



# SHEFFIELD CITY COUNCIL Cabinet Highways Committee

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**Report of:** EXECUTIVE DIRECTOR, PLACE

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**Date:** 10 November 2011

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**Subject:** Removal of Illegally Parked Vehicles

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**Author of Report:** Kevan Butt 0114 273 5886

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**Summary:**

This report proposes the introduction of a removals service for vehicles parked illegally both those belonging to “persistent evaders” and those which would obstruct the PFI Service Provider in undertaking works on the highway.

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**Reasons for Recommendations:**

Removal of illegally parked vehicles is proposed to assist the effectiveness of the PFI Service Provider and also to help deal more effectively with vehicles belonging to “persistent evaders”. In the case of the latter, this should reduce the number of Penalty Charge Notices which are written off as irrecoverable.

**Recommendations:**

Approve the removal of vehicles which are parked illegally and to which a Penalty Charge Notice has first been issued in the following sets of circumstances:-

- i) where a vehicle, if left in its current position, would impede the undertaking of highways works by the PFI Service Provider on a highway to which a Temporary Traffic Regulation Order applies; or
- ii) where a vehicle is known to have five or more unpaid Penalty Charge Notices.
- iii) where an illegally parked vehicle is causing or likely to cause significant congestion.

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**Background Papers:**

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**Category of Report:** OPEN

## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES Cleared by: Catherine Rodgers
<b>Legal Implications</b>
YES Cleared by: Julian Ward
<b>Equality of Opportunity Implications</b>
YES Cleared by: Ian Oldershaw
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO:
<b>Environmental and Sustainability implications</b>
YES
<b>Economic impact</b>
YES
<b>Community safety implications</b>
YES
<b>Human resources implications</b>
NO
<b>Property implications</b>
NO
<b>Area(s) affected</b> All areas across the city
<b>Relevant Cabinet Portfolio Leader</b> Cllr Leigh Bramall
<b>Relevant Scrutiny Committee if decision called in</b>
Economic, Environment and Wellbeing
<b>Is the item a matter which is reserved for approval by the City Council?</b>
YES/NO
<b>Press release</b>
YES

# **REMOVAL OF ILLEGALLY PARKED VEHICLES IN CERTAIN CIRCUMSTANCES**

## **1.0 SUMMARY**

- 1.1 This report proposes the introduction of removal of some illegally parked vehicles in specific circumstances.

## **2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE**

- 2.1 The removal of illegally parked vehicles in the specific circumstances detailed in this report will enable the Highways Maintenance Private Funding Initiative (PFI) Service Provider to work more efficiently and effectively by avoiding repeat visits. In addition, the removal of illegally parked vehicles belonging to persistent evaders will enable the Council to ascertain who the vehicle owner is and to subsequently follow the collection procedure in respect of unpaid Penalty Charge Notices (PCNs). This will reduce the number of PCNs which have to be written off as irrecoverable.

## **3.0 OUTCOME AND SUSTAINABILITY**

- 3.1 The ability to remove any vehicles which are illegally parked during the period of works on the highway by the PFI Service Provider will reduce the need for repeat visits to undertake the same piece of work. It will also assist in reducing congestion, reduce the carbon footprint and in the medium term, help to make public transport a more attractive option for people to use.

## **4.0 REPORT**

### Background

- 4.1 Since the implementation of Decriminalised parking Enforcement in 2005 (now known as Civil Parking Enforcement) under the Road Traffic Act 1991 and subsequently the Traffic Management Act 2004, the Council has had powers to remove illegally parked vehicles. However, the Council decided that it did not wish to implement its powers to remove vehicles at that time.
- 4.2 The forthcoming Highway Maintenance PFI Project is due to start in Spring 2012. Illegally parked vehicles will impede the progress of the maintenance and resurfacing works on the highway. It is therefore proposed to pre-empt this situation by ensuring that temporary Traffic Regulation Orders (TROs) are implemented to prohibit waiting and loading on the highway during such times as works are in progress.
- 4.3 Every opportunity will be taken to inform motorists of the restrictions both by advance letter drops and the use of DfT approved signs along the road in question. If vehicles park illegally despite the

signs, the initial action is to issue a Penalty Charge Notice (PCN). The vehicle can then be authorised for removal by a Senior Civil Enforcement Officer and the removal contractor would be contacted and requested to remove the vehicle to their pound.

- 4.4 As the removal contractor removes the vehicle, the police are informed by the Parking Services Operations Room staff. This is because a driver returning to the location where the vehicle had been parked illegally will assume that it has been stolen and will generally contact the police.
- 4.5 The Penalty Charge in the above circumstances is £70, but the reduced figure of £35 is accepted if it is paid within 14 days of the date of issue. The removal fee is £105 and this is payable along with the Penalty Charge when the driver / vehicle owner goes to the pound to re-claim the vehicle. If the vehicle is left more than 24 hours at the pound, storage charges apply.
- 4.6 Cabinet already approved the use of tow away powers on traffic sensitive routes. However, this has not been taken up previously due to the cost of setting up the system for relatively infrequent use. However, given the importance of tow away to assist the PFI Contractor, it is proposed that it be used on traffic sensitive routes where an illegally parked vehicle is causing or likely to cause significant congestion.
- 4.7 It is also proposed to remove a vehicle where it is illegally parked and five or more previously issued PCNs remain unpaid. A similar procedure would follow in notifying the police and the charges payable would be as detailed above, unless a lower rate penalty charge was applicable to the original parking contravention (some less serious parking contraventions incur a charge of £50 with a reduced figure of £25 if paid within 14 days). This procedure is used regularly in London and other towns and cities in the UK, including Birmingham, Bristol, Manchester, Nottingham, and Oxford.
- 4.8 It will be necessary to carry out a tender process to appoint a removal contractor

#### Relevant Implications

- 4.9 The PFI Provider would have a remedy under the PFI contract if the Authority fails to exercise a statutory function (including this statutory function to remove vehicles) within the specified timescales and it negatively affects the PFI provider's ability to carry out services. The reason there is a remedy is that it is a situation out of the control of the PFI provider, and so it should not bear the risk of this situation. The remedy allows the PFI Provider to be paid for services that they have not performed, and to avoid financial deductions under the PFI contract. Hence it is in the interests of the Council, if we cannot authorise the PFI provider to carry out this activity on our behalf, to

have in place a workable protocol for removal of vehicles and to adhere to it, to avoid incurring the remedy under the PFI contract.

- 4.10 It is anticipated that the costs of the removal service will be covered by the removal and storage charges levied upon the vehicle owner. The current removal charge is £105 with storage beyond the first 24 hours charged at £12 per day. These charges are specified in the legislation, although the British Parking Association (acting on behalf of local authorities) is currently lobbying the Minister to increase the levels of PCN and removal charges for authorities outside London.
- 4.11 However, there may be a small number of occasions when the vehicle owner declines to claim the vehicle. In these circumstances, the vehicle would either be scrapped or sent for auction. The proceeds from this would go cover the costs of removal. Overall, it is anticipated that the income from removal and storage fees will cover the costs levied by the external contractor for provision of the service.
- 4.12 Experience in Nottingham where removals have been in force for over 8 years is that less than 3.5% of vehicles removed are not re-claimed. Based on our estimates of 10 vehicle removals per week, this would equate to less than 20 unclaimed vehicles per year. The maximum risk based on the above figures would therefore be £2100, although this ignores storage charges.
- 4.13 It is possible that the contractor's charge per removal could exceed the proceeds from the auto salvage dealer or the auction, although current research indicates a scrap value of around £150 to £185. However, it may be possible to mitigate this risk (subject to advice from Commercial Services) by specifying that the removal contractor's charge to the Council in respect of any unclaimed vehicle may not exceed the net value received when that vehicle is disposed of by way of auto salvage dealer or auction.
- 4.14 The maximum risk to the Council based on an estimate of 20 unclaimed vehicles per annum would be around £20,700. This is based on the calculations shown in the table below.

Estimated number of vehicles removed per annum	520
Estimated number of vehicles not re-claimed	20
Maximum risk per vehicle if storage fees are charged to Council	£1,185
Less minimum scrap value	£150
Maximum net risk per vehicle	£1,035
<b>Maximum risk per annum</b>	<b>£20,700</b>

- 4.15 It may be prudent to make a financial provision to cover this risk, shared between the PFI Client Budget and the Parking Services budget. The allocation of any financial loss could logically be based

on whether the vehicle concerned was removed as a direct result of the PFI contract or whether it was removed as a persistent evader or for causing traffic congestion.

- 4.16 The removal of vehicles belonging to “persistent evaders” is likely to reduce the percentage of PCNs written off although the overall effect in monetary terms may be marginal, depending upon the level of success in pursuing previous cases. For those vehicles where the owner is successfully traced as a result of removal, there is potential to recover the Penalty Charges from all cases issued within the previous 6 months. However, only the penalty charge and removal fee relating to the contravention which led to the removal can be recovered before releasing the vehicle. Earlier PCNs have to be recovered following usual procedures, although at least an accurate name and address will have been obtained in these circumstances.
- 4.17 Information obtained from Birmingham City Council is that on most days there is at least one vehicle removal carried out in connection with the Highways PFI contract. Dependent upon the areas where work is in force, some days there are up to 3 vehicles removed per day. Based on an average of 10 removals per week, it is estimated that removal charges made by the removal contractor could be around £1050 per week and a three year contract would therefore be valued at around £164,000. It will therefore be necessary to advertise the contract in the European Journal.
- 4.18 The Council already has powers to remove illegally parked vehicles, by virtue of approval by the Department for Transport of its application for Decriminalised Parking Enforcement powers in 2004/5 under the Road Traffic Act 1991. This has since been superseded by the implementation of part 6 of the Traffic Management Act and the Council now carries out Civil Parking Enforcement under that Act.

## **5.0 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Consideration was given to setting up an in-house removals service, but this would have been much more expensive than procuring the service externally, as there will be savings in set up costs and also economies of scale from using a contractor who already has appropriate equipment and a storage pound.

## **6.0 REASONS FOR RECOMMENDATIONS**

- 6.1 The introduction of a vehicle removals service is recommended in the three specific sets of circumstances detailed in this report, in order to:-
- i) minimise delays for the PFI Service Provider in carrying out the necessary works on the highway and

- ii) to maintain traffic flow and reduce congestion on key routes in the City, particularly to avoid network blockages.
- iii) to enable the Council to deal more successfully with vehicle owners who persistently attempt to evade payment of legitimately due penalty charges

## **7.0 RECOMMENDATIONS**

7.1 Approve the removal of vehicles which are parked illegally and to which a Penalty Charge Notice has first been issued in the following sets of circumstances:-

- i) where a vehicle, if left in its current position, would impede the undertaking of highways works by the PFI Service Provider on a highway to which a Temporary Traffic Regulation Order applies; or
- ii) where a vehicle is known to have five or more unpaid Penalty Charge Notices.
- iii) where an illegally parked vehicle is causing or likely to cause significant congestion.

Simon Green  
Executive Director, Place

10 November 2011