

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

1 FEBRUARY 2007

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Regeneration & Transport - Lead Cabinet Member - Councillor Cook

SAFETY CAMERA PARTNERSHIP

1. Summary

This report concerns the establishment of a new Road Safety Partnership with effect from April 2007 replacing the current Cleveland Safety Camera Partnership. The four former Cleveland authorities have agreed to continue the Safety Camera Partnerships within the new framework but are looking to significantly reduce the operating costs in order to use the efficiency savings to invest in education and training initiatives including maintaining those that are currently under financial pressure.

A new Business Case for the Safety Camera Partnership has been produced for endorsement by the partner organisations.

2. Recommendations

Recommended that

- (i) Members approve the revised Business Case for the Cleveland Safety Camera Partnership from April 2007 as detailed in the report.
- (ii) Approve the use of the Council's remaining Road Safety Grant allocations for Road Safety Education, Publicity and Training initiatives as set out in the report.
- (iii) Members note that £50,000 pa savings from the partnership has already been incorporated into the Medium term financial Plan.

3. Reasons for the Recommendations/Decision(s)

The Council supported the original Business Case submission in 1999/00 for the hypothecation scheme. A new Business Case for the Safety Camera Partnership has been produced for endorsement by the partner organisations. Approval is also sought for the allocation of the efficiency savings to other road safety initiatives.

4. Members Interests

Members (including co-opted members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (paragraph 8) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (paragraph 10 of the code of conduct).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting is being held, whilst the matter is being considered; not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (paragraph 12 of the Code).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting, and if their interest is prejudicial, they must also leave the meeting room during consideration of the relevant item.

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DETAIL

Background

- 1 The Department for Transport (DfT) announced on 15 December 2005 that the ring fenced 'netting off' funding arrangement for safety cameras would end on 31 March 2007. From 2007/8, safety cameras and their funding are integrated into the Local Transport Plan (LTP) system alongside other road safety measures with the DfT providing the additional funding in the way of a specific road safety grant within the LTP settlement. A bid for camera funding was included in the Council's LTP submission in March 2006.

- 2 Funding for the Safety Camera Partnership will now be distributed directly to Local Highway Authorities for the financial year 2007/08; previously this funding has been recovered retrospectively from fixed penalty notice income with any surplus above the running costs of the Partnership retained by the Treasury. The reason for distributing funds through specific grant as a part of the Local Transport Plan system is to emphasise the message that income from speed camera enforcement is used for Road Safety initiatives.
- 3 This presents an opportunity to review the camera partnership and to determine whether there are efficiency savings that could provide funds to support other revenue based road safety functions that the LTP cannot presently support and all Tees Valley authorities struggle to adequately resource.
- 4 There are two stipulations from Government Office for the North-East, that are not legislative, but send a clear message: -
 - It is expected that the existing safety camera partnerships continue
 - The resources are targeted at Road Safety initiatives.

Although DfT will continue to offer guidance on the siting and signing of cameras, there will be a greater freedom at a local level to site cameras according to local need.

- 5 The Cleveland Safety Camera partnership is currently managed through Hartlepool Borough Council acting as Lead Authority for the four Boroughs in the Cleveland Police area.
- 6 The Chief Engineers Group commissioned an independent review during Autumn 2006 to inform reports to their respective Cabinets.

The Review

- 7 The independent review takes account of the fact that the Cleveland Safety Camera Partnership scheme is to move, in April 2007, from a hypothecation-based budget to a grant-based budget.
- 8 This change comes with advice contained in the draft consultation paper issued by the Department of Transport (DfT), dated August 2006, which is entitled, 'Use of speed and red light cameras for traffic enforcement'. The paper stated that there should be integration of camera activity and partnerships into the wider road safety delivery process from 1 April 2007 encouraging the establishment of wider road safety partnerships to facilitate better 'meshing' between safety cameras and wider operations of road management, road safety, and policing, and other local functions. The move gives local authorities and the police and other agencies greater freedom and flexibility to pursue whichever locally agreed mix of road safety measures they see fit in order to reduce road casualties in their area.
- 9 The aim of the review was to examine ways of achieving savings of around £300,000 on the projected Cleveland Safety Camera Partnership Scheme revenue budget of £1,108,506.
- 10 The Project objectives were:
 - To review the structure and functions of the partnership organisations
 - To undertake a detailed analysis of the safety camera partnership budget
 - To produce a written report with recommendations on how savings can be made, identifying any effects the savings may have on the effectiveness of the scheme.
- 11 In the preparation of this report, the following tasks were undertaken:

- A review of the report produced by the Project Manager
- A review of the organisational structures and functions of the partnership
- An analysis of the 2005/06 budget out-turn report.
- An examination of a draft 2007/08 revenue budget
- An analysis of the advertising budget and the 2006 survey on the impact of the advertising.

12 The Review Team carried out semi - structured interviews with the following people:

- The 'Chief Engineers' for the 4 Local Authority areas
- Project Manager
- PR Manager
- Police Supervisor for camera deployment
- Data Manager
- CTO Supervisor
- Courts Manager
- Partnership Finance Administrator.

A Senior Auditor for Middlesbrough Council advised on revenue and capital costs.

13 A copy of the Executive Summary is attached at **Appendix 1**.

Specific grant allocation formula

14 The Treasury will retain all fine revenue collected as a result of safety camera enforcement. Instead, an additional £110 Million will be made available per annum from April 2007 to March 2011 for Highways Authorities through the LTP in form of grant payments, that can be used for the Revenue and Capital expenditure associated with camera enforcement. There will be no link between grant allocation and fine revenue.

15 The amount allocated to each LTP authority from this sum will be made up as follows:

- 75% of the payment is on a 'needs' basis, based on the number of KSI casualties 1994-1998, which formed the baseline for the current 2010 casualty reduction targets.
- 25% of the payment was determined by quality of the LTP bid, past performance and smoothing.
- 81.8% of the payment is available for revenue expenditure with the remaining 18.2% for Capital projects.
- The sum of the grants given to LTP authorities from each partnership area was guaranteed to be between 85% and 110% of the approved expenditure for the respective camera partnership for financial period 05/06.
- The payment made from the £110 million per an annum will not be restricted to expenditure on camera related activity, but may be used for other road safety/speed management measures.

16 The DfT guideline allocation letter from 2 March 2006 is attached at **Appendix 2**.

17 Members should note that that the Road Safety element of the Council's LTP was awarded the highest score for both delivery and strategy and therefore attracted additional performance related allocations of Road Safety Grant which has now been increased to £422,210 for 2007/8 as set out below.

	2007/08	2008/09	2009/10	2010/11
<i>Capital</i>	£76,843	£73,993	£68,808	£66,430
<i>Revenue</i>	£345,367	£332,557	£309,253	£298,163
<i>Total additional financial planning guideline</i>	£422,210	£406,550	£378,061	£364,503

Allocations decrease in future years as the DfT assume a continual reduction in Killed and Seriously Injured casualties on which the needs part of the formula was based.

Proposals

- 18 The partnership has also agreed to examine ways, during 2007/2008, to reduce costs even further in future years by: -
- Reducing Survey costs
 - Further civilianisation of current police posts where possible
 - Capital “invest to save” options - The report also identifies some invest to save arrangements for the processing of penalty charge notices and digital image cameras which together could save £474,000 over five years
 - Review court costs in light of the number of notices issued
 - The impact of Job Evaluation on the two remaining partnership posts
 - Consider any further opportunities to Capitalise Road Safety measures to release more Revenue for Road Safety Training, Education and Publicity initiatives. Many of these (motorcycle training etc) are under pressure due to Council’s own Budget allocations.

Consultation and Publicity

- 19 The Tees Valley Authorities initiated an officer steering group with Cleveland Police and Hartlepool, Middlesbrough and Redcar & Cleveland Councils. A series of meetings took place with the Cabinet Member, the current Safety Camera Partnership manager, the Chief Engineers Group, Magistrates Court and the Police.

FINANCIAL AND LEGAL IMPLICATIONS

Financial

The total Revenue and Capital allocation by districts for 2007/08 (excluding Darlington as they are not within Cleveland Police force area) are: -

2007/08 allocations

	Capital	Revenue	Total	
Stockton	£76,843	£345,367	£422,210	32.2%
Middlesbrough	£64,405	£289,466	£353,871	27.0%
Redcar and Cleveland	£53,781	£241,716	£295,497	22.5%
Hartlepool	£43,535	£195,663	£239,198	18.3%
TOTAL	£238,564	£1,072,212	£1,310,776	100%

In conjunction with the Police and the Courts an independent review of the partnership has identified potential annual costs of £775,105 from increased efficiency and a value exercise - representing a reduction in total of some £340,000.

However, as only approximately 81% of the total allocation is revenue (£1,072,212), there is potential revenue savings of some £297,000 across the four contributing authorities.

It is proposed that the funding share of the camera partnership be allocated in proportion to the allocation received by each party, each year – subject to the proportion of revenue allocated.

Funding for 2008/09 has also been confirmed and is reduced to

2008/09 allocations

	Capital	Revenue	Total	
Stockton	£73,993	£332,557	£406,550	32.2%
Middlesbrough	£62,016	£278,730	£340,746	27.0%
Redcar and Cleveland	£51,668	£232,220	£283,888	22.5%
Hartlepool	£41,920	£188,406	£230,326	18.3%
TOTAL	£229,597	£1,031,913	£1,261,510	100%

Indicative allocations have been provided for the years 2009/10 and 2010/2011, which reduce further.

Legal

None

RISK ASSESSMENT

Should the Council not release realistic proportions of its specific grant allocation then the viability of the Camera Partnership would be in jeopardy. It may also impact on the future rating of the Local Transport Plan delivery reports and future allocations. Independent consultants were appointed to assist the review process.

Existing management systems and further reviews are sufficient to control and reduce any financial risk from the reducing allocations in future years.

COMMUNITY STRATEGY IMPLICATIONS

Environment

None

Community Safety and Well-Being

Deployment of speed cameras will improve road safety on the Borough's roads and will be an important factor in achieving the Council's casualty reduction targets. Greater involvement of the Council's Road Safety team in the decision making process for the deployment of mobile cameras, should help to ensure other road safety options are considered alongside their use.

This is consistent with advice from the DfT, which recommends that 'locally agreed deployment criteria are developed, under which traffic authorities and road safety partnerships have a systematic approach to site selection, that can be demonstrated if requested locally'.

Health

None

Economic Regeneration

None

Education and Lifelong Learning

None

Arts and Culture

None

CONSULTATION INCLUDING WARD/COUNCILLORS

Consultants were appointed to assist and they consulted with key stakeholders as set out in the report. The Cabinet Member was kept informed through regular briefings.

Corporate Director of Development and Neighbourhood Services

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Background Papers

Consultants report November 2006

Ward(s) and Ward Councillors:

All

Property

None