



FINANCE & RESOURCES

Overview and Scrutiny Committee

Report for:	Finance & Resources Overview and Scrutiny Committee
Title of report:	Parking Enforcement Service – Value for Money & Performance.
Date:	8 March 2022
Report on behalf of:	Councillor Andrew Williams, Portfolio Holder for Corporate & Contracted Services
Part:	I
If Part II, reason:	N/A
Appendices:	N/A
Background papers:	N/A
Glossary of acronyms and any other abbreviations used in this report:	Decriminalised Parking Enforcement (DPE) Civil Parking Enforcement (CPE) Penalty Charge Notices (PCNs) Civil Enforcement Officer (CEO) Traffic Regulation Order (TRO)

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Corporate Priorities	A clean, safe and enjoyable environment Ensuring economic growth and prosperity
Wards affected	All Wards
Purpose of the report:	<ol style="list-style-type: none"> To update Committee on the value for money aspect of the Parking Enforcement Service To update Committee on the performance of the Parking Enforcement Service from a costs/benefits perspective.
Recommendation (s) to the decision maker (s):	<ol style="list-style-type: none"> To note the performance of the Parking Enforcement Service from a value for money perspective
Period for post policy/project review:	N/A

1 Introduction/Background:

- 1.1 In the mid-1990s local authorities were provided with the right to apply for powers to enforce on-street parking restrictions. The adoption of what was then called Decriminalised Parking Enforcement (DPE) but is now termed Civil Parking Enforcement (CPE), has spread rapidly across the United Kingdom, CPE must comply with the Traffic Management Act 2004 legislation.

Dacorum Borough Council adopted CPE powers in October 2003 and from then until March 2018 Watford Borough Council (WBC) was lead authority in a partnership which acted on behalf of Hertfordshire County Council (the highway authority) under the terms of a parking agency agreement between the two authorities. As the parking authority, WBC provided parking enforcement on behalf of the Dacorum and Three Rivers District Council. WBC hosted a parking enforcement contract with an external parking enforcement contractor. This contract provided Civil Enforcement Officers (parking), office functions, pay and display maintenance, permit issue etc.

- 1.2 In April 2018 the partnership was disbanded and the Council contracted with Indigo Park Services UK (now Saba Park UK) to provide a Parking Enforcement Service which also included back office services and systems. The contract is for an initial 5-year period, with the option to extend for a further 5 years. This Service operates in accordance with contractual terms and policy objectives agreed by the Council.

- Parking Enforcement including processing of Penalty Charge Notices (PCNs) up to and including challenge is carried out by Saba Park UK.
- Investigation of representations and appeals, is undertaken by Dacorum Council officers, working in accordance with statute, regulations, guidance and Council policy.

- 1.3 In 2021, this Committee requested an update report on the value for money performance of the Parking Enforcement Service. This request was not to ascertain whether value for money could be demonstrated when the contract was awarded for this Service, but whether the performance of the Service was delivering value for money from a cost/benefit perspective.

The report will focus on key measurable activities and use the financial mechanics of the Parking Enforcement Service, including ring-fenced and non ring-fenced income and expenditure to identify and demonstrate the performance and value of the Service.

2 Key Issues/proposals/main body of the report:

2.1 Key Measurable Activities

The primary purpose of CPE, as identified in statutory guidance, is to support local authorities (county and district) in their delivery of their overall transport objectives in areas such as those detailed below:

- Managing the traffic network to ensure expeditious movement of traffic, (including pedestrians and cyclists)
- Improving road safety
- Improving the local environment
- Improving the quality and accessibility of public transport
- Meeting the needs of people with disabilities, some of whom will be unable to use public transport and depend entirely on the use of a car
- Managing and reconciling the competing demands for kerb space

There are a number of key activities that form part of the Parking Enforcement Service that help to demonstrate the performance outcomes and identify the direction of travel of the Service.

2.2 Car park Usage

Table 1

	On-Street £	Off-Street
2009/10	£106,833	£1,469,251
2019/20 (last pre-covid year)	£167,882	£1,748,107

Unfortunately only data on cash collected from DBC car parks was recorded back in 2009/10, rather than the number of parking sessions. The above data shows that although cash collected from DBC car parks has increased over the last 10 years, this does not show clear evidence of a marked increase in the car park usage, when you take account of the parking tariff increases that would have been implemented during this period. Therefore an assumption that car park usage is likely to have increased only slightly during this period has been made.

2.3 Number of PCNs issued

Table 2

	PCNs Issued
2009/10	15,915
2019/20 (last pre-covid year)	12,625

The Traffic Management Act 2004 outlines that the primary purpose of CPE is to ensure compliance with parking controls and improve road safety. The above figures demonstrate that the number of PCNs issued has seen a 26% reduction over the last decade as parking behaviours of residents and visitors has increased in compliancy, indicating that the Service is supporting legislative objectives are being met.

2.4 On-Street / Off Street PCNs

Table 3

	On-Street	Off-Street
2009/10	50%	50%
2019/20 (last pre-covid year)	62%	38%

The above figures demonstrate that from an equal split back in 2009/10, the majority of parking infringements now occur in on-street locations. Over the last decade, the Council have needed to adapt its enforcement activities to be flexible to respond to changing parking behaviours. The Council have 26 car parks across the borough, where, due to the well-defined and concise area, the off-street enforcement is relatively easy to be carried out, whereas the off-street enforcement is much more time consuming to undertake as it covers all parking restrictions on the public highway spread right across the whole borough.

2.5 On-Street and Off-Street contraventions

The number of PCNs issued for the main on-street and off-street parking contraventions;

Table 4

On Street Contraventions	2009/10	2019/20	Direction
Parked in a restricted street (yellow lines)	3,852	3,351	↓
Parked in a permit/shared use bay without permit/voucher/ticket	912	1,012	↑
Parked without a valid pay and display ticket/voucher	774	43	↓
Parked after expiry of pay and display ticket.	767	92	↓
Parked in a disabled bay/space without valid blue badge	726	274	↓
Parked for longer than permitted	378	464	↑
Parked where loading/unloading is not permitted	167	343	↑
Parked at a bus stop or stand	149	76	↓

Table 5

Off Street Contraventions	2009/10	2019/20	Direction
Parked in a car park without a valid ticket/voucher	4,372	4,444	↑
Parked after expiry of paid for time	2,865	424	↓
Parked in a disabled bay without a valid blue badge	300	76	↓
Parked with additional payment to extend stay (meter feeding)	279	13	↓
Parked beyond bay markings	191	40	↓
Parked in a restricted area	102	87	↓

The above figures show that over the last 10 years, although the highest number of on-street and off-street contraventions have remained at a near constant level (these are the people that are either willing to take a risk of parking illegally or are not put off by the PCN charges), there has been a marked decrease in many of other contraventions.

This demonstrates that the Parking Enforcement Service has created a change in parking behaviour, such as the large decrease in the number of vehicles that are parking in an on-street or off-street disabled bay/space without a valid blue badge, or the decrease in the number of vehicles parking in bus stops, both of which shows compliance with parking controls and improves road safety.

2.6 PCN Cancellation

Table 6

	PCNs Cancelled	% of Total Issued
2009/10	3,710	23%
2019/20 (last pre-covid year)	2,810	22%

Typically around 20% of PCNs issued are cancelled upon receipt of a challenge or representation, the principle reasons for cancellation of PCNs being evidence of valid parking session being produced, valid permit/blue badge being produced, mitigating circumstances (vehicle breakdown or sudden illness) or Civil Enforcement Officer (CEO) error in issuing of PCN. The number of CEO errors in 2009/10 was 169 and by 2019/20 this had reduced to 55, this provides evidence that the Service is continuously improving.

2.7 PCN Appeals

Table 7

	No. of Appeals	Appeal rate per PCN	Not contested	Adjudicator allowed	Adjudicator refused
2009/10	35	0.22%	9%	22%	69%
2019/20 (last pre-covid year)	15	0.12%	20%	27%	53%

A local authority's performance at appeal can be regarded as a proxy indicator for its performance at earlier stages in the enforcement process.

As can be seen above, the data shows that the number of appeals has reduced over the last decade, which is positive news and demonstrates that the Service is delivering a good service. The Traffic Penalty Tribunal recognises that local authorities may not contest appeals on occasion, primarily when additional evidence comes to light during the appeals process. The tribunal is on record as suggesting a "not contested" rate of 20% of appeals as reasonable – a higher rate might be indicative of poor decision making earlier in the enforcement process, however, there is no indication that this is the reason in the Council's case.

2.8 Increased Enforcement Areas

Table 8

	No. of TROs	No. of CPZs
2009/10	68	5
2019/20 (last pre-covid year)	230	12

The on-street enforcement area has increased in size and complexity over the last 10 years. A Traffic Regulation Order (TRO) provides clear guidance on the implementation of parking restrictions in a defined area, which can range from short sections of a road (e.g. around junctions or outside schools) through to the inclusion of a number of roads. These TROs are primarily proposed by the Highways Authority and geographically cover the main towns, villages and residential areas of Dacorum.

Although the on-street enforcement area has expanded, the resource required to enforce this area has not, which can have a dilution effect on the enforcement results. To combat this, mobile technology (vehicle-mounted ANPR CCTV cameras and live-fed hand held devices) were introduced to the Service in 2017/18 to make the Service more efficient and effective.

2.9 Financial Aspects

Table 9

Dacorum Annual Report 2009/10	On Street	Off Street	Total
Expenditure			
Contract Costs	£313,102	£286,886	£599,988
Staffing & Support Costs	£148,743	£181,798	£330,541
Maintenance/Improvement/Other	£33,771	£392,766	£426,537
Capital Charges	£0	£345,470	£345,470
Total Expenditure	£495,617	£1,206,920	£1,702,537
Income			
PCN Income	(£247,376)	(£165,434)	(£412,810)
Permit Income	(£37,336)	£0	(£37,336)
Pay & Display Income	(£104,647)	(£1,252,225)	(£1,356,872)
Other	(£2,903)	(£19,902)	(£22,805)
Total Income	(£392,262)	(£1,437,561)	(£1,829,823)
Net (Surplus)/Deficit	£103,355	(£230,641)	(£127,286)

Table 10

Dacorum Annual Report 2019/20	On Street	Off Street	Total
Expenditure			
Contract Costs	£525,729	£121,670	£687,399
Staffing & Support Costs	£187,756	£103,231	£290,988
Maintenance/Improvement/Other	£139,416	£677,930	£817,346
Capital Charges	£64,514	£75,513	£140,027
Total Expenditure	£957,416	£978,344	£1,935,760
Income			
PCN Income	(£277,516)	(£145,162)	(£422,677)
Permit Income	(£56,156)	£0	(£56,156)
Pay & Display Income	(£167,859)	(£1,559,599)	(£1,727,458)
Other	(£15,289)	(£44,938)	(£60,227)
Total Income	(£516,819)	(£1,749,699)	(£2,266,518)
Net (Surplus)/Deficit	£440,596	(£771,355)	(£330,759)

The above financial data demonstrates that the expenditure related to the Parking Service has increased during this period by over £230k (14%), however, it should be noted that £185k of this figure falls outside of the scope of the Parking Enforcement Service and is attributed to maintenance and capital charges of parking infrastructure works.

The Parking Enforcement contract costs have increased by 15% during this period, although the average rate of inflation in the UK over the same period was 25%.

The Council staff and support costs for this period show a decrease of 14%, this has been achieved by transferring some of the workload on to the Parking Enforcement provider resulting in the reduction of headcount at the Council.

The data also demonstrates that the income related to Parking Services has increased during this period by over £430k (24%).

The pay and display income accounts for £370k of this increase and despite the number of PCN's being issued being reduced by 26% during this period, the income derived from this has actually increased by almost £10k (even though the PCN charges have not increased), this is because the on-street PCNs attract a higher rate of penalty to try to improve road safety by deterring parking infringements from taking place on the public highway.

- 2.10 Under the terms of the Road Traffic Act 1991, which governed DPE until April 2008, local authorities were required to make their on-street parking enforcement regime self-financing as soon as possible.

Local authorities are not, however, allowed to design their enforcement regime to make a surplus. Any surplus generated is 'ring fenced' to fund related functions such as passenger transport, car park improvements or environmental improvements.

Table 11

Parking Trading Account 2019/20	Ring-fenced	Non Ring-fenced	Total
Expenditure			
Contract Costs	£600,786	£86,612	£687,399
Staffing & Support Costs	£216,248	£74,740	£290,988
Maintenance/Improvement/Other	£139,416	£677,930	£817,346
Capital Charges	£64,514	£75,513	£140,027
Total Expenditure	£1,020,965	£914,795	£1,935,760
Income			
On Street PCN Income	(£277,516)	£0	(£277,516)
Off Street PCN Income	(£145,162)	£0	9£145,162)
Permit Income	(£56,156)	£0	(£56,156)
Pay & Display Income	(£167,859)	(£1,559,599)	(£1,727,458)
Other	(£15,289)	(£44,938)	(£60,227)
Total Income	(£661,981)	(£1,604,537)	(£2,266,518)
Net (Surplus)/Deficit	£358,984	(£689,742)	(£330,759)

3 Options and alternatives considered

3.1 At the request of this Committee, this report provides an update on the value for money performance of the Parking Enforcement Service, on that basis, no options or alternatives have been considered.

4 Consultation

4.1 At the request of this Committee, this report provides an update on the value for money performance of the Parking Enforcement Service, on that basis, no consultation has been carried out.

5 Financial and value for money implications:

5.1 This report provides an update on the value for money performance of the Parking Enforcement Service, the main body of the report is covered in section 2 above.

6 Legal Implications

6.1 This report provides an update on the value for money performance of the Parking Enforcement Service, no legal implications have been identified in this report.

7 Risk implications:

7.1 This report provides an update on the value for money performance of the Parking Enforcement Service, no risk implications have been identified in this report.

8 Equalities, Community Impact and Human Rights:

8.1 This report provides an update on the value for money performance of the Parking Enforcement Service, there is no need to carry out or review on the Community Impact Assessment or to consider Human Rights.

9 Sustainability implications (including climate change, health and wellbeing, community safety)

9.1 This report provides an update on the value for money performance of the Parking Enforcement Service, no sustainability implications have been identified in this report.

10 Council infrastructure (including Health and Safety, HR/OD, assets and other resources)

10.1 This report provides an update on the value for money performance of the Parking Enforcement Service, no impact on Council infrastructure have been identified in this report.

11 Conclusions:

11.1 Demonstrating the performance of the Parking Enforcement Service is not a straight forward process.

It is not as simple as identifying what the Service deliverables are for this Service and analysing these against the cost of the Service to identify whether the performance delivers value for money.

As previously stated, the objective of the Parking Enforcement Service is to support the Council to improve road safety, support people with disabilities, manage local traffic, improve the local environment and to manage competing demands for kerb space.

One train of thought is that for a Parking Enforcement Service to be considered to be performing an excellent Service, this would require parking compliancy at 100%, but as a result this would result in no PCNs being issued out and using the 2019/20 financial data would result in a loss of over £400k in income giving a net deficit position of almost £100k, clearly this would not be financially sustainable from a Council perspective.

11.2 The data that is provided in this report demonstrates that over the last decade, the performance of the Service has helped to support the Council with meet the legislative objectives:

- Reduced the number of PCN's being issued out by helping to shape the parking behaviours of residents and visitors to increase parking compliancy
- Meeting the needs of people with disabilities by reducing the number of times that people park in these spaces without displaying a blue badge
- Improving road safety by reducing the number of people who park in bus stops
- Increase the likelihood of vehicles that park in violation of parking restrictions having to pay the financial penalty by reducing the number of PCNs that are cancelled due to CEO error.
- Reduce the level of appeals by following a clear and consistent process during the early stages of enforcement.
- Continue to deliver an increase in parking compliancy over an ever-increasing and complex geographical enforcement area.
- Demonstrate value for money by delivering the Parking Enforcement Service within a financial envelope that has been significantly lower than inflation over the same period
- Support the Council to deliver a surplus in its Parking Service trading account

By its very nature, Parking Enforcement is reactive in the operational activities that it carries out on a daily basis, however, it also has a proactive role to play with the Council in trying to change the parking behaviours of residents and visitors.

It is unable to do this as a stand-alone service and needs to work collaboratively with the Council to form part of the Council's overall approach to Parking.

This report has demonstrated that the Parking Enforcement Service supports the Council to deliver a value for money Parking Service.