

Future of car park management & enforcement	
Executive Summary	This report presents the findings of a review of the car park enforcement service. It has been carried out as the Service Level Agreement (SLA) with the Borough Council of Kings Lynn and West Norfolk (BCKLWN) has been in place since 2011. The current SLA has been renewed the maximum number of times allowed per the SLA and cannot be extended again after 31 March 2025. Therefore the Council needs to decide how it wants to provide this service after 1 April 2025.
Options considered.	The options considered were <ol style="list-style-type: none"> 1. to update and renew the SLA, 2. to bring the whole service back in-house or 3. to bring the enforcement back in-house but leave the processing of Penalty Charge Notices (PCNs) with BCKLWN. <p>No other options have been considered.</p>
Consultation(s)	The Overview and Scrutiny Committee will have the opportunity to review this report at its meeting on 12 February 2025.
Recommendations	<ol style="list-style-type: none"> 1. That Cabinet agree to sign an updated SLA with BCKLWN for the full car park enforcement arrangement to include the patrolling of enforcement officers, cash collection and banking of cash and processing of PCNs. 2. That the signing of the SLA be delegated to the Director of Resources.
Reasons for recommendations	To allow the Council to continue to deliver a car park enforcement service throughout the district that provides value for money for the council and council taxpayers.
Background papers	

Wards affected	All
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Tina Stankley Director of Resources and s151 Officer tina.stankley@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan	Strong, Responsible & Accountable Council.

Medium Term Financial Strategy (MTFS)	Car park income is significant for this authority and having an efficient and effective car park enforcement service assists in maximizing car park income for the Council. The income levels achieved for car parking service support and enable many other services to be provided. It is a major source of income that enables the Council to set a balanced budget each year.
Council Policies & Strategies	

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	Yes
Details of any previous decision(s) on this matter	

1. Purpose of the report

1.1. This report considers future arrangements for the District Council's management of its car parks. Currently the Council retains certain responsibilities and then BCKLWN council are responsible for providing other elements of the service under an Service Level Agreement (SLA). The current SLA for Off-street Car-Park Enforcement is coming to an end, and it needs to be decided how the Council should provide this service from 1 April 2025 onwards. The report sets out the service provided currently, the options considered for providing this service in the future and the officer recommendation for consideration.

2. Introduction & Background

2.1. The Council has had a shared working service level agreement (SLA) with the BCKLWN to provide off-street car-parking enforcement service throughout the district since 2011. The last renewal of the SLA was in 2017/18. This SLA arrangement was for a period of 5 years plus two possible one-year extensions. The final year of this arrangement is the current financial year 2024/25 with this being the second year of the two possible one-year extensions.

2.2. The operation of the shared service arrangement with the Borough Council of Kings Lynn and West Norfolk has taken place through the agreement of a delegation of service under s101 of the Local Government Act 1972 to

2.3. The existing arrangement has been in place since 2017/18 without any significant changes as it has worked well. There are some perceptions that the Enforcement Officers are not patrolling the car parks as they should be and so the Council is losing income as a result of this. However there is no empirical evidence to support this view. The report goes into more detail about the patrolling in the 'Current Service Provision' section below.

2.4. There are many components in delivering this service and not every detailed aspect can be covered in this report otherwise it would run to too many pages to read and digest. The key aspects and concerns are considered to give an overall view of the 3 options being considered.

2.5. The three options for the future service delivery are as follows:

1. Continue with the existing arrangements and agree a new SLA
2. Bring the whole service back in-house
3. Bring back the enforcement component of the service and have BCKLWN continue with the processing and collection of PCNs

3. Current Service Provision

3.1. The current service has been provided by BCKLWN since 2017/18 remaining largely unchanged apart from enhancing payment methods for users with improvements in technology.

3.2. There are several components to the service which are currently delivered as follows:

- Car park infrastructure maintenance and investment - NNDC
- Pricing and policy - NNDC
- Car park inspection - BCKLWN
- Enforcement - BCKLWN
- Cash collection and banking – BCKLWN
- Processing of Standard Charges/Penalty notices - BCKLWN
- Court Action – BCKLWN

3.3. The components that BCKLWN provide are those that this review has looked at. The paragraphs below explain what currently happens.

3.4. The SLA lays out the arrangements for the above components and who covers the costs of these. Essentially NNDC pay all the direct costs as BCKLWN incur them e.g. wages and oncosts, supplies and services, vehicle purchase and running costs, equipment and uniforms etc. As BCKLWN provide a car park enforcement service for many of the councils in Norfolk along with other organisations it benefits from economies of scale in all of its parking related activities e.g. for the purchase of vehicles and cash collection services.

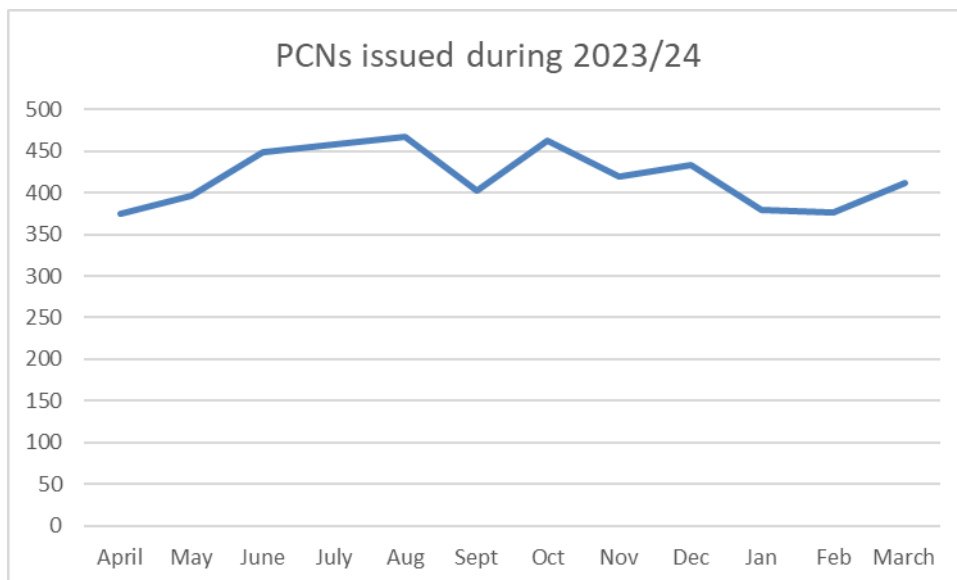
3.5. NNDC also pay BCKLWN a management fee for managing the contract. This is a percentage of the overall direct costs – a breakdown of these is shown in the exempt Appendix A which is not a public document as it contains commercially sensitive information. Finally the SLA allows BCKLWN to keep 40% of all the PCN income generated for NNDC. This is to cover all the processing costs of recovering PCNs. NNDC receive the remaining 60% of this income.

3.6. The 2024/25 budgeted costs for the service are shown in exempt Appendix A.

3.7. There are a team of 4 Enforcement Officers patrolling our car parks. Our car parks are patrolled for nine and a half hours each day for 364 days a year. The only day when there are no patrols is Christmas day. The team of 4 officers work on a shift pattern that means that at least 2 officers are out patrolling

during our car park opening hours. BCKLWN provide this service for numerous Norfolk Councils and other organisations, and this means that there is resilience with cover being provided during any periods of sickness and leave.

- 3.8. All the Enforcement Officers start off their car park patrols by first inspecting the ticket machines and reporting any issues so that they can be fixed as quickly as possible.
- 3.9. Rotas for patrolling are managed by BCKLWN and are worked out on a daily basis. This ensures that the same Enforcement Officer does not patrol the same 'patch' and doesn't follow a predictable route (that would become known about). It also ensures that an Enforcement Officer doesn't develop any familiar relationships with regular users.
- 3.10. Whether we have the right level of patrolling of the car parks is a matter for discussion as there are differing views on whether the current arrangement provides adequate coverage. One view is that if there were more patrolling officers all year round or on a seasonal basis during the busy summer period then this would lead to a greater number of PCNs being issued, another view is that the existing numbers of officers are visible and so do act as a deterrent to people avoiding paying. So dependent on whether the role of the PCN is seen as being to maximise PCN income or to act as a deterrent which if it works we'd hopefully see the PCN income be relatively low.
- 3.11. The graph below shows the profile of PCNs over the year during 2023/24 and it shows that the level of PCNs issued remains relatively constant. There were 5,031 PCNs issued during the year. This averages 419 per month. The highest number issued was 468 in August and the lowest number issued was 375 in April.



- 3.12. So whilst there is an increase in PCNs issued there doesn't seem to be significantly higher levels during the summer that you might expect given the profile of income which is shown in the graph below. So it would seem that there is no direct correlation between Income levels and PCNs issued. Although it might be that there are not enough Enforcement Officers patrolling our car parks during the high season.



- 3.13. So an option for Members to consider regardless of way we move forward with the Carpark Enforcement is whether in the future there should be more officers patrolling the car parks. This could be full time staff or seasonal staff. Although in the past the car park service manager has tried in the past to recruit seasonal workers and has always found it very difficult to do because of the lead in time in recruiting staff e.g. 8 weeks for a DBS check to come through and then also because of the delay in staff getting paid as they are paid a month in arrears and so will have worked nearly two months before they get any pay which doesn't work for most people. It is also work that does not appeal to many people.
- 3.14. The cost of employing an extra team member is estimated at between £30-£35k (including oncosts). If one extra team member were employed, then they could be accommodated without the need to buy any additional equipment nor a van. However if two or more were taken on then an additional van and equipment would be needed.
- 3.15. By having more staff patrolling it should be a greater deterrent which if followed through would result in less PCN income. However if we assume that the extra officer does collect more income then in order for the Council to see the benefit of having an extra officer they would need to issue an average of 23 or 24 PCNs per week to cover just the salary costs and in total the whole team are issuing an average of 66 or 67 per week. So it can be seen that the additional cost of an extra officer could easily lead to an overall net increase in costs.
- 3.16. The final point of discussion with enforcement officers is that NNDC has a team of 4 Enforcement Officers who patrol our off-street car parks, but there is also a team of Enforcement Officers who patrol on-street in North Norfolk for the County Council. The BCKLWN also deliver this service. It is common practice for members of each team to deal with issues for their counterpart if they see any parking infringements. When patrolling on-street parking the officers will regularly take up a car parking space in one of NNDC's car parks without paying. This is a point of discussion as to whether they should be parking elsewhere or paying for their space. However it should be noted that in 2023/24 the on-street enforcement officers issued over £7k worth of PCNs for NNDC whereas NNDC's off-street enforcement officers issued just over £1k

worth of PCNs for the County Council. So NNDC fared better from this informal arrangement. Any formal request around where the on-street team park may be disadvantageous for NNDC.

- 3.17. The exempt Appendix A gives details about the cash collection arrangements.
- 3.18. Other elements of the SLA worth noting are that for anyone ringing the BCKLWN call centre with a parking issue this is recognised as needing immediate attention and the call gets prioritised. The call centre is open 17 hours a day so there is always someone to answer the call and deal it during the hours car parks are open.
- 3.19. There are comments made about why the livery of the vehicles and uniforms logos are the ones for BCKLWN and not NNDC's. It is felt that if the Enforcement Officers and vehicles had NNDC's branding this might help people with recognizing they are in NNDC's car parks. However this would be likely to add confusion for the user and lead to NNDC getting calls about car parking issues which should be going to the BCKLWN call centre.
- 3.20. This is academic anyway as when exercising prescribed functions under TMA section 78(2)(a) and (b) and section 79 and RTRA, section 99, a Civil Enforcement Officer must wear a uniform as required by TMA section 76(3)(a) and the Civil Enforcement (Wearing of Uniforms) (England) Regulations 2007. The uniform must have the name of the local authority/authorities of whose behalf they are acting. So it has to be the BCKLWN's name shown.

4. Options for provision of Off-Street Car-Parking

Option 1 - Carry on with the existing service delivery arrangement and agree an updated SLA

- 4.1. The service generally runs well and has done so for many years. It does have to be acknowledged that not all of the agreed actions in the SLA are taking place e.g. regular open book meetings to make sure that everything within the SLA is being delivered as agreed and so that any issues can be resolved. If we reinstated them, it would also provide the forum to discuss developing the service. This has probably been due to not having had the capacity at an appropriate level within NNDC to attend these meetings and ensure that all aspects of the SLA are actioned. It is hoped that the recent appointment of a contracts manager who could do this for NNDC would allow this to begin again and ensure that the service is delivered in accordance with the SLA.
- 4.2. The service is provided by very experienced and knowledgeable BCKLWN staff which NNDC benefit from, and it also benefits from a lot of hidden aspects of service delivery e.g. qualifications and accreditations that are required (e.g. to handle the cash, to carry out the full processing of PCNs including taking people to court). NNDC also benefits from the economies of scale, terms and prices that the BCKLWN operation can achieve e.g. with purchasing the vehicles, the cash collection. Also if NNDC were to continue with the current arrangement it could benefit from the experience and knowledge of the BCKLWN staff in developing the service and in adding other supporting services e.g. CCTV, automatic toilet locking, digitising parking permits.

- 4.3. The processing of PCNs is a complex area and again BCKLWN have been doing this for many years and have an experienced and appropriately qualified team that do this effectively on our behalf.
- 4.4. There is also the call centre that is open 17 hours a day to deal with all queries relating to parking and because the team works 17 hours per day the turnaround on sending anything out, processing anything and dealing with queries can happen much faster than if the team were only working a 'normal' 8-hour day.
- 4.5. If this were to be the preferred option, it is proposed that the SLA be updated to ensure that it is fit for purpose and incorporates any desired changes e.g. a development plan for the service.

Option 2 - Bring the whole service back in house

- 4.6. To bring the whole service back in house would be a major exercise for the Council. It would probably require a TUPE transfer of the Enforcement Officers who would come over on their present terms and conditions of service. These conditions of service may be different from those of similar staff within NNDC. Equal pay claims will have to be dealt with and a method of assimilation into NNDC pay scales developed.
- 4.7. However the PCN processing staff would probably remain with BCKLWN as they would still have the other contracts/SLAs to deliver. This would require NNDC to set up this part of the service as a completely new service. There may be difficulties in recruiting suitably qualified and experienced staff which would be a significant issue for NNDC. If the appropriate staff cannot be recruited, then NNDC could not process any PCNs issued. Thus losing PCN income.
- 4.8. The costs of bringing the service in-house would need considering in terms of whether this would provide value for money. As NNDC pays the direct costs anyway the costs are already being incurred through the SLA. The vehicles are owned by NNDC so these would transfer back to the Council. There would be some additional initial costs. The vehicles would need the livery and branding changing over. Staff would need new uniforms. Equipment would need to be purchased e.g. bodycams, handheld ticket issuing. Any accreditation required to run the service would need to be acquired. The IT software requirements would need to be reviewed so that any interfaces can be set up.
- 4.9. Then there will be all the consumables e.g. tickets, to be source and purchase. Currently NNDC benefits from the economies of scale that BCKLWN get with the volumes purchased.
- 4.10. A significant increase in costs would be in cash collection – see exempt Appendix A.
- 4.11. Another change in service would be required in customer services or TAS as there would need to be someone available for 7 days a week for the hours that the car parks are open and there would need to be a process in place for dealing with any issues e.g. an on-call service to go out to out-of-order machines.

- 4.12. The management of the Enforcement Officer would be another responsibility that would have to be taken on by someone and this may require a staff regrade of the existing car park officer and extra admin resource. The rotas need to be changed on a regular basis for to ensure that routes don't become predictable and officers and users don't become over friendly with the officers. There would need to be a cover plan for holidays and sickness otherwise car parks won't be patrolled.
- 4.13. The current SLA provides many benefits over bringing the whole service back in-house. The in-house service will cost more than the current service because there are no economies of scale and so on a purely financial basis we would not take this option forward, but perhaps more importantly there are the intangible factors that NNDC benefit from that could not be readily replicated. These have come about from having had the SLA in place for such a long time, most notably it is the considerable knowledge and experience of the staff at the BCKLWN particularly that of the service manager which could not be replicated at NNDC.

Option 3: Bring back the Enforcement Service back in-house but keep the PCN processing with BCKLWN

- 4.14. The third option to consider is to take the enforcement back in-house and have BCKLWN continuing with the provision of processing of penalty notices. The processing of the PCNs is complex and requires suitably qualified and experienced staff. This part of the service would be more difficult to provide in-house because of this. The enforcement would be the easier part of the service to bring back in-house but there would still be all of the factors to consider as detailed for the second option above.
- 4.15. If this option were the preferred option, then there would need to be a new SLA drawn up detailing who was responsible for what aspect of the service. There would also need to be some investment in the technology so that the enforcement software can interface with both the BCKLWN's back-office systems and NNDC's systems.

Summary of Options and Future of the Service

- 4.16. Option 1 is to continue with the existing arrangement but with an updated SLA. Option 3 is to bring enforcement back in-house but leave the processing of PCNs with BCKLWN again would require a more comprehensive update of the SLA. With both of these options it is important that the service is properly monitored with transparency through an open-book arrangement. This would be governed by regular management meetings. Option 2 is to bring the whole service back in-house and whilst this was initially supported by officers it has become apparent that now that there have been extensive investigations into the costs and risks associated with this option it would not be in the best interest of NNDC to take this option forward.
- 4.17. It has become apparent during the engagement with the BCKLWN car parking service manager that there are a whole host of developments that if we took them forward would result in better service provision and lead to cost savings. Some of these are discussed below.
- 4.18. The BCKLWN staff have implemented digital permits at another authority and so they could support the Council in doing this. This would be a self-service

system for users who would purchase permits through our website. This should result in significant savings in staff time and thus costs.

4.19. NNDC currently use a different brand of ticket machine and supporting software to the ones used by BCKLWN. If NNDC were to move to the same brand, then we'd benefit in a lot of ways. Examples include that currently if we want to make a tariff change then we have to notify our ticket machine and software provider several weeks in advance to 'book' a time slot to do this. It also costs £150 per machine, and we have c.40 pay and display ticket machines and so costs us £6,000 every time we make a change. With the pay and display ticket machines and software that BCKLWN use the staff can go into the software and make changes anytime and they take effect straightaway at no cost. Another example is that if we switch, we would generate significant savings in transaction costs as we could save 5 pence per transaction and a conservative calculation would give us a saving of c.£25-£30k per annum. Installation of a power supply in at least our largest most used car parks would provide the opportunity to take advantage of other improvements e.g. CCTV, better connectivity resulting in a quicker service for users.

4.20. So rather than looking to make efficiencies by changing the method of service delivery we could be looking at the opportunities we would have by working with the BCKLWN car parking service to develop the service in other ways.

5. Corporate Plan Objectives

5.1. Financial Sustainability and Growth – a balanced budget based on savings that are achievable will ensure the Council's financial sustainability over the medium term.

6. Financial and Resource Implications

6.1.

Comments from the S151 Officer:

The Council must set a balanced budget before the start of the forthcoming financial year.

7. Legal Implications

7.1. This report does not raise any new legal implications.

Comments from the Monitoring Officer

8. Risks

8.1. This report

9. Net Zero Target

9.1. This report

10. Equality, Diversity & Inclusion

10.1. This report does not raise any new issues relating to equality and diversity.

11. Community Safety issues

11.1. This report does not raise any issues relating to Crime and Disorder considerations.

12. Conclusion and Recommendations

12.1. This report presents the options for future provision of the civil enforcement operation for the Council. There have been three options considered. The report has also looked at the optimum number of enforcement officers that should be patrolling to maximise car parking income. It also covers opportunities for the future development of the service.

12.2. It has been concluded that the benefits of BCKLWN carrying on with delivering both the enforcement and PCN processing outweigh any benefits that could be gained by either bringing both in-house or by just bringing enforcement back in-house. The number of enforcement officers patrolling has been reviewed and there isn't any evidence to support that by increasing the number of enforcement officers it will result in additional income being generated. Therefore it is proposed that the number be left as it is.

12.3. It is recommended that Cabinet agree to continue with the current service provision with the current number of enforcement officers.

12.4. It is recommended that Cabinet agree that the SLA be updated so that it is fit for purpose and that it incorporates that there should be a development plan for the service.

12.5. It is recommended that the signing of the SLA be delegated to the Director of Resources.