



Norfolk County Council

Norfolk Parking Partnership Joint Committee

Date: 8 February 2022

Time: 14:00

**Venue: Council Chamber, County Hall,
Martineau Lane, Norwich, Norfolk, NR1 2DH**

Advice for members of the public:

This meeting will be held in public and in person.

It will be live streamed on YouTube and, in view of Covid-19 guidelines, we would encourage members of the public to watch remotely by clicking on the following link:

https://www.youtube.com/channel/UCdyUrFjYNPq5psa-LFIJA/videos?view=2&live_view=502

However, if you wish to attend in person it would be most helpful if, on this occasion, you could indicate in advance that it is your intention to do so. This can be done by emailing committees@norfolk.gov.uk where we will ask you to provide your name, address and details of how we can contact you (in the event of a Covid-19 outbreak). Please note that public seating will be limited.

Councillors and Officers attending the meeting will be taking a lateral flow test in advance. They will also be advised to wear face masks at all times unless they are speaking or are exempt from wearing one. We would like to request that anyone attending the meeting does the same to help make the event safe for all those attending. Information about symptom-free testing is available [here](#).

Persons attending the meeting are requested to turn off mobile phones.

Membership

County Councillors

Cllr Martin Wilby (Chairman) *Substitute: Cllr Barry Stone*

District Councillors

Cllr Richard Elliott	<i>Substitute: Cllr Lisa Neal</i>	South Norfolk District Council
Cllr Brian Long	<i>Substitute: Cllr Paul Kunes</i>	Borough Council of King's Lynn and West Norfolk
Cllr Graham Plant		Great Yarmouth Borough Council

Non-Voting District Councillors

Cllr Paul Hewett	<i>Substitute: Cllr Phil Cowen</i>	Breckland District Council
Cllr Eric Seward	<i>Substitute: Cllr Tim Adams</i>	North Norfolk District Council
Cllr Mike Stonard		Norwich City Council
Cllr Jo Copplestone	<i>Substitute: Cllr Peter Bulman</i>	Broadland District Council

**For further details and general enquiries about this
Agenda please contact the Committee Officer:**

Hollie Adams on 01603 223029 or email
committees@norfolk.gov.uk

Under the Council's protocol on the use of media equipment at meetings held in public, this meeting may be filmed, recorded or photographed. Anyone who wishes to do so must inform the Chairman and ensure that it is done in a manner clearly visible to anyone present. The wishes of any individual not to be recorded or filmed must be appropriately respected.

A g e n d a

1. To receive apologies and details of any substitute members attending

2. Minutes

To confirm the minutes of the meeting held on

29 September 2021 and

14 December 2021

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3. Declarations of Interest

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter.

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter. In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an **Other Interest** in a matter to be discussed if it affects, to a greater extent than others in your division

- Your wellbeing or financial position, or
- that of your family or close friends
- Any body -
 - Exercising functions of a public nature.
 - Directed to charitable purposes; or
 - One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);

Of which you are in a position of general control or management.

If that is the case then you must declare such an interest but can speak and vote on the matter.

4. Any items of business the Chair decides should be considered as a matter of urgency

5. Finance Update

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A report by the Director of Highways and Waste

Tom McCabe
Head of Paid Services
County Hall
Martineau Lane
Norwich
NR1 2DH

Date Agenda Published: 31 January 2022



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Norfolk County Council & District Councils Norfolk Parking Partnership Joint Committee

**Minutes of the Meeting Held on Wednesday, 29 September 2021
at 2pm in the Council Chamber, County Hall**

Voting Members Present:

Cllr Martin Wilby (Chair)	Norfolk County Council
Cllr Graham Plant (Vice-Chair)	Great Yarmouth Borough Council
Cllr Brian Long	Borough Council of King's Lynn and West Norfolk

Non-Voting Members Present

Cllr Mike Stonard	Norwich City Council
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Substitute Members Present

Cllr Tim Adams for Cllr Eric Seward	North Norfolk District Council (non-voting)
Cllr Lisa Neal for Cllr Richard Elliott	South Norfolk District Council

Officers Present:

Martin Chisholm	Borough Council of King's Lynn and West Norfolk
David Disney	South Norfolk District Council
Ian Gregory	Better Parking Strategy Manager, Norfolk County Council
Miranda Lee	Great Yarmouth Borough Council
Karl Rands	Highway Services Manager, Norfolk County Council
Rebekka Roberts	Norwich City Council
Tim Young	Project Engineer (Network Policy & Performance), Norfolk County Council

1. Apologies for absence

- 1.1 Apologies were received from Cllr Jo Copplestone, Cllr Richard Elliott (Cllr Lisa Neal substituting) and Cllr Eric Seward (Cllr Tim Adams substituting). Also absent was Cllr Paul Hewett.

2. Minutes

- 2.1 The minutes of the meeting held on 28 July 2021 were **AGREED** as an accurate record following the making of these two amendments:
- Paragraph 5.2, bullet point 4: to state "75% of budgeted loss of income could be claimed".
 - Paragraph 5.2, final bullet point: to refer to the financial year 2020-21

3. Declarations of Interests

- 3.1 No interests were declared.

4. Items of Urgent Business

- 4.1 No urgent business was discussed.

5. Finance Update

5.1.1 The Joint Committee received the report presenting the latest forecast financial outturn position for Norfolk Parking Partnership (NPP) Civil Parking Enforcement (CPE) account and separate Norwich City CPE account

5.1.2 The Better Parking Strategy Manager introduced the report to the Joint Committee:

- At the previous meeting, the Vice-Chair had asked for residential and pay and display parking income to be split in future reports. This was in the process of being carried out and would be ready for future reports.
- Further data had been received since the last meeting, therefore the figures in appendix A of the report were up to date.
- MHCLG (Ministry for Housing, Communities and Local Government) funding was not available in 2021-22 to assist with deficits; paragraphs 4.2.1 to 4.2.5 of the report described a significant downturn in penalty charge notices and pay and display income, forecasted to produce a deteriorated Norwich City deficit of £627,823.
- The most recent forecast from Norwich City (post-dating this report) forecasted a slightly improved position deficit of £598,093.
- Paragraphs 4.3.3 to 4.3.10 of the report detailed the rationale and formula for calculating district contributions, and Members were recommended to consider this and discuss whether they were content to move forward with this.
- The summary table in paragraph 6.1 of the report showed the current forecast financial position for CPE across the whole of Norfolk. Officers expected that Norwich City Council's financial position would improve over the remainder of the financial year 2021-22.
- Appendix B of the report showed the current forecast financial position for Norwich City Council. 'Open book' discussions were underway with Norwich City Council to investigate their deficit and potential options to mitigate it.

5 The following points were discussed and noted:

- Cllr Adams believed that the position of North Norfolk District Council was the provision of a one-off contribution in 2020-21 based on the deficit and noted that discussions would be needed regarding ongoing contributions. He agreed to feedback to officers at North Norfolk District Council that the Joint Committee had agreed that districts would pay contributions on an ongoing basis and requested additional correspondence from officers to support with this.
- The Vice-Chair clarified that, following a motion raised in the meeting on 28 July 2021, the Joint Committee had agreed that District Councils would pay contributions on an ongoing basis until the Partnership was sustainable and agreed to discuss the reasoning behind this motion with Cllr Adams. This motion was raised to ensure that enforcement was equal and fair across the county.
- Cllr Neal noted that the proposed lowest contribution from South Norfolk Council was a positive response to the district paying 50% towards development of parking schemes in market towns.
- David Disney reported that Broadland District Council had agreed to make a maximum contribution of £10,000 predicated on its plans to contribute to similar future parking schemes. The Better Parking Strategy Manager recognised that this was a fair proposal.
- The importance of District Councils paying a contribution to cover the cost of parking enforcement in their area was noted.
- The Vice-Chair pointed out the importance of districts working with Norfolk Parking

Partnership to ensure good schemes were in place.

- The Better Parking Strategy Manager confirmed that it was intended when first adopted that CPE would be self-sufficient from pay and display, penalty charge notice and resident parking income; in good times a surplus had been generated by the CPE for re-investment. The Road Traffic Regulation Act 1984 stated that the Council must underwrite any losses made in the parking account, therefore, under Section 55 the Council was legally obliged to do this. If, however, the deficit was large, the Council would have a 4-year period to pay back the deficit, recovered from surpluses generated over these subsequent years.
- Cllr Stonard reported that it was hoped that footfall and traffic in Norwich would return to pre-pandemic numbers in time, which would reduce the deficit and eventually result in a surplus.
- The Better Parking Strategy Manager confirmed that on line 2 of Appendix B of the report a figure was missing, and he **agreed** to review and update this table.

5.3 The Joint Committee:

1. **Reviewed** and **commented** on the latest 2021/22 forecast outturn for the NPP CPE Account.
2. **Reviewed** and **commented** on the latest 2021/22 forecast outturn for the Norwich City CPE Account.
3. **Reviewed** and **commented** on the proposed calculation for contributions to be sought from North Norfolk, Broadland, Breckland and South Norfolk District Councils to offset 50% of the net cost of carrying out enforcement in their areas.

6 Annual Report 2020-21

6.1.1 The Joint Committee received the report presenting the latest forecast financial outturn position for the Norfolk Parking Partnership Civil Parking Enforcement (CPE) account and separate Norwich City CPE account.

6.1.2 The Better Parking Strategy Manager noted that this had been an unprecedented year and he therefore thanked all colleagues who delivered parking enforcement, those who had been redeployed and all who kept the service moving under the pressure experienced during this time.

6.2 The following points were discussed and noted:

- The Chair and Joint Committee Members noted the work of the blue badge enforcement and the importance of this work. The Better Parking Strategy Manager added that there had been five prosecutions in this area which were taken to the magistrates' courts with a 100% success rate, with the County Council recovering all costs awarded in each case.
- The Vice Chair gave congratulations to all the CEOs who had undergone refresher training with the Blue Badge Investigator; he felt that the increase in Blue Badge misuse reports reflected the quality and benefit of this training given to these staff, which had improved results each year.
- The Joint Committee asked that their support for the County's CPE teams and positive remarks about their performance be passed on to them; the Better Parking Strategy Manager agreed to pass on this feedback,
- It was noted that the annual report did not include Norwich City data; the Better Parking Strategy Manager reported that officers were currently working on the Norwich City report which would be reported at a later date.

6.3 The Joint Committee **noted** the positive operational performance of the NPP over the last 12-month reporting period downturn in PCN numbers.

The meeting concluded at 14:36

Chairman



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Norfolk County Council & District Councils Norfolk Parking Partnership Joint Committee

**Minutes of the Meeting Held on Tuesday, 14 December 2021
at 2pm in the Council Chamber, County Hall**

Voting Members Present:

There were no voting Members present for the meeting

Non-Voting Members Present

There were no non-voting Members present for the meeting

Officers Present:

Hollie Adams

Committee Officer

Jo Martin

Democratic Support & Scrutiny Manager

1. Apologies for absence

- 1.1 Apologies were received from Cllr Martin Wilby (Chair), Cllr Graham Plant (Vice-Chair), Cllr Jo Copplestone, Cllr Richard Elliott, Cllr Paul Hewett, Cllr Brian Long, Cllr Eric Seward and Cllr Mike Stonard.
- 1.2 Due to the situation regarding the Coronavirus pandemic the Chair, asked councillors and District Council officers not to attend the committee meeting. The agenda had already been published when this decision was made, so the meeting was convened in the usual way. As no Members were present at the meeting it was declared inquorate by the Democratic Support and Scrutiny Manager.

The meeting concluded at 14:10

Chairman



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Norfolk Parking Partnership Joint Committee

Item No: 5

Report Title: Finance Update

Date of Meeting: 08 February 2022

Responsible Cabinet Member: Cllr Wilby (Cabinet Member for Highways, Infrastructure & Transport)

Responsible Director: Grahame Bygrave - Director of Highways and Waste

Is this a Key Decision? No

If this is a Key Decision, date added to the Forward Plan of Key Decisions: N/A

Executive Summary / Introduction from Cabinet Member

Reports presented to this Joint Committee (JC) in July and September have illustrated the financial pressure that both the Norfolk Parking Partnership and Norwich City Civil Parking Enforcement (CPE) have been under as a result of the Covid pandemic and three national lockdowns. Further finance update reports are therefore being brought to the Committee to present the current forecast position based on the latest known information and parking demand.

The latest figures for the Norfolk Parking Partnership (NPP) CPE account forecasts a surplus outturn of £142,178 representing a considerable improvement on the £62,667 surplus reported at Committee in September. Equally, the Norwich City (NC) CPE account position has considerably improved, forecasting a deficit of £128,971 compared with a £627,283 deficit also reported at Committee in September.

The figures in this report are indicative and are subject to fluctuations as we progress through the final quarter of the financial year; in particular response to changes and trends in parking demand and any further changes to government guidelines in terms of social restrictions.

At the last JC meeting in September, the calculated levels of ongoing contribution to be sought from each District Council to help cover net operating deficits in their areas were reviewed and discussed. Contributions from Broadland District Council (£10,000/pa) and South Norfolk Council (£2,462/pa) were agreed by the JC Members and respective Officers.

NPP on-street pay and display parking and residents parking tariffs have not been formally reviewed nor increased since 2009 and the cumulative effect of inflation (RPI) since then has been some 35.5%. Therefore, the income received has not kept pace with rising enforcement and administration costs and needs to be reviewed to address this imbalance and help make CPE enforcement operations more sustainable. Norwich City tariffs were more recently reviewed and increased (2018/19) but are more complex and less than those of the NPP and would merit further discussion on potential simplification and closer alignment with NPP tariffs.

Recommendations:

- 1. Review and comment on the latest 2021/22 forecast outturn for the NPP CPE Account.**
- 2. Review and comment on the latest 2021/22 forecast outturn for the Norwich City CPE Account.**
- 3. Further discuss and comment on the proposed contributions being sought from North Norfolk and Breckland District Councils to offset 50% of the net cost of carrying out enforcement in their areas.**
- 4. To review on-street pay and display and residents parking permit fees to reflect current enforcement costs and account for the effect of inflation.**

1. Background and Purpose

- 1.1 The NPP CPE account and separate NC CPE account both rely on income from penalty charge notices (PCNs) issued for on-street parking violations, as well as on-street pay and display income, to offset the cost of running a pan-Norfolk CPE service. This includes the back-office and administration functions required to run enforcement, on-street pay and display, appeals and related correspondence.
- 1.2 Historically, there has been a net deficit to the NPP in carrying out its enforcement operations in North Norfolk, South Norfolk, Broadland and Breckland District Council areas due to low levels of income that can be generated with respect to PCN's, Pay & Display (P&D) and permit parking income required to cover operating costs. As previously agreed by the Committee, a 50% contribution to the net deficit in each area was sought and made by these four authorities, which initially covered a two-year period. At the July JC meeting it was agreed to continue to seek ongoing contributions from these authorities until the NPP parking account became more sustainable.
- 1.3 The previous financial year saw significant reductions in all on-street income as a result of government social restrictions imposed to curb the spread of COVID-19, impacting on traffic levels and the demand for parking.
- 1.4 Despite most of these restrictions being eased in July 2021, parking demand in the City remains subdued through the current financial year so far, putting pressure onto the CPE account. Conversely, parking demand in Great Yarmouth and Kings Lynn has recovered very well, due to the large numbers of 'staycation' visitors this year (both on and off-street) and is forecast to well

exceed 2019-20 (pre-Covid) levels. The majority of visitors (as opposed to residents) are well-versed in making cashless payments and this is thought to account for the marked increase this year.

- 1.5 The City's CPE operation also suffered from the effects of a number of Civil Enforcement Officer (CEO) vacancies during Q1 and Q2, reducing its enforcement capacity and resilience. The majority of these post have now been filled with a view to full-scale operational enforcement resuming during Q4.
- 1.6 This report presents the latest forecast financial outturn position for both CPE accounts.

2. Proposal

- 2.1 The latest forecast indicates an expected surplus outturn of £142,178 for the NPP CPE account. Members are asked to review and comment on the latest figures provided. This position is based on the latest known trends and may fluctuate throughout the remainder of the year in response to external factors, including any further potential government restrictions put in place.
- 2.2 This forecast also includes a proposal to make a contribution of £118,000 to the Capital Replacement Fund at the end of the year, for both this year and last year (£59,000 per annum), when no contribution was made due to a lack of forecast surplus. Officers have previously highlighted ageing handheld devices and other equipment that needs to be replaced, which is funded via the Capital Replacement Fund.
- 2.3 A deficit of £128,971 is currently forecast for Norwich City's CPE account. Members are asked to review and comment on the latest figures provided.
- 2.4 At the September Committee, the calculated levels of ongoing contribution to be sought from District Councils to help cover net operating deficits in their areas were reviewed and discussed. Contributions from Broadland District Council (£10,000/pa) and South Norfolk Council (£2,461/pa) were agreed by the JC Members. Decisions on contributions are still awaited from North Norfolk and Breckland District Councils, who have both been contacted and invited to discuss further. Breckland have responded positively to ongoing contributions, subject to agreeing an equitable level closer to their former £10,000 contribution.

3. Impact of the Proposal

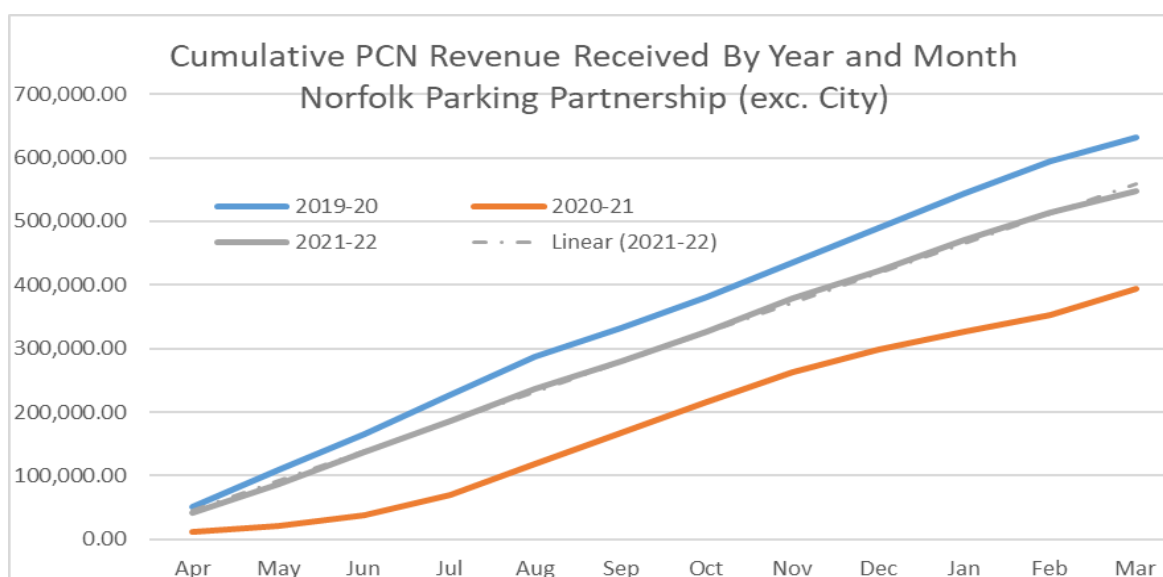
- 3.1 The latest forecast position suggests that the NPP CPE account will see a small surplus generated at the end of the year, however this position is not finalised and could change. If this position deteriorates then a smaller contribution could be made to the capital replacement equipment fund in order to balance the accounts.

- 3.2 Contributions from the local Districts/Borough Councils to cover 50% of the enforcement deficit for their respective areas would bolster funds further, including general reserves that ultimately would be put towards future highway schemes.
- 3.3 Despite a better-than-expected recovery in Pay & Display income and filling of vacant CEO posts during Q2, there still remains significant pressure on the Norwich City CPE account. The MHCLG loss of income recovery scheme finished in June 2021 and currently no external funding support has been identified that could be used to offset the sizeable forecast deficit.

4. Evidence and Reasons for Decision

4.1 NPP CPE Account – 2021/22

- 4.1.1 Appendix A shows the latest 2021-22 financial forecast position for the NPP CPE accounts alongside the prior 2 years actual outturns. This provides a more complete picture of the impact of the Covid pandemic and the recovery towards 2019-20 pre-Covid levels. The current projected outturn for 2021-22 is a surplus of £142,178. This is an improvement on the surplus of £62,667 reported at the previous Committee meeting in September, due largely to the increase in P&D income and more accurate Q2 ‘actuals’ information being available and included in the forecasts.
- 4.1.2 For information and completeness, costs for on-street enforcement have been split out into the respective delegated authorities and, at £921,764, are very similar to the August forecast of £927,979. Compared to August, Penalty Charge Notice (PCN) income is also forecast to be very similar at £547,435, and is currently tracking 88% of 2019-20 levels as shown in the chart below:

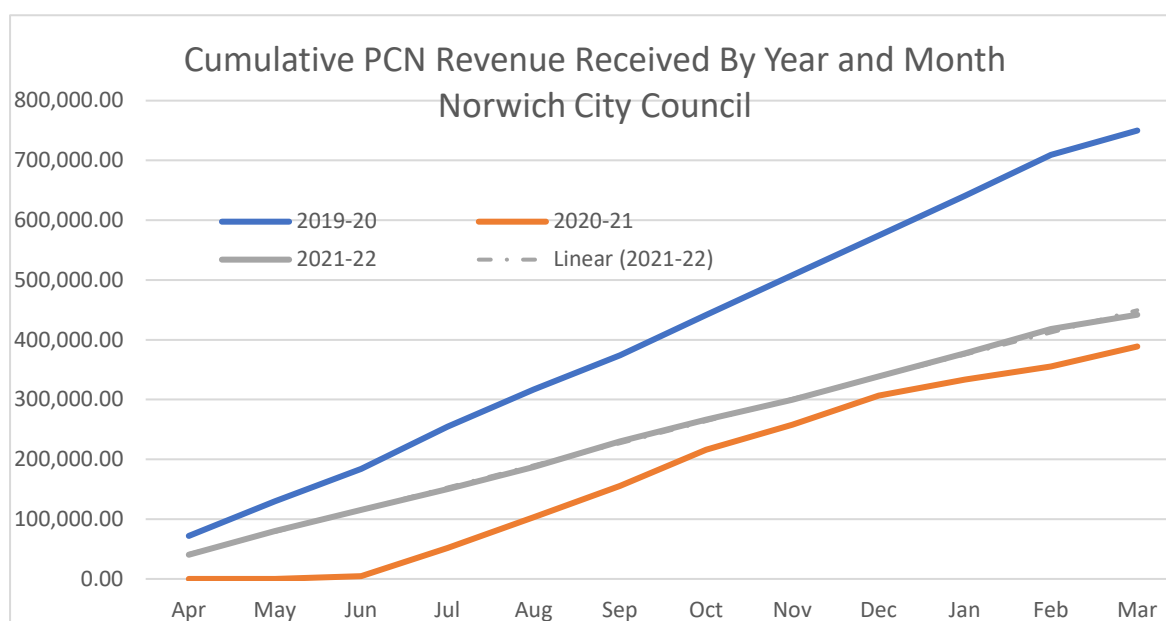


This now leads to a County Enforcement deficit of £374,329 compared to the £384,249 previously reported and highlights the need for ongoing District Council contributions to support this.

- 4.1.3 At the request of the JC, the costs and income relating to Pay & Display and Residents Permits have been reported as separate lines and are shown for both Great Yarmouth and King's Lynn in Appendix A. Key points to note from the new breakdown are:
- A slight increase in Great Yarmouth P&D costs due to a new machine maintenance contract;
 - A significant increase in P&D income in Great Yarmouth due to increased visitor numbers, with a significant 126% shift towards cashless payments. Also accompanied by a good increase in King's Lynn P&D income. This gives a projected surplus outturn of £550,553 – a 32.5% improvement this year on the 2019-20 income of £415,420;
 - Great Yarmouth Resident Permit income still remains subdued and is currently tracking 2020-21 levels at £59,391. King's Lynn is tracking nearer 2019-20 levels at £14,553;
 - Combined, on-street P&D, Permits and associated back-office costs are forecast to be £90,554, compared with £50,120 reported in September due largely to a new P&D machine maintenance contract. The income for these activities equates to £683,355 compared with £580,106 reported in September. The net position for these activities is therefore a surplus of £592,801, £62,815 more than £529,986 reported in September, which is largely due to the increased Great Yarmouth P&D income.
- 4.1.4 The NPP subtotal now calculates an increased surplus of £218,472 as a result of the above revised forecasts and is £72,735 higher than the £145,737 reported in September – and a significant improvement on the 2020-21 deficit of £55,114. This is before factoring in any external contributions.
- 4.1.5 As reported at the September JC meeting, a capital replacement contribution (e.g. for hand held computers, P&D machines) of £118,000 from the NPP is being sought to cover the last two-year period.
- 4.1.6 Also discussed at the September JC meeting (and covered in section 4.3 below) was the continuation of ongoing NPP deficit contributions from District Councils and how these were calculated. To date agreement has been reached with both South Norfolk and Broadland District Councils and their combined contributions of £12,461 have been included.
- 4.1.7 The MHCLG loss of income recovery scheme finished in June 2021 and the final £29,245 claim made by Great Yarmouth has also been factored in.
- 4.1.8 The resulting revised NPP forecast outturn currently equates to a surplus of £142,178 and maybe be subject to further change during Q4; it could also improve further as a result of any additional District Council contributions as discussed in more detail in section 4.3 below.

4.2 Norwich City CPE Account – 2021/22 Forecast

- 4.2.1 The latest 2021-22 forecast for the Norwich City CPE account is shown in Appendix B which also shows the 2-prior year “actuals” for completeness. A total deficit of £128,971 is forecast, which is a considerable improvement from the previous deficit of £627,823 forecast in September. However, this position now includes additional income of £134,053 carried over from the last financial year.
- 4.2.2 A number of CEO vacancies this year (up to 7 during one period) has resulted in some staff savings, which are reflected in the reduced enforcement and notice processing costs. Most of these vacancies have now been filled with a full complement of staff and enforcement capacity expected to be in place during Q4. Some of the savings are also attributed to a reduced allocation of total parking staff costs to on-street enforcement.
- 4.2.3 The Notice Processing and Back Office Costs of £2,220,825 reported in the September JC meeting have now been split out further into enforcement, notice processing, on-street P&D and residents permit costs. This now reflects the split of costs for these operations.
- 4.2.4 Notice processing costs are generally linked to the workload associated with a given number of PCNs issued. CEO vacancies this year have put pressure on the City’s CPE operations, resulting in the issuing of fewer PCNs. Some 18,765 PCNs are forecast to be issued this year compared to 13,756 in 2020-21 and 25,454 in 2019-20. As a result, latest PCN issues are forecast to be around 73.5% of 2019-20, therefore the amount of enforcement income received has been revised down to £468,196 from £562,684 to reflect this. The chart below shows this forecast income against the previous two years’ actuals:



- 4.2.5 On-street P&D enforcement costs are significantly lower than 2020-21 costs due to the removal of non-required 'Rechargeable General Works' costs and accordingly the forecast costs have been revised down from £368,586 to £110,591. However, resident permit enforcement costs (previously shown in the September JC's on-street enforcement costs) are forecast to have significantly increased from £531,446 in 2019-20 and £846,250 in 2020-21, to a forecast £947,322 in 2021-22. This is largely due to a change in the percentage of allocation of total enforcement staff costs to residents permits and is being investigated further to establish the rationale behind this increase and any efficiencies that could be introduced to reduce this.
- 4.2.6 On-street P&D income has suffered noticeably in the City centre due to the Covid-related impacts of reduced numbers of car journeys, visitor/shopper volumes and associated parking demand. Accordingly, this has been reflected in the forecast 2021-22 P&D income, which, at £415,934, is recovering from the 2020-21 £250,291 level, but still well below the 2019-20 £633,575 outturn, and may be indicative of a new post-Covid reduced P&D trend.
- 4.2.7 Conversely, residents permit and dispensation income has improved on both 2019-20 and 2020-21 outturns and has resulted in an overall net surplus of £250,872, which is a marked improvement on the 2020-21 deficit of £84,769.
- 4.2.8 Bus lane maintenance and back-office costs have been increased to £272,369 from the reported September figure of £163,988 to reflect an increase in maintenance costs. Enforcement income has also been slightly reduced from £284,992 to £275,428 to reflect a forecast reduction in PCNs resulting from reduced traffic volumes in the City. This gives rise to a revised and markedly lower forecast net bus lane enforcement surplus of £3,059 compared to the reported September forecast surplus of £121,004.
- 4.2.9 Overall this revised forecast gives a City CPE net operating deficit of £385,105 compared to the reported September deficit of £795,822 and before factoring in any external contributions. After factoring in the £256,134 in external contributions (carried over 20/21 and MHCLG income), the revised City net CPE outturn is a deficit of £128,971 – a significant improvement on the £627,822 deficit reported in September. However, given the significant and potentially permanent decreases in P&D income, reduced PCN income and significantly increased costs (particularly resident permit), the City CPE account remains under considerable pressure this financial year without some significant ongoing improvement in income or reduction in costs.
- 4.2.10 Given this current position, officers from the County Council and Norwich City Council have initiated an open-book accounting exercise reviewing the City CPE accounts, with the objective of identifying ways that this could be reduced. The first of a series of meetings took place in the second week of November and focussed on reductions in staff costs arising from vacant posts, proportionate on-street charging, indirect overhead recharging and the move to quarterly invoicing from annual. In addition, 2022/23 forecasts are currently

being prepared by the City to establish whether there is likely to be an improvement on this situation, especially in terms of increased P&D income.

4.3 NPP District Contributions

- 4.3.1 As reported at the last Committee meeting in September, the latest forecast for the NPP shows that the cost of running CPE operations overall runs at a loss. Income from P&D and PCNs does not wholly offset the costs of enforcement staff and associated resources as well as notice processing costs.
- 4.3.2 The remaining deficit is offset by income from on-street pay and display, permit parking and PCNs in Great Yarmouth and King's Lynn. However, P&D and PCN income can be volatile as a result of external factors, clearly illustrated by the impact of last year's Covid pandemic on social/traffic movement and on-street parking demand. Other external factors, in particular good/bad weather, will influence the demand for on-street parking and therefore income received
- 4.3.2 There are also capital costs that need to be considered, such as the replacement of equipment including electronic handheld devices and pay & display machines.
- 4.3.3 The Committee has agreed in previous years that the enforcement deficit in each District or Borough would be split 50/50 or as otherwise agreed between the County Council and corresponding District/Borough Council.
- 4.3.4 It was proposed at the previous Committee that contributions from the District Councils would continue to be sought given the ongoing deficit that remains in the enforcement operations.
- 4.3.5 The rationale and calculations behind the proposed £47,993/pa NPP contributions was also reviewed and discussed, and the following outcomes were agreed at the meeting in respect of amounts sought:
- King's Lynn & West Norfolk = nil
 - North Norfolk = £5,281 – Awaiting NNDC decision
 - Breckland = £23,067 – Awaiting Breckland DC decision
 - Broadland = £17,182 – Agreed to contribute £10,000/pa plus contributions to new schemes, similar to South Norfolk
 - Great Yarmouth = nil
 - South Norfolk = £2,461 – Agreed to contribute £2,461/pa and already contributing to new schemes (e.g. Trowse & Cringleford)
- 4.3.6 This currently leaves a contribution shortfall of up to £35,532/pa. Reduced or no contributions from North Norfolk and Breckland District Councils (still to be agreed) would impact on the NPP CPE account, and the Committee may wish to consider reviewing the level of enforcement afforded to each of these Districts, given the contributions already agreed with South Norfolk and Broadland District Councils.

4.4 On-street Pay and & Display (P&D) and Residents Parking Tariffs

- 4.4.1 NPP on-street pay and display parking and residents parking tariffs have not been formally reviewed nor increased since 2009 and the cumulative effect of inflation (RPI) since then has been 35.52%, as shown in the RPI table below.

Year	Ann RPI	Permit
2009	2.40%	£40.00
2010	4.80%	£41.92
2011	4.80%	£43.93
2012	3.10%	£45.29
2013	2.70%	£46.52
2014	1.60%	£47.26
2015	1.20%	£47.83
2016	2.50%	£49.02
2017	4.10%	£51.03
2018	2.70%	£52.41
2019	2.20%	£53.57
2020	1.20%	£54.21
Cum RPI	35.52%	

To illustrate the impact, an NPP residents parking permit, which has been £40/pa since 2009, would now cost £54.21 keeping pace with inflation. It is also estimated that if permits were increased by inflation during this time, additional income of around £120,000 would have been received.

- 4.4.2 As income received has not kept pace with rising enforcement and administration costs, it is suggested that tariffs should be reviewed to address this imbalance and help make CPE enforcement operations more sustainable in the longer term. In addition, as with many other UK local authorities, a mechanism needs to be in place for the NPP and City to automatically review and increase tariffs each year or bi-annually by the rate of inflation (e.g. RPI). This could be simply written into an updated Traffic Regulation Order (TRO) to achieve this.
- 4.4.3 Whilst Norwich City on-street P&D and residents permit tariffs have been more regularly reviewed (and last increased 2018/19), they are more complex in charging structure and less than those of the NPP, with a basic residents permit costing £37.20/pa for a medium length vehicle and £24.60/pa for a short length vehicle. It is suggested that the City tariffs are reviewed at the same time as those for the NPP to help provide a more consistent Norfolk-wide approach and alignment of tariffs that also keep pace with inflation.

5. Alternative Options

- 5.1 A decision to not seek contributions from local District Councils could be considered although this may result in reduced enforcement activity in these

areas. As such this is not recommended given the requirement to ensure enforcement is undertaken to effectively police compliant parking.

- 5.2 There is also an option to keep on-street pay and display parking and residents parking tariffs as they are and not undertake a review. As some elements have not been reviewed for several years this is not recommended.

6. Financial Implications

- 6.1 The detailed financial position is shown in appendices A and B. For CPE across the whole of Norfolk, the County Council is currently forecasting an overall (NPP plus City) surplus of £13,207, as detailed in the table below.

	County (NPP)	City	Total
Income	£1,272,497	£2,308,544	£3,581,041
Expenditure	£1,130,319	£2,437,515	£3,567,834
Net (surplus/deficit)	£142,178	-£128,971	£13,207

7. Resource Implications

7.1 **Staff: None**

7.2 **Property: None**

7.3 **IT: None**

8. Other Implications

8.1 **Legal Implications: None**

8.2 **Human Rights Implications: None**

8.3 **Equality Impact Assessment (EqIA): Not required**

8.4 **Data Protection Impact Assessments (DPIA): Not required**

8.5 **Health and Safety implications: None**

8.6 **Sustainability implications: None**

8.7 **Any Other Implications: None identified.**

9. Risk Implications / Assessment

- 9.1 No financial risk is currently identified for the NPP CPE account, which is currently forecast to generate a net surplus at the end of the current financial year, including a contribution to the capital equipment replacement fund reserve funds.
- 9.2 The current forecast position for the Norwich City CPE account indicates an end of year deficit that would need to be met by Norfolk County Council, and that without some form of remedial action, presents a risk that this could continue to be an ongoing, unsustainable situation. There are currently no reserves specifically for Norwich CPE that can be used to offset this deficit.

10. Select Committee Comments

- 10.1 N/A

11. Recommendations

1. **Review and comment on the latest 2021/22 forecast outturn for the NPP CPE Account.**
2. **Review and comment on the latest 2021/22 forecast outturn for the Norwich City CPE Account.**
3. **Further discuss and comment on the proposed contributions being sought from North Norfolk and Breckland District Councils to offset 50% of the net cost of carrying out enforcement in their areas.**
4. **To review on-street pay and display and residents parking permit fees to reflect current enforcement costs and account for the effect of inflation.**

12. Background Papers

- 12.1 [Finance Update Report to NPP JCC - 29th September 2021](#)
- 12.2 [Minutes of NPP JC - 29th September 2021](#)

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Appendix A

Norfolk Parking Partnership 2021/22 Forecast Outturn	19/20 Actuals	20/21 Actuals	21/22 Forecast (Jan)
On Street Parking Enforcement			
King's Lynn & West Norfolk Enforcement Costs	£344,649	£377,384	£369,942
Kings Lynn & West Norfolk Notice Processing Costs	£182,444	£140,957	£174,389
South Norfolk Enforcement Costs	£18,797	£11,890	£18,789
Great Yarmouth Enforcement Costs	£272,053	£232,801	£273,644
NCC Parking Department	£72,491	£49,823	£85,000
Income			
Enforcement (PCNs)	-£622,276	-£392,869	-£547,435
Enforcement Surplus/Deficit - County	£268,158	£419,985	£374,329
On-Street Pay & Display			
Great Yarmouth On Street Pay & Display Costs	£30,345	£35,177	£53,219
Kings Lynn On-street Pay & Display Costs	£4,226	£4,531	£5,639
Income			
Great Yarmouth On Street Pay & Display Income	-£391,195	-£331,101	-£540,026
Kings Lynn On-street Pay & Display Income	-£58,796	-£24,951	-£69,385
On-Street Pay & Display - County	-£415,420	-£316,344	-£550,553
Resident Permit Scheme			
Great Yarmouth Resident Permit Scheme Costs	£4,601	£11,771	£25,540
Kings Lynn Resident Permit Scheme Costs	£6,607	£5,233	£6,156
Income			
Great Yarmouth Resident Permit Scheme Income	-£74,164	-£53,684	-£59,391
Kings Lynn Resident Permit Scheme Income	-£13,642	-£11,848	-£14,553
Resident Permit Scheme - County	-£76,598	-£48,527	-£42,248
NPP Subtotal	-£223,860	£55,114	-£218,472
External Contributions			
Capital Replacement Contribution	£59,000		£118,000
Contribution from other District Councils		-£80,000	-£12,461
MHCLG Loss of Income Claim		-£134,995	-£29,245
Subtotal	£59,000	-£214,995	£76,294
Latest Forecast (Surplus)/Deficit Outturn 2021/22	-£164,860	-£159,880	-£142,178

Appendix B

Norwich City Council CPE 2021/22 Forecast Outturn	19/20 Actuals	20/21 Actuals	21/22 Forecast (Jan)
On Street Parking Enforcement			
Enforcement Costs	£1,227,364	£1,001,477	£982,494
Notice Processing Costs	£146,713	£104,737	£124,739
Income			
Enforcement (PCNs)	-£700,375	-£383,529	-£468,196
Enforcement Surplus/Deficit - City	£673,702	£722,685	£639,037
On-Street Pay & Display and Permits			
On-Street Pay & Display Enforcement Costs	£272,802	£251,467	£110,591
Resident Permit Enforcement Costs	£531,446	£846,250	£947,322
Income			
On Street Pay & Display Income	-£633,575	-£250,291	-£415,934
Resident Permit Scheme Income	-£743,189	-£714,125	-£822,170
Dispensations Income	-£47,669	-£48,532	-£70,682
On-Street Pay & Display and Permits - City	-£620,184	£84,769	-£250,872
Bus Lane Enforcement			
Maintenance and Back-Office costs	£250,319	£194,972	£272,369
Income			
Enforcement	-£406,318	-£200,399	-£275,428
Bus Lane Enforcement - City	-£155,999	-£5,428	-£3,059
City Subtotal	-£102,481	£802,026	£385,105
External Contributions			
Prior year adjustment	£0	£31,644	-£134,053
MHCLG Loss of Income Claim	£0	-£720,434	-£122,081
Capital Contribution	£35,640	£0	£0
Subtotal	£35,640	-£688,790	-£256,134
Latest Forecast (Surplus)/Deficit Outturn 2021/22	-£66,841	£113,236	£128,971