

Civil Parking Enforcement and Parking Reserve

1. The Traffic Management Act was introduced in 2004 to tackle congestion and disruption on the road network. The Act places a duty on local traffic authorities to ensure the expeditious movement of traffic on their road network and the networks of surrounding authorities. It gives authorities additional tools to better manage parking policies, moving traffic enforcement and the coordination of street works. Welsh Ministers granted Civil Parking Enforcement (CPE) powers to Cardiff Council in July 2010. This extended to the enforcement of Bus Lanes and Moving Traffic Offences (MTOs) in November 2014.
2. The payments generated from car parking fees, resident's permits, penalty charge notices and Moving Traffic Offences are allocated to a CPE account and operational costs, including the cost of the enforcement service are deducted. Any surplus from parking and enforcement is ring-fenced for traffic, highways and environmental improvements.
3. Future predictions have been modelled using various assumptions and scenarios. The table below illustrates the financial forecast.

Civil Parking Enforcement	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Income					
On street car parking fees	4,956	5,024	5,119	5,318	5,454
Off street car parking fees	1,428	1,475	1,515	1,583	1,630
Residents parking permits	911	911	911	911	911
Penalty Charge Notices	2,350	2,370	2,406	2,442	2,478
Moving Traffic Offences	4,395	4,539	4,623	4,668	4,713
Miscellaneous income	50	50	50	50	50
Total income	14,090	14,369	14,624	14,972	15,236
Expenditure					
Operational costs parking	634	642	645	647	648
Enforcement service	6,437	6,603	6,937	7,011	7,054
Total expenditure	7,071	7,245	7,582	7,658	7,702
Surplus / (Deficit)	7,019	7,124	7,042	7,314	7,534

4. For 2023/24, income from car parking fees, residents' permits, penalty charge notices and MTO's is forecast to be £14.090 million. This includes increases in Resident Parking Permits and Pay & Display fees, which include the consolidation of the tariff structure and are included in the Planning Transport & Environment saving proposals. The figures make an allowance for the adverse impact of on-going city centre infrastructure improvements. Expenditure includes the operating costs of the off-street car parks and maintenance of the on-street parking bays plus the cost of the enforcement service. Overall, expenditure is estimated to be £7.071 million, leaving a net surplus of £7.019 million.

5. In proceeding years, income is forecast to grow through incremental increases in parking fees and volume increases of between 1% - 1.5% in penalty charges notices and moving traffic offences. The figures also include the adoption of the Controlled Parking Zone in Cathays.
6. Expenditure forecasts incorporate staff pay awards of 6% in 2023/24, 2% in 2024/25 followed by 1% thereon. In 2025/26, specific provisions have been included for investment in technology and additional staff to meet the anticipated demand as the service evolves.
7. The assumptions carry risks which could have an impact on the figures. These include the timing of both the new pay and display zones and the adoption of Traffic Regulation Orders and the impact of infrastructure improvements, particularly in the city centre. In addition, inflation will continue to be a factor in terms of operating costs.
8. The surplus from CPE activities is transferred to the Parking Reserve to support a range of highway, transport and environmental improvements.
9. The table below sets out the predicted movement in the reserve.

Parking Reserve	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Estimated Opening Balance	748	498	353	126	171
CPE net surplus (deficit)	7,019	7,124	7,042	7,314	7,534
Funding Availability	7,767	7,622	7,395	7,440	7,705
Contribution to support revenue budget	6,688	6,688	6,688	6,688	6,688
Active Travel	581	581	581	581	581
Use of Reserve	7,269	7,269	7,269	7,269	7,269
Balance Carried Forward	498	353	126	171	436

10. The use of reserve includes a budgeted contribution of £6.688 million which supports a range of highway, transport and environmental improvements. It also includes recurring funding of £581,000 for the promotion of Active Travel initiatives including assessing the transportation impact on the Local Development Plan.
11. The reserve balance shows a gradual reduction over the next couple of years but is then forecast to increase and will provide a degree of resilience against the income forecast and consequential surplus from CPE.