

North Yorkshire County Council

Business and Environmental Services

Executive Members

15 November 2019

Allocation of Civil Parking Enforcement Surplus

Report of the Assistant Director – Highways and Transportation

1.0 Purpose of Report

- 1.1 This report requests approval for the allocation of the Civil Parking Enforcement (CPE) annual surplus and use of reserve general working balance in the 3 year period 2019/20, 20/21 and 21/22.

2.0 Background

- 2.1 For traffic management purposes, on-street parking charges are in operation in Harrogate, Knaresborough, Scarborough, Filey, Whitby and Northallerton. As a consequence of these charges and other income received through the administration of CPE, after operational costs have been met a surplus is generated.
- 2.2 The Deeds of Arrangement governing the CPE operation with Harrogate and Scarborough Borough Councils include a provision whereby the County Council is required to invite proposals from the Borough Councils for expenditure of the surplus. There is then a requirement to prioritise the proposals and communicate the decision to the Borough Councils. There has been engagement with both Harrogate and Scarborough Borough Councils.
- 2.3 The permitted uses for any surplus arising from CPE are set out in Section 55 (as amended) of the Road Traffic Regulation Act 1984. The Act limits how local authorities can spend any surplus income in respect of parking places, once expenditure and the costs of the enforcement operation have been met. The surplus can be used for parking, or alternatively where parking is unnecessary or undesirable, the surplus can be used for public transport, highways or environmental improvements. The surplus can be spent anywhere in North Yorkshire as the whole county is a designated Civil Enforcement Area.
- 2.4 Previous to this report, in May 2016 a decision on the allocation of CPE surplus income was taken by the Corporate Director, Business and Environmental Services (BES) in consultation with the BES Executive Members. That decision approved the continued annual funding or contribution from the CPE budget to existing highways and transport operations and services as well as specific investments in future highways improvement projects for the 3 financial years 2016/17 to 18/19 inclusive.
- 2.5 Also prior to the 2016 CPE Surplus Report, income exceeded expenditure and consequently over a number of years accrued a substantial reserve in the form of a general working balance. This general working balance was allocated to fund other projects identified in the North Yorkshire Strategic Transport Prospectus.

2.6 The agreed commitments and expenditure as included in the May '16 report are shown in *Table 1* below; (increasing values apply 2% annual inflation rate).

Table 1 : Civil Parking Enforcement: Annual Surplus Expenditure 16/17, 17/18, 18/19 (£000's)				
Commitments	Summary	2016/17	2017/18	2018/19
Concessionary fares	Contribution towards the concessionary fares budget to reimburse operators.	1,104	1,126	1,149
Contribution to Leeds – Harrogate – York rail line improvement scheme	On 23 July 2013 the Executive resolved to fund a maximum 3,400K contribution towards the scheme (£1,750K from the working balance and £330K for each of the financial years 2014/15 – 2018-19). Officers will also pursue third party contributions.	-	-	3,400
Highways maintenance	Contribution to the highways maintenance budget.	550	550	550
Scarborough Park and Ride	Contribution towards the operational running costs. Officers will be exploring the contract specification for bus services from 1 April 2017 with a view to exploring the potential for savings.	265	271	276
Whitby Park and Ride	Contribution towards the operational running costs. This contribution is based upon the principle that all surplus generated in Whitby contributes to the Park and Ride.	240	244	249
Pay and display machine maintenance	Maintenance of machines and fee to enable card payments.	13	14	14
CCTV	Payment to Harrogate Borough Council (£95K) and Scarborough Borough Council (£76K) to enable access to CCTV to monitor traffic signals.	171	171	171
Parking Engineer post	This post will provide capacity and expertise on traffic management and CPE.	61	62	64
Signing and lining works	On-going works to ensure signing and lining is in accordance with the Traffic Signs Regulations and General Directions.	51	52	53
Underwriting district councils	The Department for Transport stipulated that off-street car parks needed to be included in the countywide CPE designation order. This had financial repercussions for some of the district councils as they lost the discretion to set the fee for Penalty Charge Notices. In recognition of this issue the Executive	30	30	30

	resolved to underwrite any losses experienced by the district councils. The agreement with the district councils is for 3 years until May 2016, but includes a requirement to extend for a further 2 years should the district councils still be able to evidence a loss. The budget estimates reflect payments to date.			
Potential local contribution towards a bid to the Department for Transport's Sustainable Travel Transition Year Fund	The bid is aimed at improving cycling infrastructure and promotion in Harrogate and Scarborough. At the time of writing this report there has been no announcement on the successful bids.	35	-	-
Major Scheme Development	Paid from CPE Reserve	525	375	500
Grand Total		3,045	2,895	6,456

3.0 CPE Surplus Expenditure

3.1 Following the conclusion of the 2016/17 to 2018/19 investment period, it is necessary to determine the use of the CPE Surplus and remaining Reserve general working balance for the next 3 years.

3.2 *Table 2* below sets out the actual expenditure compared to the approved investment as set out in *Table 1*.

Table 2 Civil Parking Enforcement: Actual Annual Surplus Expenditure for existing commitments 16/17, 17/18, 18/19 (combined 3 year total £000's).			
Commitments	Allocated	Actual	+/-
Concessionary fares	3,379	3,357	-22
Contribution to Leeds – Harrogate – York rail line improvement scheme	990	724	-266
Highways maintenance	1,650	1,650	0
Scarborough Park and Ride	812	922	+110
Whitby Park and Ride	733	489	-244
Pay and display machine maintenance	41	0	-41
Northallerton Machine card payment upgrade	45	0	-45
CCTV	513	513	0
Parking Engineer post	187	120	-67
Signing and lining works	153	197	+44
Underwriting district councils	90	28	-62
Potential local contribution towards a bid to the Department for Transport's Sustainable Travel Transition Year Fund	35	0	-35
Total	8,628	8,000	-628

Actual Annual Reserve Expenditure on Projects 16/17, 17/18, 18/19 (combined 3 year total £000's)			
Project			
Major Scheme Development	1,400	1,991	+591
Harrogate Rail Line Improvement (block payment)	1,750	0	-1,750
Total	3,150	1,991	-1,159

3.2 As shown in *Table 2*, some of the committed project funding has not been realised within this 3 year period. The reason for this being either that the full investment was not required or the funding has been re-profiled due to a delay in delivery but is still required to fund the ongoing project. In particular, the latter is the case for the approved commitment to provide funding for the Harrogate – Leeds – York rail line.

4.0 District Council Consultation

4.1 As has been previously mentioned, the Deeds of Arrangement governing the CPE operation with Harrogate and Scarborough Borough Councils include a provision whereby the County Council is required to invite proposals from the Borough Councils for expenditure of the surplus. As result, officers wrote to both of the Borough Councils and the responses are included in Appendix 1 and 2. Harrogate Borough Council (HBC) submitted a formal response detailing a range of projects and service areas where it would like to see new or increased investment of the surplus (see Appendix 1).

4.2 Discussions between officers of the County Council and HBC have been held to consider the detail of that response to ensure it has been interpreted correctly for the purposes of this report. In summary the main points of HBC's response were;

- Request to maintain the significant contribution to Concessionary Fares for bus operators.
- Any remaining funds from the £3,400k allocation to the Harrogate Rail Line improvement scheme is reinvested into other transport improvement projects in the district.
- Dedicated allocations to air quality and sustainable travel in Harrogate
- The proportionate reinvestment of CPE surplus on the basis Harrogate is the majority income generator.

4.3 County council Officers consider that it is appropriate to continue the contribution to Concessionary Fares whilst, at this time, the funds for the Harrogate Rail Line scheme are fully committed but, should there for whatever reason be funding remaining at some point in the future it would be necessary to look across the range of priorities across the county and not just those in the Harrogate district.

4.4 The need to recognise countywide priorities also means that it would not be appropriate to dedicate half of the air quality and sustainable transport allocations to the Harrogate District or to allocate funding in proportion to the areas where it is generated.

4.5 Scarborough Borough Council (SBC) provided its response via email stating the following (see Appendix 2):

The Borough Council appreciate that the surplus is important to facilitate the park and ride functions and other wider traffic management issues.

We will therefore be only requesting a contribution towards the Scarborough Parking Review from the surplus.

The Borough's cabinet have resolved that Scarborough Borough Council (responsible for 'off-street' parking) are to continue working with North Yorkshire County Council (responsible for 'on-street' parking) to streamline the various car parking schemes operating within the Borough to support clarity of understanding of parking schemes for the public. This followed on from our consultation to introduce a residents Off Street concession scheme where consultees had made reference to confusion between on and off street parking.

The parking review will facilitate this aim whilst also reviewing the validity of the scheme which has been in place since 2000.

Indications from prices of the Harrogate review would suggest a contribution of 60K.

4.6 Officers recognise the benefits in the proposal to carry out a major parking review in Scarborough and are supportive of including an allocation towards the study.

5.0 Future Investment

5.1 In 2018/19 the overall CPE Surplus was £3,344k and this figure has been used as the baseline income for forecasting over the next 3 financial years.

5.2 It is proposed that the majority of the previously approved commitments and their respective funding values remain. However, during the course of the last investment period, some projects or funding agreements such as the underwriting of potential losses to district councils through the introduction of countywide CPE have ended and do not require further investment thereby creating potential funding opportunities for other projects.

5.3 Taking into consideration the above factors, the proposed use of the CPE Surplus income in 19/20, 20/21 and 21/22 is shown in Table 3, below; (increasing values shows 2% annual inflation rate).

Forecast Annual Surplus Income £3,344k (£000's)				
Commitments	Summary	2019/20	2020/21	2021/22
Concessionary fares	Contribution towards the concessionary fares budget to reimburse operators.	1,179	1,195	1,219
Contribution to Leeds – Harrogate – York rail line improvement scheme	Contribution to project development costs	266	-	-
Highways maintenance	Contribution to the highways maintenance budget.	550	550	550
Scarborough Park and Ride	Contribution towards the operational running costs	281	287	293
Whitby Park and Ride	Contribution towards the operational running costs.	254	259	265
CCTV	Payment to Harrogate Borough Council to access camera network	28	28	28

Parking Engineer post	Resource to provide capacity and expertise on traffic management and CPE.	65	66	67
Signing and lining works	On-going works to ensure signing and lining is in accordance with the Traffic Signs Regulations and General Directions.	54	55	56
Sustainable Travel	Funding of work to support Sustainable Travel projects and initiatives	100	100	100
Air Quality Management	Funding for development and implementation of Air Quality Management Strategy	100	100	100
Additional in year costs	Contingency for in year unforeseen costs	40	40	40
Contribution to Scarborough parking review	Agreement to contribute toward a full on and off-street parking review in Scarborough	-	60	-
Major Scheme Development	Contribution from annual surplus	543	543	543
Total		3,460	3,171	3,199
Expenditure +/-		+116	-173	-145

5.4 On the 1 April 2019 the CPE Reserve general working balance was £3,309k. The value of projects requiring funded during in the next 3 year period is;

Table 4 : Civil Parking Enforcement: Reserve expenditure 19/20, 20/21, 21/22 (£000's)				
Reserve General Working Balance 01/04/19 : £3,309k				
Project	2019/20	2020/21	2021/22	Total
Major Scheme Development	500	500	500	1,500
Harrogate Rail line Improvements	934	816	-	1,750
Total	1,434	1,316	500	3,250
Remaining GWB +/-	-1,875	-559	-59	-59

5.5 Table 3 shows that the forecasted annual surplus can substantially maintain the existing value of funding as set out in the 2016 report. However expenditure is forecast to be greater than income in 2019/20 most likely depending upon the required level of in year funding required for the Harrogate Rail Line Improvements Nevertheless, the forecast shows that in the following 2 years, expenditure should be substantially lower than income which could be used to offset that potential overspend in 19/20.

5.6 Table 4 shows that the CPE Reserve of £3,309k will cover the committed investment for a block payment to the Harrogate Rail Improvement scheme and fund £500k per annum to Major Scheme Development work with around £60k remaining. Based on the forecasted surplus income and expenditure, the reserve may also realise a modest annual increase which can be reinvested as and when required in the appropriate highways and transportation operations, services and projects.

6.0 Equalities Implications

6.1 There are not considered to be any equality implications arising from the proposal to utilise the general working balance on scheme development and model updates / renewals or to address air quality issues. Any scheme that is progressed would be subject to an appropriate equality impact assessment. An initial equality impact assessment screening form is presented in Appendix 3.

7.0 Financial Implications

7.1 The financial implications are detailed in Section 5 to this report.

8.0 Legal Implications

8.1 Funding from the surplus accrued in the form of the general working balance can be applied for the purposes set out in Section 55 Road Traffic Regulation Act 1984 (as amended) and officers consider that the funding proposals contained in this report comply with the permitted uses.

8.2 The funding allocation for Air Quality Management detailed in Table 4 will allow the County council to comply with Section 86 of the Environment Act 1995 which states that where a district council is preparing an Air Quality Management Area (AQMA) action plan, the county council shall, within the relevant period, submit to the district council proposals for the exercise (so far as relating to the designated area) by the county council, in pursuit of the achievement of air quality standards and objectives, of any powers exercisable by the county council. The County Council must also submit a statement of the time or times by or within which it proposes to implement each of the proposals.

9.0 Recommendations

9.1 It is recommended that the Corporate Director, Business and Environmental Services (BES), in consultation with the BES Executive Members, approves that:

- i. The CPE Surplus is used to fund highways and transport services and operations as set out in *Table 3*.
- ii. The CPE Reserve is used to fund projects as set out in *Table 4*.
- iii. *Officers write to Harrogate and Scarborough Borough Councils to inform them of the decisions taken in relation to the use of the CPE surplus and reserve funding.*

BARRIE MASON
Assistant Director, Highways and Transportation

Author of Report: David Kirkpatrick

Background Papers:

Barrie Mason
Highways and Transportation
County Hall
Northallerton
DL7 8AH

Date: 17 December 2018

Dear Barrie,

Civil Parking Enforcement (CPE) Surplus Expenditure Consultation

Thank you for the consultation letter in relation to surplus CPE monies. This letter of response has been drafted in consultation with Phil Ireland, the Cabinet Member for Sustainable Transport at Harrogate Borough Council (HBC). As the overall level of funding is unknown the proposals outlined in this letter are based around the values outlined in the 2016 report - approximately £3m per annum across the county, with around 57% of this total generated in Harrogate District. Of this ongoing £3m per annum surplus, it is understood that broadly £1.1-£1.2m is required annually as a contribution towards the concessionary fares budget to reimburse bus operators. Whilst greater detail on the current costs involved would be welcomed, we are supportive of retaining this allocation in principle.

£3.4m was also allocated for spend in 2018/19 for a contribution towards the Leeds – Harrogate – York rail line improvement scheme. Should the overall contribution to this scheme from CPE surplus be less than £3.4m we would ask for a commitment to reinvest any remaining balance from this allocation in transport improvement schemes in Harrogate District (as this was the purpose of the original intended allocation). For example to bring forward complementary projects on the Leeds – Harrogate – York line such as work (or acceleration of work) to develop a solution for trains on the Harrogate line to access York Rail Station without having to use Skelton Junction. If the £3.4m scheme does not progress at all, for any reason, then the full £3.4m CPE surplus contribution should be committed to other transport improvements within Harrogate District. In either scenario we would welcome a discussion as to how the funding could be best re-allocated within the district.

Taking the other regular ongoing budget lines into account the financial situation appears to read;

	18/19 Assumed (£'000s)	Reducing Rolling Total (£'000s)	Estimated Harrogate District Value (£'000s)
Total	3000	3000	877
Concessionary Fares	1200	1800	600
Highway Maintenance	550	1250	92
Scarborough P&R	280	970	0
Whitby P&R	253	717	0
P&D Machine Maintenance	14	703	5
CCTV	171	532	95
Parking Engineer Post	64	468	15

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Signing and Lining Works	53	415	15
Underwriting District Councils	30	385	5
Sustainable Travel	100	285	25
Air Quality	100	185	25

The final column provides Harrogate District with a total estimated allocation of £877k per annum, which is considerably short of the £1.7m annual contribution to the CPE surplus from Harrogate District. We would welcome a discussion to understand the accuracy of our estimates in more detail. However given there appears to only be £185,000 per annum remaining in the budget, even if this full amount were allocated to Harrogate District it would still represent significant disparity between contribution and allocation. Consideration should therefore be given to reducing the highway maintenance allocation given the additional funds provided to NYCC in recent years by central government, albeit we do recognise the importance of this issue. Should there be a renegotiation of the CCTV allocation to HBC the value to Harrogate District would further reduce.

One outcome of the 2016 consultation was to create two separate £100k funding allocations for both Sustainable Transport Projects and Air Quality Improvements. We would like to see both allocations retained, but with a dedicated (and significantly enlarged) fund for sustainable transport in the Harrogate District and a dedicated £50k (within the £100k county wide allocation) for air quality in the Harrogate District. This would give us a fantastic opportunity to create a joint 3-year programme of sustainable travel/air quality schemes; demonstrating our shared commitment to delivery of our respective strategies within the Harrogate district e.g. HBC Air Quality Action Plan and Ultra-low Emission Vehicle Strategy, NYCC Cycling Investment Plan etc.

Finally, the table below sets out high level information on schemes that we feel are appropriate for CPE surplus funding, which we would like to see included in the forthcoming programme:

Scheme	Estimated Value	Reason	Detail
Off Street car park maintenance	£200k pa.	Improved car parking offer in Harrogate District	As per the Road Traffic Regulation Act (Schedule 55 4c) maintenance of off street car parking is listed ahead of additional uses of CPE surplus. Maintenance of Victoria Multi-Storey Car Park has value as match funding to any future Transforming Cities Fund bid
Strategic Transport Prospectus scheme development	£100k A59 £100k Harrogate Rail Line further work	Understand the broad feasibility of major transport interventions	Will enable greater understanding of the overall costs/issues associated with some of the aspirations in the NYCC Strategic Transport Prospectus.
Harrogate District Sustainable Transport	£100k pa.	Reduce vehicle movements, improve sustainable transport offer	Detailed in text above
Harrogate District Air Quality	£50k pa	Improve air quality	Could be allocated within existing air quality budget line

Harrogate District Junction Improvement Programme	£60k pa plus potential implementation third year.	Develop bid ready junction improvement schemes	HBC work to develop the local plan has identified a number of junctions across the district that will require mitigation schemes to enable development. There is an opportunity to utilise developer funding as match funding for larger schemes to generate improvement above mitigation. This allocation will enable third party funding to NYCC to be maximised in future.
Improvements to signage	£500k total project cost	Improved network management	Upgrades to VMS signage to provide greater flexibility of information provision to motorists and renewed signage within Harrogate.
Knaresborough Highway Improvements	£500k total project cost	Improved network management and air quality	Improvements to highway operation in Knaresborough in order to tackle air quality and complement the recent changes at Bond End.

As space is rather limited in a response by letter we would welcome the opportunity to discuss these proposals in more detail with you. Please liaise with our Strategic Transport Planner, Tom Horner who is contactable by email at Thomas.horner@harrogate.gov.uk or by telephone on 01423 500 600 ext. 58332.

Yours sincerely,



Trevor Watson
Director of Economy and Culture

Cc. Cllr. Don McKenzie, David Bowe, David Kirkpatrick

Anita Walls

From: David Kirkpatrick
Sent: 14 October 2019 13:28
To: David Kirkpatrick
Subject: FW: CPE Surplus Consultation 2018 (SBC)

From: Jane Wilson [redacted]
Sent: 06 February 2019 12:14
To: David Kirkpatrick
Subject: RE: CPE Surplus Consultation 2018 (SBC)

Hi David

The Borough Council appreciate that the surplus is important to facilitate the park and ride functions and other wider traffic management issues.

We will therefore be only requesting a contribution towards the Scarborough Parking Review from the surplus.

The Borough's cabinet have resolved that Scarborough Borough Council (responsible for 'off-street' parking) are to continue working with North Yorkshire County Council (responsible for 'on-street' parking) to streamline the various car parking schemes operating within the Borough to support clarity of understanding of parking schemes for the public. This followed on from our consultation to introduce an residents Off Street concession scheme where consultees had made reference to confusion between on and off street parking.

The parking review will facilitate this aim whilst also reviewing the validity of the scheme which has been in place since 2000.

Indications from prices of the Harrogate review would suggest a contribution of 60K.

Regards

Jane Wilson

Deputy Operations Manager
Scarborough Borough Council
www.scarborough.gov.uk

From: David Kirkpatrick
Sent: 16 November 2018 15:02
To: [redacted]
Cc: Barrie Mason; James Smith; 'Jane Wilson'
Subject: CPE Surplus Consultation 2018 (SBC)

Dear Lisa,

Consultation: Civil Parking Enforcement (CPE) Surplus Expenditure.

In accordance with the terms of the CPE Agreement, please find the attached letter inviting your comments on the future expenditure of the CPE surplus.

I look forward to hearing from you in due course.

Kind regards,

David.
David Kirkpatrick
Senior Engineer | Traffic Management

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Highways & Transportation
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WARNING

Initial equality impact assessment screening form (As of October 2015 this form replaces 'Record of decision not to carry out an EIA')			
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate	Business and Environmental Services		
Service area	Highways and Transportation		
Proposal being screened	The allocation of surplus income arising from Civil Parking Enforcement (CPE) and parking management operations.		
Officer(s) carrying out screening	David Kirkpatrick		
What are you proposing to do?	Allocate the use of the annual CPE surplus income and existing reserve general working balance for the 3 financial year period 2019/20, 20/21, 21/22.		
Why are you proposing this? What are the desired outcomes?	NYCC as highway authority generates a surplus by way of its parking management and enforcement operations. Section 55 (as amended) of the Road Traffic Regulation Act 1984 stipulates the uses of any income to firstly pay for the operational costs of parking management and enforcement with any remaining surplus being reinvested into other parking/traffic management, transport and environmental improvement projects and services. The desired outcome is the continuation of funding for CPE operations to reduce congestion and improve the highway network as a whole.		
Does the proposal involve a significant commitment or removal of resources? Please give details.	No		
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristic As part of this assessment, please consider the following questions:			
<ul style="list-style-type: none"> • To what extent is this service used by particular groups of people with protected characteristics? • Does the proposal relate to functions that previous consultation has identified as important? • Do different groups have different needs or experiences in the area the proposal relates to? 			
If for any characteristic it is considered that there is likely to be a significant adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your Equality rep for advice if you are in any doubt.			
Protected characteristic	Yes	No	Don't know/No info available
Age		No	
Disability		No	

Sex (Gender)		No	
Race		No	
Sexual orientation		No	
Gender reassignment		No	
Religion or belief		No	
Pregnancy or maternity		No	
Marriage or civil partnership		No	
NYCC additional characteristic			
People in rural areas		No	
People on a low income		No	
Carer (unpaid family or friend)		No	
Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.	No.		
Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No		
Decision (Please tick one option)	EIA not relevant or proportionate:	<input checked="" type="checkbox"/>	Continue to full EIA:
Reason for decision	To continue the funding of parking and traffic management operations, services and projects in order to reduce congestion and effectively manage the highway network and realise other associated benefits such as air quality improvements and sustainable transport measures..		
Signed (Assistant Director or equivalent)	Barrie Mason		
Date	15/10/19		