

Committee(s)	Dated:
Planning & Transportation Finance Streets and Walkways Sub Court of Common Council	5 th November 2024 12 th November 2024 19 th November 2024 5 th December 2024
Subject: Annual On-Street Parking Accounts 2023/24 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 2023/24 was £10.220m;
- a total of (£7.810m) was applied in 2023/24 to fund approved projects; and
- the surplus remaining on the On-Street Parking Reserve at 31st March 2024 was £58.628m, 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 parking related 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.

2023/24 Outturn

4. The overall financial position for the On-Street Parking Reserve in 2023/24 is summarised below:

	£m
Surplus Balance brought forward at 1st April 2023	56.218
Surplus arising during 2023/24	10.220
Expenditure financed during the year	(7.810)
Funds remaining at 31st March 2024, wholly allocated towards funding future projects	58.628

5. Total expenditure of (£7.810m) in 2023/24 was financed from the On-Street Parking Reserve, covering the following approved projects:

Revenue/SRP Expenditure:	£000
Highway Resurfacing, Maintenance & Enhancements	(2,626)
Concessionary Fares & Taxi Card Scheme	(402)
Dominant House Footbridge Future Options	(372)
Climate Action Strategy – Cool Streets & Greening	(228)
St Paul's Gyrotory	(123)
West Smithfield Area Public Realm & Transportation	(80)
Highways Ground Penetrating Radar Survey	(75)
Traffic Review Order	(60)
Cleaning Maintenance Lord Mayors Show	(60)
Highways Street Furniture ASB Protection Measures	(50)
Aldgate Maintenance for City Open Spaces	(40)
Special Needs Transport	(34)
London Wall Car Park Waterproofing and Repairs	(24)
Climate Action Strategy – Pedestrian Priority	(7)
Temple Area Traffic Review	(4)
London Wall Car Park Fire Safety Works	(1)
Minories Car Park – Structural Building Report	10
Off-Street Car Parking Contribution to Reserves	238
Total Revenue/SRP Expenditure	(3,938)
Capital Expenditure:	
Bank Junction Improvements (All Change at Bank)	(2,003)
Climate Action Strategy – Pedestrian Priority	(989)
Barbican Podium Waterproofing – Phase 2	(474)
Climate Action Strategy – Cool Streets & Greening	(340)
Traffic Enforcement CCTV	(65)
Crossrail Liverpool Street Phase 2	(16)
Baynard House Fire Safety	15
Total Capital Expenditure	(3,872)
Total Expenditure Funded in 2023/24	(7,810)

6. The surplus on the On-Street Parking Reserve brought forward from 2022/23 was £56.218m. After expenditure of (£7.810m) funded in 2023/24, a surplus balance of £2.410m was carried forward to future years to give a closing balance at 31st March 2024 of £58.628m.
7. Currently total expenditure of some £106.8m is planned over the medium term from 2024/25 until 2028/29 (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; Climate Action Strategy Cool Streets & Greening and Pedestrian Priority; Holborn Viaduct & Snow Hill Pipe-Subways Repairs; Traffic Enforcement CCTV; Minories 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; Lindsey Street Bridge Strengthening; Fire Safety at the Car Parks; Pedestrian Priority Programme @ King William Street; Enhancing Cheapside; Vision Zero Safer Streets; and Outdoor Fitness Equipment @ Old Watermans Walk. Progression of individual schemes is 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; streets decluttering; and Riverside Lighting Upgrade.
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 corresponding contribution (from)/to the On-Street Parking surplus, over the medium-term financial planning period, is shown below in Table 1. This highlights that the current surplus held of £58.628m as at 31st March 2024 will reduce to £8.5m by 31st March 2027 and is fully committed in the longer term.
12. The increase in annual operating expenditure forecast from 2024/25 onwards is mainly due to increased enforcement contract costs, back-office support contract costs (printing, postage and IT software) plus staff salary increases.

Table 1 On-Street Parking Account Reserve Projections 2023/24 to 2028/29	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	Actual £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	£m
Income	13.0	13.1	13.5	13.9	14.3	14.7	82.5
Expenditure (<i>Note 1</i>)	(2.8)	(4.0)	(4.1)	(4.3)	(4.4)	(4.5)	(24.1)
Net Surplus arising in year	10.2	9.1	9.4	9.6	9.9	10.2	58.4
Capital, SRP and Revenue Commitments	(7.8)	(32.0)	(30.2)	(16.0)	(12.2)	(16.4)	(114.6)
Net in year contribution (from)/ to surplus	2.4	(22.9)	(20.8)	(6.4)	(2.3)	(6.2)	(56.2)
(Deficit) / Surplus cfwd at 1 st April	56.2	58.6	35.7	14.9	8.5	6.2	
(Deficit) / Surplus cfwd at 31st March	58.6	35.7	14.9	8.5	6.2	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.

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 2023/24.

Appendix

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

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