

Written evidence submitted by British Parking Association (WCC0089)

The BPA is a not-for-profit membership association representing the UK's parking and traffic management sector. We provide a leading membership community which supports organisations involved in parking and traffic management to deliver high standards and professionalism.

We represent a current membership of around 800 diverse organisations including, local government, educational and healthcare institutions, airports, debt resolution specialists, private land parking operators, parking system suppliers and consultants. In addition, we have a separate professional development structure providing over 650 individuals with a range of benefits to support their education and CPD

Private land parking operators are responsible for managing thousands of parking sites across the UK on behalf of a wide range of landowners. Through their operations several million parking charges are issued every year. Though it is important to put into perspective that this number is a tiny fraction of the total number of parking events that happen every day. Our estimates are that 99.7% of parking events on private land do not lead to the issuance of a parking charge.

Out of the parking charges issued, a steady percentage of motorists choose not to pay and/or engage in the well-defined appeals and recovery process, which may lead to such cases ending up in the County Court system as a last resolution option. We are concerned that proposed future changes as to how parking operators are regulated under the Parking (Code of Practice) Act 2019 could lead to that number increasing exponentially and putting unnecessary and unwelcome strain on the court system.

In 2022 and again in 2023 the previous Government published a policy proposal, as part of implementation of the 2019 Act, to completely remove the ability to charge debt resolution/recovery fees in respect of parking charges issued on private land:

<https://www.gov.uk/government/publications/private-parking-code-of-practice/private-parking-code-of-practice>

<https://www.gov.uk/government/calls-for-evidence/private-parking-code-of-practice-call-for-evidence>

Under the current debt resolution fee system, where Debt Recovery Agents are able to charge up to a £70 fee for their work, just a small fraction of the total parking charges issued result in court action. However, the above policy proposals are likely to increase this number dramatically due to the debt resolution process becoming unviable, leading to parking operators having little in the way of alternative effective mechanisms to recover unpaid charges.

With no debt resolution process, cases currently referred for resolution may be passed immediately to litigation instead. The number of cases referred for debt resolution to the 3 main Debt Recovery Agencies who serve the private parking sector in 2022 was

over 3 million. In 2022 119.2k cases were taken to court. Applying current CCJ rates for cases taken to court of 75%, we could see in excess of 2.2 million CCJs issued if the policy decision to remove DR fees is implemented. We believe this would put significant pressure on the County Court to deal with matters that should be predominantly resolved through a well-regulated resolution process.

In 2020, 2% of the parking charges referred for debt resolution resulted in court action. In 2021 and 2022 this figure rose to 5%. Due to the pandemic, there was a reluctance to litigate in 2020 and 2021 on compassionate grounds, not to mention fewer parking charges were being issued.

To provide this data, we employed Mazars to conduct a Census of the 3 largest Debt Resolution Agencies. Mazars have amalgamated and anonymised the resulting data. This data provides a consolidated response on parking charge cases passed to debt recovery for 80-85% of the sector.

We understand that the current Government is preparing to issue a consultation on the Government Code of Practice for Private Parking Operators, and we expect that consultation to have particular focus on the level of parking charges and whether to retain or remove debt resolution fees.

We would urge the committee to examine what a potential removal of debt recovery fees could mean to the CCJ volume coming from private land parking charge cases and to ensure that there are joined up conversations between the Ministry of Justice and Ministry of Housing, Communities & Local Government who have responsibility for implementation of the Parking (Code of Practice) Act provisions.

Contact: Isaac Occhipinti isaac.o@britishparking.co.uk

January 2025