

Budget and Performance Panel

Procedure and Performance in the Council's Collection of Vehicular Fines

27th November 2007

Report of Head of Property Services

PURPOSE OF REPORT

The purpose of the report is to explain to members the procedures and performance in the Council's collection of vehicular fines.

This report is public

RECOMMENDATIONS

(1) That the report be noted.

1.0 Introduction

- 1.1 This report will only contain information relating to vehicular fines issued to vehicles for the contravention of waiting restrictions on and off street. These are called Penalty Charge Notices (PCNs) and are issued by Parking Attendants. The name of the process is Decriminalised Parking Enforcement (DPE) and the Council commenced DPE on the 6 September 2004 in partnership with the County Council as part of the ParkWise scheme in Lancashire.
- 1.2 Once a PCN is issued, DPE progresses through an administrative process and ends with the PCN being paid, cancelled or written off as an unrecoverable debt. The administrative process involves both County Council ParkWise and City Council Parking staff at different stages. The City Council's Parking Operations Manager oversees the whole DPE process and monitors performance in conjunction with the ParkWise Manager. A dedicated software package called ICPS is used to administer the DPE process involved. This software is managed by ParkWise staff.
- 1.3 The administrative process changes depending on actions taken such as payments and appeals made against the PCN. The appeal process may result in any payments being delayed or the PCN being cancelled. For simplicity this report will disregard the appeal process where possible and explain only what happens if the PCN is not paid.

- 1.4 Once a PCN has been issued to a vehicle it is the registered keeper of the vehicle not the driver who is liable. The PCN is a £60 charge, but the amount is discounted to £30 if paid within 14 days from the date of issue. If no payment or challenge is received, on the 15th day a request is made to the DVLA to provide the registered keepers name and address. Once this information is received a Notice to Owner (NTO) is posted to the registered keeper on the 29th day from the date of issue. The NTO informs that the PCN is unpaid, the charge due is £60 and gives the opportunity to make a representation against the PCN. If no payment or representation is received, on the 57th day from the date of issue, a Charge Certificate (CC) is posted to the registered keeper. This informs them that the PCN is unpaid and the amount has increased to £90. On the 71st day from the date of issue, if the PCN is unpaid the £90 debt is registered with the Traffic Enforcement Centre (TEC) in Northampton.
- 1.5 The TEC is a County Court bulk-processing centre, which registers all the unpaid PCNs as debts from the Councils who operate DPE. There is a £5 charge for registering each PCN and this is added to the total debt. At this stage the PCN is £95 and on the 92nd day from the date of issue, a Notice of Debt Registration (NODR) is posted to the registered keeper. A NODR informs that the amount outstanding is £95 and that a final appeal can be made. Eventually, after the 113th day from the date of issue, if no payment is made a warrant can be issued to a Bailiff to collect the debt. The debt due is £95, but the Bailiffs will add their costs so the total amount is greater.
- 1.6 The process of responding to PCN challenges, processing payments, sending out the NTOs, CCs, NODRs, registering debts at TEC and sending warrants to Bailiffs is administered by the County ParkWise staff. The City Council Parking staff, who also advises ParkWise staff as required, administers the process of responding to formal representations.

2.0 Details

Monitoring Procedures

- 2.1 The ICPS software generated the figures used in this briefing note. The software has set parameters to progress each PCN depending on its age and status. This is automated unless a PCN is put on hold or reaches the Bailiffs. The Parking Operations Manager monitors overall progress on a monthly basis using various system reports from the ICPS software. This information is also used by County and City Council Finance officers to report the DPE financial position.
- 2.2 Between the 1 April and 30 September this year 9,657 PCNs have been issued. A breakdown of the figures is as follows.

5,753 (60%) Paid - PCNs that have been paid in full and the cases closed.

1,397 (14%) Cancelled - Can be sub-divided into 4 sub categories.

Cancelled on Appeal – A successful appeal was made against the PCN

Written off – The PCN debt cannot be recovered. Eg No keeper details, keeper untraceable, keeper bankrupt.

Avoidable Error – Parking Attendant (PA), administrative or equipment fault after PCN issued.

Not Issued – PCN not legally issued e.g. Vehicle drove away, test ticket or PA spoil.

2,507 (26%) In Progress - PCNs that are outstanding at the different stages of the DPE process described above. This figure should reduce over the year as PCNs get paid, cancelled or written off.

3.0 Conclusion

- 3.1 There are no write off reports created within the software. This means PCNs written off appear in the PCN cancellation data. The result is that at the end of the year, the cancelled figures look too high. A separate write off category is required to give a true picture. This issue has been raised by the Parking Operations Manager and being progressed by ParkWise.

- 3.2 The current legislation and cost of the recovery process prohibits the recovery of PCN debts from residents located outside England and Wales. This means that “foreign” registered vehicles cannot be pursued for payment.
- 3.3 It should also be noted that not every vehicle has keeper details registered at the DVLA and some registered keepers are untraceable. This is particularly true for older vehicles purchased at public auctions or via private “For Sale” adverts.
- 3.4 Changes in legislation to allow the recovery of debts outside of England and Wales would help improve debt recovery rates. The alternative is to clamp and remove Persistent Evaders (those with more than 3 unpaid PCNs), but this is not 100% effective especially when total debts are greater than value of car. Increased enforcement operations by the Police such as Operation Boswell would stop unregistered vehicles being driven illegally.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

None

FINANCIAL IMPLICATIONS

Since the commencement of DPE on 6 September 2004 to 31 March 2007 a total of 58,668 PCN's have been issued on and off-street. PCN's issued with a date prior to 6 October 2006 are now deemed uncollectable due to legal reasons regarding the wording on the PCN, this has equated in 2,305 (£218,000) on-street and 1,082 (£102,800) off-street PCN's being considered for write-off. It is estimated that a further 792 (£75,200) on-street and 249 (£24,600) off-street PCN's will be uncollectable for the remainder of 2006/07, all these amounts have been provided for within the City Council's bad debt provision.

Year	PCN's Issued	Total Value	Bad Debt Provision	Income
2004/05 (part)	13,447	423,100	110,000	313,100
2005/06	24,020	811,500	182,600	628,900
2006/07	21,201	725,600	128,000	597,600
TOTAL	58,668	1,960,200	420,600	1,539,600

The above table suggests that each PCN raised has an average cash value of £26.24, this compares across the County as follows :-

Burnley	£25
Chorley	£27
Fylde	£28
Hyndburn	£27
Pendle	£27
Preston	£29
Ribble Valley	£29
Rosendale	£30
South Ribble	£29
West Lancs	£27
Wyre	£29

The total average cash value for all PCN's issued within the County is £27.

SECTION 151 OFFICER'S COMMENTS

The s151 officer would highlight that proposals are currently being considered for reviewing further the operation and overall financial performance of the current county wide partnership – and clearly the collection rate of fines is one important aspect. The review would be done at district level, to build up a county wide position.

LEGAL IMPLICATIONS

None

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

None

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