

Delegated Decisions report



15 August 2023

PARKING SURPLUS REPORT 2022/23

Name of Cabinet Member	Councillor Lauren Townsend (Cabinet member for Public Realm)
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Exempt / confidential / not for publication	No
Council Plan reference	Not in Council Plan
Wards affected	All wards

Executive Summary

That the surplus from on street parking in 2022/23, as shown in **Annex A** to the report, be noted; and to seek approval from the delegated decision maker to approve the use of the parking surplus 2022/23, as shown in **Annex B**.

1. Proposed Decision

1.1 That the use of the surplus, as shown in **Annex B** to the report, be approved.

2. Why is the Decision Needed?

2.1 Parking income from car parking spaces in and around CMK was **£9.976m** in 2022/23 and is used to notionally offset other spending within the council as dictated by section 55 (s.55) of the Road Traffic Regulation Act 1984 (the 1984 Act).

2.2 The income levels generated in Milton Keynes is generally higher than other councils, since there are more car parking spaces. Whilst there are circa 21,000 spaces in CMK, neighbouring councils have significantly less:

- 4,900 in Northampton.
- 5,842 in Bedford; and
- 2,361 in Luton

In addition, other larger cities such as Birmingham and Reading have far less spaces - with reports of 4,731 and 8,622 respectively.

- 2.3 The parking account is ring fenced as detailed in section 55 (s.55) of the Road Traffic Regulation Act 1984 (the 1984 Act) which means expenditure from it must be made within the following guidelines.
- 2.4 The 1984 Act states that the income from the parking account should be used as follows:

s.55 (1) a local authority shall keep an account of their income and expenditure in respect of parking places for which they are the local authority, and which are:

- (a) *in the case of the council of a London borough and the Common Council of the City of London, parking places on the highway; and*
- (b) *in the case of any other authority, designated parking places.*

s.55 (2) at the end of each financial any deficit in the parking account shall be made good out of the general fund and (subject to subsection (3) any surplus shall be applied for all any purposes specified in subsection (4) and, in so far as it is not so applied, shall be appropriated to the carrying out of some specific project falling within those purposes and carried forward until applied to carrying it out.

s.55 (3) if the local authority so determines any amount not applied in any financial year, instead of being or remaining so appropriated, may be carried forward in the account kept under subsection (1) above to the next financial.

s.55 (4) the purposes referred to in subsection (2) are the following, that is to say:

- (a) *the making good to the general fund of any amount charged to the general fund as referred to above, in the four years immediately preceding the financial year in question.*
- (b) *meeting all or any part of the cost of the provision and maintenance by the local authority 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 local authority that the provision in their area of further off-street parking accommodation is unnecessary or undesirable, the following purposes:*
- i) meeting costs incurred, whether by the local authority or by some other person, in the provision or operation of, or of facilities for, public passenger transport services;*
 - ii) the purposes of a highway or road improvement project in the local authority's area;*
 - iii) in the case of a London authority, meeting costs incurred by the authority in respect of the maintenance of roads maintained at the public expense by them;*
 - iv) the purposes of environmental improvement in the local authority's area; and*
 - v) in the case of such local authorities as may be prescribed, any other purposes for which the authority may lawfully incur expenditure.*

2.5 To summarise, this means that once the Council has firstly made good any deficit to the account; any surplus in the parking account can legally be spent on off-street parking, public transport, highway, road and environmental improvements within the area.

3. Implications of the Decision

Financial	Y	Human rights, equalities, diversity	N
Legal	N	Policies or Council Plan	Y
Communication	Y	Procurement	N
Energy Efficiency	N	Workforce	N

(a) Financial Implications

Financial implications are detailed at **Annexes A and B**.

The amounts shown in both Annexes are based on the final 2022/23 out-turn.

Annex A reports the 2022/23 on-street parking surplus.

Annex B shows the proposed application of the remainder of the 2022/23 on-street parking surplus. This has been allocated in line with the budget. The additional surplus over the budget has been used to cover costs incurred in the year and the authority considers all listed items of expenditure in **Annexes A and B** to comply with the requirements of s.55 of the 1984 Act and thus there is no risk involved in using surplus parking income to meet these costs.

(b) Legal Implications

There is a requirement for the Council to undertake an annual review of surplus parking income before taking a decision whether the surplus should be used for additional off-street parking provision. This paper meets that legal requirement.

As set out above, the proposed expenditure for the surplus account is in accordance with s.55 of the 1984 Act.

(c) Other Implications

Using surplus parking income to subsidise passenger transport and reduce car journeys supports sustainability policies.

This paper is transparent in demonstrating to stakeholders what surplus parking income is used to fund and that this is compliant with the legislation.

Management of a parking scheme can reduce crime and disorder, vehicle crime, due to the visibility of patrolling parking attendants or ANPR vehicles.

4. Alternatives

4.1 There are no alternatives to allocating the car parking income as per the regulations prescribed in Article 2.4 to this report.

5. Timetable for Implementation

5.1 This report is essentially reporting on the income generated in the last financial year (2022/23). Therefore, following this decision, no further matters are to be undertaken relating to the report after that.

List of Annexes

Annex A Expected Parking Surplus from On-Street Parking 2022/23

Annex B The Use of Parking Surplus for Year 2022/23

Annex C Description of Expenditure Costs

List of Background Papers

None