

# Enforcement and collection of parking fines

Report to Parliament 15 : 2012–13



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Queensland Audit Office

Location Level 14, 53 Albert Street, Brisbane Qld 4000

PO Box 15396, City East Qld 4002

Telephone (07) 3149 6000

Email [qao@qao.qld.gov.au](mailto:qao@qao.qld.gov.au)

Online [www.qao.qld.gov.au](http://www.qao.qld.gov.au)

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June 2013

The Honourable F Simpson MP  
Speaker of the Legislative Assembly  
Parliament House  
BRISBANE QLD 4000

Dear Madam Speaker

**Report to Parliament**

This report is prepared under Part 3 Division 3 of the *Auditor-General Act 2009*, and is titled Enforcement and collection of parking fines.

In accordance with s.67 of the Act, would you please arrange for the report to be tabled in the Legislative Assembly.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andrew Greaves', is written over a light blue horizontal line.

Andrew Greaves  
Auditor-General

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# Summary

Local governments use parking regulations as part of their transport and traffic management strategies to achieve optimal road use, public safety, turnover for traders, accessibility and street amenity. Regulated parking covers on street parking and publicly owned off street parking. The current trend is for more regulated parking areas within larger cities.

The compliance framework for parking regulations includes enforcement tools ranging from education and complaints resolution through to infringement notices and prosecution. As the population grows and traffic congestion increases, parking fines are more important in addressing noncompliant behaviour in the public interest.

Parking management is a sensitive area: for those who incur penalty infringement notices (PINs), for businesses that rely on customer access and for those inconvenienced by poor or unsafe access due to parking infringements.

The objective of this audit was to determine whether the enforcement and management of parking fines by local governments is equitable and efficient. Four local governments were selected: Brisbane City Council (BCC), Gold Coast City Council (GCCC), Ipswich City Council (ICC) and Townsville City Council (TCC).

## Conclusions

PINs are issued fairly in compliance with legislation. While there will always be exceptions, at the four councils we audited we found no underlying systemic issues with how they impose parking fines. This is reflected in a relatively high overall recovery rate of 77 per cent, with fewer than one in ten PINs disputed.

Fine revenue collection is effective, but not in all cases cost-efficient. Townsville has the highest fine recovery rate. It refers unpaid fines to the Magistrates Court after the first reminder. This adds significant costs that need to be recouped from alleged offenders and results also in an increase in the caseload of the courts; dealing with offences that are considered minor by a large proportion of society.

All four councils' approved internal review processes deal effectively with disputed PINs. However, at Ipswich, the process can be bypassed. This undermines the authorised process and, as a result, Ipswich cannot demonstrate that all appeals have been treated equitably, considered fairly or are supported adequately by relevant information.

## Key findings

### Penalty infringement notices

Parking inspectors in all four audited councils issue PINs within the relevant guidelines. They collect the required evidence of the offence, exercise sound judgement and apply discretion appropriately in performing their duties. Our analysis did not identify any anomalies indicative of systemic noncompliance.

Each audited council follows a different process to recover unpaid parking fines that influences payment behaviour and affects efficiency measures such as recovery rate, time and costs.

TCC refers unpaid fines to the Magistrates Court after the first reminder. The other three councils register outstanding fines with the State Penalties Enforcement Registry. TCC achieves high and timely recovery but it incurs significant costs that are passed on to the alleged offender. BCC's multiple reminders also result in a high recovery rate but it takes longer to receive full payment.

The value of parking fines issued in 2011–12 was less than 1.5 per cent of total revenue for the four councils. While the total cost of enforcing parking regulations exceeds the revenue obtained from fines, this deficit is offset by parking fee revenues at all audited councils, except ICC.

## Internal review process

All audited councils have an established internal review process that helps ensure the management and enforcement of parking regulations is fair and equitable. The relatively low number of disputed fines that are subsequently waived reflects this.

All councils review and finalise disputed fines in a timely manner, minimising the delay in recovering any subsequent fine. Three councils have clear, documented policies or guidelines to help their staff to review disputed parking fines. TCC's lack of documented guidelines increases the risk of inconsistency in internal reviews.

Although ICC has an established process to review disputed parking PINs, this process is bypassed when alleged offenders complain to elected representatives who request council officers review individual cases. In 2011–12, ICC waived more parking fines following requests made to councillors than it waived through the approved internal review process.

## Monitoring performance

The level of performance monitoring and reporting differs significantly between the four audited councils and affects their ability to assess whether they have met their objectives and identify emerging issues.

BCC and ICC use performance data to identify trends over time and to take corrective action on identified exceptions. TCC and GCCC collect limited performance data, which reduces their ability to analyse the overall performance of their parking enforcement.

## Recommendations

**It is recommended that:**

- 1. Townsville City Council and Gold Coast City Council develop a comprehensive suite of performance information to monitor and review their performance on parking regulation; to identify issues and trends; and better assess whether they are achieving their objectives.**
- 2. Townsville City Council documents the facts to consider and criteria to apply when reviewing a case to ensure consistent and fair treatment of alleged offenders disputing the fines.**
- 3. Ipswich City Council ensures all requests for review of individual cases follow the approved internal review process for equitable treatment of all disputed cases.**

## Reference to entity comments (Appendix A)

In accordance with section 64 of the *Auditor-General Act 2009*, a copy of this report was provided to Brisbane City Council, Gold Coast City Council, Ipswich City Council and Townsville City Council with a request for comments.

Their views have been considered in reaching our audit conclusions and are represented to the extent relevant and warranted in preparing this report.

The full comments received are included in Appendix A of this report.

# 1 Context

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## 1.1 Parking management

### 1.1.1 Introduction

Parking management refers to various policies and strategies for more efficient use of parking resources within the broader context of urban planning, transport management, traffic flow and road safety.

Regulating parking is one strategy, often used in conjunction with charging for parking. Other solutions include increasing parking supply and reducing parking demand.

### 1.1.2 Parking laws and regulations

Parking regulations help ensure equitable access to parking facilities for all motorists within an urban area where the demand for parking exceeds supply. Regulations also aim to facilitate traffic flow and enhance public safety by prohibiting parking in certain areas and/or at certain times. Regulating parking includes limiting the type of vehicles that can use dedicated parking areas, such as parking bays for disability parking permit holders or loading zones for commercial vehicles. Councils can also limit the duration for which a vehicle can park in a regulated zone, whether a price is charged or not.

To achieve their objectives, the regulations must be enforced effectively. Penalty infringement notices (PINs) are the most common deterrent to offending. Other deterrents include written or oral warnings, prosecution through the courts and public education on the importance of complying with parking rules.

Parking is regulated through state legislation and local laws. The following legislation governs the management and enforcement of parking regulations, including PINs:

- *Local Government Act 2009* (LG Act)
- *City of Brisbane Act 2010*
- local and subordinate local laws on parking by each council
- *Transport Operations (Road Use Management) Act 1995* (TORUM Act)
- Transport Operations (Road Use Management–Road Rules) Regulation 2009 (TORUM Regulation)
- *State Penalties Enforcement Act 1999* (SPE Act)
- *Penalties and Sentences Act 1992*.

Under the LG Act and *City of Brisbane Act 2010*, local governments have the authority to adopt and enforce local laws and subordinate local laws on parking. The TORUM Act also gives local governments the authority to regulate the use of roads, including parking vehicles on roads and/or off street parking areas.

Part 6 of the TORUM Act allows a local government to regulate parking by specifying:

- the times when a vehicle may or must not be parked
- the types of vehicles that may or must not be parked
- the purposes for which a vehicle may or must not be parked
- where its regulation of parking applies
- the required fee for a vehicle to be parked.



Under s.13 of the LG Act and s.15 of the *City of Brisbane Act 2010*, all council employees—including parking inspectors, are responsible for implementing the policies of the local government effectively, efficiently, economically, compliantly, impartially and with integrity.

### 1.1.3 Penalty infringement notices

The SPE Act outlines how PINs can be served. Section 14 of this Act is specific to infringement notice offences involving vehicles. Section 15 outlines the information the notice must contain; in particular, the ways an alleged offender may deal with an infringement notice.

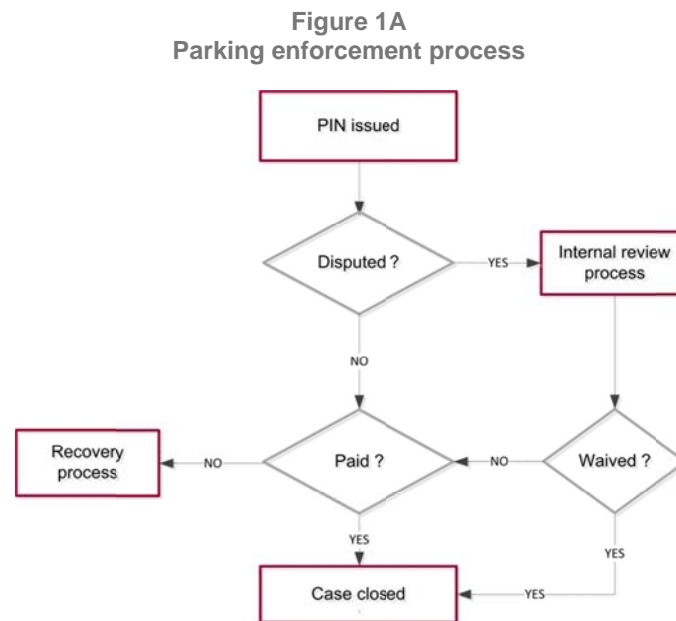
Parking inspectors are the primary enforcers of parking law. However police officers are also authorised to issue a PIN where a parking offence has been committed.

Under s.22 of the SPE Act, if an infringement notice is served on an alleged offender for an offence, the alleged offender must, within 28 days after the date of the infringement notice:

- (i) pay the fine in full to the administering authority; or
- (ii) make to the administering authority an election to have the matter of the offence decided in a Magistrates Court; or
- (iii) if relevant, give to the administering authority an illegal user declaration, a known or unknown user declaration or a sold vehicle declaration for the vehicle for the offence.

People who believe they were incorrectly issued with a PIN can dispute the notice. Under s.28 of the SPE Act, a local government, in its capacity as administering authority, may withdraw an infringement notice at any time before the fine is paid or otherwise discharged.

Figure 1A shows the different paths which may occur after a parking PIN is issued.



Source: Queensland Audit Office

Part 12 of the TORUM Regulation provides details of stopping and parking offences and the maximum penalty for each. Subordinate local law allows councils to determine the number of penalty units for each type of offence up to the maximum specified in the TORUM Regulation. If a matter is referred to the Magistrates Court, the court can increase the fine up to the maximum applicable penalty if the offence is proved.

## 1.2 Entities subject to this audit

The four councils selected for this audit were:

- Brisbane City Council
- Gold Coast City Council
- Ipswich City Council
- Townsville City Council.

The councils were selected to reflect a range of metropolitan and regional councils where the parking demand is greater than supply, requiring local governments to regulate parking in the more congested and popular public areas. All four councils have a clear need for regulated public areas to achieve optimal road use, public safety, turnover for traders, accessibility and street amenity.

### 1.2.1 State Penalties Enforcement Registry

The State Penalties Enforcement Registry (SPER), a division of the Office of State Revenue within Queensland Treasury and Trade, is outside the scope of this audit. Three of the four audited councils refer unpaid parking fines directly to SPER as part of their recovery process. Under the SPE Act, SPER is responsible for the collection and enforcement of unpaid:

- infringement notice fines
- court ordered monetary penalties
- offender debt recovery orders
- offender levies.

## 1.3 Report structure and cost

The report is structured as follows:

- Chapter 2 reviews how councils issue parking PINs and monitor their performance in regulating parking
- Chapter 3 examines how the councils review disputed fines
- Appendix A contains the councils' responses received
- Appendix B outlines the audit details.

The cost of the audit was \$465 000.

## 2 Parking fines

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### In brief

#### Background

The process of issuing parking warnings and fines should be fair, consistent and compliant with prescribed requirements.

Councils should also have an efficient fine recovery process that facilitates payment and enables timely collection of outstanding fines while minimising the cost and effort involved. Councils' efficiency in enforcing parking regulations should be monitored, analysed and reported regularly.

#### Conclusions

The audited councils issue parking penalty infringements notices fairly, equitably and in compliance with legislation. Each audited council follows a different process to recover unpaid parking fines that influences payment behaviour and affects efficiency measures such as recovery rate, time and costs.

The level of performance monitoring and reporting differs significantly between the four audited councils and affects their ability to assess whether objectives are met, to identify trends and emerging issues and to take corrective action.

#### Key findings

- The four audited councils issue parking fines fairly and lawfully, and document policies and procedures that assist parking inspectors in their duties.
- The value of parking penalty infringement notices represents less than 1.5 per cent of the councils' total income.
- Total revenue from parking activities, including charging for parking and enforcing parking regulations, exceeds the related costs incurred for three out of four councils. However, the total cost of enforcing parking regulations exceeds the revenue obtained from fines.
- The four audited councils adopted different approaches in their recovery process which can affect the recovery rate, time and cost.

#### Recommendations

1. **It is recommended that Townsville City Council and Gold Coast City Council develop a comprehensive suite of performance information to monitor and review their performance on parking regulation; to identify issues and trends; and better assess whether they are achieving their objectives.**

## 2.1 Background

Parking regulations help ensure equitable access to parking facilities for all motorists within an urban area where the demand for parking spaces exceeds supply. Penalty infringement notices (PINs), whether warnings or fines, are issued to individuals who do not comply with parking regulations. Public confidence in the process is increased when councils comply with legislation and treat alleged offenders fairly and consistently.

To ensure parking PINs are issued fairly and consistently, councils need to have clear policies and processes that reflect the prescribed requirements. As well, parking inspectors need to adhere to policy and guidance, and apply sound judgement when exercising their duties.

Councils should also have an efficient recovery process that facilitates payment and enables timely collection of outstanding fines, while minimising the cost and effort involved.

Performance monitoring, analysis and reporting that is regular, comprehensive and identifies hotspots, trends or emerging issues is necessary to enable councils to assess whether their enforcement processes are efficient and the parking strategies are achieving their objectives.

This chapter reviews how councils issue PINs, recover parking fines and monitor and report their performance.

## 2.2 Conclusions

Overall, the audited councils' internal controls ensure that parking PINs are issued fairly, equitably and in compliance with legislation.

All four councils earn revenue from parking meters and fines, although the value of parking fines issued in 2011–12 was less than 1.5 per cent of total revenue for the four councils. While the total cost of enforcing parking regulations exceeds the revenues obtained from fines, this deficit is offset by parking fee revenues at all audited councils, except Ipswich.

The process used by each council to recover unpaid parking fines influences payment behaviour and affects efficiency measures, such as recovery rate, time and costs.

Townsville City Council has the highest recovery rate; it is the only council that refers unpaid fines to the Magistrates Court after the first reminder. The other three councils register outstanding fines with the State Penalties Enforcement Registry (SPER). While Townsville's approach means it achieves high and timely recovery, this process incurs significant costs to the council that are then passed to the alleged offenders. Brisbane City Council's practice of issuing multiple reminders also result in a high recovery rate, but it takes longer to receive full payment.

The performance monitoring of and reporting on regulated parking varies between the four audited councils. City councils at Townsville and Gold Coast collect limited performance data, which reduces their ability to analyse their performance at macro level. City councils at Brisbane and Ipswich use performance data to identify trends over time and to take corrective action on identified exceptions.

## 2.3 Compliance with policy and guidelines

All four audited councils have policies, procedures and guidelines outlining the necessary steps for parking inspectors when responding to breaches of parking laws by the public. Their policies and procedures are current, clear and detailed, promoting fairness and equity by outlining consistent practices in issuing and managing fines.

Good practices were noted at all four audited councils:

- Brisbane City Council's (BCC) parking induction training manual includes information on warnings, meters and signs, evidence gathering, ethics, abandoned vehicles and heavy vehicles.
- Ipswich City Council's (ICC) enforcement manual details the requirements for acquiring evidence for the effective investigation of offences and appropriate enforcement options.
- Townsville City Council's (TCC) procedures manual is comprehensive and refers to the relevant legislation for various parking situations.
- Gold Coast City Council (GCCC) has training and procedure manuals that outline actions for all officers. These documents help to establish uniformity and consistency for parking inspectors.

Parking inspectors at the four councils receive training and have access to policies, guidelines and procedures to assist them in their duties. Available guidance material also helps parking inspectors in collecting sufficient and appropriate evidence of the offence. All audited councils authorise their parking inspectors appropriately to perform their duties, thus complying with the prescribed requirements.

Analysis of parking fines issued in 2011–12 did not identify anomalies or unusual patterns that could indicate systemic noncompliance. This indicates that parking inspectors apply policies and procedures consistently.

Councils use various tools to ensure compliance with guidelines and efficient enforcement. For instance, BCC monitors complaints and parking inspectors' performances with reports on the number of fines cancelled due to errors. If issues are identified, councils take appropriate management action, such as additional training or clarification of the relevant guidelines.

The councils' strategies to deploy parking inspectors consider both proactive enforcement of regulated parking areas in identified hotspots and reactive management of complaints for parking infringements in less congested areas. Hotspots include schools, hospitals, retail centres and high traffic areas. The overall strategy is reflected when preparing the roster for parking inspectors and determining their daily parking patrols. This enables the councils to use their limited resources efficiently to enforce parking local laws.

Parking inspectors have the discretion to issue a warning rather than a fine. Warnings are often used when new parking conditions are introduced in a specific location. In 2011–12, about four per cent of total parking offences recorded at three of the councils resulted in a warning rather than a fine. The system used at TCC does not capture warnings issued.

## 2.4 Penalty infringement notices

The number of PINs issued in 2011–12 ranged from about 6 000 for ICC to almost 250 000 for BCC, reflecting the demand for parking and traffic flow considerations of the councils audited. The top five common parking offences were:

- parking for longer than permitted
- parking in a metered space when the meter has expired
- parking in a metered space without inserting the appropriate payment
- parking or stopping in a 'no stopping' area
- parking other than parallel to the roadway.

The value of parking fines issued in 2011–12 was less than 1.5 per cent of total revenue for the four councils.

The revenue and expenditure information for the 2011–12 financial year shows that three of four councils earn net revenue from parking meters and PINs combined.

Figure 2A  
Activity revenue and expenditure for 2011–12

	Brisbane City Council	Gold Coast City Council	Ipswich City Council	Townsville City Council
Revenue from parking meters	16 579 107	5 617 747	375 697	1 641 359
Revenue from parking PINs	18 671 557	9 566 070	303 250	1 140 385
Other parking revenue	2 749 375	2 656 838	50 859	1 409 493
Total revenue from parking	38 000 039	17 840 655	729 806	4 191 237
Total expenses for parking enforcement	(26 749 349)	(11 400 455)	(744 979)	(3 962 139)
<b>Net inflows/(outflows)</b>	<b>11 250 690</b>	<b>6 440 200</b>	<b>(15 173)</b>	<b>229 098</b>

Source: Queensland Audit Office from unaudited council figures

Other parking revenue consists of fees, such as vehicle registration search fees and SPER registration fees, recovered from offenders. It also includes bad debt recovered.

Expenses for parking enforcement include salaries and wages; collection of meter monies; maintenance and depreciation of equipment and parking meters; registration search fees; SPER registration fees; legal costs; and doubtful debts.

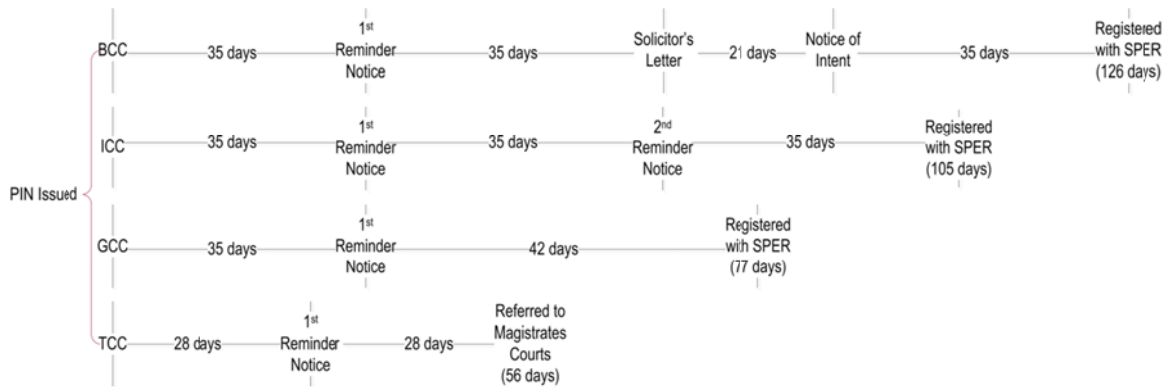
## 2.5 Recovery

The four audited councils have adopted different processes to recover parking fines. It takes 126 days before BCC refers an unpaid fine to SPER, compared with 105 days for ICC and 77 days for GCCC. TCC has taken a different approach and issues a single reminder notice before instigating court action. If the fine remains unpaid after being heard in the Magistrates Court, the case is then registered with SPER.

All four councils send a first reminder for payment if a fine is not paid within the statutory period of 28 days. TCC issues the first reminder at 28 days and the other three councils at 35 days.

BCC issues three reminders before registering unpaid fines with SPER for recovery. GCCC and ICC have similar processes to BCC, but issue fewer reminder notices before registering outstanding fines with SPER for recovery.

**Figure 2B**  
Lifecycle timeline for unpaid fines



Source: Queensland Audit Office

The councils' approaches to recover outstanding fines influence payment behaviour, as illustrated in Figure 2C. For example, BCC's multiple stages of recovery correlates with a higher average number of days between issuing a fine and full payment.

The lack of integration of the multiple systems used at GCCC precludes such macro level analysis across the life cycle of the infringement notices. Therefore GCCC's results are not included in Figures 2C and in section 2.5.1.

**Figure 2C**  
Payment patterns 2009–12

	Brisbane City Council	Ipswich City Council	Townsville City Council
Proportion (%) of fines paid within 35 days	61	71	67
Median number of days between issuing a fine and full payment	28	27	24
Average number of days between issuing a fine and full payment	51	29	31

Source: Queensland Audit Office

### 2.5.1 Recovery rate

The recovery rate is influenced by each council's effort for direct recovery.

TCC, the only council that refers unpaid fines to the Magistrates Court, has the highest recovery rate at 83 per cent for 2011–12 fines. BCC recovered a similar proportion of fines (82 per cent) for the period 2009–12, while ICC recovered 70 per cent over the same period.

### 2.5.2 Recovery costs

Each council decides how much they charge for recovering a fine and what costs they want to recoup from the alleged offender.

Costs incurred by each council vary and depend on each council's processes. For example, Figure 2D shows that the total amount owed by an offender for an unpaid fine for parking in a no stopping zone varies from \$115.65 at ICC to \$376.75 at TCC. The significantly higher fees at TCC include \$260 (69 per cent) attributed to costs of going through court.

**Figure 2D**  
Costs to the alleged offender for an unpaid fine

	Brisbane City Council	Gold Coast City Council	Ipswich City Council	Townsville City Council
Fine for parking in no stopping zone	\$100.00	\$120.00	\$50.00	\$40.00
Administrative cost	\$8.60	\$10.00	\$8.75	\$20.00
Court fee	—	—	—	\$81.10
Professional fee	—	—	—	\$75.00
Postage fee	—	—	—	\$3.75
Offender levy	—	—	—	\$100.00
Registration with SPER	\$56.90	\$56.90	\$56.90	\$56.90
Subtotal additional costs	\$65.50	\$66.90	\$65.65	\$336.75
<b>Total amount owed for unpaid PIN</b>	<b>\$165.50</b>	<b>\$186.90</b>	<b>\$115.65</b>	<b>\$376.75</b>

Source: Queensland Audit Office

BCC, GCCC and ICC determine the direct recovery costs (for example, the vehicle registration search fee and SPER registration fee) they want to recoup from the alleged offenders. Internal administration costs of the recovery process are absorbed by the councils.

TCC's approach incurs higher recovery costs for the council and the offenders because unpaid fines are referred to the Magistrates Court. TCC passes on the additional recovery costs to the offenders.

The offender levy was introduced by the state government in 2012. The levy is imposed on an offender on sentence to help pay for the general cost of law enforcement and administration. An offender becomes liable to pay the levy when sentenced for an offence, regardless of whether a conviction is recorded.

## 2.6 Performance management

Councils' efficiency in enforcing parking regulations should be assessed through regular performance monitoring, reporting and management. Indicators of efficiency include the proportion of PINs waived, time lapsed until payment is received, percentage of fines recovered and costs of managing and enforcing parking regulations. Effective management reporting helps identify trends and exceptions, assess whether objectives are achieved and take appropriate corrective action.

BCC and ICC collect substantial performance information, which is reported regularly to relevant decision makers. However, the collection and reporting of performance information is limited in TCC and GCCC.



BCC performs regular analysis of warnings and fines, offences, cancellations, complaints and hotspots (schools, clearways). The analysis helps identify trends and exceptions for corrective action, such as extra training for parking officers who have a high cancellation or complaints rate.

### Case study of selected key performance indicators (KPIs)—Brisbane City Council

BCC performance monitoring		
BCC used the following KPIs and targets in 2011–12 to analyse the year's performance		
KPIs	Targets	Achievements
<ul style="list-style-type: none"> <li>Improved commuter satisfaction with peak hour traffic flows in the CBD</li> </ul>	<ul style="list-style-type: none"> <li>Improvement on 2010–11 baseline of 25 per cent</li> </ul>	<ul style="list-style-type: none"> <li>27 per cent commuter satisfaction rate</li> </ul>
<ul style="list-style-type: none"> <li>Clearway offences</li> </ul>	<ul style="list-style-type: none"> <li>10 000–15 000 clearway PINs issued in response to offences and complaints</li> </ul>	<ul style="list-style-type: none"> <li>7 993 clearway PINs issued</li> </ul>
<ul style="list-style-type: none"> <li>School zone complaints</li> </ul>	<ul style="list-style-type: none"> <li>100 per cent of complaints responded to within 2 working days</li> </ul>	<ul style="list-style-type: none"> <li>Not measured as alternative school zone service was provided</li> </ul>
<ul style="list-style-type: none"> <li>Parking noncompliance</li> </ul>	<ul style="list-style-type: none"> <li>125 000–200 000 parking PINs issued in response to offences and complaints</li> </ul>	<ul style="list-style-type: none"> <li>213 445 PINs issued with 24 290 complaints made to council</li> </ul>
<ul style="list-style-type: none"> <li>Parking PIN cancellations</li> </ul>	<ul style="list-style-type: none"> <li>Fewer than 7 000 parking PINs cancelled p.a.</li> </ul>	<ul style="list-style-type: none"> <li>9 224 PINs cancelled</li> </ul>
<ul style="list-style-type: none"> <li>Downtime for parking meters</li> </ul>	<ul style="list-style-type: none"> <li>1.5 per cent downtime</li> </ul>	<ul style="list-style-type: none"> <li>0.47 per cent downtime</li> </ul>
<ul style="list-style-type: none"> <li>Average return per day per bay (on street parking)</li> </ul>	<ul style="list-style-type: none"> <li>\$7.50 average return per day per bay</li> </ul>	<ul style="list-style-type: none"> <li>\$8.45 average return per day per bay</li> </ul>
<ul style="list-style-type: none"> <li>Metered parking spaces</li> </ul>	<ul style="list-style-type: none"> <li>8 500 metered parking spaces.</li> </ul>	<ul style="list-style-type: none"> <li>8 500 metered parking spaces</li> </ul>
<ul style="list-style-type: none"> <li>Off street parking bays</li> </ul>	<ul style="list-style-type: none"> <li>1 120 off street parking bays</li> </ul>	<ul style="list-style-type: none"> <li>1 131 off street parking bays</li> </ul>

Source: Queensland Audit Office extracted from BCC Compliance and Regulatory Services 2011–12 End of Financial Year Report

Overall BCC met or exceeded its targets for six of the nine selected KPIs. BCC uses this analysis to review its performance, identify trends over time and detect exceptions for corrective action.

ICC collects and reports performance information regularly. The reports include data such as the number and value of parking fines issued; number of fines disputed; number of complaints; and analysis of trends and exceptions.

ICC conducted a parking supply and demand survey in 2012 that showed about 60 per cent of on street parking spaces are used at peak times, indicating there is generally spare parking capacity across the city. The off street car parking areas reported higher demand. At locations where the demand was higher than 85 per cent, it was recommended that further analysis consider measures to manage parking demand.

Compared with a previous survey conducted in 2009, the duration of stay results indicated that the installation of parking meters and new blanket time restrictions had resulted in increased turnover. The survey also identified a demand for both short and long term parking in the vicinity of the Ipswich General Hospital.

TCC collects limited performance data for analysis. The Legal Services branch provides quarterly reports to the Audit Committee. The Regulatory Services branch reports monthly information on the number of infringement notices issued, revenue received from infringement notices and the number of waived infringement notices per parking inspector. The number of waived fines per parking inspector is assessed in their performance reviews. The remaining data is used to identify trends for any necessary corrective action.

GCCC and TCC have not developed clear, measurable objectives and strategies for managing parking regulations. Ultimately, management reporting should demonstrate progress in achieving parking objectives and strategies, identifying exceptions and trends for appropriate action.

In addition, while GCCC provided all the requested information, its data systems do not readily allow an analysis of parking fines over their life cycle and the status and results achieved due to:

- multiple databases, with database design limitations
- difficulties integrating the databases for interrogation to give an overall view
- data presented in free text fields.

These deficiencies contribute to GCCC's limited ability to undertake performance management analysis and reporting. GCCC considers that *'notwithstanding the system limitations, it has a range of information processes (including manual) that enables it to make informed management decisions.'* GCCC acknowledges that improved technological solutions would be advantageous.

## 2.7 Recommendations

1. **It is recommended that Townsville City Council and Gold Coast City Council develop a comprehensive suite of performance information to monitor and review their performance on parking regulation; to identify issues and trends; and better assess whether they are achieving their objectives.**

## 3 Internal reviews

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### In brief

#### Background

If alleged offenders believe a fine has been issued in error, they may apply for an internal review. Common reasons for disputing a fine include faulty meters and signposts that were difficult to see.

#### Conclusions

All audited councils have an established internal review process that helps to ensure management and enforcement of parking regulations is fair and equitable. The relatively low number of disputed fines that are subsequently waived reflects this.

Although Ipswich City Council has an approved process to review disputed parking fines, this process is bypassed when alleged offenders contact elected representatives, who request council officers to review individual cases. This undermines the authorised process and, as a result, Ipswich City Council cannot demonstrate that all appeals have been treated equitably or are supported adequately by relevant information.

#### Key findings

- The four audited councils have an established internal review process.
- Disputed fines are reviewed and finalised generally within one month.
- All audited councils except Townsville City Council have clear, documented policies or guidelines on the facts to consider and the criteria to apply when reviewing a case.
- In 2011–12, the percentage of disputed fines ranged from 4.5 per cent at Gold Coast City Council to 9.1 per cent at Brisbane City Council.
- Ipswich City Council has waived parking fines outside the formal review process where its parking policy has changed and where disputes are lodged directly with elected representatives.

#### Recommendations

**It is recommended that:**

- 2. Townsville City Council documents the facts to consider and criteria to apply when reviewing a case to ensure consistent and fair treatment of alleged offenders disputing the fines.**
- 3. Ipswich City Council ensures all requests for review of individual cases follow the approved internal review process for equitable treatment of all disputed cases.**

## 3.1 Background

Internal reviews provide an avenue for alleged offenders to dispute fines they believe have been issued in error. Effective internal reviews also offer practical benefits to the councils as they provide information about the enforcement process and an opportunity to identify areas for improvement.

Officers reviewing disputed fines should act fairly and reasonably; obtain and consider all available pertinent information; and decide in accordance with prescribed requirements, policies and procedures.

This chapter examines the internal review processes in place at the four audited councils and also looks at instances where fines are waived outside the formal process.

## 3.2 Conclusions

All audited councils have an approved internal review process in place that helps ensure the management and enforcement of parking regulations is generally fair and equitable. The relatively low number of disputed fines that are subsequently waived reflects this.

All councils review and finalise appeals in a timely manner, minimising the delay in recovering any subsequent fine. Three councils have clear, documented policies or guidelines to assist their staff to review disputed parking fines. Townsville City Council's lack of documented guidelines increases the risk of inconsistency in internal reviews.

Although Ipswich City Council has an approved process to review disputed parking fines, this process is bypassed when alleged offenders complain to elected representatives, who request council officers review individual cases. In 2011–12, 166 fines were waived through this alternate review process, compared with 96 through the approved internal review process. This undermines the authorised process and Ipswich City Council cannot demonstrate that all appeals have been treated equitably, considered fairly, or are supported adequately by relevant information.

## 3.3 Internal reviews

If a person believes they were incorrectly issued with a penalty infringement notice (PIN), they can dispute the notice. Councils should have a clear, documented process that outlines to the alleged offender how to dispute the fine. Guidance materials assist review officers to perform the internal review and to reach a consistent and transparent decision.

At each audited council we assessed whether there is:

- a structured review system in place
- separation between the decision maker and reviewer
- clear guidance on how to assess appeals
- adequate documentation of review processes and decisions
- compliance with the approved policies and procedures
- timely review and finalisation of appeals.

### 3.3.1 Internal review process

All audited councils have an internal review process that enables alleged offenders to request review of cases when they believe the parking fine has been issued in error. The internal review is separate from the alleged offender's right to elect to have the case heard in the Magistrates Court.

Figure 3A shows that two audited councils meet all assessment criteria, while exceptions were noted at Ipswich City Council (ICC) and Townsville City Council (TCC). These are discussed further in the chapter.

**Figure 3A**  
Assessment against criteria

Criteria	Brisbane City Council	Gold Coast City Council	Ipswich City Council	Townsville City Council
Structured internal review system in place	√	√	√	√
Separation between the parking inspector and reviewer	√	√	√	√
Clear guidelines on how to assess appeals	√	√	√	X
Adequate documentation of review processes and decisions	√	√	Partially	√
Assessments and decisions comply with approved policies and procedures	√	√	Partially	X
Appeals are reviewed and finalised on a timely basis	√	√	√	√

Source: Queensland Audit Office

Brisbane City Council (BCC) and ICC have clear documented guidelines to help their staff to review disputed parking fines. The guidelines outline the circumstances under which a parking fine may be waived and the facts to consider. At the time of the audit, Gold Coast City Council (GCCC) was applying the criteria of a generic procedure for internal reviews. It has since adopted a new policy and procedures specific to parking PINs that formalise the previous criteria.

TCC has no documented guidelines for reviewing disputed parking fines. However, disputed fines are reviewed through an informal process based on the council officers' expertise and professional judgement. Documented guidelines would increase consistency in the review process. For example, a replacement officer in that position may not apply the same general rules when making a decision. Lack of formal assessment criteria presents an increased risk of inconsistency—between review officers or over time—in internal reviews and decisions on waiving or upholding the fine.

BCC has a two stage internal review process while the other three councils consider the disputed fine once before proceeding to recovery. In stage one, a firm contracted by BCC reviews the case based on clear, comprehensive guidelines. For quality assurance purposes, a council officer assesses cases where the contractor recommends the fine be waived. If the fine stands after stage one, and the alleged offender disagrees with the decision, the offender can request a stage two review by the council's Disputes Commissioner. This is an independent office within BCC that will investigate the matter.

Some appeals are straightforward, while others require further research (for example, on adequate signage). ICC's policy stipulates that all review decisions be finalised within 28 days. This enables the subsequent recovery process to start without delay. The other councils' policies do not specify a timeframe for reviews to be finalised. However, all councils finalise reviews of disputed parking fines within about one month.

### 3.3.2 Fines waived

In 2011–12, the percentage of total disputed PINs ranged from 4.5 per cent at GCCC to 9.1 per cent at BCC. While BCC had the highest proportion of disputed fines, it also had the lowest proportion of fines waived, at 3.3 per cent.

A third of disputed fines at BCC are about parking in official traffic areas longer than permitted. A traffic area comprises all roads and parts of roads and off street regulated parking areas in any area defined as a traffic area. BCC has adopted local laws to regulate the following traffic areas:

- Ballymore Traffic Area
- Brisbane Central Traffic Area
- Dutton Park Parking Control Area
- (The) Gabba Traffic Area
- Lang Park Traffic Area
- Queensland Tennis Centre Parking Area
- Robertson/Macgregor Traffic Area
- St Lucia Traffic Area.

The parking rules in traffic areas can change depending specific circumstances. For example, during events at Suncorp Stadium, a 15-minute parking limit applies on all unsigned roads within the Lang Park traffic area from midday to 10pm.

The other audited councils have fewer or no traffic areas.

Figure 3B shows that the proportion of parking fines disputed and waived at the four audited councils. System and data limitations at GCCC and TCC mean that the number and proportion of PINs waived cannot be determined reliably.

**Figure 3B**  
PINs disputed and waived in 2011–12

	Total PINs issued	Total PINs disputed	Percentage disputed	Total PINs waived	Percentage waived
Brisbane City Council	218 873	19 890	9.1	7 213	3.3
Gold Coast City Council	160 175	7 278	4.5		
Ipswich City Council	6 087	400	6.6	488	8.0
Townsville City Council	29 746	1 879	6.3		

Source: Queensland Audit Office

The number of PINs waived at ICC exceeds the number of disputed PINs because the council changed its policy about using the Safe City camera network. Consequently, it waived all fines—disputed and undisputed—issued under this system (226 PINs in 2011–12). Without fines waived under change of policy, ICC's waiving rate drops to 4.3 per cent.

BCC waived 172 fines in bulk after a detailed review of the offences and the interpretation of a specific section of the *Transport Operations (Road Use Management—Road Rules) Regulation 2009*. Without fines waived in bulk, BCC's waiving rate drops to 3.1 per cent.

A parking fine may be waived for different reasons. Figure 3C shows the top two reasons for waiving parking fines in a selected sample of 50 fines for each council in 2011–12.

**Figure 3C**  
Top two reasons for waived parking fines

Brisbane City Council	Gold Coast City Council	Ipswich City Council	Townsville City Council
1. Incorrect registration entered into parking meter by alleged offender	1. Medical reasons	1. Contrary to council's corporate plan, vision or mission	1. Evidence subsequently provided that parking ticket had been paid
2. Faulty parking meter	2. Disability reasons	2. Incorrect, incomplete or unclear information	2. Parking ticket fell off the dashboard

Source: Queensland Audit Office

### 3.3.3 Fines waived outside the approved process

Occasionally, councils waive parking fines outside the approved internal review process where the alleged offender disputes the fine. For example, a council might change its parking policy to take into account exceptional circumstances.

In 2011–12, ICC waived 488 parking fines. Ninety-six fines were waived after internal review through the established process; 226 were waived because of a change in council policy; and 166 were waived after requests from councillors outside the approved internal review process.

#### Requests from councillors

Some alleged offenders who dispute a PIN issued to them by ICC do not make a direct request to the council for the PIN to be reviewed, but instead contact the mayor's office or a councillor. The complaint is then sent to ICC's chief operating officer for review.

ICC confirms that *'Ipswich City Councillors are authorised by a current and longstanding written policy to contact, discuss, make enquiry, advocate and otherwise seek information from Senior Council Officers in respect of Council Business'*. The *Councillors Acceptable Requests Guidelines for Advice or Information* documents the regulatory authority and the formal communication process between councillors and council staff.

From a sample of 28 emails from councillors or councillors' office staff in 2011–12 requesting review of 37 individual cases, only six cases submitted evidence supporting the request, such as a copy of the parking ticket or statutory declaration, as required in the approved process. Of the 37 cases in the sample, 33 were waived (89 per cent) and four were upheld (11 per cent).

We found no evidence of similar practices at the other three councils audited.

ICC advises that, in certain circumstances, it considers it to be *'inefficient and bureaucratic, if not obstructionist to strictly enforce onerous [Withdrawal of Infringement Notice] policy requirements'*.

This approach, however, increases the risk that the policy is applied inconsistently and makes it difficult for the council to demonstrate that all cases are treated fairly and are supported adequately by relevant information.

### Change of council policy

ICC operates the Safe City camera network for public safety and to lower crime and antisocial behaviour in the Ipswich CBD.

ICC decided to use the Safe City cameras to also manage parking compliance. Officers assessed the image evidence, decided whether an offence had been committed and issued 470 PINs between 2011 and 2012 as outlined in Figure 3D.

**Figure 3D**  
PINs issued by Ipswich City Council under Safe City between 2011 and 2012

Offence type	Number	Percentage
No stopping—bus zone	166	35
No stopping—taxi zone	157	33
No stopping signs	131	28
No stopping—other (disabled parking, mail zone, obstructing access to footpath / driveway or path / dividing strip / nature strip / at or near bus stop / loading zone / parking longer than indicated)	12	3
Other—solicit business, expired meter, use of vehicle in pedestrian mall	4	1
<b>Total</b>	<b>470</b>	<b>100</b>

Source: Queensland Audit Office

However, after community complaints, the council decided that the Safe City camera network would no longer be used for issuing parking fines. Subsequently, all 470 infringements notices issued under the Safe City camera network were waived.

The change of policy meant ICC incurred higher costs, first in issuing the PINs then in reimbursing already paid fines or waiving outstanding fines.

## 3.4 Recommendations

**It is recommended that:**

- 2. Townsville City Council documents the facts to consider and criteria to apply when reviewing a case to ensure consistent and fair treatment of alleged offenders disputing the fines.**
- 3. Ipswich City Council ensures all requests for review of individual cases follow the approved internal review process for equitable treatment of all disputed cases.**



# Appendices

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# Appendix A—Entity comments

## *Auditor-General Act 2009 (Section 64) – Comments received*

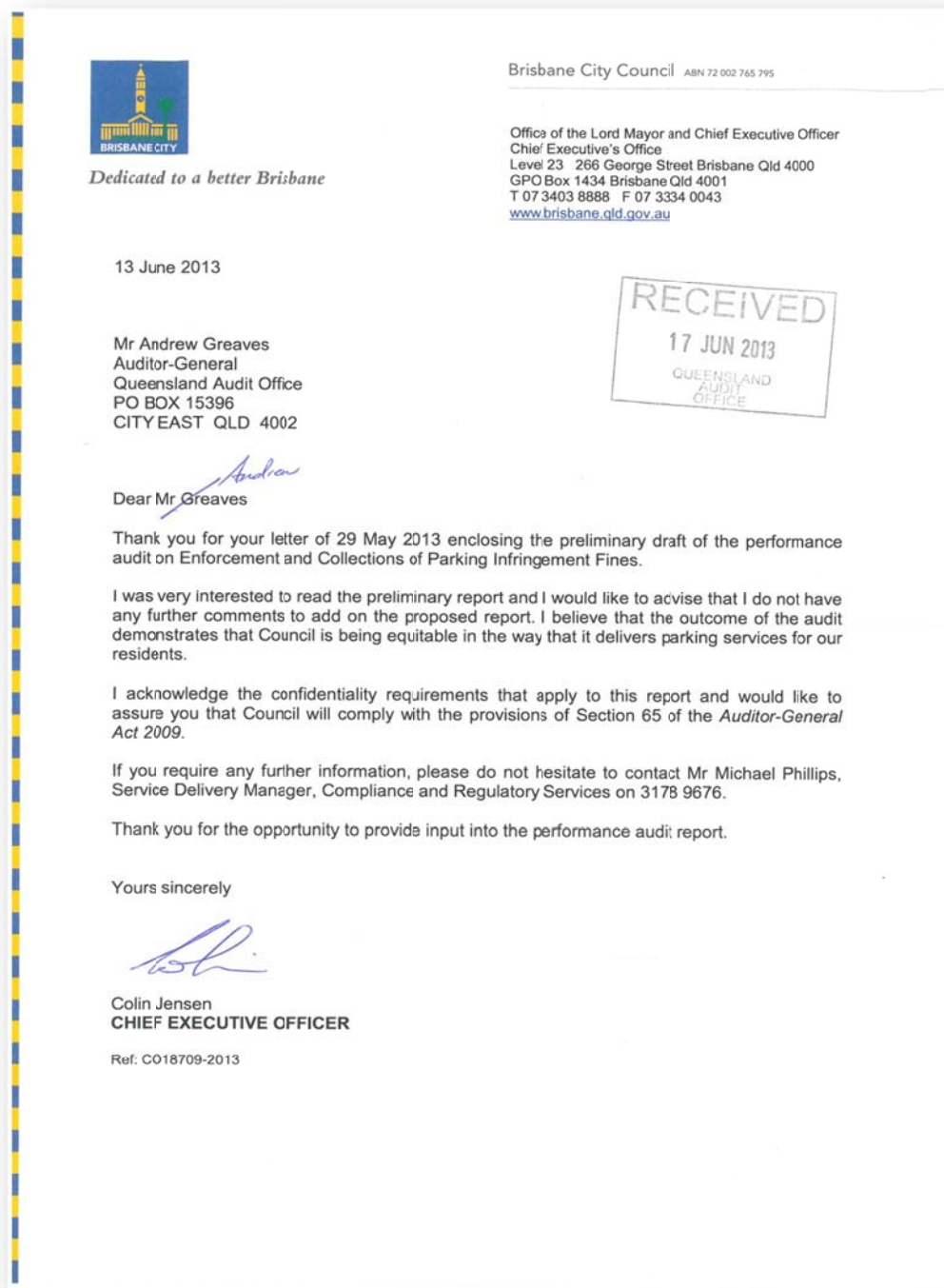
### Introduction

In accordance with section 64 of the *Auditor-General Act 2009* a copy of this report was provided to Brisbane City Council, Gold Coast City Council, Ipswich City Council and Townsville City Council with a request for comment.

Responsibility for the accuracy, fairness and balance of the comments rests with the head of these entities.

## Comments received

Response provided by the Chief Executive Officer, Brisbane City Council on 13 June 2013.



## Comments received

Response provided by the Chief Executive Officer, Gold Coast City Council on 18 June 2013.

Date: 18 June 2013  
Contact: John Cohen  
Location: Surfers Paradise  
Telephone: (07) 5581 6231  
Your reference: 2013-9103P  
Our reference: FN342/341/13(P1)#40204172

AR 8485848460  
PO Box 5042 Gold Coast MC  
Qld 9729 Australia  
Email: gcccmail@goldcoast.qld.gov.au  
Web: goldcoastcity.com.au  
**Administration Centres**  
Ph: +61 7 5582 8211  
135 Bundall Road Surfers Paradise  
Fax: +61 7 5581 6346  
833 Southport Nerang Road Nerang  
Fax: +61 7 5596 3653

**RECEIVED**  
20 JUN 2013  
QUEENSLAND  
AUDIT  
OFFICE

Mr Andrew Greaves  
Auditor General  
Queensland Audit Office  
PO Box 15396  
CITY EAST QLD 4002

Dear Mr Greaves

**PERFORMANCE AUDIT ON ENFORCEMENT AND COLLECTION OF PARKING INFRINGEMENT FINES**

Thank you for opportunity to comment on the abovementioned performance audit report. I can confirm that we will consider the observations and recommendations contained in the report as part of our continuous improvement agenda for regulated parking.


It is also worth noting that Gold Coast City Council maintained a net favourable financial position in terms of both parking meters and parking infringements for 2011-12.


In response to the specific recommendations contained in the report, I note that only one applies to Gold Coast City Council. Our response to this recommendation is provided below:

Recommendation	Agree/Disagree	Timeframe for Implementation	Additional Comments
It is recommended that Gold Coast City Council develop a comprehensive suite of performance information to monitor and review its performance on parking regulation; to identify issues and trends and better assess whether it is achieving its objectives.	Agree	The timeframe for implementation is dependant on a number of factors including but not limited to Council's ICT strategic direction, political / organisational priorities and funding availability.	Council has a range of information processes (including manual) that enables it to make informed management decisions. Council has also completed a Request for Information process in relation to a totally integrated parking technology solution. Should Council decide to implement such a solution, then many of the strategic concerns raised will be overcome.

Should you require further information, please contact Mr John Cohen, Manager Health Regulatory & Lifeguard Services, on extension 5581 6231.

Yours faithfully

  
Dale Dickson  
CHIEF EXECUTIVE OFFICER

 Gold Coast City Council

## Comments received

Response provided by the Chief Executive Officer, Ipswich City Council on 18 June 2013.



## Responses to recommendations

Response to recommendations provided by the Chief Executive Officer, Ipswich City Council on 18 June 2013.

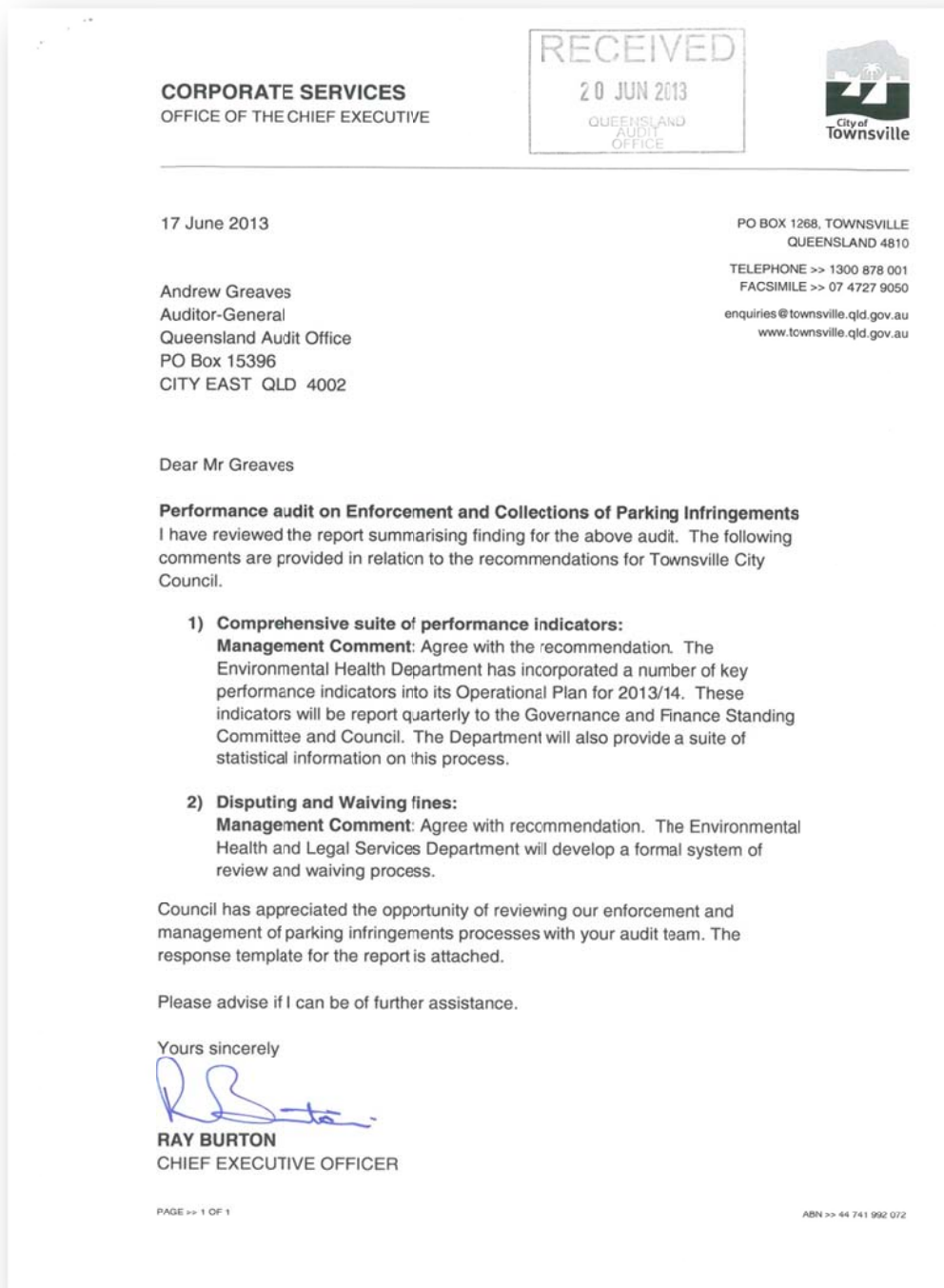
### Responses to recommendations

Response to recommendations provided by Ipswich City Council.

Recommendation	Agree / Disagree	Timeframe for Implementation	Additional Comments
3. It is recommended that Ipswich City Council ensure all requests for review of individual cases follow the approved internal review process for equitable treatment of all disputed cases.	Agree	27 September 2013	The process will be formally reviewed and supported with new fact sheets for use by Councillors and the Council Customer Service Centre.

## Comments received

Response provided by the Chief Executive Officer, Townsville City Council on 17 June 2013.



## Responses to recommendations

Response to recommendations provided by the Chief Executive Officer, Townsville City Council on 17 June 2013.

### Responses to recommendations

Response to recommendations provided by Townsville City Council.

Recommendation	Agree / Disagree	Timeframe for Implementation	Additional Comments
1. It is recommended that Townsville City Council develop a comprehensive suite of performance information to monitor and review its performance on parking regulation; to identify issues and trends and better assess whether it is achieving its objectives.	Agree	1 July 2013	The Environmental Health Department has incorporated a number of key performance indicators into its Operational Plan for 2013/14. These indicators will be reported quarterly to the Governance and Finance Standing Committee and Council. The Department will also provide a suite of statistical information on this process.
2. It is recommended that Townsville City Council document the facts to consider and criteria to apply when reviewing a case to ensure consistent and fair treatment of alleged offenders disputing the fines.	Agree	30 November 2013	The Environmental Health and Legal Services Department will develop a formal system of review and waiving process



# Appendix B—Audit details

## Audit objective

The objective of the audit was to determine whether the enforcement and management of parking fines by local governments is equitable and efficient.

## Reason for the audit

Parking enforcement is necessary to ensure safety and accessibility. Parking enforcement must be conducted in an equitable and efficient manner. Equitable enforcement is achieved through consistency in practices and robust internal review processes. To ensure efficiency is achieved, councils need to understand the costs and timeliness of regulating parking. Effective management reporting and analysis should also be undertaken to identify trends and exceptions.

## Performance audit approach

The audit was conducted between October 2012 and April 2013 and examined performance in four councils:

- Brisbane City Council
- Gold Coast City Council
- Ipswich City Council
- Townsville City Council.

The audit consisted of:

- interviews with staff of the four audited councils
- analysis of documents including strategies, plans, policies, guidelines and reports
- data analytics on selected data sets.

The audit was undertaken in accordance with the *Auditor-General of Queensland Auditing Standards—September 2012*, which incorporate Australian auditing and assurance standards.

# Auditor-General Reports to Parliament

## Tabled in 2012–13

Report number	Title of report	Date tabled in Legislative Assembly
1	Racing Queensland Limited: Audit by arrangement	July 2012
2	Follow- up of 2010 audit recommendations	October 2012
3	Tourism industry growth and development	November 2012
4	Queensland Health - eHealth	November 2012
5	Results of audits: State entities 2011–12	November 2012
6	Implementing the National Partnership Agreement on Homelessness in Queensland	February 2013
7	Results of audit: Queensland state government financial statements 2011–12	March 2013
8	Online service delivery	March 2013
9	Fraud risk management	March 2013
10	Results of audits: Local government entities 2011–12	April 2013
11	Results of audits: Education sector entities 2012	April 2013
12	Community Benefit Funds: Grant management	May 2013
13	Drink Safe Precinct trial	May 2013
14	Maintenance of water infrastructure assets	May 2013
15	Enforcement and collection of parking fines	June 2013

Reports to Parliament are available at [www.qao.qld.gov.au](http://www.qao.qld.gov.au)