

<b>Committee:</b>	<b>Date(s):</b>
Planning and Transportation Committee	02/06/2015
<b>Subject:</b> Parking Ticket Office Update and Annual Statistics for 2013-2015	<b>Public</b>
<b>Report of:</b> The Director of the Built Environment	<b>For Information</b>
<p><b>Summary</b></p> <p>This report advises Members on the activities and progress of the Parking Ticket Office (PTO).</p> <p>This report sets out the key successes and improvements over what has been a highly successful year, particularly in relation to quality, efficiency and contract savings. It also sets out our key business challenges for the current year.</p> <p>Appendix One provides a set of key service statistics for the PTO over the last five years which assist in demonstrating service trends.</p> <p><b>Recommendation</b></p> <p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• Note the report for information.</li> </ul>	

## Main Report

### **Background**

1. Parking and traffic enforcement in the Square Mile plays a key role in reducing congestion, improving access and road safety, as well as providing for effective and efficient business activity. The Parking Ticket Office (PTO) is central to the effective delivery of parking and traffic enforcement in the City. To give some idea of the work of the PTO, it deals with a high volume of letters and emails each year (28,000 last year) in relation to the parking tickets issued (56,000 last year). The service is customer focused and has an ethos of continuous improvement. Examples of how the service has been developed and some of the key issues for the service are set out below:-

### **Examples**

2. Civil Parking and Traffic Enforcement and Cash Collection Contract.  
The Department of the Built Environment has always led the way with regards to its enforcement contract. Our previous contract, built around quality

performance indicators rather than commission or penalties, was the basis for the model contract developed by the British Parking Association.

Our new contract awarded last year, along with delivering significant savings, has continuous improvement and sustainability at its heart whilst retaining key quality performance indicators around service standards such as attendance, timekeeping and evidential notes. Our Traffic Manager and Assistant Traffic Manager have spent the last year embedding this contract. It is a partnership contract which is evidenced, for example, by our commitment to improve Civil Enforcement Officer (CEO) safety by sharing the funding of bodycams to improve the health and safety, along with efficiency, of our CEOs on-street; as reported to your Committee in April 2015.

Officers recognise that the CEOs have a dual enforcement/ambassadorial role; they are often the 1<sup>st</sup> point of contact for City Users on street. As part of the innovation delivered over the last 12 months the contract now requires that CEOs wear badges showing languages spoken, are equipped with phone applications to give directions and use sustainable transportation, e.g. walking or using electric bikes instead of mopeds. We have also raised quality standards and the Parking Ticket Office's (PTO's) Policy, Projects and Standards Officer has worked with the contractor's Training Officer to refine and improve training and evidential standards.

### 3. Parking Ticket Office Restructure, Recruitment, Relocation and Training.

i) The PTO has implemented a new structure over the last 6 months which underpins improved professional development for staff, management efficiency and better service delivery. The final appointee started in January 2015 and both management and staff agree that the structure is more fit for purpose and provides better support and development. Efficiencies delivered through the new structure and working methods allowed Officers to deliver a saving of one post as part of the process.

ii) The creation of a Policy, Projects and Standards Officer post has given a dedicated resource for the management of projects. Over the last year these have included:

- The relocation of the PTO from the 1<sup>st</sup> to 6<sup>th</sup> floor; a significant undertaking but necessary given the demand for space within the greater Transportation and Public Realm team.
- The testing and upgrade of our system to allow for real time downloads for CEOs handhelds.
- The mobilisation of our new printing and payment contracts.
- Improved procedures.
- Better quality and standards monitoring.

iii) The introduction of career grades facilitates effective succession planning as lower grade officers are being trained on, and will be given occasional exposure to, higher graded work so if a senior officer leaves there are trained replacements already available.

iv) The PTO has also undergone group training with consultants (Votive). Votive had delivered leadership and followership training elsewhere in the City of London with great success and given the restructuring of the PTO the opportunity has been taken to extend this training to the team. The training was rated highly by the participants and has provided a happier and more effective office.

4. Key Performance Indicators (Letters/Recovery Rate) - Quality and Efficiency

i) We reported last year that our revised staff targets, improved systems and processes had improved our response times by 50% and we averaged 6 days to respond to letters, against a target of 10 days, and had a recovery rate of over 80%, also above target. Last year we improved further and our average response time was 5 days and our recovery rate was over 85%. This is the highest recovery rate in the UK, a record of which we are proud. The London average is circa 76% on data available to us via benchmarking groups.

ii) In addition to the above we have introduced quality monitoring. Quality is more important than timeliness as we need to ensure that we are drafting letters to the high standards which customers and the City of London itself expects. Our monitoring of circa 30% of all letters prior to despatch initially showed a number of opportunities for improvement. We went, within 4 months, from a position where 37% of letters needed improvement in terms of content, grammar or customer focus to a position where our monitoring showed only 4% needed such improvement. A considerable improvement showing that quality monitoring and effective training, support and guidance has moved us to a point currently where 96% of all letters checked are to the quality we expect. We will continue with an aspiration of 100%.

5. Printing and Payment Contracts.

We have, during the course of the last year, re-tendered both of the above contracts. The printing contract went live in October 2014 and is delivering savings of 33% (from £32k to £22k per annum) along with delivering added value in the provision of an on-line archive of all documents sent and reducing administrative time when providing copies of documents for appeals or court cases. The payment contract went live on 21<sup>st</sup> April 2015. This is a like for like service when compared with the previous supplier and the savings are also considerable, circa 70% (£22k to £7k per annum in year one), rising to 86% with the contract costing under £3k per annum in years two and three.

6. Appeals.

The PTO team have continued to maintain their success rate for contested appeals at around 65%. It is a credit to the team that we went from a poor success rate position in 2012-13 (20%) to a stable and credible position over the last two years.

Appeals to the Parking and Traffic Appeal Service (PATAS) come in via two sources. The first way is through the statutory appeal provisions where we

send them an appeal form and they request a personal or postal hearing. With these cases our success rate for personal appeals is 50% and 73% for postal hearings; 65% overall as above. The second way is by referral from Northampton County Court which is where a motorist who was out of time to appeal through the initial route has made a successful application to the Court to have the case transferred to PATAS. Our success rate for these referrals/appeals is 87%; partly due to PATAS being more stringent in relation to appeals via this route and partly due to the high level of evidence we provide opposing the appellant's application.

7. Working to support business

The PTO continues to engage with the many companies who provide services, goods and materials to the Square Mile. We previously reported on our successes with the Cash and Valuables in Transit companies over the past few years. This is complemented by the work which we have done with the telecoms, delivery, document shredding, etc. companies over the last year. We have met with companies and discussed problem locations, their working practices, agreed measures to improve driver education and drive down administration on both sides.

The efficiency savings of this approach are considerable. Across all these companies we dealt with circa 4,000 cases last year. These customers used to send a pro-forma challenge on each case; some used to take the cases all the way through to formal appeal. Dealing with these 4,000 cases through 5/6 single exchanges each month delivers staff resource savings equating to one full time member of staff. Along with the structural changes referenced earlier, it was this saving that enabled the PTO to reduce from 13 Full Time Equivalent (FTE) staff to 12 FTE, a saving contributing to Departmental savings required under the service based reviews.

8. Repeat offenders

We continue to be both pro-active and reactive in relation to areas where high volumes of Penalty Charge Notices (PCNs) are issued or contraventions, particularly moving traffic, present a danger to pedestrians and/or other road users. A prime example is a local business who noted that vehicles were regularly making a banned turn from Moorgate into London Wall. We deployed our CCTV vehicle as a visible deterrent and the customer fed back. The PTO continues to engage with the many companies who provide services, goods and materials to the Square Mile.

9. Website

We reported last year on significant improvement made to our website. The trend for payment via our website continues with over 57% of our PCN payments last year being made via the website, compared with 42% 5 years ago.

We continue to review and improve the content on our website and customer feedback via the ratings mechanism on the site consistently rates our pages highly. We will build and improve on this solid foundation over the coming year.

Parking accounts for circa 10% of all the traffic on the City of London website. There are peaks around Public Holidays where drivers coming into the City are looking for parking within the Square Mile. Use of the website is increasing year on year at a substantial level. Use of the website for parking information has gone from 200,000 users in 13-14 to 425,000 users in 14-15; over the same period overall CoL website usage went from 3 million to 4 million customers. The parking pages have a much higher percentage of mobile device users; 55% compared with the corporate average of 37%.

10. Pay by Phone (mobile phone ‘pay and display’ payments)

We reported last year on our effectiveness in encouraging drivers to use electronic services. The take up for mobile phone payment for pay and display has been exceptional, table below. This service is delivered without any cost for DBE and delivers savings in terms of cash collection from machines and card fees; as mobile payments have better security they have lower processing costs. Better service for customers, improved efficiency for the City of London.

	Machine (Cash)	Machine (Card Payments)	Payments via Mobile Phone
2010-2011	32%	68%	0%
2011-2012	26%	59%	13%
2012-2013	16%	27%	54%
2013-2014	13%	17%	69%
2014-2015	12%	10%	76%

The huge decline in payments made to our machines by card has allowed us to remove outdated and charge costly card readers from our machine over this Easter whilst implementing, at the same time, the change in charges on-street. As reported to your Committee on 17 July 2014, the removal of card readers may save up to £55k per annum in card authorisation fees.

**Statistics**

11. Appendix One is a table with the statistics for the service for the last five years. A number of those statistics are those which we use to measure the effectiveness of our service and to carry out trend analysis to inform and identify changes we need to make. We also report statistics which we are regularly asked for by motorists or journalists (top 5 streets, amount of income, etc.). To highlight some of the statistics, what they mean and how they are used:

Levels of Penalty Charge Notices (PCNs) by type:

	2014/2015
PCNs issued:	
On-street PCNs	31,966
Stationary CCTV PCNs	18,806
Moving Traffic PCNs	4,669
Vehicle drove away/prevented from serving	1,196
Total (excludes void/unissued PCNs):	56,637
Previous Years Totals:	
Total - 2013/2014	62,271
Total - 2012/2013	65,016
Total - 2011/2012	73,847
Total - 2010/2011	62,372

12. PCN levels throughout London have decreased year on year for the last few years. The City of London continues to issue fewer PCNs year on year. This trend is not necessarily a negative one. We need to ensure that enforcement is commensurate to the level of non-compliance and as compliance increases the level of PCNs will decrease. What is important is that we remain efficient and do issue PCNs where there are parking or moving traffic contraventions. The peaks in 2011/2013 were almost wholly attributable to the CCTV enforcement of 'no-entry'
13. Top five streets for PCNs (2014/2015). All of these pre-dominantly no-loading or no waiting (yellow line) locations:

Top 5 streets for PCNs (income).
Old Broad Street (£283,015)
Old Bailey (£94,000)
Cannon Street (£88,855)
Finsbury Circus (£87,425)
Cornhill (£84,760)

14. Last year we reported that our signage for Old Broad Street was changed in March 2013 as Officers were concerned about the potential road danger risk resulting from the high level of breaches. Over the last 2 years the income from PCNs in this street has reduced from nearly £1m to £280k, i.e. back to 2010/2011 levels, showing that changing the signage for the no-entry restriction has worked. We carried out a similar review in Finsbury Circus which had almost half the bays suspended for Crossrail works. The review identified high levels of illegal parking at the suspended bays at weekends. Whilst it could be argued that drivers should understand the suspension notices however as the suspension relate to Crossrail works and will be in place until 2018, officers have taken a pragmatic view and where possible have removed suspended bays.
15. Cancellations and write offs (2014/2015):

Cancellations and Write Offs	6,543
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% of PCNs resulting in cancellation/write off	12%
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Whilst our current cancellation rate for 2014/15 is 12% given the number of PCNs still being processed for that year Officers expect the final year out turn to be approximately 14-15%. With our recovery rate increasing year on year, the percentage of PCNs cancelled and written off has decreased over the years as we have become more efficient and timely in debt collection.

16. The number of PCNs resulting in a challenge has risen over the last few years. This is due to the fact that motorists are aware that we follow statutory guidance and will hold the PCN at the discounted rate whilst we deal with the initial challenge. The level of people taking cases to formal appeal has however reduced year on year. This is because we are being more robust in dealing with appeals and have maintained our success rate over the last two years. Typically 14/15% of all PCNs are either cancelled for various reasons (proof they were delivering and not parked, disabled driver's first PCN, vehicle breakdown, signs not compliant, etc.) or written off where, for example, we are unable to trace the debtor (who may be a company that has gone into liquidation).
17. Income and expenditure (2013/2014):

Payments for PCN received	(£3,373,695)
Payments received for TFL enforcement ( Red Route)	(£36,388)
Enforcement (PCN) expenditure	£2,245,635
Net Enforcement Expenditure (Income)	(£1,164,448)
Historic Net Expenditure (Income)	
Total – 2013/2014	(£905,234)
Total - 2012/2013	(£142,503)
Total - 2011/2012	(£821,021)
Total - 2010/2011	£299,900

18. The City of London received income from parking and traffic enforcement in 2014-15. This mostly due to a reduction in expenditure through the re-tender of the enforcement contract. This is a considerable improvement when contrasted with 2010/11 where we had around the same income but expenditure provided a net loss of nearly £300k at the end of the year. Any income is ring fenced for transport and highways improvements.

### Future business challenges

19. Our key challenge for 2015-16 is to respond to the Government's ban of the use of CCTV for most parking contraventions. The impact of this and other

Department for Communities and Local Government initiatives will be reported separately to your Committee.

20. Other opportunities for the year ahead include building on existing efficiencies by managing an increasing workload, e.g. rising % ratio of PCNs to challenges, with reduced resources, sustaining our commitment to staff professional development and support and moving the service from a 'top 10' to a 'top 3' position in London.

## **Conclusion**

21. Members are asked to note this report for information.

## **Appendices**

- Appendix 1 – Parking Ticket Office Statistics for last 5 years

## **Contact**

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