

Item No.	Classification: Open	Date: 30 November 2010	Decision Taker: Cabinet Member for Transport, Environment and Recycling
Report title:		Parking Customer Services Strategy	
Ward(s) or groups affected:		All	
From:		Strategic Director of Environment and Housing	

RECOMMENDATIONS

1. It is recommended that the Cabinet Member for Transport, Environment and Recycling agree to the following service improvements to the parking service.
2. Agrees to the introduction of a range of service improvements:
 - That all (Highways) new residents parking permit applications can be made online, by telephone and by postal application
 - That all (Highways) residents parking permit renewal applications can be made online, by telephone and by postal application
 - That all (Highways) resident's visitors parking permit applications can be made online, by telephone and by postal application
 - That all (Highways) other permit types (business, contractor, suspensions and dispensations) can be applied for by email, by telephone and by postal application
 - That an 0800 (free phone) number is made available to customers as well as the existing 0844 local rate number (which will be retained for customers using mobiles)
 - That photographic evidence of Penalty Charge Notices (PCN's) is viewable on line
 - That PCN reviews can be made on line, by email and by post (these must be made "in writing")
3. That as a consequence, noting a 50% reduction in footfall to date, (full year 55,000 customers currently projected at 27,500 before new initiatives are introduced) that walk in face to face services (other than assisted self service) in relation to the services currently provided from the Parking Shop be withdrawn.
4. That all additional actions identified within the Community Impact Assessment (detailed in this document) are implemented.

BACKGROUND

5. The recommendations in this report have come from the implementation of a Parking and Road Networking Improvement Project.
6. This project was initiated following a review of the service which highlighted a number of procedural and financial inefficiencies in the way the service, including:
 - The parking permit application processes were overly complex for the customer and inefficient and expensive to administer
 - Customers were required to provide multiple pieces of supporting evidence, some of which were unnecessary and others the council already held or had access to
 - Permit applications, including renewals, could only be made by post or in person at the Parking Shop, the only customer contact point for the service in the borough

- Located on a red route on the Old Kent Road, the Parking Shop is generally inconvenient for customers and as a facility is very dated and not in keeping with other customer facing access points
7. The key objectives of the project were to:
 - Make the service simpler and more accessible to customers
 - Reduce the cost of providing the service by 20% (over three years)
 8. The project has been delivered in tandem with the current review of the council's Customer Service Strategy.
 9. The project adopted the "Right First Time" approach to ensure services were designed to make the end to end process as efficient as possible and promote the most cost effective contact channels for that process.
 10. As such, the principles driving this project are fully aligned to the emerging energy customer service strategy and to the Cabinet's Budget Principles.
 11. The project is championing those principles and is expected to serve as a good practice reference for services across the council tasked with finding efficiency savings and improving the customer experience.
 12. So far, the project has:
 - Simplified the application processes for customers. For example, we will only ask for proof of residency where we have been unable to verify this by cross checking with other council records, such as council tax
 - Introduced permit renewals available on line. The process is quick and easy for customers to use and far more cost effective to administer. Already up to 50% of renewals are now completed on line
 - Introduced photographs of parking offences available to the customer on line. This means they can now see evidence of their alleged offence before deciding whether or not to appeal against the ticket, which they can also now do on line
 13. The next steps for the project are to:
 - Make new residential permit applications available to customers on line. This will be completed in November 2010
 - Make visitor permit applications available on line. Again, this will be completed in November 2010
 - Allow customers to make permit applications over the phone. This will be available to customers from December 2010
 14. These changes represent a significant increase in accessibility to these services. As well as being able to use these services at home or work, we have also opened up the council's network of libraries to be used as access points.
 15. Footfall at the parking shop has already reduced by 50% and once all the above improvements have been completed, there will no longer be a need to continue providing expensive face to face services at the Parking Shop.
 16. Removing the need to provide these services face to face is key to achieving the anticipated £100k+ annual savings that this project aims to deliver (Please refer to Appendix A for further details). Savings that could increase considerably following contract re-tendering in 2011.
 17. The impact statement below shows how the improvements delivered and planned to date negates the requirement for a walk in face to face offering and will allow the council to achieve significant savings.

COMMUNITY IMPACT STATEMENT

18. All of Southwark's twelve libraries have kiosk PC's available to the public (over 150 in total), which can be used to log on to Southwark's web services.
19. Southwark's One Stop Shops (OSS's) have free telephones which can be used to access Southwark's non-face to face services. There is also access to web based services at OSS's.
20. We are adding a 0800 free phone number to the existing 0844 local rate number so customers can contact us by either free or low cost phone numbers. We are retaining the 0844 number to keep costs low for members of the public who do not have a fixed telephone line and use mobile phones exclusively.
21. Customers can continue to use the cash office to pay for PCNs and in due course will be able to pay for a parking permit through those offices.
22. In order to improve the customer experience residents are no longer required to provide paper copies of documents during the application process. Instead, we verify the residential status of the applicant in the first instance via the Council Tax database and if they have not yet registered we can check their address status by a separate verification tool (URU and Experian).
23. Similarly, we no longer require paper documents in regards to car ownership – Residents now simply confirm they own and tax their vehicle and we verify the information provided using a back office check (Experian). This will be carried out via audit sweeps of existing permit holders. Permits continue to be invalid if an up to date road tax disk is not displayed in the vehicle.
24. We intend to offer a limited face to face service via our car pound and by our on-street team managers to deal with those situations where customer service cannot be dealt with via any of these channels, this will be an appointment based service and will be monitored very closely.
25. In the longer term it is proposed that, in respect of those persons who have a parking permit and are in arrears with the council tax, the Council will reserve the right to withdraw or not renew their permit. The details of that proposal will be set out in a separate report to the Cabinet Member at a later date.
26. The introduction of virtual permits in the future will simplify this process further as we will be able to withdraw permits by simply removing them from the valid permits database.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law & Governance (SB/1110)

27. The Strategic Director of Communities, Law & Governance (acting through the Contracts Section) notes the content of this report and confirms that the decision to approve the recommendation contained in paragraph 1 involves service planning and delivery issues which are matters expressly reserved to an individual Cabinet Member for decision under Part 3D of the Council Constitution.

Finance Director (Env/ET/191010D)

28. The proposed strategy options will generate savings ranging from £51.5k to £120k per annum, with the latter recommended for adoption since it represents best value for money for the Council and its residents. This will count towards savings target set for the Public Realm division as part of budget and business planning exercise for 2011/14, which is currently underway. Savings will be £30k in 2010/11 rising to £120k in 2011/12.

BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
Parking Contracts	Public Realm, E&H 160 Tooley Street 3 rd Floor London SE1 2TZ	N.Costin 0207-525-2156
Parking & Road Networking Improvement Project – Project Initiation Document	Public Realm, E&H 160 Tooley Street 3 rd Floor London SE1 2TZ	N.Costin 0207-525-2156

APPENDICES

No.	Title
A	Future service design options
B	Projected channel shift

AUDIT TRAIL

Lead Officer	Gill Davies, Strategic Director of Environment and Housing	
Report Author	Des Water, Head of Public Realm, Environment and Housing	
Version	Final	
Dated	30 November 2010	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Officer	30 November 2010	

APPENDIX A – Future service design options

Decision – option 3

Option	Service	For	Against	Risk	Saving
1	All front line to Vangent OSS and CSC Middle office and fulfilment with APCOA	<ul style="list-style-type: none"> Maintains a face to face option for customers – with greater location choice Customers can utilise other council services All customer services provided by one contractor <p>Opportunity to encourage “facilitated” self service</p>	<ul style="list-style-type: none"> Cost of transferring staff (TUPE) Project costs associated with implementing changes Draws resources from other service improvements and re-tender activities Cannot take cash – additional hand offs Increased process complexity by having hand-offs between front line and back office contractors <p>Complications in terms of client function (two contracts, with complex boundaries for hand-overs)</p>	<ul style="list-style-type: none"> Loss of parking expertise Significant savings not realised in current year <p>Delays in resolving staffing issues delay closure of parking shop</p>	6.3% £46.5K
2	Face to face to Vangent Telephone, Middle office and fulfilment with APCOA	<ul style="list-style-type: none"> Maintains a face to face option for customers – with greater location choice Customers can utilise other council services face to face Expert phone service (Bespoke to parking) Opportunity to encourage “facilitated” self service <p>High performing telephone services</p>	<ul style="list-style-type: none"> Cost of transferring staff (TUPE) Project costs associated with implementing changes Draws resources from other service improvements and re-tender activities Cannot take cash – additional hand offs Increased process complexity by having hand-offs between front line and back office contractors Complications in terms of client function (two contracts, with complex boundaries for hand-overs) <p>Customers cannot utilise other council services (on phone)</p>	<ul style="list-style-type: none"> Loss of parking expertise Significant savings not realised in current year Delays in resolving staffing issues delay closure of parking shop Could cause confusion in follow ups (where customer has visited OSS then calls CC for an update). Particularly where more than one service was accessed at OSS. <p>Loss of parking expertise (F2F)</p>	4.7% £35K

3	Face to face withdrawn Telephone, Middle office and fulfilment with APCOA	<ul style="list-style-type: none"> • Significant savings in year 1 • Opportunity to encourage self service • Minimal project costs to implement • No TUPE issues • Maintains parking expertise on phones <p>All customer services provided by one contractor</p>	No additional council services (unless using the web) can be accessed at the same time.	Removing F2F is politically unacceptable	16.2% £120K
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1. It is recommended that option 3 be chosen as this represents the best value for the council and its residents.
2. This option also presents the lowest risk in terms of delaying the closure of the parking shop and is responsive to the current financial climate facing the service and council as a whole.
3. The 16.2% saving highlighted in the table represents a saving of £120,000 per annum from fixed costs currently charged by APCOA (£731,545 in 2009/10) for the provision of the parking shop. This is based on the savings being over a complete financial year. If the contract with APCOA is extended by 6 months then during the period after 01 July 2011 further saving will be accrued based on the ending of the lease of the parking shop and other associated costs.
4. Therefore the council are expecting a £10,000 monthly discount on our contract costs from January 2011 to August 2011 and a discount of £13,334 on our contract costs from September 2011 through January 2012.

APPENDIX B – Projected channel shift

Service	Current	Future	Predicted channel shift
PCN payments	<p>Payment in person at parking shop and cashiers offices.</p> <p>Payment on the telephone to an operator at the parking shop</p> <p>Payment online</p> <p>Payment via automated telephone payment (ATP)</p> <p>Payment via post</p>	<p>No option to pay at the parking shop will still be able to pay at cash offices</p> <p>Payment on the telephone to an operator at APCOA's call centre</p> <p>Payment online</p> <p>Payment via automated telephone payment (ATP)</p>	<p>Already 60% of payments come via online or ATP</p> <p>Face to face payments at parking shop only represent 8% of current PCN payments</p> <p>Future channel mix:</p> <p>65% online or ATP</p> <p>10% post</p> <p>10% cashiers office</p> <p>8% at car pound</p> <p>2% BACS</p> <p>5% by phone to APCOA call centre</p>
New residents parking permits	<p>Application and payment in person at parking shop.</p> <p>Application and payment via post</p>	<p>No option to pay at the parking shop</p> <p>Application and payment on the telephone to an operator at APCOA's call centre</p> <p>Application and payment online</p>	<p>Future channel mix:</p> <p>65% online</p> <p>10% post</p> <p>25% by phone to APCOA call centre</p>
Residents visitors vouchers	<p>Application and payment in person at parking shop.</p> <p>Application and payment via post</p>	<p>No option to pay at the parking shop</p> <p>Application and payment on the telephone to an operator at APCOA's call centre</p> <p>Application and payment online (before parking shop closes)</p> <p>Phase 2 - 'Virtual' residents visitors permits (similar to pay by mobile)</p>	<p>Future channel mix:</p> <p>65% online or ATP</p> <p>10% post</p> <p>25% by phone to APCOA call centre</p>
Residents permit renewals	<p>Application and payment in person at parking shop.</p> <p>Application and payment via post</p> <p>Online application and payment</p>	<p>No option to pay at the parking shop</p> <p>Application and payment on the telephone to an operator at APCOA's call centre</p> <p>Application and payment online</p> <p>Phase 2 - Application and payment via</p>	<p>Already 40% of residents renewals are occurring on line</p> <p>Future channel mix:</p> <p>85% online or ATP</p> <p>15% by phone to APCOA call centre</p>

		automated telephone payment	
New business parking permits	Application and payment in person at parking shop. Application and payment via post	No option to pay at the parking shop Application and payment on the telephone to an operator at APCOA's call centre Phase 2 - Application and payment online	Future channel mix: 85% online or ATP 15% by phone to APCOA call centre
Early PCN challenges	At parking shop, parking shop provide form By post By email Online	By phone to the APCOA call centre By post By email Online	Future channel mix: 50% online 30% post 20% by phone to APCOA call centre
PCN Representations	At parking shop, parking shop provide form or refer to form sent in post By post By email Online	By post By email Online	Future channel mix: 50% online 50% post
PCN appeals	By post to parking and traffic appeals service	By post to parking and traffic appeals service	No change
Late PCN challenges	At parking shop, parking shop provide form By email	In limited circumstance by phone to the APCOA call centre By post By email Phase 2 - Online	Future channel mix: 50% online or ATP 30% post 20% by phone to APCOA call centre
Dispensations	At parking shop, parking shop provide form By email By fax	By email By fax Phase 2 - Online 'virtual' dispensations	Future channel mix: 75% via email 25% by phone to APCOA call centre
Suspensions	At parking shop, parking shop provide form By email By fax	By email By fax Phase 2 - Online applications	Already 80% of suspensions are dealt with via email and the remaining 20% by phone. Future channel mix: 90% via email 10% via phone to APCOA call centre