rationale	Responsibility
The parking related policies that have not been updated for a number of years should be reviewed and refreshed to help ensure that they continue to meet operational working practices. In addition, each policy should include details of who has undertaken the review, the date of the next review and a version control.	Reviewing and updating policies (as necessary) on a regular basis will provide additional assurance that staff are following the correct working practices and acting in accordance with management requirements. Review of the policies identified a number of policies that have not been updated for a number of years, including the Parking Partnership Operational Protocols (reviewed December 2016), Temporary Dispensation & Suspension of Parking Restrictions Policy (updated May 2015), Permit, Administration, Customer Care & Complaints Policy (updated May 2015), and the Enforcement & Discretion Policy (updated May 2015). It was also noted that the policies / procedures in place had no set review date or document control. Where policies and procedures are not up to date, there is a risk that inefficient and/or inappropriate working practices may be adopted, resulting in financial loss to the NEPP.	Group Manager
Following a Policy Review Paper taken to the Joint Committee in December 2018, Members decided to take NEPPs policies for update one at a time; these are currently being updated on a rolling programme and put before the Joint Partnership Committee for approval prior to publishing as Committee time allows. Most recent was the Parking Management Plan (March 2019). The June 2019 Meeting was the AGM and no time was available on the Agenda. A Policy for Footways and Obstructive Parking is to go to the October 2019 Meeting. The remainder of the policies will follow at future meetings. Previously the Traffic Regulations Orders and Protocols document were updated at the December 2016 Meeting, Permit Pricing and Delegations at the March 2018 meeting, Terms of Reference at the October 2018 meeting. Business Unit operational protocols will be amended and updated accordingly as suggested above.		First stage completed Dec 2018 – on-going as per management comments.

Penalty Charge Notices

2.2. Review Queues

Priority 2

Recommendation	Rationale	Responsibility
Management should undertake an independent review of Review Queues to confirm that all cases are being proactively managed and closed down as appropriate.	Undertaking a review of Review Queues will provide additional assurance that all cases are being proactively managed. At the time of the audit, there were no independent managerial review of officers Review Queues. Unless Review Queues are reviewed, there is an increased risk that cases are not managed proactively and/or appropriately and as a result become 'Out of Time' or income is not collected. Consequently, the NEPP fails to collect all income due.	Business Manager
This will be actioned with immediate effect. Each Office Manager will monitor the Review Queues for the specific officers that they are responsible for on a monthly basis. The Business Manager will then monitor it over all.		30 September 2019 and on-going

2.3. Staff PCN Policy

Priority 2

Recommendation	Rationale	Responsibility
A formal decision should be made as to whether members of staff are required to pay the PCN, if it the first one received. The decision should be formally documented to help ensure consistency and policy / procedures updated. Depending on the outcome, PCNs should be enforced where appropriate or records maintained that the member of staff has not been required to pay, to avoid any future parking infringement.	Ensuring that the policy / procedure on when and whether to enforce or cancel PCN's issued to staff will help ensure that a consistent approach is taken. We were informed that currently the first PCN issued to a member of staff is routinely cancelled. Unless a formal policy / procedure is established on whether the PCNs issued to staff can be cancelled, on the first occasion one is issued, there is an increased risk that inconsistent practices are adopted resulting in staff being treated unfairly and/or the NEPP not collecting all income due.	Senior Management Team / Group Manager
Currently an informal policy, although a report has been considered by the Senior Management Team (SMT). A Policy will need to be decided by the SMT and made formal through the Staff Parking Scheme – we will then action accordingly.		31 October 2019

2.4. Cancellations

Priority 2

Recommendation	Rationale	Responsibility
Although independent checks are now completed by management of cancellations, management should ensure that where there is no valid explanation for the cancellation and/or no evidence is retained, the officer involved should be reminded of the requirement to do so.	Recording the reason for cancelling a PCN and retaining evidence to support the decision, will provide management with additional assurance that PCN's are only cancelled in appropriate circumstances. Our walkthrough of one officers cancelled PCN's covering the April to June period, as part of the new management check (i.e. 30 cases) identified one case where there was no valid explanation for the cancellation and six cases where evidence was not retained. Unless valid reasons for cancelled PCNs are recorded and evidence retained, there is an increased that PCNs are cancelled inappropriately, resulting in loss of income for the NEPP.	Business Manager
This will be actioned monthly via spot checking cancellations, alongside officers being reminded in team meetings to ensure an explanation is provided.		30 September 2019 and on-going

2.5. Transfers of Money

Priority 2

Recommendation	Rationale	Responsibility
Monthly reports should be obtained from the Chipside system that detail amounts transferred between PCNs. The Report should be independently reviewed by management to confirm that each transfer has a rationale noted and the reason, together with the adjusting entry, are valid. .	Monitoring of all transfers of monies within the Chipside system will provide assurance that only valid adjustments are being made. It was noted that it is possible to move money received from one PCN to another on the Chipside system and there is currently no monitoring of the transfers. Where transfers are not monitored there is an increased risk that inappropriate transfers are made between PCNs, leading to financial loss and/or reputational damage to the NEPP.	Business Manager
A report will be requested from Chipside and reviewed monthly.		30 September 2019 and on-going

2.6. Issue of PCNs to Members of the Parking Team

Priority 2

Recommendation	Rationale	Responsibility
A log of PCNs issued to members of staff working within the Parking Team should be maintained and monitored by management to help ensure any PCNs are actioned appropriately. Checks should be undertaken to confirm that payments in respect of PCNs issued to members of staff are processed correctly.	Maintaining a log of all PCNs issued to staff members within the Parking Team will provide management with additional assurance that any PCN's are actioned appropriately, There is currently no logging and/or monitoring of PCNs issued to members of the Parking Team. Unless PCNs issued to staff are monitored and reviewed by management, there is an increased risk that payments for PCNs are not actioned appropriately, resulting in reputational damage to the NEPP.	Business Manager
Whilst we agree with this in principle and have actioned to a certain point, it will need to rely on staff informing us of the receipt of a PCN. We will then log it and monitor it accordingly.		30 September 2019 and on-going

MiPermit

2.7. Resident Parking Permits

Priority 2

Recommendation	Rationale	Responsibility
The council tax number should be recorded on MiPermit as evidence of residency when applying for a Resident Parking Permit.	Verifying applicants addresses will help ensure that Resident Parking Permits are only issued to residents. It was noted that the council tax number is not checked to the Council's records and the number provided is not noted on the MiPermit system. Where the council tax number is not verified and details noted on the system, there is an increased risk that Resident Parking Permits are purchased by people not entitled to them, reducing the availability of resident spaces.	Business Manager
This will be looked at and actioned if possible. We are reviewing the process and relevant evidence needed to apply for a resident permit and will action as part of this.		30 September 2019 and on-going if possible

2.8. Dispensations

Priority 1

Recommendation	Rationale	Responsibility
MiPermit should be amended to allow for the recording of descriptions of dispensation to provide a complete audit trail of the rationale for providing the dispensation. Details of the reason for the dispensation should be recorded.	Recording full details on MiPermit will provide management with additional assurance that only valid dispensations are being applied. Nine of the non-payments were identified as being dispensations, however there were no notes recorded as to the reasoning why the dispensation had been processed. Unless details of the rationale supporting dispensations is recorded, there is an increased risk that inappropriate dispensations are processed, leading to financial loss to the NEPP and/or reputational damage.	Business Manager
This has been put to MiPermit and will be actioned if the system allows (amendments to this national system would be a development item for the supplier to agree). In the mean time we will add what we can where possible to the description.		30 September 2019 and on-going if the system allows

Management information

2.9. Management Reports

Priority 1

Recommendation	Rationale	Responsibility
Reports should be routinely generated from Chipside and MiPermit, covering functions performed by the Team, including Review Queues, Transfers of Money, Cancelled PCNs, Dispensations, Free of Charge, Refunds and other tasks completed by the Parking Team. These should be sample checked by management and evidence of the review and outcomes documented. If issues are identified, they should be investigated with additional training and/or guidance provided to staff.	Generation of reports covering the core functions and subjecting them to independent management checks, will provide additional assurance that members of the Team are acting in accordance with management requirements and/or policy. At the time of the audit, there was limited independent checking of actions being undertaken by members of the Team. Unless reports are produced and subject to managerial review, there is an increased risk that inconsistent and/or inappropriate practices are adopted. This could lead to challenge, loss of income or reputational damage.	Business Manager
This will be actioned and monitored accordingly. User Actions Reports can be viewed for this purpose.		30 September 2019 and on-going

Direction of Travel

	Improved since the last audit visit. Position of the arrow indicates previous status.
	Deteriorated since the last audit visit. Position of the arrow indicates previous status.
	Unchanged since the last audit report.
No arrow	Not previously visited by Internal Audit.

Adequacy and Effectiveness Assessments

Please note that adequacy and effectiveness are not connected. The adequacy assessment is made prior to the control effectiveness being tested.

The controls may be adequate but not operating effectively, or they may be partly adequate / inadequate and yet those that are in place may be operating effectively.

In general, partly adequate / inadequate controls can be considered to be of greater significance than when adequate controls are in place but not operating fully effectively - i.e. control gaps are a bigger issue than controls not being fully complied with.

	Adequacy	Effectiveness
	Existing controls are adequate to manage the risks in this area	Operation of existing controls is effective
	Existing controls are partly adequate to manage the risks in this area	Operation of existing controls is partly effective
	Existing controls are inadequate to manage the risks in this area	Operation of existing controls is ineffective

Appendix 1 - Audit Framework

Audit Objectives

The audit was designed to assess whether management have implemented adequate and effective controls over PCNs and MiPermit.

Audit Approach and Methodology

The audit approach was developed with reference to the Internal Audit Manual and by an assessment of risks and management controls operating within each area of the scope.

The following procedures were adopted:

- identification of the role and objectives of each area;
- identification of risks within the systems, and controls in existence to allow the control objectives to be achieved; and
- evaluation and testing of controls within the systems.

From these procedures we have identified weaknesses in the systems of control, produced specific proposals to improve the control environment and have drawn an overall conclusion on the design and operation of the system.

Areas Covered

Audit work was undertaken to cover the following areas:

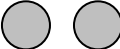
- Policies and Procedures;
- Penalty Charge Notices;
- MiPermit; and
- Management Information.

Appendix 2 - Definition of Audit Assurance

Assurance Gradings

For each audit, we arrive at a conclusion that assesses the audit assurance in one of four categories. These arise from:

- Our evaluation opinion: we assess the system of controls, which are in place to achieve the system objectives.
- Our testing opinion: we check whether the controls said to be in place are being consistently applied.

	Full Assurance	There is a sound system of internal control designed to achieve the Council's objectives. The control processes tested are being consistently applied.
	Substantial Assurance	While there is a basically sound system of internal control, there are weaknesses, which put some of the Council's objectives at risk. There is evidence that the level of non-compliance with some of the control processes may put some of the Council's objectives at risk.
	Limited Assurance	Weaknesses in the system of internal controls are such as to put the Council's objectives at risk. The level of non-compliance puts the Council's objectives at risk.
	No Assurance	Control processes are generally weak leaving the processes/systems open to significant error or abuse. Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

The assurance gradings provided above are not comparable with the International Standard on Assurance Engagements (ISAE 3000) issued by the International Audit and Assurance Standards Board and as such the grading of 'Full Assurance' does not imply that there are no risks to the stated objectives.

Recommendation Gradings

In order to assist management in using our internal audit reports, we categorise our recommendations according to their level of priority as follows:

Priority Level	Definition
1	Major issues for the attention of senior management and the Governance and Audit Committee.
2	Important issues to be addressed by management in their areas of responsibility.
3	Minor issues resolved on site with local management.

Appendix 3 - Staff Consulted

Staff Consulted

- Lou Belgrove Business Manager
- Jake England Office Manager

Draft Report Distribution

- Richard Block Assistant Director – Environment
- Richard Walker Parking Partnership Group Manager
- Lou Belgrove Business Manager
- Hayley McGrath Corporate Governance Manager

Final Report Distribution

- All of the above

Audit Team

- Mark Towler Director
- Alan Woodhead Engagement Manager
- Sarah Watkins Field Manager
- Robin Alexander Auditor

Key contact for this audit will be:

- Alan Woodhead
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 07746 174544

Appendix 4 - Audit Timetable and KPIs

	Dates	Target KPI	Days Taken
Planning meeting	19 July 2019		
Fieldwork start	29 July 2019		
Fieldwork completion	15 August 2019		
Exit meeting	15 August 2019		
Draft report issued to Council	21 August 2019	15 days	4 days
Management response received	6 September 2019	15 days	11 days
Final report issued	9 September 2019	10 days	1 day

	KPI for Annual Plan	Percentage for Audit
Percentage of FTE fully or partly CCAB/IIA qualified input	65%	100%
Percentage of recommendations accepted	95%	100%

Appendix 5 - Statement of Responsibility

We take responsibility to Colchester Borough Council for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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North Essex Parking Partnership

Meeting Date: 25 June 2020

Title: Annual Review of Risk Management Report

Author: Hayley McGrath, Corporate Governance Manager, Colchester BC

Presented by: Hayley McGrath, Corporate Governance Manager, Colchester Borough Council

This report concerns the 2020/21 Risk Management Strategy and current strategic risk register for the partnership

1. Recommended Decision(s)

1.1. The Joint Committee is requested to:

- Endorse the Risk Management Strategy for 2020/21, and
- Agree the Strategic Risk Register, subject to any requested amendments.

2. Reasons for Recommended Decision(s)

- 2.1. Risk Management is the control of business risks in a manner consistent with the principles of economy, efficiency and effectiveness. It is an essential corporate governance process that ensures that both the long- and short-term objectives of the organisation are achieved and that opportunities are fully maximised.
- 2.2. It is essential that the service operates an effective risk management process which provides an assurance to all partners that it is being properly managed. As required by each partner's own code of corporate governance.

3. Supporting Information

- 3.1. Risk Management is not about eliminating risk, as this would limit the ability of the service to develop and deliver its ambitions. Its purpose is to recognise the issues that could affect the achievement of objectives and develop actions to control or reduce those risks.
- 3.2. An effective risk management process is a continuous cycle of identification, controlling, monitoring and reviewing of potential risk issues.
- 3.3. For the NEPP this is governed by a strategy for managing risk that sets out the roles and responsibilities of the joint committee and officers. It also defines the types of risk, the processes to be followed and the review arrangements.
- 3.4. The main document is the risk register which captures details relating to both strategic and operational risks and the actions to be undertaken to control those risks. The strategic risks are reported to the joint committee and the operational risks are managed by the service.

4. Review of the Risk Management Strategy

- 4.1. The strategy should be reviewed annually to ensure that it is still relevant to the service and that it meets the governance objectives. Therefore a review has been carried out and the draft strategy for 2020/21 has been attached at appendix 1 for approval.
- 4.2. It is felt that the process continues to meet the needs for the service therefore no changes have been made to the process.

5. Review of the Risk Register

- 5.1. The register is attached at appendix 2, this sets out the strategic risks, which are scored for impact and probability, enabling the risks to be ranked, so that resources can be directed to the key areas.
- 5.2. The register was last reported to this committee in June 2019. The register has since been reviewed with the Parking Services Manager and then by the partnership client officers to ensure that it continued to reflect the issues faced by the service.
- 5.3. The review highlighted the following changes for approval:
- 5.4. Removal of the following risks, as they are not felt to be relevant at this time:
 - 1.01 A partner is not represented at a meeting.
 - 1.12 Lack of agility responding to business need and demand.
 - 1.14 Selective media reporting of policy changes.
- 5.5. Reduction in the score for 1.13 – Impacts of central government policy changes, as this risk has not materialised as anticipated, but with the exclusion of issues relating to the current pandemic.
- 5.6. Reduction in the score for 1.15 – Investment does not provide a financial return.
- 5.7. The addition of a new risk, recognising the significant impact that the COVID-19 pandemic will have on the service for the foreseeable future.
- 5.8. The risk matrix is set out at appendix 3.
- 5.9. The operational risks are managed by the service and currently the highest operational risks relate to the possibility of an officer or member of the public incurring a serious injury and an interruption to the IT that is required to deliver the service.
- 5.10. It is requested that this committee reviews the strategic risks to ensure that they still reflect the issues faced by the service and that they are appropriately scored.

6. Standard References

- 6.1. Having considered consultation, equality, diversity and human rights, community safety, health and safety and risk management implications, there are none that are significant to the matters in this report.

Appendices

Appendix 1 – North Essex Parking Partnership Risk Management Strategy 2020-21

Appendix 2 – North Essex Parking Partnership Strategic Risk Register June 2020

Appendix 3 – North Essex Parking Partnership Risk Matrix June 2020

RISK MANAGEMENT STRATEGY

This document outlines the Partnership's commitment to managing risk in an effective and appropriate manner. It is intended to be used as the framework for delivery of the Risk Management function and provides guidance for officers to ensure that managing risk is embedded in all processes.

INTRODUCTION

The Service undertakes that this strategy will promote and ensure that:

1. The management of risk is linked to performance improvement and the achievement of the Partnership's strategic objectives.
2. Members of the committee and Senior Management of the Partnership own, lead and support on risk management.
3. Ownership and accountability are clearly assigned for the management of risks throughout the Partnership.
4. There is a commitment to embedding risk management into the Partnership's culture and organisational processes at all levels including strategic, project and operational
5. All members and officers acknowledge the importance of risk management as a process, by which key risks and opportunities are identified, evaluated, managed and contribute towards good corporate governance.
6. Effective monitoring and reporting mechanisms are in place to continuously review the Partnership's exposure to, and management of, risks and opportunities.
7. Best practice systems for managing risk are used throughout the Partnership, including mechanisms for monitoring and reviewing effectiveness against agreed standards and targets.
8. Accountability to stakeholders is fully demonstrated through periodic reviews of the Partnership's risks, which are reported to the committee.
9. The Risk Management Strategy is reviewed and updated annually in line with the Partnership's developing needs and requirements.

Endorsement by Chairperson of the Committee

“The North Essex Parking Partnership is committed to ensuring that risks to the effective delivery of its services and achievement of its overall objectives are properly and adequately controlled. It is recognised that effective management of risk will enable the Service to maximise its opportunities and enhance the value of services it provides to the community. The North Essex Parking Partnership expects all officers and members to have due regard for risk when carrying out their duties.”

signature required

WHAT IS RISK MANAGEMENT

Risk Management is the control of business risks in a manner consistent with the principles of economy, efficiency and effectiveness. It is an essential performance management process to ensure that both the long- and short-term objectives of the Service are achieved and that opportunities are fully maximised.

Risk Management is not about eliminating risk, as this would limit the ability of the service to develop and deliver its ambitions. Its purpose is to recognise the issues that could affect the achievement of the objectives and develop actions to control or reduce those risks. Acknowledgement of potential problems and preparing for them is an essential element to successfully delivering any service or project. Good management of risk will enable the Service to rapidly respond to change and develop innovative responses to challenges and opportunities.

‘The Good Governance Standard for Public Services’ issued by The Independent Commission on Good Governance in Public Services states that there are six core principles of good governance including ‘Taking informed, transparent decisions and managing risk’. The document goes on to state ‘Risk management is important to the successful delivery of public services. An effective risk management system identifies and assesses risks, decides on appropriate responses and then provides assurance that the chosen responses are effective’.

Appendix A outlines the risk management process.

OWNERSHIP

The responsibility to manage risk rests with every member and officer of the partnership however it is essential that there is a clearly defined structure for the co-ordination and review of risk information and ownership of the process.

The following defines the responsibility for the risk management process within the joint parking service:

Joint Committee – Overall ownership of the risk management process and endorsement of the strategic direction of risk management. Responsible for periodically reviewing the effectiveness of the risk management process.

Assistant Director Environment, Colchester Borough Council – Advising the Joint Committee on strategic risks and ownership of the service's operational risks.

North Essex Parking Partnership Manager – Control and reporting of the service's operational risks. Embedding a risk management culture in the service.

Assistant Director Policy and Corporate, Colchester Borough Council – Responsible for co-ordination of the risk management process, co-ordinating and preparing reports and providing advice and support.

All Employees – To understand and to take ownership of the need to identify, assess, and help manage risk in their individual areas of responsibility. Bringing to the management's attention at the earliest opportunity details of any emerging risks that may adversely impact on service delivery.

Internal Audit, External Audit and other Review Bodies – Annual review and report on the Service's arrangements for managing risk, having regard to statutory requirements and best practice. Assurance on the effectiveness of risk management and the controls environment.

THE WAY FORWARD

Aims & Objectives

The aim of the service is to adopt best practices in the identification, evaluation, cost-effective control and monitoring of risks across all processes to ensure that risks are properly considered and reduced as far as practicable.

The risk management objectives of the North Essex Parking Partnership are to:

- Integrate risk management into the culture of the service
- Ensure that there are strong and identifiable links between managing risk and all other management and performance processes.
- Manage risk in accordance with best practice
- Anticipate and respond to changing social, environmental and legislative requirements
- Prevent injury, damage and losses and reduce the cost of risk
- Raise awareness of the need for risk management by all those connected with the delivery of services.
- Ensure that opportunities are properly maximised through the control of risk.
- Reduce duplication between services in managing overlapping risks and promote 'best practise'.

Strategic Risk Management

Strategic risks are essentially those that threaten the long-term goals of the partnership and therefore are mainly based around meeting the objectives of the Service Agreement. They may also represent developing issues that have the potential to fundamentally effect service provision, such as proposals to dramatically change County Council arrangements.

Operational Risk Management

Operational risks are those that threaten the routine service delivery and those that are associated with providing the service. These could include damage to equipment and Health and Safety issues.

Links

It is essential that risk management does not operate in isolation to other management processes. To fully embed a risk management culture, it has to be demonstrated that risk is considered and influences all decisions that the service makes. It is essential that there is a defined link between the results of managing risk and the following:

- Service Delivery Plan
- Revenue and Capital Budgets
- Annual Internal Audit Plan

Action Required

The following actions will be implemented to achieve the objectives set out above:

- Embedding a risk register that identifies the strategic and operational risks and outline the actions to be taken in respect of those risks.
- Considering risk management as part of the partnership's strategic planning and corporate governance arrangements
- Ensuring that the responsibility for risk management is clearly and appropriately allocated
- Maintaining documented procedures for managing risk
- Maintaining a corporate approach to identify and prioritise key services and key risks across the partnership and assess risks on key projects.
- Maintain a corporate mechanism to evaluate these key risks and determine if they are being adequately managed and financed.
- Establish a procedure for ensuring that there is a cohesive approach to linking the risks to other management processes
- Including risk management considerations in all committee reports
- Ensure appropriate risk management awareness training for both members and officers.
- Establishing a reporting system which will provide assurance on how well the service is managing its key risks and ensures that the appropriate Members and officers are fully briefed on risk issues.
- Preparing contingency plans in areas where there is a potential for an occurrence to have a significant effect on the partnership and its business capability.
- Regularly reviewing the risk process to ensure that it complies with current national Governance Standards and Best Practice.

REPORTING & REVIEW

To ensure that the risk management process is effective it will need to be measured and reported to the Joint Committee at least annually, with a six-monthly interim review by the Parking Partnership Manager.

The results of the Joint Committee reviews should be fed into the risk reporting process for each partner to ensure that each Authority has the necessary evidence to provide assurance for their own governance requirements.

Appendix A

The Risk Management Process

Risk Management is a continual process of identifying risks, evaluating their potential consequences and determining the most effective methods of controlling them and / or responding to them. The risks faced by the Service are constantly changing and the continual process of monitoring risks should ensure that we can respond to the new challenges. This process is referred to as the risk management cycle.

Stage 1 – Risk Identification

Identifying and understanding the hazards and risks facing the service is crucial if informed decisions are to be made about policies or service delivery methods. There is detailed guidance available on how to identify risks which includes team sessions and individual knowledge. Once identified a risk should be reported to the Parking Partnership Manager who will consider its inclusion on the relevant risk register. If the risk is identified in between register reviews, then it is reported to the Risk & Resilience Manager for information and the Parking Partnership Manager is responsible for managing the risk.

Stage 2 – Risk Analysis

Once risks have been identified they need to be systematically and accurately assessed. If a risk is seen to be unacceptable, then steps need to be taken to control or respond to it.

Stage 3 – Risk Control

Risk control is the process of taking action to minimise the likelihood of the risk event occurring and / or reducing the severity of the consequences should it occur.

Stage 4 – Risk Monitoring

The risk management process does not finish with the risk control procedures in place. Their effectiveness in controlling risk must be monitored and reviewed. It is also important to assess whether the nature of the risk has changed over time.

STRATEGIC RISKS

RISK No.	RISK	CONSEQUENCE	CONTROLS	BY WHOM	REVIEW	SCORE	Workings		Previous Workings	
							P	I	P	I
1.1	A partner is not represented at a meeting or a suitable member from that authority has not attended, or the meeting is not quorate. IS THIS STILL A STRATEGIC RISK/ REMOVE?	There is an imbalance in the decision making power of the committee. A decision is taken on a local matter without local representation. Meeting has to be postponed Decision making delayed.	Each authority will consider their arrangements to ensure that they are appropriately represented. Publish dates in good time combine meetings with other commitments where possible. Committee agendas to be printed a minimum of a week in advance of the meeting.	Each member authority/ Cttee Officer	January 2021	2	2	1		
1.2	Due to financial constraints, one of the partners challenges the funding arrangements for the partnership This includes the treatment of surplus funds as well as deficits.	Decrease in service provision / failure of the partnership. Stranded costs to be covered by the remainder of the partners.	Ensure that member authority representatives fully understand the partnership agreement and are involved in the budget setting of each authority Note: Reduced down in May 19 - given the current financial position and no anticipated contribution in the near future.	Chief Finance Officer	January 2021	6	2	3		
1.3	There's a change in political will of a partner that leads to the partner	Decrease in service provision.	Ensure that performance of the partnership is appropriately reported back to each authority	Parking Partnership Manager	January 2021	8	2	4		

North Essex Parking Partnership Risk Register

Version 11 – June 2020

DRAFT FOR OFFICER DISCUSSION 04 JUNE 20

	withdrawing from the arrangement		and the effects of withdrawing are understood.							
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RISK No.	RISK	CONSEQUENCE	CONTROLS	BY WHOM	REVIEW	SCORE	Workings		Previous Workings	
							P	I	P	I
1.4	Removed									
1.5	Removed									
1.6	Removed									
1.7	Removed									
1.8	Removed									
1.9	Potential future financial challenges, of reduced income and increased costs, are greater than expected.	Inability to invest in the future of the service. Missed opportunities Failure of the service.	Financial performance is stringently monitored, and deviancies reported to the partnership for action.	Parking Partnership Manager	January 2021	10	2	5	3	5
1.10	The partnership is subject to a major legal challenge relating to policy decision.	High financial impact of defending action. Reputation loss Reduction or withdrawal of services	All policy decisions are made in line with legal powers.	Chair of the joint committee	January 2021	4	1	4		
1.11	Removed									

RW/HJM
TO BE AGREED BY COMMITTEE: 25/06/20
NEXT REVIEW: January 2021

North Essex Parking Partnership Risk Register

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RISK No.	RISK	CONSEQUENCE	CONTROLS	BY WHOM	REVIEW	SCORE	Workings		Previous Working s	
							P	I	P	I
1.12	Lack of agility responding to business need and demand, based on historical data in cttee reports. RECOMMEND FOR REMOVAL	Headline figures sway discussion, masking debate around project and solutions-based improvements.	Ensure that committee reports contain relevant and timely data that is balanced with future solutions, which identify critical issues and root cause analysis not just headline performance. Ensure that the development plan (and cttee) keeps a commercial and strategic focus rather than concentrating on operational details.	Parking Partnership Manager	January 2021	4	1	4	2	4
1.13	Central Government changes, from minor operational adjustments through to fundamental policy decisions, affect the ability of the partnership to deliver programmed services and meet its published financial and operational targets. REDUCE THIS RISK BUT NOTE THAT IT EXCLUDES	Increased challenge from the public - whose expectations are raised, increased costs of additional working, reduction in performance whilst changes bed in. With impacts as highlighted in 1.10 above.	Ensure all consultation is considered and responded to, ensure policies and procedures are aligned with any changes and future direction Note: The risk is not considered to have materialised as anticipated however there is still potential footway parking legislation.	Chair of the Joint Committee	January 2021	6	3	2		

RW/HJM
TO BE AGREED BY COMMITTEE: 25/06/20
NEXT REVIEW: January 2021

North Essex Parking Partnership Risk Register

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DRAFT FOR OFFICER DISCUSSION 04 JUNE 20

CHANGES NECESSARY DUE TO COVID-19.										
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RISK No.	RISK	CONSEQUENCE	CONTROLS	BY WHOM	REVIEW	SCORE	Workings		Previous Workings	
							P	I	P	I
1.14	Selective media reporting of policy changes affects the ability of the partnership to deliver services. RECOMMEND FOR REMOVAL	Increased challenge from the public - expectations raised, costs of additional working, reduction in performance whilst changes bed in. Potential financial impact of having to refund PCN's issued in error.	Ensure a consistent understandable response is given and a co-ordinated approach is undertaken to make clear statements about the effect that the changes will (or won't) have on services.	Parking Partnership Manager	January 2021	6	2	3		
1.15	Investment in innovation does not provide a return that matches or exceeds investment. CAN THIS BE REDUCED FURTHER?	Loss of financial stability and partners lose confidence in the arrangements. The Service is not able to keep pace with competitors in off street parking and cannot meet customer expectations.	Ensure that there is a robust business case for all new investment, that considers all of the options and potential failures, with financial modelling of all scenarios. Development of formal monitoring processes for all investment - that identifies deviancies to the business plan at an early stage.	Chair of the Joint Committee	January 2021	8	2	4	3	4
1.16	Removed									

RW/HJM
TO BE AGREED BY COMMITTEE: 25/06/20
NEXT REVIEW: January 2021

North Essex Parking Partnership Risk Register

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DRAFT FOR OFFICER DISCUSSION 04 JUNE 20

1.17	Removed									
1.18	Removed									
1.19	Removed									
NEW RISK	COVID-19 – need to define the risk to NEPP The impacts of the COVID-19 pandemic will be far reaching on the partnership for a significant period of time.	Significantly reduced income from off street and pcn's. Fundamental changes to working practises leading to increased operating costs. A need for partners to reduce costs/cut services. Reduced ability of partners to invest in the service.	Implementation of a specific recovery programme for the service. This should detail all of the impacts of COVID-19 and the actions / resources required to enable the service to respond to them. This should be reported to the committee on a regular basis with interim reports between committee meetings.	Parking Partnership Manager	January 2021	20	5	4		

IMPACT TABLE

	Very Low	1	Low	2	Medium	3	High	4	Very High	5
PROBABILITY	<10%		10 – 25%		25 – 50%		50 – 75%		<75%	
Impact	Minimal - no interruption to service delivery < £10k		Minor - temporary disruption to service delivery £11k - £25k		Significant - interruption to part of the service £26k - £75k		Severe – full interruption to service delivery £76k - £100k		Catastrophic – complete service failure £100k<	

Minimum Score = 1

Maximum Score = 25

RW/HJM

TO BE AGREED BY COMMITTEE: 25/06/20

NEXT REVIEW: January 2021

Low risk = 1 – 4 Medium Risk = 5 – 12 High Risk = 13 – 25

Removed Items

No	Risk
1.4	Preferences of members dictates the direction of the meeting.
1.5	Relationship between senior management and the committee deteriorates
1.6	Lack of partnership support for shared targets.
1.7	ECC review results in fundamental changes to the service
1.8	Decisions are taken on a political basis as opposed to being considered on their own merits.
1.16	Introduction of new £1 coin
1.17	Withdrawal of ECC funding (prior to review)
1.18	The partner review of off-street parking arrangements could result in major changes to the arrangement
1.19	The Senior Management review at Colchester Borough Council will result in a new lead officer (& client officer) for the service.

NORTH ESSEX PARKING PARTNERSHIP

RISK MATRIX JUNE 2020
Draft for Cttee 25 June 2020

Low Risks	Medium Risks	High Risks
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Scoring 1-5

Probability of Occurrence	5 Very High				20	
	4 High					
	3 Medium					
	2 Low	13	2	15	3	9
	1 Very Low				10	
		1 Very Low	2 Low	3 Medium	4 High	5 Very high
Severity of Impact						

Risks Removed

- 1.1 A partner is not represented at a meeting - June 20
- 1.4 Preferences of members dictate the direction of the meeting - June 17
- 1.5 Relationship between management and committee deteriorates - June 17
- 1.6 Lack of Partnership support for shared target - June 19
- 1.7 Essex County Council review of service - June 16
- 1.8 Decisions are taken on a political basis as opposed to being considered on their own merits.
- 1.11 Income assumptions are based on outdated financial data.
- 1.12 Lack of agility responding to business need and demand - June 20
- 1.14 Selective media reporting of policy changes - June 20
- 1.16 Introduction of the new £1 coin - June 17
- 1.17 Withdrawal of funding from ECC - June 17
- 1.18 The partner review of off-street parking arrangements could result in major changes to the arrangement - June 18
- 1.19 The Senior Management review at Colchester Borough Council will result in a new lead officer (& client officer) for the service. - June 18



North Essex Parking Partnership

Meeting Date:	25 June 2020
Title:	Finance Report – End of year, reserves and proposed budget '20/21
Authors:	Richard Walker, Group Manager / Lou Belgrove, Business Manager
Presented by:	Lou Belgrove, Richard Walker

The report sets out the End-of-Year financial position for NEPP from 2019/20, the Reserve position as a result of operations during the year and the proposed budget for 2020/21.

1. Decision(s) Required

- 1.1. To note the financial position at the end of 2019/20: –
 - from the in-year operation
 - of the current Parking Reserve position.
- 1.2. To approve the Parking Partnership budget for 2020/21.

2. Reasons for Decision(s)

- 2.1. For good governance, to ensure the future running of the service, and that NEPP on-street funds are allocated in line with its priorities and goals set out in the Development Plan.

3. Alternative Options

- 3.1. Legislation dictates that on-street funds are ring-fenced in accordance with s.55 of the Road Traffic Regulation Act 1984 (as amended).

4. Supporting Information – Operations 2019/20 Financial Year

- 4.1. The budget is set each year in line with the medium-term plan, particularly in support of the TRO (Traffic Regulation Order) function from reserves, alongside investments in the operational projects.
- 4.2. Operations proceeded during the year as expected, with income exceeding expectations.
- 4.3. Expenditure was as expected and takes into account the cost of the TRO function. With favourable operating conditions through the winter, investments were possible from within year, rather than having to draw down funds from the reserve.
- 4.4. Financial details are set out in Appendix 1.

5. Financial Implications

- 5.1. The surplus on the On-Street account transferred into the Civil Parking Reserve at the end of 2019/20 totalled £286k (rounded).

- 5.2. The £286k consisted of an actual in-year surplus of £101k combined with the expected costs of TRO works (£185k) which has been vired back to the Reserve because enough surplus had been achieved to cover the cost in-year.
- 5.3. Since 2016/17, Technical Team works have been charged into the On-Street account and were budgeted to be funded from the Reserve.
- 5.4. The reserve has been utilised in 2019/20 to promote and implement elements of the 3PR schools project (as approved at a previous meeting) and to facilitate the purchase of additional vehicles for the Technical Team.
- 5.5. The Reserve now stands at £1.5m which will become surplus after any operating costs are deducted, and less any investment from the reserve prior to the end of the Agreement.
- 5.6. The Cashflow amount remains at £100k as per paragraph 23.3 of the NEPP Joint Committee Agreement (JCA).

Cost Centre 0718:	<i>Brought forward at 01.04.19</i>	<i>In year Movements</i>	<i>Carried forward at 31.03.20</i>
DPE account (now part of Decrim Parking Reserve £	0.00	0.00	0.00
Cashflow	(100,000.00)		(100,000.00)
Use of Reserves (TRO funding)		185,000.00	185,000.00
Use of Reserves (NEPP Projects)		20,260.03	20,260.03
Transfer to Capital Expenditure Reserve		26,730.22	26,730.22
On-Street surplus	(1,359,032.85)	(285,987.25)	(1,645,020.10)
Balance c/f	(1,459,032.85)	(53,997.00)	(1,513,029.85)

6. Covid-19 Implications

- 6.1. With the outbreak of Covid-19 in March 2020 and the enforced National Government lockdown being brought into force, it was thought prudent to cease enforcement operations across NEPP districts.
- 6.2. As a result of the above decision, income in the last month of the financial year was somewhat depleted. Nonetheless, losses were covered in year due to income exceeding budgetary expectations.
- 6.3. Moving forward, it is proposed to use the £286k vired into the Reserve at the end of 19/20, to support any income losses/deficit in 20/21.

7. Standard References

- 7.1. There are no particular publicity or consultation considerations; equality, diversity and human rights; community safety; health and safety or other risk management implications.

Appendix 1 – On-Street Account at end of 2019/20

2019/20 Outturn	A 2018/2019 Last Year	B 2019/2020 Current Year	C 2019/2020 Current Year	D 2019/2020 Current Year	2020/2021 NewYear	Notes
<i>Provisional Outturn</i>	Actual	Actual	Budget	Variance	Budget	
On-street Account						
Direct costs						
Expenditure						
Employee costs:						
Management	69	74	69	5	81	Parking Services Mgt Team staff costs and management a/c
CEOs & Supervision	1,184	1,324	1,336	(12)	1338	CEOs & Supervisor staff & costs; small vacancy u/spend
Back Office	328	388	349	39	387	Back Office staff costs
TRO's	126	132	127	6	172	TRO team staff costs
Premises / TRO Maintenance costs	153	219	180	40	190	R&M budget (seasonal: small expenditure anticipated)
Transport costs (running costs)	34	38	28	11	29	Fuel, public transport etc
Supplies & Services	542	500	404	96	649	General expenditure; includes ParkSafe car IT & TRO costs
Third Party Payments	28	35	44	(8)	53	Chipside and TEC bureau costs
	2,463	2,711	2,535	177	2,899	In Year Service expenditure total
Income						
Penalty Charges (PCNs)	(1,965)	(1,994)	(1,773)	(221)	(1,950)	PCNs - revised due to CEO deployment (£1,965 Last Yr) - weather
Parking Permits/Season Tickets	(807)	(883)	(655)	(228)	(859)	Visitor Permits - includes new areas and fee increase last yr
Parking Charges (P&D etc)	(348)	(369)	(326)	(43)	(363)	Pay & Display - includes additional area and new fees
Other income	(43)	(24)	(54)	30	0	Misc - other works undertaken - billed at end of work
	(3,163)	(3,270)	(2,808)	(462)	(3,172)	In Year Service income total
Total Direct Costs	(700)	(559)	(273)	(285)	(273)	In Year Service net expenditure
Total Non-direct Costs	441	458	458	0	458	Corporate costs added
Sub total (in year operation)	(259)	(101)	185	(285)	185	Red is surplus = to be added to reserve



North Essex Parking Partnership

Meeting Date: 25 June 2020 (deferred from March 2020)
Title: Permit Prices 2021-2022
Author: Lou Belgrove, Business Manager
Presented by: Lou Belgrove

The report sets out recommendations for changes to permit prices, across all districts for 2021 and 2022.

1. Recommended Decisions

- 1.1. Approve permit prices for financial years up to 2022.
- 1.2. Note that changes to 'pay to park' prices up to 2022 may occur, following the previous delegation of powers to officers to vary the on-street tariff at any other time to maintain at least parity with off-street areas.

2. Reasons for Recommended Decisions

- 2.1. NEPP set out in 2011 to harmonise prices across the Partnership as far as practicable to ensure income levels covered running costs with a commitment to review prices in 2020 for the remainder of the Agreement.
- 2.2. The rationale for reviewing permit prices is to ensure any inflationary or increased costs of patrolling and maintaining the schemes are covered over the remaining term of the Agreement.
- 2.3. The report sets out a plan for permit prices for parking management services, for good governance, and to assist in the setting of a balanced budget to ensure the future running of the service which in turn covers the base cost of providing resident permit area patrols.

3. Alternative Options

- 3.1. There is an option of 'do nothing' which, based on current income recovery levels would cover the costs of the operation as it stands, but does run the risk of a deficit situation if further schemes continue to be introduced.
- 3.2. Whilst more schemes will attract further income through permit sales, they would also attract additional patrol costs including; inflation, transaction fees, salary, and energy costs and the 'do nothing' approach may not support this.

4. Supporting Information

Resident Permits

- 4.1. Permit pricing consists of two parts:
 - i) the base cost to cover the patrols by CEOs, the cost of making and mapping the regulations and maintaining the system, which is the same across all areas,
 - ii) and a further value relating to the differing competition for kerbside parking space due to the varying levels of housing density and car ownership in each district and the associated social value attached to this.
- 4.2. NEPP agreed in its 2011 Business Plan that increases to Resident Parking Permits should cover the costs of the service, with a plan to bring these into line as far as possible (given socio-demographic differences between local areas) in line with previous ECC guidance on permit pricing.
- 4.3. In March 2018, Members agreed a future plan of charges over coming years (up until 2020) both in the interests of transparency, so that residents requesting a new scheme would be able to see the charges, and also to enable service planning.
- 4.4. The preceding permit prices were agreed in the 2015 Development Plan which ran to 2018, which was the extent of the Agreement at that time; the Agreement now continues to 2022. Prior to this, prices were agreed on an ad-hoc basis.
- 4.5. The previously agreed Plan has now been carried through to its conclusion and, as agreed with Members at the 2018 meeting, a review to set out prices for 2020 onwards would be submitted.
- 4.6. Considerable savings were made originally in the efficiency of operational delivery via MiPermit (approx. £48k p.a. savings were made on its introduction), especially in the cost of delivering online visitor permits, and there had been no change to these prices for a considerable time; the only change again is in the operational patrol costs.
- 4.7. Pending any further technical innovations with the scheme which could impact pricing structure in future (either up or down), details of the previously agreed Resident Parking price plan are shown in Appendix A to this report.

Kerbside Paid Parking

- 4.8. Parking Management, especially at the kerbside, aims to reduce congestion, helping drivers find spaces quickly and easily. Pay to Park bays on the street are not designed for long-term parking and the prices set at a point to encourage the use of car parks.
- 4.9. Members have previously agreed to delegate powers to officers, allowing for timely variation of the on-street prices in 'pay to park' areas in order to maintain at least parity with car parks in the relevant areas.

5. Proposals – Financial implications

- 5.1. In order to cover the true and full costs of patrols, previously, NEPP has set out a strategy to harmonise resident parking prices by increasing the base permit charge until all costs of the scheme are covered (note, this was not an inflationary increase, but a move to continue to cover all existing costs).
- 5.2. As of 2019/20, the cost of the scheme is being adequately covered by the current level of permit pricing, resulting in a proposal to keep the price of the *first* permit static to 2022.
- 5.3. *Second* and *Third* Resident Permits will remain available (albeit a Third permit is only available with Officer's discretion) and will continue to have an increased premium over that of the First Permit (see point 6.1 and Appendix C).
- 5.4. Visitor Permits will continue to be available with MiPermit digital permits being the main focus. A small stock of paper books is still available (at a premium) but will not be replenished once the stock diminishes.

- 5.5. Other permits such as Carers' Permits and Business Permits will remain available and will provide a further source of income.
- 5.6. The permit prices will be kept under review, especially in light of new technology. Prices may later be reviewed if new technology allows for efficiency savings to be made. This is particularly relevant where permits are converted to the virtual system and patrolling is made more efficient by using automatic number plate recognition.
- 5.7. Another source of income is from On-Street Pay & Display areas, where a fee to park is set at a level to encourage space availability for short stays, primarily in support of nearby businesses and to regulate all-day use of kerb space by supporting use of nearby off-street car parks for longer stays.
- 5.8. Increases to Pay to Park ("Pay & Display") areas have been set by Officers and are included in Appendix B to this report.
- 5.9. Any income which is surplus to the operating costs can only be used for the purposes set out in s.55 of the Act. The service sets out to operate within a balanced budget.

6. Environmental considerations

- 6.1. The increased cost for both second and third permits is set at a level to act as a deterrent against the introduction of additional vehicles in areas which are already at capacity. Demand for kerbside parking continues to rise and consideration has to be given to the environmental impact that this may have.
- 6.2. Third Permits will remain discretionary and will also be at a significant premium. Officers will give special consideration to narrow, crowded streets where parking is already difficult (including Colchester which has opted out of a Third Permit because of the lack of space) or where there are local socio-demographic or geographic reasons to consider.
- 6.3. An increased premium is applied to paper visitor permits due to the environmental impact paper products can have over that of the digital alternative. Digital visitor permits are available on the MiPermit platform and are accessible 24/7.
- 6.4. In addition to these measures, it is proposed in future to introduce Electric Vehicle Charging Point Charges, however none are presently implemented on-street.
- 6.5. Future consideration will also be given to the pricing structure in regard to Internal Combustion Engine (ICE) vehicles compared to that of Electric Vehicles.

7. Covid-19 considerations

- 7.1. Following the outbreak of Covid-19 and the enforced National Government lockdown, all permits (and season tickets) issued by NEPP were automatically extended to cover a period of three months from the date of expiry.
- 7.2. The extension to permits was applied to ensure residents did not suffer any financial loss in permit cover already paid for.

Appendix A:

Table of Prices - Agreed pricing strategy to 2018/20 proposed strategy 2021-22.								
Highway Order for Braintree Area								
Scale of Existing Charges	2015	2016	2017	2018	2019	2020	2021	2022
Resident Permit	£43.00	£45.00	£48.00	£50.00	£53.00	£55.00	£55.00	£55.00
Second Resident Permit (where available)	£55.00	£60.00	£65.00	£70.00	£75.00	£80.00	£85.00	£90.00
Third Resident Permit	By discretion only on application						£110.00	£120.00
Highway Order for Colchester Area								
Scale of Existing Charges	2015	2016	2017	2018	2019	2020	2021	2022
Resident Permit	£62.00	£63.00	£64.00	£65.00	£67.00	£68.00	£68.00	£68.00
Second Resident Permit (where available)	£78.00	£80.00	£80.00	£80.00	£83.00	£85.00	£88.00	£90.00
Third Resident Permit	Not available in Colchester Area							
Business Permit - Annual	£ 440.00	£ 440.00	£ 440.00	£ 440.00	£ 450.00	£ 460.00	£ 470.00	£ 480.00
Business Permit - 3 months	£ 110.00	£ 110.00	£ 110.00	£ 110.00	£ 114.00	£ 118.00	£ 120.00	£ 122.00
Dedham Exemption Certificate (15 issued)	£ 24.00	£ 24.00	£ 24.00	£ 24.00	£ 25.00	£ 25.00	£ 25.00	£ 25.00
Colchester & Tendring Womens Aid (9 issued)	£ 104.00	£ 104.00	£ 104.00	£ 104.00	£ 105.00	£ 105.00	£ 105.00	£ 105.00
Colchester High School (42 issued)	£ 33.00	£ 33.00	£ 33.00	£ 33.00	£ 34.00	£ 35.00	£ 38.00	£ 40.00
Hamilton School (35 issued)	£ 104.00	£ 104.00	£ 104.00	£ 104.00	£ 105.00	£ 105.00	£ 105.00	£ 105.00
Kingswode Hoe School (10 issued)	£ 104.00	£ 104.00	£ 104.00	£ 104.00	£ 105.00	£ 105.00	£ 105.00	£ 105.00
Walsingham Road resident season ticket - Yearly (2 iss.)	£ 203.00	£ 203.00	£ 203.00	£ 203.00	£ 204.00	£ 206.00	£ 208.00	£ 210.00
Walsingham Road resident season ticket – 6 months	£ 110.00	£ 110.00	£ 110.00	£ 110.00	£ 102.00	£ 103.00	£ 104.00	£ 105.00
Motorcycle	£ 25.00	£ 25.00	£ 25.00	discontinued				
Highway Order for Harlow Area								
Scale of Existing Charges	2015	2016	2017	2018	2019	2020	2021	2022
Resident Permit	£33.00	£35.00	£38.00	£40.00	£42.00	£43.00	£43.00	£43.00
Second Resident Permit (where available)	£65.00	£70.00	£75.00	£80.00	£85.00	£90.00	£90.00	£95.00
Third Resident Permit	By discretion only on application						£120.00	£130.00
Highway Order for Tendring Area								
Scale of Existing Charges	2015	2016	2017	2018	2019	2020	2021	2022
Resident Permit	£50.00	£53.00	£55.00	£58.00	£60.00	£63.00	£63.00	£63.00
Second Resident Permit (where available)	£62.00	£65.00	£68.00	£70.00	£75.00	£80.00	£85.00	£90.00
Third Resident Permit	By discretion only on application						£100.00	£110.00
Highway Order for Uttlesford Area								
Scale of Existing Charges	2015	2016	2017	2018	2019	2020	2021	2022
Resident Permit	£70.00	£70.00	£70.00	£70.00	£70.00	£70.00	£70.00	£70.00
Second Resident Permit (where available)	£105.00	£105.00	£105.00	£105.00	£103.00	£102.00	£103.00	£105.00
Third Resident Permit	By discretion only on application						£170.00	£180.00
Highway Order for Epping Forest Area								
Scale of Existing Charges	2015	2016	2017	2018	2019	2020	2021	2022
Resident Permit	£43.00	£45.00	£48.00	£50.00	£53.00	£55.00	£55.00	£55.00
Second Resident Permit (where available)	£78.00	£80.00	£80.00	£80.00	£83.00	£85.00	£88.00	£90.00
Third Resident Permit	By discretion only on application						£170.00	£180.00
All areas where available								
	2015	2016	2017	2018	2019	2020	2021	2022
Visitor Permits pack of 10 (paper permits) up to 24hr	£ 15.00	£ 15.00	£ 15.00	£ 15.00	£ 20.00	£ 20.00	£ 25.00	£ 30.00
Visitor Permits - MiPermit (digital system) 24-hour	£ 10.00	£ 10.00	£ 10.00	£ 10.00	£ 11.00	£ 11.50	£ 12.00	£ 12.50
Visitor Permits - MiPermit (digital only) 6-hour	not available		£ 6.00	£ 6.00	£ 6.00	£ 6.00	£ 6.00	£ 6.00
Trader's Permit (annual) - valid all areas of NEPP	£ 300.00	£ 300.00	£ 300.00	£ 300.00	£ 250.00	£ 230.00	£ 220.00	£ 210.00
Trader's Permit (half year) - valid all areas of NEPP	£ 175.00	£ 175.00	£ 175.00	£ 175.00	discontinued			
Trader's Permit (quarter) - valid all areas of NEPP	£ 90.00	£ 90.00	£ 90.00	£ 90.00	discontinued			
Discretionary permit(s) (subject to conditions) (eg Carer)	£ 30.00	£ 30.00	£ 30.00	£ 30.00	£ 30.00	£ 30.00	£ 30.00	£ 30.00
Replacement for lost or stolen permit	£ 15.00	£ 15.00	£ 15.00	£ 15.00	£ 22.00	£ 23.00	£ 24.00	£ 25.00
Dispensation/Suspension Permit – First Day	£ 22.00	£ 22.00	£ 22.00	£ 22.00	£ 23.00	£ 24.00	£ 25.00	£ 25.00
Dispensation/Suspension - other days (up to 7 days)	£ 10.00	£ 10.00	£ 10.00	£ 10.00	£ 11.00	£ 11.50	£ 12.00	£ 12.50
Agreed pricing strategy to 2018 agreed by Joint Committee 26.06.2014 (Minute 9 refers); Prices from 2018/20 agreed at JPC Mar 2018 (Minute 34).								

Appendix B:

Parking Order:	Colchester				
Scale of Existing Charges	2018	2019	2020	2021	2022
Station Road - Marks Tey					
Up to 4 hours	£2.00	£2.10	£2.20	£2.30	£2.40
Up to 1800 hours	£4.00	£4.10	£4.20	£4.30	£4.40
Parking Order:	Epping				
Scale of Existing Charges	2018	2019	2020	2021	2022
Queens Road - Buckhurst Hill					
Up to 30 mins	£0.10	£0.20	£0.30	£0.40	£0.50
Up to 1 hour	£0.65	£0.75	£0.85	£0.95	£1.00
Up to 2 hours	£1.30	£1.40	£1.50	£1.60	£1.70
High Road - Loughton					
Up to 30 mins	£0.20	£0.30	£0.40	£0.50	£0.60
Up to 1 hour	£0.90	£1.00	£1.10	£1.20	£1.30
Up to 2 hours	£1.80	£1.90	£2.00	£2.10	£2.20
Rectory Lane - Loughton					
Up to 1 hour	£0.90	£1.00	£1.10	£1.20	£1.30
Up to 2 hours	£1.80	£1.90	£2.00	£2.10	£2.20
Over 2 hours up to 6pm	£3.80	£3.90	£4.00	£4.10	£4.20
Oakwood Hill - Loughton					
Up to 1 hour	£0.90	£1.00	£1.10	£1.20	£1.30
Up to 2 hours	£1.80	£1.90	£2.00	£2.10	£2.20
Over 2 hours up to 6.30pm	£3.80	£3.90	£4.00	£4.10	£4.20
Ladyfields - Loughton					
Up to 1 hour	£0.90	£1.00	£1.10	£1.20	£1.30
Up to 2 hours	£1.80	£1.90	£2.00	£2.10	£2.20
Over 2 hours up to 4pm	£3.80	£3.90	£4.00	£4.10	£4.20
Kings Green - Loughton					
Up to 1 hour	£0.90	£1.00	£1.10	£1.20	£1.30
Lenthall Road - Loughton					
Up to 1 hour	£0.90	£1.00	£1.10	£1.20	£1.30
Up to 2 hours	£1.80	£1.90	£2.00	£2.10	£2.20
Over 2 hours up to 6.30pm	£3.80	£3.90	£4.00	£4.10	£4.20
Parking Order:	Tendring				
Scale of Existing Charges	2018	2019	2020	2021	2022
Harwich Quay					
Up to an hour	£1.00	Agreed to match tariff set by TDC in adjacent bays to avoid customer confusion			
Up to 2 hours	£2.20				
Up to 4 hours	£3.50				
Over 4 hours	£5.00				
Parking Order:	Uttlesford				
Scale of Existing Charges	2018	2019	2020	2021	2022
Abbey Lane, Castle Street, East Street etc - Saffron Walden					
Up to 1 hour	£0.90	£1.00	£1.10	£1.20	£1.30

Appendix C:

	Braintree	Colchester	Epping Forest	Harlow	Tendring	Uttlesford
Current cost of Third permit - 2019/20	£105.00	N/A	£160.00	£110.00	£93.00	£157.50



North Essex Parking Partnership

Meeting Date: 25 June 2020
Title: NEPP Annual Report Data for 2019/20
Author: Richard Walker, NEPP Group Manager
Presented by: Richard Walker

This report sets out the data required to be published as part of transparency requirements. A full report is available online.

1. Recommended Decision(s)

- 1.1. To note these details.

2. Reasons for Recommended Decision(s)

- 2.1. To comply with requirements regarding data publication.

3. Alternative Options

- 3.1 None.

4. Supporting Information

- 4.1. The data for inclusion in the Annual Report (from the 2019/20 financial year) is available online and has been published in parts as the year progressed.

See the following link for details:

<http://www1.parkingpartnership.org/north/annualreports>

5. Background Information

- 5.1. Each year, parking enforcement authorities are required to publish data relating to their performance in the previous financial year.
- 5.2. The data will be published on the DataShare service in connection with transparency requirements and a full Annual Report will be published on the website.
- 5.3. NEPP is working nationally with other authorities to improve the presentation, style and content of these reports.
- 5.4. NEPP was successful in gaining a PATROL Award during 2019 for the clarity of its Annual Report, which is now published quarterly in sections on the website.

6. Standard References

- 6.1. There are no particular references to the Development Plan; publicity or consultation considerations; or financial; equality, diversity and human rights; community safety; health and safety or risk management implications.

Meeting Date: 19 March 2020
 Title: Restrictions, Junctions and ParkSafe School Zones for 3PR support
 Author: Richard Walker, NEPP Group Manager
 Presented by: Richard Walker



This report presents restriction types that can be used since changes to legislation, and suggests a way to speed up implementation, and make additional schemes. The report asks the Committee:

- to note the progress with the 3PR educational scheme;
- to decide to adopt a new ParkSafe category and timescale for schemes in addition to the six-per-district made using the Socially Necessary process.
- to note delegation to be used to implement a new category of ParkSafe restrictions near schools, at junctions and in other areas where expediency is required.

1. Recommended Decision(s)

- 1.1. Decide to adopt a new fourth tier category and process for 'ParkSafe' restrictions where expediency is required, beside the existing processes, set out in paragraph 3.2.

Note that the existing delegation set out at paragraph 5.4, allows NEPP to and help expedite these and free up slots in the fifth tier.

- 1.2. Note the progress with the 3PR educational scheme and the process for additional support set out below.

2. Reasons for Recommended Decision(s)

- 2.1. For good governance and to ensure the effective future operation of the Partnership.
 2.2. To simplify and expedite the delivery of restrictions and safety measures.

3. Alternative Options

- 3.1. During the compilation of this report, alternatives were discussed with Client Officers and included taking a national view alongside that of other leading parking specialists. The report brings together the most realistic mix of options for decision.
- 3.2. The recommendation provides a new fourth tier restriction group amongst existing measures, with their intervention levels set out in the TRO Policy:
1. Safety (Essex County Council)
 2. Congestion (Essex County Council)
 3. New Development (Essex County Council)
 4. **NEW:** ParkSafe & Restrictions which score sufficiently to be prioritised (via NEPP)
 5. Socially Necessary (6 per district, per year) (existing, via NEPP)

4. PART 1: Restriction types that may now be used

- 4.1. In addition to the widely installed Double and Single Yellow Lines and School Keep Clear zig-zags, recent regulatory reform has enabled local authorities to make use of Single or Double Red Lines. Red lines mean “no stopping, no loading and no waiting” – and are the same level of restriction as rural clearways. Single Red Lines can be installed for part-time rules.
- 4.2. Double Red Lines can also replace School Keep Clear zig-zags as they carry the same meaning, without requiring so much maintenance or signage, and can be used in longer lengths than the School Keep Clear zig-zag markings.
- 4.3. These restriction types can also reduce signage clutter and maintenance costs since the lines are to the side and not within the main running lane, unlike zig-zags, do not require additional kerb markings, and in most cases do not require additional signage.
- 4.4. Each sign that can be saved will reduce the cost by between £130 and £170. Each zig-zag combination (43.56 metres) costs £195 to re-mark; and additional double kerb markings for loading restrictions around £25 per 100m. As a comparison, red lines can be installed at £390 per hundred meters of double line.
- 4.5. It is likely that the fixed ParkSafe CCTV project will include Red Route in the package of supporting measures, to be used alongside 3PR schemes.
- 4.6. An example of how a Red Route School Zone might be applied is shown in Appendix B.

5. Shortening the Application Process

- 5.1. The Joint Committee has previously delegated the authority (see paragraph 6) to officers who are currently able to advertise a Traffic Regulation Order (TRO) when a request is received, where a school site already benefits from school keep clear zig-zag markings.
- 5.2. Partner authority members may receive applications to deter parking close to or on junctions. Currently, these requests use the formal TRO application process and are required to be prioritised, taking valuable annual slots if chosen as a priority.
- 5.3. The NEPP receives requests for other schemes which could be considered outside the socially necessary category. The request would allow these schemes to be dealt with in addition to the six-per-district allocation for socially necessary schemes.
- 5.4. Whilst the present process allows for expediency, this change is to extend the current delegated powers to any locations and make explicit provision for: –
 - within approximately 100m radius of a junction (junction protection) but not for applications where wider areas require intervention (e.g. where referred parking may be expected).
 - within approximately 500m radius of a school (including the change of restriction types, times of operation, or implementation of new schemes); and
 - to alter current School Keep Clear zig-zag restrictions (length, type, or time of operation) where appropriate; and
 - other locations which accrue a sufficiently high score to warrant early implementation and expediency is required putting them beyond being in the socially necessary category.

6. Existing Delegation

- 6.1. On 5 December 2011, the Joint Committee decided a delegation – which is not intended to be changed, but restated here for completeness – which is to be updated to take into consideration the fact that the TRO Sub Committee was subsumed back into the main Joint Parking Committee from the 2013/14 municipal year, starting from the 2013 AGM, and to note that the number of meetings reduced to 4 p.a. from the 2014/15 municipal year:
- *It may be expedient in certain circumstances for decisions to be taken by the Chair or Vice Chair [of the TRO sub] committee in consultation with officers. The [TRO sub] committee is asked to approve delegation of decision on matters of an urgent or unforeseen nature to the Chair or Vice Chair as their substitute, in consultation with officers where the exigency of the service requires. Such matters to be reported to the next available committee for confirmation.*
 - *There will be times where it would be expedient for officers to make operational decisions on approved schemes and the [TRO sub] committee is asked to delegate operational decisions to officers.*

7. Considerations

- 7.1. The current process outside these delegations can sometimes be seen as long-winded: Applications need to be made by July and prioritised by the applicable partner authority, taking one of the six priority slots allocated at the October meeting, on an annual basis, for introduction the following year.
- 7.2. If the current delegations were extended, then changes to current school restrictions and the implementation of new restrictions could be catered for via the existing application process but would not need to take up one of the allocated six TRO slots provided to each of our partners.
- 7.3. As with the current system, local liaison will still occur with the applicable partner, local Council Ward/County member(s) (via the partner authority), school, and other road users, to ensure that the correct restrictions are proposed/altered.
- 7.4. It is important to retain the application process to satisfy any scrutiny that may occur and any potential challenge to a proposal made.

8. PART 2: ParkSafe School Zones – supporting 3PR

- 8.1. In addition to the regulatory options, the popular 3PR scheme can call upon additional initiatives to assist the educative angle:
- Safely to School; Healthy Schools; Active Travel; Active Essex; School Travel Plans; School crossing person (“lollipop patrol”); Road Safety Team; School warning signs; Bikeability; Scooter parking; Advisory Informal signage for 3PR zone - like neighbourhood watch; Standing Signage - People and Policemen, 3PR Robot – see Appendix; Walk to School month; Be safe / Be seen – October; Walking bus (schools have to assist); Park & Stride - alternative off street car parking with walking map from other areas; Alternative car park and permit – (silver scheme).
- 8.2. Other methods may include the more regulatory approach by using: –
- Temporary traffic cones – which may be backed by temporary restrictions
 - No Idling - including Penalties for disregarding the requirements near schools
 - Cycle lanes – with automated penalties, which has been discussed nationally.

- 8.3. The 3PR Scheme also features three levels, according to the position in the community and other services available nearby: –
- **Bronze** – provides awareness and attention
 - **Silver** – provides alternatives
 - **Gold** – provides managed alternatives
 - The **regulatory process** can then provide an additional level of support, addressed elsewhere in this report.

9. Environmental Considerations

- 9.1. The new service will take all reasonable steps to have a positive impact wherever possible. In this report this includes encouragement to reduce congestion, idling and improvements to air quality, reduction of sign clutter and removal of certain maintenance requirements.

10. Benefits to Essex County Council

- 10.1. To work through schemes sooner, by implementing a streamlined implementation for high-scoring schemes, and provide more assistance around schools joining up different approaches alongside 3PR.

11. Standard References

- 11.1. Other than set out above, there are no particular references to the Development Plan; publicity or consultation considerations; or financial; equality, diversity and human rights; community safety; health and safety or risk management implications
- 11.2. An Equality Impact Assessment for the operations is set out at this link:

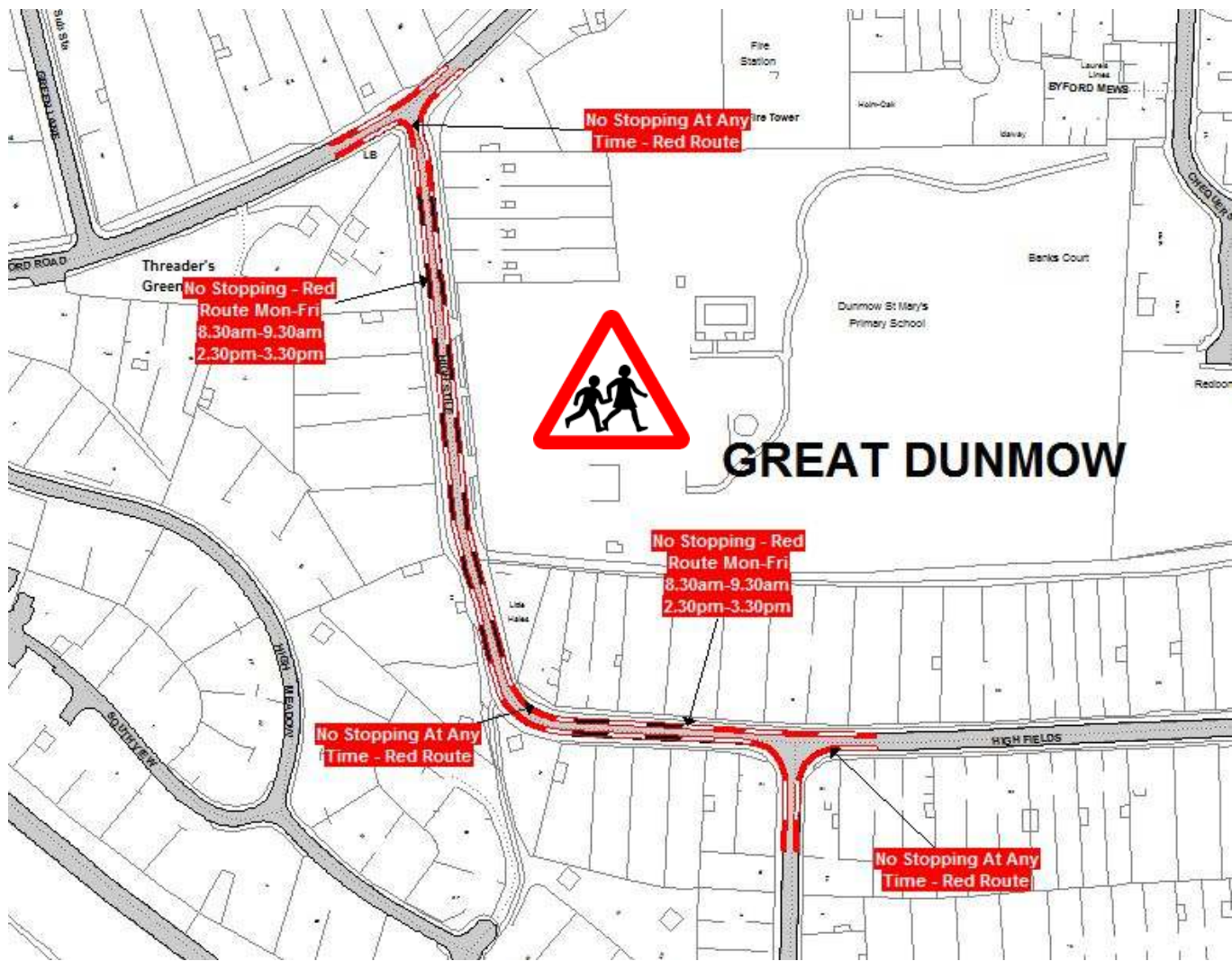
<https://cbccrmdata.blob.core.windows.net/noteattachment/CBC%20-%20How%20The%20Council%20Works%20-%20Environmental%20Equality%20Impact%20Assessments%20-%20North%20Essex%20Parking%20Partnership.pdf>

Appendix A:

Illustration of informal temporary signage available to assist with educational 3PR schemes.



Appendix B – example of how a Red Route School Zone treatment might look







North Essex Parking Partnership

Meeting Date: 25 June 2020
Title: NEPP Surplus Fund – Project Progress Reports
Author: Jason Butcher, NEPP Parking Project Manager
Presented by: Jason Butcher and Richard Walker

This report requests the Committee note the progress of projects previously approved at the January 2020 meeting.

1. Recommended Decision(s)

- 1.1. The Committee is asked to note the progress reports in Appendix 1.

2. Reasons for Recommended Decision(s)

- 2.1. To ensure the effective delivery of approved projects.

3. Supporting Information

- 3.1. Members approved funding for 18 projects at the January 2020 Joint Committee meeting.
- 3.2. Additional information was requested to support the approval of two of these projects as it was felt that the business case to support a repayment to the Partnership was not proven.
- 3.3. Three bids were 'deferred', and three additional bids were given 'conditional approval'.
- 3.4. It was decided that deferred bids could be resubmitted if necessary, at the December 2020 meeting.
- 3.5. Additional information to support 'conditionally approved' projects is not being provided for consideration at this time.

4. Covid-19, Environment and Benefit to ECC

- 4.1. N/A

5. Standard References

- 5.1. Other than set out above, there are no particular references to the Development Plan; publicity or consultation considerations; or financial; equality, diversity and human rights; community safety; health and safety or risk management implications

Progress Reports

Bay Sensors

We are in the process of finalising the procurement, traffic management and supervision plans in conjunction with Essex Highways. Project plans and timescales will be finalised, and an installation programme will be worked through prior to testing and 'go-live'. There are some challenges concerning Covid-19 temporary highway measures affecting proposed sites in Colchester that need to be factored into this work.

At this stage, the full budget of £150k has been committed. It is intended that operational savings will help further support this project and fund additional installations in future years when we have been able to assess the impact of the pilot schemes.

Parksafe School Cameras

Procurement has been finalised and we will be working with our current suppliers SEA on this solution. The first locations were due to have cameras installed in May, however the Covid-19 situation has meant a delay to the works to achieve that. We are now planning for a September 2020 testing period and go-live soon after. Communications are being developed and we will be engaging with Members, schools and residents beforehand. For the purposes of testing and easy access, two schools in Colchester and one in Tendring will be covered initially, with schools in the other partner districts to benefit in the second and third installation cycles.

A full proposed installation plan will be made available once testing and training has been completed.

As things stand, £60k has been committed from the budget with the remaining budget to be used to support installation work and communications.

Colchester Park and Ride

This is an ongoing project which has already helped achieve the development of mobile ticketing through the MiPermit app meaning that this is now predominantly a cashless facility. The development of new tariff and information boards have been completed to help support the newly introduced policy of charging all service-users. These new designs we hope can be rolled out to partner district car parks where agreeable. A strong emphasis on promoting paying by MiPermit was central to this design and supports our work to encourage customers moving to cashless methods of payment.

CBC - Manor Road, Colchester

An up-to-date quote for refurbishment of this area of land has been obtained and CBC are now awaiting any additional requirements to support EV provisions before works commence.

Digital Enforcement Solution (formerly known as Parkius Trial)/Command Centre)

During discussions with our Parksafes vehicle provider (SEA) and Chipside (our notice processing and MiPermit provider), it became clear that building our own digital enforcement solution in conjunction with them would be the best way to proceed. We are currently working with our partners to develop this to best fit UK regulations and to seek changes to enable a wider use of CCTV enforcement – such as in car parks.

We have combined these two projects into one, as the command centre will be central to the operations of the new solution. This will mean a total of £90,000 will be available to support the delivery of this project.

UDC - Crafton Green and Lower Street Car Park Extensions

Considering the request for additional financial information to be provided prior to further review by the Committee – some financial modelling and recommendations have been made to UDC. No further information to support this bid for consideration by the Committee has been received at this stage.

EFDC – TRO Scheme Reviews

The EFDC TRO long list was reviewed as some duplicate applications were present. A review of the list by EFDC is necessary prior to commencement of this project.

EFDC – Parking Strategy

The scope of this project is being discussed with EFDC officers.

EFDC – St Johns Road Sport Centre TRO Works

This ‘deferred’ bid is being discussed further, prior to submission for Committee consideration.

CBC/TDC/UDC – Variable Messaging Signage

Discussions are taking place with Essex Highways in order to develop a feasibility study for each location. This will enable the Committee to decide whether to support these schemes or not. We are also exploring additional ways for parking availability within car parks to be accessed. As an example, one method would be for space availability to be displayed within the MiPermit app and online to help inform journey decision-making.

All other projects have either not commenced or are awaiting local decisions prior to commencement.



North Essex Parking Partnership

Meeting Date: 19 March 2020
Title: NEPP Agreement - Park & Ride Report
Author: Richard Walker, NEPP Group Manager
Presented by: Richard Walker

This report requests that the Committee decides the addition of management of Colchester Park & Ride ticketing and patrols to the current Agreement.

1. Recommended Decision(s)

- 1.1. The Committee is asked to formalise the Partnership with Park & Ride adding it into the current Agreement, for the purpose of patrolling and including MiPermit ticketing.

2. Reasons for Recommended Decision(s)

- 2.1. To ensure the effective management of the Park & Ride site in Colchester.

3. Alternative Options

- 3.1. NEPP was asked, at short notice, to assist with a ticketing solution when existing contracts ended. MiPermit has been extended to the site with parking and MiPermit off-bus ticketing solutions being provided.
- 3.2. Alternatives were to provide ticket machines and/or separate unrelated phone payment systems or paper tickets. MiPermit is common with the parking solution across Essex.

4. Supporting Information

- 4.1. Essex County Council, with assistance from the NEPP, has implemented a Parking Order on to prevent against improper use of the site and formalise payment options.
- 4.2. The NEPP would provide patrols on site to ensure correct use of the site, compliance with the order and to protect revenue.

5. Environmental Considerations

- 5.1. Park & Ride reduces traffic in towns and effects modal shift. In supporting the Park & Ride, the NEPP demonstrates its commitment to invest in parking-related improvement schemes, reducing paper use and supporting sustainable alternatives.

6. Benefit of Work to Essex County Council

- 6.1. Benefits (delivered at no cost to the County Council) include shared off-bus ticketing, signage and marketing material.

7. Standard References

- 7.1. Other than set out above, there are no particular references to the Development Plan; publicity or consultation considerations; or financial; equality, diversity and human rights; community safety; Covid-19, health and safety or risk management implications
- 7.2. An Equality Impact Assessment for the operations is set out at this link:
<https://cbccrmdata.blob.core.windows.net/noteattachment/CBC%20-%20How%20The%20Council%20Works%20-%20Environmental%20Equality%20Impact%20Assessments%20-%20North%20Essex%20Parking%20Partnership.pdf>



North Essex Parking Partnership

Meeting Date: 25 June 2020
Title: NEPP beyond 2022 - Strategic Positioning Report
Author: Richard Walker, NEPP Group Manager
Presented by: Richard Walker

This report sets out possible future options and decisions required to run NEPP beyond the current Agreement, after 31 March 2022.

1. Recommended Decision(s)

- 1.1. Ask the County Council and SEPP to continue with the Partnership model after the current Agreement, passing a reserve a buffer of £300k formed from current Reserve and Cashflow sums into the new NEPP service.
- 1.2. Decide the future operating model and assignment of functions – to continue to adopt additional services, but with a more flexible arrangement to deal with any surplus.

2. Reasons for Recommended Decision(s)

- 2.1. For good governance and to ensure the effective future operation of the Partnership.
- 2.2. Any operations and projects which are begun now will extend into the period beyond the current Agreement. For good governance it is important that a way forward is decided with sufficient time to make any changes well before its commencement on 1 April 2022.

3. Alternative Options

- 3.1. A meeting has been conducted with the Client Officers at each partner authority to explore any alternatives. The Client Officers were supportive of a similar approach to the current Partnership Agreement, with some minor changes.
- 3.2. Consideration has been given to options discussed with the Client Officers of the boroughs, districts and county councils.

4. Shared Issues

5. Common threads were evident in speaking to the Client Officers from each District and shared some common themes when consulting the County Council. The recommendations in this report build on the issues agreed with Client Officers.

6. Financial Considerations

- 6.1. NEPP has built a Reserve of over £1m which it has agreed to reinvest into parking-related projects.

- 6.2. A ring-fenced £100k cashflow was allocated from Essex County Council at the start of the NEPP which is repayable at the end of the term.
- 6.3. It is recommended to use a £200k portion of this existing Reserve to pass into the new Partnership, and include the £100k Cashflow sum, if an operation similar to the current NEPP is to be established/continued, and to ringfence this into a Buffer Fund to guard against any deficit.
- 6.4. An illustration of the application of a new operational model, and the proposed buffer, is given in the Appendix.

7. Environmental Considerations

- 7.1. The new service will take all reasonable steps to have a positive impact wherever possible.

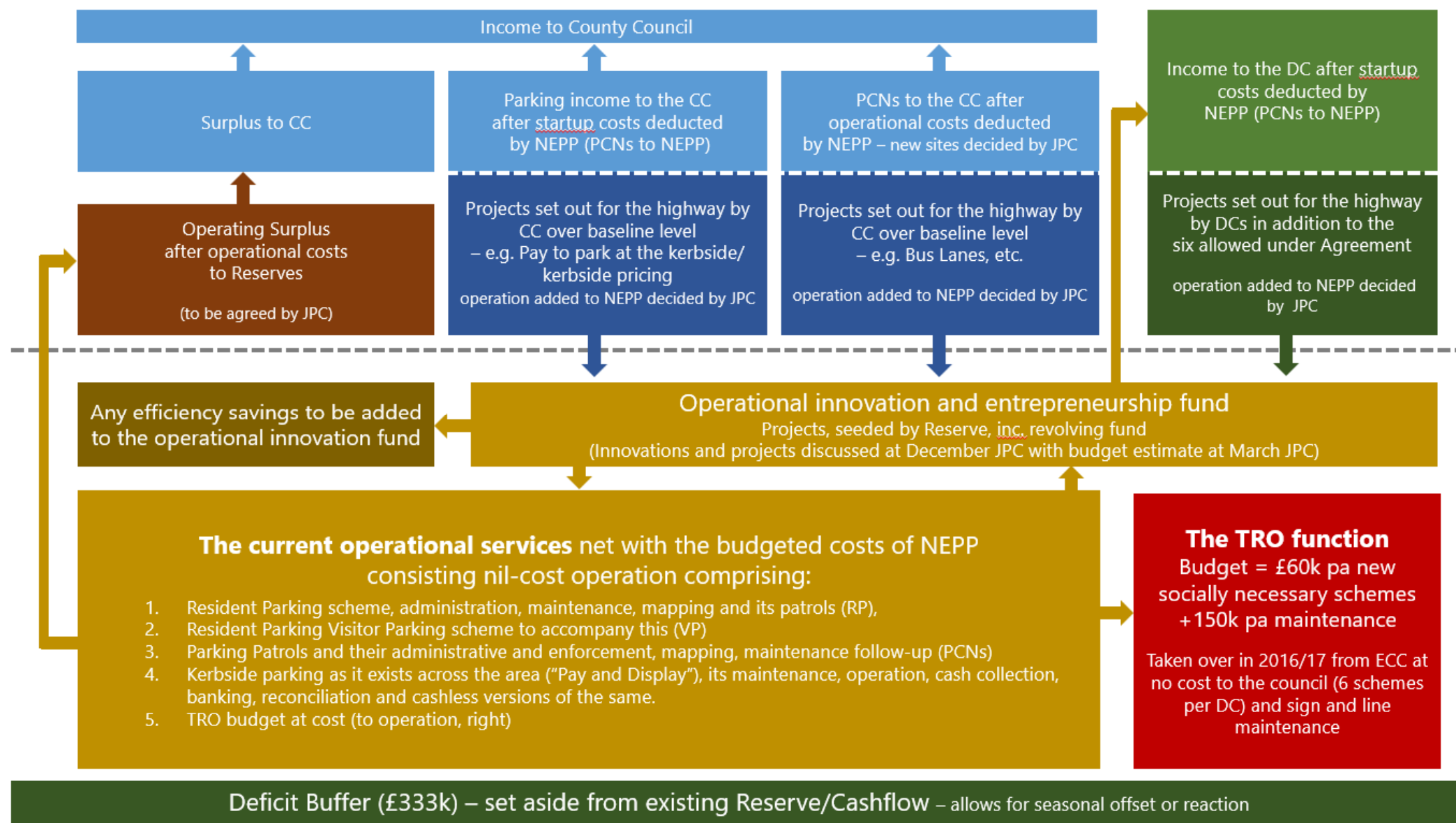
8. Benefits to Essex County Council

- 8.1. It has been shown that the Partnership services can be run without a deficit, and independently the County Council funding, whilst retaining overview at the Committee.

9. Standard References

- 9.1. Other than set out above, there are no particular references to the Development Plan; publicity or consultation considerations; or; equality, diversity and human rights; community safety; health and safety or risk management implications
- 9.2. An Equality Impact Assessment for the operations is set out at this link:
<https://cbccrmdata.blob.core.windows.net/noteattachment/CBC%20-%20How%20The%20Council%20Works%20-%20Environmental%20Equality%20Impact%20Assessments%20-%20North%20Essex%20Parking%20Partnership.pdf>

Appendix A. Illustration of the recommended operating model for the Partnership beyond 2022.



Essex County Council Options

Option one: Current arrangement: Deficit Guarantee

- Partnership retains income from:
 - On street parking charges
 - PCN income
 - Resident parking permits

ECC income = £0 (however surplus on reserve is reinvested in parking projects; aid to network management, as decided by the ECC NEPP Joint Committee)

Option two – Income share

- Partnership retains income from:
 - On street parking charges
 - Resident permits

ECC income = on street parking

Risks:

Shortfall to NEPP – approx. £300k if current income paid over
NEPP would no longer be viable.

Issues:

Entrepreneurial spirit lost; no reason to improve.
Deficit is currently at risk of districts which would not continue on this basis.

Option three – Reduced Split Income

- Partnership retain income from on street parking charges
- ECC retain the income from the first 1000 PCNs and then split the income for any additional charges at a percentage to be agreed

Risks:

PCN income is variable; operational cost is fixed.

Income not guaranteed.

NEPP starts with deficit.

Deficit is currently at risk of districts which would not continue on this basis.

TRO function costs missing; innovation absent.

Issues

Unclear if first 1000 PCNs or 1000 paid PCNs. An on street PCN is worth c. £31 paid.

Payment rate c.78% - payment between £23250 - £31000 + arbitrary %

This would destabilise the business model, which currently just about maintains net.

Operational model will need revising in any event in five years or so.

Option four: Revenue Guarantee/Deficit Support

- ECC pay the partnership a fee for managing on street parking and enforcement
- ECC take all income from:
 - on street parking charges
 - PCNs.
 - Residents parking permits

Risks:

This is a deficit support model from which ECC moved away at the end of 2010. Current operating model would continue, but costs will overtake income in about 3-4 years. NEPP would no longer be viable.

Issues:

Entrepreneurial spirit lost; no reason to improve.

Districts would possibly continue on this basis.

Unknown TRO function and maintenance/support (e.g. ParkMap and innovation/improvement) – likely new socially necessary schemes lost.

Option Five: Dividend Model – deficit protection

The parking partnerships agree to pay ECC a proportion of surplus each year

The partnership retains:

- The operational costs for running the service (including TRO function)
- A buffer to protect from periods of inclement weather when parking inspectors cannot patrol (existing fund starts – protects from deficit)
- A budget for innovation to be agreed at the beginning of each financial year upon innovation project proposals made by the partnership to ECC (prefer this to be a JPC decision)

Anything over and above this the Partnership pays to ECC (Dividend on operation; dividend on future delegated functions; dividend on agreed new schemes).

See model illustration for dividend flow.

NEPP incentivised to improve and innovate to become more efficient – challenge is for NEPP to achieve – thrives on challenge, as demonstrated by past performance.

JPC already exists and is an efficient decision-making/governance model

Promotes localism/governance model

Places emphasis on NEPP to improve – entrepreneurial challenge continues.

Impetus to improve and make efficiency savings where funds reinvested.

Possibility of delegating further functions.

Innovation centre of excellence – leader nationally – award winner

Success reflects positively/well on county

Set up to take on Part 6 (moving traffic) in house.

Ability to add ECC schemes. Dividend to ECC

Likely to be supported by district councils as no deficit support (inc. localism brought by NEPP)

Politically positive where districts bring additional schemes which can also provide district council dividends, beside ECC



North Essex Parking Partnership

Meeting Date: 25 June 2020
Title: Forward Plan 2019-2020 and Meeting dates for 2020-21
Author: Owen Howell – Democratic Services, Colchester Borough Council
Presented by: Owen Howell – Democratic Services, Colchester Borough Council

This report concerns the 2019-20 Forward Plan of meetings for the North Essex Parking Partnership and the proposed Joint Committee dates for 2020-21.

1. Recommended Decision(s)

- 1.1 To note the North Essex Parking Partnership Forward Plan for 2019-20.
- 1.2 To approve the proposed 2020-21 dates for Joint Parking Committee meetings.

2. Reasons for Recommended Decision(s)

- 2.1 The forward plan for the North Essex Parking Partnership Joint Committee is submitted to each Joint Committee meeting to provide its members with an update of the items scheduled to be on the agenda at each meeting.
- 2.2 The 2020-21 meeting dates for the Joint Committee must be approved, prior to a Forward Plan for 2020-21 being produced for the Joint Committee to consider on 25 June 2020.

3. Supporting Information

- 3.1 The Forward Plan is reviewed regularly to provide an update on those items that need to be included on future agendas and incorporate requests from Joint Committee members on issues that they wish to be discussed.

4. Proposed 2020-21 meeting dates for the Joint Parking Committee

- 4.1 The following dates are proposed for the Joint Committee to meet in 2020-21:
 - 25 June 2020 (Already confirmed) (Colchester Borough Council)
 - 1 October 2020 (Tendring District Council)
 - 10 December 2020 (Harlow District Council)
 - 18 March 2021 Uttlesford District Council)
 - 24 June 2021 (Colchester Borough Council)

NORTH ESSEX PARKING PARTNERSHIP (NEPP)
FORWARD PLAN OF WORKING GROUP AND JOINT COMMITTEE MEETINGS 2019-20

COMMITTEE / WORKING GROUP	CLIENT OFFICER MEETING	JOINT COMMITTEE MEETING	MAIN AGENDA REPORTS	AUTHOR
Joint Committee for On Street Parking	4 June 2020, Room G04, Remote meeting (MS Teams).	25 June 2020 1.00pm, Remote Meeting (Zoom/YouTube).	Annual Governance Review and Internal Audit	Hayley McGrath (CBC)
			Annual Review of Risk Management	Hayley McGrath (CBC)
			NEPP Financial Update	Lou Belgrove (PP)
			NEPP Annual Report Data	Richard Walker (PP)
			3PR Update and Briefing on School Zones	Richard Walker (PP)
			Finance Update and 2020/21 Budget	Lou Belgrove (PP)
			Future of the NEPP past 2022	Richard Walker (PP)
			Parking Permit Review	Richard Walker (PP)
			Update on deferred decisions on bids for Reserve Funding	Richard Walker (PP) and Jason Butcher (PP)
			Obstructive Parking Update	Richard Walker (PP)
Joint Committee for On Street Parking	10 September 2020, Room G04, Rowan House, Sheepen Road.	1 October 2020 1.00pm, Council Chamber, Tendring District Council Offices.*	Forward Plan '20/21	Owen Howell (CBC)
			Technical report and Traffic Order Scheme Prioritisation	Trevor Degville (PP)
			Financial Report	Lou Belgrove (PP)
			Annual Report	Richard Walker (PP)
			Policy Review	Richard Walker (PP)
			Obstructive Parking Update	Richard Walker (PP)

COMMITTEE / WORKING GROUP	CLIENT OFFICER MEETING	JOINT COMMITTEE MEETING	MAIN AGENDA REPORTS	AUTHOR
			Forward Plan '20/21	Owen Howell (CBC)

Joint Committee for On Street Parking	19 November 2020, Room G04, Rowan House, Sheepen Road.	10 December 2020 1.00pm, Civic Centre, Harlow, The Water Gardens, College Square.*	On Street Budget Update Use of Reserves Obstructive Parking Update Forward Plan '20/21 and' 21/22 Dates	Lou Belgrove (PP) Richard Walker (PP) Richard Walker (PP) Owen Howell (CBC)
Joint Committee for On Street Parking	25 February 2021, Room G04, Rowan House, Sheepen Road.	18 March 2021 1.00pm, Uttlesford District Council, Committee Room, Council Offices*	Finance Update and 2019/20 Budget Parking Permit Review Obstructive Parking Update Forward Plan '21/22	Lou Belgrove (PP) Richard Walker (PP) Richard Walker (PP) Owen Howell (CBC)
Joint Committee for On Street Parking	3 June 2021, Room G04, Rowan House, Sheepen Road.	24 June 2021 1.00pm, Grand Jury Room, Town Hall, Colchester Borough Council*	Annual Governance Review and Internal Audit Annual Review of Risk Management NEPP Financial Update NEPP Annual Report Data Obstructive Parking Update Forward Plan '21/22	Hayley McGrath (CBC) Hayley McGrath (CBC) Lou Belgrove (PP) Richard Walker (PP) Richard Walker (PP) Owen Howell (CBC)

* These meeting venues are subject to change and may be replaced with online meetings, if required, in order to comply with social distancing measures and advice from central government.

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