



**Executive
18 January 2010**

**Report from the Director of
Environment and Culture**

Wards affected:
ALL

Proposed closure of the Church Lane parking shop

Forward Plan Ref: E&C-09/10-025

1.0 Summary

1.1 This report proposes the closure of the Parking Shop in Church Lane, Kingsbury with effect from 1st July 2010.

2.0 Recommendations

2.1 That the Executive approves the closure of the Church Lane Parking Shop from 1st July 2010.

3.0 Details

3.1 On 12th April 2005 the Executive awarded the Council's Parking Contracts to Central Parking System (CPS) for a period of five year, with a start date of 4th July 2005. The Executive had earlier, in 12th July 2004, at the "invitation to tender" stage granted the Head of StreetCare authority to invite tenders for 5 years, renewal for a further 2 years, for Parking Enforcement and for Notice Processing and I.T. Systems Support.

3.2 At that time, the Council tendered the Parking Contract as two separate contracts. However, given the scope of the two contracts it was recognised that a single contractor company may wish to bid for both contracts and there may be possible savings in the process. Accordingly both contracts were tendered under EU Procurement Regulations and in accordance with the requirements for EC Public Procurement Regulations for Part A services. The two elements of work were:

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- Parking Enforcement
- Notice Processing and I.T. System Support

3.3 The submission from Central Parking Systems included a discount if both contracts were awarded to them and a further discount for the two year extension. The amount of the discounts, were individually and collectively greater than the other contractor. By awarding both contracts to CPS, the Council obtained a discount from the successful tenderer.

3.4 The parking contract specification required, amongst other things, that the successful contractor provided three Parking Shops at locations approved by the Council.

3.5 From the Council's perspective, the Parking Shops were to be located in areas of the Borough where demand for face-to-face contact with the users of the service was likely to be higher. The Council offered its existing premises with an operational base and car pound as part of the contract. This was because of existing lease on these premises conveniently located in Pyramid House, Fourth Way, Wembley. The arrangement also helped to enhance the opportunity for competition and for a better tender submission.

3.6 The second and third Parking Shops are located at Walm Lane, Willesden and Church Lane, Kingsbury.

3.7 It should be noted that at the time consideration was given to the merging the Parking Shop functions with the Council's One Stop Shops (OSS). This was however not followed up because the OSS' had stopped handling cash payments.

3.8 During 2007 the parking enforcement contractor (CPS) was bought out by another parking company – APCOA Parking.

4.0 Parking Shops – activities

4.1 The main functions of a Parking Shop are to:

- Receive payment for Penalty Charge Notices
- Issue Parking Permits for CPZs (annual and visitor)
- Issue Permits for the Wembley [Stadium] Protective Parking Scheme (WPPS) – currently this service is only provided from the Church Lane Parking Shop.
- Deal with general enquiries
- Deal with Suspensions and Dispensation

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5.0 The Potential for Reducing the Parking Shops

- 5.1 On being awarded the contract in July 2005 CPS acquired two shop front properties on lease for 5 years with option to extend for a further two years if Brent were to agree to extend the contracts after the initial 5 year period. Brent Council has no direct liability for these leases.
- 5.2 There is, therefore, an opportunity for Brent to instruct APCOA to close one (or indeed both) Parking Shop(s) at the end of the Contract's primary term (i.e. 3rd July 2010), or earlier with a reduced in-year saving.

Pyramid House Parking Shop

- 5.3 The Pyramid House Parking Shop provides the administration base for the Contractor and is the first point of contact for motorists wishing to recover vehicles that have been towed away.

The lease for Pyramid House is currently being negotiated by Brent Property Services and it would be premature to make any judgments on the closure of the parking shop at this location. The premises also provide accommodation for the highways and gully teams, the sign shop and the parking client officers. There would be considerable disruption to these services for the council and the residents with no financial benefit from closing the Pyramid House Parking Shop at this time. It is proposed to leave it open for the time being until after the negotiations on the Pyramid House lease when we will be in a better position to judge the situation.

Walm Lane Parking Shop

- 5.4 The Walm Lane Parking Shop is the busiest of the three existing facilities and is located in the south of the Borough where 75% of the CPZs are to be found. As part of the agreed extension of the Parking Contract, APCOA have committed to expand the number of counters from 3 to 4 or possibly 5 at the Walm Lane Parking Shop at no additional cost to Brent Council. This expansion will help alleviate severe capacity problems at Walm Lane, which has lead to a number of complaints in recent years.
- 5.5 The Walm Lane Parking Shop has in the last 12 months to September 09 generated over £1,860,000 in revenue and managed 207 visitors per day.
- 5.6 With the level of cash transactions processed in this Shop and the significant disruption to the service and consequently income to the council, it is proposed to review the business case for closing this Shop when the work on electronic processing has been completed and

alternative arrangements for cash collection have been identified.

Church Lane Parking Shop

- 5.7 This Shop manages the Wembley Event Day Permits and the information phone line. However, only 7% of CPZ Parking Permits are renewed at the Church Lane Parking Shop. In a 12-month period from Oct 08 this shop generated just over £134,000 in revenue and managed just 22 visitors per day.

Under the terms of the Parking Contract, Brent currently pays an all-inclusive charge for Church Lane Parking Shop of £111,293 per contract year (4th July to 3rd July). The closure of the Church Lane Parking Shop will make it possible for savings to be achieved in 2010/11. The impact of this will be to divert some customers to Pyramid House the nearest alternative location. Officers believe it is possible to close this shop, and the minimal impact on the service delivery will be manageable.

- 5.8 An analysis of the Parking Shops total revenue collection shows that 44% of income is collected as cash.

6.0 Financial Implications

- 6.1 Under the terms of the Parking Contract, Brent currently pays an all-inclusive charge for Church Lane of £111,293, per annum, the annual period being the contract year (4th July to 3rd July), not the financial year.

- 6.2 The potential saving for closing from July 2010 will be £75,000 and £105,000 in a full year after allowing for some residual costs including relocation to other sites.

- 6.3 Notices will be placed at the Church Lane Parking Shop to give callers early warning that the shop will close in July, and advise customers of alternative locations and alternative means of carrying out transactions to avoid the need for personal contact. The closure will not have any impact on the Council's cash flow or transaction charges.

- 6.4 The Director of Finance & Corporate Resources' comments are included in the Report.

7.0 Environmental Implications

- 7.1 Closing the Parking Shop at Church Lane may result in an increase in car journeys. However, the development of on-line renewal of permits is expected to further reduce visits to the parking shops and reduce the need for car journeys and mitigate against any negative environmental effects.

9.0 Legal Implications

9.1 There are no legal implications arising from this Report.

10.0 Background Papers

- Report to the Executive (12 April 2005) – Award of two Parking Contracts.

Contact Officers

Any person wishing to inspect any background papers should contact Keith Balmer, StreetCare Service Unit, 020 8937 5066, keith.balmer@brent.gov.uk.

Richard Saunders Director of Environment & Culture	Keith Balmer Head of Service (StreetCare)
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