

Growth Bid Form 2020/21 MTFS

Service: Lead Officer:

Title of bid:

Business Requirement / Opportunity / Problem Statement

Describe the business requirement, opportunity or problem. Consider the wider corporate implications of doing (or not doing) this proposal, as well as the specific impacts to your service.

Within the boundaries of the district, there is a lack of on-street parking enforcement by the Police. Decriminalisation of parking is a process which is overseen and instigated by the County Council with an application submitted to the Department for Transport (DfT). If this process is successful, the end result is Civil Parking Enforcement (CPE) where the County Council assumes responsibility for on-street parking enforcement.

It is worth noting that:

- Localised on-street parking issues are present, however the issues are contained and not spread district-wide therefore targeted Police enforcement action is considered an appropriate solution.
- Whilst CPE has been widely adopted, the 21 local authorities who have not pursued this route are rural (as is Huntingdonshire) as this impacts the financial viability of the business case.
- On-street parking enforcement and its associated costs are the responsibility of the Police currently as should be factored into their operational costs/precept.

Cambs County have advised that:

- CPE is not viewed as feasible within the District due to the ongoing operational deficit involved
- They would support HDC taking on all aspects (on & off street enforcement + admin) – this would make the ongoing deficit our problem

RTA Associates (who undertook the 2017 study) have confirmed that based on the above, we should use the 'July 2017 V4 - Base with 10% less on street PCNs' contained in page 102 of embedded pdf, however following the subsequent 'TRO Sample Survey' undertaken we would need to adjust the start up capital up by £51k (although anecdotally RTAA suggest going up by £65k to allow for market changes in remedial works). The capital cost increase is due to requirement to undertake a more extensive 'Traffic Regulation Order (TRO) survey and mapping' exercise and a greater requirement for remedial works due to the high level of compliance issues highlighted with the signs & lines on-street.

Due to the extent of the district and what we try to achieve (and the timespan it can take to get DfT approval), it would be prudent to factor in a dedicated Project Manager for a period of 2 years and to double up on the 'start-up expenses' to carry this period on for a 2 year period. NB: 1 Local Authority currently in this process is expecting the overall timescale to be between 36 & 48 months

Summary model with comments in red below showing more realistic figures, however the headlines are:

- Setup capital for 2 years setup £216k
- Set up expenses (revenue for a year period at approx. 110k p/a (to factor in a Project Manager salary on top of model)
- Ongoing deficit increase for HDC once CPE in operation of £100k year 1, increasing up to £217k by year 5 of operation

The recommendation is that this is not a viable option/solution.

Parking income cannot be used as freely within the Councils budget due to legislation

Approved by the Relevant Head of Service(s)

yes - Neil Sloper

Approved by the Relevant Portfolio Holder(s)

yes - Marge Beutell

TMA 2004 - FINANCIAL MODEL OF IMPLEMENTATION

CLIENT: HUNTINGDONSHIRE DISTRICT COUNCIL

VERSION: July 2017 V4

NOTES ON VERSION CHANGES & STATUS

VERSION	DATE	NOTES ON VERSION CHANGES & STATUS
July 2017 base		Final in house base model
July 2017 V1		All off street and in house. All on street and admin for both by County
July 2017 V2A		HDC off street only model
July 2017 V2B		HDC on street only model
July 2017 V3		All and admin by County
July 2017 V4		Base with 10% less on street PCNs

SUMMARY OF MARGINAL INCOME & EXPENDITURE

increase v4 expressed to 2 years so double up costs to cover 21/21 & 21/22 these are for the operational years following start up so are in terms of budget

START-UP	Enter 1-3 MONTHS	SCH REF	START-UP PERIOD (months)	START-UP CAPITAL	START-UP EXPENSES	FIRST 12 MTHS	SECOND 12 MTHS	THIRD 12 MTHS	FOURTH 12 MTHS	FIFTH 12 MTHS
INCOME										
		PCNs ISSUED				0	8,035	8,445	8,445	8,445
		PCN PAYMENTS	1			£0	£79,254	£91,380	£91,380	£91,380
		CLAMP & REMOVAL PAYMENTS	2			£0	£0	£0	£0	£0
		PERMIT PAYMENTS	2			£0	£0	£0	£0	£0
		CAR PARK RECEIPTS	3			£0	£20,130	£20,130	£20,130	£20,130
		ON STREET CHARGING	3			£0	£1,290	£1,290	£1,290	£1,290
		NET C.COURT PROCEEDS	4			£0	£4,564	£18,255	£18,255	£18,255
		TOTAL PAYMENTS				£0	£105,238	£131,064	£131,064	£131,064
EXPENSES:										
		OPERATIONAL MANAGEMENT	5	1		£110,817	£20,671	£1,456	£1,501	£1,546
		ON-STREET ENFORCEMENT	6	1		£20,030	£17,866	£130,436	£134,349	£138,379
		OFF-STREET ENFORCEMENT	7	1		£15,330	£1,688	£(19,520)	£(20,712)	£(21,544)
		CLAMP & REMOVAL CONTROL	8	1		£0	£0	£0	£0	£0
		TICKET & PERMITS PROCESSING	8	1		£8,000	£9,779	£34,965	£36,014	£37,064
		PAY & DISPLAY	9	1		£0	£0	£0	£0	£0
		TOTAL EXPENSES				£151,977	£49,803	£147,335	£151,755	£150,308
		ANNUAL NET SURPLUS OR (DEFICIT)				£(151,977)	£(49,803)	£(42,997)	£(20,691)	£(25,243)
		CUMULATIVE NET SURPLUS OR (DEFICIT) EXCLUDING CAPITAL				£(49,803)	£(91,906)	£(112,591)	£(137,834)	£(167,767)
		CUMULATIVE NET SURPLUS OR (DEFICIT) INCLUDING CAPITAL				£(49,803)	£(184,814)	£(112,917)	£(113,528)	£(113,528)
		Notes:								

1 NPV - Calculation assumes that the Start Up Cost is a negative cash flow at the start of year 1 and that each years cash flow thereafter is received at the end of the year.
2 SCH REF - Reference to the detailed working schedules attached.
3 Start up costs include capital costs, one-off costs incurred before commencement, and percentage of first year expenses calculated from number of months selected in Start-up period.

'Do Nothing' Option

Describe the impact of doing nothing

Manifesto Item

Proposition Classification:

Goals & Benefits (If Unavoidable Growth)

Describe the GOALS of the project

Provide a brief overview of the expected BENEFITS

Revenue Impacts	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
Other Employee Costs	70				
Supplies & Services	50				
Fees & Charges			(100)	(130)	(130)
Other Employee Costs			160	170	180
Other Employee Costs			20	20	20
Total Revenue Impact	120	0	80	60	70

Risks & Issues (If Unavoidable Growth)

Describe the key RISKS that could inhibit delivery of the project

List the key ISSUES to be addressed as the project progresses

in 25/26 would require review of signs and lines circa 100k **income from Parking Enforcement becomes ringfenced under CPE**

FTE Impacts

Increase in FTE Nos

Decrease in FTE Nos

Current Performance Measurement

Describe any applicable KPI's currently used to monitor performance in this area

Linked to Capital Bid?

Resources Required

Project Team

Enter the names of key resources assigned to this project

Project Manager: dedicated resource to be recruited for duration of implementation (see rev bid)

Project Board (key Stakeholder): Parking Services Manager HDC

Project Board (key Stakeholder): Parking Services & Highways Managers Cambs County

Is there a statutory or contractual requirement for this bid?

If Yes please explain requirement -

External Resources	Required	Timeline of Key Milestones	Date
HR		2020/21 budget live	01 Apr 20
3C IT		dft approval to commence operation	31 Mar 22
Finance		increased budget deficit	01 Apr 22
Procurement			
Legal			
Customer Services			
Other - please overtype with required resource			

Key Project Milestones	Date