

Divisions Affected - All

CABINET

21 January 2025

FUTURE CIVIL ENFORCEMENT CONTRACT MODEL

Report by Director of Environment and Highways

RECOMMENDATION

1. **The Cabinet is RECOMMENDED to**
 - a. **Approve the commencement of work to explore and consider options for Civil Enforcement provision for the county council due to contracts coming to an end March 2026.**
 - b. **Endorse the proposed approach and key stages as set out in this paper.**

Executive Summary

2. The existing five contracts with Conduent (now sold to Modaxo and trading as Trellint) are set to expire in March 2026 (including a one-year extension). Oxfordshire County Council therefore needs to decide on a model for civil enforcement delivery from that date and have undertaken any procurement or recruitment prior to the expiry of the existing contracts.
3. Due to the changing nature of the civil enforcement sector and the new ambitious council policy, the model for how the council manages its civil enforcement needs to be fully explored before determining the best option for Oxfordshire.
4. It is proposed there are three main decision points for Cabinet:
 - a) Today's paper seeking support for the proposed approach.
 - b) When initial options have explored, and the project team have a preferred option/s for development and progression.
 - c) To seek approval to commence procurement of the preferred option.

Exempt Information

5. Not applicable

Current Civil Enforcement arrangements

Background

6. Oxfordshire County Council first took on the powers of parking enforcement in Oxford City in 1997. The Council has continued to offer Civil Enforcement since. In October 2020 the Cabinet agreed to pursue an application to DfT to take on powers covering Cherwell, Vale of White Horse and South Oxfordshire districts. Enforcement of these districts went live in November 2021.
7. West Oxfordshire was operated by West Oxfordshire District Council, and it was agreed between the Councils for the County to take on the West Oxfordshire on-street area. At this time negotiation also took place with Cherwell District Council for the County to undertake the off-street enforcement of their car parks via an agency agreement. West Oxfordshire enforcement went live in April 2023 and the Cherwell off-street Car Park enforcement went live in September 2023.
8. In April 2022 the Council successfully applied to the Secretary of State for the powers to enforce moving traffic contraventions such as prohibited vehicles, banned turns, School Streets etc.
9. The Council also operates a road user charging scheme, the Zero Emissions Zone (ZEZ) under Transport Act 2000 and its subsequent regulation under The Road User Charging Schemes (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2013. The scheme started as a pilot in February 2022. The original contract which was awarded to Conduent Public Sector UK Ltd was in place for the initial pilot stage.
10. A new contract is also required for continued enforcement of the ZEZ.
11. As a result, Oxfordshire County Council has five civil enforcement contracts with an external supplier which allow for the enforcement of restrictions across the County. Subject to completion of extension negotiations of these contracts, they will all come to an end in March 2026.

Proposed approach

12. Whilst the existing model of an externally provided service has traditionally been the preferred choice for many authorities, given the changing nature of the industry and new county council priorities, it is recognised that alternative approaches for the provision of civil enforcement should be explored to assess if it continues to be the right approach for Oxfordshire.
13. The proposed approach has three main stages: Investigation and optioneering; development of the preferred option; and then

procurement/delivery of that option. It is important that we undertake the first stage with an open mind and fully engage with county councillors, the market, and other local authorities to help shape the service for the future. It is also important the council utilises data to understand the cost, risks and deliverability of options to shape and determine the preferred option for Oxfordshire.

14. It is considered important to understand which elements of the existing contract works well and which do not. Using this data a qualitative baseline can then be set to inform procurements. To achieve this, it is proposed engagement is undertaken to enable councillors and key stakeholders to feed back on their experiences of the civil enforcement service. This data will then be analysed by officers with outcomes feeding into identifying a preferred model.
15. Engagement and learning from other local authorities to understand their models and approaches and to learn from their previous experiences to help inform which model may be most appropriate for Oxfordshire. Where possible qualitative data will also be reviewed to see how different models perform against the existing Oxfordshire model.
16. Early soft market testing has started to understand industry views on market direction of travel, what the market can and cannot offer and future innovations to understand what other elements may need to be considered when developing a preferred model.
17. The Cabinet Member for Highway Management will lead and steer officers, with Cabinet shaping and approving the future model. It is proposed Cabinet will take formal decisions at three key stages during the optioneering and procurement process.
 - 1) Presentation and approval of proposed approach (December 2024)
 - 2) Confirmation and approval of the preferred model to develop (February 25)
 - 3) Approval to procure preferred model (June 25)

Proposed programme

18. High level timescales for delivery have developed showing expected key milestones, once an approach has been approved a more detailed plan will be developed.

Approval of approach by Cabinet	January 2025
Investigation and development of preferred model	September 2024 - January 2025
Approval of preferred model by Cabinet	February 2025
Development of specification/s to support model	March 2025
Approval to procure preferred model by Cabinet	June 2025
Launch of procurement	July 2025
Closure and bid evaluation	September 2025 - October 2025
Appointment of contractor/s	December 2025

Mobilisation of new contract	January 2026 - March 2026
Launch of new contract	April 2026

Corporate Policies and Priorities

19. Civil Enforcement is a key policy within the Council's Local Transport and Connectivity Plan (LTCP) and the Network Management Plan - Policies 33 and 34 of LTCP refer to this as per below:
20. **Policy 33 – We will:**
- a. Ensure the parking requirements of all modes of transport are considered, in line with our transport user hierarchy.*
- b. Work to embed our parking guidance (Appendix 5) into relevant guidance and decision-making processes and progress the associated actions.*
- c. Take measures to reduce and restrict car parking availability. As part of developing LCWIPs and in LTCP area strategies, the following measures will be assessed:*
- Introduce parking charges in Council-managed car parks.*
 - Introduce parking costs for businesses such as a workplace parking levy.*
 - Introduce on-street restrictions and control such as double and single yellow lines via decriminalised parking enforcement powers.*
 - Control on-street parking in neighbourhoods via Controlled Parking Zones (CPZs).*
 - Changes to car parking to allow the introduction of bike hangars.*
21. **Policy 34 – We will:**
- a. Conduct civil parking enforcement across the county.*
- b. Maintain strategic partnerships with the District and City Councils to ensure a joined-up approach to enforcement and car parking management.*
- c. Work with our District and City councils and other stakeholders to introduce a coherent approach to car parking charges.*
- d. Work to tackle pavement parking by:*
- Closely following changes to national legislation, and will act to take on any new powers to allow better enforcement of pavement parking offences*
 - Supporting enforcement to ensure that all footways (pavements) and cycleways are clear of pavement parking, except where legally marked out*
 - Taking measures to reduce parking pressures on road space which result in pavement parking, such as CPZs.*
22. Parking management is an important transport planning tool, enabling the council to influence how people may choose to travel, with the aim of encouraging them to use more sustainable forms of transport, including Park and Ride facilities.

23. If left unmanaged, parking would soon become disruptive to the transport networks and services, as people would park for convenience, rather than considering other people's needs. This could lead to increased pressures on neighbourhoods, and movement could be affected to the detriment of road safety. There could also be an impact on emergency service response times. If the council is to deliver our vision and targets, it also needs to make alternatives to the private car more attractive. Parking is a key part of this and can help to make alternative modes just as convenient, if not more convenient than the private car.
24. The powers for the council to enforce Moving Traffic contraventions were granted after the LTCP was published however these types of restrictions are generally implemented to improve traffic flows or safety. Enforcement supports Council policies on Net Zero, Low Traffic Neighbourhoods, Traffic Filters project and School Streets. Moving enforcement will be picked up both in the area travel plans, being produced to support the LTCP. As well as operational polices specific to the legislation governing them.
25. The current service is contracted out as noted above. The contracts are funded by the revenue raised by parking permits, parking bay suspensions, pay and display income and Penalty Charge Notices ((PCNs) i.e. fines)) that are issued to drivers that contravene the restrictions.
26. The Traffic Management Act 2004 requires the Council to hold a separate account for parking and enforcement. Any running costs are offset against the revenue received. Currently the Parking account generates a surplus which is then used on highway related projects, in-line with the legislation governing spend.
27. The ZEZ also forms policy of the Council's LTCP (policy 28) - Clean Air and Zero Emissions Zones. This scheme has driven down emissions within the centre of Oxford City.

Financial Implications

28. Within the current contracts and operating methodology, cost is £7.5m per annum with income generated at £10.5m per annum. Any surplus is collected into the Parking Account and spending allocation against the legislative requirements, maintenance of existing facilities, supporting highway maintenance etc.
29. Costs have been increasing over the years as enforcement is largely a 'feet on the ground' operation relying on a physical presence to issue a ticket to a vehicle in breach of a restriction. Legislation dictates that people (feet on the ground) must undertake the act of enforcement. For moving traffic enforcement, cameras are deployed to capture data which then has to be reviewed by an Officer before a ticket can be issued. Labour costs in the industry are raising, notwithstanding pay rates are relatively low in the industry. Penalties, set nationally, have been static since 2008 with no indication from Central Government that these will rise anytime soon.

30. As part of the options appraisal Officers are looking at a number of methods to drive down costs including:
- (a) Operational methodology; including the most cost-effective method to deliver the overall service.
 - (b) Innovation available in the industry to drive down costs, including greater development of scan vehicles and kerbside management.
 - (c) Greater investment in intelligent deployment of limited resources; and
 - (d) Competition in the marketplace using the British Parking Association (BPA) model contract to incentivise industry performance (if that is the option going forward).
31. Evaluation of the options and costings will be the subject to a further report to Cabinet, which will set out the recommendations based on the findings.
32. Due to the scale and complexity of the project it is expected external specialist consultancy services will be required for the project. This is for both the optioneering and procurement stages, from both highways service and Legal & Procurement perspectives. It is estimated this will cost in the region of at least £100k split as follows:

2024/25 - £30,000
2025/26 - £70,000

33. The cost of this will be met through existing budgets and or if necessary, from the parking account reserve.

Comments checked by:

Filipp Skiffins, Assistant Finance Business Partner,
filipp.skiffins@oxfordshire.gov.uk (Finance)

Legal Implications

34. As covered earlier the council has devolved powers to undertake civil enforcement across Oxfordshire under the Traffic Management Act 2004. Therefore, the council has a legal obligation to provide this service. A solution needs to be agreed and implemented prior to the current contracts ending.
35. Depending on the option selected, legal implications will be considered in the follow up report to Cabinet. A member of the Legal Team will be appointed to the project team. Legal Services (Contracts) will usually be engaged in procurement of the external consultant in the first instance, and in the procurement of a contractor for the mode of delivery selected.

Comments checked by:

Busola Akande, Solicitor (Contracts),

busola.akande@oxfordshire.gov.uk (Legal)

Procurement Implications

36. Any procurement exercise to appoint professional services to support the project and new parking contract/s will be completed in line with all relevant procurement policy and guidelines. Due to the scale and value of the contract/s being procured a member of the procurement team will be appointed to the project team and will take ownership for the procurement elements of the project. Once a preferred approach has been identified a detailed procurement strategy will be developed to support the delivery of the contract/s. It should be noted that legislative changes to the Procurement Regulations will come into effect February 2025 and the specific timings of the tender will need to be taken into consideration with regard to the project programme and risks.

Comments checked by:

Becky Funnell
Head of Category – Environment and Place
Becky.funnell@oxfordshire.gov.uk (procurement)

Staff Implications

37. Due to the scale and complexity of the project there will be the need to appoint additional subject matter expertise on a fixed term / consultancy basis to support the optioneering and subsequent procurement activity. The wider project team will be internally resourced from both within the directorate and corporate centre.
38. Depending on the option selected, ultimate staffing implications on the service to manage the service and contract/s will be considered in further reports to Cabinet. As mentioned previously activity to undertake this service is governed by legislation and the requirement to have people to undertake physical enforcement and reviewing of data.

Equality & Inclusion Implications and Sustainability Implications

39. It is not anticipated the procurement of a new parking enforcement model and associated contract/s will impact negatively on any 'protected characteristics' groups, nor on the armed forces, carers, staff, other Council services or providers. There is an opportunity through any procurement to positively impact rural communities and areas of deprivation. These will be considered as part of the options appraisal and reported on in detail in the follow up reports to Cabinet.

Sustainability Implications

40. A climate impact assessment will be completed as part of the project plan and reported to in follow up reports to Cabinet. Any future options will look to adopt the latest technologies and innovations and reduce carbon through efficient deployment planning and techniques where possible. A Climate Impact Assessment will be completed and reported to follow up reports to Cabinet.

Risk Management

41. The procurement of a civil enforcement model offers many opportunities for Oxfordshire County Council by ensuring any selected model is appropriate for the current and perceived future challenges for the council.
42. Failure to award a new contract/s holds significant risk for this project, failure to do so by 31st March 2026 will potentially leave Oxfordshire County Council without a civil enforcement service to fulfil our statutory obligations. To minimise this risk the project has been established well in advance of this date to enable a robust assessment and procurement process to take place.

Paul Fermer Director for Environment and Highways

Contact Officers:

Keith Stenning – Head of Network Management
keith.stenning@oxfordshire.gov.uk

Cathy Champion – Operational Manager – Civil Enforcement
Cathy.champion@oxfordshire.gov.uk

John Charlton – Team Leader – Civil Enforcement
John.charlton@oxfordshire.gov.uk

November 2024