



# London Borough of Hackney

## Parking Services Financial Report 2008/09





## The Council's Vision

### Making Hackney a Better Place

To achieve balanced, sustainable communities and neighbourhoods which celebrate their diversity and share in London's growing prosperity and enable a good quality of life for all.

Hackney's priorities are set by the Mayor. He is the directly elected Mayor of Hackney, one of only twelve in the country. He is the political leader of the Council, overseeing the budget and all Council services. He provides accountable leadership for the Council, as well as acting as a champion and advocate for the borough.

#### The Mayor's Priorities

The Mayor's overall aim is to achieve balanced, sustainable communities and neighbourhoods, which celebrate our diversity and share in London's growing prosperity, to enable a good quality of life for all. The Mayor has set specific priorities for the Council for the next four years to meet that aim. Everything we do contributes towards achieving these priorities.

#### Mayor's Priority 1

Improving services and increasing opportunities for

- All, raising the life chances of the most disadvantaged
- A Safer, Cleaner, Greener Hackney
- Children and Young People
- Affordable, Decent Homes

#### Mayor's Priority 2

Making sure the Council is high performing and efficient and Service First

#### Mayor's Priority 3

Providing effective community leadership and involving the whole borough in what we do



## Parking Services

Parking Services aims to provide a service for all of the Borough's residents, business and visitors in line with its Parking and Enforcement Plan (PEP). The PEP contains a "Hierarchy of Parking Need", which allows the Council to prioritise parking provisions according to need. We manage the fair allocation of road space and enforce against a number of parking and moving traffic offences in line with the Traffic Management Act 2004 and other relevant adopted powers.

To ensure we meet your needs we often work in partnership with a number of external agencies and suppliers including London Councils, the NHS, Disability Hackney, TfL (for bus lane enforcement), the Metropolitan Police, APCOA (our parking and enforcement contractor) and a range of bailiffs.

In 2007/08, the following activities were completed in partnership:

- The delivery of differential charging (a two tiered system of charging for PCNs), in partnership with London Councils and our IT supplier (Civica).
- Managing and implementing CPZs and Match Day controls - Homerton University Hospital and Arsenal Football Club respectively.
- The ongoing delivery of parking enforcement within the Borough, working in partnership with APCOA and with Hackney Homes to provide estate parking.
- The security of pay and display machines and the cash stored on street is done by working in partnership with CCTV (LB Hackney), The Metropolitan Police, APCOA, Treasury and Finance (LB Hackney) and the Council's cash collection contractor (on-going)
- By working in partnership with Streetscene (LB Hackney), the Council's suppliers for street furniture and road marking we are able to maintain the Borough's signs, lines and posts.
- We manage and implement CPZs – by working in partnership with Streetscene (LB Hackney), the emergency service, the Council's suppliers for street furniture and road markings, APCOA, ELV and the Metropolitan Police.
- The Olympic Development Agency and other local authorities (particularly our immediate neighbours) support us in meeting our commitments to the Olympics.
- The parking services has joined the PiP (Parking in Partnership), a consortium Partners in Parking, or PiP, is a consortium established by London Local Authorities and TfL in April 2007. PiP collaborates on a number of strategic and procurement projects that affect the way Londoners and city visitors pay for their parking. PiP procurements deliver value for



money savings to its partners in accordance with Gershon recommendations. Hackney membership to PiP was approved in Oct 2007.

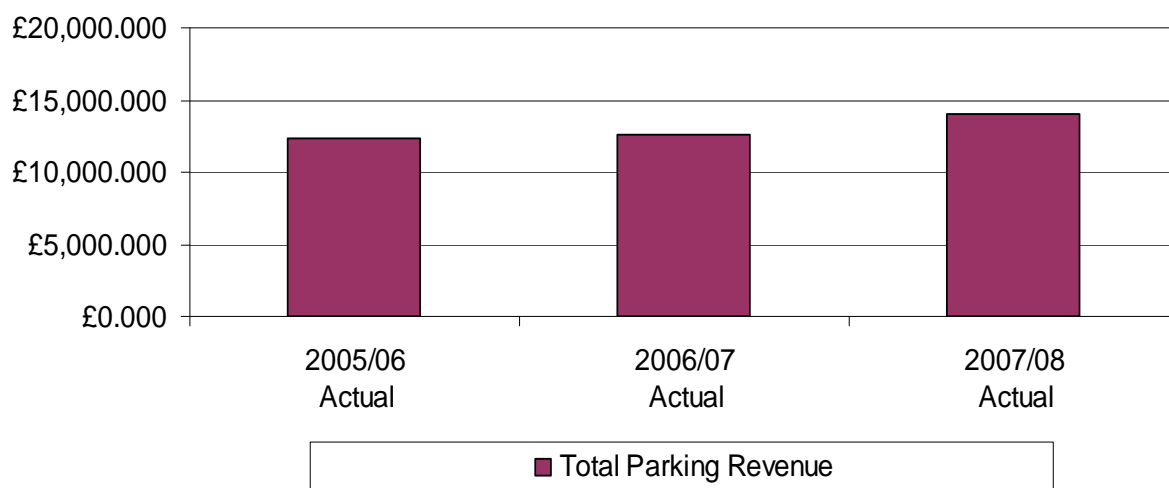
In accordance with the Parking Enforcement Plan, Parking Services continues to engage with stakeholders and members through CPZ consultation and other Parking Forums.



## 1 Parking Revenue

Revenue is generated from sales of permits and similar products, PCNs (Penalty Charge Notices) issued on-street and using CCTV footage, Pay & Display tickets and Council car parks. This also includes revenue for the enforcement service provided on over 50 Hackney Homes housing estates.

**Parking Revenue Year-on-Year**

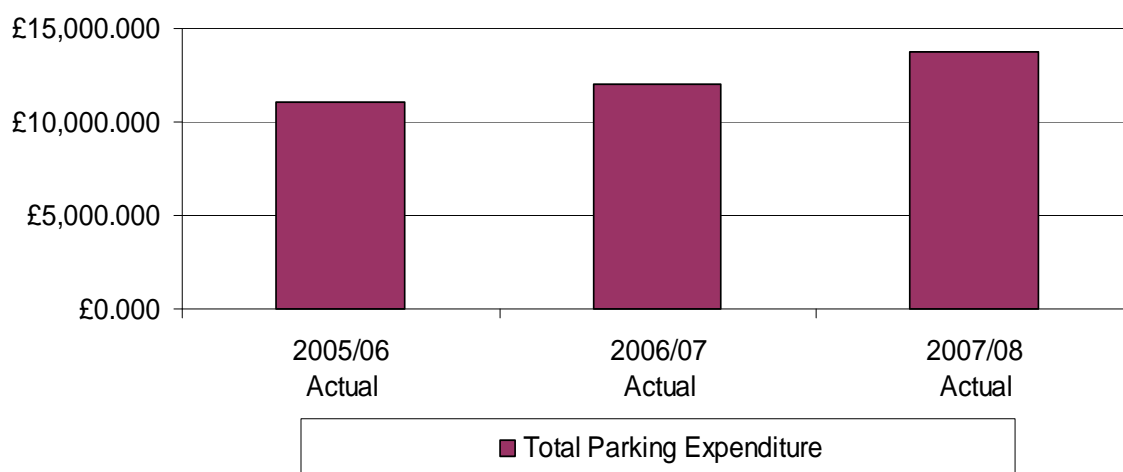


The level of parking revenue generated has steadily been increasing year-on-year. The sharpest rise experienced has been from 2006-07 to 2007-08, which was £1,396,958 (11%).



## 2 Running Costs

### Parking Expenditure Year-on-Year



There has been increase in parking operating expenditure. There was an 8% increase from 05/06 to 06/07 and a 15% increase from 06/07 to 07/08. This is demonstrated in the graph above. There has been growth in the staffing numbers to support Parking Services over the last few years to support additional services like, Moving Traffic Contraventions, Bus Lane enforcement, Abandoned and Untaxed Vehicles and Management of Parking for Hackney Homes.

Developments continue to evolve throughout the Council. Such as Service First (Corporate Contact Centre), E-government (Automated Telephone Payments and Web applications) and Formal Project Management (resources have been identified to ensure staff within Parking conduct projects in line with corporate requirements).



### Parking Revenue and Expenditure

<b>Revenue</b>	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Forecast
Revenue	£12,316,332	£12,620,046	£14,017,004	£13,609,468
<b>Total Revenue</b>	<b>£12,316,332</b>	<b>£12,620,046</b>	<b>£14,017,004</b>	<b>£13,609,468</b>
<b>Expenditure</b>	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Forecast
Supplies & Services	£2,071,379	£1,446,752	£954,252	£854,828
Support Services	£1,875,170	£1,681,478	£3,897,436	£2,237,493
Third Party Payment	£3,968,602	£5,120,306	£4,565,879	£5,215,648
Other	£3,161,186	£3,757,533	£4,354,724	£4,161,129
<b>Total Expenditure</b>	<b>£11,076,337</b>	<b>£12,006,069</b>	<b>£13,772,291</b>	<b>£12,469,098</b>
<b>Surplus</b>	<b>£1,239,955</b>	<b>£613,977</b>	<b>£244,713</b>	<b>£600,370</b>

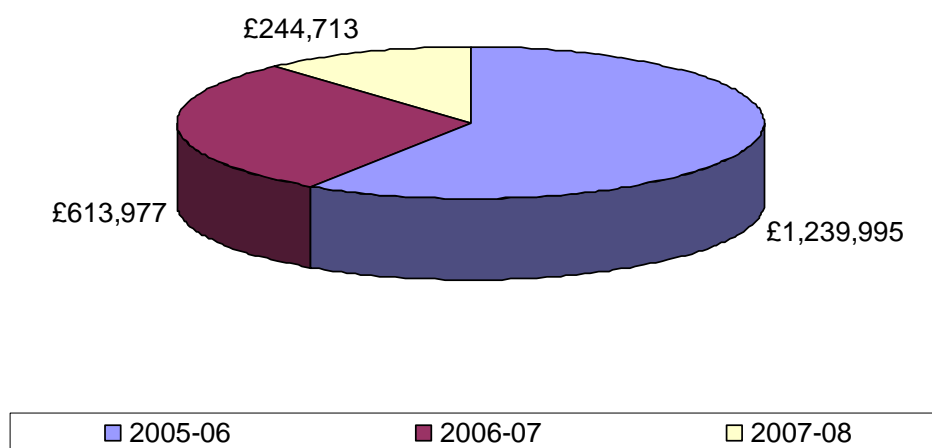
The table above demonstrates that the Parking Surplus has declined year on year in line with the TMA 2004.



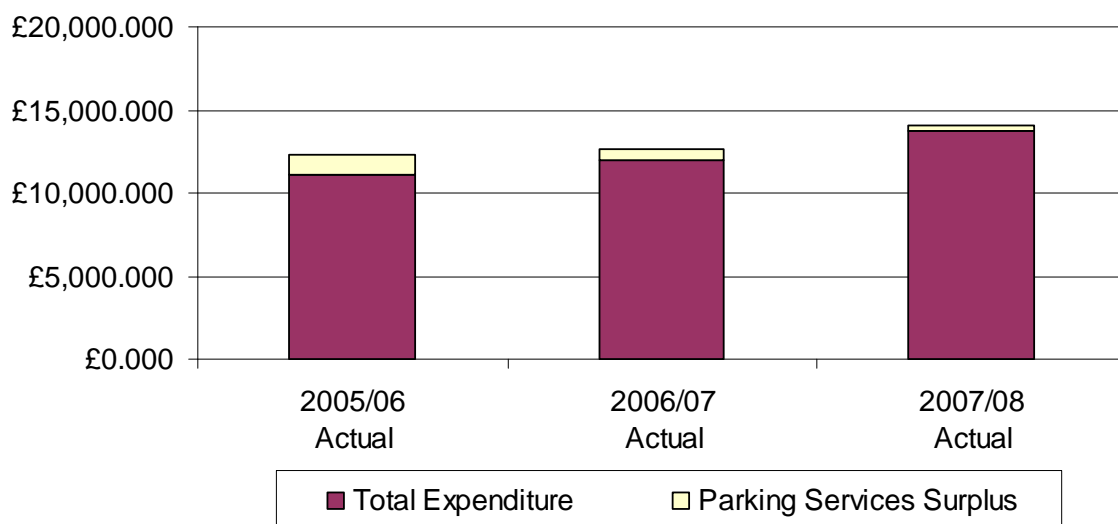
### 3 Parking Surplus

The surplus made from the Parking Service is reinvested into traffic and transportation. The chart below highlights the contributions made by Parking Services' surplus from 2005-06 to 2007-08

**Parking Surplus**



**Parking Expenditure and Surplus**

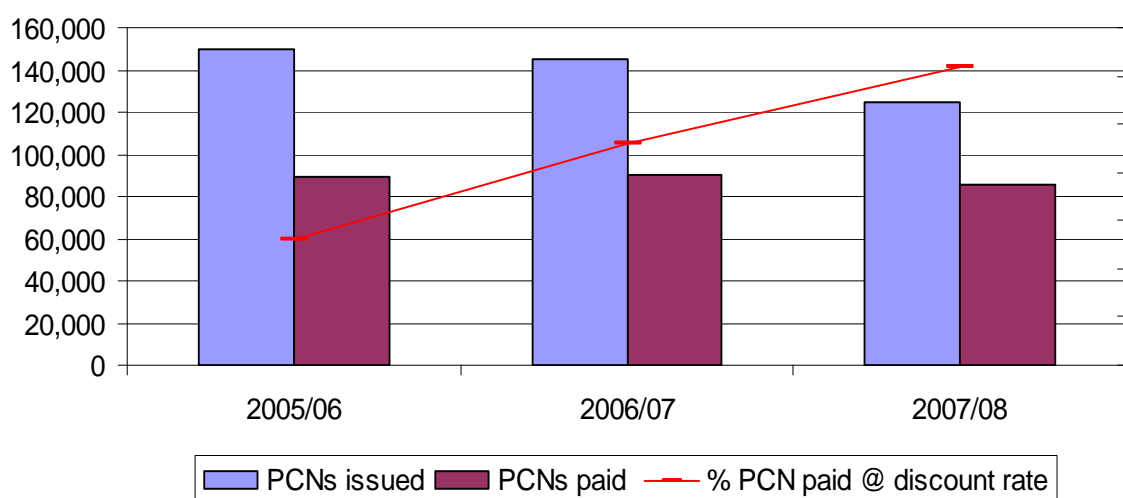


The chart above demonstrates that as the expenditure rose by 24% from 05/06 to 07/08, however, in the same period, the surplus reduced by 80%. However compliance remains at 95%.



## 4 PCN Quality

The purpose of parking enforcement, as set out in the Traffic Management Act 2004, is to increase motorists' compliance with parking and traffic law. The graph below shows PCN activity over the last three years. There has been a general decline in the number of PCNs issued over this period, suggesting that the Council is meeting its goal to encourage motorists to park legally and safely.



The total number of PCNs issued declined by 16.6%, over two years (from 149,466 in 2005/06 to 124,000 in 2007/08). Although this trend is being experienced across London, possible reasons for the decline in Hackney are:

- Better communications with motorists as to where they could and couldn't park.
- Greater compliance by drivers to parking rules and regulations
- As a result of increased compliance, a reduction in the on street presence of CEO level within the Parking Enforcement contract
- Increase of double yellow lines and therefore people taking fewer chances

As shown in the graph above, the percentage of PCNs paid reached 68% in 2007/8 and was an improvement of 9% from 2005/6. The increase demonstrates the Council's drive for a high quality parking service and its success in improving traffic flow, road safety and providing quality enforcement, including:

- Improved maintenance of signs and lines, so that defects were repaired in an average of 3 days in 2007/08
- quality driven contract has been in place for over 5 years



The total number of PCNs paid (either at the full rate or discounted) in 2005/6 was 89,527, this figure increased by 406 in 2006/7, although the total number of PCNs issued did decrease by 4,450. In 2007/8, Hackney continued to experience a decline in PCNs issued of 24,872 and at the same time, PCNs paid reduced by 4,681 from the previous year.

The total number of representations made by motorists against PCNs peaked at 46,385 at 2006-07 before reducing to 42,321 by 2007-08. Although the number of PCNs issued declined in 2007-08, nevertheless there were 34% of representations made.

## 5.0 Parking Operational Information

	2005/06	2006/07	2007/08	2008/09 Forecast
PCNs issued	149,466	145,016	124,594	112,363
PCNs issued from 1 April 07 to 30 June 2007 (before differential charging)			29,907	N/A
Higher level (1 July 2007 to 31 March 2008)			74,329	81,463
Lower level (1 July 2007 to 31 March 2008)			20,358	30,900
PCNs paid	89,527	89,933	85,252	68,483
PCNs paid @ discount rate	69,679	70,907	67,926	57,856
Formal/Informal Representations	42,832	46,385	42,321	43,846
Cancelled (Successful Representations)	N/A	N/A	9,064	9,336
Vehicles Immobilised	6,222	7,017	1,488	0
Vehicles Removed	2,039	3,224	3,636	4,150

A system of varying the level of the PCN according to the severity of the contravention, known as differential charging, was implemented London-wide from 1 July 2007. Of the PCNs issued under this regime, 60% were issued at the higher rate. The recovery rate for 2007/8 is 68.4%, which suggests the CEOs are issuing more quality based PCNS and there were fewer cancellations. However, there is some work needed to improve our service further with tickets being appealed and cancelled.