

ACT Auditor-General's Office

Performance Audit Report

ACT Government Parking Operations

Report No. 3 / 2013

Environment and Sustainable Development Directorate

Economic Development Directorate

Territory and Municipal Services Directorate

Justice and Community Safety Directorate

Chief Minister and Treasury Directorate

May 2013



ACT AUDITOR-GENERAL'S OFFICE



PA 12/11

The Speaker
ACT Legislative Assembly
Civic Square, London Circuit
CANBERRA ACT 2601

Dear Madam Speaker

I am pleased to forward to you a Performance Audit Report titled '**ACT Government Parking Operations**' for tabling in the Legislative Assembly pursuant to Subsection 17(5) of the *Auditor-General Act 1996*.

Yours sincerely

Dr Maxine Cooper
Auditor-General
30 May 2013

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1. REPORT SUMMARY AND CONCLUSIONS

INTRODUCTION

- 1.1 This report presents the results of a performance audit that examined the ACT Government's parking operations. The audit has focused on paid parking.
- 1.2 The ACT Government provides both free and paid parking facilities. Private operators also provide paid parking.
- 1.3 The ACT Government provides paid parking to motorists via:
- meter parking; and
 - ticketed parking.
- 1.4 Meter parking is always on-street, with short time limits on the length of stay, e.g. 30 minutes. Motorists pay for meter parking by making a payment with coins into a meter that is assigned to an on-street parking bay. There are 860 parking meters on urban roadsides in the ACT.
- 1.5 Ticketed parking is usually, but not always, off-street in allocated car parks. Ticketed parking offers short-stay or long-stay parking or a combination of these, which is referred to as multi-stay. Short-stay parking typically has a stay time limit of up to three hours, although this may be less. Long-stay parking is designed as all-day parking, for those motorists parking for six hours or more. Motorists pay for ticketed parking via machines that are located in, or adjacent to, parking areas. There are 249 active multi-stay ticket machines in the urban areas of the ACT.
- 1.6 The ACT Government provides motorists with the option of purchasing prepaid parking tickets through Canberra Connect. Prepaid parking tickets can be used instead of tickets purchased from machines in multi-stay ticket parking areas. Prepaid parking tickets can be purchased on a weekly, monthly, quarterly, half-yearly or annual basis.
- 1.7 ACT Government-operated paid parking facilities are located in Civic and at the major town centres of Belconnen, Woden and Tuggeranong.¹ There is also paid parking in some group centres such as Dickson, Kingston and Manuka as well as in some employment corridors such as West Deakin.
- 1.8 On-street parking in suburban areas of the ACT is usually free. However, in some areas close to Civic, town centres or major facilities, free on-street parking may have restrictions on parking times.

¹ Maps of town centre parking areas are at Appendix B.

AUDIT OBJECTIVES

- 1.9 The objective of this audit is to provide an independent opinion to the Legislative Assembly on the efficiency and effectiveness of the ACT Government's management and administration of parking operations.
- 1.10 The audit included consideration of:
- the efficiency and effectiveness of the planning, management and operations of parking and its overall cost effectiveness;
 - those activities related to the management and administration of paid parking that are undertaken by the Environment and Sustainable Development Directorate, the Office of Regulatory Services in the Justice and Community Safety Directorate, and Roads ACT which is in the Territory and Municipal Services Directorate;
 - whether the risks to revenue collection associated with the management and conduct of parking operations are appropriately managed; and
 - whether the repair, maintenance and management processes that support car parks, parking meters and ticket machines are undertaken in a timely manner, and whether they are efficient and effective.
- 1.11 The audit reviewed ACT Government parking operations from 'beginning-to-end', i.e. the planning, management, and implementation of parking operations were considered to determine if, overall, the services provided are efficient and effective.

AUDIT CONCLUSIONS

- 1.12 The audit conclusions that have been drawn against the audit objective are set out below.

The ACT Government's effectiveness, and especially efficiency, in the management and administration of its parking operations is restricted because of shortcomings in:

- supporting governance and administration arrangements;
- planning and maintenance of parking assets; and
- management of parking fee increases and infringements.

Some shortcomings can be addressed through initiatives that are currently underway, for example the full implementation of the 2012 *Transport for Canberra Plan*.

Governance and administrative responsibility (Chapter 2)

ACT Government agencies' specific roles and responsibilities for parking operations are not readily available. A lack of formal communication and consultation processes between agencies impedes 'beginning-to-end' integration and a 'One Government' approach to planning, management, pricing, and operational delivery. Delays in advancing smart technology have also been affected by the lack of a 'beginning-to-end' approach.

The *Transport for Canberra Plan* guides planning processes for the supply, management and pricing of parking in the ACT. It is supported by an internal *Transport for Canberra Implementation Tracking* document. This document needs to be updated and completed with respect to parking-specific strategies and initiatives. It could be the basis for an integrated implementation, monitoring and evaluation plan, which is currently lacking. Such a plan should include key performance indicators and an evaluation method.

A formal ACT Government transport pricing policy has not yet been finalised. However, the Attorney-General has advised that progress is underway on the development of this policy. Without an ACT Government transport pricing policy there is a risk that pricing decisions are not based on rigorous analysis and that parking policy objectives and overall transport outcomes are not met. Such a policy should provide a timeline and process for parking fee determinations. This might prevent a repeat of the anomaly that appears to have occurred in 2012-13 whereby parking fees were increased six months into the financial year, unlike earlier years where parking fees were increased at the commencement of the year.

There is no paid parking managed by the National Capital Authority on National Land in the Parliamentary Triangle Zone. Plans to introduce paid parking in the Parliamentary Triangle Zone were announced as part of the 2013-14 Commonwealth Budget. The lack of paid parking in the Parliamentary Triangle Zone presents a risk that sustainable transport actions in the ACT will be compromised.

Planning and maintaining parking assets (Chapter 3)

There are shortcomings in current processes for producing reliable parking demand data, which limits effective planning for parking. These present difficulties, for example, predicting the effect of fee changes on parking demand or general motorists' behaviours.

The allocation of disability parking permits needs to be reviewed. Disability permits may be over-allocated and some people who do not have a current need may still have a disability permit. Conversely, there may be an under supply of parking spaces for people with disabilities. A review of the disability parking allocations is needed.

Fees and infringements (Chapter 4)

The ACT Government raised \$70.7 million in revenue from its parking operations in the three years to 2011-12. This is \$8.5 million (11 percent) less than the budgeted revenue of \$79.2 million. Actual annual revenue has consistently been below budget predictions in the three years to 2011-12. Budgeted revenue for 2012-13 may not be realised, especially given that parking fee increases were introduced comparatively late in this financial year.

The Audit Office conservatively estimates there has been approximately \$3 million lost in revenue due to faulty machines in the three years to 2011-12, noting this estimate does not include leakage due to inoperable parking meters. This leakage may be reduced if the smart parking technology, which the ACT Government is currently considering, is implemented. The smart parking technology may also have the potential to readily provide data to assist in better managing parking operations.

KEY FINDINGS

1.13 The audit conclusions are supported by the following findings:

Governance and administrative responsibility (Chapter 2)

- The ACT Government and the Commonwealth each have responsibilities for land use and parking arrangements in the ACT. The National Capital Authority is responsible for the supply and management of parking on National Land. The ACT Government manages all land in the ACT except those areas gazetted as National Land.
- The ACT Government owns, manages and controls approximately 40 percent of the publicly available paid parking supply in Civic and the town centres of Belconnen, Tuggeranong and Woden. The remainder is provided by private operators.
- The *Transport for Canberra Plan*, adopted in March 2012, is the foundation document for transport planning in the ACT for the next 20 years. It sets out a Strategic Parking Framework for Canberra, which is intended to guide parking supply and pricing decisions. Prior to the *Transport for Canberra Plan*, ACT Government agencies had prepared a number of different plans, studies or strategies for parking in the ACT. These various reports informed the *Transport for Canberra Plan*.
- All of the Strategic Parking Framework strategies are listed in an internal *Transport for Canberra Implementation Tracking* document. However, the Audit Office found the parking strategies had limited details with respect to nominated key contact officers, critical dates for implementation or reporting on the status of actions.
- The Environment and Sustainable Development Directorate is responsible for recommending parking fees to the Attorney-General. Since 2009-10, there have been annual increases in parking fees, which usually take effect in July, with the exception of 2012-13, when parking fees increased in January 2013. The late implementation of parking fee increases in 2012-13 will affect revenue for 2012-13.
- There is insufficient documentation to demonstrate the rationale behind the recommendations made by the Environment and Sustainable Development Directorate for parking fee determinations. Action 32 of the *Transport for Canberra Plan* requires the ACT Government to 'develop and release an ACT Government Transport Pricing Policy by June 2013.' This should contain the rationale for parking fee determinations.

Planning and maintaining parking assets (Chapter 3)

- A parking demand survey of Canberra's major centres was undertaken in 2009, with a similar survey also conducted in May 2012. The 2012 survey results are still in draft

form as at April 2013. While the draft 2012 survey results can be used to some extent in preliminary planning processes, the Audit Office considers the delay in producing a final report on the 2012 survey presents a risk to the Environment and Sustainable Development Directorate's planning processes and its ability to rely on current and timely survey data will be compromised.

- A key area in the ACT that does not have any paid parking is Gungahlin. Public parking in the Gungahlin Town Centre is currently free. While paid parking is likely to be introduced incrementally in Gungahlin in due course, there are currently no strategies or plans for how this is to be achieved.
- The Strategic Parking Framework in the *Transport for Canberra Plan* states that the ACT Government will 'prioritise short stay over long stay motor vehicle parking to encourage high parking turnover to support business'. At present, however, there are no documented policies or plans to guide the realignment of short term and long term allocations and thereby implement the Strategic Parking Framework.
- The *Government Parking and Vehicular Access General Code* sets the minimum rate for the provision of parking spaces for people with mobility restrictions in new developments. The Code requires three parking spaces for people with mobility restrictions for every 100 standard car parking spaces. A minimum of one parking space for people with mobility restrictions is required for developments which include 30 parking spaces or more. The 2009 Parking Survey identified that an average 1.4 percent of all parking spaces are available for people with mobility restrictions. In the absence of data from parking surveys, or metrics and targets to support the Strategic Parking Framework, it is not clear whether the current supply of parking spaces for people with disabilities is consistent with existing Australian Standards or whether Roads ACT intends to increase the number of such spaces.
- A large number of disability permits have been issued in the ACT. The Audit Office estimates that 6 percent of the total number of active licensed drivers in the ACT has a disability permit. However, only 3.3 percent of the population self-reported in the 2011 Census as having a 'core activity need for assistance'. (This figure includes people needing help or assistance in one or more of the three core-activity areas of self-care, mobility and communication because of a long-term² health condition, a disability³ or old age). The Audit Office considers that there is a risk that the ACT is granting disability permits at a higher rate than other jurisdictions.
- Parking machines (ticketing machines and meters) are comparatively old and require constant repairs and maintenance. In 2011–12, the

² Lasting six months or more.

³ Lasting six months or more.

Justice and Community Safety Directorate reported that 13,416 complaints were received from the public about machine faults or errors via feedback and complaints to Canberra Connect. However, these may relate to multiple complaints about the same machine. There has been a steady increase in complaints from the public about machine faults since 2009-10.

- The *Office of Regulatory Services Annual Plan 2012-13* identifies performance indicators and associated targets for ticket machines and meter maintenance reports from the public. These performance indicators align with broader accountability indicators in the Justice and Community Safety Directorate's Statement of Performance. In 2011-12, the Audit Office made negative findings in relation to these indicators, because the results could not be sufficiently independently verified. While still identifying these performance indicators in the *Office of Regulatory Services Annual Plan*, the Justice and Community Safety Directorate has since removed them from its annual Statement of Performance report; these have not been replaced by any alternative indicators in the Statement of Performance report.
- The Office of Regulatory Services collates data on the repairs made by technicians, based on information received from the public where a machine or meter is identified by unique identification number. In 2011-12 there were 10,072 fault repairs recorded, of which 6,805 related to machines and 3,267 related to meters. In October 2012 a new process was implemented to record fault responses reported by technicians. The new data capture process has resulted in a greater number of recorded faults in the current financial year compared with the same time in previous years. There were 5,306 ticket machine faults and approximately 4,000 meter faults identified from July 2012 to mid-January 2013.

Fees and infringements (Chapter 4)

- In 2011-12 approximately \$24.5 million was raised in revenue from parking fees, the sale of prepaid parking tickets and the issue of infringements.
- Actual revenue from parking operations has consistently fallen short of budget predictions. In 2010-11 and 2011-12 the revenue shortfall was approximately 13 percent and 12 percent, respectively. This is primarily due to significant shortfalls in parking fees collected from ticketing machines and parking meters.
- There is over \$7 million in debt owing to the ACT Government as a result of parking infringements by ACT, interstate and diplomatic vehicles at the end of the 2011-12 year. Approximately 70 percent of this debt relates to interstate vehicles.
- Section 44 of the *Road Transport (General) Act 1999* prescribes when and how the Road Transport Authority will suspend a driver's licence, a vehicle's registration or an individual's right to drive in the ACT for non-payment of an infringement notice. The Audit Office found that no independent reconciliation of the RegoACT system was

being performed to ensure that legislative requirements are being adhered to, notwithstanding the automated nature of sanction processes in the RegoACT system.

- Parking restrictions throughout the ACT are enforced by a team of Parking Inspectors who are responsible for inspecting over 56,000 known parking spaces, including private and public car parks. However, the exact number of parking spaces enforced by Parking Inspectors is not known, given that the Parking Operations Unit does not have a definitive listing of all public and private areas that are patrolled by Parking Inspectors. There are 24 budgeted full-time equivalent Parking Inspectors. The daily average attendance of Parking Inspectors in June 2012 was 15, an increase from 11 Inspectors in July 2011. The Office of Regulatory Services has not conducted an analysis of the optimum number of Parking Inspectors necessary to enforce compliance in the ACT, nor are its patrols based on a risk assessment.
- From time to time, private sector organisations, community members and Commonwealth Government agencies request assistance from Parking Operations to enforce and patrol certain areas. Such requests require a reallocation of Parking Inspectors, which may affect existing ACT Government priorities. Furthermore, the National Capital Authority has sought assistance from Parking Operations to patrol areas of the Parliamentary Triangle Zone. There is no formal agreement in place between the National Capital Authority and the ACT Government to support this arrangement. Collectively, there is insufficient documentation on the number of National Capital Authority parking spaces that are being patrolled by Parking Operations or the frequency of patrols.
- Private organisations also seek assistance from the Parking Operations Unit (via a Traffic Control Device form) to patrol certain areas. The Audit Office was advised that there are at least 200 Traffic Control Devices in existence, but the Parking Operations Unit cannot confirm this with any certainty. The lack of a complete listing of Traffic Control Devices makes it difficult to plan Parking Inspector activities in a structured manner. The Justice and Community Safety Directorate has advised the Audit Office that it will conduct an audit to establish a definitive listing of all Traffic Control Devices.
- The ACT Government entered into an arrangement with the Woden Tradesmen's Union Club to collect money from parking machines on land leased to the Club. The fee paid to the Club was based on initial estimates and not actual revenue. The revenue generated from the parking machine on the Club's land is likely to be approximately \$178,500. This is \$66,500 (27 percent) less than the \$245,000 paid to the Club. This calculation does not include revenue from prepaid parking tickets. In February 2013, the Club was given three months' notice to terminate the agreement.
- Standard Operating Procedures have been prepared to detail Parking Inspector patrols and responses to complaints and requests. While these Standard Operating Procedures have been prepared over a number of years by experienced Parking

Inspectors, there is no documented risk-based approach to guide the activities of Parking Inspectors. There are also no risk assessments or risk management plans that support Parking Inspector rosters. Parking Inspector rosters focus on a broad coverage that is based on available resources. Coverage is reactive and liable to be altered in response to feedback, complaints and requests for services from outside parties, rather than a planned assessment of risk priorities. While both approaches are needed, at present being responsive dominates Parking Inspectors' activities.

- In 2011-12 there were 10,072 fault repairs recorded as being fixed by a technician, of which 6,805 related to ticket machines and 3,267 related to parking meters. Any increases in parking fees are likely to lead to an increased number of faults in machines and meters due to the higher volume of coins needed to pay for parking. Faults of machines will increase as ticket machines are limited by their capacity to hold coins.
- The Audit Office estimates that there has been consistent revenue leakage of approximately \$1 million in each of the past three years due to ticketing machine failure. This is arguably a conservative estimate, which does not take into consideration parking meter failures for which there is insufficient information to make such a calculation.
- In 2010, the ACT Government established a Smart Parking Feasibility Project Committee to recommend parking technologies to more effectively and efficiently manage parking. The Chief Minister and Treasury Directorate is progressing this initiative and has been provided with \$0.3 million as part of the 2012-13 budget process to explore technology options for installing new parking machines.

RECOMMENDATIONS AND RESPONSE TO THE REPORT

- 1.14 The audit made twelve recommendations to address the audit findings detailed in this report. Of these, Recommendations 1, 4, 11 and 12 are considered to be a high priority.
- 1.15 In accordance with section 18 of the *Auditor-General Act 1996*, a final draft of this report was provided to the Directors-General of the Environment and Sustainable Development Directorate, Justice and Community Safety Directorate, Territory and Municipal Services Directorate and Chief Minister and Treasury Directorate for their consideration and comments. An extract of the final draft report was also provided to the Attorney-General for consideration and comment.
- 1.16 The overall responses of the Directors-General and Attorney-General are shown below.

Justice and Community Safety Directorate response:

The Directorate is supportive of the recommendations relating to the proposed adoption of smart payment technology to replace existing parking ticket machines. The deployment of smart parking payment technology should have a positive impact on

reducing revenue leakage. It may also provide improved information regarding usage of parking areas. The Directorate has already commenced a program of reviewing and updating the training provided to parking operations staff. This review also encompasses processes to promote the continued safety of parking inspectors.

The Directorate notes the findings in Chapter 4 and will continue to work with other areas of government to recover outstanding revenue from interstate and diplomatic fines within jurisdictional and cost effective limitations. Similarly, the Directorate supports the recommendation that sanctions for the non-payment of fines in accordance with ACT law be reviewed.

The Directorate acknowledges the findings on the allocation of disability permits. In 2010 the ACT Government adopted the National Framework for and Australian Disability Parking Scheme (ADPS). It is timely to review the ADPS to ensure access thresholds continue to support people with disabilities. The Directorate believes it is also important to have processes to mitigate the risk of permits being issued or reissued to individuals who are not entitled.

Chief Minister and Treasury Directorate response:

The completion of the report is timely. The analysis and commentary will be of considerable assistance as the ACT Government seeks to improve parking administration and policy governance over time. The findings will also be of use as the Government considers the adoption and deployment of new paid parking technology in Canberra, and aligns the implementation of the project with the National Capital Authority managed paid parking initiatives in the Parliamentary Triangle.

Attorney-General response:

Thank you for your letter of 21 May 2013 inviting comment on the proposed Recommendation Three of the Performance Audit of ACT Government Parking Operations.

I note that the information I provided to you in my letter of 15 May 2013 has been considered in finalising the report. The Government looks forward to the presentation of your report to in the Legislative Assembly.

- 1.17 In addition, the Directors-General provided responses to each of the recommendations as follows.

Recommendation 1 (Chapter 2) – High Priority

The Environment and Sustainable Development Directorate, Justice and Community Safety Directorate, Territory and Municipal Services Directorate and Chief Minister and Treasury Directorate should work together to strengthen 'One Government' governance arrangements for parking operations by:

- a) improving coordination, communication and consultation processes between agencies; and
- b) documenting roles, responsibilities, inter-relationships and accountabilities.

Environment and Sustainable Development Directorate response:

Agreed. A formal cohesive outline/document of process and roles and responsibilities of Directorates around parking could assist in providing clarity and co-ordination.

ESDD is responsible for policy around fees, and demand/supply of parking.

The objective of a 'one-government' document could be undertaken by the inter Directorate Committee (Environment and Sustainable Development Directorate, Justice and Community Safety Directorate, Territory and Municipal Services Directorate and Chief Minister and Treasury Directorate), which oversees implementation of Transport for Canberra.

Justice and Community Safety Directorate response:

Agreed. JACSD will continue to work with ESDD, TAMS and CMTD to improve and strengthen 'One Government' governance arrangements for parking operations.

Territory and Municipal Services Directorate response:

Agreed. TAMS agrees with this recommendation and acknowledges the importance of directorates working together to deliver the necessary governance arrangements for parking operations. Documenting roles, responsibilities, inter-relationships and accountabilities will assist in this process.

Chief Minister and Treasury Directorate response:

Agreed. CMTD supports the view that responsible Directorates may strengthen 'One Government' governance arrangements for parking operations, by improving existing across directorate coordination mechanisms, and consultation processes and confirming cross-directorate responsibilities.

The proposed strengthening can be addressed through an existing inter directorate committee (Environment and Sustainable Development Directorate, Justice and Community Safety Directorate, Territory and Municipal Services Directorate and Chief Minister and Treasury Directorate), which oversees the implementation of parking strategies. Current roles and responsibilities are outlined in Figure 2.1 of the report.

Recommendation 2 (Chapter 2)

The Environment and Sustainable Development Directorate should:

- a) update the *Transport for Canberra Implementation Tracking* document with respect to parking operations;
- b) develop and publish key performance indicators and supporting targets to guide the delivery of strategic objectives in the Strategic Parking Framework;
- c) use the *Transport for Canberra Implementation Tracking* document as a basis for developing an integrated implementation, monitoring and evaluation plan for the Strategic Parking Framework; and
- d) work with the National Capital Authority, other relevant Commonwealth Government agencies, and the ACT community to implement the Commonwealth Government's 2013-14 budget initiative to introduce paid parking in the Parliamentary Triangle Zone.

Environment and Sustainable Development Directorate response:

Agreed. The Transport for Canberra Implementation Tracking document is used to track the regular monitoring and reporting of actions in Transport for Canberra. It is an inter-directorate implementation, monitoring and evaluation record. The Strategic Parking Framework action has been worked up further and is noted in the tracking document as Action 25 with 16 sub-actions.

With respect to Recommendation 2 d), the ACT Government is working with the National Capital Authority on implementing the Federal Government's budget initiative to introduce paid parking to the Parliamentary Triangle Zone.

Chief Minister and Treasury Directorate response:

Agree in part. CMTD supports the Transport for Canberra Implementation Tracking document being used to track the regular monitoring and reporting of actions in Transport for Canberra. The Strategic Parking framework remains an important sub component of wider implementation reporting in the ACT Government's Transport Strategy.

ACT Government will liaise at a policy and operational level with the National Capital Authority on implementation of the Federal government's budget initiative to introduce paid parking to the Parliamentary Triangle Zone.

Recommendation 3 (Chapter 2)

The Environment and Sustainable Development Directorate should consult with other directorates and the Attorney-General to establish a timeline and process for ensuring annual changes to parking fees occur in a routine and timely manner.

Environment and Sustainable Development Directorate response:

Agreed. Consultation will continue through the Inter-Directorate Committee overseeing implementation of Transport for Canberra that includes actions of strategic parking management.

There is ongoing consultation at the officer level between ESDD and JACSD on proposed increases in parking fees.

ESDD recommends parking fees to the Minister for Environment and Sustainable Development and the submission is made jointly with JACS (who report to the Attorney General).

Chief Minister and Treasury Directorate response:

Agreed. CMTD supports this recommendation, noting that inter-directorate consultation occurs through existing processes and Cabinet Submission development as required.

Recommendation 4 (Chapter 2) – High Priority

The Environment and Sustainable Development Directorate should finalise and release the ACT Government Transport Pricing Policy. The policy should include:

- a) criteria for the determination of parking fees;
- b) a requirement for:
 - criteria mentioned in (a) to be explicitly addressed in recommending changes in parking fees to the Attorney-General; and
 - a mechanism for using revenue data collected by other ACT Government agencies, in particular the Justice and Community Safety Directorate, in determining parking fees; and
- c) the timeline and process for making annual changes to parking fees (refer to Recommendation 3).

Environment and Sustainable Development Directorate response:

Agreed (a).

Agreed (b).

Agreed (c). Noting that the approval of changes to parking fees rests with the Attorney-General.

Chief Minister and Treasury Directorate response:

Agree. CMTD notes that further refinement of ACT Government transport pricing policy is underway, led by the Environment and Sustainable Development Directorate. Parking price modelling is an important sub-component of integrated strategic transport modelling.

In the context of significant recent increases, it may be appropriate to consider the value of allowing the ACT community time to adjust consumer behaviour in response to changing supply and price. Reducing reliance on parking can require significant changes in lifestyle which can take time. In economic terms, the long term elasticity of demand may be greater than the short term elasticity. Pricing policy modelling and administration would benefit from taking into account this temporal issue, in estimating demand impacts.

Recommendation 5 (Chapter 3)

The Environment and Sustainable Development Directorate should review and document its management of parking demand surveys and in so doing:

- a) outline the processes used for undertaking surveys and spot checks;
- b) define the frequency and timing of surveys;
- c) guide how information from demand surveys is shared with other directorates, in particular the Territory and Municipal Services Directorate; and
- d) ensure that information on short term, long term and disability parking demand is separately collected.

Environment and Sustainable Development Directorate response:

Agreed. Two Parking Surveys have collected data separately on long-stay, short-stay and other restricted parking, including for motorcycles and scooters and for people with disabilities.

In the future, following the progressive introduction of new parking ticket machine technology, the government will have access to more than adequate information to allow more detailed analysis of revenue streams from, and demand in, pay parking areas. The Interdepartmental Committee on Transport for Canberra will consider this data in its policy deliberations.

The more general surveys of all parking spaces, including privately provided off-street spaces, tenant spaces and on-street parking spaces other than ticket machine spaces will continue to be undertaken by ESDD to provide the broad information on parking supply and demand for planning purposes.

Recommendation 6 (Chapter 3)

The Territory and Municipal Services Directorate should:

- a) develop an administrative procedure to guide how it will achieve the *Transport for Canberra Plan* objective of prioritising short stay parking allocations over long stay parking allocations; and
- b) review the disability parking allocations and, if necessary, develop an administrative procedure to guide the implementation of disability parking spaces, in accordance with the *Government Parking and Vehicular Access General Code*.

Territory and Municipal Services Directorate response:

Agreed. TAMS agrees with this recommendation and will develop and document procedures covering the allocation of parking and implementation of disabled spaces across Canberra. The initial priority will be the five town centres followed by group and local centres over time.

TAMS will report on the number of public car parking spaces, how these are allocated and the number of disabled car parking spaces as part of its annual reporting requirements.

Chief Minister and Treasury Directorate response:

This recommendation relates to TAMS operations. CMTD supports the audit recommendation and understands that an appropriate review and administrative response is being considered by TAMS.

Recommendation 7 (Chapter 3)

The Justice and Community Safety Directorate should review the allocation of disability permits to members of the ACT community.

Justice and Community Safety Directorate response:

Agreed. JACSD will review the process surrounding the allocation of disability permits in order to mitigate the risk of permits being issued or reissued to individuals who are not entitled. This review will be completed during 2013-2014.

Chief Minister and Treasury Directorate response:

This recommendation relates to JACS operations. CMTD supports the proposal and understands that an appropriate administrative response is being considered by JACS.

Recommendation 8 (Chapter 3)

The Justice and Community Safety Directorate should develop a robust data capture process for ticket machine fault complaints and repair information, which includes regular reconciliation of the source data to improve the completeness and integrity of reported information.

Justice and Community Safety Directorate response:

Agreed in principle. JACSD already commenced a process in October 2012 to refine procedures to capture relevant data. However, it should be noted that until such time as smart parking machines are introduced, there is a limit to the sophistication of the data capture and reporting capability.

JACSD will work with Directorates in any tender assessment for replacement of pay and display machines to ensure better parking related management information.

Chief Minister and Treasury Directorate response:

CMTD supports this recommendation noting that intended replacement of existing technology will assist with source data capture and analysis. It is intended that this data functionality will be factored into tender assessment for the replacement of the pay and display machines.

Recommendation 9 (Chapter 3)

The Economic Development Directorate, when developing parking arrangements with private sector entities, should:

- a) base arrangements on actual revenue and car park use, rather than estimated revenue and car park use; and
- b) evaluate the results of all future parking arrangements with private sector entities and determine whether revenue predictions have been realised.

Economic Development Directorate response:

Agreed in principle. Actual data will form the basis of future assessments and evaluations in the event such data is available.

Recommendation 10 (Chapter 4)

The Justice and Community Safety Directorate should:

- a) review the sanctions for non-payment of fines in accordance with the *Road Transport (General) Act 1999*; and
- b) develop and implement a process to recover revenue from interstate and diplomatic fines.

Justice and Community Safety Directorate response:

Agreed (a). JACSD will review the automated process in the rego.act system to ensure the process operates in accordance with the Road Transport (General) Act 1999.

Agreed in principle (b). JACSD will work within a whole of government framework to consider the development of a cost effective process that is within the jurisdictional limitations that seeks to recover revenue from interstate and diplomatic fines.

Recommendation 11 (Chapter 4) – High Priority

The Justice and Community Safety Directorate should:

- a) map the number and location of all parking bays that are being patrolled by its Parking Inspectors (including known parking spaces and parking spaces subject to Traffic Control Devices forms);
- b) analyse and identify the optimum number of Parking Inspectors required to provide adequate coverage in the ACT (this may be affected by Recommendation 12);
- c) improve the training of Parking Inspectors by including modules in their training on topics such as conflict resolution, detection of forged disability permits and how to effectively work with the police; and
- d) develop a formal risk-based plan to guide the activities of Parking Inspectors e.g. patrol areas, rosters.

Justice and Community Safety Directorate response:

Noted (a). JACSD notes this recommendation, however already updates existing parking place maps and will continue to engage with TAMS and ESDD in relation to quantifying the number of parking bays and those areas subject to traffic control devices.

Agreed (b). JACSD will assess the optimum level of parking operation staff to adequately patrol the ACT, having regard to recommendation 12 of the report.

Agreed (c). JACSD has already commenced a review and update of training material and procedures for parking inspectors and this will be completed and implemented during 2013-2014.

Agreed (d). JACSD will work towards developing a formal risk-based plan as a guide to parking operations.

Territory and Municipal Services Directorate response:

As the directorate with responsibility for approving the installation of traffic control devices, TAMS will collaborate with JACS in developing part (a) of this recommendation.

Recommendation 12 (Chapter 4) – High Priority

The Chief Minister and Treasury Directorate should, in cooperation with the Environment and Sustainable Development Directorate and the Justice and Community Safety Directorate (via the *Transport for Canberra* Inter-Directorate Committee), continue to work to:

- a) identify smart car parking payment technology options which have the capacity for:
 - accepting coins and notes, credit cards and electronic payment methods (in accordance with the Strategic Parking Framework in the *Transport for Canberra Plan*);
 - providing an increased level of management information, including information on the use of parking facilities and statistics that assist in monitoring the performance of the machines and meters;
 - incorporating enforcement technology to support efficient compliance processes and improve the safety of Parking Inspectors; and
- b) advise the ACT Government on whether or not smart parking technology should replace existing parking meters and ticket machines, and if this is to occur what kind of technology should be used.

Justice and Community Safety Directorate response:

Agreed. JACSD supports this recommendation and will assist Directorates to work toward identifying suitable parking payment technology options to replace existing parking meters and machines.

Chief Minister and Treasury Directorate response:

Agreed. This will be progressed with planned replacement of pay and display machines.

CMTD have engaged specialist advice to help assess and procure upgraded parking payment technology, which will, inter alia, accept electronic payment methods, provide better parking related management information and improve enforcement and compliance outcomes.

A request for tender will be released shortly, which will outline the specifications required. It is anticipated that this technology will allow for improved data management to assist in future planning. (Continued over page)

It is noted that, as part of the 2013-14 Budget, the Commonwealth has decided to implement paid parking in the Parliamentary Triangle. The ACT Government will work with the National Capital Authority on issues surrounding this decision.

2. GOVERNANCE AND ADMINISTRATIVE RESPONSIBILITIES

INTRODUCTION

- 2.1 This chapter reviews governance and administrative responsibilities and in so doing considers roles and responsibilities for parking operations of various directorates and the coordination between these directorates.

Conclusion

ACT Government agencies' specific roles and responsibilities for parking operations are not readily available. A lack of formal communication and consultation processes between agencies impedes 'beginning-to-end' integration and a 'One Government' approach to planning, management, pricing, and operational delivery. Delays in advancing smart technology have also been affected by the lack of a 'beginning-to-end' approach.

The *Transport for Canberra Plan* guides planning processes for the supply, management and pricing of parking in the ACT. It is supported by an internal *Transport for Canberra Implementation Tracking* document. This document needs to be updated and completed with respect to parking-specific strategies and initiatives. It could be the basis for an integrated implementation, monitoring and evaluation plan, which is currently lacking. Such a plan should include key performance indicators and an evaluation method.

A formal ACT Government transport pricing policy has not yet been finalised. However, the Attorney-General has advised that progress is underway on the development of this policy. Without an ACT Government transport pricing policy there is a risk that pricing decisions are not based on rigorous analysis and that parking policy objectives and overall transport outcomes are not met. Such a policy should provide a timeline and process for parking fee determinations. This might prevent a repeat of the anomaly that appears to have occurred in 2012-13 whereby parking fees were increased six months into the financial year, unlike earlier years where parking fees were increased at the commencement of the year.

There is no paid parking managed by the National Capital Authority on National Land in the Parliamentary Triangle Zone. Plans to introduce paid parking in the Parliamentary Triangle Zone were announced as part of the 2013-14 Commonwealth Budget. The lack of paid parking in the Parliamentary Triangle Zone presents a risk that sustainable transport actions in the ACT will be compromised.

Key findings

- The ACT Government and the Commonwealth each have responsibilities for land use and parking arrangements in the ACT. The National Capital Authority is responsible for the supply and management of parking on National Land. The ACT Government manages all land in the ACT except those areas gazetted as National Land.
- The ACT Government owns, manages and controls approximately 40 percent of the publicly available paid parking supply in Civic and the town centres of Belconnen, Tuggeranong and

Woden. The remainder is provided by private operators.

- The Transport for Canberra Plan, adopted in March 2012, is the foundation document for transport planning in the ACT for the next 20 years. It sets out a Strategic Parking Framework for Canberra, which is intended to guide parking supply and pricing decisions. Prior to the Transport for Canberra Plan, ACT Government agencies had prepared a number of different plans, studies or strategies for parking in the ACT. These various reports informed the Transport for Canberra Plan.
- All of the Strategic Parking Framework strategies are listed in an internal Transport for Canberra Implementation Tracking document. However, the Audit Office found the parking strategies had limited details with respect to nominated key contact officers, critical dates for implementation or reporting on the status of actions.
- The Environment and Sustainable Development Directorate is responsible for recommending parking fees to the Attorney-General. Since 2009-10, there have been annual increases in parking fees, which usually take effect in July, with the exception of 2012-13, when parking fees increased in January 2013. The late implementation of parking fee increases in 2012-13 will affect revenue for 2012-13.
- There is insufficient documentation to demonstrate the rationale behind the recommendations made by the Environment and Sustainable Development Directorate for parking fee determinations. Action 32 of the *Transport for Canberra Plan* requires the ACT Government to 'develop and release an ACT Government Transport Pricing Policy by June 2013.' This should contain the rationale for parking fee determinations.

AGENCY ROLES AND RESPONSIBILITIES

- 2.2 The ACT Government and the Commonwealth each have responsibilities for land use and parking arrangements in the ACT. In some instances there is an arrangement for the ACT Government to undertake parking enforcement activities on Commonwealth lands.

Commonwealth responsibilities

- 2.3 The National Capital Authority is an Australian Government agency, with responsibility for managing National Land as defined in the *National Capital Plan*. Most of the suburbs of Barton, Parkes and Russell are National Land. Some areas of Belconnen, Campbell, Forrest and Majura are also National Land. Planning and approval of development on National Land is the responsibility of the National Capital Authority. All other land is Territory Land over which the ACT Government has management control.
- 2.4 The status of land, i.e. National Land or Territory Land, does not determine planning responsibilities. The National Capital Authority has planning responsibility for

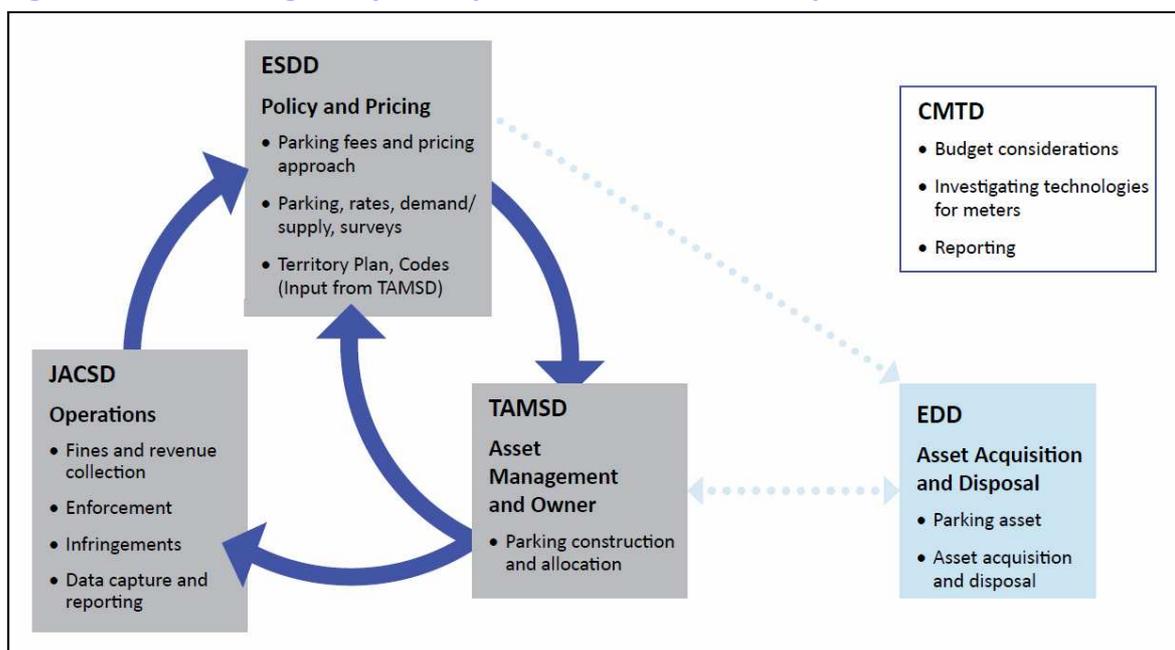
Designated Areas in the National Capital Plan, which can involve both National and Territory Land.

- 2.5 The National Capital Authority is responsible for the administration of all surface parking areas on National Land, excluding those at Parliament House. The National Capital Authority does not administer any paid parking on National Land. Despite proposals for paid parking on National Land, agreement from all the key stakeholders had not been reached at the time of audit fieldwork.
- 2.6 The National Capital Authority manages land use, which includes the supply of parking, in accordance with requirements in the *National Capital Plan*. The *National Capital Plan* is the strategic plan for guiding land uses in the ACT.
- 2.7 The National Capital Authority chairs an Inter Governmental Committee (IGC) on parking on National Land in Barton, Parkes and Russell. The ACT Government is a member of the Committee.
- 2.8 This audit does not consider the activities of the National Capital Authority with respect to planning for parking on land for which it is responsible.

ACT Government responsibilities

- 2.9 The *Territory Plan* sets out the planning principles and policies for the ACT. These are based on requirements in the *National Capital Plan*.
- 2.10 The *Territory Plan* is a key document for controlling the provision of land for parking purposes. As at March 2013, the ACT Government owned, managed and controlled approximately 40 percent of the publicly available paid parking supply in Civic and the town centres of Belconnen, Tuggeranong and Woden. The ACT Government's control of parking supply in these centres ranges from approximately 32 percent in Civic to 51 percent in Woden. The remainder, approximately 60 percent of the paid parking supply, is provided by private operators.
- 2.11 There are many ACT Government directorates involved in the management of parking operations; the Environment and Sustainable Development Directorate (ESDD), the Territory and Municipal Services Directorate (TAMS), the Justice and Community Safety Directorate (JACSD), the Economic Development Directorate (EDD) and Chief Minister and Treasury Directorate (CMTD), refer to Figure 2.1.

Figure 2.1: Parking Policy and Operations – Directorate Operations



Source: Environment and Sustainable Development Directorate

2.12 Table 2.1 summarises the responsibilities of ACT Government agencies for parking operations.

Table 2.1: Agency responsibilities for parking operations

| Agency / Directorate | Responsibility for parking administration |
|---|---|
| Transport Planning Branch Environment and Sustainable Development Directorate | Strategic policy and planning for parking including land use and the setting of parking fees. |
| Roads ACT Territory and Municipal Services Directorate | Car park surface maintenance, line marking, directional signage and lighting. Roads ACT determines the mix of short, long, and disability car parks in parking areas. |
| Office of Regulatory Services Justice and Community Safety Directorate | Cash collection and maintenance of technology (including ticket machines), enforcement and the setting of infringement fines and regulation of legislation associated with road transport. |
| Finance and Budget Division Chief Minister and Treasury Directorate | Manages the budget funding process for ACT Government agencies and makes recommendations on the allocation of capital works. Conducted a feasibility study on new parking technology in 2013. |
| Land Development Agency Economic Development Directorate | Purchases and sells car parks. Has had responsibility for developing some car parks. |
| National Capital Authority Commonwealth Government | Manages and maintains National Land, and determines detailed conditions of planning, design and development, and for works approval in Designated Areas. |

Source: Audit Office, based on ACT Government agency information

- 2.13 ACT Government agencies' specific roles and responsibilities for parking operations are not readily available. There is no single document that presents these roles and responsibilities and it was time consuming to identify these using agency documents. Table 2.1 was developed as a result of information sourced from discussions with agency representatives and a review of key governance documentation (e.g. directorate annual reports, Statements of Performance and Agency Statements of Intent).
- 2.14 The following roles and responsibilities were identified by the Audit Office from various sources.

Environment and Sustainable Development Directorate

- 2.15 The Environment and Sustainable Development Directorate's Statement of Performance 2011-12 states that the Directorate is responsible for *inter alia* the provision of high quality professional services in strategic and land planning, and sustainable transport planning.
- 2.16 Through discussions with agency representatives the Audit Office identified that the Environment and Sustainable Development Directorate is responsible for:
- determining the location of parking lots, based on the *Territory Plan*;
 - road transport planning including determination of car parking supply; and
 - providing advice to the Attorney-General on the recommended parking fees for ACT Government-operated car parks.
- 2.17 The Transport Planning Branch in the Environment and Sustainable Development Directorate undertakes strategic planning and develops transport policies in accordance with the *Territory Plan*.
- 2.18 The Environment and Sustainable Development Directorate revises the car parking requirements in the *Territory Plan* codes to reflect needs and demand for car parking. This supports the progressive implementation of the *Transport for Canberra Plan*, in particular the Strategic Parking Framework that is part of this plan.

Territory and Municipal Services Directorate

- 2.19 The Territory and Municipal Services Directorate's Statement of Performance 2011-12 states that the Directorate is responsible for *inter alia* the management of the ACT's road assets including stormwater infrastructure, roads, community paths, bridges, streetlights and car parks.
- 2.20 Roads ACT in the Territory and Municipal Services Directorate manages the majority of the maintenance requirements for free, metered and ticketed car parking spaces. It maintains car park surfaces, lighting, signage and line marking.

- 2.21 Roads ACT is not responsible for the maintenance of ticket machines or meters, which are the responsibility of the Justice and Community Safety Directorate.
- 2.22 Roads ACT was previously responsible for managing the construction of new car parking spaces, but has not managed the construction of any new car park developments since 2008. The Land Development Agency in the Economic Development Directorate is now responsible for managing the construction of new car park developments in the ACT.
- 2.23 The Territory and Municipal Services Directorate sells prepaid parking tickets through Canberra Connect. The Justice and Community Services Directorate collects the revenue.

Justice and Community Safety Directorate

- 2.24 The Justice and Community Safety Directorate's Statement of Performance 2011-12, states that the Directorate is responsible for *inter alia* the *provision of registration and licensing services for individuals, the community, business and industry, including the enforcement of a broad range of legislation across areas of consumer protection, occupational health and safety and the regulation of parking.*
- 2.25 The Office of Regulatory Services in the Justice and Community Safety Directorate manages public parking areas through two business units; Parking Operations Unit and Parking Review Unit.
- 2.26 The Parking Operations Unit enforces parking regulations in the ACT, monitors heavy vehicle parking in residential areas and provides assistance with parking and traffic management. It is responsible for operational matters associated with ACT Government parking arrangements. This includes:
- repairs, servicing and maintenance of parking meters and ticket machines;
 - the collection of monies from parking meters and ticket machines; and
 - the enforcement of parking regulations in the ACT.
- 2.27 The Parking Review Unit processes payments for Parking Infringement Notices, follows up unpaid Parking Infringement Notices and processes requests from the public for withdrawal of Parking Infringement Notices.

Chief Minister and Treasury Directorate

- 2.28 The ACT Treasury, in the Chief Minister and Treasury Directorate, manages the allocation of funding for ACT Government parking operations including funding for capital works for the development of new car parks.

- 2.29 The Chief Minister and Treasury Directorate is currently assessing the need for, and cost of, replacing existing ticket machines with smartparking technology.⁴ The ACT Government announced as part of the 2012-13 budget process that \$0.3 million in funding was to be provided to explore technology options for the installation of new ticket machines.

Economic Development Directorate

- 2.30 The Land Development Agency is a separate Authority in the Economic Development Directorate. The Land Development Agency sells and develops land on behalf of the ACT Government, and makes decisions regarding the purchase and sale of land used for parking lots.
- 2.31 Consultation normally occurs between the Environment and Sustainable Development Directorate and the Economic Development Directorate, including the Land Development Agency, on proposals for the sale of ACT Government-owned car parks. Sales documentation is generally referred to the Transport Planning Branch in the Environment and Sustainable Development Directorate for advice.
- 2.32 The Economic Development Directorate is currently undertaking some planning work with respect to the Woden Town Centre, in the context of planning for the sale of blocks of land (including land for car parks), to determine sequencing of the sale of land and the impact that this may have on parking supply.

Implications of multiple ACT Government agencies' involvement

- 2.33 As outlined in preceding paragraphs, responsibility for parking operations is shared between several directorates. There is no lead agency which is responsible for the overall coordination of parking operations for the ACT Government. This has resulted in a lack of 'beginning-to-end' coordination of parking planning, management, pricing, and decisions on technology upgrades and operational delivery.
- 2.34 The Audit Office identified a number of instances where the lack of 'beginning-to-end' coordination resulted in shortcomings in parking operations. These are discussed in more detail throughout this report. They include:
- delays in progressing the consideration of the implementation of new ticket machine technology options.
 - In 2010 the Territory and Municipal Services Directorate initiated an investigation into new ticket machine technology options, when it was responsible for operational matters associated with parking arrangements. These functions were transferred to the Office of Regulatory Services in the

⁴ Technology that would allow drivers to pay via credit card and potentially through the use of mobile phones.

Justice and Community Safety Directorate in late 2010. The Chief Minister and Treasury Directorate has since assumed responsibility for progressing this initiative. Consideration of ticket machine technology options has not occurred in a timely manner. Delays in progressing this initiative increase the risk that revenue leakages are likely to continue, maintenance costs will increase, and needed data to assist in decision-making will not be collected. Furthermore, it delays the potential introduction of a more convenient paying method for motorists;

- unintended operational consequences of pricing decisions.
 - The Environment and Sustainable Development Directorate is responsible for determining parking fees. By virtue of the current ticket machine technology, any increases in parking fees recommended by the Environment and Sustainable Development Directorate have consequences for the Office of Regulatory Services in managing parking operations, including budgeting for, and collecting revenue from, parking fees. These consequences include the need for more frequent coin collection due to a higher volume of coins needed for payment, and an increase in wear and tear on machines. The latter increases the frequency of machine failures; and
- timing of pricing decisions.
 - The Justice and Community Safety Directorate is responsible for budgeting for, and collecting revenue from, parking fees, while the Environment and Sustainable Development Directorate is responsible for recommending parking fees. Without a defined communication and consultation process, the diffuse responsibilities and accountabilities increase the risk that there is a disconnection between revenue forecasting, budget management and the collection of revenue. For example, while there are a range of factors that influence the collection of parking fee revenue by the Justice and Community Safety Directorate (discussed further in paragraphs 4.14 to 4.16) delays in a determination on increases to parking fees, will also necessarily affect revenue collected.

2.35 These shortcomings, and ACT Government agency interactions more broadly, are exacerbated by a lack of formal communication and consultation processes between agencies. There were no agreements or protocols between agencies to support communication and consultation.

2.36 The ACT Government has adopted a 'One Government' approach for the delivery of services which promotes a high level of coordination, cohesion and alignment of effort. The principles of the 'One Government' approach should be applied to car parking operations.

- 2.37 Governance arrangements need to be defined and documented. In doing this, roles and responsibilities, inter-relationships, communication and consultation processes should be articulated.
- 2.38 This is important as a sound 'One Government' governance arrangement is likely to increase the ability of each agency to achieve its Statement of Intent and for the ACT Government to efficiently and effectively deliver parking operations.

Recommendation 1 (Chapter 2) – High Priority

The Environment and Sustainable Development Directorate, Justice and Community Safety Directorate, Territory and Municipal Services Directorate and Chief Minister and Treasury Directorate should work together to strengthen 'One Government' governance arrangements for parking operations by:

- a) improving coordination, communication and consultation processes between agencies; and
- b) documenting roles, responsibilities, inter-relationships and accountabilities.

PARKING PLANNING PROCESSES

- 2.39 The Transport Planning Branch in the Environment and Sustainable Development Directorate develops strategic planning and land use policies that guide decisions associated with the supply of parking. The following plans provide an overall strategic context for ACT Government planning processes associated with the supply of parking in the ACT:
- *National Capital Plan*;
 - *Territory Plan*; and
 - *Transport for Canberra Plan*.
- 2.40 Existing policies and actions to achieve sustainable transport objectives, including those relating to parking, are incorporated in the *Transport for Canberra Plan*. The *Transport for Canberra Plan* was adopted in March 2012 and sets out the broad range of transport policies and actions adopted by the ACT Government.
- 2.41 There are a number of other plans and studies that have contributed to the development of the ACT's current parking planning strategy and objectives. The following plans and studies informed the development of the *Transport for Canberra Plan*:
- *Feasibility Study Parking Structures in the City and Town Centres in Canberra Report* (2006);
 - *Draft ACT Parking Strategy* (2007);
 - *Sustainable Transport Action Plan 2010-2016* (2009);

- *Parking Supply Option Study* (2010); and
- *Canberra City Area Action Plan 2010-2016* (2010).

Territory Plan

- 2.42 The *Territory Plan* guides the management of land use change and development in a manner consistent with strategic directions set by the ACT Government. Strategies and policies articulated in the *Territory Plan* must not be inconsistent with the National Capital Plan.
- 2.43 The *Territory Plan* is the primary document which defines land use and controls relating to parking provisions for land under the control of the ACT Government.
- 2.44 The *Territory Plan* includes a statement of strategic directions and a map (the *Territory Plan Map*) that identifies zones and precincts to guide land use. It also specifies objectives applying to zones and precincts.
- 2.45 The *Parking and Vehicular Access General Code* used by building and land developers is consistent with the *Territory Plan* and specifies parking provision rates required for securing approval for developments.

The Draft ACT Parking Strategy

- 2.46 In 2007 the ACT Government issued a *Draft ACT Parking Strategy* for public comment. This plan was an integral component of the *Sustainable Transport Action Plan*, which was intended to facilitate the ACT Government's vision of a sustainable Canberra by encouraging a shift towards environmentally sustainable transport alternatives.
- 2.47 The *Draft ACT Parking Strategy* used the 2006 *Feasibility Study: Parking Structures in the City and Town Centres in Canberra* report to identify the most efficient ways of providing car parking, the implications and merits for ACT Government ownership of parking assets and pricing issues for car parking.
- 2.48 The *Draft ACT Parking Strategy* presented a medium to long-term parking framework that aimed to achieve a balance between parking supply, the demand for parking and the price of parking in the ACT. This strategy was never formally endorsed by the ACT Government.
- 2.49 Parking option plans for Civic and each town centre were released for public and stakeholder consultations in 2007 as part of the *Draft ACT Parking Strategy*. These were later incorporated into the *Transport for Canberra Plan*.

Sustainable Transport Action Plan 2010-2016

- 2.50 At a Transport Roundtable on 27 July 2009, the Chief Minister and Minister for Transport announced the development of the *Sustainable Transport Action Plan 2010 – 2016*.

- 2.51 The ACT Government's *Sustainable Transport Action Plan 2010–2016* established mode share targets⁵ and framed a new integrated transport and land use approach for the purpose of creating a cleaner, more sustainable Canberra.

Canberra City Area Action Plan 2010-2016

- 2.52 The purpose of the *Canberra City Area Action Plan 2010-2016*, which was issued in 2010, was to integrate infrastructure and development for Canberra City into a coordinated action plan that directs short, medium and long term projects. The plan developed targets for a broad range of areas. There were two targets relating to parking:

- by 2016, 17,500 publicly accessible parking spaces are to be available in the Canberra City area 7 days a week. (This is a reduction on the approximately 24,000 spots available at the time of the release of the *Canberra City Area Action Plan 2010-2016*); and
- by 2016, there is to be a minimum 10 percent spare capacity in short stay (less than three hours) public parking, evenly distributed in the Greater City Area between 12.00 noon – 2.00 pm on an 'average traffic' day. The Greater City Area is broadly defined as including City West, City East, Braddon, Parkes North, Reid and Turner.

- 2.53 The *Canberra City Area Action Plan 2010-2016* developed possible strategies to achieve these targets including:

- finalising long term locations for public parking and preparing indicative urban design guidelines that address pedestrian movement, vehicle entry and egress and future built form, and including urban design requirements as conditions for future land sales to achieve these guidelines; and
- finalising the longer term locations for short stay public parking.

- 2.54 The *Canberra City Area Action Plan 2010-2016* envisaged annual parking surveys to be conducted to support these processes. The *Canberra City Area Action Plan 2010-2016* has now been replaced by the *Transport for Canberra Plan*.

Parking Supply Option Study

- 2.55 In 2010, the Territory and Municipal Services Directorate, which then had responsibility for transport planning, engaged a consulting firm to provide advice to the ACT Government on the development of the *ACT Parking Strategy* (one of four elements of the *Sustainable Transport Action Plan 2010-2016*). The consulting firm's study contributed to the ACT Government's policies on strategic and sustainable transport and parking management. It also provided information for the Strategic Parking Framework in the *Transport for Canberra Plan*.

⁵ A traffic / transport term that describes the percent of travellers using a particular type of transportation.

2.56 The consulting firm’s recommendations included promoting greater private-sector involvement in the provision of paid parking. This was to be achieved by restraining growth in the supply of parking and increasing consumer prices to the point where returns would be sufficient to attract private-sector investment in parking facilities. The overall intent was to ensure that the supply of long stay parking reflected actual resource costs and to remove the subsidy of long stay parking.

Transport for Canberra Plan

2.57 The *Transport for Canberra Plan*, adopted in March 2012, is the foundation document for transport planning in the ACT for the next 20 years.

2.58 Managing parking is part of planning for, and delivering, a sustainable and integrated transport system for Canberra. The *Transport for Canberra Plan* includes a Strategic Parking Framework for Canberra. Table 2.2 reproduces the Strategic Parking Framework from the *Transport for Canberra Plan*.

Table 2.2: Strategic Parking Framework for Canberra

| | Strategic approach | In practice |
|-----------------------------|--|--|
| Supply | <ul style="list-style-type: none"> • A conscious shift from predicting growth and providing for it to managing demand and improving the efficiency of the existing transport system. • Reduce provision rates for some motor vehicle parking uses in line with land use and transport planning. • Improve level of motor vehicle parking for people with disabilities. • Improve parking supply for two wheeled vehicles – bicycles, motorcycles and scooters. | <p>Motor vehicle parking provision rates will be reduced in areas of higher density where other transport options (public transport, walking and cycling) are available.</p> <p>The <i>Parking and Vehicular Access General Code</i> will be amended to allow developers of residential development in the City and town centres the discretion to provide parking in accordance with market demand including the option to reduce parking or provide no parking. Parking for people with disabilities will be improved to ensure people with mobility restrictions are able to park easily and ensure priority parking and drop off points are safe, sufficient and conveniently located.</p> |
| Parliamentary Triangle Zone | <ul style="list-style-type: none"> • Work with the NCA and Commonwealth departments to progress paid parking in the Parliamentary Triangle Zone. | <p>The ACT will continue to participate on the intergovernmental working group on parking in the Parliamentary Triangle Zone.</p> <p>Promotion of alternative transport options in the zone will also help manage motor vehicle parking demand.</p> |

| | Strategic approach | In practice |
|---------------------|--|--|
| Pricing | <ul style="list-style-type: none"> Manage and monitor motor vehicle parking pricing to encourage greater private sector involvement in parking provision, and to influence transport mode choice in line with the City Area Plan and Transport for Canberra. | <p>Install new parking meters that accept credit cards and other payment methods in ACT Government car parks and on-street parking areas.</p> <p>Pricing of government provided motor vehicle parking will, over time, increase to a level that encourages private sector investment in parking facilities.</p> |
| Management | <ul style="list-style-type: none"> Provide more flexible motor vehicle parking options for parents and carers. Investigate and introduce parking information and guidance systems. Prioritise short stay over long stay motor vehicle parking to encourage high parking turnover to support businesses. | <p>Approximately 9 percent of drivers drive children to school. Parking spaces will be reserved in the city and town centres after 9:30am to provide more flexible options for working parents and carers.</p> <p>Smart parking guidance systems will be introduced progressively to improve access to motor vehicle parking.</p> <p>Open up opportunities for multi use of car parks.</p> |
| Offset fund | <ul style="list-style-type: none"> Introduce a parking offset fund for the city area into which developers can contribute when parking cannot be provided at the required rate. | <p>The offset fund may be used to construct new motor vehicle car parks, improve access and amenity of car parks (e.g. lighting and paths) or provide alternative transport options (e.g. public transport).</p> <p>The offset fund will be introduced by 2013 following industry and community consultation.</p> |
| Locational planning | <ul style="list-style-type: none"> Manage motor vehicle parking demand in line with land supply, planning and policy objectives. | <p>Parking plans for the City and each town centre will identify government owned car parks and set out policies for the replacement of parking when they are sold for development. This may involve full, partial or increased provision of publicly available parking depending on the circumstance.</p> |

Source: Table 7 at page 48 of *Transport for Canberra Plan*

2.59 The Strategic Parking Framework outlines a range of different strategies, and practical administrative actions, for future parking policy and arrangements in the ACT. Key aspects of the Strategic Parking Framework include:

- managing parking demand in line with land supply, planning and policy objectives;
- strategies for the future supply of parking, including:
 - reducing provision rates for some parking uses in line with land use and transport planning; and
 - improving the level of parking for people with disabilities;
- managing parking pricing to encourage greater private sector involvement in parking provision, and to influence transport mode choices;

- investigating and introducing parking information and guidance systems; and
- prioritising short stay over long stay parking to encourage high parking turnover to support businesses.

Implementation, monitoring and evaluation of the *Transport for Canberra Plan*

- 2.60 In March 2012, at the time of the adoption of the Strategic Parking Framework, the Minister for the Environment and Sustainable Development established a Transport for Canberra Implementation Working Group to assist in overseeing the implementation of actions in the *Transport for Canberra Plan*. The Working Group is an Inter-Directorate Committee chaired by the Environment and Sustainable Development Directorate.
- 2.61 The group's activities are reported in a *Transport for Canberra Implementation Tracking* document. This document was last updated in February 2013. This document identifies a range of information including:
- assigned responsibilities to directorates;
 - nominated key contact officers;
 - critical dates for implementation; and
 - reporting on the status of actions.
- 2.62 All of the Strategic Parking Framework strategies are listed in the tracking document. However, there is minimal information in the tracking document for parking strategies with respect to nominated key contact officers, critical dates for implementation or reporting on the status of actions. With respect to accountabilities, the Audit Office also notes that there are errors based on current responsibilities, e.g. the implementation of smart parking technology is assigned to the Justice and Community Safety Directorate and the Territory and Municipal Services Directorate, and not the Chief Minister and Treasury Directorate which is currently responsible for progressing this action.
- 2.63 The *Transport for Canberra Implementation Tracking* document needs to be updated and completed with respect to parking operations. The *Transport for Canberra Implementation Tracking* document could provide the basis for the development of an integrated implementation, monitoring and evaluation plan which is currently lacking. Such a plan should include key performance indicators and an evaluation method.
- 2.64 The Environment and Sustainable Development Directorate has submitted a proposal as part of the 2013-14 ACT Budget for projects to monitor and implement the objectives of the *Transport for Canberra Plan*.

Key performance indicators

- 2.65 Key performance indicators and associated targets facilitate ongoing monitoring and evaluation of program performance. Key performance indicators would assist stakeholders of the *Transport for Canberra Plan* in understanding if objectives are being

implemented effectively. They would also provide an opportunity for corrective action to be taken when required.

- 2.66 At the time of this audit, there were no key performance indicators specifically assigned to measure the implementation of the objectives in the Strategic Parking Framework component of the *Transport for Canberra Plan*.
- 2.67 The Environment and Sustainable Development Directorate advised that key performance indicators for the *Transport for Canberra Plan* were in the process of being developed and consultation was occurring with ACT Government directorates. This was being done as part of Action 33 for supporting the *Transport for Canberra Plan*, which is to *release an annual Transport for Canberra update report from 2012-13, and review and update Transport for Canberra in five years*. The Environment and Sustainable Development Directorate advised:
- Transport for Canberra explains that the indicators and targets will be included in a report card to be released each year from 2012–13. The results will provide an important guide to the ACT Government’s continued delivery of programs, development of policy, and Budget decision making.
- The development of the proposed indicators has been a collaborative effort, with representatives from all ACT Government agencies actively participating in the creation and refinement of the indicators. Collaboration is vital to this project, as particular agencies will hold responsibility for each indicator. In accordance with its terms of reference, the Transport for Canberra Implementation Working Group (comprising of executive representatives from each ACT Government directorate) will oversee and monitor the progress of each indicator.
- 2.68 The suite of indicators have been circulated to all agencies and agreed to. These indicators are a refinement of the indicative indicators first published in Chapter 6 of the *Transport for Canberra Plan*.
- 2.69 The key performance indicators and the report on progress against the *Transport for Canberra Plan* is not scheduled to be released until late 2013.

CAR PARKING ON NATIONAL LANDS AND IN THE PARLIAMENTARY TRIANGLE ZONE

- 2.70 Under the Strategic Parking Framework for Canberra which support its *Transport for Canberra Plan*, the ACT Government has committed to work with the NCA [National Capital Authority] and Commonwealth departments to progress paid parking in the Parliamentary Triangle Zone, refer to Table 2.2.
- 2.71 As previously mentioned, the National Capital Authority does not administer any paid parking on National Land. Plans to introduce paid parking in the Parliamentary Triangle Zone were announced as part of the 2013-14 Commonwealth Budget. The lack of paid parking in the Parliamentary Triangle Zone presents a risk that sustainable transport actions in the ACT will be compromised

- 2.72 As the ACT Government has no direct powers over the Parliamentary Triangle Zone, it will need to achieve this stakeholder agreement to paid parking on National Land by being tenacious in continually and regularly promoting the importance of this issue.

Recommendation 2 (Chapter 2)

The Environment and Sustainable Development Directorate should:

- a) update the *Transport for Canberra Implementation Tracking* document with respect to parking operations;
- b) develop and publish key performance indicators and supporting targets to guide the delivery of strategic objectives in the Strategic Parking Framework;
- c) use the *Transport for Canberra Implementation Tracking* document as a basis for developing an integrated implementation, monitoring and evaluation plan for the Strategic Parking Framework; and
- d) work with the National Capital Authority, other relevant Commonwealth Government agencies, and the ACT community to implement the Commonwealth Government's 2013-14 budget initiative to introduce paid parking in the Parliamentary Triangle Zone.

DETERMINING PARKING FEES

- 2.73 The Environment and Sustainable Development Directorate is responsible for making recommendations to the Attorney-General with respect to parking fee determinations.
- 2.74 From 2004 to 2007 the ACT Planning and Land Authority had responsibility for recommending parking fee determinations. This function was transferred to the Territory and Municipal Services Directorate in 2007. At this same time the price of car parking as a means to achieve broader sustainable transport outcomes was advanced.
- 2.75 Prior to this, adjustments to parking fees were made from time to time only taking into account movements in the Consumer Price Index and Wage Price Index. From 2007 onwards, decisions were taken to implement the parking pricing elements of the *Sustainable Transport Action Plan 2010-2016*.

Parking fees since 2008

- 2.76 The Attorney-General is responsible for determining increases in parking fees, based on the advice of the Environment and Sustainable Development Directorate. The Attorney-General's determination for parking fees is the subject of a Disallowable Instrument, which is made under section 96 of the *Road Transport (General) Act 1999*.
- 2.77 Table 2.3 shows the changes in parking fees since 2008-09. Zone A relates to areas close to the centre of the city or town centre, while Zone B relates to areas further out.

Table 2.3: Selected all-day parking fee increases from 2008-09 to 2012-13

| Year | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | Change 2008 to 2013 |
|----------------------|----------|----------|----------|----------|----------|---------------------|
| Date of effect | Dec 2008 | Jul 2009 | Jul 2010 | Jul 2011 | Jan 2013 | |
| City – Zone A | \$7.50 | \$9.00 | \$10.50 | \$12.00 | \$13.50 | 80% |
| City – Zone B | \$5.00 | \$6.00 | \$7.00 | \$8.00 | \$9.00 | 80% |
| City – 4 Hour | \$6.00 | \$8.00 | \$9.00 | \$10.00 | \$12.00 | 100% |
| Town Centre – Zone A | \$5.00 | \$6.00 | \$7.00 | \$8.00 | \$9.00 | 80% |
| Town Centre – Zone B | \$3.60 | \$4.50 | \$5.50 | \$6.50 | \$7.50 | 108% |
| Town Centre – 4 Hour | \$5.40 | \$7.00 | \$8.00 | \$9.00 | \$10.50 | 95% |

Source: Audit Office, based on Environment and Sustainable Development Directorate data

2.78 There have been significant increases in parking fees since 2008-09, with the largest increases occurring in town centres. The biggest increase was 108 percent in Zone B areas within town centres.

2.79 Since 2009-10, there have been annual increases in parking fees. These increases usually take effect in July, with the exception of 2012-13, when parking fee increases took effect in January 2013.

2.80 There have been informal consultations at the officer level between the Environment and Sustainable Development Directorate and the Justice and Community Safety Directorate on proposed increases in parking fees. The agencies advise that this will continue, and limitations on the capacity of equipment operation will be taken into account. In the absence of any decisions being taken in 2013-14 for the introduction of smart parking technology (including upgraded parking ticket machines and meters which accept credit cards), there will be limits on the extent to which some fees can be increased.

2.81 In 2012 three briefs recommending annual increases in paid parking fees for 2012-2013 were provided to the Attorney-General:

- the first brief was prepared in July 2012 with a critical date for response of 6 August and an expected implementation date for parking fee increases on the same date, 6 August. This brief was a joint submission from the Justice and Community Services Directorate and the Environment and Sustainable Development Directorate;
- the second brief was prepared in August 2012 with a critical date of 22 August, to allow for implementation of increased fees on 3 September, thereby providing

sufficient time for machines to be reprogrammed and parking signs updated. This was also a joint submission from both directorates. The content was essentially the same as that of the brief prepared in July apart from the amended time frames; and

- the third brief to the Attorney-General was prepared in November 2012, with a critical date of 21 November 2012. Similar to earlier briefs, this brief was a joint submission from the Justice and Community Safety Directorate and the Environment and Sustainable Development Directorate. The brief had similar content to that provided in the earlier briefs. This brief was agreed to and led to increased parking fees that were implemented on 2 January 2013.

2.82 The delay in progressing the first brief is attributed to insufficient time to reprogram machines and update signs before the implementation of the fee rises. Apart from incorporating additional time to permit these changes to occur before the fees rises were implemented, the content of the three briefs, and in particular the recommended quanta for the fee rises, was very similar. The final brief also included a recommendation that the fee rises should be advertised in the Canberra Times in December 2012.

2.83 Given that parking fee changes are likely to affect the implementation of the *Transport for Canberra Plan* and Government revenue, they should be implemented in a timely manner and according to an annual timeline⁶. Any reasons for delays should be made known publicly.

Recommendation 3 (Chapter 2)

The Environment and Sustainable Development Directorate should consult with other directorates and the Attorney-General to establish a timeline and process for ensuring annual changes to parking fees occur in a routine and timely manner.

Pricing considerations

2.84 Briefing documents to the Minister on the issue of parking fees state:

Annual increases have formed a part of the implementation of transport policy from 2009-10.

2.85 The *Transport for Canberra* strategy and supporting actions include regular car parking fee increases aimed at encouraging the use of alternative travel modes to the major

⁶ The *Transport for Canberra* strategy required annual revisions of parking fees, stating:

parking fees in ACT Government car parks will continue to be revised annually to encourage the private sector to continue to supply some parking infrastructure, and to discourage private vehicle travel.

activity centres and raising the attractiveness of investment in parking provision by the private sector as part of mixed use developments.

2.86 The Environment and Sustainable Development Directorate has advised the Audit Office that it currently considers several criteria in recommending parking fee changes, including:

- the Wage Price Index (WPI);
- break-even points (i.e. potential influence on private sector participation in publicly available parking);
- the cost of ACTION bus fares;
- transport policy objectives and mode share targets;
- parking fees charged by comparable city centres such as Hobart, Newcastle and Wollongong, as well as other cities; and
- practicality of revenue collection.

2.87 The Audit Office was unable to secure documentation which demonstrated that these criteria (or the alternate criteria such as consumer demand or revenue data as discussed in paragraphs 2.93 to 2.94 below) had been taken into consideration. Apart from briefing documents to the Minister with respect to annual increases in parking fees, there was no other documentation to support the rationale behind the determination of parking fees.

Parking fee pricing policy considerations

2.88 Effective parking pricing can provide numerous benefits including increased parking turnover and therefore improved user convenience, reduced traffic problems and increased revenues.

2.89 In this respect, broad guidance was articulated in the *Transport for Canberra Plan* in 2012:

Parking fees in ACT Government car parks have been adjusted for price index movements in the past, but the base costs and adjustments have not reflected the cost to the community of providing parking. Parking fees in ACT Government car parks will continue to be revised annually to encourage the private sector to continue to supply some parking infrastructure, and to discourage private vehicle travel. The system of prepayment for long-stay parking tickets will be reviewed to achieve a system that retains the convenience of advance purchase ticketing while not discouraging use of alternative means of transport to the major centres.

2.90 Section 4 of the *Transport for Canberra Plan* does outline the parking fee pricing movements (and supporting policy) for the two years following the Plan's release. However, looking forward, Action 32 of the *Transport for Canberra Plan* requires the ACT Government to:

Develop and release an ACT Government Transport Pricing Policy by June 2013.

2.91 At the time of this audit, the formal ACT Government Transport Pricing Policy had not been released. Without a formal parking pricing policy there is a risk that pricing decisions are not based on rigorous analysis and that parking policy objectives and overall transport outcomes are not met.

2.92 The Attorney-General has advised that while a formal ACT Government Transport Pricing Policy has not yet been fully developed for release, progress is underway on the policy.

There is a cross-Directorate policy about all transport pricing involving the Territory and Municipal Services Directorate, the Justice and Community Safety Directorate and the Chief Minister and Treasury Directorate.

One component of this cross-Directorate policy is about parking.

While a formal ACT Government Transport Pricing Policy has not yet been fully developed for release, progress is underway on the policy.

The research phase of the project has been completed. Extensive research and analysis on issues were undertaken. Strategic transport models have been established to be able to analyse pricing scenarios.

A Stakeholder Reference Group has been established. In its inaugural meeting, the Stakeholder Reference Group discussed the scope of the Policy and identified a wide range of issues to be included.

Subsequently, in a strategic effort to minimise the risks associated with prematurely advancing work on the ACT Government Transport Pricing Policy, ESDD chose to await the completion of the Taxation Review and the Australian Bureau of Statistics census for model calibration. The Taxation Review was released in May 2012 and the relevant Australian Bureau of Statistics census data was released in November 2012.

2.93 A key element of a pricing policy for parking should be an understanding of consumer demand. By understanding consumer demand for parking, the ACT Government will be in a stronger position to understand how potential changes in parking fees will influence consumer behaviour and contribute to the achievement of broader ACT Government objectives, e.g. sustainability objectives. At present, however, the ACT Government does not explicitly take into account consumer demand, as measured through demand surveys, in pricing decisions. The last parking demand survey was undertaken by the Territory and Municipal Services Directorate in 2009. The results of the current 2012 survey, which was conducted by the Environment and Sustainable Development Directorate, remain in draft.

2.94 Parking fee decisions do not take into account existing records and information obtained by the Justice and Community Safety Directorate as part of its operational activities for parking administration. The Justice and Community Safety Directorate have detailed revenue data for car parks that could be used to support the development of parking fee changes.

2.95 The increased parking fees implemented in January 2013 have caused higher faults in machines and meters due to the inability of these devices to cope with the greater

volume of coins. There is now a need to collect coins more frequently. In Chapter 4 there is discussion on the potential revenue leakage caused by increased ticket machine faults, which is partially due to the age of existing ticket machines as well as increased wear and tear on machines due to the greater volume of coins.

Recommendation 4 (Chapter 2) – High Priority

The Environment and Sustainable Development Directorate should finalise and release the ACT Government Transport Pricing Policy. The policy should include:

- a) criteria for the determination of parking fees;
- b) a requirement for:
 - criteria mentioned in (a) to be explicitly addressed in recommending changes in parking fees to the Attorney-General; and
 - a mechanism for using revenue data collected by other ACT Government agencies, in particular the Justice and Community Safety Directorate, in determining parking fees; and
- c) the timeline and process for making annual changes to parking fees (refer to Recommendation 3).

3. PLANNING AND MAINTAINING PARKING ASSETS

INTRODUCTION

3.1 This chapter describes ACT Government processes for the maintenance and management of car parks and infrastructure associated with car parks. It examines the basis for asset life-cycle management and whether this is guided by policies that specifically address car parks, parking meters and ticket machines.

Conclusion

There are shortcomings in current processes for producing reliable parking demand data, which limits effective planning for parking. These present difficulties, for example, predicting the effect of fee changes on parking demand or general motorists' behaviours.

The allocation of disability parking permits needs to be reviewed. Disability permits may be over-allocated and some people who do not have a current need may still have a disability permit. Conversely, there may be an under supply of parking spaces for people with disabilities. A review of the disability parking allocations is needed.

Key findings

- A parking demand survey of Canberra's major centres was undertaken in 2009, with a similar survey also conducted in May 2012. The 2012 survey results are still in draft form as at April 2013. While the draft 2012 survey results can be used to some extent in preliminary planning processes, the Audit Office considers the delay in producing a final report on the 2012 survey presents a risk to the Environment and Sustainable Development Directorate's planning processes and its ability to rely on current and timely survey data will be compromised.
- A key area in the ACT that does not have any paid parking is Gungahlin. Public parking in the Gungahlin Town Centre is currently free. While paid parking is likely to be introduced incrementally in Gungahlin in due course, there are currently no strategies or plans for how this is to be achieved.
- The Strategic Parking Framework in the *Transport for Canberra Plan* states that the ACT Government will prioritise short stay over long stay motor vehicle parking to encourage high parking turnover to support business. At present, however, there are no documented policies or plans to guide the realignment of short term and long term allocations and thereby implement the Strategic Parking Framework.
- The Government Parking and Vehicular Access General Code sets the minimum rate for the provision of parking spaces for people with mobility restrictions in new developments. The Code requires three parking spaces for people with mobility restrictions for every 100 standard car parking spaces. A minimum of one parking space for people with mobility restrictions is required for developments which include 30 parking spaces or more. The

2009 Parking Survey identified that an average 1.4 percent of all parking spaces are available for people with mobility restrictions. In the absence of data from parking surveys, or metrics and targets to support the Strategic Parking Framework, it is not clear whether the current supply of parking spaces for people with disabilities is consistent with existing Australian Standards or whether Roads ACT intends to increase the number of such spaces.

- A large number of disability permits have been issued in the ACT. The Audit Office estimates that 6 percent of the total number of active licensed drivers in the ACT has a disability permit. However, only 3.3 percent of the population self-reported in the 2011 Census as having a 'core activity need for assistance'. (This figure includes people needing help or assistance in one or more of the three core-activity areas of self-care, mobility and communication because of a long-term⁷ health condition, a disability⁸ or old age). The Audit Office considers that there is a risk that the ACT is granting disability permits at a higher rate than other jurisdictions.
- Parking machines (ticketing machines and meters) are comparatively old and require constant repairs and maintenance. In 2011–12, the Justice and Community Safety Directorate reported that 13,416 complaints were received from the public about machine faults or errors via feedback and complaints to Canberra Connect. However, these may relate to multiple complaints about the same machine. There has been a steady increase in complaints from the public about machine faults since 2009-10.
- The Office of Regulatory Services Annual Plan 2012-13 identifies performance indicators and associated targets for ticket machines and meter maintenance reports from the public. These performance indicators align with broader accountability indicators in the Justice and Community Safety Directorate's Statement of Performance. In 2011-12, the Audit Office made negative findings in relation to these indicators, because the results could not be sufficiently independently verified. While still identifying these performance indicators in the Office of Regulatory Services Annual Plan, the Justice and Community Safety Directorate has since removed them from its annual Statement of Performance report; these have not been replaced by any alternative indicators in the Statement of Performance report.
- The Office of Regulatory Services collates data on the repairs made by technicians, based on information received from the public where a machine or meter is identified by unique identification number. In 2011-12 there were 10,072 fault repairs recorded, of which 6,805 related to machines and 3,267 related to meters. In October 2012 a new process was implemented to record fault responses reported by technicians. The new data capture

⁷ Lasting six months or more.

⁸ Lasting six months or more.

process has resulted in a greater number of recorded faults in the current financial year compared with the same time in previous years. There were 5,306 ticket machine faults and approximately 4,000 meter faults identified from July 2012 to mid-January 2013.

PARKING CONSTRUCTION – DESIGN AND LOCATION

Parking design

- 3.2 The *Australian Standard for Parking Facilities*, in particular *Part 1 Off Street Car Parking (AS2890.1)*, provides guidance on best practice and minimum standards for off-street car parking areas. It is widely referenced by architects, designers, engineers and approval authorities responsible for parking developments.
- 3.3 The Transport Planning and Projects Section in the Environment and Sustainable Development Directorate has used the *Australian Standard for Parking Facilities* as a guide for the development of its *Parking and Vehicular Access General Code*. The *Parking and Vehicular Access General Code* sets out general requirements for the location and construction of parking and related vehicular access.
- 3.4 The Territory and Municipal Services Directorate conducts an asset acceptance process to ensure that all the design aspects of parking construction have been met before car parks become an asset of the ACT Government and are opened to the public. The Environment and Sustainable Development Directorate Transport Planning and Projects Section may provide support on design aspects if proposals do not meet the parking provision requirements set out in the *Government Parking and Vehicular Access General Code*. There is, however, a degree of flexibility incorporated in the *Government Parking and Vehicular Access General Code* which allows for some discretion in the actual provision of parking spaces.
- 3.5 In recent years, new public car park construction has been limited to developments in the Gungahlin Town Centre; these have been managed by the Land Development Agency. Given the focus on reducing the supply of existing spaces in the urban areas of the ACT, there is unlikely to be major public car park developments in the future. Roads ACT have not been involved in the construction of public car parks since 2008.
- 3.6 The Environment and Sustainable Development Directorate undertakes spot checks on the physical dimensions of parking spaces in development applications for private areas, such as plans for basement and surface parking spaces within the boundaries of leases. However, the primary responsibility for ensuring that the appropriate standards are met falls to the proponent's architects and other consultants (for publicly available parking areas, the Territory and Municipal Services Directorate's Asset Acceptance unit is responsible for checking relevant standards are met).

Parking location

3.7 As mentioned in Chapter 1 of this report, the ACT Government provides a mix of paid parking and free parking. A key area in the ACT that does not have any paid parking is Gungahlin, where public parking is currently free. The Environment and Sustainable Development Directorate advises that paid parking is likely to be introduced incrementally in Gungahlin in due course, but there are no strategies or plans as yet for how this is to be achieved.

3.8 Table 3.1 shows the number of paid parking spaces in the ACT urban area, split between ticket machines and meters.

Table 3.1: Location of paid parking spaces in the ACT

| Area | Meter parking spaces | Ticket machine parking spaces | Total |
|-------------------------|----------------------|-------------------------------|---------------|
| Civic | 499 | 4,615 | 5,114 |
| Belconnen | - | 2,550 | 2,550 |
| Tuggeranong Town Centre | - | 965 | 965 |
| Woden Town Centre | 159 | 2,900 | 3,059 |
| Manuka | 26 | 330 | 356 |
| Kingston | 53 | 285 | 338 |
| West Deakin | 63 | - | 63 |
| Dickson | 60 | 454 | 514 |
| Total | 860 | 12,099 | 12,959 |

Source: Audit Office, based on Environment and Sustainable Development Directorate data

3.9 Table 3.1 shows that the majority of paid parking spaces, approximately 93 percent, are serviced by ticket machines. Civic has the largest number of:

- ticket machine parking spaces, approximately 38 percent of the total, while Woden Town Centre has the second largest number, approximately 24 percent; and
- meter parking spaces, approximately 58 percent of the total, while Woden Town Centre has the second largest number, approximately 19 percent.

3.10 The location of paid parking spaces in the urban areas of the ACT is, in many respects, a reflection of past ACT Government policies on the development and location of these facilities.

Parking demand surveys

3.11 To effectively plan for car parking, it is important to understand consumer demand for parking facilities. An important mechanism by which this is achieved is through parking demand surveys.

- 3.12 In 2009, the Territory and Municipal Services Directorate engaged a consultant to survey the demand for parking. Surveys of Canberra's major centres were undertaken to assess parking demand for public and private parking.
- 3.13 In May 2012, the Environment and Sustainable Development Directorate conducted a similar survey on parking demand. The survey results are still in draft as at April 2013. The Environment and Sustainable Development Directorate advised that a report on the results will be finalised once extensive checking of the data is complete. The delay in producing the report presents a risk to the Environment and Sustainable Development Directorate's planning processes and its ability to rely on current and timely survey data will be compromised.
- 3.14 The Environment and Sustainable Development Directorate intermittently assesses, via an informal observation process, parking supply and demand during busy lunch periods in the major centres. This process does not, however, include an analysis of short and long-term demand. The informal observations are undertaken in order to identify areas where additional parking may be required or when changes in parking management or enforcement are needed. There was no evidence that this information was actually being used for long-term planning purposes.
- 3.15 There are shortcomings in current processes for producing reliable parking demand data, which limits effective planning for parking. These present difficulties, for example, predicting the effect of fee changes on parking demand or general motorists' behaviours. It is desirable to undertake demand surveys at major activity centres, and to repeat these regularly in order to assess the rate of change in demand. Such regular surveys are likely to facilitate an improved response to complaints and support more efficient planning outcomes. However, it is acknowledged that such surveys can be costly.

Recommendation 5 (Chapter 3)

The Environment and Sustainable Development Directorate should review and document its management of parking demand surveys and in so doing:

- a) outline the processes used for undertaking surveys and spot checks;
- b) define the frequency and timing of surveys;
- c) guide how information from demand surveys is shared with other directorates, in particular the Territory and Municipal Services Directorate; and
- d) ensure that information on short term, long term and disability parking demand is separately collected.

Long and short-stay parking

- 3.16 The Territory and Municipal Services Directorate manages changes in short-term and long-term paid parking allocations. This is achieved through changes to signage and pavement markings. Decisions regarding changes may be made on the basis of requests from businesses and complaints from the public. A directorate officer's assessments of amenity and safety requirements may also result in changes. The Territory and Municipal Services Directorate's decisions are also informed by information from consultations with the Environment and Sustainable Development Directorate.
- 3.17 The Strategic Parking Framework in the *Transport for Canberra Plan* states that the ACT Government will prioritise short stay over long stay motor vehicle parking to encourage high parking turnover to support business. At present, however, there are no documented policies or plans to guide the realignment of short-term and long-term allocations and thereby implement the Strategic Parking Framework.
- 3.18 There is a risk that the current Territory and Municipal Services Directorate process to implement changes to short and long-term parking allocations is reactive to short-term, immediate priorities, rather than meeting the objectives of the Strategic Parking Framework. Although there is consultation with the Environment and Sustainable Development Directorate, without clearly defined policies and plans it is not clear how desired outcomes in the Strategic Parking Framework can be achieved.
- 3.19 The implementation of Recommendation 6 should assist in addressing this shortcoming.

DISABILITY PARKING

Disability Parking Rates

- 3.20 The *Government Parking and Vehicular Access General Code* sets the minimum rate for the provision of parking spaces in new developments for people with mobility

restrictions. The Code requires three parking spaces for people with mobility restrictions for every 100 standard car parking spaces. A minimum of one parking space for people with mobility restrictions is required for developments which include 30 parking spaces or more. This requirement is not retrospective and there is no requirement for public car parks developed prior to 2010 to comply with the *Government Parking and Vehicular Access General Code*.

- 3.21 The 2009 Parking Survey identified that there was an average of 1.4 spaces per 100 car parking spaces available for exclusive use by people with mobility restrictions. This is significantly below the current standard.
- 3.22 In the absence of metrics and performance indicators to support the Strategic Parking Framework, it is not clear whether the current supply of parking spaces for people with disabilities is consistent with existing Australian Standards or whether Roads ACT intends to increase the number of such spaces.
- 3.23 Without more recent information than that from the 2009 survey (which provided information on disability parking), it is not possible to determine if the ACT currently complies with the minimum car parking requirements of three spaces for people with mobility restrictions per 100 standard spaces.

Recommendation 6 (Chapter 3)

The Territory and Municipal Services Directorate should:

- a) develop an administrative procedure to guide how it will achieve the *Transport for Canberra Plan* objective of prioritising short stay parking allocations over long stay parking allocations; and
- b) review the disability parking allocations and, if necessary, develop an administrative procedure to guide the implementation of disability parking spaces, in accordance with the *Government Parking and Vehicular Access General Code*.

Australian Disability Parking Scheme

- 3.24 Disability parking permits are managed by the Transport Regulation Section of the Justice and Community Safety Directorate.
- 3.25 In 2008, the Territory and Municipal Services Directorate initiated a review of disability parking permits and found that there had been a 700 percent increase in disability parking permits issued in the ACT between 2000 and 2006.
- 3.26 In 2010, the Australian Government introduced the Australian Disability Parking Scheme, which provides permit holders with a universal permit that is recognised in every state of Australia. Under this scheme there are national eligibility criteria and minimum standards for parking concessions, which lead to the issuing of an Australian Disability

Parking Permit. The nationally consistent eligibility criteria and concessions reduce the barriers for permit holders when travelling interstate.

3.27 Each time a person wishes to obtain an Australian Disability Parking permit they must provide information regarding their disability on a standard form that must be signed by a doctor. The disability criteria require that a person:

- be confined to a wheelchair;
- has lost one or both legs;
- suffers from chronic and seriously debilitating respiratory, cardiac or arthritic conditions that affect mobility;
- utilises walking aids; or
- is permanently blind.

3.28 The national criteria assist in assessing a person's functional ability to walk, rather than their medical condition. The national criteria are supported by an application process and guidelines for medical practitioners to make the determination of eligibility for a disability parking permit more transparent. ACT Government officials participated in the development of the Australian Disability Parking Scheme.

3.29 Table 3.2 presents the number of disability permits issued in the ACT as at February 2013.

Table 3.2: Number of disability permits in the ACT

| Category | Number | Permit Requirement |
|-----------|--------|--|
| Permanent | 15,520 | Renew every 3 years, no requirement for further doctor certificate. |
| Temporary | 1,473 | Short term with doctor certificate. |
| Long | 2,261 | Permit issued on short-term basis but the condition may change which warrants an extension. This is confirmed by the doctor. |

Source: Audit Office, based on Justice and Community Safety Directorate data

3.30 A large number of disability permits have been issued in the ACT. The Audit Office estimates that 6 percent of the total number of active licensed drivers in the ACT has a disability permit. This is based on a total current population of 376,460⁹ and data

⁹ Australian Bureau of Statistics, Catalogue number: 3101.0

from 2007 which suggests that 85 percent of the population have an active drivers licence (approximately 320,000).¹⁰

- 3.31 There were 11,963 ACT people who self reported in the 2011 Census as having a ‘core activity need for assistance,’ representing 3.3 percent of the population at the time (357,222). This figure includes people needing help or assistance in one or more of the three core-activity areas of self-care, mobility and communication because of a long-term health condition,¹¹ a disability¹² or old age. As such, there is a risk that an excessive number of disability permits has been issued and the allocation of disability permits may be occurring at a higher rate than in other jurisdictions.
- 3.32 Officers from the Justice and Community Safety Directorate have advised that the demand for disability permits may be influenced by the fact that, unlike a number of other jurisdictions, the ACT does not charge to issue disability permits and parking in Government-owned car parks when a disability permit is displayed is free. This allocation of disability permits is an issue that warrants further consideration by the Justice and Community Safety Directorate.

Recommendation 7 (Chapter 3)

The Justice and Community Safety Directorate should review the allocation of disability permits to members of the ACT community.

ASSET LIFE-CYCLE MANAGEMENT

- 3.33 Roads ACT in the Territory and Municipal Services Directorate is responsible for the maintenance of all paved surfaces and signs associated with ACT Government parking operations. The Parking Operations Unit in the Office of Regulatory Services in the Justice and Community Safety Directorate is responsible for the maintenance of parking meters and ticket machines.

Parking pavements

- 3.34 Roads ACT manages road pavements in the ACT. The total road network is approximately 5,900 kilometres in length and about 20 million square metres in area, of which parking pavements are just one component.

¹⁰ At 2 January 2007, there were 287,048 current and active driver's licences in the ACT, and 6,321 suspended licences (Australian Bureau of Statistics, Catalogue number: 1307.8). At the time, the ACT population was 337,342 people (Australian Bureau of Statistics, Catalogue number: 3101.0) indicating about 85 percent of the population had an active drivers licence. If extrapolating these figures, it would suggest that approximately 320,000 current ACT residents would have an active drivers licence.

¹¹ Lasting six months or more.

¹² Lasting six months or more/

- 3.35 Road pavement surfaces have a life expectancy of between 10-20 years, according to the *International Infrastructure Management Manual - IPWEA*. Preventative resealing of the pavement is the most cost-effective method of maintaining the condition of the road. A key issue facing Roads ACT is the age of paved parking surfaces. Approximately 80 percent of parking areas were developed before the 1980s and are now more than 30 years old.
- 3.36 Roads ACT manages the maintenance program for parking surfaces. Broadly, the program is guided by a high-level Strategic Asset Management Plan, which addresses all the assets included in Roads ACT's assets inventory, including those relating to parking. Under the Strategic Asset Management Plan, there is a three year rolling assessment process which identifies areas of road, including parking areas, which require resurfacing. Under the Strategic Asset Management Plan, paid parking and free parking areas are not separately distinguished for the purpose of planning for paved areas of road that require maintenance.
- 3.37 The maintenance hierarchy in the Strategic Asset Management Plan, which reflects the volume of usage and traffic speed, guides the resurfacing of car parks. Due to the low traffic volumes and speeds in car parks, they do not require resurfacing as often as, for example, arterial roads.
- 3.38 Table 3.3 shows Roads ACT's planned maintenance for car park resurfacing in 2012-13.

Table 3.3: Car park resurfacing in north and south Canberra

| Description | Suburb | Approximate area (m ²) |
|---|--------------|------------------------------------|
| Paterson St (outside Corroboree Park and Tennis Club) | Ainslie | 730 |
| Macdermott Pl | Belconnen | 6,410 |
| Cook Shops (off Rowan St) | Cook | 980 |
| Child Care Centre (off Murray St) | Griffith | 1,185 |
| Oatley Court (east side of Nettlefold St) | Belconnen | 2,600 |
| Cooleman Court, Mahony Ct | Weston Creek | 8,900 |
| Cooleman Court, Whitney Pl | Weston Creek | 7,000 |
| Total | | 27,805 |

Source: Audit Office, based on Territory and Municipal Services Directorate data

- 3.39 Car parking resurfacing activities in 2012-13, accounts for approximately 20 percent of the total area of car parks managed by Roads ACT. The proposed resurfacing of 27,805 m² in 2012-13 is about the size of Manuka Oval.

Parking Signs

- 3.40 Roads ACT is responsible for the maintenance of parking signs in ACT Government car parks. Repairs and maintenance are undertaken by a pool of 27 Roads ACT staff. Repairs and maintenance areas are guided by feedback and complaints from the public and Parking Inspectors in the Justice and Community Safety Directorate's Parking Operations Unit.
- 3.41 During regular parking inspection patrols, Parking Inspectors from the Parking Operations Unit may identify a need for signage to be repaired, maintained or modified. As a result, the Justice and Community Safety Directorate may issue an Asset Defect Notice to the Territory and Municipal Services Directorate. These are based on reports from Parking Inspectors' daily patrols, as recorded in their Personal Digital Assistants (hand-held devices that record daily activities). This information is sent to Roads ACT for action. In 2011-12, 462 Asset Defect Notices were issued.
- 3.42 Feedback from both the community complaints and from Asset Defect Notices are given the same priority.

TICKET MACHINE MAINTENANCE

- 3.43 The Parking Operations Unit employs eight technicians to maintain meters and ticket machines. The cost of employing technicians to maintain ticket machines is approximately \$520,000 per annum. This includes salary, superannuation and other employee on-costs. The cost of ticket machine spare parts is approximately \$150,000 per annum.
- 3.44 The ACT Government has 249 active multi-stay ticket machines. Approximately five percent of these machines are located on-street and the balance is located in off-street car parks. Additionally, 860 single parking meters are located on-street.
- 3.45 Table 3.4 shows the location of machines and meters in the ACT.

Table 3.4: Location of machines and meters by suburb

| Suburb | Number of machines | Number of meters |
|--------------|--------------------|------------------|
| Acton | 5 | - |
| Belconnen | 51 | - |
| Braddon | 10 | 233 |
| City | 51 | 202 |
| Deakin | 1 | 63 |
| Dickson | 23 | 60 |
| Greenway | 27 | 0 |
| Kingston | 11 | 53 |
| Manuka | 15 | 26 |
| Parkes | 7 | - |
| Phillip | 40 | 159 |
| Reid | 2 | - |
| Turner | 6 | 64 |
| Total | 249 | 860 |

Source: Audit Office, based on December 2012 data from the Justice and Community Safety Directorate

3.46 Parking machines are, on average, a decade old and require constant repairs and maintenance. Common maintenance issues include:

- moisture in ticket machines from wet weather;
- blocked coin readers;
- inability to return coins for cancelled transactions due to blocked coin escrows;
and
- data memory failure as a result of reboots of machines.

3.47 The Parking Operations Unit conducts on-going preventative maintenance activities on a daily basis each morning as part of the coin collection process. Furthermore, ad hoc repairs of faulty parking machines or meters are conducted as a result of feedback and complaints from the public. When a machine or meter is reported as faulty, according to the *Office of Regulatory Services Annual Plan 2012-13* it is a performance requirement that the complaint is responded to within 60 minutes.

3.48 The Parking Operations Unit maintains a database of faults reported by the public via feedback and complaints to Canberra Connect. By virtue of Canberra Connect's information processes, the feedback and complaints are emailed to the Parking Operations Unit. This information is then communicated to technicians via radio and recorded in the database.

STATEMENT OF PERFORMANCE REPORTING

- 3.49 The *Office of Regulatory Services Annual Plan 2012-13* identifies performance indicators for ticket machines and meter maintenance reports from the public. These performance indicators were previously aligned with broader accountability indicators in the Justice and Community Safety Directorate’s Statement of Performance in 2011-12. The accountability indicators have since been removed as relevant indicators in the Justice and Community Safety Directorate’s 2012-13 Statement of Performance.
- 3.50 Table 3.5 details the Performance Framework and Objectives for Parking Operations in the Office of Regulatory Services.

Table 3.5: Performance Framework and Objectives 2012-13

| Ticket Machines | Parking Meters |
|--|---|
| <p>Objective 4 Achieve a high level of response to public complaints about faulty ticket machines and parking meters. This will be measured by the percent of responses within 60 minutes of notification.</p> | <p>Objective 5 Have a high number of parking meters operational within 24 hours from the time the failure is reported. This will be measured by the percent of parking meters that become operational within 24 hours of the failure being reported.</p> |
| <p>Commitment – During 2012-2013 we will: (i) Ensure that on every piece of paid parking equipment there are contact details for reporting the fault. (ii) Ensure there are sufficient staff available to handle the calls and emails reporting the fault.</p> | <p>Commitment – During 2012-2013 we will: (i) Ensure there are sufficient staff that are suitably trained to repair and maintain equipment.</p> |

Source: Office of Regulatory Services 2012-13 Annual Plan at page 9

- 3.51 In 2011–12, the Justice and Community Safety Directorate reported that 13,416 complaints were received from the public about machine faults or errors via feedback and complaints to Canberra Connect. It should be noted that the Justice and Community Safety Directorate reports two different figures in different parts of its 2011-12 annual report. The *Section A - Performance and Financial Management Reporting* component of the Justice and Community Safety Directorate Annual Report (2011-12) reports the figures that are outlined in Table 3.6 of this report. The Justice and Community Safety Directorate annual Statement of Performance for 2011-12 reports that 12,800 complaints were received from the public about machine faults or errors via feedback and complaints to Canberra Connect.
- 3.52 Irrespective of which figure is used, there has been a steady increase in complaints from the public about machine faults since 2009-10. It should be noted, however, that the same machine fault may be identified by a number of different individuals.
- 3.53 According to the Justice and Community Safety Directorate, all complaints were responded to, with 96.66 percent being attended to within 60 minutes. The Justice and

Community Safety Directorate did not report on whether the fault was actually repaired; only that it had been attended.

- 3.54 An extract from the Justice and Community Safety Directorate Annual Report (2011-12) detailing the activities of the Parking Operations Unit with respect to servicing machines and meters is summarised in Table 3.6. The number of ticket machine and parking meter services indicate the total preventative maintenance services conducted by technicians.

Table 3.6: Parking Operations Unit servicing of parking machines and meters

| Activity | 2009–10 | 2010–11 | 2011–12 |
|--|---------|---------|---------|
| No. of ticket machine services | 5,112 | 4,568 | 3,990 |
| No. of parking meter services | 3,106 | 3,354 | 3,271 |
| No. of parking equipment fault responses | 11,618 | 12,243 | 13,416 |
| Percentage of fault calls responded to within 60 minutes | 97.26% | 94.77% | 96.66% |

Source: Justice and Community Safety Directorate 2011-12 Annual Report Volume 1 at page 95

- 3.55 As part of the annual Financial Statement audit process the Audit Office is required to form an opinion on whether the reported results included in the Justice and Community Safety Directorate’s Statement of Performance are a true and fair reflection of the Directorate’s performance.
- 3.56 As part of the 2011-12 annual financial statement audit process, the Audit Office made negative findings in relation to these indicators and associated targets, because the results could not be independently verified. The Audit Office could not independently verify the actual percentage of fault calls responded to within 60 minutes by the Parking Operations Unit.
- 3.57 The Justice and Community Safety Directorate has since removed these indicators and associated targets from its annual Statement of Performance reporting. These indicators have not been replaced by any alternative indicators.

Data concerns

- 3.58 The Office of Regulatory Services collates data on the repairs made by technicians, based on information received from the public where a machine or meter is identified by unique identification number. As noted previously, in 2011-12 the Justice and Community Safety Directorate reported diverse figures on the number of machine breakdowns and faults repaired by technicians.
- 3.59 In October 2012 a new process was implemented to record fault responses reported by technicians. The new data capture process has resulted in a greater number of recorded

faults in the current financial year compared with the same time in previous years. There were 5,306 ticket machine faults and approximately 4,000 meter faults identified from July 2012 to mid-January 2013.

- 3.60 At present, the Office of Regulatory Services lacks a method for collecting and reporting on the number of faults. Developing reliable information requires consistent data definitions, standards and collection methods. This in turn requires expertise and effective coordination between the relevant ACT Government agencies capturing and recording data.

Recommendation 8 (Chapter 3)

The Justice and Community Safety Directorate should develop a robust data capture process for ticket machine fault complaints and repair information, which includes regular reconciliation of the source data to improve the completeness and integrity of reported information.

4. FEES AND INFRINGEMENTS

INTRODUCTION

- 4.1 This Chapter provides an overview of ACT Government processes for the management and collection of parking revenue and fines due to infringements.

Conclusion

The ACT Government raised \$70.7 million in revenue from its parking operations in the three years to 2011-12. This is \$8.5 million (11 percent) less than the budgeted revenue of \$79.2 million. Actual annual revenue has consistently been below budget predictions in the three years to 2011-12. Budgeted revenue for 2012-13 may not be realised, especially given that parking fee increases were introduced comparatively late in this financial year.

The Audit Office conservatively estimates there has been approximately \$3 million lost in revenue due to faulty machines in the three years to 2011-12, noting this estimate does not include leakage due to inoperable parking meters. This leakage may be reduced if the smart parking technology, which the ACT Government is currently considering, is implemented. The smart parking technology may also have the potential to readily provide data to assist in better managing parking operations.

Key findings

- In 2011-12 approximately \$24.5 million was raised in revenue from parking fees, the sale of prepaid parking tickets and the issue of infringements.
- Actual revenue from parking operations has consistently fallen short of budget predictions. In 2010-11 and 2011-12 the revenue shortfall was approximately 13 percent and 12 percent, respectively. This is primarily due to significant shortfalls in parking fees collected from ticketing machines and parking meters.
- There is over \$7 million in debt owing to the ACT Government as a result of parking infringements by ACT, interstate and diplomatic vehicles at the end of the 2011-12 year. Approximately 70 percent of this debt relates to interstate vehicles.
- Section 44 of the Road Transport (General) Act 1999 prescribes when and how the Road Transport Authority will suspend a driver's licence, a vehicle's registration or an individual's right to drive in the ACT for non-payment of an infringement notice. The Audit Office found that no independent reconciliation of the RegoACT system was being performed to ensure that legislative requirements are being adhered to, notwithstanding the automated nature of sanction processes in the RegoACT system.
- Parking restrictions throughout the ACT are enforced by a team of Parking Inspectors who are responsible for inspecting over 56,000 known parking spaces, including private and public car parks. However, the exact number of parking spaces enforced by Parking

Inspectors is not known, given that the Parking Operations Unit does not have a definitive listing of all public and private areas that are patrolled by Parking Inspectors. There are 24 budgeted full-time equivalent Parking Inspectors. The daily average attendance of Parking Inspectors in June 2012 was 15, an increase from 11 Inspectors in July 2011. The Office of Regulatory Services has not conducted an analysis of the optimum number of Parking Inspectors necessary to enforce compliance in the ACT, nor are its patrols based on a risk assessment.

- From time to time, private sector organisations, community members and Commonwealth Government agencies request assistance from Parking Operations to enforce and patrol certain areas. Such requests require a reallocation of Parking Inspectors, which may affect existing ACT Government priorities. Furthermore, the National Capital Authority has sought assistance from Parking Operations to patrol areas of the Parliamentary Triangle Zone. There is no formal agreement in place between the National Capital Authority and the ACT Government to support this arrangement. Collectively, there is insufficient documentation on the number of National Capital Authority parking spaces that are being patrolled by Parking Operations or the frequency of patrols.
- Private organisations also seek assistance from the Parking Operations Unit (via a Traffic Control Device form) to patrol certain areas. The Audit Office was advised that there are at least 200 Traffic Control Devices in existence, but the Parking Operations Unit cannot confirm this with any certainty. The lack of a complete listing of Traffic Control Devices makes it difficult to plan Parking Inspector activities in a structured manner. The Justice and Community Safety Directorate has advised the Audit Office that it will conduct an audit to establish a definitive listing of all Traffic Control Devices.
- The ACT Government entered into an arrangement with the Woden Tradesmen's Union Club to collect money from parking machines on land leased to the Club. The fee paid to the Club was based on initial estimates and not actual revenue. The revenue generated from the parking machine on the Club's land is likely to be approximately \$178,500. This is \$66,500 (27 percent) less than the \$245,000 paid to the Club. This calculation does not include revenue from prepaid parking tickets. In February 2013, the Club was given three months' notice to terminate the agreement.
- Standard Operating Procedures have been prepared to detail Parking Inspector patrols and responses to complaints and requests. While these Standard Operating Procedures have been prepared over a number of years by experienced Parking Inspectors, there is no documented risk-based approach to guide the activities of Parking Inspectors. There are also no risk assessments or risk management plans that support Parking Inspector rosters. Parking Inspector rosters focus on a broad coverage that is based on available resources. Coverage is reactive and liable to be altered in response to feedback, complaints and requests for services from outside parties, rather than a planned assessment of risk priorities. While both approaches are needed, at present being responsive dominates

Parking Inspectors' activities.

- In 2011-12 there were 10,072 fault repairs recorded as being fixed by a technician, of which 6,805 related to ticket machines and 3,267 related to parking meters. Any increases in parking fees are likely to lead to an increased number of faults in machines and meters due to the higher volume of coins needed to pay for parking. Faults of machines will increase as ticket machines are limited by their capacity to hold coins.
- The Audit Office estimates that there has been consistent revenue leakage of approximately \$1 million in each of the past three years due to ticketing machine failure. This is arguably a conservative estimate, which does not take into consideration parking meter failures for which there is insufficient information to make such a calculation.
- In 2010, the ACT Government established a Smart Parking Feasibility Project Committee to recommend parking technologies to more effectively and efficiently manage parking. The Chief Minister and Treasury Directorate is progressing this initiative and has been provided with \$0.3 million as part of the 2012-13 budget process to explore technology options for installing new parking machines.

4.2 The Office of Regulatory Services in the Justice and Community Safety Directorate has an important role with respect to parking fees and infringements. Relevant business units, and their responsibilities, in the Office of Regulatory Services are:

- Parking Operations Unit - enforces parking regulations; and
- Parking Review Unit - manages Parking Infringement Notices.

4.3 Information on the functions of these units is provided in paragraphs 2.25 to 2.27 of this report.

Previous reviews

4.4 In August 2012, the Justice and Community Safety Directorate engaged a consultant to conduct an internal audit of parking operations managed by the directorate. The internal audit focused on revenue collection processes, parking inspection activities, motorist compliance, infringements and parking machine maintenance. A particular emphasis of the audit was on the management of business and fraud risks associated with cash handling and collection.

4.5 The internal audit found that overall the revenue collection process was secure and supported by adequate guidance material and controls. It made a number of findings in relation to revenue collection, which included:

- issues with physical security of cash that had been collected and the segregation of duties for handling the cash;

- minor gaps in existing controls relating to voiding of Parking Infringement Notices and the associated recordkeeping for their withdrawal; and
- the lack of adequate machine maintenance performance statistics that did not reflect all maintenance activities undertaken.

4.6 The Audit Office did not examine operational aspects of cash handling and raising of parking infringements.

REVENUE COLLECTION

4.7 Revenue is generated from:

- parking fees collected from meters and ticket machines;
- the sale of prepaid parking tickets through Canberra Connect; and
- fines due to the issue of parking infringement notices.

4.8 The ACT Government raised \$70,713,788 in revenue from its parking operations over the past three years. This is \$8,476,212 (11 percent) less than the budget revenue of \$79,190,000, as shown in Table 4.1.

4.9 Actual annual revenue has consistently been below budget predictions over the past three years. The budgeted revenue for 2012-13 may therefore not be realised, especially given that parking fees were introduced comparatively late in this financial year, as discussed in paragraphs 2.81 to 2.83.

Table 4.1: Parking revenue 2009-10 to 2012-13 (budget and actual)

| | 2009-10 | | 2010-11 | | 2011-12 | | 2012-13 |
|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Budget (\$) | Actual (\$) | Budget (\$) | Actual (\$) | Budget (\$) | Actual (\$) | Budget (\$) |
| Pay Parking (Machines) | 12,857,106 | 11,810,479 | 15,843,000 | 12,356,530 | 15,422,000 | 12,393,167 | 15,464,000 |
| Pay Parking (Prepaid) | 2,396,894 | 2,487,585 | 2,786,000 | 2,795,076 | 2,800,000 | 2,766,765 | 3,100,000 |
| Infringements | 8,501,000 | 7,763,428 | 9,110,000 | 9,045,873 | 9,474,000 | 9,294,885 | 9,175,000 |
| Total | 23,755,000 | 22,061,492 | 27,739,000 | 24,197,479 | 27,696,000 | 24,454,817 | 27,739,000 |

Source: Audit Office, based on Justice and Community Safety Directorate data

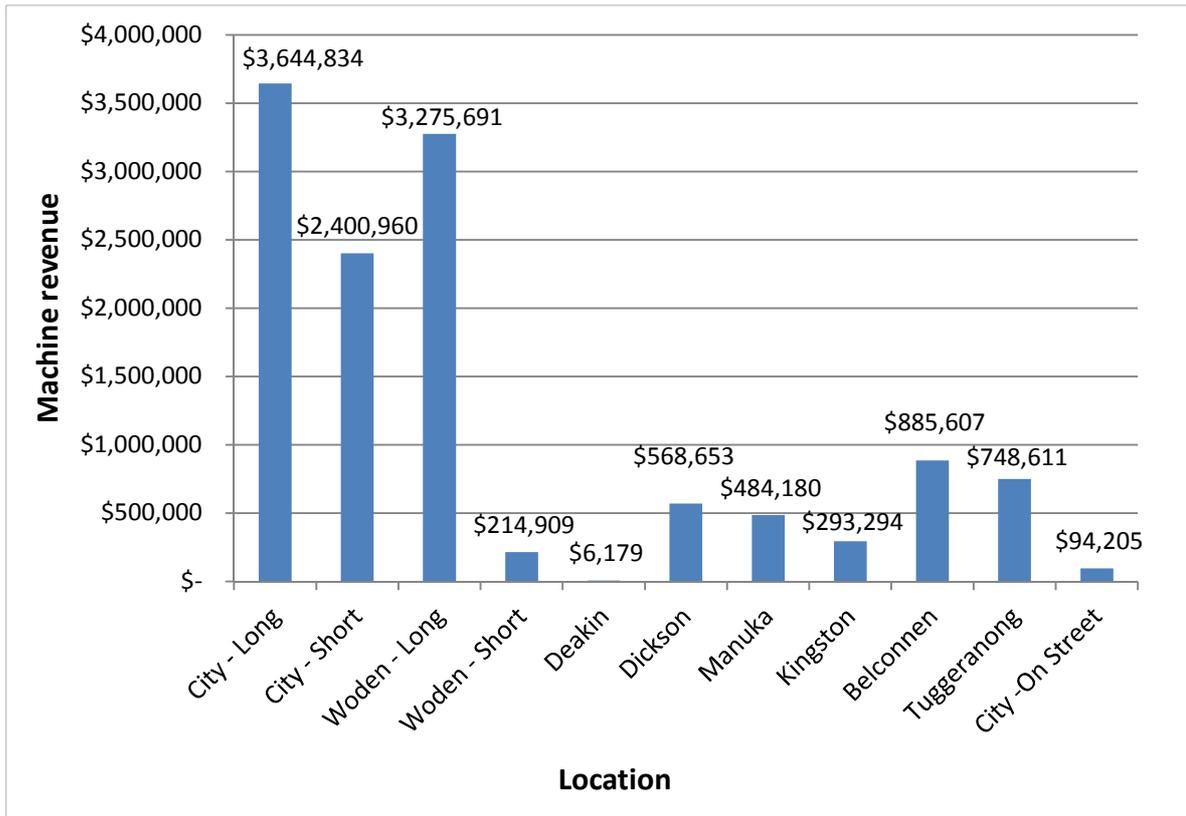
4.10 Revenue from parking operations increased by \$2,136,005 (10 percent) between 2009-10 and 2010-11, increasing a further \$257,338 (1 percent) from 2010-11 to 2011-12, refer to Table 4.1.

Parking fees

4.11 The Parking Operations Unit collected a total of \$12,393,167 from pay parking machines and parking meters in 2011-12, refer to Table 4.1.

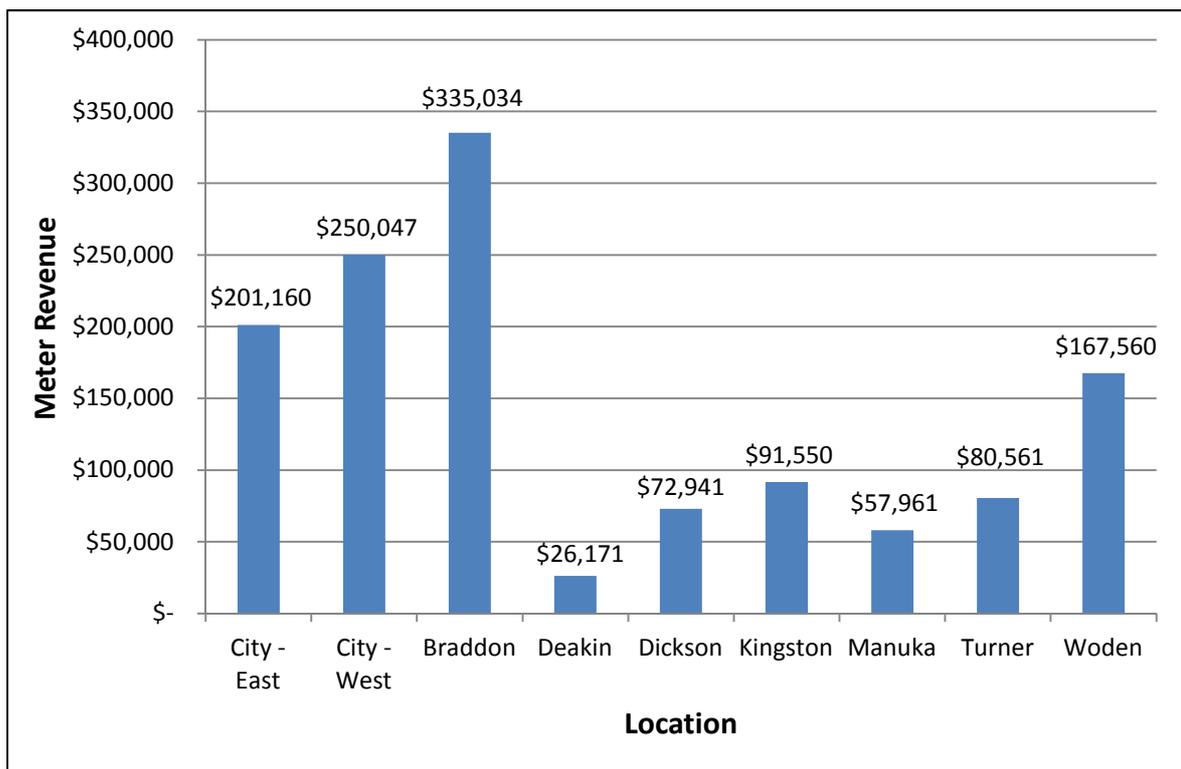
4.12 Figures 4.1 and 4.2 show the collection of revenue from different areas in the ACT for parking meters and ticket machines in 2011-12.

Figure 4.1: Ticket machine revenue 2011-12



Source: Audit Office, based on Justice and Community Safety Directorate data

Figure 4.2: Parking meter revenue 2011-12



Source: Audit Office, based on Justice and Community Safety Directorate data

Accuracy of budgets for revenue from ticket machines and meters

4.13 Over the past three years there has been an overall shortfall of \$8.5 million between actual and budgeted revenue, refer to Table 4.1. This shortfall consisted of:

- approximately \$7.6 million less revenue than anticipated from pay parking machines (this represents 89 percent of the total shortfalls);
- actual revenue from prepaid parking tickets approximately \$0.1 million above budget; and
- approximately \$1.0 million less revenue than budgeted from infringement notices.

4.14 In 2011-12, actual revenue from parking meters and ticket machines was approximately \$3 million below budgeted predictions. The gap between actual revenue and the budget prediction is likely to reflect the following:

- removal of car parks due to the sale of land for development and construction purposes;

- construction and maintenance activities undertaken in paid parking precincts due to Temporary Traffic Management measures¹³; and
- faulty machines.

4.15 In 2011-12 various paid parking areas in Belconnen were shut down due to the development and construction of the new Health Directorate building. Recent residential building developments in Belconnen have similarly affected the collection of revenue from paid parking.

4.16 Furthermore, in 2011-12, the following occurred:

- the development of Swanson Court in Belconnen removed approximately 120 temporary car parks;
- in the City the Veterans Park redevelopment removed on street parking spots around Mort St and Lonsdale St; and
- in Tuggeranong parking spaces on the corner of Anketell St and Eileen Goode St were removed for development and construction activities.

Prepaid parking tickets

4.17 The Territory and Municipal Services Directorate sells prepaid parking tickets. These prepaid long stay parking tickets can be used in multi-stay ticket parking areas.

4.18 Prepaid parking ticket revenue has remained relatively stable between 2010-11 and 2011-12 at \$2.8 million. During this time actual revenue has tracked closely to budget expectations as shown in Table 4.1.

Parking infringements

4.19 In 2011–12, the Parking Operations Unit issued 95,194 Parking Infringement Notices for illegal parking in the ACT which generated revenue of \$8,312,679. An additional \$982,206 was recorded in the Parking Operations Unit's finance system to recognise parking operations debtors.

Revenue collection from non-ACT Government car parks

4.20 The Parking Operations Unit collects revenue for the ACT Government from the enforcement of parking arrangements in car parks managed by other organisations. These include car parks managed by the National Capital Authority, Commonwealth

¹³ Temporary Traffic Management measures ensure that road users can travel safely through, around or past work sites on roads, footpaths and cycle paths. Temporary Traffic Management measures usually involve the placement of directive barriers and/or signs and may make parking bays inaccessible for periods of time resulting in no revenue being collected for these areas. Temporary Traffic Management measures are approved by the Territory and Municipal Services Directorate (Roads ACT or Parks and Conservation business units).

Department of Finance and Deregulation or private organisations such as McDonalds restaurants.

- 4.21 By virtue of most of these arrangements, the ACT Government collects fines revenue for providing Parking Infringement Notice issuing services on behalf of these organisations. These arrangements with non-Government organisations are discussed in further detail later in this chapter. In one instance, however, the ACT Government has entered into an agreement to collect revenue from a privately managed car park operated by the Woden Tradesmen's Union Club in return for paying an annual fee to this club.

Woden Tradesmen's Union Club

- 4.22 The Parking Operations Unit collects money from parking machines on land leased to the Woden Tradesmen's Union Club, Block 15 Section 3. To achieve this, the Road Transport Authority has declared the Club a Parking Authority under section 75A of the *Road Transport (Safety and Traffic Management) Regulation 2000* for the car park located on Block 15 Section 3.
- 4.23 This arrangement was entered into on 20 June 2011, when the lease for Block 15 Section 3 in Phillip was sold to the Woden Tradesmen's Union Club and the ACT Government wanted to make the car parking site available for the public until the site was finally developed. The ACT Government controls the adjacent car park on Block 16 Section 3. The portions of the car park that are controlled by the ACT Government and the Club are indistinguishable to motorists.
- 4.24 The Club has 140 car parking bays on its land (Block 15 Section 3) and the ACT Government has 220 car parking bays on its land (Block 16 Section 3).
- 4.25 The Club has an arrangement with the ACT Government whereby the Parking Operations Unit collects parking machine revenue and enforces parking restrictions on Block 15 Section 3. There is a formal Deed of Agreement for these arrangements, prepared by the ACT Solicitor-General's Office, which sets out the relevant requirements and expectations of service.
- 4.26 The Deed of Agreement states that the ACT Government will pay the Club a licence fee each quarter of \$980 (excluding GST) for each business day to operate the car park and collect revenue. In 2011-12, \$245,000 was paid to the Club under these arrangements.
- 4.27 The amount of \$980 per day was derived from calculations of predicted revenue, based on:
- all day rate of \$8;
 - 140 bays; and
 - 5 days per week for 52 weeks less 13 days for public holidays.

- 4.28 The revenue for the 140 bays is then allocated to the Club (87.5 percent) and ACT Government (12.5 percent).
- 4.29 There are a number of shortcomings with this arrangement, including:
- the licence fee paid to the Club is based on estimates at the commencement of the agreement and not the actual revenue collected; and
 - there was no consideration of loss in revenue due to machine failures.
- 4.30 In 2011-12, revenue collected from machines for the car parking on Block 15 and Block 16 (Club land and ACT Government land) was \$458,998. Revenue from the machine on the Club's land (Block 15 Section 3) was \$110,717, while revenue from each of the two machines on the ACT Government land (Block 16 Section 3) was \$160,878 and \$187,402. This does not take into account revenue from prepaid parking tickets.
- 4.31 Revenue lost due to parking machine failure on Block 15 and 16 Section 3 is estimated to be \$40,969 in 2011-12. The machine on the Club's land had 62 reported faults, which was estimated to cost \$13,200 in foregone revenue, while the two machines on the ACT Government land had 42 and 61 faults, resulting in an estimated loss of \$12,994 and \$14,775, respectively.

Business outcomes of the arrangement

- 4.32 A demand survey that shows actual occupancy rates for the entire car park would assist in determining whether or not the payments to the Club under the agreement reflected the revenue received by the ACT Government.
- 4.33 Calculating revenue actually generated by the use of car parks on the Club's land is difficult as motorists can use prepaid parking tickets and tickets from any of the machines in the overall car park to pay for parking. Furthermore, in the absence of any surveys, there is no information available on the occupancy rates for the car parks.
- 4.34 Given that the payments to the Woden Tradesmen's Union Club for the public use of its car park were based on estimates, the Audit Office undertook an analysis to try and identify the revenue implications of the agreement between the Club and the ACT Government. While a definitive conclusion cannot be made due to a lack of precise data on car parking use, it does appear that the Club may have received more funding than the revenue collected from its 140 car spaces, as outlined in the paragraph below.
- 4.35 Although it is recognised that calculating revenue associated with the Club's 140 spaces is problematic, the Audit Office undertook a simple calculation. The parking machines serving the car parks on Block 15 and 16 Section 3 generated \$458,998 in revenue in 2011-12. Given that there are 360 car parking spaces, the revenue per car park is \$1,275. Accordingly, for the Club's 140 car parks, the revenue generated from parking machines on-site is likely to be approximately \$178,500. This is \$66,500 (27 percent) less than the \$245,000 paid to the Club. The Audit Office was unable to determine if the

shortfall would have been covered by prepaid parking tickets used for parking on Block 15 and 16 Section 3. In 2011-12 revenue from prepaid parking tickets accounted for 17 percent of the total parking revenue (\$3.1 million of the total revenue of \$18.6 million), refer to Table 4.1.

- 4.36 There was no evidence to demonstrate that any evaluation had been made of the overall benefits and costs of the agreement between the Woden Tradesman's Union Club and the ACT Government. Such an evaluation should have been made to inform any future similar arrangements, particularly whether or not the estimated revenue was accurate.
- 4.37 On 23 February 2013, the Club was given notice of the Government's intention to terminate the agreement within three months (subsequent to the auction of Section 16 by the Land Development Agency in April 2013).
- 4.38 There may or may not be similar arrangements such as this in the future. The Economic Development Directorate is currently undertaking some planning work with respect to the Woden Town Centre, in the context of planning for the sale of blocks of land (including land for car parks), to determine sequencing of the sale of land and the impact that this may have on parking supply.

Recommendation 9 (Chapter 3)

The Economic Development Directorate, when developing parking arrangements with private sector entities, should:

- a) base arrangements on actual revenue and car park use, rather than estimated revenue and car park use; and
- b) evaluate the results of all future parking arrangements with private sector entities and determine whether revenue predictions have been realised.

INFRINGEMENT NOTICE COLLECTION

- 4.39 The Parking Review Unit is responsible for:
- investigating and preparing responses to correspondence disputing parking infringement notices;
 - preparing reports and recommendations on infringement matters; and
 - preparing legal documents for Court proceedings.
- 4.40 Table 4.2 shows key statistics in relation to parking infringements in the three years from 2009-10 to 2011-12.

Table 4.2: Parking infringement statistics

| Parking Review | 2009-10 | 2010-11 | 2011-12 |
|--|---------|---------|---------|
| Parking Infringement Notices issued | 85,342 | 94,601 | 95,194 |
| Statutory Declarations received | 3,342 | 3,303 | 3,671 |
| Written representations received | 11,928 | 12,692 | 10,523 |
| Parking Infringement Notices withdrawn | 4,214 | 2,782 | 5,119 |
| Summons issued | 225 | 162 | 314 |
| Hearings in the ACT Magistrates Court | 72 | 68 | 87 |

Source: Justice and Community Safety Directorate 2011-12 Annual Report Volume 1 at page 96

4.41 Table 4.2 shows the number of parking infringements raised and how many of those were disputed by statutory declarations or written representations. In some instances a statutory declaration may have been received nominating another driver with a drivers licence or vehicle registration in the ACT or elsewhere. Written requests for withdrawal of an issued Parking Infringement Notice are completed on the RegoACT system by Parking Review officers who must record details of:

- legitimate withdrawal of the Parking Infringement Notice or rejection of the request for a variety of reasons allowable under the procedures; or
- escalation of matters where liability for a Parking Infringement Notice is unsuccessfully disputed by the offender.

4.42 In 2011-12 a total of 3,671 statutory declarations nominating new owners or different drivers of vehicles were received. The number of written representations that received a response within 10 days increased from 69 percent to 100 percent.

4.43 In 2011–12, there were 10,523 written representations relating to the dispute of infringements raised. This represents approximately 11 percent of the 95,194 Parking Infringements Notices issued in 2011-12.

4.44 Of the total number of Parking Infringement Notices, 5,119 (5 percent) were withdrawn by the Parking Review Unit, 314 proceeded to summons, and 87 proceeded to the ACT Magistrates Court.

4.45 In May 2012 amendments were made to the *Road Transport (General) Amendment Act 2012 (No. 2)* to modernise the process for dealing with infringement notices for traffic and parking offences. It included more flexible arrangements for extra time to pay infringement notices.

Outstanding debts payable to the ACT

4.46 Table 4.3 shows the total value of debts owing to the ACT Government as a result of parking infringements at the end of the 2011-12 financial year.

Table 4.3: Outstanding parking fine debt

| Year | Interstate vehicles | DC and DX plated vehicles | ACT vehicles | Total |
|--------------|---------------------|---------------------------|--------------------|--------------------|
| 1989-90 | \$67,655 | - | \$34,530 | \$102,185 |
| 1990-91 | \$169,581 | - | \$93,795 | \$263,376 |
| 1991-92 | \$125,005 | - | \$63,171 | \$188,176 |
| 1992-93 | \$101,248 | - | \$63,515 | \$164,763 |
| 1993-94 | \$123,967 | \$120 | \$51,053 | \$175,140 |
| 1994-95 | \$129,918 | \$59 | \$50,378 | \$180,355 |
| 1995-96 | \$151,909 | \$65 | \$54,275 | \$206,249 |
| 1996-97 | \$183,655 | \$1,287 | \$56,554 | \$241,496 |
| 1997-98 | \$206,580 | \$1,189 | \$86,557 | \$294,326 |
| 1998-99 | \$241,198 | \$2,054 | \$103,791 | \$347,043 |
| 1999-00 | \$199,896 | \$2,069 | \$62,163 | \$264,128 |
| 2000-01 | \$265,677 | \$3,203 | \$80,964 | \$349,844 |
| 2001-02 | \$268,448 | \$2,886 | \$81,726 | \$353,060 |
| 2002-03 | \$211,182 | \$3,558 | \$84,638 | \$299,378 |
| 2003-04 | \$171,066 | \$3,377 | \$107,010 | \$281,453 |
| 2004-05 | \$287,368 | \$4,954 | \$104,319 | \$396,641 |
| 2005-06 | \$294,074 | \$6,991 | \$86,583 | \$387,648 |
| 2006-07 | \$270,302 | \$8,523 | \$78,756 | \$357,581 |
| 2007-08 | \$223,525 | \$11,730 | \$80,273 | \$315,527 |
| 2008-09 | \$272,675 | \$18,039 | \$97,483 | \$388,197 |
| 2009-10 | \$281,823 | \$18,439 | \$96,742 | \$397,004 |
| 2010-11 | \$367,545 | \$30,038 | \$130,353 | \$527,936 |
| 2011-12 | \$381,436 | \$23,324 | \$229,429 | \$634,188 |
| Total | \$4,995,733 | \$141,905 | \$1,978,057 | \$7,115,695 |

Source: Audit Office, based on Justice and Community Safety Directorate data

4.47 In 2011-12, \$634,188 in debt accrued to the ACT Government as a result of unpaid parking infringements. This represents approximately 2.6 percent of parking operations revenue received over the year.

4.48 As at the end of the 2011-12 financial year, there was over \$7 million in debts owing to the ACT Government as a result of parking infringements by ACT, interstate and

diplomatic vehicles (for the period 1989-2012). Approximately 70 percent of the parking infringement debt owing to the ACT Government is from interstate vehicles, refer to Table 4.3.

- 4.49 Outstanding debts from many years ago are still recorded in the RegoACT system but are more than likely unrecoverable. The Office of Regulatory Services writes off debts greater than 12 months old. The RegoACT system is not updated to omit the amounts that are written-off in the financial system. However, all unpaid debts, including written-off debts, are still considered debts owed to the ACT Government.
- 4.50 In 2007 the Chief Minister announced an inter-departmental committee to examine debt recovery in the ACT and provide advice with respect to a whole-of government approach to debt collection. The review was intended to consider the role of the private sector in debt collection, time-to-pay arrangements and the possibility of a debt recovery function. The Audit Office could not secure any evidence that the committee had made any recommendations.

Sanctions for non-payment of infringements

- 4.51 Sections 24 and 36 of the *Road Transport (General) Act 1999* provides that the registered owner of a motor vehicle is responsible for parking offences incurred in relation to a vehicle and the payment of infringement notices. However if the registered owner is not the actual offender, liability will be waived if:
- the registered owner supplies a statutory declaration to state the name and address of the person driving the vehicle at the time of the alleged offence; and
 - the registered owner supplies documented proof that at the time of the alleged offence, the vehicle was stolen or illegally taken or used.
- 4.52 Section 44 of the *Road Transport (General) Act 1999* prescribes when and how the Road Transport Authority will suspend a drivers licence, a vehicle's registration or an individual's right to drive in the ACT for non-payment of an infringement notice. Subsections 44(5), (6) and (7) provide that the Road Transport Authority must:
- if the person is the holder of a drivers licence, suspend the licence;
 - if the person is not the holder of a drivers licence, but the vehicle involved in the offence is registered under the *Road Transport (Vehicle Registration) Act 1999* and the person is responsible for the vehicle, suspend the vehicle's registration; or
 - in any other case, one of the following:
 - suspend the person's right to drive the vehicle involved in the offence in the ACT;
 - suspend the person's right to drive any vehicle in the ACT;
 - suspend the right of everyone to drive the vehicle involved in the offence in the ACT.

- 4.53 The RegoACT system is a key means by which Parking Infringement Notices and parking fines are managed. RegoACT is the motor vehicle registration and driver licensing computer system used by the ACT Government. RegoACT is a client-centric system that integrates all components of:
- vehicle registration including vehicle inspection data, compulsory third party insurance, checking vehicle bona fides through validation of the vehicle identification number and stolen-written-off vehicle status;
 - driver licensing from proof of identity, competency testing, the issue of digitised licences to demerit points management; and
 - infringement management including issuing notices for red light and speed camera offences, issuing notices for traffic and parking offences, receiving payments for these infringements and sanction action against errant drivers.
- 4.54 The RegoACT system automatically triggers the suspension of a licence or vehicle registration or the right to drive once a breach occurs.
- 4.55 The Audit Office sought confirmation that section 44 of the *Road Transport (General) Act 1999* was being correctly enacted for sanctions. The Audit Office found that no independent reconciliation of the RegoACT system was being performed to ensure that the policy is being adhered to, notwithstanding the automated nature of the sanction process.
- 4.56 The Audit Office conducted an analysis to establish if ACT motorists with debts had a corresponding sanction applied. The Audit Office found that a total of 6,454 ACT resident client identification numbers with infringement debts did not have a corresponding sanction on a drivers licence or vehicle registration. This suggests that enforcement action has not taken place with respect to these members of the community. There are, however, a number of other reasons why enforcement action may not have taken place, including:
- the receipt of a statutory declaration nominating an individual residing in the ACT or elsewhere that does not have an ACT drivers licence or vehicle registration;
 - reminder notices being returned to the Office of Regulatory Services as 'return to sender', in which case no sanction will be imposed due to a lack of knowledge of the licensee;
 - the issuing of an infringement notice to a corporate-registered vehicle, with no individual licensee being able to be identified.
- 4.57 There were duplicate client identification numbers in the RegoACT system that limits the effectiveness of enforcement activities for debt management. In effect, a suspension may be attached against one client record while an active registration and-or drivers licence may be assigned to another client record.

- 4.58 The Office of Regulatory Services could not provide evidence that RegoACT sanctions have suspended a drivers licence and-or a vehicle's registration for all ACT residents with infringement debts without individually interrogating client records. This has effects on revenue. Given such effects on revenue, it is important that there be a means whereby this information can be readily generated.

Recommendation 10 (Chapter 4)

The Justice and Community Safety Directorate should:

- a) review the sanctions for non-payment of fines in accordance with the *Road Transport (General) Act 1999*; and
- b) develop and implement a process to recover revenue from interstate and diplomatic fines.

PARKING INSPECTORS

- 4.59 Parking Inspectors' enforcement activities are scheduled as follows:
- a Team Leader allocates and schedules nominated officers to patrol areas; and
 - Parking Inspectors are notified of patrols via instructions on a white board on a daily basis.
- 4.60 Each Parking Inspector patrols a given patrol area no more than twice a month, and are alternatively allocated to areas in North, South and Central Canberra to avoid repetition of coverage. This is a strategy to manage:
- the risk of fraud; and
 - Parking Inspector safety.
- 4.61 The allocation of a Parking Inspector's patrol area is informed by:
- community feedback, complaints and requests from the community to patrol particular areas;
 - major events in the ACT (Roads ACT provides advice with respect to these);
 - advice from the Territory and Municipal Services Directorate via a Temporary Traffic Management Plan requested by a developer or contractor. Any impacts on parking bays, parking meters and loading zones require consultation with the Parking Operations Unit;
 - personal safety concerns; and
 - the number of Parking Inspectors.

Number of Parking Inspectors

- 4.62 Parking restrictions throughout the ACT are enforced by a team of Parking Inspectors who are responsible for inspecting over 56,000 managed parking spaces, including

private and public car parks. There are 24 budgeted full-time equivalent Parking Inspectors, although the daily average attendance of Parking Inspectors in June 2012 was 15. This is an increase from 11 in July 2011. At present, this means that on any given day the Parking Operations Unit deploys 15 officers. The Parking Operations Unit advised that a Parking Inspector can generate up to \$9,000 per day in infringements.

- 4.63 A high level of inspection compliance is challenging. While there are over 56,000 known parking spaces, both public and private, the Parking Operations Unit does not have a definitive listing of all public and private areas that are patrolled by Parking Inspectors. This is discussed further in paragraphs 4.72 to 4.78. Without a complete understanding of all parking spots, which include paid parking as well as time and restricted zones, the exact number of parking spaces is not known. It is not feasible to have every parking space patrolled every hour of each day, as this may not necessarily increase compliance. However, more frequent patrols on the basis of identified risks may be more effective than the current system.
- 4.64 The Office of Regulatory Services has not conducted an analysis of the optimum number of Parking Inspectors necessary to enforce compliance in the ACT, nor is its patrols based on a risk assessment.

Training

- 4.65 Historically, Parking Inspectors have received training through on the job learning delivered by an experienced officer in the course of daily duties. More recently, a performance based module has been under development for all Parking Inspectors against required learning objectives.
- 4.66 A fortnightly forum headed by a guest speaker presents topical issues such as corruption and errors in the recording of Parking Infringement Notices to Parking Inspectors.
- 4.67 The current training modules do not include:
- conflict resolution and what to do if assaulted (noting that Parking Inspectors receive training in de-escalation before they commence their duties);
 - detection of forged disability permits; and
 - working with the police.

Park-and-Ride enforcement

- 4.68 The ACT Government provides a network of Park-and-Ride facilities that are intended to encourage people to park their car and catch the bus. A Park-and-Ride permit allows motorists to park for free near Belconnen, Woden, Tuggeranong, Mawson and Mitchell and continue their trip by bus.

- 4.69 At the time of this audit there were 320 Park and Ride car parks in the ACT and 460 permits had been issued to motorists. There are approximately 44 percent more permits issued than the number of parking spaces available.
- 4.70 Parking Inspectors do not always issue Parking Infringement Notices for vehicles that have Park-and-Ride permits displayed in public paid parking facilities in the vicinity of Park-and-Ride facilities. There is a risk that motorists are obtaining permits and parking in non-designated areas.
- 4.71 The Justice and Community Safety Directorate does not have a policy for such circumstances.

Requests to patrol by private sector organisations and Government agencies

- 4.72 From time to time private sector organisations, community members and Commonwealth Government agencies request assistance from Parking Operations to enforce and patrol certain areas.
- 4.73 The National Capital Authority routinely seeks assistance from Parking Operations to patrol areas of the Parliamentary Triangle Zone. Such requests require a reallocation of Parking Inspectors, which may affect existing ACT Government priorities. There is no formal agreement in place between the National Capital Authority and the ACT Government to support this arrangement. Furthermore, there is insufficient documentation on the number of National Capital Authority parking spaces that are being patrolled by Parking Operations or the frequency of patrols.
- 4.74 Private organisations also seek assistance from the Parking Operations Unit to patrol certain areas. These requests are submitted through Traffic Control Devices to Roads ACT. A Traffic Control Device is a form that is completed by the private organisation describing the areas they wish to be patrolled by the Parking Operations Unit.
- 4.75 Roads ACT, through an external engineer, assess whether or not the parking bays and signs conform to the Australian Standard for Parking Facilities and relevant Road Safety Road Rules. Any approvals by Roads ACT of a Traffic Control Device necessarily affects the activities of the Parking Operations Unit. Examples of Traffic Control Devices and patrolled areas include:
- private apartment complexes; and
 - businesses that seek enforcement of nearby parking arrangements.
- 4.76 The Parking Operations Unit undertakes patrols of areas that have been requested by private sector organisations through Traffic Control Devices. However, the Parking Operations Unit does not have:
- a complete listing of Traffic Control Devices submitted by private sector organisations;

- a listing of the number of bays associated with each Traffic Control Device; or
- records of how many parking bays relating to Traffic Control Devices) are patrolled by Parking Inspectors.

4.77 The Audit Office was advised that there are at least 200 Traffic Control Devices in existence, but the Parking Operations Unit cannot confirm this with any certainty.

4.78 The lack of a complete listing of Traffic Control Devices makes it difficult to plan Parking Inspector activities in a structured manner. The Justice and Community Safety Directorate has advised the Audit Office that it will conduct an audit to establish a definitive listing of all Traffic Control Devices.

Lack of documented policy

4.79 There is no documented risk-based approach to guide the activities of Parking Inspectors. There are also no risk assessments or risk management plans that support Parking Inspector rosters. Parking Inspector rosters focus on a broad coverage that is based on available resources. Coverage is reactive and liable to be altered in response to feedback, complaints and requests for services from outside parties, rather than a planned assessment of risk priorities. While both approaches are needed, at present being responsive dominates Parking Inspectors' activities.

4.80 The Parking Operations Unit does not have a detailed map that identifies all the parking areas in the ACT, including Traffic Control Devices.

Recommendation 11 (Chapter 4) – High Priority

The Justice and Community Safety Directorate should:

- a) map the number and location of all parking bays that are being patrolled by its Parking Inspectors (including known parking spaces and parking spaces subject to Traffic Control Devices forms);
- b) analyse and identify the optimum number of Parking Inspectors required to provide adequate coverage in the ACT (this may be affected by Recommendation 12);
- c) improve the training of Parking Inspectors by including modules in their training on topics such as conflict resolution, detection of forged disability permits and how to effectively work with the police; and
- d) develop a formal risk-based plan to guide the activities of Parking Inspectors e.g. patrol areas, rosters.

ALTERNATIVE TECHNOLOGY FOR REVENUE COLLECTION AND ENFORCEMENT

- 4.81 In the ACT there are 249 multi-stay ticket machines and 860 single parking meters which are all on-street. The ticket machines are around a decade old and require constant maintenance. Ticket machines only accept coins and are not capable of accepting credit cards or banknotes. Ticket machines provide very limited data and have no reporting capabilities. Therefore it is not possible for information to be retained in the machines and consequently used by the Parking Operations Unit.
- 4.82 Parking meters are, on average, 15-20 years old. They are unreliable, offer minimal customer service and provide no data or management information at all.
- 4.83 As a result of the comparatively old parking machine infrastructure:
- the machines are not convenient for consumers. Coins must be carried by motorists as no other forms of payment are accepted. This adversely affects commuter compliance and also creates a nuisance for retailers that are requested to exchange coins for notes;
 - management information is not being readily collected. There are no statistics on how many tickets are issued each year in each street, how much downtime occurs, what is the average level of occupancy and what are the peak demand times;
 - there is a reduction in enforcement of compliance; and
 - there is revenue leakage.

Revenue leakage

- 4.84 The large number of faults and the unreliability of meters and ticket machines is documented in Chapter 3. In 2011-12 there were 10,072 fault repairs recorded as being fixed by a technician, of which 6,805 related to ticket machines and 3,267 related to parking meters.
- 4.85 The Audit Office was advised by officers from the Office of Regulatory Services that any increases in parking fees were likely to lead to an increased number of faults in machines and meters due to the higher volume of coins needed to pay for parking.
- 4.86 There is no information on specific meters and machines to identify the revenue leakage or increased costs associated with maintenance and the flow-on administration effects of disputed fines. Such information is important for any decisions associated with the replacement of the machines.
- 4.87 When cash is collected every morning from a ticket machine an audit voucher indicating total coins received and purchase timestamps is generated. These timestamps indicate that most revenue is collected in the morning from motorists requiring long stay

parking. Any machines that are inoperative in the morning due to faults have a substantial affect on revenue collected for that day.

4.88 The Audit Office attempted to quantify the amount of revenue leakage as a result of faults recorded for machines. It is not possible to identify revenue leakage for inoperable meters as meters are not uniquely identified.

4.89 Table 4.4 shows the Audit Office’s calculation of revenue leakage due to faulty and unreliable ticket machines.

Table 4.4: Potential revenue leakage from ticket machines

| | 2009-10 Machine Faults | 2009-10 Potential Leakage | 2010-11 Machine Faults | 2010-11 Potential Leakage | 2011-12 Machine Faults | 2011-12 Potential Leakage |
|------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|
| City Long Stay | 2,224 | \$412,562 | 1,860 | \$315,225 | 1,668 | \$301,638 |
| City Short Stay | 1,182 | \$245,084 | 1,147 | \$234,785 | 1,049 | \$238,674 |
| City on Street | 80 | \$2,590 | 87 | \$2,678 | - | - |
| Dickson | 646 | \$43,544 | 498 | \$40,357 | 374 | \$38,216 |
| Woden Short Stay | 105 | \$11,899 | 94 | \$10,417 | 108 | \$16,088 |
| Woden Long Stay | 1,128 | \$196,778 | 1,104 | \$208,180 | 1,152 | \$244,183 |
| Deakin | 9 | \$76 | 7 | \$89 | - | - |
| Manuka | 363 | \$22,720 | 334 | \$23,622 | 266 | \$16,719 |
| Kingston | 281 | \$15,172 | 357 | \$18,552 | 255 | \$14,779 |
| Belconnen | 1,258 | \$57,109 | 1,345 | \$58,629 | 1,147 | \$42,453 |
| Tuggeranong | 581 | \$37,640 | 653 | \$45,266 | 782 | \$42,440 |
| Total | 7,857 | \$1,045,174 | 7,486 | \$957,800 | 6,801 | \$955,190 |

Source: Audit Office, based on Justice and Community Safety Directorate data

4.90 From 2009-10 to 2011-12 the Audit Office conservatively estimates that there has been approximately \$3 million lost in revenue due to faulty machines, refer to Table 4.4, noting this estimate does not include leakage due to inoperable parking meters.

4.91 The Audit Office’s analysis was undertaken by using the following information and factors for 2009-10 to 2011-12:

- publicly identified faults actioned by technicians and recorded by a ticket machine. Technician identified faults were not recorded. If multiple faults were recorded by machine only one fault instance was considered;
- a calculated average revenue collection by machine, calculated on the basis of 260 working days (i.e. total revenue by machine divided by 260), which takes into account holidays and weekends; and

- the assumption that each fault would cause a 50 percent impact to the daily revenue for that machine. The Audit Office considers that this is a conservative assumption.

4.92 The Justice and Community Safety Directorate advised the Audit Office that leniency is applied with respect to potential parking infringements on days when a machine is affected by a fault. Parking areas that have had ticket machine maintenance concerns are not patrolled on the day as it is perceived that the likelihood of disputes from motorists will be high. This further compounds the revenue leakage for ACT Government. Accordingly it is difficult to estimate the potential infringement leakage with any level of accuracy.

Alternative forms of technology

4.93 In 2010 the ACT Government established a Smart Parking Feasibility Project Committee to recommend parking technologies to more effectively and efficiently manage parking. The Committee was chaired by Transport Planning in the Territory and Municipal Services Directorate. The Committee was to prepare an implementation strategy and business case for the preferred option.

4.94 The Terms of Reference of the Committee were to:

- improve customer service by providing information about car space vacancies and offering a variety of payment options;
- maximise the efficient usage of existing car parking spaces including the ability to support carpooling and park-and-ride policies;
- improve fee collection efficiency and effectiveness;
- enhance the Government's ability to implement its parking pricing policy;
- improve the level of compliance with parking regulations;
- minimise leakage of revenue due to broken meters and enforcement difficulties; and
- enhance the collection of data to provide a stronger evidence base for parking policy and management.

4.95 In 2011 the Territory and Municipal Services Directorate engaged a consultant to undertake a feasibility study for improving parking technologies at ACT Government owned parking stations (on-street and off-street). The feasibility assessment selected 'Pay and Display' technology as the preferred option at a cost of approximately \$4.7 million to install 430 machines, i.e. approximately \$11,000 per machine.

4.96 Although the study was completed in its entirety the project has not been progressed.

4.97 The Justice and Community Safety Directorate recently obtained an estimate for the cost of replacing machines. This ranged from \$5,000 for new machine faces through to \$8,000 for completely new machines. An additional consideration is that leasing options

would eliminate the upfront cost of machines and provide an opportunity to upgrade to new technology in the future.

Treasury technology study

- 4.98 The ACT Government announced as part of the 2012-13 budget process that \$0.3 million in funding would be given to Treasury to explore new technology options for installing new parking machines and meters. The preference was to use smart parking technology that allows motorists to pay by cash, credit card or by using their mobile phones.
- 4.99 The study will report to the ACT Government in 2013 with a view to implementing new technologies in 2014. Treasury plan to use information from the previous Territory and Municipal Services Directorate feasibility study to assist in decision-making.

Recommendation 12 (Chapter 4) – High Priority

The Chief Minister and Treasury Directorate should, in cooperation with the Environment and Sustainable Development Directorate and the Justice and Community Safety Directorate (via the *Transport for Canberra* Inter-Directorate Committee), continue to work to:

- a) identify smart car parking payment technology options which have the capacity for:
- accepting coins and notes, credit cards and electronic payment methods (in accordance with the Strategic Parking Framework in the *Transport for Canberra Plan*);
 - providing an increased level of management information, including information on the use of parking facilities and statistics that assist in monitoring the performance of the machines and meters;
 - incorporating enforcement technology to support efficient compliance processes and improve the safety of Parking Inspectors; and
- b) advise the ACT Government on whether or not smart parking technology should replace existing parking meters and ticket machines, and if this is to occur what kind of technology should be used.

APPENDIX A: AUDIT CRITERIA, APPROACH AND METHOD

AUDIT OBJECTIVE

The objective of the audit was to provide an independent opinion to the Legislative Assembly on the efficiency and effectiveness of the ACT Government's management and administration of parking operations in the ACT.

AUDIT CRITERIA

In determining whether parking operations in the ACT Public Sector are efficient and effective, the following key criteria are proposed:

- are the 'beginning-to-end' processes for the management, planning and conduct of parking operations providing the ACT public with efficient and effective services;
- are the risks to revenue collection associated with the management and conduct of parking operations appropriately managed; and
- are the repair, maintenance and management processes which support car parks, parking meters and ticket machines undertaken in a timely manner, and are they efficient and effective.

AUDIT APPROACH AND METHOD

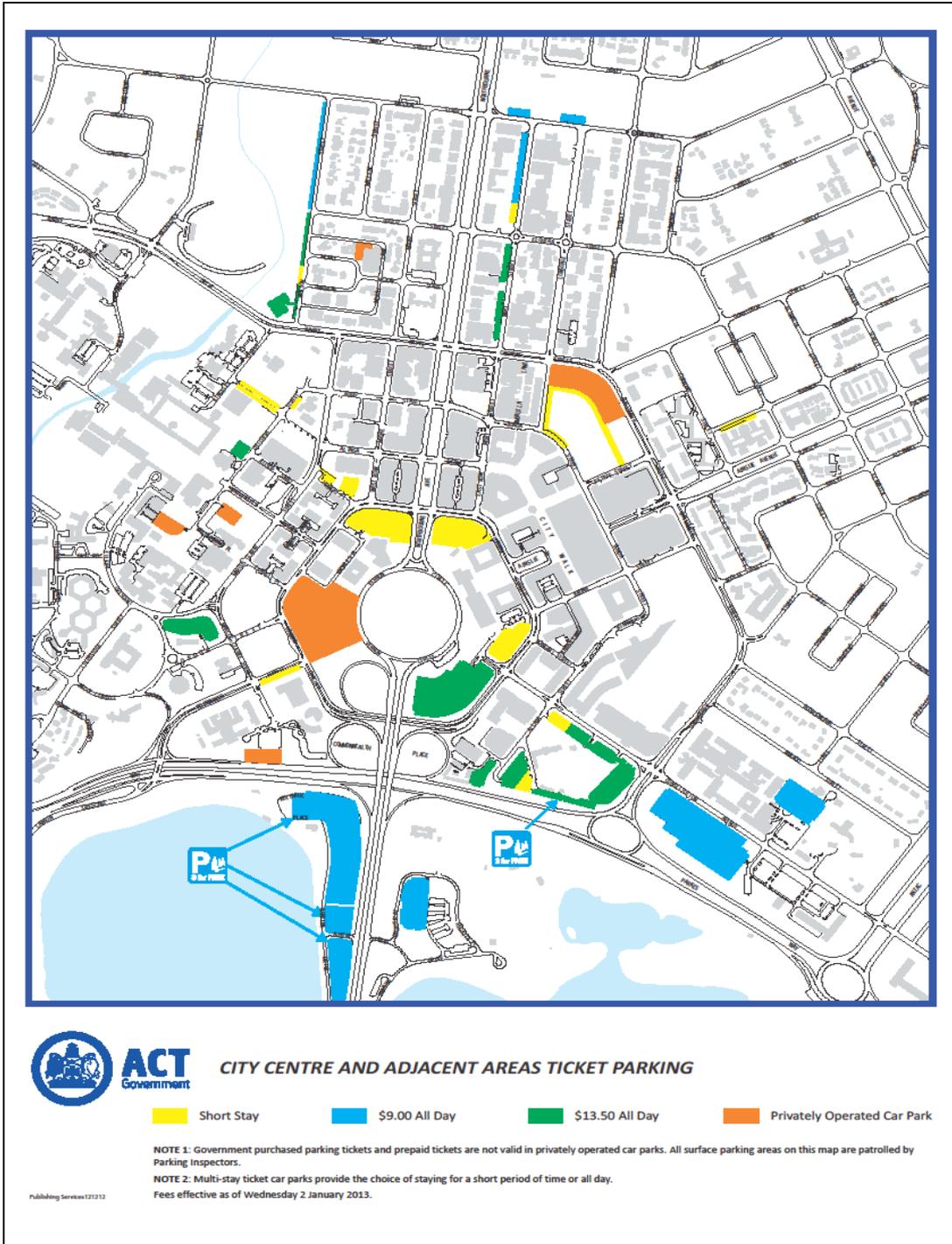
The performance audit was conducted under the authority of the *Auditor-General Act 1996*, and in accordance with the principles, procedures, and guidance contained in Australian Auditing Standards relevant to performance auditing. These standards prescribe the minimum standards of professional audit work expected of performance auditors. Of particular relevance is the professional standard on assurance engagements - *ASAE 3500 Performance Engagements*.

The audit approach and methodology consisted of:

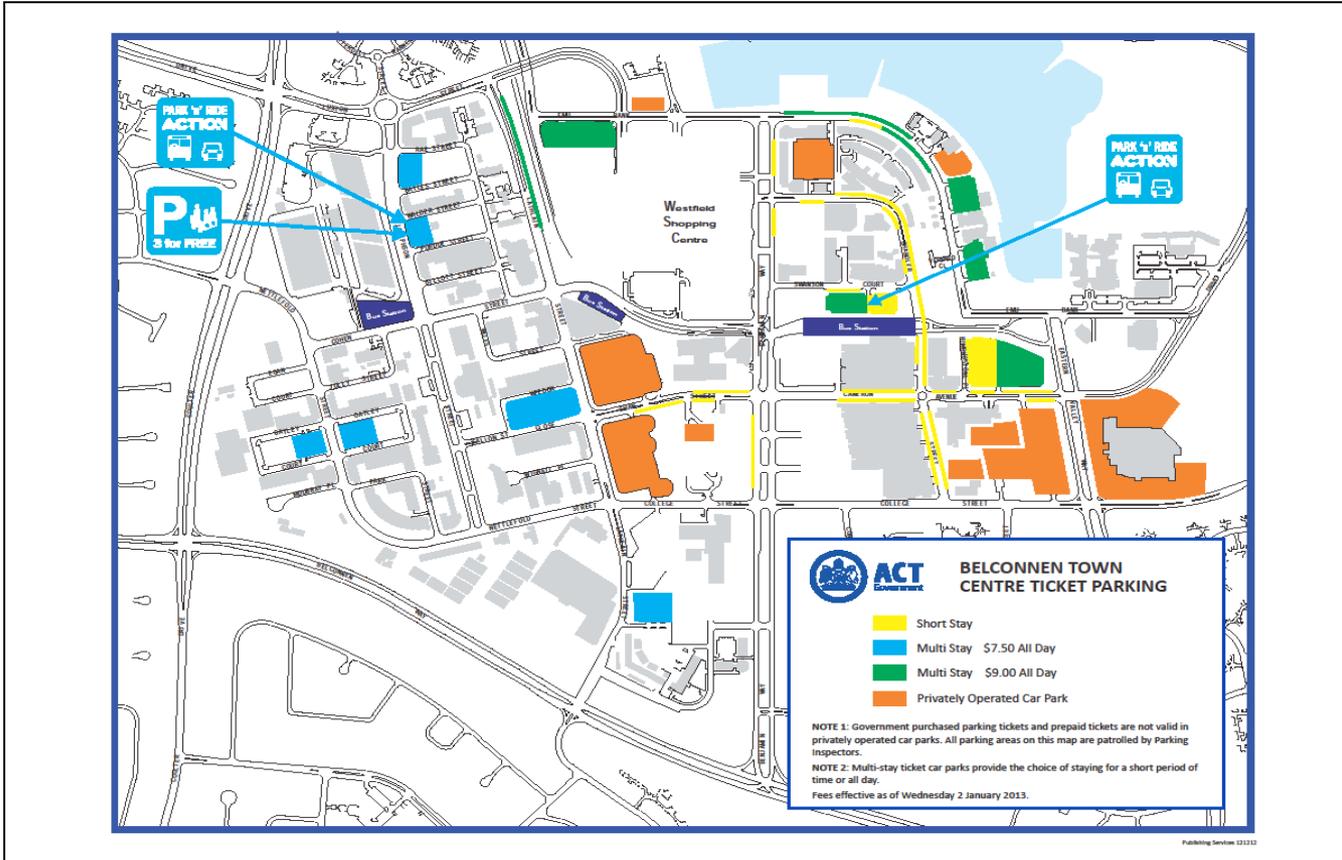
- interviews and discussions with key agency staff from the Justice and Community Safety Directorate, Territory and Municipal Services Directorate, Environment and Sustainable Development Directorate and Chief Minister and Treasury Directorate;
- a review of key strategic, planning and governance documentation associated with parking operations in the ACT; and
- a review of administrative documentation associated with 'beginning to end' parking operations in the ACT.

APPENDIX B: TOWN CENTRE PARKING AREAS

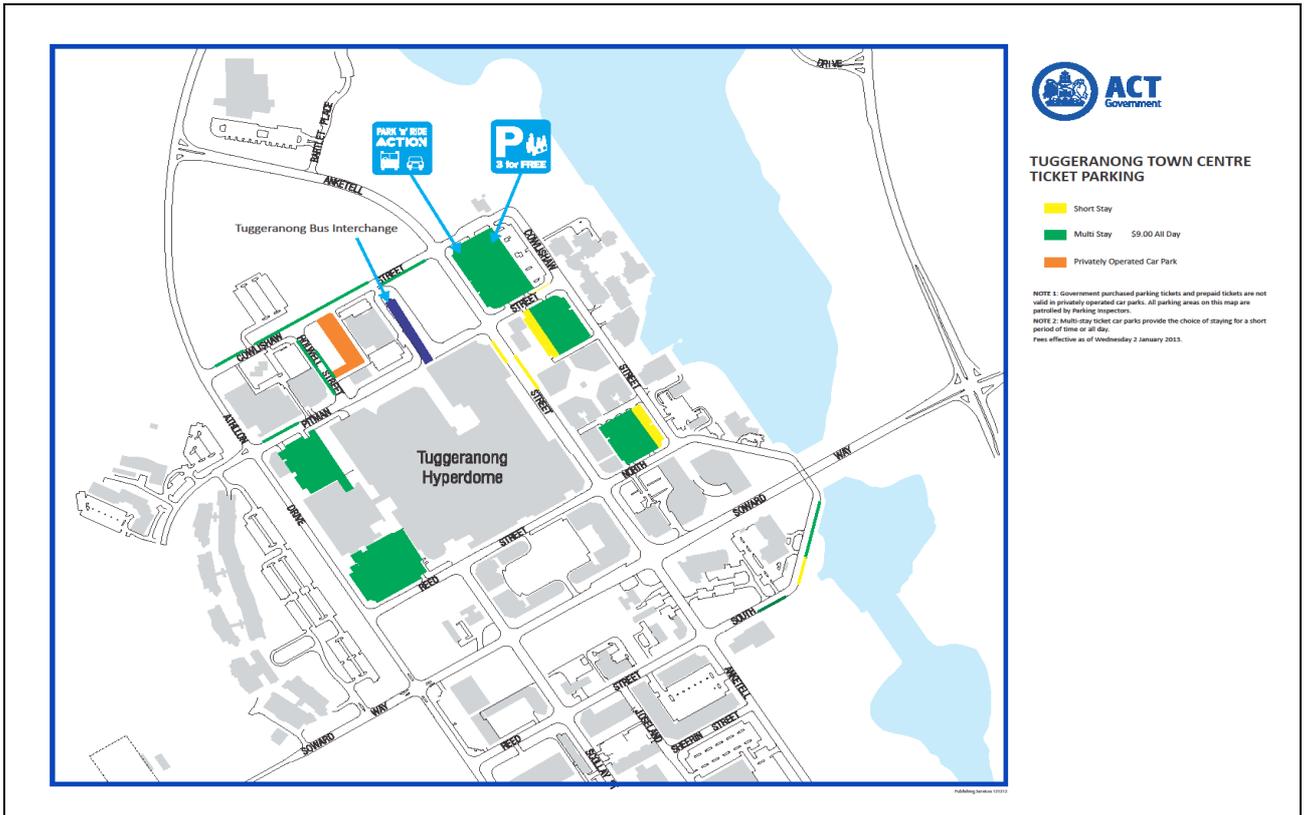
City Centre Parking Areas



Belconnen Town Centre Parking Areas



Tuggeranong Town Centre Parking Areas



APPENDIX C: TECHNOLOGY CONSIDERATIONS

Background

ACT Government should consider appropriate enforcement technology that supports efficient compliance processes and supports the safety aspects of inspector duties.

Parking occupancy detection systems

Parking occupancy detection systems (PODS) are an innovative measure to reduce the need for chalking in unmetered areas. These unobtrusive in-ground devices detect the presence of a vehicle in a space and then wirelessly communicate any overstay to an enforcement centre. This technology is being used in many jurisdictions across Australia. They have many benefits including:

- less exposure to moving traffic and to potential abuse from members of the public;
- no more bending over to mark tyres in areas where meters are not installed;
- supporting the Environment and Sustainable Development Directorate to better understand how spaces are being utilised; and
- increase the effectiveness of enforcement.

Licence Plate Recognition Technology (LPR)

Technology advancement for cameras on patrol cars could reduce the need for chalking and support safety concerns relating to existing practices. It would also result in more fines being posted via mail.

The number plate recognition technology is fixed to a moving vehicle that records the presence of vehicles and then at a subsequent drive by notifies the inspector if the vehicle has been there too long.

The benefits of the introduction of LPR include:

- improved management of parking enforcement generally and in particular will enable enforcement in all weather conditions;
- increased efficiency in monitoring parking restrictions;
- better utilisation of staff resources;
- improved working conditions as a result of not chalking tyres; and
- improved OH&S associated with staff working in close proximity to the roadway and vehicles.

AUDIT REPORTS

| Reports Published in 2012-13 | |
|-------------------------------------|---|
| Report No. 3 - 2013 | ACT Government Parking Operations |
| Report No. 2 - 2013 | Executive Remuneration Disclosed in ACTEW Corporation Limited's (ACTEW) 2010-11 Financial Statements and Annual Report 2011 |
| Report No. 1 - 2013 | Care and Protection System |
| Report No. 10 - 2012 | 2011-12 Financial Audits |
| Report No. 9 - 2012 | Grants of Legal Assistance |
| Report No. 8 - 2012 | Australian Capital Territory Public Service Recruitment Practices |
| Report No. 07 - 2012 | Annual Report 2011-12 |
| Report No. 6 - 2012 | Emergency Department Performance Information |
| Reports Published in 2011-12 | |
| Report No. 5 - 2012 | Management of Recycling Estates and E-Waste |
| Report No. 4 - 2012 | Development Application and Approval System for High Density Residential and Commercial Developments |
| Report No. 3 - 2012 | Early Childhood Schooling |
| Report No. 2 - 2012 | Whole-of-Government Information and ICT Security Management and Services |
| Report No. 1 - 2012 | Monitoring and Minimising Harm Caused by Problem Gambling in the ACT |
| Report No. 06 - 2011 | Management of Food Safety in the Australian Capital Territory |
| Report No. 05 - 2011 | 2010-11 Financial Audits |
| Report No. 04 - 2011 | Annual Report 2010-11 |
| Reports Published in 2010-11 | |
| Report No. 03 - 2011 | The North Weston Pond Project |
| Report No. 02 - 2011 | Residential Land Supply and Development |
| Report No. 01 - 2011 | Waiting Lists for Elective Surgery and Medical Treatment |
| Report No. 10 - 2010 | 2009-10 Financial Audits |
| Report No. 09 - 2010 | Follow-up audit – Courts Administration |
| Report No. 08 - 2010 | Delivery of Mental Health Services to Older Persons |
| Report No. 07 - 2010 | Management of Feedback and Complaints |
| Report No. 06 - 2010 | Annual Report 2009-10 |
| Report No. 05 - 2010 | Delivery of ACTION Bus Services |

Details of reports published prior to 2010-11 can be obtained from the ACT Auditor-General's Office or the ACT Auditor-General's homepage: <http://www.audit.act.gov.au>.

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