

Report of: THE TRANSPORT & PARKING BUSINESS MANAGER

To: Executive Board


Date: 16th July 2007

Item



No:

Title of Report : Park and Ride – Ring-Fenced Account.





Summary and Recommendations



Purpose of report: To lift the ring fencing around the park and ride security account and release the funds currently in the account

Key decision: YES

Portfolio Holder: Councillor Jean Fooks

Scrutiny Responsibility: Finance Scrutiny Committee

Area(s) affected: All

Report Approved by: –Councillor Jean Fooks – Portfolio Holder
Jeremy Franklin – Legal and Democratic Services
Christopher Kaye – Finance and Asset Management

Policy Framework: Improving transport and mobility and maintaining financial stability.

Recommendation(s):

1. To lift the ring fencing around the Park and Ride security account and release the funds currently in the account.



SUMMARY



Security staff were introduced at Park and Ride sites in 1998. They were

introduced against a background of a high incidence of vehicle crime taking place in the park and ride car parks.

2 In order to fund the provision of security, a parking charge was introduced through a pay and display system to generate funds for security related improvements in order that the park and ride would remain an attractive alternative to the car for travel into the city centre. This decision effectively ring-fenced the income from these charges in a security account whilst other costs of providing the park and ride service were held in a non-security account.

3 The main objectives of the charge were:

- In the short term “... to generate funds for security and related improvements to the car parks in order for park and ride to remain an attractive alternative to the car for travel into Oxford City centre in line with the City’s transport policies and the objectives of the Oxford Transport Strategy...”
- in the longer term “.... as a means of influencing travel behaviour to meet transport policy objectives including: increasing the comparative attractiveness of conventional local buses; increasing car occupancy by park and ride users.”



4 The ability of the Council to impose charges in relation to the provision of its services depends on a statutory authorisation. Section 35 of the Road Traffic Regulation Act 1984, provides for local authorities to make charges, through the mechanism of a parking place order, in connection with the use of off-street car parks (park and ride car parks are off-street car parks).

5 Where there are statutory powers to make charges the Courts have tended to view these as being permitted to enable local authorities to recoup their costs rather than to make planned surpluses, which would otherwise give the impression of a revenue raising exercise. The general rule is that charges should be set at a level that will recover the cost to the Council of providing the service (this may include raising income to invest in the future operation of the service to make it more efficient e.g. the acquisition of equipment or the employment of extra staff) with an appropriate figure built in to meet unforeseen contingencies. It is accepted that it is not possible to gauge precisely the use that the public may make of a particular service and that for this reason a surplus may be made. Any surplus that is made must be reinvested in the service, or the charges reduced if the same or a higher level of take up is anticipated in the forthcoming year, and there is no investment in the service required.

6 Any financial surpluses resulting from the difference between the parking income and staffing costs have been held in the ring-fenced account, which has accrued the sum of £147,681 although a request in a further report to this committee has been made to spend £40,000 of this sum on a

new CCTV system at the Seacourt park and ride site, thus reducing the sum to be un-ringfenced to £107,681

COUNCIL'S VISION

- 7 The proposal supports the Council's vision by Improving Transport and Mobility.

STAFFING IMPLICATIONS

- 8 There are no staffing implications as a result of this report.

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Background Papers: None