

Committees:	Dates:
Finance Committee Planning & Transportation Committee Streets and Walkways Sub-Committee Court of Common Council	17 November 2015 17 November 2015 30 November 2015 14 January 2016
Subject: Annual On-Street Parking Accounts 2014/15 and Utilisation of Accrued Surplus on Highway Improvements and Schemes	For Information
Report of : The Chamberlain	Public

Summary

The City of London in common with other London authorities is required to report to the Mayor for London on action taken in respect of any deficit or surplus in its On-Street Parking Account for a particular financial year.

The purpose of this report is to inform Members that:

- the surplus arising from on-street parking activities in 2014/15 was £5.786m;
- a total of £6.452m, was applied in 2014/15 to fund approved projects; and
- the surplus remaining on the On-Street Parking Reserve at 31st March 2015 was £14.987m, which will be wholly allocated towards the funding of various highway improvements and other projects over the medium term.

Recommendation

It is recommended that Members note the contents of this report for their information before submission to the Mayor for London.

Main Report

Background

1. Section 55(3A) of the Road Traffic Regulation Act 1984 (as amended), requires the City of London in common with other London authorities (i.e. other London Borough Councils and Transport for London), to report to the Mayor for London on action taken in respect of any deficit or surplus in their On-Street Parking Account for a particular financial year.
2. Legislation provides that any surplus not applied in the financial year may be carried forward. If it is not to be carried forward, it may be applied by the City for one or more of the following purposes:
 - a) making good to the City Fund any deficit charged to that Fund in the 4 years immediately preceding the financial year in question;
 - b) meeting all or any part of the cost of the provision and maintenance by the City of off-street parking accommodation whether in the open or under cover;

- c) the making to other local authorities, or to other persons, of contributions towards the cost of the provision and maintenance by them, in the area of the local authority or elsewhere, of off-street parking accommodation whether in the open or under cover;
- d) if it appears to the City that the provision in the City of further off-street parking accommodation is for the time being unnecessary or undesirable, for the following purposes, namely:
- meeting costs incurred, whether by the City or by some other person, in the provision or operation of, or of facilities for, public passenger transport services;
 - the purposes of a highway or road improvement project in the City;
 - meeting the costs incurred by the City in respect of the maintenance of roads at the public expense; and
 - for an “environmental improvement” in the City.
- e) meeting all or any part of the cost of the doing by the City in its area of anything which facilitates the implementation of the Mayor’s Transport Strategy, being specified in that strategy as a purpose for which a surplus can be applied; and
- f) making contributions to other authorities, i.e. the other London Borough Councils and Transport for London, towards the cost of their doing things upon which the City in its area could incur expenditure upon under (a)-(e) above.

2014/15 Outturn

3. The overall financial position for the On-Street Parking Reserve in 2014/15 is summarised below:

	£m
Surplus Balance brought forward at 1st April 2014	(15.653)
Surplus arising during 2014/15	(5.786)
Expenditure financed during the year	6.452
Funds remaining at 31st March 2015, wholly allocated towards the funding of future projects	(14.987)

4. Total expenditure of £6.452m in 2014/15 was financed from the On-Street Parking Reserve, covering the following approved projects:

Revenue/SRP Expenditure :	£000
Highway Resurfacing and Maintenance	1,992
Concessionary Fares and Taxi Card Scheme	503
Barbican Area Strategy	58
Crossrail Moorgate Urban Integration	53
Special Needs Transport	24
Parking Enforcement Plan	19
Planting Maintenance	9
New Roads and Highway Improvement	9
Milton Court Highway Works	7
Off Street Parking Contribution	4
Cheapside Area Strategy and Stage 4A	1
Shoe Lane Phase 3 Wine Office Court	1
Total Revenue Expenditure	2,680
Capital Expenditure :	
Beech Gardens/Barbican Podium Waterproofing	2,904
Barbican Area Strategy - Silk Street	528
Farringdon Street Bridge	266
Milton Court Highway Works	110
St Giles Terrace & Ben Jonson Highwalk	40
Queen Street Pilot Project	24
Shoe Lane Phase 3 Wine Office Court	1
Holborn Circus Area Enhancement	(101)
Total Capital Expenditure	3,772
Total Expenditure Funded in 2013/14	6,452

5. The surplus on the On-Street Parking Reserve brought forward from 2013/14 was £15.653m. After expenditure of £6.452m funded in 2014/15, a deficit balance of £666k was carried forward to future years to give a closing balance at 31st March 2015 of £14.987m.
6. Currently total expenditure of some £33.591m is planned over the medium term up to 31st March 2019, by which time it is anticipated that the existing surplus plus those estimated for future years will be fully utilised. This total includes expenditures of £10.704m, £10.965m, £7.042m and £4.880m planned from 2015/16 until 2018/19 respectively, which are anticipated to reduce significantly the surpluses arising in those years.
7. The total programme covers a number of major capital schemes including funding towards the Barbican Podium Waterproofing, Street Lighting Strategy, repairs to Snow Hill Bridge and Holborn Viaduct, Barbican Area Strategy, Minories car park structural monitoring/work, 'Ring of Steel' traffic monitoring infrastructure, and various street scene projects as well as ongoing funding of revenue projects including highway resurfacing and road maintenance projects, concessionary fares and taxicards and contributions to the costs of Off-Street car parks. The progression of each individual scheme is, of course, subject to the City's normal evaluation criteria and Standing Orders.

8. A forecast summary of income and expenditure arising on the On-Street Parking Account and the corresponding contribution from or to the On Street Parking Surplus, over the medium term financial planning period, is shown below:

On-Street Parking Account	2014/15	2015/16	2016/17	2017/18	2018/19	Total
Reserve Projections 2014/15 to 2018/19	Actual £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	£m
Income	(8.5)	(7.4)	(7.6)	(7.7)	(7.9)	(39.1)
Expenditure (<i>Note 1</i>)	2.7	2.9	3.0	3.0	3.1	14.7
Net Surplus arising in year	(5.8)	(4.5)	(4.6)	(4.7)	(4.8)	(24.4)
Capital, SRP and Revenue Commitments	6.5	10.7	11.0	7.0	4.9	40.1
Net in year contribution from/(to) the surplus	0.7	6.2	6.4	2.3	0.1	15.7
Deficit/(Surplus) carried forward at 1 st April	(15.7)	(15.0)	(8.8)	(2.4)	(0.1)	
Deficit/(Surplus) carried forward at 31st March	(15.0)	(8.8)	(2.4)	(0.1)	0	

Note 1: On-Street operating expenditure relates to direct staffing costs, repair & maintenance of meters, VINCI contractor costs, fees & services (covering cash collection, pay by phone, postage & legal), IT software costs for enforcement systems, provision for bad debts for on-street income and central support recharges.

9. There is now a combined service for 'Civil Parking & Traffic Enforcement, including the Cash Collection Contract' which has resulted in on-going savings to the operating costs of the On-Street Parking Account.

Conclusion

10. So that we can meet our requirements under the Road Traffic Regulation Act 1984 (as amended), we ask that the Court of Common Council notes the contents of this report, which would then be submitted to the Mayor of London.

Consultees

11. The Comptroller & City Solicitor has been consulted in the preparation of this report and his comments have been included.

Background Papers

- Road Traffic Regulations Act 1984; Road Traffic Act 1991; GLA Act 1999 sect 282.
- Final Accounts 2014/15

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