

<b>EXTENSION TO EXISTING CAR PARK AGENCY SERVICE AGREEMENT</b>	<b>4<sup>th</sup> October 2016</b>
<b>TO: ENVIRONMENTAL SERVICES COMMITTEE</b>	
<b>FOR DECISION</b>	

<b>Linkage to Corporate Strategy</b>	
<b>Strategic Theme</b>	Innovation & Transformation
<b>Outcomes by 2019</b>	The Council will continuously examine and introduce ways to provide services in a more accessible and efficient ways
<b>Lead Officer</b>	Head of Infrastructure
<b>Cost: (If applicable)</b>	Annual Cost £212,608.75 (14.14% increase)

## 1.1 Background

The transfer of the Off Street Parking functions from the DRD (now Transport NI) to local councils occurred on 1 April 2015 by virtue of the Off Street Parking (Functions of District Councils) Act 2015.

In preparation for the transfer, it was agreed that local government would establish a Regional Off Street Parking Group (a sub-group of LGCEG) to take forward the operational actions required to ensure the smooth transfer of the function and assets on 1 April.

Members will recall from a previous Environmental Services Committee on the 6<sup>th</sup> October 2015, that permission was given to enter into negotiations with Transport NI (TNI) to extend the current service contract which ends on the 31<sup>st</sup> of October 2016.

## 1.2 Proposal

Council officers in conjunction with the regional sub group have completed negotiations with Transport NI to extend the existing agreement for up to 3 years' service provision for Council pay and display car parks.

There are a number of factors which contributed to the selection of this option by the Sub-Group and these are listed below:

- Continuing with the existing Agency Agreement will mean minimal change for Councils as there is significant work to redesign the service. Also the detailed work and negotiations in terms of developing and reaching agreement on the

Agency Agreement and Technical Specification has only recently been completed.

- The timeframes for agreeing and implementing a new service delivery model at this stage are extremely tight and may leave councils vulnerable if the successful implementation was not completed on time to the required standard.
- Given the size and scope of the current TNI procured contract, the Council officers on the regional group are of the view that we are getting economies of scale and therefore receiving value for money in this contract. If arrangements were to change each council would have to consider how effective and efficient a new service delivery would be.
- A final key element in reaching this conclusion was that an extended / renegotiated Agency Agreement and Technical Specification would allow the Council's time to determine the objectives to be achieved from car parking and consider and develop a long term parking approach or strategy for the future benefit of their Boroughs.
- The new proposed contract will have a "NO Fault Termination" clause to allow Councils to migrate to new operators, should this be more economical to do so, subject to TNI exit costs.

### **1.3 Financial Implication**

The total cost for the delivery of this agency agreement for a further 3 years is £637,826.25, this may vary depending on usage and potential changes to car parking provision – however this is completely offset against income.

This figure is based on current usage and this equates to approximately a 14.14 % uplift which is a direct result of the negotiations between TNI and their service provider NSL.

### **1.4 Recommendation**

It is recommended that Members approve the proposal put forward by the Off Street Parking Subgroup (which has representation from all 11 councils) and which was further endorsed by the Local Government Chief Executives Group (LGCEG) to extend the Agency Agreement with Transport NI, for the delivery of off street parking for a further period of up to 3 years.