

Committee(s)	Dated:
Streets and Walkways Sub Planning & Transportation Finance Court of Common Council	30 th January 2024 31 st January 2024 20 th February 2024 7 th March 2024
Subject: Annual On-Street Parking Accounts 2022/23 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?	No
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 2022/23 was £10.186m;
- a total of (£5.620m) was applied in 2022/23 to fund approved projects; and
- the surplus remaining on the On-Street Parking Reserve at 31st March 2023 was £56.218m, 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.

2022/23 Outturn

4. The overall financial position for the On-Street Parking Reserve in 2022/23 is summarised below:

	£m
Surplus Balance brought forward at 1st April 2022	51.652
Surplus arising during 2022/23	10.186
Expenditure financed during the year	(5.620)
Funds remaining at 31st March 2023, wholly allocated towards funding future projects	56.218

5. Total expenditure of (£5.620m) in 2022/23 was financed from the On-Street Parking Reserve, covering the following approved projects:

Revenue/SRP Expenditure:	£000
Highway Resurfacing, Maintenance & Enhancements	(2,142)
St Paul's Gyrotory	(368)
Climate Action Strategy – Cool Streets & Greening	(318)
Concessionary Fares & Taxi Card Scheme	(277)
Off-Street Car Parking Contribution from Reserves	(171)
Traffic Review Order	(151)
West Smithfield Area Public Realm & Transportation	(78)
Cleaning Maintenance Lord Mayors Show	(59)
Aldgate Maintenance for City Open Spaces	(40)
Special Needs Transport	(29)
City Streets COVID 19 – Phase 3	(23)
Climate Action Strategy – Pedestrian Priority	(18)
Planting Maintenance for City Open Spaces	(10)
London Wall Car Park Waterproofing and Repairs	(6)
Temple Area Traffic Review	(4)
Total Revenue/SRP Expenditure	(3,694)
Capital Expenditure:	
Barbican Podium Waterproofing – Phase 2	(828)
Bank Junction Improvements (All Change at Bank)	(544)
Climate Action Strategy – Pedestrian Priority	(325)
HVM Security Programme	(132)
Climate Action Strategy – Cool Streets & Greening	(43)
Baynard House Fire Safety	(32)
Traffic Enforcement CCTV	(15)
Holborn Viaduct & Snow Hill Pipe-Subways	(7)
Total Capital Expenditure	(1,926)
Total Expenditure Funded in 2022/23	(5,620)

6. The surplus on the On-Street Parking Reserve brought forward from 2021/22 was £51.652m. After expenditure of (£5.620m) funded in 2022/23, a surplus

balance of £4.566m was carried forward to future years to give a closing balance at 31st March 2023 of £56.218m.

7. Currently total expenditure of some £102.7m is planned over the medium term from 2023/24 until 2027/28 (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; Bank Junction Improvements (All Change at Bank); Climate Action Strategy Cool Streets & Greening and Pedestrian Priority; Holborn Viaduct & Snow Hill Pipe-Subways Repairs; Traffic Enforcement CCTV; Minorities Car Park Structural Building Report; West Smithfield Area Public Realm & Transportation Project; St Paul's Gyratory; Dominant House Footbridge Repairs; London Wall Car Park Waterproofing, Joint Replacement & Concrete Repairs; Fire Safety at the Car Parks; Lindsey Street Bridge Strengthening; Enhancing Cheapside; and Beech Street. The progression of each individual scheme is, of course, subject to the City's normal evaluation criteria and Standing Orders.
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; Traffic Review Order; Contributions to the Costs of Off-Street Car Parks (including CWP works); Special Needs Transport; Cleansing Maintenance for the Lord Mayors Show; Annual Maintenance of Aldgate; Secure City CCTV system; street cleansing contract; City Gardens highways & cleansing maintenance; Highways ground penetrating radar system; Highways street furniture ASB protection measures; and streets decluttering.
10. Following Member requests to allocate On-Street Parking surplus monies, a newly formed Priorities Board chaired by the Town Clerk now considers all new eligible bids for surplus funds before recommending successful bids to Members of RASC and P&R Committees for decision. This new mechanism has been designed to ensure surplus monies are allocated to eligible projects in an efficient and speedy process to meet spending priorities, a number of which schemes are now included in paragraphs 8 and 9 above to be spent in the medium term.
11. 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 2022/23 to 2027/28	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	Actual £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	£m
Income	13.8	12.6	13.1	13.5	13.9	14.3	81.2
Expenditure (<i>Note 1</i>)	(3.6)	(4.1)	(4.0)	(4.1)	(4.3)	(4.4)	(24.5)
Net Surplus arising in year	10.2	8.5	9.1	9.4	9.6	9.9	56.7
Capital, SRP and Revenue Commitments	(5.6)	(36.5)	(28.4)	(17.0)	(9.3)	(11.5)	(108.3)
Net in year contribution (from)/ to surplus	4.6	(28.0)	(19.3)	(7.6)	0.3	(1.6)	(51.6)
(Deficit) / Surplus cfwd at 1 st April	51.6	56.2	28.2	8.9	1.3	1.6	
(Deficit) / Surplus cfwd at 31st March	56.2	28.2	8.9	1.3	1.6	0.0	

Note 1: On-Street operating expenditure relates to direct staffing costs, current enforcement contractor costs, fees & services (covering bank charges, postage, printing & legal), IT software costs for enforcement systems, provision for bad debts for on-street income and central support recharges.

12. A reduction in income is forecast from 2022/23 onwards for a number of years, mainly due to ongoing long term works and changes to Bank Junction and future projections of motorist's compliance.

Conclusion

13. 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

14. Road Traffic Regulations Act 1984; Road Traffic Act 1991; GLA Act 1999 sect 282.
15. Final Accounts 2022/23.

Appendix

Appendix 1 – Non-Public Confidential Appendix of Proposed OSPR Schemes

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