

North Yorkshire Council

Environment Executive Members

09 August 2024

Allocation of Civil Parking Enforcement (CPE) Income Surplus

Report of the Assistant Director – Highways and Transportation, Parking Services, Street Scene, Parks and Grounds

1.0 PURPOSE OF REPORT

- 1.1 To apprise the Corporate Director of Environment and Executive Member for Highways of the current financial position relating to the income and expenditure of the annual surplus accrued through on-street Civil Parking Enforcement operation (CPE)
- 1.2 To seek approval for the allocation of the current and forecast annual surplus for the financial years, 2024/25, 25/26 and 26/27.

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 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 the provision of further off-street parking accommodation is unnecessary or undesirable, the surplus can be used for public transport, highway or road improvement projects or environmental improvements. The surplus can be spent anywhere in North Yorkshire as the whole county is a designated Civil Enforcement Area.
- 2.3 Previous to this report, the former North Yorkshire County Council's Corporate Director of Business and Environmental Services (BES) in consultation with the BES Executive Member took a decision on the allocation of CPE surplus income in October 2022. That decision approved the annual funding or contribution to highways and transport operations and services as well as specific investments in future highways improvement projects for the 2 financial years 2022/23 and 2023/24.
- 2.4 Typically, approval for the use of the CPE Surplus was given for a 3-year period, however, on the basis the decision was made during the period of Local Government Reorganisation and the new North Yorkshire Council (NYC) unitary authority coming into existence on 01 April 2023, it was considered prudent to approve the budget in year and for the following financial year only, to allow flexibility and opportunity to reallocate or amend budgets accordingly.

3.0 CPE SURPLUS ALLOCATION AND EXPENDITURE

- 3.1 The table shown in Appendix A to this report, sets out the approved list of services and projects that received funding from the CPE surplus in the previous 2-year investment period 2022/23 and 2023/24, the respective expenditure and final general working balance of the CPE Surplus.
- 3.2 In summary, based on the previous year's figures the forecast CPE surplus income was set at £3.000m for both financial years 22/23 and 23/24.
- 3.3 In 2022/23 planned expenditure on services and projects totalled £4.606m, which equated to a funding short fall of £1.61m. This shortfall was to be funded through the use of the remaining CPE Reserve at £1.16m and an allocation from the Superintendence Reserve at £442k.
- 3.4 In fact, the CPE Surplus for 2022/23, was greater than forecast at £3.09m and expenditure on services was at £2.93m. generating an underspend of £160k. Therefore, it was not necessary to use the remaining CPE reserve or the allocation from the Superintendence reserve. The underspend retained for future years use in the CPE reserve.
- 3.5 The main underspend in 2022/23 was resulting from allocations to Concessionary Fares and Demand Response Travel not being required due to other funding sources being available and other funding contributing to major scheme development in 23/24.
- 3.6 In 2023/24 the CPE surplus was £3.26m, which is notably above the forecast £3m. As in the previous year, actual service and project expenditure was substantially lower than the surplus income received, at £1.75m, an underspend of £1.51m, again substantially due to funding not being required for Concessionary Fares and demand response travel. Therefore, the planned contribution from the Superintendence budget was not required and the CPE reserve increased to £2.578m.

4.0 PROPOSED CPE SURPLUS ALLOCATION

- 4.1 For the purpose of setting allocations to services and projects in future years, the forecast CPE surplus is based on the previous investment period. However, there are further factors to be considered. Separate to this report, approval has been granted to increase on-street (and off-street) parking charges across all tariff rates by 20%.
- 4.2 Total income from pay and display parking charges and permits was £2.57m in 2023/24. Applying a 20% uplift equates to £514k. Therefore, the forecast surplus income for the current and next two years (using the 2023/24 surplus figure), will be set at £3.77m.
- 4.3 It is important to note however, that with the implementation of increased parking charges, there is often an in-year downturn as drivers look for alternatives, before reverting 'to type' in behaviour and usage returning to its previous levels.
- 4.4 The CPE reserve (general working balance), which at the close of the 2023/2024 financial year was £2.588m to which a profiled investment across the 3-year period is detailed accordingly in Appendix B.
- 4.5 A further influence on income, is the optimisation of CPE operations whereby Civil Enforcement Officers will be deployed more strategically across more days and locations. This should bring about more regular enforcement and issue of PCNs with the expected benefits of improving road safety and traffic management. Any uplift in income would also be reinvested in Highways and Transport services and projects.

4.6 Appendix B sets out the proposed allocations to Highways and Transportation services and projects along with the profiled use of the CPE reserve, for 2024/25, 2025/26 and 2026/27.

5.0 CONSULTATION UNDERTAKEN AND RESPONSES

5.1 The former County Council was required through its Deeds of Arrangement with Harrogate and Scarborough Borough Councils, for the provision of on-street CPE services, to consult with them on the proposed use of any CPE Surplus. Following LGR, CPE is now a function of NYC. Therefore, in accordance with the Council's Constitution, the decision can be taken by the Corporate Director of Environment in consultation with the Executive Member for Highways and Transportation only.

6.0 CONTRIBUTION TO COUNCIL PRIORITIES

6.1 Allocating the CPE surplus (arising from on-street enforcement) within the permitted services and projects, contributes to a range of Council priorities and policy objectives ranging from its statutory network management duties, to addressing climate change impacts, meeting air quality targets, road safety, active travel, and accessibility.

7.0 ALTERNATIVE OPTIONS CONSIDERED

7.1 Following a review of existing projects for continued CPE funding, no alternative options have been considered per se, but a number of new projects have been identified. These include TRO Digitisation and the provision of operational equipment for civil parking enforcement activities.

8.0 IMPACT ON OTHER SERVICES/ORGANISATIONS

8.1 The loss or reduction of the CPE surplus would have a significant detrimental impact of the delivery of other essential Highway and Transportation services and projects where other funding availability does not exist to the necessary level or at all. It is therefore imperative that the surplus is retained and reinvested according across the service area.

9.0 FINANCIAL IMPLICATIONS

9.1 The committed expenditure is £13.5m for the current and following two years, this is expected to be funded using the forecast CPE surplus of £11.3m, with the remainder of the funding from the CPE reserve, leaving a further £431k in reserve for reinvestment in Highways and Transportation Services. A breakdown of the committed expenditure, is shown in appendix B.No further funding would be required from other sources.

10.0 LEGAL IMPLICATIONS

10.1 Funding highway improvements is one of the permitted uses for surplus arising from CPE as set out in Section 55 of the Road Traffic Regulation Act 1984 (as amended), improvements being within the meaning of the Highways Act 1980 under the power of general improvements. Section 55 also provides for the surplus to be used for meeting the costs incurred in the provision or operation of or facilities for public transport services and the purposes of environmental improvement. Environmental improvement includes the reduction of environmental pollution, improving or maintain the appearance or amenity of a road or land in the vicinity of a road.

10.2 Under Section 122 of the Road Traffic Regulation Act 1984 the Authority has a general duty when exercising functions under the Act to secure the expeditious, convenient, and safe movement of vehicular and other traffic (including pedestrians) and the provision of suitable and adequate parking facilities on and off the highway.

11.0 EQUALITIES IMPLICATIONS

11.1 No equality implications are considered to arise from the proposed use of the CPE funds, as set out in this report. Any decisions taken in respect of a project or service would be subject to a specific equality impact assessment. An initial equality impact assessment screening form is presented in Appendix C.

12.0 CLIMATE CHANGE IMPLICATIONS

12.1 There are no detrimental climate change implications considered to arise through the proposed allocation of the CPE Surplus and reserve with funded projects such as Air Quality Management and Sustainable Travel having a positive impact. A Climate Change Assessment is included as Appendix D to this report.

13.0 CONCLUSIONS

13.1 In conclusion it has been resolved that the forecast CPE Surplus income is sufficient to cover the current allocations to services and projects within the Highway & Transportation service area. In addition, there is the potential for an increased surplus in future years through service optimisation and efficiencies.

14.0 REASONS FOR RECOMMENDATIONS

14.1 The CPE Surplus is an essential source of income arising from proportionate enforcement of the network to support the Council in meeting its statutory duty of reducing congestion delay and improving road safety. The surplus income is ringfenced, as set out in section 10.0 Legal Implications, therefore the income must be reinvested into the service area.

15.0 RECOMMENDATION(S)

- 15.1 The Corporate Director Environment and Executive Member for Highways:
- i. note the financial position of the CPE service as shown in Appendix A, and;
 - ii. Approve the funding of Highways and Transportation services and projects as set out in Appendix B

APPENDICES:

Appendix A – Table 1. Expenditure in financial years 2022/23 and 2023/24

Appendix B – Table 2. Proposed allocations for financial years 2024/25, 25/26 and 26/27

Appendix C – Equalities Impact Assessment

Appendix D – Climate Change Impact Assessment

BACKGROUND DOCUMENTS:

Allocation of Civil Parking Enforcement Surplus Report of the Assistant Director – Highways and Transportation - 21 October 2022

Barrie Mason

Assistant Director – Highways and Transportation, Parking Services, Street Scene, Parks and Grounds

County Hall, Northallerton

July 2024

Report Author Steve Brown, Head of Parking Services / Andrew Clare, Senior Traffic Management and Parking Engineer
Presenter of Report Steve Brown, Head of Parking Services / Andrew Clare, Senior Traffic Management and Parking Engineer

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

Table 1: Civil Parking Enforcement: Annual Surplus Allocation 2022/23 and 2023/24						
Forecast Annual Surplus Income 3.00m						
Commitments	Summary	2022/23		2023/24		Differential+/-
		Allocation (£)	Expenditure (£)	Allocation (£)	Expenditure (£)	
Concessionary fares	Contribution towards the concessionary fares budget to reimburse operators.	£900k	£0	£1,243k	£0	-£2,143k
Highways Maintenance	Contribution to Highways maintenance.	£950k	£950k	£950k	£950k	£0
Demand response travel	Contribution towards the demand response travel budget to reimburse operators.	£200k	£0	£150k	£0	-£350k
Scarborough Park And Ride	Contribution towards the operational running costs.	£299k	£434k	£299k	£420k	+£256k
Whitby Park And Ride	Contribution towards the operational running costs.	£270k	£132k	£270k	£130k	-£277k
Signing and Lining Works	On-going works to ensure signing and lining is in accordance with the Traffic Signs Regulations and General Directions.	£58k	£57k	£59k	£40k	-£20k
Major Scheme Development	Funding of Major Scheme development work.	£500k	£457k	£0	£0	-£43k
Air Quality Management	Funding for development and implementation of Air Quality Management Strategy.	£100k	£79k	£100k	£24k	-£98k
Sustainable Travel	Funding of work to	£100k	£23k	£100k	£0	-£177k

APPENDIX A

	support Sustainable Travel projects and initiatives.					
Parking Engineer post	Resource to provide capacity and expertise on traffic management and CPE.	£55k	£57k	£56k	£59k	+£5
CCTV	Payment to Harrogate Borough Council to access camera network.	£28k	£27k	£0	£27k	+£26k
Hambleton NNDR	Business rate applied to on-street parking.	£50k	£25k	£50k	£29k	-£46k
Scarborough Parking Review	Contribution to funding the parking review of Scarborough Town Centre	£30k	£0	£45k	£0	-£75k
Bikeability	Contribution to bikeability cycle training scheme	£85k	£50k	£87k	£67k	-£55k
Major Projects	Junction 47	£781k	£777k	£0	£0	-£4k
LEVI (Local Electric Vehicle Infrastructure) funding	Electric Vehicle Infrastructure	£200k	£0	£0	£0	-£200k
Unforeseen costs	Flowbird, Smart Parking, on street sensors	£0	£37k	£0	£6k	+£43k
Total Planned/Actual Expenditure		£4,606k	£3,105k	£3,409k	£1,753k	-£3,157k
Funded by						
CPE Surplus Income		£3,000k	£3,085k	£3,000k	£3,258k	
CPE Reserve		£1,164k	-£210k	£0	-£1,505k	
Superintendence Allocation		£442k	£0	£409k	£0	
Total planned funding		£4,606k	£0	£3,409k	£0	
Final Reserve Balance						£2,578k

Table 2: Proposed Civil Parking Enforcement Annual Surplus Allocations 2024/25, 2025/26 & 2026/27

Forecast Annual Surplus Income 3.770m					
Commitments	Summary	Allocation £			Total
		2024/25	2025/26	2026/27	
Concessionary fares	Contribution towards the concessionary fares budget to reimburse operators.	£1,402k	£1,402k	£1,402k	£34,206k
Highways Maintenance	Contribution to Highways maintenance.	£1,445k	£1,445k	£1,445k	£4,335k
Scarborough Park And Ride	Contribution towards the operational running costs.	£299k	£299k	£299k	£897k
Whitby Park And Ride	Contribution towards the operational running costs.	£270k	£270k	£270k	£810k
Signing and Lining Works	On-going works to ensure signing and lining is in accordance with the Traffic Signs Regulations and General Directions.	£150k	£150k	£150k	£450k
TRO Digitisation	Funding for the development of a digital TRO Mapping System	£400k	£400k	£50k	£850k
Air Quality Management	Funding for development and implementation of Air Quality Management Strategy.	£50k	£50k	£50k	£150k
Sustainable Travel	Funding of work to support Sustainable Travel projects and initiatives.	£50k	£50k	£50k	£150k
Parking Engineer post	Resource to provide capacity and expertise on traffic management and CPE.	£61k	£62k	£63k	£186k
Operational Equipment	Contribution towards civil enforcement operational equipment and running costs	£100k	£100k	£100k	£300k
Hambleton NNDR	Business rate applied to on-street parking.	£35k	£35k	£35k	£105k
Parking Review	Contribution to funding the countywide parking review	£150k	£150k	£50k	£350k
Bikeability	Contribution to bikeability cycle training scheme	£63k	£66k	£69k	£198k
Active Travel	Funding of work to support Active Travel projects and initiatives.	£100k	£100k	£100k	£300k
Moving Traffic Enforcement *	Funding to implement camera enforcement technology	£60k	£60k	£60k	£180k
Total Planned Expenditure		£4,635k	£4,639k	£4,193k	£13,467k
Planned use of Annual Surplus Income		£3,770k	£3,770k	£3,770k	£11,310k
Planned use of CPE Reserve		£865k	£869k	£423k	£2,157k
Final Balance		0	0	0	0

CPE Reserve Balance	£1,723k	£854k	£431k	
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*Moving Traffic Enforcement is subject to Department of Transport Approval to which we are currently awaiting, a further report to follow.

Initial equality impact assessment screening form			
<p>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.</p>			
Directorate	NYC Environment		
Service area	Highways		
Proposal being screened	Use of Civil Parking Enforcement (CPE) surplus		
Officer(s) carrying out screening	Andrew Clare		
What are you proposing to do?	Allocate the surplus arising from On –street Civil Parking Enforcement operations		
Why are you proposing this? What are the desired outcomes?	The funding is ring-fenced via Sec 55 of The Road Traffic Regulation Act 1984 with any surplus remaining after all operational costs can be reinvested in parking, traffic management and other highways and transportation and environmental projects and services		
Does the proposal involve a significant commitment or removal of resources? Please give details.	Yes The surplus typically annually equates to £3.770 million and funds many project and services		
<p>Is there likely to be an adverse impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC’s additional agreed characteristics?</p> <p>As part of this assessment, please consider the following questions:</p> <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? <p>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.</p>			
Protected characteristic	Yes	No	Don’t know/No info available
Age		x	
Disability		x	
Sex (Gender)		x	
Race		x	
Sexual orientation		x	
Gender reassignment		x	
Religion or belief		x	
Pregnancy or maternity		x	
Marriage or civil partnership		x	
NYC additional characteristic			
People in rural areas		x	
People on a low income		x	
Carer (unpaid family or friend)		x	
Does the proposal relate to an area where there are known	No.		

inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.				
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	No equality implications are considered to arise from the proposed use of the 2024/25, 2025/26 and, 2026/27 CPE surplus or the general working balance on scheme development and model updates / renewals or to address air quality issues. Any decisions taken in respect of a project or service would be subject to a specific equality impact assessment.			
Signed (Assistant Director or equivalent)	Barrie Mason			
Date	30/07/24			

Climate change impact assessment

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance, please email climatechange@northyorks.gov.uk

Title of proposal	Civil Parking Enforcement (CPE) surplus
Brief description of proposal	Use of CPE surplus
Directorate	Environment
Service area	Traffic Engineering
Lead officer	David Kirkpatrick
Names and roles of other people involved in carrying out the impact assessment	Andrew Clare
Date impact assessment started	30/07/24

Options appraisal

Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

None

What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

The proposal is to note the allocation of the financial surplus arising from on-street Civil Parking Enforcement operations. This surplus, which is in the region of £3.770m per annum is ringfenced by 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 the provision of further off street parking accommodation is unnecessary or undesirable, the surplus can be used for public transport, highway or road improvement projects or environmental improvements. The surplus can be spent anywhere in North Yorkshire as the whole county is a designated Civil Enforcement Area

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Minimise greenhouse gas emissions e.g. reducing emissions from travel, increasing energy efficiencies etc.</p>	<p>Emissions from travel</p>	<p>X</p>		<p>The CPE Surplus subsidises public transport fares, making it cheaper for passengers to travel by bus encouraging fewer trips by private car.</p> <p>The surplus also contributes to the operation Park and Ride facilities and the development of major highway projects to reduce congestion, journey times and provision of active travel infrastructure to encourage walking, cycling and other modes of sustainable travel.</p>		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
Emissions from construction		X		The impact of construction of highway infrastructure is negated by the long term benefit of improving travel and encouraging modal shift to sustainable travel options.		
Emissions from running of buildings		X				
Other		X				
Minimise waste : Reduce, reuse, recycle and compost e.g. reducing use of single use plastic		X				
Reduce water consumption		X				
Minimise pollution (including air, land, water, light and noise)	X			Allocating funding to existing sustainable travel options and developing other improvement projects contributes to the reduction of vehicle usage and associated pollution from emissions and noise.		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Ensure resilience to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers</p>	X			<p>Using this surplus to fund highway improvement projects to reduce congestions, delay and encourage modal shift to sustainable travel options contributes to fewer vehicle miles and emissions and reduced environmental impact</p>		
<p>Enhance conservation and wildlife</p>		X				
<p>Safeguard the distinctive characteristics, features and special qualities of North Yorkshire's landscape</p>	X			<p>Reducing congestion, delay and traffic volume benefits the highway environment and interfacing environments</p>		
<p>Other (please state below)</p>		X				

Are there any recognised good practice environmental standards in relation to this proposal? If so, please detail how this proposal meets those standards.

None

Summary Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

It is considered that there are no negative impacts within the assessment, as the proposals is to allocate the CPE surplus for the improvement of the highway network and encourage sustainable modes of travel.

Sign off section

This climate change impact assessment was completed by:

Name	Andrew Clare
Job title	Senior Traffic Management & Parking Engineer
Service area	Highways & Transportation
Directorate	Environment
Signature	A.Clare
Completion date	30/07/24

Authorised by relevant Assistant Director (signature): Barrie Mason

Date: 30/07/2024