
REPORT FOR RESOLUTION

DATE: 26th January 2010

SUBJECT: **Defraying the expenses of the Joint Committee
2010/11**

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

PURPOSE OF REPORT

To establish the basis for local authorities who are participating in the Joint Committee's arrangements to contribute to expenses during 2010/11.

RECOMMENDATIONS

It is recommended that:

- (i) The Joint Committee shares its expenses between member authorities in proportion to the number of PCNs issued on the following basis for 2010/11:

ELEMENT	CHARGE
Annual Charge	£nil
Charge per PCN Issued	0.65 pence
Charge per Adjudication Case	£nil

- (ii) Local authorities are invoiced on a quarterly in advance 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 2010/11 are with a view to the service continuing to be self-financing. The reserve (£532,368 at 31 March 2009) can be drawn upon in the event of the income not being sufficient to match the expenditure during 2010/11.

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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. Local authorities are required to fund adjudication as part of their powers.
- 1.2 The PATROL Adjudication Joint Committee agreement provides for the Committee to decide the cost sharing arrangements.

2.0 BACKGROUND

- 2.1 The PATROL agreement provides for the adjudication service to be operated on a self-financing basis with revenue obtained from contributions made by participating local authorities. An estimate has been made of the likely service take up during 2010/11. The level of contribution has been based on this predicted service activity. It is the practice only to charge 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 2010/11 estimates have been based on this appeal rate and this has been reflected in the proposed contribution.

An undertaking was given to government in the run up to establishing the service that the service would be made available to all authorities in England [outside London] and Wales. In establishing the contribution and considering the options for recommendation the Advisory Board have been mindful of the need to ensure that the contributions are both equitable and not prohibitive to any particular type or size of local authority. Table 1 provides an overview of the Joint Committee's basis for member authority contributions since inception.

Table 1: Basis for member authority contributions

Year	PCN	Annual	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
2008/09	60 pence	£0	£0
2009/10	60/65 pence ¹	£0	£0

Note 1 – the PATROL Joint Committee approved an increase to 65 pence with effect from 1 July 2009

- 2.3 The number of councils joining the scheme has slowed down considerably in 2009/10. In previous years, new councils have had the effect of acting as a counterbalance to the prevailing trend of reduced PCN issue rates for councils that have been in the scheme for some time.
- 2.4 For 2010/11 whilst there remain uncertainties over the economy, the impact of the large number of authorities joining the scheme in 2008/09 started to have an impact in the 2nd quarter of 2009/10 and will continue to do so although this is in turn will be counterbalanced by the prevailing trend of reducing issue rates for councils .
- 2.5 There are a number of options for defraying the expense of the Joint Committee for 2010/11:
- (i) Maintain the basis for contribution as 65 pence per PCN. This could be achieved with a £30,000 contribution from reserves (see Item 15). This would be predicated on reviewing the contribution for 2011/12 taking into account income and expenditure and the reserves position at that point.
 - (ii) To increase the service charge to 70 pence. This would provide some contingency (£197,000) and the potential to replenish reserves to a greater degree (see separate paper).

3.0 RECOMMENDATION

- 3.1 It is recommended that the following basis for contributions be adopted by the Joint Committee for 2010/11.

ELEMENT	CHARGE
Annual	nil
Per PCN Issued	£0.65
Per Adjudication Case	nil

4.0 METHOD OF CHARGING

- 4.1 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 local authorities being invoiced quarterly in advance based on estimated PCN figures and subsequently adjusted when the actual figures become available.

5.0 TRANSCRIPTION COSTS

- 5.1 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.