



Internal Audit Report

Car Parks

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Contents

Audit: Car Parks

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If viewing on-screen, please click on the links below or use the scrolling arrows

Introduction	Page 3
Scope	Page 3
Findings	Page 4
Conclusions	Page 7
Action Plan	Page 8

1 Introduction

- 1.1 The Car Parks Service has incurred major changes since the implementation of the Civil Enforcement Agreement with West Sussex County Council in April 2010. The car parks administration staff moved to East Pallant House in October 2011 to operate as a back office function only. The front office function is now the responsibility of the Customer Service Centre, and since June 2013 the Service has employed a new Parking Services Manager.
- 1.2 The Service is structured with 21 posts and has an establishment of 19.6 full time equivalent members of staff. The Service also incurs internal charges to enable the Customer Service Centre to employ 2 full time staff to operate the front office function.
- 1.3 The Service had an accumulation of some 645 Parking Charge Notices (PCNs). These were outsourced to a company called Liberata at a cost of £3,655. As at 11th July 2013, of the 645 PCNs; 74% have been upheld and are going through the various stages of the enforcement process, 18% have been cancelled, 4% further information is required and 4% have been completed by the Service.

2 Scope

- 2.1 The audit focused on part of the back office operations as there is currently a review of all areas of the Car Parking Service being undertaken by the Parking Services Manager and the Corporate Advice Policy Manager.
- 2.2 Areas covered in the audit included;
 - Skills & Knowledge in the service
 - Financial regulations complied with
 - Maintenance of car parks

3 Findings

- 3.1 In October 2011 the car park administration staff moved from a front office role at Market Road to a back office function at East Pallant House. The Customer Services Centre carries out the front office function for the Car Park Service. The roles and responsibilities of the back office function are not clearly defined and were not adequately reviewed at the time of the move; however, under recent new Management this will be addressed.
- 3.2 The Service has procedures in place for car parking processes, known as the 'Black Book'. The procedures are adequate but need reviewing and collating for ease of use in the event of absence and to reflect any changes to officers' roles and responsibilities.
- 3.3 Information to members of the public on the processing of PCN's is inadequate. To show transparency the Service should consider implementing and publishing a code of practice that would form a concise set of guidelines for public information to show fair parking enforcement.
- 3.4 The Car Parks Service uses an IT system called Parking Gateway that records the day to day functions of the service. Internal Audit and the Service have concerns that the system is not producing reliable reports. ICES the software provider is working with the service to ensure that the system provides robust reports required by the service to aid decision making and continuous monitoring
- 3.5 When a Parking Charge Notice (PCN) is issued the Civil Enforcement Officer uses a handheld device to take photographs and make notes as evidence to support the PCN. At the end of each day the data is downloaded from their device onto the Services Parking Gateway IT System. From a sample of PCN's issued, testing found that that there was satisfactory evidence on the system against the notice. However, the system has not been tested to ensure that all data is downloaded successfully. The Service need to carry out periodic tests to ensure that all data correlates to the Parking Gateway System.
- 3.6 PCN's are issued to vehicles which contravene the Traffic Regulations Order. Under the Traffic Management Act 2004 the vehicle registered owner/keeper is liable for payment of the penalty charge, not the driver. As a result the Service contacts the Driver and Vehicle Licensing Agency (DVLA) to identify the car owner and address when payment has not been made. It is a requirement that DVLA requests are made within six months of a PCN being issued. Testing found that this has not always been carried out within the time constraints.
- 3.7 The recipient of a PCN can appeal against the notice within 14 days and all formal representations must by law be responded to within 56 days. Testing found there is no process in place to escalate appeals. Internal Audit

recommends that a process for escalating appeals is put in place to ensure decisions are independently reviewed.

- 3.8 An overnight progression report is produced on a daily basis to show any open PCN activity on the system that requires further action. Testing found that action had been taken where required, including PCN's that had been passed to Liberata to be administered.
- 3.9 There are a number of issues with the overnight progression report that has been identified by the Service; one of which is that the data cannot be re-run. Internal audit recommend that the Service investigate saving electronic copies of all their reports, to ensure no data is lost.
- 3.10 At the time of the audit 20 PCN's were tested and 35% were found to have taken up to 6 months to complete. For best practice, the Service should implement monthly targets based on the number of PCN's issued to ensure that they are processed in a set time scale and identify why targets could not be met. Internal Audit also recommends the Service undertake monthly data quality checks on a sample of PCNs to ensure that the data is accurate.
- 3.11 Refunds of payment can be issued for various reasons including cancelled resident's permits or an overpayment. A sample of 10 refunds was tested to ensure that they had been administered correctly. Testing found the narrative on the system as to why the refund had been given was limited and therefore difficult to confirm if the refund had been given correctly.
- 3.12 There is currently no separate administration and review process between members of the public and Chichester District Council (CDC) staff who challenge their PCN or require a refund. For CDC staff a Senior Officer needs to review and authorise the challenge or refund, to show transparency.
- 3.13 For a refund to be raised, a payment voucher is completed and passed to the Council's Exchequer Team for processing. Testing on the above found that the VAT element had not always been populated. Officers need to ensure VAT is correctly treated.
- 3.14 The Service has stock with a monetary value held at the Customer Service Centre (CSC); the car parks office in Market Road and at the back office at East Pallant House (EPH). Testing found that all stock was held securely, but the Service need to ensure that the CSC stock is reconciled to ensure all income is collected, the car parks Office show an up to date clear audit trail of stock and EPH reconcile stock remaining to that issued.
- 3.15 There are different types of permits available for council staff and contractors for example; short stay parking for loading/unloading their vehicle or staff that use their car as part of their role. Prior to this audit 100 permits had been issued to services across the council and contractors to use in any of the council's car parks. The record of permit ownership was found to be inadequate. A review of permits is to be carried out to ascertain the needs of the council. To ensure that the permits are not being misused resulting in a

loss of income to the council, Internal Audit recommend that all permits are withdrawn and new permits are re-issued with tighter controls.

- 3.16 On a monthly basis the Senior Civil Enforcement Officer completes a defect inspection sheet for each car park. A comparison of February's inspections with July's found defects from February still outstanding in July. The sheet did not show the current position of the defect. The Service needs to show a clear audit trail from the time the defect was identified to being resolved.
- 3.17 The Service employs three Senior Civil Enforcement Officers; anecdotal evidence showed that only one officer carries out monthly car park defect inspections. All Senior Civil Enforcement Officers should have the responsibility of carrying out inspections for the safety of the council's car parks and in the event of sickness and absence.

4 Conclusion

- 4.1 The previous Car Parks Audit published in June 2012 highlighted a number of areas of concern. Nine recommendations were made which can be seen in Appendix A to this report with their current position.
- 4.2 Internal Audit has concerns that this Service has not been managed effectively in the past; however, we are of the opinion that with the employment of a new Parking Service Manager and the review that is being carried out, governance within the service should improve.
- 4.3 As a result of this audit, Internal Audit has made fifteen recommendations, of which one is low priority and fourteen are medium priority. The implementation details of these recommendations can be seen in the Action Plan in Section 5.

5 Action Plan

Recommendation		Officer	Priority	Agreed?	Comments	Implementation Date
3.1/3.2/3.7	That staff roles and responsibilities are clearly defined and any changes reflect officers' job descriptions.	Parking Service Manager	Medium	Yes	A rota has been introduced that defines roles and responsibilities.	In process of being implemented
3.5	That periodic reconciliations are carried out from hand held data to the Parking Gateway IT System to ensure all data has been successfully downloaded.	Parking Service Manager	Medium	Yes		With immediate effect
3.6	A check is carried out to ensure that requests to the DVLA are carried out in a timely manner.	Parking Service Manager	Medium	Yes	Reports now being run via the rota system	With immediate effect

Recommendation		Officer	Priority	Agreed?	Comments	Implementation Date
3.9	The Service saves their overnight progression report.	Parking Service Manager	Medium	Yes	This is on-going with ICES the software supplier of the Parking Gateway System.	With immediate effect
3.10	A percentage of PCN decisions processed are reviewed to ensure accuracy and quality of work.	Parking Services Manager	Medium	Yes		With immediate effect
3.11	The reason for a refund needs to be more specific on the Parking Gateway IT System and a sample checked for accuracy.	Parking Services Manager	Medium	Yes		With immediate effect
3.12	A process is put in place for the waiving and authorisation of CDC staff PCN challenges and	Parking Services Manager	Medium	Yes		With immediate effect

Recommendation		Officer	Priority	Agreed?	Comments	Implementation Date
	refunds.					
3.13	The VAT on payment vouchers is completed to ensure VAT is correctly treated.	Parking Services Manager	Medium	Yes		With immediate effect
3.14	There is a reconciliation of permits and on street vouchers sold to stock issued to ensure all income is collected	Parking Services Manager	Medium	Yes		With immediate effect
3.14	The stock spread sheet for pay and display tickets and refills for handhelds is fully populated.	Parking Services Manager	Low	Yes		With immediate effect
3.14	That stock checks are carried out for residential	Parking Services	Medium	Yes		With immediate effect

Recommendation		Officer	Priority	Agreed?	Comments	Implementation Date
	permits and blank permits.	Manager				
3.15	Current permits are re-called back to the Car Park Service and re-issued where applicable with tighter controls.	Parking Services Manager	Medium	Yes	A permits review is currently being carried out.	With immediate effect
3.15	A process is put in place to ensure permits are returned to the Service when an employee leaves the council or from contractors.	Parking Services Manager	Medium	Yes	A permits review is currently being carried out.	With immediate effect
3.16	Records of defects shows a continuous audit trail from the identification to the defect being resolved	Parking Services Manager	Medium	Yes		With immediate effect
3.17	All Senior Civil Enforcement Officers carry	Parking Services	Medium	Yes		With immediate effect

Recommendation		Officer	Priority	Agreed?	Comments	Implementation Date
	out inspections.	Manager				

 **High = Fundamental System Weakness – Action is Essential**

 **Medium = Potential Control Weakness – Action Required**

 **Low = Advised for Best Practice**