



# Housing, Communities and Local Government Committee

## Oral evidence: Parking Code of Practice Enforcement Framework, HC 794

Thursday 18 November 2021

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### [Watch the meeting](#)

Members present: Mr Clive Betts (Chair); Bob Blackman; Florence Eshalomi; Ben Everitt; Rachel Hopkins; Andrew Lewer; Mary Robinson; Matt Vickers; Mohammad Yasin.

Transport Committee Member present: Karl McCartney.

Questions 1 - 49

### Witnesses

**I:** Philip Boynes, Chief Executive Officer, Parkingeye; Andrew Pester, Chief Executive, British Parking Association; Will Hurley, Chief Executive, International Parking Community; Stewart Clure, Managing Director, Debt Recovery Plus.

**II:** Steve Gooding, Director, RAC Foundation; Jack Cousens, Head of Roads Policy, The AA.

### Examination of witnesses

Witnesses: Philip Boynes, Andrew Pester, Will Hurley and Stewart Clure.

Q1 **Chair:** Welcome, everyone, to this morning's meeting of the Housing, Communities and Local Government Select Committee. This morning, we are having a one-off session. We are looking at the parking code of practice enforcement framework. That is the situation that deals with motorists who park on private facilities and the regulation of that parking, and particularly with charges that are enforced when motorists do not comply with the rules in place at that location. There was a Private Member's Bill in 2019 that set out the need for regulation and, since then, the Government have been consulting about the code of practice and other relevant matters.

I will come on to our witnesses in a second, but I will just ask members of the Committee to put on record any interests they may have that are relevant to this inquiry. I am a vice-president of the Local Government



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Association. As relates to the next panel of witnesses, I have been a member of the AA for nearly 50 years now, so I will put that on record as well.

**Mohammad Yasin:** I am a member of the Bedford Town Deal Board.

**Rachel Hopkins:** I am a vice-president of the LGA. I employ a councillor in my office. I have been a member of the AA for a number of years.

**Bob Blackman:** I am a vice-president of the LGA. I employ a councillor in my office. At various times, I have been a member of the AA or the RAC, but always one of them.

**Chair:** We can let them fight it out when they come in.

**Matt Vickers:** I have family members who are councillors and employ councillors. I am not a member of the AA.

**Mary Robinson:** I employ a councillor in my staff team. To cover all of the bases, I may, at some point in time, have been a member of the AA.

**Ben Everitt:** There is nothing from me. I have a car.

**Karl McCartney:** I am a member of the RAC and the Lincoln Town Deal Board. I employ a councillor. I know Stewart; we have met before.

Q2 **Chair:** Karl McCartney is a guest from the Transport Select Committee this morning. You are welcome, Karl. Going over to the important people this morning, our witnesses, I will just go down the table and ask you to introduce yourselves and to say who you are and the organisation you are representing this morning.

**Stewart Clure:** I am Stewart Clure. I am managing director of Debt Recovery Plus.

**Will Hurley:** I am Will Hurley, the chief executive of the International Parking Community.

**Andrew Pester:** I am Andrew Pester, chief executive of the British Parking Association, which is a not-for-profit organisation.

**Philip Boynes:** I am Phil Boynes. I am the chief executive of Parkingeye.

Q3 **Chair:** You are all welcome. This morning, on the first panel, we have the operators of parking and debt recovery. On the next panel, we will have the motoring organisations to represent consumer interests, the AA and the RAC. They may have a slightly different view about some of the issues, but we will see where we get to with our questions this morning.

First of all, to the parking operators before us, the Government have said that "parking is a crucial part of our transport infrastructure", but there are widespread concerns about how some parking operators operate their arrangements. As constituency MPs, we have all had examples of people who seem to have received outrageous bills, often racking up as one notice after another is served, if people do not respond to the initial request for payment, which they think is unfair, and no one is listening to



their concerns. It does need sorting out, does it not? Who would like to come in first?

**Will Hurley:** That is one for me to deal with. It is easy to concentrate on the difficulties that are faced, but the reality is that over 99.7% of visits to car parks result in a seamless process, where nobody receives a parking charge. The industry gets the reputation for the very small minority of occasions that result in an indiscretion that results in a parking charge being issued. The reputation shows the importance of parking on private land to absolutely everybody, especially small businesses that rely on the ability to protect their land, so that their customers can park when they need to, instead of driving by, because somebody else is in the bay, and going home and ordering from the internet.

We have seen increased pressure forever now, with the increase of vehicles on public roads. We see a decrease in spaces. A Ministry of Housing report from 2020 recommends the top 15% of local authority car parks that are best placed for housing, which puts increased pressure on parking spaces.

Of course, there is emotion involved as well, and emotions tend to heighten everything. Nobody likes receiving a parking charge. What we have to do is make sure that it is easy to avoid getting a parking charge: have clear signage and have it located prominently. We also have to remember—this is very easy to forget—that we are not dealing just with car parks but with every single piece of private land throughout the country. The reality is that the vast majority of land that is managed by our members is not a car park open to members of the public. It is either a private car park or a no-stopping or no-parking area, and we have to be able to protect those pieces of land.

It is easy to concentrate on the 0.3% of people who receive a parking charge, but the reality is that all of the good work that is done by the industry is forgotten, because it just happens.

Q4 **Chair:** Perhaps that is a very good argument for why there should be an effective code of practice that is enforceable, which the Government are proposing, to make sure that that small number of concerns that you say are raised by people who go to park are properly dealt with.

**Andrew Pester:** If I can add to that, that is why, as an association and as a sector, we have been right behind the Act coming through, and the consistency. What it does is it builds on a model of self-regulation within the sector and provides confidence to the public that consistency will be paramount moving forward.

We have commissioned an independent consumer insight piece of work. That research, yes, demonstrated frustrations with the sector, particularly around inconsistencies and lack of knowledge, often, but it also demonstrated that there is clear understanding of why we need rules and



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regulations within the sector, for the benefit of all, to make sure that we avoid selfish and unsafe parking across society.

One of the key aspects from that survey was that one of the strongest feelings from motorists is that they want selfish and unsafe parking behaviour dealt with effectively, in order for us to all go about our daily lives.

**Q5 Chair:** In terms of enforcement, how it should be done and the code of practice, we have had helpful information from Parkingeye, which you sent to the Committee. Do you want to say a bit more about that and whether you think the Government's proposals are going to be effective in answering the questions? Coming back to the point that Will Hurley made at the beginning, when you are responding to us, could you distinguish between the issue of those places that are open for parking and where people have to park in an appropriate way, and those that are not open for the public to park but they still do?

**Philip Boynes:** Our data shows that, without parking management, the UK loses around 130 million opportunities, visits and footfall to the NHS, businesses, retail and the high street every year. It costs landlords about £165 million in lost tariff revenue. With the introduction of parking management, we see that reduce by around 60%. That brings back to the high street and to the NHS around 80 million visits and £100 million worth of revenue.

In answer to the question, on the level of parking charge, our data also shows that a £100 PCN reduces—

**Chair:** We are going to come on to the level of charges in due course. If there are other issues that you want to raise following the information you gave, that would be helpful.

**Philip Boynes:** In answer to your question on whether the Government's proposal works, there are two things that the Government asked for when the Department set out its aims. The first aim was to align local authority parking and private parking, and the second aim was to put in a parking charge that helped with compliance with parking restrictions and prevented non-compliance. Our data shows that both of those aims cannot work.

Going back to the differences on land, local authority land tends to be land that is paid for and invited. As Will said, private land is very often no parking. Some of it is invited and some is max stay only. Some of it is for patrons and staff only. It is a different range of parking than what you have on local authority. The second part is that local authority works with civil law.

**Chair:** We are going to come on to the difference between local authority and private sector in a second.

**Philip Boynes:** Sorry, Mr Betts, could you possibly repeat the question?



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Q6 **Chair:** You sent evidence to us about the parking code of practice enforcement. Do you think it is fit for purpose?

**Philip Boynes:** The code of practice goes a long way to bringing regulation and compliance to the industry. Although the code of practice can work, the problem with the Government's proposal is with the PCN value. Sir Greg Knight, in his Parking Bill, said, "The clear majority of car park providers are honest and fair but unscrupulous rogues are undermining the whole sector with bad practice". The code of practice will go a long way to stopping that. It will not impact operators that operate outside the trade associations. Also, the PCN value, as it is set, will make 62% of those operators insolvent, so the code of practice does not go far enough.

Q7 **Chair:** That is a helpful point. I will just come to one issue and then bring Karl McCartney in for a supplementary. Is the scrutiny and oversight board relevant or needed?

**Will Hurley:** It is a great step forward. The one thing that has been lacking from the industry is the transparency of what happens at the highest level: the scrutiny that is faced by the trade bodies and the parking operators. I talk for half the industry, but I think I can say for the entire industry that we are in support of many of the things that the Government want. We are absolutely on board with the suggestion of a single code and a scrutiny board. Those things will improve the industry, without any doubt in our mind.

Q8 **Chair:** Does anyone disagree with that?

**Andrew Pester:** The scrutiny board, the single code and an independent appeal service are all really important to provide the confidence that the public need. On the code, it is regrettable that some commentators on the parking sector tend to focus on the myths rather than the facts. With this Act and the arrangements coming through, there is a great opportunity for education across the sector in relation to the new requirements, because it is that that will help to build motorists' expectations and give them a clear understanding of what they should expect when they are arriving on private land.

**Stewart Clure:** We support the debt recovery aspects, the scrutiny board, the single appeals charter and a single code of practice. We believe that the extra governance that it will bring to the industry will get rid of the myth of private parking operations not performing, not being professional and not adhering to high standards. We welcome this governance to demonstrate the levels of professionalism that we provide.

Q9 **Karl McCartney:** Will, sorry, I got interrupted before saying that we had already met as well and discussed some of the issues before.

I just want to delve into some of the stats. We are looking at 0.3%, but how many of those are parking charges that are levied against people who are parking in organised car parks but did not pay, and how many



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are against people parking illegally? Philip has touched on some of the costs, but what are the numbers, if you can give me them?

**Will Hurley:** It is interesting. There is a huge difference between those issued on public land and those issued on private land. I would need to check the data, but I think it is about 34%<sup>1</sup> that are issued for people not paying when they go to a car park and are supposed to pay. It is the biggest problem on private land.

Q10 **Karl McCartney:** That is 34% of 0.3%, which is roughly how many?

**Will Hurley:** 34% of all tickets issued are issued for people not paying. I just need to check that. That is a recollection, but I can certainly check and confirm whether or not that is accurate. I did some analysis of about 45 million visits in 2019, 2020 and 2021, to see what the trend was. It showed that, in 2019, 0.36% of visits resulted in a parking charge. In 2020, it was 0.3% and, in 2021, it is 0.13%. This is all on about 45 million visits every year.

What we have to remember is that we are relatively early. The legislation came in in 2012. There has been a steady increase. People are starting to understand more and more how private land is managed, and that shows that there is a significant drop in the number of people who are facing difficulties.

Q11 **Karl McCartney:** Geographically, what is the spread? Is it right across the country? Is it more urban, or does it really not matter where?

**Will Hurley:** It is right across the country, in England, Wales and Scotland, absolutely everywhere. That is one of the difficulties.

**Chair:** We will move on now to the issue that you all really want to talk about, which is parking charges.

Q12 **Mohammad Yasin:** The Department has now proposed a hybrid model for private parking charges that is aiming to bring charges in line with local authority penalties. Can you explain how the new system differs from the current model for charges?

**Will Hurley:** The new system adds an element of proportionality, which is probably something that I welcome—the suggestion of tiering. Where people's contraventions have less culpability or there is less harm to a landowner, they should be in a lower category, but they still have to be set at a sufficient level to deter. At the moment, there is a flat cap, albeit a significant proportion of companies do not work at the maximum level. We have done some analysis that shows that there are certain industries that feel that a lower level is right for them, and it works, as opposed to having a very low cap that everybody then operates under.

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<sup>1</sup> Mr Hurley subsequently contacted the Committee to clarify that, in total, 35.98% of all tickets issued were for not paying



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I welcome the proportionate approach, on the basis that the detail works and that the level of the cap is flexible enough that it can be set at the right level in the right locations. I do not think it is simple enough. One of the proposals is that inside London and outside London should be dealt with differently, but parking is not that simple. Just on the outskirts of London, we will have commuter hotspots, where train stations face real problems and real impact on local residents who come home and cannot park in their bays or next to the railway station. We have to look at high-impact locations across the entire country as opposed to simply saying London and outside of London.

My real concern is that, as proposed at the moment, we will end up with locations that cannot be managed without the landowner being significantly out of pocket, and then London, where people may well be able to work within the confines. It concerns me that we will end up very much with two tiers, with land that can be managed and land that cannot.

**Andrew Pester:** The proposals and measures within the Act clearly build on the self-regulation framework that has been developed over the last 20 years. In 2006, we introduced our first code of practice into the sector. In 2007, we introduced our approved operator scheme, which was the blueprint for accredited trade associations moving forward. In 2012, we introduced POPLA for parking on private land, which has enabled nearly 400,000 motorists to gain a free, independent appeals mechanism, which has been tremendous.

What the framework that has been put forward does is it enables consistency. We currently have two codes in the sector, and there may be more in the future. Having one code will provide that consistency and surety for motorists. That is a really important demonstration.

When you are a motorist and you are driving on to private land, what you need is to have confidence that you are entering into a contract that is both reasonable and transparent, and has consistent processes attached to it. That is where the Act can add significant value.

**Philip Boynes:** I would like to share some of the data, if that is possible. The hybrid proposal, which tries to align the two regimes, does not work, as I discussed before, but the parking charges are the real issue. Our data shows that parking management reduces non-compliance by about 60%, which, in effect, takes every 10 breaches of parking restrictions down to four. In terms of the PCN value, the Department's proposal of £50 reduced to £25 would only reduce that by about 20%. In effect, what is going to happen is not only an impact on the industry but that it will result in levels of non-compliance doubling, which obviously has an impact. In effect, we would probably see something in the region of another £100 million of lost revenue to businesses. We would see circa 80 million of lost footfall to the NHS, to retail and to the high street.



The impact of that is on motorists and consumers who have less opportunity to park. It is on the high street, where shoppers will move away from bricks-and-mortar high streets to online. It will result in fewer opportunities for patients and visitors to visit hospitals and for staff to park. We will also see bigger traffic jams, as people struggle to park and raise CO2 emissions.

We fully support the code of practice. We fully support the appeals charter, which was put forward by us anyway. I would suggest that could go further. The appeals charter addresses some of the concerns of motorists. One of the reasons why the industry has a bad reputation is the inconsistency in how operators deal with appeals. We would suggest that that could go further and look at turnaround times, ratios between staff and number of appeals. We would suggest that, if you receive a PCN, you should know well in advance, from a well-publicised charter, what to expect, what the appeal should be and what the result should be. It should not be, for a motorist, a lottery in terms of which operator it is, so we welcome the appeals charter.

Unfortunately, the PCN value, as the data shows, undermines all the good work in the code of practice and the appeals charter, because it will remove around 62% of the most professional operators—those who practise health and safety, training and development, HR and maintenance crews. The really professional operators will become insolvent. It will leave landowners, the NHS, the high street, motorists and consumers in the hands of the very operators that Sir Greg's Bill was trying to stop.

**Stewart Clure:** To support that, we do have evidence. We carried out the equivalent of a £50, down to £25, PCN at various sites throughout the UK through a few operators. The impact of reducing a tariff from £100 to £60 to £50 to £25 was that two and a half times more charges were issued on the land assets that we reviewed, so there was a significant increase, which proved the point that the deterrent was not sufficient to support that structure on private land.

Q13 **Mohammad Yasin:** Do you agree with the aim of aligning private parking charges with local authorities' charges? What issues can you see in implementing the new model?

**Stewart Clure:** I can give my view, but Will is probably best placed. In my view, they cannot be aligned. Public parking follows statutory powers. For private parking, it is contract law. There are more teeth available, from issuing all the way through to debt recovery and court cases. Public land parking charges can be escalated far more quickly, with far more consequences, than those for private land. In comparison, private parking charges need to be higher than what is out there on public land, just to have that deterrent from day one. I am sure that Will can support that.

Q14 **Chair:** If you are going to agree with someone else, can we just say "agreed"? If we go down the table for every question, we are going to be





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here for an awfully long time, and we do not have an awfully long time.

**Will Hurley:** There is a slight expansion that I would like to make in relation to local authorities. It is comparing apples and oranges. They are fundamentally two separate legal frameworks. The powers of local authorities are significantly different to the powers of private organisations. Many years ago, when I trained in law, I was told, "Do not go and get an old law book when you are looking at something new".

Essentially, the framework for local authorities was decided back in 2002, when the transport infrastructure was extremely different. Trying to align with that and not considering the problems that modern society face is a problem and would cause real issues.

There are certain principles that I would like to adopt from local authorities, such as self-financing, so that it is those who breach the rules who pay for the enforcement regime. That is absolutely a principle that should be right. It should not be the landowner who is out of pocket. We cannot know that until we know the cost of the regulatory framework, the levy, the appeal service and the certification assessment.

The aim of the enforcement mechanism has to be 100% compliance. That is something that the Scottish Minister made very clear recently when they were consulting on increasing the amount of the penalty charge in Scotland. That has to be it. We have to have a framework that deters people from doing what they should not do and that makes it very easy to do what you should and are allowed to do, and that is with clear signage.

There are certain aspects from the local authority. Let us have clear signage and a framework that works. Let us have it self-financing. Let us aim for 100% compliance, but let us not mirror aspects that were decided in 2002 for something that is very different.

**Andrew Pester:** Operationally, structurally and legally, they are very different arrangements. The escalation of charges within the two sectors is quite different, so a direct comparison makes it very tricky to come through. For example, on the local authority side, there is a 50% increase before the statutory debt recovery process begins. There is an £8 fee, recoverable when registration happens. There is an additional £75 at the enforcement agency when they begin the compliance stage. Those fees, together with the additional fixed fees of up to £345, plus certain expenses, are all laid out in statutory regulations. Taking that from the private parking sector side, a £60 parking charge escalates to £250, so the costs are quite different.

The strong consensus from local authorities is that the level of charge that they currently deal with is insufficient in many cases. We have seen the recent consultation in Scotland around the level of the penalty charge, and they are looking to consider increasing that charge in order



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to drive more compliance within the sector and to enable people to move around.

We also undertook a piece of research with our local authority members. 91% of them say that the current penalty charges outside of London are not high enough to prevent illegal parking. 69% believe the penalty charges outside of London should mirror those inside London. 95% agree that the penalty charges in England and Wales should align with those currently being proposed in Scotland.

**Q15** **Mohammad Yasin:** What consequences could a failure to properly enforce private parking arrangements have on businesses, motorists and others?

**Philip Boynes:** I can take that with the data. As I pointed out before, without parking management the UK loses 130 million visits a year—footfall to businesses, the NHS, retail and the high street—and around £165 million of tariff revenue. That is what happens without parking management. Once that is introduced, it brings that down, even with parking management in the UK with a £100 cap that is reduced to £60. Evidence shows that most motorists pay that at the discounted rate, but even with that we still lose around £65 million a year and around 50 million visits to the NHS.

If parking operators were to become insolvent or if parking management was changed, we would see a return to those levels of non-compliance and those breaches of parking restrictions, and that lack of opportunity for motorists and consumers to park at their destination, with the knock-on effect that that would have on businesses in the high street.

**Chair:** We are going to move on now to the consequences of the changes proposed.

**Q16** **Andrew Lewer:** This is for Parkingeye. You predicted catastrophic consequences for the industry if the proposed changes go ahead. Indeed, you have suggested that your own revenues could halve and that around 60% of parking management operators could fail. On what basis are you making those levels of claims?

**Philip Boynes:** That was an independent report done by Mazars, which looked at the industry. It took data from the approved operator scheme, from a survey of operators covering about 72%, and from public data from Companies House. They looked at revenues and considered that the industry would lose around 40% of revenue, which was around £100 million. Because of the fixed cost base nature of the industry, that would go straight through to the bottom line.

An IBISWorld report stated that the average profit of a car parking operator was about 2.1%. We can see from that that a drop of 40% in revenue is just unsustainable without significant cost-cutting and significant changes. The impact of that was about 3,000 job losses. 46%



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of operators would become insolvent in the first year, rising to 62% in the second year.

As we have been through before, if that was combined with the £50 PCN, reduced to £25, we would see that impact on the loss of footfall to the NHS and the high street. We would see the loss in tariffs, which flow through into business efficiency, the high street and the NHS.

**Stewart Clure:** If I could add one thing to support Phil's comments, one of the key things that the operators were responding with was that the self-sufficient model that is out there now, which supports private parking management, would disappear. The only parking management style that would potentially come in would be to remove the free parking space model on various types of private land, which would bring back the pay and display structures. If you brought that in on small and large landowners, the impact on the compliant motorist would be quite severe. They would lose the free parking aspect, because the model would no longer be self-sufficient.

Q17 **Andrew Lewer:** Parkingeye has argued for an increase in the caps on charges. What sort of increases would you like to see, and why is that?

**Philip Boynes:** It would not be a wholesale increase. What the data shows is that, with parking management, the levels of breaches of restrictions are reduced by 60%. Even with parking management at the current level of £100, reduced to £60, there are still 50 million lost visits per year and £65 million worth of revenue lost. That would suggest that there are certain cases where there may be cause for a higher deterrent.

I would not suggest that that should be across the board or without scrutiny from the trade associations. It would be on a very limited case-by-case basis. It could be, for example, around an airport, where somebody leaves it at a pub or a hotel and then flies off for two weeks and, instead of spending £150, pays a discounted £60. With the Government's proposal, that would be £25. It might be very extreme cases, so it would not have that much impact across the piece.

I would also not recommend that that happens without the introduction of an appeals charter, which ensures that motorists who make a genuine error, or an error through no fault of their own—that does happen—are not chased for the PCN, are heard consistently across the industry and do not have to pay that PCN.

Q18 **Andrew Lewer:** I was going to ask BPA and IPC whether they also want to see caps on charges increased.

**Will Hurley:** I would like the Government to take the inside London and outside London framework that they have put forward, and the proportionate charges, and look at high and low impact. They still need to address the level of the parking charge that they have proposed in the low impact, because I do not think that it works in too many scenarios. Instead of having inside London and outside London, they should have a



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high impact and a low impact, which are scrutinised by independent oversight.

Implement the code, the standards body and the independent oversight quickly, and then let us look at what the impact is. England cannot win the World Cup in the group stages next year, but they can sure get it wrong very quickly. What I do not want to do is to make the changes too quickly to something, and then realise that the consequences were too dire.

Yes, we need to be looking at the levels of the charges, but until we know the cost of the levy and the single appeal service, how can we possibly know what the right level of charge should be? It should be the person who does the wrong who pays for it. If it costs £50 to pursue a parking charge and it can be paid at £25, the landowner is having to pay for the motorist who breaches the terms and conditions, when they have put clear signage up and made it very clear and simple for the motorists. There is no other power for the landowner.

Make the changes very quickly that will see really good benefits for motorists, with clear and prominent signage, and then let us look at it and assess what the levels should be.

**Andrew Pester:** First, with regard to the Mazars data, which the BPA commissioned, I am very happy to share the assumptions or allow you to engage with Mazars to really scrutinise that piece of work, which was undertaken in relation to appropriate accounting standards, et cetera, and based on available information from BPA members and Companies House.

In relation to the level of the charge, what is really important is that the charge has to be set at a reasonable, proportionate level in order to drive compliance in the sector. That is so important. We have been working closely with Government and, as a sector, we continue to want to work very closely in order to drive the right level for that charge, subject to the arrangements in place and the associated costs. If that level is set too low, the impact, as we have summarised, is significant. Places will become inaccessible and congested.

Q19 **Andrew Lewer:** One of the justifications that has been put forward for these higher parking charges in the private sector is that you have lower rates of collection. Given that this structure depends on each element of this, as you have all described, how is the industry seeking to improve those collection rates?

**Will Hurley:** It is difficult. If we look at the statistics, 10.3% of all penalty charges that are issued by local authorities are issued to people who get it and pay. The private sector sees 5.1%, which shows that the slightly higher level of the parking charge deters. On the flip, on the private side 3.9% of people get it and never pay, and 1.7% in the public



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sector. That is because the public sector process has real teeth for those who persistently abuse people's private land.

The new framework that is proposed by the Government—and this is a real benefit to the industry—sees additional oversight over what are called debt recovery companies, although I prefer debt resolution, because they put a lot of work into resolving it. It is not simply about recovering the amount that is due, but about resolving the issue, seeing whether or not it should have been issued in the first place, and making sure that those cases that are perceived as unfair are resolved, not simply recovered.

There is a lot of work in the new framework that scrutinises what debt resolution companies, solicitors, the high court and enforcement agents do, and that is a real benefit for the industry. We need to make sure that motorists are aware of these parking charges, and a lot of work has to go into that. Unfortunately, not everybody understands the need to change your address with the DVLA when you move house, and work has been undertaken with the DVLA there, so that all needs to work.

We need to allow the transparency, scrutiny and independence that will be put in place to give people the confidence to engage and go away from what they used to do, which was to ignore it: if you receive a private parking charge, simply ignore it and throw it in the bin. Nothing will happen. They are only invoices. That is what the industry has faced for a long period of time, and it has steadily improved as people have started to understand the self-regulation and to trust it. This is the next step, so let us allow people to trust what will be put in place, which could be a fantastic framework that really works.

**Stewart Clure:** On the debt recovery aspect, following on from what Will said, we make every possible attempt that we can to engage with motorists who choose to ignore the initial parking charge that was set out by the private parking operator, who chose to ignore and not take any appeals with the parking operator and who chose not to take any independent appeal options. It then ends up at debt recovery. At this stage, we look at various ways of engaging with these motorists and, as Will rightly pointed out, 17% of cases that arrive at debt recovery stage do not have the correct DVLA details set out, which is a legal requirement to prevent insurance contracts becoming void.

We have to try to engage with motorists through various trace agencies to prevent cases from going to court. If we do not have the right processes or fee structure in place at the start, which promotes governance, fair practice and best practice, and if we are not putting the right scrutiny on all the cases, when it ends up at debt recovery late there is a chance that more cases escalate to court more quickly, with more costs incurred to the motorist. You will find that, as an industry, private parking debt recovery makes every attempt to reduce the number of cases that escalate to court. The number of cases that end up at



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county court stage compared to the number of parking charges that are issued is negligible. It is quite small.

**Chair:** We are going to have to finish by 11.00, and we have three other members to come in, so if you all comment on every question, we are not going to get there.

Q20 **Andrew Lewer:** How about a yes or no on this one? The Government have proposed that charges should be reviewed by the scrutiny and oversight board every two years, as part of the wider review into the code of practice. Is that the right approach and timeframe?

**Stewart Clure:** Yes.

**Will Hurley:** Yes. Let them do it on day one.

Q21 **Mary Robinson:** The Department has proposed a 50% discount for early payment as opposed to the minimum 40% discount rates currently offered. What do you make of this proposal, Andrew?

**Andrew Pester:** Again, it comes back to looking at the proposal on the table in its entirety in relation to making sure that what is delivered drives compliance. That has to be the key area and it has to be fair, transparent and proportionate. Those are the underlying principles. That is what we really want to have the conversation with Government around and why we have been calling on Government to reconsider the proposals that they have on the table in relation to the level of the charge. If that is sufficient, the wider framework holds and all of the laudable aims and the provisions provided by the Act can really come together collectively.

**Philip Boynes:** Some of the data that we have looked at suggests that, for a £100 PCN, increasing the discount value from 40% to 50% would increase non-compliance by about 38%; on a £70 PCN, discounted to £40, with that discount increased to £35, we would see an increase in non-compliance of around 23%. If you look at that in the round, without changing the PCN but just changing the discount value, that is probably going to increase the levels of lost revenue from tariffs by about £25 million, and lost footfall opportunities for the NHS and the high street of about 16 million.

Q22 **Mary Robinson:** Why should private charges be any different from local authorities' charges? Why should there be a difference in the discount? We have discussed the rest of it in terms of the charges, but why on discount?

**Philip Boynes:** What the data suggests is that having a bigger discount has more non-compliance. From the BPA survey, something like 91% or 95% of respondents from local authorities said that their current levels do not work. Our data suggests that the current levels in local authorities do not work. Moving it to something that does not work is not the answer. The data suggests that moving it towards that structure will have significant negative impacts for all stakeholders, motorists included.



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Q23 **Mary Robinson:** Can I just be clear? When you say it would increase non-compliance, are you speaking about people breaching the contract?

**Philip Boynes:** Breaching restrictions, absolutely, yes.

Q24 **Mary Robinson:** Are we then saying that, when people breach the contract by parking somewhere where they should not park, they are thinking to themselves, "With the discount rate, it is not worth bothering"? Is this what is going through their minds?

**Will Hurley:** There are certain occasions where that is the case. On day one, probably not, but as a system is rolled out, everybody appreciates, "I can park somewhere and not do what I am supposed to do, and I have to pay only X amount"—£25, which is proposed by the Government. The true deterrent is that reduced rate after a period of time, because people will look at it and say, "£25 is cheap for a day's parking for me in certain locations", or, "It is worth the risk of parking". We have seen it in rural locations, where there are cars up and down every single street, and emergency vehicles cannot get there, because people think it is worth the risk to have that day at the seaside, because of the pressure that is on the local parking facilities. It is the true deterrent.

One of the things that puzzled me a little bit about the suggestion of alignment with local authorities is that, for years, the industry has been told, "Make sure you are different, because the consequence is different. It is a different process. Do not call yourself a PCN, because that makes you look like a penalty charge and people get confused". That is part of the suggestion in the framework: do not call it a PCN but make it identical in other ways. Let us make it clear for a consumer that there is a very real difference between a penalty charge and a parking charge on private land. One of the ways to do that is to differentiate the level of the reduced amount.

The reality is that the percentage of the reduction is less important than the physical amount as to what it is, but it is a good way of differentiating than private penalty charges.

**Andrew Pester:** Our approved operator scheme census indicated that 82% of motorists pay the charge at the discounted level, so that is seen to be the true deterrent.

Q25 **Mary Robinson:** We have spoken about the potential impact and the viability issues that may arise from this. Philip, would the financial viability issues that you warn of resulting from the higher discount not, therefore, be addressed, in part at least, by the increase in parking charges instead?

**Philip Boynes:** There are two things to that. First, with the cost-based nature of operators, if you halve the revenue and the cost stays the same, without significant cost reduction, in effect you just issue more loss-making PCNs and you become insolvent sooner.



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The second point is that we are not really about issuing lots of PCNs. We are there, in effect, to stop or reduce non-compliance. Sitting back and issuing more PCNs in the hope that it gains more revenue is the absolute opposite of what we are here for.

We are here to do two things. We are here to protect landowners, the NHS, the high streets, businesses and retail from the small minority of motorists who breach parking restrictions. At the same time, our second role, which is where we welcome the code of practice and a robust appeals charter, is to protect motorists from the minority of operators whose behaviour is not where it should be.

We see two things. We see the PCN value to deter non-compliance and we see an appeals charter to protect motorists, and that is why we are really concerned that the effort should really go into the appeals charter to make sure that it does what it is supposed to do.

**Chair:** That leads us nicely into the next question, which is on the appeals charter.

Q26 **Matt Vickers:** The Department states that the new appeals charter and single appeals process will ensure fairness, public confidence, transparency, proportionality and improved standards in sector. How do the proposals compare to the framework that currently exists in the sector?

**Andrew Pester:** The appeals charter absolutely builds on the self-regulation within the sector, but what it does is consistency and managing the expectations of motorists. When a motorist enters that private parking land, they know what to expect if something happens. "Something" might be a simple keying error. We often hear about the zeros and Os being mixed up. A fair, proportionate approach there will provide consistency through the charter for the charge, as part of the appeals process, to be cancelled. That is really important. As Phil said, it is a crucial element for motorists moving forward.

Q27 **Matt Vickers:** Do you think the appeals charter will meet the objectives, or is there anything else that should be included in that?

**Andrew Pester:** The appeals charter, as we have seen it, is a really good starting place. As a sector, we believe that it can be elevated and developed over time as well.

**Philip Boynes:** As operators, we could go further. The appeals charter should really be designed so that, if you receive a PCN in error or through no fault of your own, you should very clearly know straightaway what is going to happen. It should not be a lottery in terms of which operator it is.

Equally, to ensure compliance and governance in the industry, there should be an appeals turnaround time, so people should not be sat at home worrying about it. Equally, there should be, potentially, ratios of





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the number of appeals staff. Appeals should be heard by the operators, not just rejected so that they escalate. The appeals charter, which was our suggestion to the Department, could go further.

**Chair:** Thanks very much. We will now move on to the final issue of debt collection, which we have already touched on but want to explore a bit further.

Q28 **Florence Eshalomi:** Coming to Steve Clure first, you touched on this in some of your earlier responses, and one of the main highlights from the Government's consultation was big concerns around debt collection and the fees and practices used by some debt recovery agencies. Do you feel that the Department is right to regulate this area and prohibit the use of misleading and intimidating practices?

**Stewart Clure:** Yes, we are in total agreement. As a whole, in the debt recovery private parking industry, we follow strict procedures, practices and governance that put scrutiny on every private parking charge that we receive at debt stage. I would not like to comment on any individual circumstances or cases, which is perhaps something we could take offline, but when I look at the practices that my company and others introduce, we welcome the scrutiny and governance of our industry. As a whole, we act with utmost professionalism.

The amount of scrutiny that we put on governance, recognising vulnerability and breathing space and making sure that our language that we use mirrors that of what the operators are using, is key to our alignment with each other in the industry. We are aware of certain scenarios where perhaps different methods or ways of communicating are used, but that is probably something we could take offline and discuss afterwards.

Q29 **Florence Eshalomi:** That would be good, because some of the issues are around the tone of the letters that people receive, which I am sure a number of us, as constituency MPs, have received from our constituents. There are concerns around debt collectors turning up at people's properties. Do you feel that, if that is the case—and this is something that your sector is looking at—there should be no problem in terms of full accreditation for the parking association? Is this something that would be welcomed?

**Stewart Clure:** It is absolutely something that would be welcomed. When we look at debt recovery as a whole, we take every case as unique. We make every attempt to engage with the motorist to prevent cases from escalating to court. Even if cases do escalate to court, they are so few compared to the number of parking charges that are issued. The value of that case when it gets to court, whether or not the motorist is successful, is small. It is very rare that you would find doorstep collection on a private parking case. These are few and far between. This is not something that we would encourage. We would rather work in a space with the motorist.



If the new appeals charter is stronger and more robust, we can capture and engage more with motorists at that stage. Even if the motorist is unsuccessful at the appeals stage, we give them the opportunity to discuss the case again at debt recovery. We have sufficient skilled and experienced staff in a contact centre environment who still want to engage that motorist in order to understand exactly what went wrong, how it went wrong and, more importantly, how we can set up a reasonable payment plan for the case that they have been unsuccessful with. All we ask is for them to engage with us, which is the biggest problem and sometimes escalates to cases just ending up in court, with no contact at all.

**Q30 Florence Eshalomi:** In terms of cases that go to court, you see some motorists being issued CCJs, which, as you know, can have such a big impact on a number of people when they are applying for credit later on in life. They will find that they will be refused because of a parking charge that they thought they had settled and tried to engage with. In what circumstances are CCJs used?

**Stewart Clure:** CCJs are used with great caution in debt recovery of private parking charges. Every case is looked at and reviewed. Typically, because of the size of the debt, a single case is not always considered for court. As Will mentioned earlier, it is not the repeat offenders who pay, and do it time and time again, but the persistent evaders who end up in court. If you are asking me whether these people should end up in court for persistently ignoring and evading the parking charges that they are issued, yes, there is a strong case for each of those cases. However, I do support the scrutiny board, which will perhaps help put more governance around the practices that we offer, so that every debt recoverer is aligned on which cases you should pursue to the next stage of CCJ.

**Will Hurley:** The new framework will give us the ability, as the trade bodies, to have the teeth to make sure that there is a consistent approach, that the approach to vulnerable people is the same, and that misleading actions are not taken by anybody. I do not want them in the industry and nor does anybody. That is a huge step forward and an evolution that is very welcome. We do not want everybody taken to court for a parking charge, because you have talked about the consequences of them, but there has to be a solution. That is the framework that we are working within and why I want the whole system to give more confidence to people, so that they engage. Let us get people engaged and dealt with, so that they know whether or not they have resolved their parking charge, instead of simply burying their heads or moving house, which happens. We are an increasingly transient society. We have to get people engaged and to trust the system and the framework. Let us make sure it works.

**Q31 Florence Eshalomi:** When you are talking about the system, people are engaging or trying to engage or to find money to pay the fee, and they are then landed with an additional £70 for the voluntary debt fee. Do you



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feel that this charge is appropriate? The Government are looking at maintaining it at that level in the new system.

**Will Hurley:** We want people to engage at the very first opportunity. Everybody will have that ability to pay at the very reduced rate and to appeal to an independent body. If people get to the point where it is not resolved and they have decided that, having had all of those options to resolve the matter, it needs to be pursued further on, there is, sadly, a cost to that. Putting factors in place that will deal with vulnerable individuals or with people who have moved address and are difficult to locate, and making sure that they do not simply end up with a CCJ, has a significant cost. It is right that those people who fit within making the additional cost have to pay that cost.

**Andrew Pester:** Consistency and professional debt recovery agencies are absolutely essential because, after the appeals process has run its course, it provides another opportunity, often for the most vulnerable, to provide support in relation to payment plans and making sure that breathing space initiatives, et cetera, are all really adhered to. That is another key element to preventing it escalating any further.

**Stewart Clure:** As Will and Andrew touched on, the fees represent the amount of work, scrutiny, processes and diligence that we put into every case to make sure that we identify the right cases that may escalate to court and that we have highly skilled staff who are trained to deal with vulnerability, to recognise breathing space options and to put in place suitable payment plans for affordability, to make sure that we are not putting people further into debt and vulnerable situations. All of this takes time and technology. We have to keep moving forward to make sure we gain every contact that we can through trace agencies and to recognise that, for those who are just ignoring the process and ignoring what we do, where we have made every possible attempt, whether by telephone, text message or new address searches, all these things cost money. If we were to drop down our fees and it reduced, first, the deterrent would not be strong enough and, secondly, the model would not be self-sufficient.

**Chair:** We are going to have to bring it to a close there, because we are right up against the time limit. Thank you all very much indeed for coming and giving us a lot of information today about the issues. They are clearly very relevant to you and, indeed, to all of us, but that has been really helpful to the Committee. We appreciate it. Thank you very much.

### Examination of witnesses

Witnesses: Steve Gooding and Jack Cousens.

Q32 **Chair:** Thank you both very much for coming and being our second panel this morning. To begin with, I will ask you both to say who you are and



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the organisation you are representing.

**Jack Cousens:** Good morning. My name is Jack Cousens. I am head of roads policy at the AA, the Automobile Association.

**Steve Gooding:** Good morning. My name is Steve Gooding. I am the director of the RAC Foundation. It is not the RAC breakdown company but a small research body that was set up by the Royal Automobile Club back in the 1990s.

Q33 **Chair:** Thank you both for coming this afternoon. The issue of parking is a very relevant one to motorists, and you are both here with the interests of motorists in your brief. Do you think the Government's proposals on the code of practice and enforcement framework for parking on private land go far enough to make sure that consumers feel protected and have confidence in the system?

**Jack Cousens:** This is a very good first step. However, it is fair to say that, over a number of years, the driving public's perception of private parking operators is not in a very good place, so it means that there is going to be a heavy amount of scepticism already lumped into the final process, code and appeals charter. It really will be a case of the pudding being in the eating. Drivers hope that they will get a fairer deal, but we will need to wait and see as to what the reality is.

**Steve Gooding:** I would echo what Jack said. The framework has all the potential to work well and we are particularly supportive of things like having a single appeals body, so that all the appeals go to the same place. On things like the scrutiny board, we are going to need to see quite what form that takes and quite how diligent and persistent they are, because, after all, we are not really talking about the majority of cases where people are parking; we are talking about a small percentage of a very large number. It is those cases of the perhaps less responsible companies that we need to see weeded out.

Q34 **Chair:** What the parking operators were telling us this morning—and certainly Parkingeye, who were one of the witnesses—is that the whole of the arrangement in private sector parking management is about ensuring that there is more parking available, on a reasonable basis, that motorists can come and pay for. What they do is protect motorists who want to come and pay for what is available or to take advantage of something that is free for them because of particular circumstances, and to protect them from people who come and abuse the system and try to get something for nothing. Is that your understanding of how it operates?

**Steve Gooding:** That is the core of their business but it is also important to recognise that what the Government are trying to cover are two rather different things. One is instances where Jack and I are invited to come in and park, but perhaps there are some rules that we need to follow. I am thinking of my local supermarket, which says, "Please come and park here. We want you to come to our shop. Do not stay more than two



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hours". There are issues about whether play fast and loose with that two hours.

There is a separate thing, which is private land where perhaps I am not being invited to park at all, but for some reason I have decided that my interests are more important than the landowner's. The companies we are talking about cover both areas. Indeed, they cover things like parking restrictions and stopping restrictions on industrial estates. A lot of the problems arise in places like the parking for residential apartment blocks, where, perhaps if they are in the centre of town, people think, "I will just go and park there. I do not have an apartment. I do not know anyone there, but no one is going to mind", but the people who live there do mind, because there are only enough parking spaces for the residents. It is in those cases that we tend to see more problems.

**Jack Cousens:** That is right. To build on that, when a driver turns up to park somewhere, for the vast majority of the time they do not know and, to a certain extent, do not really care who owns that car park and who is managing it. They simply want to go into the car park, comply with the rules, do their business and go away. It is only once it comes to the problem where there is a parking charge notice issued that there is a roll of the eyes from drivers, because they think, regrettably, through years of issues that drivers across the country have seen, "Oh no, I am going to get a raw deal here".

What we see in the vast majority of cases is that drivers pay up early, simple because they do not want the long, drawn-out process where they feel their concerns are not being heard or listened to, and they just feel that the simplest thing to do is to pay up and get it to go away. We have to move away from that mentality. That is not just from the driver's perspective; there also seems to be an acceptance that parking charge revenue should be a cornerstone of these operators' running costs. It should not be. The reality is that we want to get to a position where there is 100% compliance across the board, whatever car park you use.

Q35 **Chair:** We will come on to charges in just a minute, but when we do, perhaps you could address the difference between parking in a place where parking is allowed but someone overstays, as opposed to parking in an area where people are not allowed to park. There is a distinction that you might want to come back to.

Finally from me, do you support the establishment of the scrutiny and oversight board and the new regulatory framework that it is going to oversee?

**Jack Cousens:** Very shortly and simply, yes, we do.

**Steve Gooding:** Yes, very strongly.

**Chair:** Thank you very much for those very succinct responses. It is appreciated.



Q36 **Rachel Hopkins:** The Department has adopted a new hybrid model for charges, which aims to bring private parking charges more in line with local authority penalties and therefore have greater consistency for motorists. Do you agree with this aim?

**Jack Cousens:** Yes, we do. By and large, a driver does not necessarily think, when they get a penalty fine or a parking charge notice, whether it is a higher, middle or low tier. All drivers really want to do is find somewhere where they can park, park legally, comply with the rules and get on. The Chair is right that there is certainly a difference and a change where people are invited to park in a specific location and where they are not invited to park and somebody quite clearly chances their arm. We agree that there have to be some rules and some teeth in order to prevent that from happening.

Where we are looking at where there is an invitation to park, drivers just want to understand, as soon as they get into that car park, what they are expected to do, how they comply and, if it goes wrong, be it something they have done accidentally or a complete flagrance of the rules on their part because they have decided to be rather cheeky, what the consequences are. Drivers just want a level playing field, regardless of whatever they are doing in that car park.

**Steve Gooding:** There is a logic to it. As Jack said, most of us probably do not take much account of whether we are going into a publicly owned or a privately owned car park. I would perhaps draw a distinction between the private land point that I made to the Chair earlier, in that there is a case for doing something different there. The risk—I have raised this with the Department—is that they are moving towards something that is akin to the local authority model but are in danger of coming up with something that is just a bit too complicated for its own good. Looking at the consultation document again this morning, there is quite a long table of what all these different charges might be in different circumstances, and there is a case for simplicity as well.

Q37 **Rachel Hopkins:** Parking operators have argued that caps on private parking charges should be higher than those imposed for local authority charges. Would increased charges represent a fairer and more proportionate deterrent for motorists?

**Jack Cousens:** I do not think it will do. Again, people do not park in the car park and chance their arm because they think, "If I get this wrong, I am going to be charged £X". That is not how drivers think. Drivers simply want to park, pay the rate and get on with their day. Indeed, that is really what we have to get to with all of this: how do we achieve 100% compliance? We achieve 100% compliance by making the rules so simple and easy for everybody to understand that there should be no need for a parking charge notice or a parking fine. That is the world we have to get to, and it needs all of us to play our part, be it the local authority, the private operators, us representing drivers, and drivers themselves. We also need to do a little bit of education for drivers in terms of, "When you



go into a car park, these are the things that you should look for to know what you are entering into”.

**Steve Gooding:** If the Government think a certain amount of money is enough to be a deterrent to stop drivers from breaking the rules on the public road, it is not immediately clear to us what the logic is for it being a different number in different circumstances. I know the parking companies have said that that might not be the case for private land where we are not being invited, but the two things of matching up with the local authority system and exactly what the level of the charge should be do not have to be exactly the same, but, like I said, there is a logic to them being consistent and not confusing.

Q38 **Rachel Hopkins:** The Government have proposed that charges should be reviewed by the scrutiny and oversight board every two years as part of their wider review of the code of practice. Is this the right approach and timeframe?

**Jack Cousens:** Yes, it is. There is something that we could collectively all do to go a step further. When private operators, and, indeed, local authority operators, apply to the DVLA for into, they have to fill out a V888/3 form, which is a request for the driver’s information. On that form, they have to declare the reason why they are asking for this information. Within the consultation, it has very technically laid out, “These are the contraventions and these are the tariffs”, whether they are higher or lower.

What we should do is get them coded, so that they are easy to understand, and they should be published, so that we can understand what private operators and, indeed, local authorities are asking information for. Is it consistently because people are overstaying their welcome? Is it because of non-payment? What is the reason why we are asking for this information? Even better and further still, let us know the location of these car parks or where there is no invitation as well, because then we can understand whether there is a fundamental problem with the top 10 car parks. Is it because the signage is poor or unclear? We could get to the bottom of those and create a much better system where we can understand what the failings are and how we can improve them.

**Steve Gooding:** Having access to data like that which Jack described is going to be key if the scrutiny body is going to be able to see what is really happening, and to understand and work out where it needs to put its attention.

Q39 **Mary Robinson:** Parking operators have argued that the proposed 50% payment discount rate for parking charges will double the amount of non-compliant parking. Do you agree with that assessment? What are your views on the level of discount that should be offered to motorists who pay off their parking charges promptly?



**Steve Gooding:** It is not completely clear to us how the percentage of non-compliance is arrived at. I just wonder whether that difference is really going to fuel a lot more people flouting the rules. I do not think any of us want to have to pay out £30, £40 or £50. I certainly resent it every time I have to pay out £20 for something, so I am a little sceptical about that, to be honest.

**Jack Cousens:** Indeed, I share that scepticism as well. It is in a driver's interests to pay £2.50 for the parking fee as opposed to £50 or £40, or whatever the percentage split is of the charge that is being levied at them. Again, that is the simplicity of this: what can we do to make sure people comply with the rules?

Q40 **Mary Robinson:** That really is at the heart of some of the answers that we were hearing earlier, so it is an interesting question. What is your view? To what extent do parking charges and discounts determine the behaviour of a person who goes to park?

**Jack Cousens:** Drivers' behaviour is fundamentally, "What do I do to make sure I comply with the rules?" We have to accept that there are a very small minority of road users, be they motorists or motorcyclists, who will try to flout the rules and get one over on the system or play the man, et cetera. However, those experiences are so few and far between that what the discount rate of a parking charge notice comes up with does not enter a motorist's mindset when they come to park.

We have a system within the local authority that says 50% and it seems a nice marriage to try to make it uniform across the board, simply because it makes it nice and simple for drivers to understand.

**Chair:** We now move on to the appeals charter, which is an important part of the new system.

Q41 **Matt Vickers:** I have one question off-piste. On parking charges, you have said that you do not think that there should not be a difference between local authority charges and private sector parking, but do you agree that the cap is too low in terms of providing a deterrent? You have this perverse situation where someone might park somewhere where the fine is going to be less than the charge to park when you have dumped your car at the airport for three days. Do you agree that the cap is too low to provide a real deterrent?

**Steve Gooding:** I am not convinced that the cap is too low, but what the Ministry is going to have to wrestle with is the fact that there is a deterrent as to why I should not take more than two hours to complete my shopping in a supermarket when I thought I was going to be able to park for free, and a deterrent as to why I should not go and park in your parking space, if you have an apartment and a designated parking space but no barrier. I probably need a slightly stronger deterrent from straying on to your land than I do from being tempted by the coffee shop in my local supermarket.





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Q42 **Matt Vickers:** On the appeals process, the Department states that the new appeals charter and single appeals service will ensure “fairness, public confidence, transparency, proportionality and improved standards”. How do the proposals compare to the current framework?

**Steve Gooding:** The current framework has the two main parking trade associations running their own systems. We have said for some time at the foundation that it would be much better for all concerned if there was a single appeals services that was clearly independent and making consistent determinations, regardless of which association the parking company belongs to.

Q43 **Matt Vickers:** Do you think the proposals will meet the objectives or is there anything else that we should be including in there?

**Steve Gooding:** The really key thing—I fear we keep coming back to this—is that the proposal looks right and that the statement of what it is going to do is what we want. In terms of exactly what form it takes, how many people are going to be working there, with what budget and with what access to data, the devil here is in that detail.

**Jack Cousens:** That is right. For so long, motorists have been so sceptical and scathing of the private parking world. This is all working in the right direction. It is a real opportunity to get things right. However, there is this real nervousness about what it will achieve. Steve put it absolutely right—it depends on how they tackle certain things, what funding they get, and how many staff are working there. All of that has to be fleshed out in the right way in order to get the result that we want, which is a fair system for everybody.

Q44 **Bob Blackman:** In the Department’s technical consultation, they have said that there are “widespread concerns ... raised by consumer and motoring organisations”, which I guess covers you guys, “about the fees and practices of some parking debt recovery agencies”. Are the concerns shared by your organisations? If so, do the proposals answer those concerns?

**Steve Gooding:** We do share the concerns. I cannot speak for Jack, but I suspect as much. I heard some of what you were hearing this morning from the previous witnesses. What happens when things are working well and when companies are behaving responsibly and trying to do, as you heard, debt resolution rather than debt collection? We are all for debt resolution and for that working well, but it is not universal.

There are multiple instances, and I have heard from the Committee this morning that your mailboxes will have instances from your constituents—they are not the majority but it is a small percentage of a very large number—where things are not like that and where people receive letters that they regard as threatening or they find that they are in court when they were not expecting to be. That is where we need to focus the attention. The vast majority of parking instances cause no trouble at all,



but down here is a world of papercuts and pain, and that is what we need to root out.

**Jack Cousens:** I agree. In our mailbox, we get fairly regular correspondence from our members who say, "We have received this", and either they were not expecting it or the language threatens and intimidates. Again, drivers have that real sense of fear, once they receive that, because they are aware of the consequences of the CCJs that we know are issued. Ultimately, we need to try to shift away from that process. Absolutely, debt resolution is a way forward, but it also feeds into the wider narrative.

Because motorists have been burnt with CCJs before, that is why, when drivers receive one of these notices, they simply think, "I am going to pay it quickly, because I do not want to enter into that world where it could go catastrophically wrong". Even with an appeals process as it has at the moment, they do not feel they will get a fair hearing, so they pay it early, or they try the first-level appeal, which does not get heard, and they go, "I do not want any more of this, because my costs could escalate or I end up in a CCJ", so they just pay quickly in order to avoid that hurt.

Q45 **Bob Blackman:** One of the things that the Department is saying is that all debt recovery agencies should be full members of an accredited parking association and be certified against a new certification scheme. Will that answer the concerns?

**Steve Gooding:** To a large extent, I would hope that it would. We come back to the fact that all the elements of the framework need to be looked at together. In terms of being a member of the association and, therefore, being subject to certain rules, complying with what the single code of practice says, and being subject to independent scrutiny that, if there is a suspicion that they are not complying and, potentially, that the trade association is not being as strict with them as we might like, that is where the scrutiny body comes in. The framework has all the potential to work.

**Jack Cousens:** In short, yes.

Q46 **Bob Blackman:** You probably heard from the other witnesses about the caps on charges. At the moment, there is a voluntary cap of £70 on debt collection charges, and often added to charges if not paid within 28 days, so there is an escalation. Is that the appropriate fee on top of the parking charge owed? You may have heard from the witnesses earlier about their costs and so on. Is it right, for example, that the motorists who pay the correct charges are getting penalised because they have to cover the operating costs of debt collection?

**Jack Cousens:** It is a tricky one to answer. Ultimately, we want to see as few drivers as possible in that pool. A fee needs to be set that is correct. On balance, perhaps the Government's level is right. However,



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we need to be focusing on the front-end of all of this, which is how we avoid people getting there in the process. That should be the key goal here. Certainly my key goal is that I do not really want drivers to end up in this pool where there is a lot of money to be paid out. It particularly seems to fall on those on low incomes or who are vulnerable, whatever the case may be, but we have to try to get people out of that quagmire.

**Steve Gooding:** I worry that the technical consultation rather conflated two things. One is whether these businesses are incurring costs that they could legitimately recover, and the other is whether we should have a ramp-up in the deterrent. I do not think the framework needed that ramp-up in the deterrent. The whole point of the parking charge is that that is the deterrent; the parking charge needs to be at the right rate. I am sure that different businesses have different practices here, but for many of them the cost is something in the region of an autogenerated letter. Without being in that profession, I just wonder whether £70 is really an accurate representation of the admin costs involved.

Q47 **Bob Blackman:** Do you have any concerns about companies using CCJs? It varies by operator in many ways.

**Steve Gooding:** We are both of the view that companies should be encouraged to some of the good and better practice that you heard about earlier, which is about trying to understand what the circumstance was and only pursuing those people who, frankly, were never going to comply with whatever rules you were applying; that is where the more severe end of compliance comes in. For the majority of cases—for example, where people have made genuine errors—we are very keen to see something like that appeals charter that the Department is proposing, because it would allow for the exercise of judgment, which would seem sensible.

Q48 **Bob Blackman:** A lot of private parking operators now use CCTV to monitor entrance and egress, to check the times when people have come into particular car parks. Equally, there is a lot of use now of mobile phones for paying the charges. Of course, not everyone has a mobile phone, so do you have any concerns about that and whether it should be regulated in some way?

**Jack Cousens:** On ANPR, so the capturing of vehicle registrations, we have an issue within our business, where our patrol may well visit a fast-food chain during the period of their shift to get a coffee or lunch, and, because they have entered and exited twice, the system is not perfect. It will pick up the first entry, marry it with the last exit, and say, "You have overstayed your welcome". We then get the form through to us and have to have a lengthy conversation with our patrol about, "Quite clearly, you were not there, but can you help us out so that we can go through the appeals process?" There are instances like that where the ANPR is not perfect and where it can misread registration plates. Again, there needs to be some real investigation and tighter rules in and around that.



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Forgive me, but I have forgotten the second part of your question.

Q49 **Bob Blackman:** The second part is that a lot of places now require payment by mobile phone.

**Jack Cousens:** Yes, and you are absolutely right that particularly older drivers do not have a smartphone. That is where we have said that, if there was a pay machine that was out of order and you simply cannot pay by any other means, there needs to be some leniency, because that driver has acted in good faith. You cannot penalise somebody for not having what is, in reality, a luxury item.

**Steve Gooding:** To take the two elements, on the first one we are quite relaxed about the use of ANPR, CCTV or whatever the next technology is going to be, with the important caveat that it has to be audited and has to work. For example, things like the timestamp have to work. Even with the best systems, before a notice of parking charge is issued, we would expect a human to do a check of what the system is generating. It cannot just be a wholly automated thing.

On the issue of payment by mobile phone, we have to be careful that, if somebody wishes to run a business—be that a parking business or any other—and they want to make that business available to you only if you can pay in a particular way, it ill behoves us to insist that they do something different, so I would be a bit more cautious about that.

By and large, I would certainly echo Jack's point and say that any of us who have come across out-of-order payment machines and stood next to them, trying to get a signal on a mobile phone that you then cannot get, knows that is a terribly frustrating state of affairs. Being told at that point, "You have done your best but we are going to send you a parking charge anyway", might be one for the appeals charter.

**Chair:** Thank you very much for coming and giving evidence to us so succinctly. We have just about beaten the deadline before business in the House starts and the bell goes, so thank you both very much. That has been very helpful to the Committee.