

Completing the Revenue Growth Bid Form

Bid Title and Lead Officer

Give the bid a descriptive title and also nominate a lead officer for the bid. This should be the officer that is able to describe, justify and elaborate on the scheme if required.

Business Requirement, opportunity or problem

This is the reason for putting the bid forward for consideration. This should describe why your service is incurring additional spend. The reason should describe whether this is a new statutory requirement, a volume increase on an existing statutory service or expenditure of a cyclical nature that is required just for that year.

Head of Service Approval

Record here which Head of Service(s) has approved this bid to go forward.

Portfolio Holder Approval

Record here which Portfolio Holder(s) has approved this bid to go forward

Do Nothing Option

What will the service not do if this bid does not go ahead. Will this be a reduction in service, a loss of income, or savings not being achieved. Where the expectation is that future costs will be reduced, then this should be described in detail to include a justification of the logic.

Manifesto Item

Record here if the bid is linked to a manifesto item

Proposition classification

Record here whether the bid is Unavoidable growth or Other Growth

Goals and Benefits

Describe what you expect the project to achieve in terms of additional service benefits to customers or employees.

Revenue Impacts Table

Record here the revenue budget changes required by this bid. You should split these between Staff Costs, Other Costs, Fees & Charges Income and Grant Income as a minimum, more detail can be included if desired.

Risks and Issues

Describe here the risks to the completion of the project that could arise during the the project lifetime. Also describe what processes will be put into place to mitigate the risks identified.

Also describe the issues that might need to be overcome as the project progresses.

Current Performance Measures

What KPIs are currently in place to monitor the service, these should be identified so that an improvement in these KPIs can be identified.

Resources Required

List here the people that will be required to complete all the stages of the project. The people listed here should be made aware of the requirement to be part of this project and should have given confirmation that they they have the skills and time required.

FTE Impacts

Show any changes to FTE numbers that result from the bid

Linked to Capital Bid

If the revenue changes in the bid are only achievable if an associated capital bid is approved enter "Yes" in the box, otherwise enter "No"

External Resources

List here resources required from support services during the lifetime of the project. The services should have confirmed they have the resources to complete the project.

Statutory Requirement

If this bid is as a result of a direct statutory requirement, then this should be recorded here. The requirement should be described in terms of what legislation or statutory instrument requires this. This should be a direct statutory requirement, not a requirement to provide a service.

Timeline of Key Project Milestones

Record here the the stages/milestones of the project with the expected date this should happen. This timeline should be developed in liaison with the Procurement Manager to ensure the projected timeline is feasible.

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)

Approved by the Relevant Portfolio Holder(s)

FINANCIAL MODEL OF IMPLEMENTATION

CLIENT: HUNTINGDONSHIRE DISTRICT COUNCIL

MODEL VERSION: July 2017 V4
MODEL DATE: 27-Jun-17

VERSION: July 2017 V4

NOTES ON VERSION CHANGES & STATUS

VERSION	NOTES ON VERSION CHANGES & STATUS
July 2017 Base	Final in-house base model
July 2017 V1	48 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	48 on and admin by County
July 2017 V4	Base with 10% less on street PCNs

SUMMARY OF MARGINAL INCOME & EXPENDITURE

increase in revenue to 2 years on double up costs to cover 21(1) & 21(2) (use as for the operational years following start up as we are in terms of budget)

START-UP	MONTHS	SCR 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			£3	£79,254	£31,380	£31,380	£31,380
		CLAMP REMOVAL PAYMENTS	2			£3	£3	£3	£3	£3
		PERMIT PAYMENTS	1			£3	£3	£3	£3	£3
		CAR PARK RECEIPTS	3			£3	£25,130	£25,130	£25,130	£25,130
		ON STREET CHARGING	3			£3	£1,260	£1,260	£1,260	£1,260
		NET COURT PROCEEDS	4			£3	£4,504	£19,255	£19,255	£19,255
		TOTAL PAYMENTS				£3	£105,238	£131,064	£131,064	£131,064
EXPENSES										
		OPERATIONAL MANAGEMENT	5	1		£110,817	£20,871	£1,458	£1,501	£1,546
		ON-STREET ENFORCEMENT	6	1		£20,330	£17,868	£136,436	£134,340	£138,379
		OFF-STREET ENFORCEMENT	7	1		£10,230	£1,808	£19,523	£20,100	£20,772
		CLAMP REMOVAL CONTROL	1	1		£3	£3	£3	£3	£3
		TICKET & PERMITS PROCESSING	8	1		£8,500	£3,779	£34,965	£36,174	£37,064
		PAV & DISPLAY	9	1		£3	£3	£3	£3	£3
		TOTAL EXPENSES				£151,977	£44,803	£147,335	£151,793	£156,308
ANNUAL NET SURPLUS OR (DEFICIT)						£(151,977)	£(44,803)	£(42,891)	£(25,243)	£(25,932)
CUMULATIVE NET SURPLUS OR (DEFICIT) EXCLUDING CAPITAL						£(44,803)	£(91,596)	£(134,487)	£(159,730)	£(185,662)
CUMULATIVE NET SURPLUS OR (DEFICIT) INCLUDING CAPITAL						£(294,781)	£(243,876)	£(204,566)	£(209,811)	£(219,744)
NPV INTEREST RATE										
YEAR END NPV (EXCLUDING CAPITAL)							£(89,816)	£(167,932)	£(129,527)	£(112,836)
YEAR END NPV (INCLUDING CAPITAL)							£(241,495)	£(259,599)	£(221,546)	£(234,813)

Notes:

- 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.
- SCR REF - Reference to the detailed working schedules attached.
- 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

Reduced Income

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

stricter reporting standards on income in line with legislation

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

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

Linked to Capital Bid ?

Yes

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			

Is there a statutory or contractual requirement for this bid?

No

If Yes please explain requirement -

Key Project Milestones	Date