

REPORT OF TASK AND FINISH GROUP – ENFORCEMENT

Summary: To report to Executive the conclusions and recommendations of the Task and Finish Group on Enforcement

Recommendation: That the recommendations in paragraph 8 be agreed and implemented.

1 INTRODUCTION

1.1 On 19 December the Executive asked a Task and Finish Group from the OSC for Environmental Well Being to work with the Portfolio Holder (Councillor Holliday) on a review of enforcement and to report back to the Executive in February with options and recommendations for the future of the service.

1.2 The Task and Finish Group comprised the Chair, Councillor Anne Bradshaw, the Deputy Chair, Councillor Mrs E Eastwood and Councillor W Southward. The Group met on 4 occasions with the Portfolio Holder and were advised by the Chief Executive, the Head of Leisure and Environmental Services, the Accountancy Services Manager and the Democratic Services Manager.

2 SCOPE

2.1 The Group agreed at the meeting on 3 January on the following scope for the exercise:

“1 To consider all available options for future provision of enforcement services at Copeland Borough Council including those identified at paragraph 5.3 of the Chief Executive’s report to Executive on 19 December and any others which may be appropriate and viable.

2 To examine the advantages and disadvantages of each option, in particular in relation to quality of service and financial sustainability.

3 To recommend an option, or a combination of options, to the Executive.”

3 BACKGROUND

3.1 The main financial driver for the enforcement function since the Unit was formed in 2001 has been the requirement to meet income targets from fines and in the current financial year there has been a significant shortfall in income against target, particularly due to high levels of accruals resulting from unpaid fines, and changes in the DPE regime which have had an adverse effect on income levels. There have also been issues relating to the

management of enforcement, as detailed in the Chief Executive's report to the Executive on 19 December which have contributed to the Unit's difficulties in the current year.

3.2 The income shortfall in the current year has had a serious impact on the Council's budget in 2006/7 and will be addressed by finding compensatory savings elsewhere. The Task and Finish Group's recommendations on how enforcement should be structured and funded in future years are predicated on the assumption that the Unit will start 2007/8 with a nil budget deficit, and are centred around ensuring that such deficits cannot recur in future.

3.3 The increasing predominance of financial drivers for the Unit has been accompanied by a reduction in priority given in the Unit to other desirable aspects of effective enforcement, particularly flexible working, multi-tasking and customer care. The Task and Finish Group believe that there has been an historical intention to address these issues by moving to a 24/7 service for enforcement but that this aspiration has never materialised in practice.

4 LICENSING

4.1 On 13 November 2006 the Licensing Committee agreed proposals for a service level agreement between Legal Services and Enforcement for the provision of an enforcement service for licensing functions of between 700 and 1040 hours per annum, at a cost of £8401 to £12,482, to be funded from the Legal Services licensing budget. These proposals are intended to come into force on 1 April 2007 but further negotiations on implementation have been on hold pending completion of this review.

4.2 The Task and Finish Group consider that the proposals agreed by the Licensing Committee represent a robust way forward for licensing enforcement. The Group understands that these arrangements have not been budgeted for in 2007/8.

5 DPE

5.1 The DPE contract with Cumbria County Council is due to expire on 31 March 2008 and termination of the contract requires service of 12 months notice. Under the DPE contract the Council cannot impose charges for residents' parking permits or for on street parking without the consent of the Area Committee of the County Council. Income from DPE re-imburses costs directly incurred by the Council in administering DPE, but any surplus can only be used for traffic management purposes.

5.2 The Group notes the background to the setting up of the current DPE arrangements and the fact that it is most unlikely that there will be any effective traffic management in Copeland if the Council discontinues its DPE role.

5.3 The Group believes that DPE and the way it is approached holds the key to the future of enforcement. As the current arrangement restricts income to recovery of our direct costs, and restricts our discretion to raise income from other potential areas such as residents' parking permits and on-street parking, the Group considers that the present DPE agreement must be terminated in March 2008. New arrangements to operate from April 2008 must reduce our direct costs and introduce more flexible and multi tasked working to improve our ability to respond to customer demands effectively.

6 WAY FORWARD

6.1 The Task and Finish Group's overriding concern in conducting this review and making recommendations is to establish enforcement on a strong financial basis which ensures the 2006/7 deficit cannot recur, and that a flexible, prompt and customer-focussed service can be provided.

6.2 The Group believe that the only viable way forward for enforcement to achieve these objectives will be to operate on a budget in 2007/8 for employment of 6.5 FTE (full-time equivalents), rather than 9.5 FTE, which is and will remain the permanent establishment in enforcement. There should be a 24/7 service, accompanied by both a more carefully targeted approach to DPE and by a much more robust approach to performance management and business planning in the Unit.

7 OPTIONS

7.1 The Task and Finish Group has considered options for the overall structure of the Enforcement Unit (based on the number of posts as suggested in 6.2 above); different projected income and deficit levels for both DPE and off street parking; markets; and fine levels under CNEA where the Council has discretion. These options are reproduced at Appendix "A".

7.2 On DPE, the Group has considered options based on 80%, (Option 1), 60% (Option 2) and 70% (Option 3) collection rates. Whilst Option 1 offers an increase in the operational surplus of 80%, the Group considers this option to be over ambitious. Option 3 (70% collection) is recommended.

7.3 The Portfolio Holder and the Head of Leisure and Environmental Services presented the Group with 3 options for increasing fees for off street car parking, representing average increases of 11%, 23% or 47%. (These had not yet been agreed by Budget Working Party or Executive at the time of the Group's meeting.) While recognising that all 3 options represent significant increases, the Group is of the view that the Council needs to take tough decisions to minimise the risk of deficits in future on the scale of the current year. Option 3 (23%) is therefore recommended, which will increase income for a year by approximately £43,000.

7.4 The Group has considered the option of externalising part of the enforcement function, specifically markets management. Initial analysis of so doing suggests that externalising markets management would significantly

reduce income to the council. Option 3 is therefore recommended, with further market testing of externalisation to be conducted.

7.5 The Group has also considered the option of externalising the whole of the enforcement service, but have concluded that this option would not afford sufficient control for the Council. In addition, the Group agrees with the Chief Executive's view that the service is in any event not an attractive proposition to offer to external operators at the present time.

7.6 On levels of fines under CNEA, the Group again take the view that the option of maximising income by increasing fine levels to the maximum possible levels should be taken, (but targets to remain unchanged) whilst recognising that there may be a deterrent effect which could offset income to some degree.

8 RECOMMENDATIONS

8.1 That the Enforcement Unit be established on a 24/7 basis in 2007/8 based on a budgeted total of 6.5 FTE posts, and that the Chief Executive be asked to ensure that robust arrangements are introduced as soon as possible for effective performance management and business planning in the Unit.

8.2 That notice is served of termination of the DPE agreement on 31 March 2007.

8.3 That Option 3 be implemented in each case for overall Unit structure; DPE; off street car parking; and markets.

8.4 That further market testing on possible externalisation of markets management is carried out, and that externalisation of the whole service be not pursued for the reasons given.

8.5 That the Licensing Committee be asked to agree implementation of the service level agreement for licensing enforcement on 1 April 2007 or as soon as possible thereafter as possible, subject to the outstanding budgetary issue being resolved.

8.6 That all discretionary fines for offences under the CNEA be increased to the maximum levels.

8.7 That no change be made to the Council's draft budget for 2007/8 arising from the Group's recommendations other than charges for off street car parking (subject to 8.5 above).