

SOUTH ESSEX PARKING PARTNERSHIP JOINT COMMITTEE

14 December 2023

AGENDA ITEM 8

Subject	Business Plan for 2024/25
Report by	South Essex Parking Partnership Manager

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Purpose This report seeks the Joint Committee's approval of the South Essex Parking Partnership Business Plan for 2024/25.	
Options The Joint Committee can approve, reject or amend the Business Plan.	
Recommendation(s)	
1.	That the Joint Committee approves the attached Business Plan for 2024/25 and the four specific recommendations listed below:
	<ul style="list-style-type: none"> ▪ agree the 2024/25 budgets and the proposed actions and objectives ▪ agree the proposed funding (Table 3 page 17) for 2024/25 ▪ agree to maintain a reserve of £400,000 for financial year 2024/25 ▪ approve the risks identified and the action plan to address the top three risks in Appendix B.

Consultees	Lead officers from each of the Partner Authorities as set out in Appendix B of the Joint Committee Agreement 2022.
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1. Introduction

- 1.1 Clause 23.12 of the 2022 Joint Committee Agreement sets out that the Treasurer shall prepare an annual budget, as part of the Annual Business Plan, to be presented to the Joint Committee for consideration, challenge and approval in accordance with the budgetary timetable of the Lead Authority.
- 1.2 The Business Plan 2024/25 (Appendix A) provides the proposed annual budget and the business aims and objectives the Partnership sets out to achieve in the forthcoming year.

2 Business aims and objectives

- 2.1 Section 2, page 3 of the Business Plan sets out the long-term business aims and objectives of the Partnership and how they link into the requirements of the Traffic Management Act 2004.

3 Budget for 2024/25

- 3.1 The Budget has been based on the annual performance of the Partnership since its introduction in April 2011. The business model has been developed each year to ensure that the parking enforcement operational costs and the Traffic Regulation Order (TRO) operational costs are fully funded by the Partnership account. In addition, the business plans have enabled the Partnership to maintain a reserve of £400,000 and produce an operational fund to invest back into essential areas of the operation without the need for any additional or capital funding from Partner Authorities.

2020 had been an unprecedented year with the Covid-19 pandemic and this had created a degree of uncertainty with the outcome of the future financial account and operational model. More recently, high inflation with increased operational costs and overheads along with staff pay increases has added further pressure on the budget. This budget for 2024-25 has been set considering all these factors.

- 3.2 Section 3.1, page 6 of the Business Plan details the proposed budget for the 2024/25 parking enforcement operation. The total direct and indirect expenditure is estimated at £2,227,600,800 and the total income is estimated to be £2,585,500.
- 3.3 Section 3.3, page 7 of the Business Plan shows the expected costs of £177,200 for the operational staffing resource of the TRO function.
- 3.4 A detailed breakdown of allocation of salaries and an explanation of the factors used to allocate total direct and indirect costs are contained as Appendix A on page 21 of the Business Plan.
- 3.5 Section 3.4, page 8 sets out the new arrangements, consisting of three parts, for how the surplus will be managed under the new joint committee agreement which commenced on 1 April 2022.

3.6 Maintaining a reserve

- 3.7 It is an important part of the development of the business plan to consider the level and purpose of any reserves held by the Partnership. An assessment of the level of reserves will need to consider factors such as the risks facing the Partnership and the capacity to deal with in year budget pressures and other unforeseen events.

However, there is no precise methodology to establish the correct level of reserves and this is a matter for judgement for the Partnership's Treasurer to propose to the Joint Committee.

Considering the impact of the account and loss of income during the Covid-19 pandemic and the uncertainty on how the account will perform, it had previously been agreed when entering into the new Joint Committee Agreement that a reserve of £400,000 would be maintained.

It is recommended that the level of reserve remains at £400,000 for financial year 2024/25.

3.8 Estimated outturn position for 2024/25

- 3.9 The estimated outturn position for 2024/25 by applying the new surplus management arrangements is as follows

The Business plan estimates that the Partnership can expect a surplus in the region of £323,000 from the parking enforcement account

Part 1: £400,000 reserve already maintained – carry forward from SEPP operational account.

From the estimated £323,000 outturn position, the full £323,000 will contribute towards the TRO operational costs, the maintenance of sign and lines and the funding for new TROs identified in part 2 of the arrangement. There will be no estimated surplus to add to Part 3 of the surplus sharing arrangement

4 Business objectives for 2024/25

- 4.1 Section 4, page 11 of the Annual Business Plan provides the business objectives and actions the Partnership aims to achieve in 2024/25. These objectives link into the longer term aims and objectives of the Partnership. The main area of focus will be to monitor the effects of the business recovery and adjust the business case to ensure service provision meets demand.

4.7 The Operational Fund

- 4.8 Any operational fund carried forward into the new joint committee agreement is not subject to the new surplus management arrangements and will remain the full responsibility of the SEPP Joint Committee to invest into schemes which are in accordance with Section 55 of the RTRA 1984.

Section 4.3 page 16 provides the current financial position of the SEPP operational fund. Taking account the amounts to complete the outstanding approved items of spend and to maintain the proposed £400,000 reserve. The Partnership will have an operational reserve fund of £404,176 available to invest back into the operation.

4.9 Section 4.4 page 17 sets out the following proposed items for funding during the 2024/25 financial year.

- **£33,000** to cover costs to provide additional out of hours and weekend enforcement patrols to cover known parking problems outside of core hours
- **£200,000** for sign and line maintenance and new TROs
- **£35,000** for the consultation and implementation of new Resident Parking Schemes in the vicinity of the new Beaulieu Train Station in Chelmsford.

If the Joint Committee approve these items of spend, the Joint Committee will hold a reserve of £400,000 plus an additional £136,176 to invest back into the operation or into schemes which are in accordance with Section 55 of the RTRA 1984.

5 Review of Risks to the Partnership

5.1 A requirement of the annual business planning process is to review the risks to the Partnership. It is important that these risks are regularly monitored and the action plan implemented to ensure that the long-term business objectives are not compromised.

The risks have been updated to reflect the new joint committee agreement working arrangements.

Appendix B, page 28, provides the identified risks and the updated Risk Action Plan.

It is recommended that the Joint Committee approve the risks identified and the action plan to address the top three risks.

6 Contract Register

6.1 The Partnership should ensure that key contractual arrangements are monitored annually to enable adequate time to be allowed to re-tender as appropriate. It is an important part of the business planning process that a contracts register should be monitored, to ensure that sufficient consideration is given to key contracts, expiry dates and ongoing requirements.

The table in section 6 page 18 provides details of the key contracts and expiry dates and current actions required

7 Summary

The business objectives for 2024/25 have been set to ensure the Partnership maintains the current level of performance and continues to provide a high level of service delivery.

The financial position of the Partnership and the budget set for 2024/25 has ensured that the enforcement operation, the TRO function and the funding for the signs and lines maintenance can be fully funded from the Partnership account with sufficient reserves to cover any shortfalls should they arise.

For financial year 2024/25 it is proposed that there will be £200,000 funding available for maintenance of signs and lines and new TROs with an additional £35,000 for the implementation of resident permit schemes to coincide with the opening of the new Beaulieu Train Station in Chelmsford .

This Annual Business Plan sets out four key recommendations for approval by the Joint Committee.

- agree the 2024/25 budgets and the proposed actions and objectives
- agree the proposed funding (Table 3 page 17) for 2024/25
- agree to maintain a reserve of £400,000 for financial year 2024/25
- approve the risks identified and the action plan to address the top three risks in **Appendix B**.

List of Appendices

Appendix A South Essex Parking Partnership Business Plan 2024/25

Background Papers

The South Essex Parking Partnership Joint Committee Agreement 2022

Appendix A



SOUTH ESSEX

South Essex Parking Partnership Business Plan 2024/25



SOUTH ESSEX



Essex County Council

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1: Introduction

The South Essex Parking Partnership (SEPP) has been operational since 1 April 2011. Governed by a Joint Committee, the Partnership has developed the Annual Business Plans to ensure that the parking enforcement operational costs and the Traffic Regulation Order operational costs are fully funded by the Partnership account. In addition, the business plans have enabled the Partnership to maintain a reserve of £400,000 and produce a surplus to invest back into essential areas of the operation without the need for capital or additional funding.

The Partner Authorities have signed up to a new Joint Committee Agreement for a further period of five years with the option to extend year on for a maximum of eight years. This new agreement will incorporate a new surplus management model which is included in this Business Plan.

The Partnership has now had the benefit of several years of operational costs, income, and data and this has historically enabled the Parking Partnership Manager and Treasurer to the Partnership to provide robust estimates for the Annual Budget.

Clause 22.12 of the 2022 Joint Committee Agreement sets out that the Treasurer shall prepare an annual budget, as part of the Annual Business Plan, to be presented to the Joint Committee for consideration, challenge and approval in accordance with the budgetary timetable of the Lead Authority.

This document has been created in consultation with all Partnership Lead Officers and provides the proposed annual budget for 2024/25 and the business aims and objectives the Partnership sets out to achieve in the forthcoming year.

2: Business aims and objectives

The following section specifies the long term business aims and objectives of the Partnership and how they link into the requirements of the Traffic Management Act 2004 (TMA 2004).

The business aims and objectives in this Annual Business Plan link into the longer term financial forecast.

The TMA 2004 provides the legislation and guidance as to how Civil Parking Enforcement should be managed and sets out the core principles that enforcement authorities should aspire to achieve. These principles are:

- Managing the traffic network to ensure expeditious movement of traffic
- Improving road safety
- Improving the quality and accessibility of public transport
- Meeting the needs of people with disabilities, some of whom will be unable to use public transport and depend entirely on the use of a car
- Managing and reconciling the competing demand for highway parking provision
- Providing suitable on street parking arrangements, considering the needs of local businesses and residents
- Supporting wider policies through incentivising behaviour.
- Encouraging compliance of parking restrictions
- Operating on street Civil Parking Enforcement to achieve a zero - deficit position
- Ensuring that the requirements of the Traffic Management Act 2004 are met
- Investing surplus back into Civil Parking Enforcement and traffic management schemes

The Business aims of the South Essex Parking Partnership are set out as follows;

- Support the core principles of TMA 2004
- Achieve an overall financial account to operate parking enforcement and the Traffic Regulation Order (TRO) function at zero deficit and to provide an operational fund to invest back into the operation.
- Maintain a reserve fund
- Partnership lead officers take all reasonable steps to ensure individual Partnership areas reduce the level of individual deficit

- Maintain signs and lines and TROs to an acceptable level ensuring suitable funding is available

3: Budget for 2024/25

Following the introduction of the South Essex Parking Partnership in April 2011 the operation has provided a modest year on year surplus for the Partnership account.

2020 had been an unprecedented year with the Covid-19 pandemic and this had created a degree of uncertainty with the outcome of the future operational model.

The current level of inflation, increased supplier costs, overheads and staff pay increases have contributed to increased costs on the overall account.

The budget for 2024/25 has been produced considering all these factors.

3.1: Parking Enforcement Budget 2024/25

24/25 SEPP Budgets	Chelmsford	Brentwood	Maldon	Basildon	Rochford	Castle Point	Total	
Management	£27,421	£18,968	£5,154	£18,968	£7,835	£5,154	£83,500	E
Civil Enforcement Supervision	£18,264	£12,497	£3,845	£13,458	£5,768	£3,268	£57,100	B
Back Office Staff	£148,702	£99,650	£21,475	£81,883	£30,513	£25,878	£408,100	D
Civil Enforcement Staff	£319,300	£242,500	£90,300	£246,100	£105,600	£60,900	£1,064,700	
Staffing Costs	£513,687	£373,614	£120,774	£360,408	£149,715	£95,201	£1,613,400	
Split of General Expenditure								
Cyclical Maintenance	£0	£0	£0	£0	£0	£0	£0	
New Equipment	£3,284	£2,272	£617	£2,272	£938	£617	£10,000	E
Equipment Repairs	£657	£454	£123	£454	£188	£123	£2,000	B
Clothing & Uniforms	£3,087	£2,135	£580	£2,135	£882	£580	£9,400	B
Printing & Stationery	£3,284	£2,272	£617	£2,272	£938	£617	£10,000	D
Advertising	£36	£24	£5	£20	£7	£6	£100	D
Postages	£14,778	£10,222	£2,778	£10,222	£4,222	£2,778	£45,000	D
Mobile Phones	£1,056	£722	£222	£778	£333	£189	£3,300	B
Radios	£0	£3,300	£0	£0	£0	£0	£3,300	
Insurance	£2,561	£1,772	£481	£1,772	£732	£481	£7,800	E
Bank Charges	£6,568	£4,543	£1,235	£4,543	£1,877	£1,235	£20,000	D
County Court Fees	£18,756	£13,940	£3,168	£10,138	£4,816	£4,182	£55,000	D
TPT	£5,101	£3,419	£737	£2,809	£1,047	£888	£14,000	A
Software Licences	£23,684	£15,872	£3,420	£13,042	£4,860	£4,122	£65,000	A
Accommodation (Satelite Depots)	£0	£10,000	£0	£8,900	£7,400	£0	£26,300	
	£82,852	£70,947	£13,985	£59,357	£28,240	£15,819	£271,200	
Transport Costs								
Repairs	£1,429	£1,905	£952	£3,333	£1,429	£952	£10,000	C
Vehicle Insurance	£3,857	£5,143	£2,571	£9,000	£3,857	£2,571	£27,000	C
Fuel	£3,571	£4,762	£2,381	£8,333	£3,571	£2,381	£25,000	C
Vehicle Lease Charges	£11,429	£15,238	£7,619	£26,667	£11,429	£7,619	£80,000	C
	£20,286	£27,048	£13,524	£47,333	£20,286	£13,524	£142,000	
Total Direct Expenditure	£616,825	£471,609	£148,283	£467,099	£198,241	£124,543	£2,026,600	
Indirect Expenditure								
Central Support	£69,523	£46,589	£10,040	£38,283	£14,266	£12,099	£190,800	
Corporate Support	£3,717	£2,491	£537	£2,047	£763	£647	£10,200	D
Total Indirect Expenditure	£73,240	£49,080	£10,577	£40,329	£15,028	£12,746	£201,000	
Total Direct & Indirect Expenditure	£690,065	£520,689	£158,860	£507,428	£213,269	£137,289	£2,227,600	
Income								
PCN's	-£540,000	-£520,000	-£93,000	-£280,000	-£146,000	-£130,000	-£1,709,000	
Resident Permits/Visitor Tickets	-£296,000	-£188,000	-£29,000	-£166,000	-£24,000	-£6,000	-£709,000	
Pay & Display	-£115,000	-£52,500	£0	£0	£0	£0	-£167,500	
Total Income	-£951,000	-£760,500	-£122,000	-£446,000	-£170,000	-£136,000	-£2,585,500	
Total Net Budget	(£260,935)	(£239,811)	£36,860	£61,428	£43,269	£1,289	(£357,900)	

3.2: Breakdown of budget costs 2024/25

A breakdown of the budget costs can be found in **Appendix A** (page 21). This information provides the Joint Committee with more detailed information regarding the predicted expenditure costs for 2024/25.

This covers the allocation of salaries, an explanation of the factors used to allocate total direct and indirect costs and a breakdown of known direct costs such as cyclical maintenance, accommodation and vehicle costs.

Information is also provided on the expected Penalty Charge Notice (PCN) income and PCN issue rates. Please note this information is based on historical performance and outcomes and considers the current performance and assumptions on business recovery. No PCN targets are set for staff and this estimate can fluctuate, depending on the level of parking compliance.

3.3: TRO operation cost budget 2024/25

The following table sets out the proposed budget for the 2024/25 TRO operational costs only (does not include sign and line maintenance funding and funding for new TROs)

TRO operational budget 2022/23	
Direct Expenditure	
- Employees	£145,900
- Supplies and Services	Note A
- Third Party Payments	Note A
- Transport costs	£2,000
Total Direct Expenditure	£147,900
Indirect Expenditure	
Central Support	£30,000
Total Indirect Expenditure	£30,000
Total budget	£177,200

Note A

These items of spend relate to the signs and lines maintenance and new TRO funding which is allocated from Part 2 of the surplus sharing model.

3.4: Surplus management arrangements under the new Joint Committee Agreement.

For current services the surplus generated at the end of every financial year will be applied across three key areas split into three parts.

Part 1

The principle in Part 1 ensures the maintenance of a suggested deficit reserve of up to £400,000 per partnership (agreed by the Parking Partnership Managers). This level of reserve must be maintained (and topped up as appropriate) before any surplus is moved into the second and third parts. The level of reserve will be monitored through the quarterly meetings. Provided that this reserve is maintained (which is the priority), this minimises the deficit risk to all members of the partnership.

Any surplus generated after any calls to maintain the Part 1 deficit reserve at the agreed level will be split on the following basis between Part 2 (55%) and Part 3 (45%) subject to the conditions of part 2 below.

Part 2

Part 2 is used for local needs as set out in the annual business plan and specifically; a) the operational and funding costs for TROs and the essential maintenance of parking related signs and lines and; b) innovation around different ways to manage parking within each partnership. This reflects the existing arrangements within the joint committee agreement. Any capital / innovation funds required above the level agreed in the annual business plan that cannot be contained within Part 2 can be bid for in Part 3 and will be considered on merit against other county-wide priorities.

It is recognised that there are fixed and ongoing commitments in relation to ongoing TRO costs therefore any in year surplus must cover the below costs (see **table 1** below, Part 2 Breakdown). Therefore, a priority is to ensure that these costs are always covered within the 55% split.

In the event that the 55% share does not cover the required costs in the table below, those costs will be covered but the remainder will be allocated to Part 3.

Table 1 -Part 2 breakdown	SEPP
a) TRO delivery (operational and costs)	*£172,000
Maintenance of parking related signs and lines and implementation of new TROs	*£200,000
b) Innovation / capital to manage on street parking	*£56,000
TOTAL ANNUAL CAP	*£428,000

*These figures will be reviewed on an ongoing basis and any changes will be agreed between ECC and the Lead Authority

Note: The surplus generated in one year will be allocated for spend in the subsequent year.

Part 3

The principle in **Part 3** is to cover Essex wider strategic highways priorities and is proposed to be governed through a new Strategic Panel. It is proposed the new Panel is led by the ECC cabinet member, with the two chairmen possibly with one other member from each of the three partners. Any surplus achieved in this area from NEPP and SEPP will be directed towards county-wide priorities within the respective areas, still in line with section 55 of the RTRA 1984. ECC will work with the two Lead Authorities to develop the assessment criteria for bids for this funding. Bids will be put forward by officers from both the partnerships and ECC

3.5 Maintaining a reserve

It is an important part of the development of the business plan to consider the level and purpose of any reserves held by the Partnership. An assessment of the level of reserves will need to consider factors such as the risks facing the Partnership and the capacity to deal with in year budget pressures and other unforeseen events. However, there is no precise methodology to establish the correct level of reserves and this is a matter for judgement for the Partnership's Treasurer to propose to the Joint Committee.

Taking into account the impact of the account and loss of income during the Covid-19 pandemic and the uncertainty on how the account will perform it was

agreed when proposing the new Joint Committee Agreement that a reserve of £400,000 would be maintained and carried forward into the new term of the agreement.

It is recommended that the level of reserve remains at £400,000 for financial year 2024/25.

3.6: Estimated outturn position for 2024/25

The estimated outturn position for 2024/25 by applying the new surplus management arrangements is as follows

Part 1: £400,000 reserve maintained – carry forward from SEPP operational account.

The estimated outturn position for 2024/25 from the parking enforcement operation is £357,900 surplus.

A 55% split of this amount equates to £196,845 which is insufficient to contribute to the £428,000 TRO and innovations costs identified in table 1. In the event that the 55% share does not cover the required costs, those costs will be covered but the remainder will be allocated to Part 3.

From the estimated £357,900 outturn position, £357,900 will contribute to cover the costs in part 2 with no contribution to Part 3

4: Objectives and actions for 2024/25

The following section provides the objectives and actions proposed for the forthcoming year.

4.1: Business objectives for 2024/25

The following table provides the business objectives the Partnership aims to achieve in 2024/25

Objective for 2024/25	Linked to business aim	Action and measure
<p>1: Monitor the effects of the business recovery and adjust the business case to ensure service provision meets demand.</p> <p>Continue to gauge the potential long term operational and financial impact of the change of working patterns / environments and parking requirements.</p>	<p>Support the core principles of TMA 2004</p> <p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p>	<p>Monthly performance and financial monitoring</p>
<p>2: Continued focus on performance and sickness absence management at a local level to ensure best use of staff resource and improve attendance levels and subsequently maintain expected levels of patrol coverage.</p> <p>Provide a professional service, ensuring full compliance with TMA 2004 and high levels of customer service.</p> <p>Key Performance Indicators:</p> <ul style="list-style-type: none"> • 75% of PCNs issued are successfully recovered • CEOs to achieve an average performance score of 33 • PCNs which have been cancelled due to an CEO error, not to exceed 0.8% 	<p>Support the core principles of TMA 2004</p> <p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p>	<p>Monthly 1to1 performance reviews with staff</p> <p>Identify training needs</p> <p>Manage sickness in accordance with Chelmsford City Council Sickness Management Policy</p> <p>Monthly PCN issue rates recorded and monitored against estimate</p> <p>Quarterly performance figures provided to lead officers</p> <p>Update on Business Plan to Joint Committee</p>

<p>3: Ensure CEO patrol rotas are continually reviewed to ensure best use of staff time in key areas.</p> <p>Continue to provide ad-hoc out of hours enforcement to concentrate enforcement on known problem areas.</p> <p>Review enforcement outside of the core operational hours and review level of resource required to ensure staff have enough support during these periods</p>	<p>Support the core principles of TMA 2004</p> <p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p>	<p>Monthly 1to1 performance reviews with staff</p> <p>Monthly PCN issue rates recorded and monitored against estimate</p> <p>Quarterly performance figures provided to lead officers</p> <p>Update on Business Plan to Joint Committee</p> <p>Monitor SLAs with partner authorities to deliver out of hours enforcement on behalf of the Partnership</p>
<p>3: Partnership CEOs to support Castle Point, and Rochford at key times and to provide holiday cover.</p>	<p>Support the core principles of TMA 2004</p> <p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p>	<p>Monthly 1to1 performance reviews with staff</p> <p>Monthly PCN issue rates recorded and monitored against estimate</p> <p>Quarterly performance figures provided to lead officers</p> <p>Update on Business Plan to Joint Committee</p>
<p>4: Maldon to continue additional CEO patrol coverage with the use of the Community Safety Officers outside of normal working hours and during peak summer season.</p> <p>Maintain communications between the Council and the Partnership passing on intelligence regarding events (such as the Maldon Mud Race. Burnham Carnival etc.) when additional enforcement is required</p> <p>Introduce targeted action days to deal with Hot Spots (schools etc.) allocating Council resources in addition to the Partnership staff</p>	<p>Support the core principles of TMA 2004</p> <p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p> <p>Partnership lead officers take all reasonable steps to ensure individual Partnership areas reduce the level of individual deficit</p>	<p>Monthly 1to1 performance reviews with staff</p> <p>Monthly PCN issue rates recorded and monitored against estimate</p> <p>Quarterly performance figures provided to lead officers</p> <p>Update on Business Plan to Joint Committee</p>

<p>5: Continue to operate the service level agreement with Brentwood Borough Council to engage the services of the Brentwood Community Safety Officers to provide enforcement patrols to assist with weekend and out of hours coverage.</p>	<p>Support the core principles of TMA 2004</p> <p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p> <p>Partnership lead officers take all reasonable steps to ensure individual Partnership areas reduce the level of individual deficit</p>	<p>Monthly 1to1 performance reviews with staff</p> <p>Monthly PCN issue rates recorded and monitored against estimate</p> <p>Quarterly performance figures provided to lead officers</p> <p>Update on Business Plan to Joint Committee</p>
<p>6: Review current operational expenditure and processes and determine if further efficiencies / improvements can be made</p>	<p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p>	<p>Update on Business Plan to Joint Committee</p> <p>Ongoing action: Obtain competitive quotes for all services and supplies provided. Ensure best value for money is achieved.</p> <p>Explore alternative methods of delivering the service utilising digital and on-line technology</p>
<p>7: Identify the proposed resident parking schemes, which are agreed and approved. Determine the additional income gained from the resident permit charges and adjust each area account to reflect the change.</p>	<p>Support the core principles of TMA 2004</p> <p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p>	<p>Review the outcome of consultations with residents and business. All schemes agreed at local level to be prioritised and submitted to the Sub Committee for approval. Review the first year of permit sales and adjust Partnership account to reflect additional income.</p> <p>Update on Business Plan to Joint</p>

	<p>Maintain a contingency reserve</p> <p>Partnership lead officers take all reasonable steps to ensure individual Partnership areas reduce the level of individual deficit</p>	<p>Committee</p>
<p>8: Identify and prioritise schemes in areas which provide the greatest benefit to the overall aims and objectives of the Parking Partnership</p> <p>Produce and implement a programme of essential maintenance works for signs and lines and TROs requiring attention.</p>	<p>Support the core principles of TMA 2004</p> <p>Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p> <p>Partnership lead officers take all reasonable steps to ensure individual Partnership areas reduce the level of individual deficit</p> <p>Maintain signs and lines and TROs to an acceptable level ensuring suitable funding is available</p>	<p>Review the outcome of consultations with residents and business. All schemes agreed at local level to be prioritised and submitted to the Sub Committee for approval.</p> <p>Submit essential maintenance schemes to the Signs and Lines funding Sub Committee for consideration and approval</p> <p>Update on Business Plan to Joint Committee</p>
<p>9: Ensure that new developments requiring parking related restrictions / schemes contribute to the implementation of the scheme via section 106 arrangements or the Community Infrastructure Levy</p>	<p>Maintain signs and lines and TROs to an acceptable level ensuring suitable funding is available</p>	<p>Ongoing: Partnership lead officers to maintain local relationships with planning departments and Essex County Council Highways.</p>

10: Continue to develop and roll out the School Parking Initiative across all Partnership areas, to improve parking behaviours at school drop off and pick up times	Support the core principles of TMA 2004	Engage with as many schools as possible to promote the scheme. Develop and test new ideas and validate the schemes which are operational.
11. Meet with Officers from NEPP and ECC to determine any additional services that can be delivered by the Partnerships on behalf of ECC under separate Service Level Agreements.	Support the core principles of TMA 2004 Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit Partnership lead officers take all reasonable steps to ensure individual Partnership areas reduce the level of individual deficit	Arrange meetings with relevant officers and start initial discussions.
12. Implement the trial CCTV camera enforcement project in Sawyers Hall Lane to monitor the School Keep Clear markings	Support the core principles of TMA 2004 Achieve an overall financial account to operate parking enforcement and the TRO function at zero deficit Partnership lead officers take all reasonable steps to ensure individual Partnership areas reduce the level of individual deficit	Gain supplier Quotes Agree a project plan and completion date
13. New Beaulieu Train Station – Chelmsford. Consult with residents in surrounding areas that have the	Support the core principles of TMA 2004 Achieve an overall financial account to	Consult with residents to gain their support and views on a suitable scheme. Create a new Traffic Regulation Order

<p>potential to be affected by all day commuter parking, with the aim of implementing a suitable scheme prior to the station opening late 2025.</p> <p>Subject to approval of funding.</p>	<p>operate parking enforcement and the TRO function at zero deficit</p> <p>Maintain a contingency reserve</p>	<p>Implement the agreed scheme</p>
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4.3 SEPP Operational surplus carried forward from previous Joint Committee Agreement.

Any surplus remaining at the end of the 2011 Joint Committee Agreement will remain the responsibility of the SEPP Joint Committee to determine how this surplus is used and allocated in accordance with Section 55 of the RTRA 1984.

The following table shows the current financial position of this SEPP operational fund and the remaining cost to complete the outstanding approved areas of spend.

Table 2

SEPP Operational fund	
SEPP Operational fund position (31/3/2023)	£2,155,790
£37,114 (2022/23 outturn) – allocated to Part 3 of the surplus sharing arrangements (Essex wider strategic highways panel)	£2,118,676
£60,000 replacement handheld computer (HHC) Equipment and Printers for enforcement officers.	£2,058,676
£65,000 for pilot CCTV enforcement of School Keep Clear markings in Sawyers Hall Lane	£1,993,676

£1,143,000 remaining to be transferred from the £1,303,000 shared equally (£186,000 each) between the seven partner authorities for highway and car park improvements which are in accordance with section 55 (as amended) of the Road Traffic Regulations Act 1984.	£850,676
£46,500 Chelmsford allocation remaining of the £816,000 Shared between the seven Partnership Authorities for highway and car park improvements.	£804,176
Maintain £400,000 reserve.	£404,176
SEPP operational fund held	£404,176

4.4 Proposed 24/25 funding for approval

Table 3 sets out the proposed funding required of £268,000 to maintain the current level of service delivery and to invest in schemes which complement the aims and objectives of the Parking Partnership

Table 3

Proposed 24/25 funding for approval	
Funding available	£404,176
£33,000 to cover costs to provide additional out of hours and weekend enforcement patrols to cover known parking problems outside of core hours	£371,176
£200,000 sign and line maintenance and new TROs	£171,176
£35,000 for the consultation and implementation of new Resident Parking Schemes in the vicinity of the new Beaulieu Train Station in Chelmsford. (Resident and visitor permit income will contribute to the on-going operational costs to monitor and maintain this scheme).	£136,176
Operational fund remaining	£136.176

If the Joint Committee approve the proposed funding of £268,000 there will be £136,176 (in addition to the £400,000 reserve maintained) available for allocation in accordance with Section 55 of the RTRA 1984.

5: Risks to the Partnership

From the outset of the Parking Partnership, the Joint Committee approved the action plan which identified the risks to the Partnership and requested that the Parking Partnership Manager undertake an annual review of the Partnerships risk in conjunction with the Business Plan.

It is important that these risks are regularly monitored, and the action plan implemented to ensure that the long-term business objectives are not compromised.

The risks have been updated to reflect the new Joint Committee Agreement working arrangements

Appendix B, page 28, provides the identified risks and the Risk Action Plan

It is recommended that the Joint Committee approve the risks identified and the action plan to address the top three risks.

6: Contracts register

The Partnership should ensure that key contractual arrangements are monitored annually to enable adequate time to re-tender as appropriate. It is an important part of the business planning process that a contracts register should be monitored, to ensure that enough consideration is given to key contracts, expiry dates and ongoing requirements.

The following table provides details of the key contracts and expiry dates and current actions required

Contractor	Expiry date	Action required
<p>Sign and Line Maintenance Framework Agreement.</p> <p>Contractors included on the framework are:</p> <p>D Line markings Ltd Highline Road markings Ltd Signway Supplies Ltd W&H Romac Ltd Henderson and Taylor</p>	<p>Expires on 2 July 2024. With option for two further years extension</p>	
<p>Chipside Ltd for the provision of Civil Enforcement Services (back office and frontline IT software and hardware systems and systems support)</p>	<p>Expires 31st August 2025.</p>	
<p>Chipside Ltd for MiPermit cashless and virtual resident permit systems and support.</p>	<p>Expires 31st August 2025.</p>	

7: Summary

The business objectives for 2024/25 have been set to ensure the Partnership maintains the current level of performance and continues to provide a high level of service delivery.

The financial position of the Partnership and the budget set for 2024/25 has ensured that the enforcement operation, the TRO function and the funding for the signs and lines maintenance can be fully funded from the Partnership account with sufficient reserves to cover any shortfalls should they arise.

For financial year 2024/25 it is proposed that there will be £200,000 funding available for maintenance of signs and lines and new TROs with an additional £35,000 for the implementation of resident permit schemes to coincide with the opening of the new Beaulieu Train Station in Chelmsford .

This Annual Business Plan sets out four key recommendations for approval by the Joint Committee.

7.1: Recommendations for Joint Committee approval

- agree the 2024/25 budgets and the proposed actions and objectives
- agree the proposed funding (Table 3 page 17) for 2024/25
- agree to maintain a reserve of £400,000 for financial year 2024/25
- approve the risks identified and the action plan to address the top three risks in **Appendix B**.

Appendix A

Breakdown of budget costs 2023/24

Allocation of Salaries

MANAGEMENT

	Salary + on costs		Total
Total	£79,400		£83,500

CEO MANAGEMENT

	Salary + on costs		Total
Total	£54,300		£57,100

CENTRAL BACK OFFICE

1 x Office Supervisor 8 x FTE Case Officers 1x Digital and projects Manager 1 x School Parking Liaison Officer and project support	Salary + on costs		Total
	£371,600		£408,100
CIVIL ENFORCEMENT OFFICERS			
CHELMSFORD			
1x Team Leader 8 FTE CEOs			
Total	£319,300		£319,300
BRENTWOOD			
1x Team Leader 5 FTE CEOs			
Total	£242,500		£242,500

BASILDON			
1x Team Leader 6.5 FTE CEOs			
Total	£246,100		£246,100
CASTLE POINT			
1.7 FTE CEOs			
Total	£60,900		£60,900
ROCHFORD			
3 FTE CEOs			
Total	£105,600		£105,600
MALDON			
2 FTE CEOs	£70,900		£70,900
Maldon Park Rangers	£19,400		£19,400
Total	£90,300		£90,300

Estimated Penalty Charge Notice (PCN) income.

Estimated PCN income (£)	23/24 Estimate
Chelmsford	£540,000
Brentwood	£520,000
Maldon	£93,000
Basildon	£280,000
Rochford	£146,000
Castle Point	£130,000
TOTAL	£1,709,000

Factors applied to allocate total direct and indirect costs.

The budget contains total direct and indirect costs that require apportioning across the six Partnership areas. This apportionment relies on four percentage factors dependant on what the expenditure relates too. These are explained below:

A. Percentage of PCNs issued.

It is estimated that 53,100 PCNs will be issued by the Partnership during 2023/24. The table illustrates the allocation split.

	Estimated PCN issue	% of PCN allocation
Chelmsford	16,800	31.64
Brentwood	16,250	30.60
Maldon	2,900	5.46
Basildon	8,750	16.48
Rochford	4,500	8.47
Castle Point	3,900	7.34

B. Percentage of Civil Enforcement Officers (CEOs)

The total number of CEOs working across the Partnership area is 29.2 Full Time Equivalent (FTE) officers.

	No of CEOs	% of CEOs
Chelmsford	9	30.82
Brentwood	6	20.55
Maldon	2	6.85
Basildon	7.5	25.68
Rochford	3	10.27
Castle Point	1.7	5.82

C. Vehicle percentage

The total amount of enforcement vehicles in use across the Partnership area is 23 (including the CCTV vehicle).

	No of vehicles	% of vehicles
Chelmsford	3	13.04
Brentwood	5	21.74
Maldon	2	8.70
Basildon	8	34.78
Rochford	3	13.04
Castle Point	2	8.70

D. Percentage of total number of PCNs and resident permits issued.

	PCNs	Resident permits	total	%
Chelmsford	16,800	4450	21,250	33.98
Brentwood	16,250	1900	18,150	29.03
Maldon	2,900	280	3,180	5.09
Basildon	8,750	2600	11,350	18.15
Rochford	4,500	150	4,650	7.44
Castle Point	3,900	50	3,950	6.32

E. Percentage of Civil Enforcement Officers and Back Office Staff

The total number of CEOs and Back-office staff working across the Partnership area is 40.2 FTE officers

	No of staff	% of staff
Chelmsford	13.5	33.58
Brentwood	8.4	20.90
Maldon	2.5	6.22
Basildon	9.7	24.13
Rochford	3.8	9.45
Castle Point	2.3	5.72

Breakdown of 2021/22 known direct costs

Cyclical Maintenance		Annual cost
Chelmsford	Pay and display machine maintenance contract for 11 on street pay and display machines	£4,900
Brentwood	Pay and display machine maintenance contract for 7 on street pay and display machines	£3,500
	TOTAL	£8,400

Accommodation		
Brentwood 1 x team leader 2 x Civil Enforcement Officers	Enforcement Hub – Brentwood Borough Council	£10,000
Maldon 2 x Civil Enforcement Officers	Maldon District Council Offices – Promenade depot	£2,000
Basildon 1 x Team Leader 7 x Civil Enforcement Officers	Barley Lands Depot. Also includes office for Enforcement Operations Manager. Dedicated secure CCTV data and viewing room. CCTV vehicle garage space.	£8,900
Rochford 3 x Civil Enforcement Officers	Hockley Road Council Offices, Rayleigh.	£7,400
Castle Point 1.7 x Civil Enforcement Officers	Farmhouse Canvey Island	£2,000
	Total	£24,000

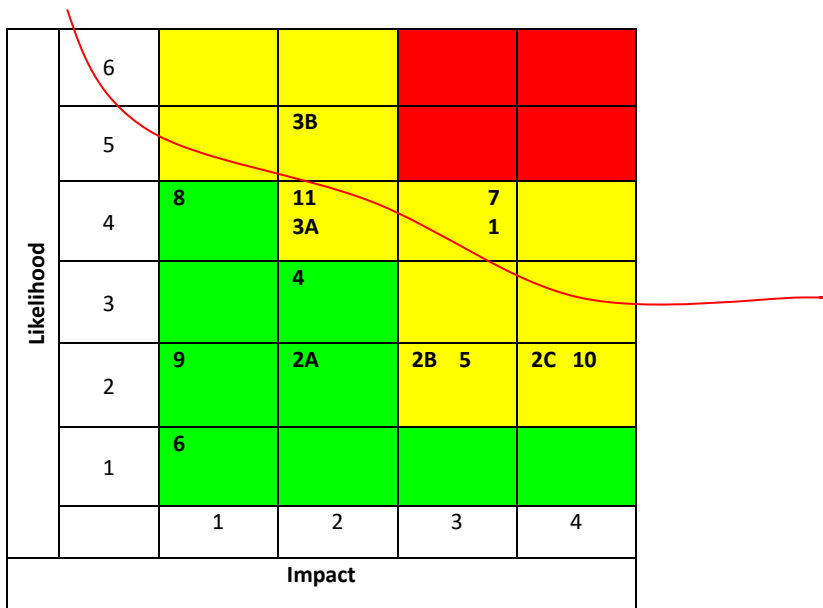
Vehicle Lease costs		Annual cost
Chelmsford	3 x lease vehicles	£11,429
Brentwood	5 x lease vehicles	£15,238
Maldon	2 x lease vehicles	£7,619
Basildon	7 x lease vehicles 1 x CCTV vehicle owned by the partnership	£26,667
Rochford	3 x lease vehicles	£11,429
Castle Point	2 x lease vehicles	£7,619
	TOTAL	£80,000

APPENDIX B

South Essex Parking Partnership Risk Assessment Exercise 2024-2025

As part of the risk assessment exercise the group considered risks currently faced by the Partnership between 2024- 2025. Only non-operational risks were included (apart from 2B).

A detailed plan of action has been created for the top three risks: 1, 3B and 7, as seen below.



Identified risks	Impact	Likelihood
1. Legislative changes If central government reduces levels of PCN charges. Change in enforcement legislation.	3 - Critical	4 – significant
2. Financial risk from a significant reduction of income due to: a. Consumers’ behaviour b. Operational non-collection (e.g. staff sickness, weather) c. Deficit	2 – Marginal 3 – Critical 4 Catastrophic	2 – Very low 2 – Very low 2 – Very low
3. Political risks a. Committee not agreeing, e.g. the annual Business Plan b. Political change- political representation changing	2 –Marginal 2 –Marginal	4 – Significant 5 – High
4. A Partner authority of the Partnership leaves	2 – Marginal	3 – Low

Identified risks	Impact	Likelihood
If a Partner authority left, services would still be run in that area, but that local authority would not be represented and unable to influence local decisions. One-year notice period needs to be given.		
5. The Lead Authority leaves the partnership The Lead Authority, Chelmsford, would still need to give one year of notice period.	3- Critical	2 – Very low
6. Full compliance Currently the recovery rates are at a national average.	1 – Negligible	1 – Almost impossible
7. Inability to enforce due to lack of signs and lines	3 – Critical	4 - Significant
8. Business objectives not documented clearly For ease of reference these should be clearly defined and included in all the relevant documents.	1 – Negligible	4- Significant
9. Public response to changes in charges	1- Negligible	2 – Very low
10. Legal challenge to the way in which enforcement is being carried out / wrong legal advice	4-Catastrophic	2 –Very low
11. Economic impact on the partnership	2 – Marginal	4 – Significant

Likelihood and Impact Definitions

Impact Definitions

Score	1	2	3	4
Description	Negligible	Marginal	Critical	Catastrophic
Customer Experience	Reduced quality of customer experience - difficult to quality	Unsatisfactory customer experience - readily resolvable - short term effects.	Unacceptable customer service experience - management intervention - medium term effects	Unacceptable customer experience - continued ongoing problem. High level intervention
Objectives / Project	barely noticeable reduction in scope, quality or timeframe	Reduction in scope or quality of project; project objectives or schedule	Significant project over run or budget over spend.	Inability to meet project objectives, reputation of the organisation seriously damaged. Project Fails.
Service / Business Interruption	Interruption in a service which does not impact on the delivery of direct customer care or the ability continue to provide service	Some disruption in service with unacceptable impact on customer care.	Sustained loss of service which has serious impact on delivery of customer care resulting in major contingency plans being evoked	Permanent loss of core service of facility. Disruption to facility leading to a significant "knock on" effect.
Staffing and Competence	Short term low staffing level temporarily reduces service quality. No serious errors	Late delivery of key objective / service due to lack of staff. Ongoing problems with staffing levels. Moderate error due to ineffective training / inadequate skills.	Uncertain delivery of key objective / service. Major error due to ineffective training / inadequate skills.	Non-Delivery of key objectives / services due to lack of staff. Loss of key staff. Critical error due to ineffective training / implementation of training.
Financial - Capital	Minor organisational financial loss (£1 -£100k)	Significant organisational loss (£100k-£1m)	Major organisation loss (£1m - £10m)	Severe organisational financial loss (>£10m)
Financial - Revenue	Minor organisational revenue loss (<-£50k)	Significant organisational revenue loss (£50k-250k)	Major organisation revenue loss (£250k - £500k)	Severe organisational financial loss revenue (>£500k)
Inspection / Audit	Recommendations made which can be addressed by low level of management action	Challenging recommendations that can be addressed with appropriate action plan.	Enforcement action. Critical Audit report. Lower CPA rating.	Prosecution following an inspection. Severely critical audit report. Very poor CPA rating.

Likelihood Definitions

Score	1	2	3	4	5	6
Description	Almost Impossible	Very Low	Low	Significant	High	Very High
Probability	Practically impossible to occur	Can't believe this would happen - will only happen in exceptional circumstances.	Not expected to happen, but definite potential exists - unlikely to occur	May occur occasionally, has happened before on occasions - reasonable chance of occurring	Strong possibility that this could occur - likely to happen	This is expected to occur frequently / in most circumstances - more likely to occur than not.
Percentage of chance of something happening	< 2%	2% -25%	25% - 50%	50% - 75%	75% - 95%	> 95%

Mitigation Options

Treated	- through preventative measures management
Tolerated	- through ensuring adequate plans exist to respond to potentially disruptive events
Transferred	- through, as an example insurance or contractual arrangements
Terminated	- although in practice this is often not possible

Risk Management Action Plan

Likelihood	6				
	5				
	4			1	
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
1: Legislative changes	Significant / Critical	Significant/Critical	<p>Legislative changes will be determined by central government and therefore mitigating the risk is not possible. The Action is to ensure that any change in enforcement legislation is considered and the Annual Business Plans adjusted accordingly</p> <p>Legislative changes</p> <p>If central government reduces levels of PCN charges. Change in enforcement legislation.</p>

Action/controls already in place	Level of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors & KPI's	Review frequency	Key dates
<p>An Annual Business Plan is produced and agreed annually and adjusted to reflect any changes in operational costs and income received</p> <p>A reserve of £400,000 is currently maintained and reviewed annually</p>	<p style="text-align: center;">Adequate</p> <p style="text-align: center;">Adequate</p>	<p>The Parking Partnership Manager and Partnership lead officers to be aware of any change in enforcement legislation.</p> <p>The Parking Partnership Manager in consultation with Lead Officers to provide a financial and operational impact assessment and agree individual area actions plans to be incorporated in the Annual Business Plan and the medium to long term financial forecast.</p>	<p>Partnership Lead Officers and Parking Partnership Manager</p>	<p>Business Plans adjusted to recognise changes in legislation and potential impact.</p> <p>Partnership Account remains in zero deficit position.</p>	<p style="text-align: center;">Annually</p> <p style="text-align: center;">Annually</p>	<p>December Joint Committee Meeting and approval of Annual Business Plans</p>

Risk Management Action Plan

Likelihood	6				
	5		3B		
	4				
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
3B Political change-political representation changing	High / Marginal	High/Marginal Political change will be determined by local elections and therefore mitigating the risk is not possible. The Action is to ensure that any new Joint Committee Member gains a full understanding of the Parking Partnership at the earliest opportunity	Political change (political representation changing)

Action/controls already in place	Level of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors & KPI's	Review frequency	Key dates
The Partnership lead officer representing the area to notify the Clerk and the Parking Partnership Manager within a time period of one week following any change in political representation	Adequate	Partnership lead officers to be aware of any change in political representation and take the necessary action to notify the Clerk and Parking Partnership Manager	Partnership Lead Officers	The Clerk receives notification within one week of political change	Annually	Annual Council meetings and local elections
Parking Partnership Manager to arrange meeting with new representative and lead officer within one month of notification with the purpose of providing an overview of the Parking Partnership, the aims and objectives the Partnership wish to achieve and a full explanation of the relevant individual area action plan	Adequate	Parking Partnership Manager to arrange meeting within one month of notification of change with Lead Officer and new Joint Committee Member.	Parking Partnership Manager	New Joint Committee Member is fully informed of the Partnership aims and objectives within one month of notification of change	Annually	

Risk Management Action Plan

Likelihood	6				
	5				
	4			7	
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
7 Inability to enforce due to lack of signs and lines	Significant / Critical	Marginal / Low	Inability to enforce due to lack of signs and marks

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors & KPI's	Review frequency	Key dates
<p>Parking Partnership operates the TRO signs and lines function.</p> <p>Parking Partnership funding the TRO staff and operational costs.</p> <p>The Partnership currently allocates the funding, implements the works and ensures unenforceable areas are rectified.</p>	<p>Current funding is enough to address areas that are considered unenforceable but falls short when consideration is given to ongoing preventative maintenance of signs and lines and implementing new schemes</p> <p>Partnership lead officers and Joint Committee Members have full control over expenditure and allocation of works</p>	<p>The new surplus management requirements in the Joint Committee Agreement from 1 April 2022 ensures that a suitable reserve of £400,000 is maintained in Part 1 and the TRO and sign and line maintenance costs identified in part 2 are always covered before any spend is contributed to part 3 of the arrangement.</p> <p>In addition the Partnership will be fully responsible for operational fund which will be carried forward into the new agreement and is not subject to the new surplus sharing arrangements.</p>	<p>Parking Partnership Manager and Lead Officers</p>	<p>The Parking Partnership continues to operate the function with enough funding.</p> <p>90% of signs and lines are fully compliant and refreshed by 2023</p>	<p>Annually</p>	

