

Committee:	Date(s):
Planning and Transportation Committee	25/10/2016
Subject: Parking Ticket Office Update and Annual Statistics for 2015-2016	Public
Report of: The Director of the Built Environment	For Information
Summary	
<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 improving on previous performance, mitigating the impact of a change in legislation that banned the use of CCTV for issuing Penalty Charge Notices (PCNs, parking tickets) for certain contraventions and the PTO becoming even more effective in the use of technology. It also sets out our key business challenges for the coming 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>Recommendation</p> <p>Members are asked to:</p> <ul style="list-style-type: none"> • Note the report for information. 	

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 (21,500 last year) in relation to the parking tickets issued (49,000 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. Key Performance Indicators (Letters/Recovery Rate) - Quality and Efficiency

i) Last year we reported to you that our revised staff targets, improved systems and processes had improved our response time to 5 days and our PCN recovery rate was over 85%. This year we improved even further and our average response time was 4 days and our recovery rate was 86%. This is the highest recovery rate in the UK, a record of which we are proud. Looking back further, our recovery rate has improved from 81% five years ago to 86% last year and our response time for letters has improved from 12 days to 4 days over the same period. The London average recovery remains at circa 76% on data available to us via benchmarking groups.

ii) We have continued with the letter quality monitoring which we reported last year and have also introduced 'cancellation' monitoring to check that officers are cancelling cases correctly and that the reason for cancellation is clear on the system, allowing for trend analysis and a clear audit. It is important that we deal with letters to the high standards which customers and the City of London itself expects. The % which is monitored for individual officers is reduced each year where improved competence is demonstrated. Circa 9% of letters are improved prior to despatch via the quality process and we are yet to find a single case which has been cancelled incorrectly since monitoring began.

3. CCTV ban.

In April 2015, the Government banned the use of CCTV for almost all parking contraventions. The City of London retained the power to enforce moving traffic contraventions (banned turns, one way streets, no-entry signs, etc.).

The City of London previously relied on CCTV as a means to increase parking compliance for obstructive contraventions (pedestrian crossings, footway parking, etc.) as enforcement by on-street officers was less effective as drivers would simply drive off when approached by a uniformed officer. Further to the ban on CCTV enforcement of parking contraventions, our level of Penalty Charge Notices (PCNs) for these contraventions dropped from nearly 19,000 in 2014-15 to under 1,000 in 2015-16 (all for the remaining enforceable contravention of parking on a bus stop), a reduction of 96%.

The ban gave the City of London an opportunity to refocus its CCTV operations in two ways. Firstly, officers in the CCTV room and mobile vehicle surveyed areas where moving traffic contraventions were taking place to look for locations with high non-compliance and carried out enforcement in these areas to reduce road dangers and improve pedestrian safety. Secondly, officers acted as CCTV 'spotters' to look for dangerous parking contraventions or those causing congestion and directing on-street and rapid response officers to these locations to either move the vehicles or issue PCNs. This contributed to the City issuing over 200% more moving traffic PCNs via CCTV and 14% more on-street PCNs by on-street officers in 2015-16 when compared with the preceding year. This mitigated, in part, the 96% fewer parking contravention CCTV PCNs.

The following table shows our top 5 contraventions enforced by CCTV in 2015-2016:

Contravention	Number of PCNs
Failing to comply with a no-entry sign/order	6391
Ignoring a 'no left turn' sign	1511
Driving in to a pedestrian zone	1481
Stopping on a box junction	1151
Parking on a bus stop	982

4. Income and expenditure (2015/2016):

Payments for PCN received	(£2,948,104)
Payments received for TFL enforcement (Red Route)*	(£33,889)
Enforcement (PCN) expenditure	£2,389,564
Net Enforcement Expenditure (Income)	(£592,429)

* - The City of London provides one FTE Civil Enforcement Officer (CEO) to carry out enforcement on behalf of Transport for London (TfL) on the red routes within the Square Mile. Whilst TfL get the income (circa £40,260) from any PCNs issued, it allows the City to ensure consistency and quality of enforcement through the Square Mile.

Historic Net Income	
Total – 2014/2015	(£1,164,448)
Total – 2013/2014	(£905,234)
Total - 2012/2013	(£142,503)
Total - 2011/2012	(£821,021)

5. The City of London accrued a surplus each year for the last 5 years, prior to that we did occasionally run at a loss. There were significant cost savings delivered by the re-tender of our parking and cash collection contracts. Any surplus income is ring fenced for transport and highways improvements, the spend of which is separately reported to your Committee by the Chamberlain. Due to the successful mitigation of the impact of the CCTV ban set out in paragraph 3, the City of London managed to overachieve against our original estimate of £2.35m.

6. Parking Ticket Office Restructure.

The new structure has been in place for 18 months now and the roles are still evolving and being refined. The structure is fully staffed and this has allowed us maintain and build on previous efficiencies and improvements which resulted in our fifth consecutive year of continuous improvement against our key performance indicators, as set out in paragraph 2 and evidenced in appendix 1. This is a considerable achievement given that the PTO now operates with 2 fewer FTE staff compared with 2 years ago.

The PTO uses flexible and home working to allow us to deal with high volumes and meet stretching targets for letters and phone calls. A homeworker, for example, can answer the phone as if they were in the office but, without other distractions, can also typically answer 100% more letters per day at home. Along with the obvious business benefits there is improved work/life balance for team members – e.g. flexibility to care for elderly relatives and/or young children.

7. British Parking Association Awards finalists

The City of London chairs the Steering Group for our parking software supplier (Imperial Civil Enforcement Solutions, ICES) and the group was a finalist in two categories for the Annual British Parking Awards in 2016. The Steering Group decides the development priorities for the system so customers have a direct say in the system enhancements, ensuring that ICES focus on continuous improvement alongside system developments with a commercial focus.

The group was shortlisted in the Parking Partnerships Award category, for its work with ICES and its system users, and the Intelligent Parking category, for focusing ICES's development roadmap on smarter and more efficient working. We were shortlisted ahead of 15 other companies and local authorities, including Westminster, Kensington & Chelsea, Hammersmith & Fulham, Edinburgh and Manchester amongst others.

8. Real time download of parking tickets (PCNs)

We went live in November 2015 with real time download of PCNs which provides that, when the CEO serves the PCN to the vehicle, an electronic copy is concurrently sent to the back office system. This means that if the motorist calls the office we can instantly provide them with information relating to the contravention to allow them to decide whether they want to appeal or pay.

9. Environment and Traffic Adjudicators (ETA)

London Councils provides, via London Tribunals, ETA (previously the Parking and Traffic Appeals Service). London Councils re-tendered the ETA contract and Northgate was the successful tenderer. The new contract required Northgate to provide a modern system which allows motorists to appeal on-line and for local authorities to provide their evidence electronically. The City of London sat on the Programme Board which carried out the procurement process and were also influential in getting ETA/Northgate to provide the service in a way which best suited customers, local authorities and IT providers with a number of our suggestions being adopted by London Councils, and now used London wide.

Over the last 4 years, the City of London has reduced the amount of appeals from 3% of all PCNs issued to 1% of all PCNs issued. This reduction is due to our consistent contesting all appeals, improved case paperwork and our work with regular customers; some of whom were routinely taking each and every case to formal appeal. Our work with these customers has improved their driver's knowledge of the parking rules, resulting in fewer PCNs/appeals

and, most importantly, reduced dangerous parking contraventions and less congestion. We have also started to routinely attend some personal appeals and recently successfully reviewed an Adjudicator's decision in relation to the legal interpretation of 'parking' as we felt, and the reviewing Adjudicator agreed, that the initial Adjudicator had erred in law.

10. Supporting other local authorities.

The City of London takes seriously its responsibility to act as an Exemplar for other local authorities and share best practice, experience and knowledge. The City of London has acted as a reference site for authorities both inside and outside London.

We have supported other local authorities in two ways. Firstly, by hosting groups of visitors from other local authorities (e.g. Thanet, Tonbridge & Malling, Tunbridge Wells and Ashford) and, secondly, by providing email and phone support in relation to technical and legislative issues (e.g. Camden, Tower Hamlets, Enfield and Harrogate).

The City of London also participates in groups led by London Councils which are reviewing best practice and operational guidance documents for on-street and CCTV parking and traffic enforcement. The City of London's parking and traffic officers have an excellent depth of knowledge and experience to which others often defer.

11. Working to support business

The City of London continues to work with high volume customers to improve driver behaviour/education, reduce administration and PCN levels. The first part of this year has been taken up with working with the main on-site shredding company in the City to reduce noise/air pollution for City users and residents. To give an idea of volumes of PCNs which are dealt with via fortnightly or monthly email, rather than an individual letter/appeal on each case, we have dealt with the following via a 'bulk' process for the last five years:-

Year	Number of PCNs dealt via bulk representation/payment
2015/2016	2,191
2014/2015	3,617
2013/2014	2,713
2012/2013	1,913
2011/2012	2,302

The amount of individual companies we have dealt with has risen from two companies in 2011 (the two main cash in transit companies) to seven companies in 2015 (cash in transit, telecoms, shredding, delivery, etc.). The fact the number of bulk representations and challenges has not risen each year is that our work with customers reduces the amount of PCNs issued by reviewing 'hot spot' locations, driver education, etc.

The City of London has also, as part of the Steering Group mentioned in paragraph 7 and further to company requests, got our software suppliers to enhance their system to allow customers to make multiple (shopping basket) payments, rather than single payment, via our website. The take up of this service has been excellent since go-live with 10% of all payments now regularly being made via this method. This reduces the amount of cheque payments received which is an outdated and manual process and dissuading their use improves efficiency and costs.

12. 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 currently 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. The sharp fall in card payments made via the on-street machines is that we removed the card readers from the machines in April 2015. We do have small number of chip and PIN machines on-street, particularly for coach companies in on-street bays, which accounts for the fact we still have some on-street card payments. A detailed report on the recommended route forward for pay and display is a separate item on today's agenda.

13. System enhancements

Along with the real time download and multiple web payment systems mentioned earlier, the PTO has introduced, via our supplier, a number of system enhancements this year. We now batch scan, allowing us to scan all the post for the day in one batch and then allocate it from there rather than individually scanning to each specific case. We also now capture GPS co-ordinates when issuing a PCN which has two advantages – the customer can pin point where they parked and also we can map their position on systems such as Google Maps to provide evidence for appeals. A number of further changes we have made are around system efficiencies (e.g. getting processes to run overnight or writing scripts which transfer information to external parties (e.g. DVLA, printers, etc.) automatically).

14. Website

The PTO, as business as usual, reviews each of our 40 or so webpages every 6 months. We also use analytical tools to track website use by our customers.

Parking pages such as 'Yellow lines' and 'Where to park' are frequently in the top 10 of most visited pages in the City of London's website. This has resulted in the City of London placing 'Parking' on the City's homepage so that the user can proceed directly to the Parking pages and thus reducing navigation time and a shorter journey.

In June 2015 the results of the most searched terms revealed that three parking related words were in the top 10 at numbers 1, 7 and 10.

Access via the Desktop and mobile devices (mobiles and tablets) has shown a sharp change in the last few years. Desktop access has gone down from 75% to 37% and the use of mobile devices has increased from 25% to 63%. This allows us to understand our customers preferences/needs when accessing the website and to tailor the content and appearance of our webpages to meet those wants. We work closely with the City's web team to gain technical support to ensure our pages are customer focussed and meet the changing needs of our clientele.

Year	Desktop	Mobiles	Tablets	Mobile devices
2015-2016	37%	54%	9%	63%
2014-2015	45%	42%	13%	55%
2013-2014	75%	19%	6%	25%

Ofcom's 2016 Communications Market Report revealed that 66% of internet users use their smartphones to go on-line and 71% of UK adults own a smartphone. We use this information to ensure that our webpages are accessible via mobile devices by, for example, using smaller/fewer photographs, short navigation menus, etc.

Statistics

15. 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:

	2015/2016
PCNs issued:	
On-street PCNs	36,564
Stationary CCTV PCNs	764
Moving Traffic PCNs	10,382
Vehicle drove away/prevented from serving	982
Overall total:	48,692

Previous Years Totals:	
Total - 2014/2015	56,637
Total - 2013/2014	62,271
Total - 2012/2013	65,016
Total - 2011/2012	73,847

16. 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 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 issue PCNs where there are parking or moving traffic contraventions. The peaks in 2011/2013 were almost wholly attributable to the CCTV enforcement of a 'no-entry' restriction in Old Broad Street. At that location, we consulted motorists on which signs they thought would make the restriction clearer, gained approval from the Department for Transport to use these non-standard signs and placed them on street, reducing PCNs at that site by 66%.
17. Top five streets for PCNs (2015/2016). These are predominantly moving traffic (no-entry, pedestrian zone or banned turn) locations:

Top 5 streets for PCNs (income).
Old Broad Street (£454,458)
Finsbury Circus (£138,455)
Victoria Embankment (£89,960)
Petty Wales (£79,560)
West Smithfield (£59,530)

18. The streets above are those which regularly appear in our 'top ten' locations within the Square Mile. The only exception is Victoria Embankment. The spike this year was due to the Cycle Superhighway works and our need to enforce a banned turn from Temple Avenue as vehicles were routinely turning into oncoming traffic presenting a significant danger to other road users. We reviewed the signs but, despite our best efforts in making the restriction as clear as possible, motorists continued to use this junction as a 'rat run'.
19. Cancellations and write offs (2015/2016):

Cancellations and Write Offs	4,947
% of PCNs resulting in cancellation/write off	10%

With our recovery rate increasing from 81% to 86%, the percentage of PCNs cancelled and written off has decreased over the years as we have become more efficient and timely in debt collection.

20. The percentage of PCNs resulting in a challenge decreased last year as has level of people taking cases to formal appeal. This is due to our work with regular customers and may be because we are being more robust in dealing with appeals and have maintained our success rate over the last two years.

Future business challenges

21. Our key challenge for 2016-17 is to focus our energies on the Future City, building on the success of mobile phone payments and real time PCN downloads.

22. Other opportunities for the year ahead include working with companies (e.g. shredding companies) to improve driver behaviour, improve air quality and reduce road dangers. We will also be supporting the Bank on Safety scheme which is seeking to make Bank Junction safer and more accessible by providing advice/input on signage, legislation and CCTV requirements.

Conclusion

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

Appendices

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

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