

**NATIONAL PARKING ADJUDICATION SERVICE JOINT COMMITTEE
EXECUTIVE SUB COMMITTEE**

REPORT FOR RESOLUTION

DATE: 29th January 2008

AGENDA ITEM: Number 14

SUBJECT: To establish the NPASJC Service Charges to user councils for 2008/2009

REPORT OF: The Lead Authority
On behalf of the Advisory Board

PURPOSE OF REPORT

To establish the method of charging and the charges to be levied from local authorities participating in the Joint Committee's adjudication service during 2008/2009.

RECOMMENDATIONS

It is recommended that:

- (i) The Joint Committee adopt the following charges in support of the service to be made to participating local authorities during the financial year 2008/2009, as detailed below.

ELEMENT	CHARGE
Annual Charge [per SPA]	£nil
Charge per PCN Issued	0.60 pence
Charge per Adjudication Case	nil.

- (ii) Service Charges are levied on a quarterly in advance basis for the PCN charge based on estimated figures and subsequently adjusted.
- (iii) To note that the decision to provide a transcription from the audio recording of proceedings rests with the Adjudicator. Where this has been agreed to, the Joint Committee agree that the incidental cost of making a transcription from the audio recording of proceedings at a personal hearing is charged to the requesting party except when, in the view of the Adjudicator, a disability of the requesting party would make it desirable for that person to receive such a transcript.

FINANCIAL CONSEQUENCES FOR THE REVENUE AND CAPITAL BUDGETS

It is intended that service will, in the long term, continue to be self financing as a result of contributions made from participating local authorities. The charges recommended for 2008/9 are with a view to the service continuing to be self-financing. The reserve (£579,462 at 31 March 2007) can be drawn upon in the event of the income not being sufficient to match the expenditure during 2008/09

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BACKGROUND DOCUMENTS

Road Traffic Act 1991

The NPASJC agreement.

Accounts and Audit Regulations 2003, S.I. 2003 No 533

1.0 INTRODUCTION

- 1.1 An essential element for a local authority when adopting decriminalised parking enforcement powers is the existence of a means to appeal to an independent parking adjudicator. The Special Parking Area / Permitted Parking Area authorities are required to fund adjudication as part of their powers.
- 1.2 The NPASJC agreement provides for the Committee to decide the cost sharing arrangements.

2.0 BACKGROUND

- 2.1 The NPASJC agreement provides for the adjudication service to be operated on a self-financing basis with revenue obtained from charges made to participating [SPA/PPA] local authorities. An estimate has been made of the likely service take up during 2008/09. The level of charging has been based on this predicted service activity. It is the practice only to levy charges from those enforcing authorities who manage the enforcement income stream.
- 2.2 The current level of appeals are on average at about the 0.3% level of the number of PCNs issued. For 2008/09 estimates have been based on this appeal rate and this has been reflected in the proposed charge per PCN.
- 2.3 Each year since 2001/2 the case charge has been set at nil. Whilst councils are required to properly consider representations from vehicle owners who consider there is a ground for cancellation of the Penalty Charge, by setting the case charge at nil there was concern that there may be an increase in the number of cases that come to appeal. At this stage it appears that there has not been an effect on the number of cases. It is therefore proposed to keep the case charge as nil for the present and continue to monitor for this possible effect.
- 2.4 An undertaking was given to government in the run up to establishing the service that the service would be made available to all SPA/PPA authorities in England [outside London] and Wales. In establishing the charges and considering the options for recommendation the Advisory Board have been mindful of the need to ensure that the charges are both equitable and not prohibitive to any particular type or size of local authority. Until year

2002/3 an annual charge of £500 was agreed, this reduced to £250 in 2003/4 and 2004/5, then to nil in 2005/6, 2006/07 and 2007/08. With the number of SPA/PPA authorities continuing to grow the annual charge has a reducing significance to the overall income. It is therefore recommended to continue to set the annual charge at nil during 2008/9. Table 1 provides an overview of NPAS's charging policies since inception.

Table 1: NPAS Charging policies

Year	PCN Levy	Annual Fee	Fee per case
1999/2000	70 pence	£500	£10
2000/01	70 pence	£500	£10
2001/ 02	70 pence	£500	£0
2002/03	70 pence	£500	£0
2003/04	65 pence	£250	£0
2004/05	65 pence	£250	£0
2005/06	60 pence	£0	£0
2006/07	55 pence	£0	£0
2007/08	60 pence	£0	£0

2.5 Taking into account the issued detailed above, for 2008/09, two options in respect of the PCN levy were considered:

- (i) To increase the levy to 65 pence in order to provide a buffer during a period of transition and increased uncertainty resulting from the implementation of the Traffic Management Act 2004.
- (ii) To maintain the levy of 60 pence in order to meet general and programmed development expenditure costs and recognise that reserves have been established to support the tribunal during periods of uncertainty.

The recommendation is to maintain the level at 60 pence for 2008/09.

2.6 It is therefore, recommended that the following service charges be adopted by the Joint Committee for 2008/09.

ELEMENT	CHARGE
Annual Charge	nil
Charge per PCN Issued	£0.60
Charge per Adjudication Case	nil

3.0 METHOD OF CHARGING

3.1 The Accounts and Audit Regulations 2003 introduced the requirement for a Cash Flow Statement to be produced for each financial year. It is therefore proposed to continue with the practice of the service charges being levied quarterly in advance based on estimated PCN figures and subsequently adjusted when the actual figures become available.

4.0 TRANSCRIPTION COSTS

- 4.1 To note that the decision to provide a transcription from the audio recording of proceedings rests with the Adjudicator. Where this has been agreed to, the Joint Committee agree that the incidental cost of making a transcription from the audio recording of proceedings at a personal hearing is charged to the requesting party except when, in the view of the Adjudicator, a disability of the requesting party would make it desirable for that person to receive such a transcript.