

Committee(s)	Dated:
Finance	16 th February 2021
Planning & Transportation	16 th February 2021
Streets and Walkways Sub	18 th February 2021
Court of Common Council	4 th March 2021
Subject: Annual On-Street Parking Accounts 2019/20 and Related Funding of Highway Improvements and Schemes	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	n/a
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of: The Chamberlain	For Information
Report author: Simon Owen, Chamberlain's Department	

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 2019/20 was £10.876m;
- a total of £5.005m, was applied in 2019/20 to fund approved projects; and
- the surplus remaining on the On-Street Parking Reserve at 31st March 2020 was £42.713m, which will be wholly allocated towards the funding of various highway improvements and other projects over the medium term.

Recommendation

Members are asked to:

- 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.
3. In the various tables of this report, figures in brackets indicate expenditure, reductions in income or increased expenditure.

2019/20 Outturn

4. The overall financial position for the On-Street Parking Reserve in 2019/20 is summarised below:

	£m
Surplus Balance brought forward at 1st April 2019	36.842
Surplus arising during 2019/20	10.876
Expenditure financed during the year	(5.005)
Funds remaining at 31st March 2020, wholly allocated towards funding future projects	42.713

5. Total expenditure of £5.005m in 2019/20 was financed from the On-Street Parking Reserve, covering the following approved projects:

Revenue/SRP Expenditure:	£000
Highway resurfacing, maintenance & enhancements	(2,484)
Off-Street car parking contribution from reserves	(554)
Concessionary fares & taxi card scheme	(498)
West Smithfield Area Public Realm & Transportation	(177)
Thames Court footbridge	(115)
Special needs transport	(85)
Minorities car park structural building report	(83)
Holborn Viaduct & Snow Hill pipe-subways	(44)
Aldgate	(40)
City Wayfinding Signage/Legible London	(39)
HVM security team	(33)
Bank Junction experimental safety scheme	(32)
Other Schemes	(7)
Total Revenue/SRP Expenditure	(4,191)
Capital Expenditure:	
Street lighting project	(650)
City Wayfinding Signage/Legible London	(359)
HVM security bollards	(403)
Bank Junction experimental safety scheme	(152)
Barbican Podium waterproofing – phase 2	(29)
Other Schemes	(10)
Aldgate – Highway Changes and Public Square	789
Total Capital Expenditure	(814)
Total Expenditure Funded in 2019/20	(5,005)

6. The surplus on the On-Street Parking Reserve brought forward from 2018/19 was £36.842m. After expenditure of £5.005m funded in 2019/20, a surplus balance of £5.871m was carried forward to future years to give a closing balance at 31st March 2020 of £42.713m.

7. Currently total expenditure of some £96.6m is planned over the medium term from 2020/21 until 2024/25 (as detailed in Table 1), by which time it is anticipated that the existing surplus plus those estimated for future years will be fully utilised.
8. The total programme covers numerous major capital schemes including funding towards the Barbican podium waterproofing; West Smithfield area public realm & transportation project; Bank Junction permanent improvement scheme; Lindsey Street Bridge strengthening; Holborn Viaduct & Snow Hill pipe-subways repairs; London Wall car park waterproofing, joint replacement & concrete repairs; London Wall car park ventilation, electrics, lighting & fire alarms; Dominant House footbridge repairs; Fire safety at the car parks; Public Realm climate action initiatives; Embed climate resilience measures into Public Realm works; Temple Area traffic review; St Pauls gyratory.
9. The programme also covers ongoing funding of future revenue projects, the main ones being highway resurfacing, enhancements & road maintenance projects; concessionary fares & taxi cards; contributions to the costs of Off-Street car parks; and special needs transport. The progression of each individual scheme is, of course, subject to the City's normal evaluation criteria and Standing Orders.
10. 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:

Table 1 On-Street Parking Account Reserve Projections 2019/20 to 2024/25	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	Actual £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	£m
Income	16.6	15.5	16.8	17.0	14.2	13.9	94.0
Expenditure (<i>Note 1</i>)	(5.7)	(4.6)	(4.8)	(4.7)	(4.7)	(4.7)	(29.2)
Net Surplus arising in year	10.9	10.9	12.0	12.3	9.5	9.2	64.8
Capital, SRP and Revenue Commitments	(5.0)	(7.3)	(28.2)	(30.9)	(21.0)	(9.2)	(101.6)
Net in year contribution (from)/ to surplus	5.9	3.6	(16.2)	(18.6)	(11.5)	0.0	(36.8)
(Deficit) / Surplus cfwd at 1 st April	36.8	42.7	46.3	30.1	11.5	0.0	
(Deficit) / Surplus cfwd at 31st March	42.7	46.3	30.1	11.5	0.0	0.0	

Note 1: On-Street operating expenditure relates to direct staffing costs, repair & maintenance of pay & display machines, Saba enforcement 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.

11. A noticeable reduction in income is forecast from 2023/24 onwards, mainly relating to reduced income from traffic restriction enforcement through improved camera technology, including yellow box junctions and banned turns. Depending upon future motorist's compliance and return to normal business operating following COVID-19, these forecast future income streams may need further refining.

Conclusion

12. 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.

Background Papers

13. Road Traffic Regulations Act 1984; Road Traffic Act 1991; GLA Act 1999 sect 282.
14. Final Accounts 2019/20.

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