

**Decision Maker:** ENVIRONMENT AND COMMUNITY SERVICES PDS  
COMMITTEE

**Date:** 28 August 2019

**Decision Type:** Non-Urgent Non-Executive Non-Key

**Title:** PARKING SERVICES – CONTRACTOR PERFORMANCE  
REVIEW, APCOA PARKING, YEAR 2.5

**Contact Officer:** Chloe Wenbourne, Interim Head of Parking Services  
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**Chief Officer:** Colin Brand, Director of Environment and Public Protection

**Ward:** (All Wards);

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### 1. Reason for report

- 1.1 This Report is to update Members on the performance of the Parking Services Contract. This contract is responsible for the enforcement of all parking restrictions within the Borough, the maintenance of the car parks, all pay and display machine maintenance and back office functions.
- 1.2 In particular, this report highlights the continual efforts made by officers to ensure adequate deployment of Civil Enforcement Officers and that the Parking Contractor is achieving compliance.

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### **2. RECOMMENDATION(S)**

- 2.1 That the PDS Committee note the content of this report and in particular the on-going work to ensure that adequate deployment and compliance is taking place around the Borough.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Minimal impact, however the parking contract includes enforcement around all schools within the Borough as well as the School Crossing Patrol Officers, which is aimed to protect children as they go to and from school. The contract also includes the use of enforcement agents who will take into consideration vulnerable adults and children when they are enforcing.
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### Corporate Policy

1. Policy Status: Existing Policy
  2. BBB Priority: Quality Environment Vibrant, Thriving Town Centres
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### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: N/A
  3. Budget head/performance centre: Parking Contract
  4. Total current budget for this head: £1.9m
  5. Source of funding: Existing revenue budget for 2019/20
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### Personnel

1. Number of staff (current and additional): 14.5 FTEs
  2. If from existing staff resources, number of staff hours:
- 

### Legal

1. Legal Requirement: Non-Statutory - Government Guidance
  2. Call-in: Not Applicable:
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### Procurement

1. Summary of Procurement Implications: N/A
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All road users
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

### **3. COMMENTARY**

- 3.1 In January 2019 a report was brought to this committee regarding the performance of the parking services contract the Council holds with APCOA. Some concerns were expressed about aspects of the performance of the contract and a request was made by Members to be able to further scrutinise the contractor later in the year.
- 3.2 If the number of PCNs (tickets) issued is a measure of the performance of the enforcement aspect of this contract, then Officers are less concerned than they were in January, as the number of PCNs issued has risen in recent months (see 3.10). However, there is evidence that enforcement could still be improved. APCOA staff retention is still of concern, as a high turnover of staff is reflected in a high number of CEO errors when issuing PCNs (that have to be cancelled) and also the number of trainees being shadowed meaning there is less enforcement being undertaken during those times. The experimental use of an ANPR-equipped moped was reported to this committee in January. This vehicle has not yet proved as effective as hoped (see 3.22).
- 3.3 The number of enforcement requests received from residents and Members has increased hugely in the past two years. The possible impact of this is discussed in 3.30-3.32
- 3.4 Members have also expressed concerns about the reliability of the machines that issue tickets in Council car parks. APCOA generally fix the machines promptly to meet the KPI, but repeated breakdowns do not give good customer service. This is being addressed as set out in 3.26.
- 3.5 Members have also asked that the committee consider the convenience fee paid by drivers to use the RingGo system. This is explained in 3.34-3.42

#### **Award and contract background**

- 3.6 The contract is for a fixed term of 10 years with a value of £1.9m pa. The procurement process was a joint one, undertaken between LB Bromley and LB Bexley who also awarded a contract to APCOA for the provision of Parking Services. Although both authorities entered into a contract with APCOA, the contracts are separate and distinct from each other. Neither authority is dependent on the other for the continuation of the contract. Executive approved the award to APCOA on the 30th November 2016. Formal award took place on the 15th December 2016 and the Contract commenced on the 3rd April 2017.
- 3.7 This contract is managed through the Shared Parking Service and is based on a joint specification and Key Performance Indicators (KPIs).

#### **Scope of Contract**

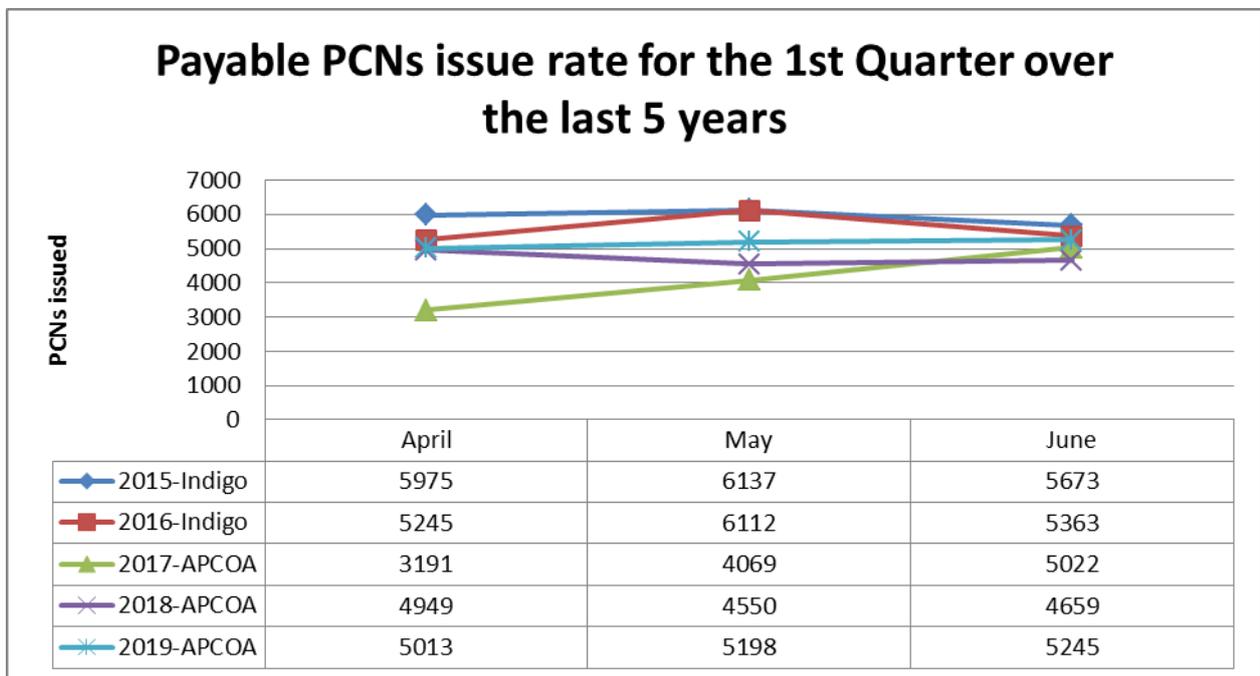
- 3.8 The Services that are managed and provided by APCOA on behalf of the London Borough of Bromley include but are not limited to the following:
- Enforcement and Associated Services
  - Suspensions and Dispensation Management
  - Car Park Management, including Cleaning and Maintenance
  - Parking related Signs and Lines maintenance
  - Pay and Display machine maintenance and monitoring
  - Cashless Parking Solution (Ringo)
  - Parking and Permits IT system
  - Cash collection and counting
  - Enforcement Agents (Bailiffs)
  - Business Processing Solutions, i.e. printing and sending of correspondence

- Reconciliation of all income streams, PCN, P&D, Ringo and permits
- School Crossing Patrols
- Enforcement of Blue Badge misuse

**Penalty Charge Notice (PCN) Issue rate**

3.9 Since APCOA commenced with this contract in April 2017, officers have witnessed a decrease in the number of PCNs being issued when compared with the previous parking contract. Although there are no targets for PCNs, the number issued can be seen as an indication of the efficiency of the contractor’s procedures as they enforce against illegal and obstructive parking on Bromley’s streets.

3.10 The table and graph below displays the payable PCNs that have been issued in the first quarter of the last five years by the CEOs only, therefore this is excluding CCTV and bus lanes. Payable PCNs are those where payment can be received, therefore any warning notices or PCNs that were voided have been removed from these figures.



3.11 This information demonstrates that officers have seen an increase in APCOAs performance in the first quarter of this financial year compared to the first two years of the contract.

Contractor	Year	PCNs Issued
Indigo	2015/16	71,575
Indigo	2016/17	69,754
APCOA	2017/18	60,780
APCOA	2018/19	55,590
Projected PCNs for 2019/20		
APCOA	2019/20	61,800

3.12 If APCOA continue to issue at the same rate for the remainder of the year, it is projected that approximately 61,800 payable PCNs will be issued.

- 3.13 It should be noted that in 2018 the design of some parking bays in Bromley Town Centre was changed to make the parking controls easier for drivers to understand. Historic enforcement levels of these bays were approximately 5000 PCNs per annum and since the change there have been minimal numbers of PCNs issued in this location.
- 3.14 Whilst there has been an improvement in APCOAs performance over the last few months, officer are aware that there are still improvements to be made and some of the factors that contribute to this are set out below.

### **Retention of Civil Enforcement Officers**

- 3.15 APCOA are contracted to have 21 CEOs out on street Monday to Saturday and 6 CEOs out on a Sunday and Bank Holidays. APCOA have recently been sending more CEOs out at their own cost to help with the deployment in the Borough. However, APCOA still have a very high turnover of Civil Enforcement Officers; from August 2018 to July 2019 APCOA have had 70 new members of staff start on both the Bromley and Bexley contracts.
- 3.16 The high turnover is having a negative impact on the contract. When CEOs are first recruited into the role, they will shadow an experienced CEO out on street for the first few shifts until they are confident with their job. Whilst this has proven to be a very useful training tool, it does reduce CEOs coverage around the Borough by them paring up. The high number of trainees means that the Council are quite often getting a reduced coverage of the Borough, even though the correct number of staff are on street.
- 3.17 A new contract Manger started on the contract in February 2019. She has tried to improve the CEOs morale and keep them on the contract by making it a better place for the staff to work. She has improved the office facilities, providing water and biscuits, and listening to their requests about uniforms and other internal issues. However the main reason for the high turnover of staff is the pay gap between what APCOA pay and what is paid by neighbouring boroughs. Although APCOA did give their staff a 2% pay rise in April, the pay rate still comes nowhere near that offered by some other nearby London authorities.
- 3.18 The high turnover of staff is probably also a factor in the high level of PCNs being cancelled as CEO make errors; APCOA are monitoring this and are looking at ways they could improve their training to stop the errors taking place. PCNs cancelled in June and July because of CEO errors were nearly twice the normal number. APCOA are defaulted for each PCN that is cancelled because of a CEO error, but the customer service as experienced by the driver is of course still poor, and the lost income to the Council is not covered by the default.

### **Deployment Plan (Beat Sheets)**

- 3.19 Revised beat sheets have been provided by APCOA, however officers have not been able to sign off on these, as APCOA have not detailed within their plan the correct number of cars, mopeds and bicycles deploying CEOs around the borough, as set out in the method statement. This can sometimes lead to some parts of the Borough being over deployed and other parts of the Borough under deployed.

### **Compliance**

- 3.20 As reported in February 2019, APCOA have been analysing which roads have not been visited as much as previous years to try and focus some attention on areas around the Borough they have possibly missed, but still ensuring that the whole Borough is being enforced as efficiently as possible.
- 3.21 The Council has recently run one mystery shopping exercise where 11 vehicles were deliberately parked all day in contraventions around the Borough. Only two of these vehicles

received a PCN. In four instances, CEOs have logged that they have visited the locations where one of the vehicles was parked and a PCN was not issued. This information has been passed directly to the Contracts Manager and the Regional Managing Director and officers are awaiting APCOAs comment. The Council will run further mystery shopping exercises in the future to continue to check APCOAs performance.

### **ANPR Enforcement**

- 3.22 Since October 2018 APCOA have been trialling an ANPR vehicle in the permit zones around the Borough. The vehicle is updated twice a day with all permit information, the vehicle is then driven around the roads within the Controlled Parking Zones (CPZs) allowing the ANPR camera to check all parked vehicles. If the ANPR vehicle detects a vehicle parked without a valid permit, the CEO will pull over to check if the vehicle is in contravention and then if necessary, issue a PCN by using their handheld device. In theory this should make enforcement more efficient, but the evidence of that is yet to be seen.
- 3.23 APCOA have recently approached the Council to ask for more detailed mapping for the ANPR moped as the polygons they currently have are only for the outer areas of the CPZ zones and not the restrictions inside. Without having this information, the ANPR camera does not know the difference between a restricted bay and a free bay and therefore will alert the driver unnecessarily for vehicles that are not in contravention. It is unfortunate that APCOA did not approach the Authority earlier on during the ANPR trial as this may have resulted in a more positive impact on performance, and would certainly have improved the ability to analyse the impact of ANPR usage on the contract.
- 3.24 Without having the full mapping system installed into the bike, the trial cannot be classed as successful ; therefore, it is suggested that the trial of the ANPR moped is continued to see if having the full mapping system loaded improves the enforcement undertaken by the vehicle.
- 3.25 The Council and APCOA have also agreed that the ANPR driver will log into their handheld as a unique ANPR Civil Enforcement Officer so that we can run reports on the exact number of PCNs issued by this CEO to make reporting easier in the future. This will give Bromley a better understanding of the efficacy of the ANPR moped.

### **Car Parks and On-Street P&D Machines**

- 3.26 APCOA are responsible for the maintenance of all the car parks in the Borough, this includes litter, fly tipping, reporting pot holes and the maintenance of the pay and display machines and Pay on Foot machines. APCOA also maintain the pay-and-display (P&D) machines on-street.
- 3.27 There are three KPIs concerning machine maintenance, these KPIs are designed to ensure that no car park is left without a fully functioning pay and display machine. APCOA meets these KPIs most months, with only a few defaults being applied this year, however officers are concerned that machines are being fixed to meet the KPI but not necessarily to resolve the issue. This results in the machine continually going out of order, providing a poor service to the customer.
- 3.28 Officers are currently undertaking a review of all pay and display machines across the Borough with the view of reducing the estate as drivers increasingly use pay-by-phone. This will allow for some of the machines that are experiencing problems to have parts replaced or where necessary, the whole machine can be replaced. APCOA and the Council have a meeting booked to discuss this further and propose an outcome to improve the current situation.
- 3.29 Although the standard of cleaning is acceptable in some car parks, others need to receive a better service. APCOA have produced a revised cleaning schedule for all of the car parks and officers have agreed to trial these changes for 6 months, however the Council reserves the right

to amend if at any time they are not satisfied with the standards as set out in the contract.

### Enforcement Requests

3.30 On-line enforcement requests are still extremely popular with 4,384 requests made in the last financial year. Out of these 4,384 requests, 39.2% were from residents complaining that a vehicle was blocking their driveway. A breakdown of the type of requests received are detailed below:

Reason for request	Number of Requests	% of total
Crossover/dropped Footway/blocking drive	1,718	39.2%
Footway parking	752	17.2%
Double Yellow lines	408	9.3%
Single yellow lines	316	7.2%
No permit	169	3.8%
Disabled Badge Misuse	91	2.1%
Other	930	21.2%

3.31 APCOA have to respond to these requests within a set time dependent on the time of day, this is recorded as a Key Performance Indicator. However, when a CEO is diverted to an enforcement request, there will inevitably be some disruption to normal deployment patterns and therefore fewer PCNs will be issued in those locations missed.

3.32 APCOA and the Council are working together to review the number of enforcement requests that are received that do not result in a PCN being issued. Officers are investigating the possibility of a new e-form that once the customer selects a reason for enforcement, it populates the page with details of the contravention so that officers can discourage those customers who may ask for enforcement but the vehicle is not actually in contravention, therefore maximising the productivity of the CEOs when deployed. The type of enforcement request responded to may also be worthy of consideration, as the Council might decide that CEOs should only be prioritising certain types of request.

### Key Performance Indicators (KPIs)

3.33 The contract is heavily monitored by monthly Key Performance Indicators (KPIs), the below table demonstrate the percentage of defaults that have been applied per month since the contract went live.

Percentage of KPI paid back against Contract Price													
	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.	January	February	March	Total
2017/18	30%	23%	4%	12%	7%	5%	4%	6%	7%	3%	5%	34%	12%
2018/19	3%	2%	2%	3%	5%	3%	5%	3%	3%	3%	7%	4%	4%
2019/20	4%	20%	4%										3%

### CASHLESS PARKING – RINGGO

3.34 Cashless parking infers that a driver pays for their parking using a mobile phone app (or text message), as opposed to using cash or credit card at a machine on street. The cashless solution provides the customer with services which are not available through the pay and display system, such as the ability to remotely purchase more parking time / extend an existing session without the need to return to a vehicle and purchase another parking session (if permitted at that parking location). The table below shows the statistics of the RingGo usage in terms of volumes and parking fees: -

	2017/2018 – Year One	2018/2019 – Year Two
Total Cashless Sessions	925,010	1,269,939
Total Parking Transactions	£1,715,588	£2,087,317

### Convenience Fee

- 3.35 RingGo was introduced in Bromley on the 17<sup>th</sup> March 2010 and since this date there has been a 20 pence convenience fee charged to anyone using the service. From April 2017, the new contract with APCOA includes RingGo as a subcontractor that provides the cashless parking service.
- 3.36 The convenience fee is levied for the convenience of using the cashless option as opposed to using cash for pay and display tickets. The additional cost is only a small proportion for a longer stay, but adds considerably to the cost of a short stay.
- 3.37 Some Councils choose to absorb the convenience fee so that it is not a cost that is passed onto the customer, however this would impact on the budget for on and off street parking, and given the financial position of the Council, is not recommended.
- 3.38 Last year officers considered changing the charging system so that there were differential charges for customer who wanted to pay by cash and those wanting to pay by RingGo. Officers investigated the possibility of making the tariff for cash payments 20 pence more expensive than the RingGo payments so that the RingGo customer would pay the same price for parking once the convenience fee has been accounted for.
- 3.39 However, this practice has been introduced in the London Borough of Bexley and there have been several instances when customers have not read the tariff board correctly, paid the lower cashless charge in the pay and display machine and consequently ended up with a parking ticket. Due to this, officers and the Portfolio Holder did not recommend this option in the fees and charges report in February 2019.
- 3.40 Customer are also automatically signed up to a confirmation text message and a reminder text message at a cost of 10 pence per message, however this can be turned off by altering the settings on their account.
- 3.41 The current APCOA contract provides the Council with 4 pence of every convenience fee paid and 8 pence from every confirmation and reminder text message sent. The table below shows the level of income received from these sources over the first two years of the contract:

	2017/2018 – Year One	2018/2019 – Year Two
Convenience Fee	£33,299	£45,715
Text messages fee	£95,580	£136,095
<b>Total income to the Council</b>	<b>£128,879</b>	<b>£181,810</b>

3.42 It should be noted that as more customers use this method of payment, the Council will have to meet the extra costs of the credit and debit card charges.

#### 4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

There is minimal impact on vulnerable adults and children, however the parking contract includes school crossing patrols and enforcement of school zig zags, which is aimed to protect children as they move to and from school. The contract also includes Enforcement Agent activity that will take into consideration vulnerable children and adults. Furthermore the contract includes Blue Badge enforcement which assists children and adults with mobility issues.

#### 5. POLICY IMPLICATIONS

The Parking Contract is fundamental to the delivery of the Parking Strategy (2011) which sets out Bromley's parking and enforcement policies.

#### 6. FINANCIAL IMPLICATIONS

6.1 The 2019/20 budget for the parking contract is £1.9m. The table below sets out the actual outturn for the contract for 2018/19 and the projected spend for 2019/20: -

Parking Contract	Latest			Latest Projected		
	Budget	Outturn	Variation	Budget	Outturn	Variation
	2018/19	2018/19	2018/19	2019/20	2019/20	2019/20
	£'000	£'000	£'000	£'000	£'000	£'000
Off Street Parking	498.4	508.1	9.7	484.0	475.6	-8.4
On Street Parking	88.5	63.5	-25.0	63.1	38.0	-25.1
Enforcement	1,269.3	1,164.8	-104.5	1,300.5	1,291.3	-9.2
Permit Parking	33.3	33.8	0.5	34.0	34.0	0.0
	<b>1,889.5</b>	<b>1,770.2</b>	<b>-119.3</b>	<b>1,881.6</b>	<b>1,838.9</b>	<b>-42.7</b>

6.2 The variations are the result of performance deductions and additional income received from the RingGo convenience fees.

6.3 The annual default applied at the end of the contract year for 2017/18 was not finalised and agreed with the contractor until after the accounts were closed. The additional defaults totalled £50k.

6.4 Members should also note that the reduction in the annual numbers of PCNs of over 14,100, from 69,351 in 2016/17 to 55,590 in 2018/19, equates to approximately £560k using the average ticket price of £39.60 for PCNs issued by CEOs. The position has improved during 2019/20, to just under 8,000 PCNs and a loss of £320k, which is mainly the result of making some of the parking controls easier to understand in Bromley Town Centre as explained in 3.13.

#### 7. LEGAL IMPLICATIONS

The Council as an Enforcement Authority have the legal power under the Traffic Management Act 2004 to operate Civil Parking Enforcement and to enter into a services contract with the provider for the provision of the services as identified in this report and the contract.

#### 8. PROCUREMENT IMPLICATIONS

The Contract Procedure Rules note in 23.2 - For all Contracts with a value higher than £500,000, or which are High Risk, an annual report must be submitted to the Portfolio Holder, the responsible Officers having submitted for consideration a formal Gateway Review, covering, as appropriate, the matters identified in the Council's standard Gateway Review Template for

consideration as part of Contract Monitoring/Management requirements.

<b>Non-Applicable Sections:</b>	Personnel Implications.
Background Documents: (Access via Contact Officer)	