

Committee(s):	Dates(s):
Planning & Transportation Finance Streets and Walkways Sub Court of Common Council	14 th November 2017 21 st November 2017 24 th November 2017 7 th December 2017
Subject: Annual On-Street Parking Accounts 2016/17 and Related Funding of Highway Improvements and Schemes	Public
Report of: Chamberlain	For Information
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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 2016/17 was £6.313m;
- a total of £3.421m, was applied in 2016/17 to fund approved projects; and
- the surplus remaining on the On-Street Parking Reserve at 31st March 2017 was £20.121m, 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.

2016/17 Outturn

4. The overall financial position for the On-Street Parking Reserve in 2016/17 is summarised below:

	£m
Surplus Balance brought forward at 1st April 2016	17.229
Surplus arising during 2016/17	6.313
Expenditure financed during the year	(3.421)
Funds remaining at 31st March 2017, wholly allocated towards funding future projects	20.121

5. Total expenditure of £3.421m in 2016/17 was financed from the On-Street Parking Reserve, covering the following approved projects:

Revenue/SRP Expenditure:	£000
Highway Resurfacing, Maintenance and Enhancements	(1,971)
Concessionary Fares and Taxi Card Scheme	(530)
Bank Junction Experimental Safety Scheme	(163)
Ring of Steel Compliance and Stabilisation	(125)
Beech Street Tunnel	(116)
Special Needs Transport	(93)
Planting Maintenance	(16)
Street Lighting Project	(3)
Off Street Parking Contribution to Reserves	233
Total Revenue/SRP Expenditure	(2,784)
Capital Expenditure:	
Aldgate	(531)
Bank Junction Experimental Safety Scheme	(72)
Barbican Podium Waterproofing – Phase 1	(15)
Milton Court Highway Works S278	(10)
Street Lighting Project	(5)
Barbican Area Strategy - Silk Street	(4)
Total Capital Expenditure	(637)
Total Expenditure Funded in 2016/17	(3,421)

6. The surplus on the On-Street Parking Reserve brought forward from 2015/16 was £17.229m. After expenditure of £3.421m funded in 2016/17, a surplus balance of £2.892m was carried forward to future years to give a closing balance at 31st March 2017 of £20.121m.
7. Currently total expenditure of some £69.428m is planned over the medium term up to 31st March 2022, 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 £8.344m, £14.903m, £26.999m, £13.249m and £5.933m planned from 2017/18 until 2021/22 respectively, which are anticipated to reduce significantly the surpluses arising in those years.
8. The total programme covers a number of major capital schemes including funding towards the Barbican Podium Waterproofing and Highwalk Remedial Works, repairs to Holborn Viaduct & Snow Hill Pipe Subways, Street Lighting Project, Temple Area Traffic Review, Dominant House Footbridge Repairs, HVM Security Bollards & Security Team, Minorities car park structural monitoring/work, 'Ring of Steel' Compliance and Stabilisation and Bank Junction Experimental Safety Scheme.

9. The programme also covers ongoing funding of revenue projects including highway resurfacing, enhancements and road maintenance projects, concessionary fares and taxi cards, special needs transport, 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.
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:

On-Street Parking Account Reserve	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Total
Projections 2016/17 to 2021/22	Actual £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	Forecast £m	£m
Income	9.3	16.6	16.4	16.5	8.9	9.0	76.7
Expenditure (<i>Note 1</i>)	(3.0)	(4.0)	(4.0)	(4.0)	(3.0)	(3.1)	(21.1)
Net Surplus arising in year	6.3	12.6	12.4	12.5	5.9	5.9	55.6
Capital, SRP and Revenue Commitments	(3.4)	(8.3)	(14.9)	(27.0)	(13.3)	(5.9)	(72.8)
Net in year contribution (from)/ to surplus	2.9	4.3	(2.5)	(14.5)	(7.4)	0.0	(17.2)
(Deficit) / Surplus cfwd at 1 st April	17.2	20.1	24.4	21.9	7.4	0.0	
(Deficit) / Surplus cfwd at 31st March	20.1	24.4	21.9	7.4	0.0	0.0	

Note 1: On-Street operating expenditure relates to direct staffing costs, repair & maintenance of pay & display machines, Indigo 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 increase in income generated from 2017-18 to 2019-20 is a result of the Bank Junction Experimental Safety Scheme. Depending upon future motorist's compliance and possible extensions to the current trial scheme timeframe, these income streams may need refining.
12. 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

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.

Consultees

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

Background Papers

15. Road Traffic Regulations Act 1984; Road Traffic Act 1991; GLA Act 1999 sect 282.
16. Final Accounts 2016/17.

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