

Committee(s): Policy and Resources Committee - For Decision	Dated: 08/05/2025
Subject: On-Street Parking Reserves (OSPR) Capital Bids (Quarter 4 - 2024/25)	Public
This proposal: delivers Corporate Plan 2024-29 outcomes provides statutory duties	This project will support the following outcomes: <ol style="list-style-type: none"> 1. Providing excellent services 2. Dynamic economic growth 3. Vibrant thriving destination 4. Flourishing public spaces
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£1,200,000 OSPR from 2024/25 and 2026/27
What is the source of Funding?	City Fund (OSPR)
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of: Katie Stewart, Executive Director, Environment, and Caroline Al-Beyerty, Chamberlain	For Decision
Report author: Rob McNicol, Assistant Director – planning policy & strategy Yasin Razaaq, Capital and Projects Manager	

Summary

Members are asked to approve funding from the City's On-Street Parking Reserves (OSPR) for two projects: the Bank Junction improvements experimental taxi monitoring costs (for £750,000) and public realm improvements to Ironmonger Lane (for £450,000). This report provides information on the two projects and the amount of funds available from the OSPR. Both projects have been considered by the City Corporation's Priorities Board and are recommended for approval.

Reports relating to the allocation of OSPR would normally be considered by the Resource Allocation Sub-Committee prior to decision by Policy and Resources. The most recent Priorities Board meeting was held after the last RASC before the election; the next RASC

will not meet until 25th June 2025. To avoid delays in allocation, the Policy and Resources Committee are therefore requested to scrutinise this application without the usual input from RASC.

Recommendation(s)

Members of the Policy and Resources Committee are asked to approve the allocations of OSPR as follows:

- £750,000 for the Bank Junction improvements experimental taxi monitoring costs (£535,000 in FY 2025/26 and £215,000 in FY 2026/27)
- £450,000 for public realm improvements to Ironmonger Lane (all in FY 2025/26)

Main Report

Background

OSPR funding criteria

1. The On Street Parking Reserve (OSPR) has a very limited remit for allocation as set out in Section 55(3A) of the Road Traffic Regulation Act 1984 (as amended) and the London Local Authorities and Transport for London Act 2003 set out in the report.

Quarterly bids received

2. Bids for the OSPR were invited from departments, informed by information held by the Chamberlains' department regarding funding availability. Two bids were received and are detailed in this report and summarised in Table 3 below. Members are asked to review the bids for OSPR funding against the OSPR funding priorities summarised in this report and detailed in Appendix 1.
3. The Indicative costs of agreed schemes will then be incorporated into medium term financial forecasts to assess financial impact in the context of each City Corporation fund.
4. Any approved bids will be required to go through City of London Corporation's gateway process (where relevant) before progressing to the next stage.

Current Position

5. The City of London Corporation held an opening balance for 2024/25 of £58.6m in OSPR. Further OSPR surplus monies of £51.9m are projected up to 2028/29, as shown in Table 2 below. Currently for 2024/25 onwards, £105.9m has been committed to approved schemes and a contingency sum allocated of £2m, therefore unallocated funding of £2.6m (forecast until 2028/29) is still available to be allocated to new schemes.

Table 2 - OSPR Financial Summary:

	2023/24 Actual £'000	2024/25 Forecast £'000	2025/26 Forecast £'000	2026/27 Forecast £'000	2027/28 Forecast £'000	2028/29 Forecast £'000	TOTAL £'000
Expenditure - salaries, enforcement contract, other running expenses	2,771	4,026	4,097	4,220	4,347	4,477	23,937
Income - PCN's, parking meters, suspended bays, dispensations	(12,991)	(14,143)	(14,097)	(14,520)	(14,956)	(15,404)	(86,111)
NET REVENUE SURPLUS GENERATED IN YEAR	(10,220)	(10,117)	(10,000)	(10,300)	(10,609)	(10,927)	(62,173)
TOTAL OF CAPITAL, SRP & REVENUE COMMITMENTS	7,085	9,573	17,436	10,329	4,446	4,470	53,339
TOTAL BIDS (AGREED BY PRIORITIES BOARD)	725	7,313	14,902	9,992	7,770	3,831	44,533
TOTAL CAPITAL BIDS & MAJOR SCHEME DEPENDENCIES AND ON-HOLD	0	1,326	3,755	5,002	5,797	0	15,880
CONTINGENCY	0	0	0	2,000	0	0	2,000
DEFICIT/(SURPLUS) Brought Forward @ 1st April	(56,218)	(58,628)	(50,534)	(24,441)	(7,418)	(14)	
DEFICIT/(SURPLUS) Carried Forward @ 31st March	(58,628)	(50,534)	(24,441)	(7,418)	(14)	(2,640)	

() = income or in hand balance

6. It should be noted that these figures are based on projected future income levels and will need to be reviewed regularly. Additionally, the OSPR ring-fenced funds cannot move into a deficit position in any one financial year. Phasing of schemes will be crucial to avoid this happening. Officers are of the view that a sufficient contingency is retained unallocated across all years to minimise the risk of a deficit position.

Bid Summary – OSPR Bids

7. Table 3 below summarises the bids received against the criterion set out in Appendix 1 for OSPR funding. Further details in relation to bid is set out in Appendix 2.

Table 3 – OSPR Project Bids - Quarter 4 (2024/25):

Proposed Bid	OSPR requested £	Funding Priority
Bank Junction Improvements: Taxi Experiment	£750,000	These project will support the following Transport Strategy outcomes: 3) Street Space is used more efficiently and effectively
Ironmonger Lane: Public Realm	£450,000	4) People using our streets and public spaces are safe and feel safe

Total	£1,200,000 (up to 2026/27)
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Bid Summary

Bank Junction Improvements: Taxi Experiment

8. The All Change at Bank Project has completed its main construction. Final bills are being worked through to understand how much of the budget is left for the remaining approved public realm improvements to be implemented such as additional seating, planting and some access improvements to the space outside the Royal Exchange.
9. In June 2024 Members of the Court of Common Council decided to pursue an experimental traffic order to allow taxi access across the junction following a review of the traffic mix and timing of restrictions at Bank Junction. An additional Sum of £650k (including £150k CRP) had been approved in the summer of 2023 to complete the review and if needed to fund the work required to get to the implementation of an experiment at Bank.
10. Further funds are required to see the experiment through to its final conclusion. These are required to fund the monitoring surveys required for the baseline and post monitoring surveys, additional enforcement cameras, consultation and engagement, equality analysis work, road safety audits, and officer time for the life of the experiment. This need for further funding was noted in the November 2024 Streets and Walkways report.
11. Funding for the project would broadly be required as follows:

2025/26: Q1 £80k, Q2 £225k, Q3 £160k, Q4 70K

2026/27: Q1 £105k, Q2 £55k, Q3 £35k, Q4 £20k

Ironmonger Lane: expansion of Public realm scope

12. This bid seeks OSPR funding for additional public realm works to Ironmonger Lane, complementing and expanding upon the works being undertaken in relation to the development at Fredericks Place. The bid is for the £450K maximum values of the work; however, this may be reduced.
13. Streets and Walkways Committee considered that expanding the public realm scope would encourage people to use Ironmonger Lane to walk and wheel, given the re-opening of Old Jewry to southbound traffic. The corridor approach will help rectify the current narrow pavements and appropriately prioritise people walking and wheeling between Gresham Street and Cheapside.

14. Approaches being considered include significantly improving accessibility through raising the carriageway and balancing supporting commercial needs through a potential timed pedestrianisation zone.

15. The bid seeks OSPR funding as follows:

2025/26

£Q1 £75k, Q2 £250k, Q3 £100k, Q4 £25k

Financial Implications

16. The projects recommended for approval would result in the following expenditure from OSPR:

- 2025/26: £985,000
- 2026/27: £215,000

17. It should be noted that these figures are based on future income levels that are projections and will need to be refined each year. Furthermore, the OSPR ring-fenced funds cannot move into a deficit position in any one year, so phasing of schemes will be crucial to avoid this happening.

Legal implications

18. The proposed projects have been considered against the criteria for the use of OSPR and are in accordance with the Road Traffic Regulation Act 1984 and the London Local Authorities and Transport for London Act 2003.

Risk Implications

19. None

Equalities Impact

20. There are no direct equalities implications associated with the proposals within this report. Individual projects can have a positive or negative impact on equalities and each project will undertake an Equalities Impact Assessment as part of the project procedure, so that the equalities implications of the decisions to progress the projects are fully understood.

Conclusion

21. The request for OSPR meet the funding priorities and are in accordance with the applicable legislation.
22. Policy & Resources Committee are requested to approve the allocation of OSPR to the two projects in this report.

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Appendices

Appendix 1 – Funding Criteria

Appendix 2 – Detailed Bid Criteria

Appendix 1 - Funding Criteria

1. For all bids irrespective of funding sources, the Priorities Board will take account of the extent to which projects support delivery of the Corporation's strategies and initiatives, including the '*Climate Action Strategy - City of London*' and '*Destination City*'. Bids should set out how the project would support the relevant strategic objectives.

OSPR

2. On Street Parking Reserve has a very limited remit for allocation as set out in Section 55(3A) of the Road Traffic Regulation Act 1984 (as amended) and the London Local Authorities and Transport for London Act 2003 set out in the report.

The **OSPR** funding priorities are identified in legislation, which provides that any surplus not applied in the financial year may be carried forward. If it is not to be carried forward, it may be applied by the City for one or more of the following purposes: -

- a. making good to the City Fund any deficit charged to that Fund in the 4 years immediately preceding the financial year in question;
- b. meeting all or any part of the cost of the provision and maintenance by the City 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 City that provision in the City of further off-street parking accommodation is for the time being unnecessary or undesirable, for the following purposes, namely: -
 - meeting costs incurred, whether by the City or by some other person, in the provision or operation of, or of facilities for, public passenger transport services;
 - the purposes of a highway improvement project in the City;
 - meeting the costs incurred by the City in respect of the maintenance of roads at the public expense; and
 - for an "environmental improvement" in the City;
- e. Meeting all or any part of the cost of the doing by the City in its area of anything which facilitates the implementation of the Mayor's Transport Strategy, being specified in that strategy as a purpose for which a surplus can be applied; and
- f. making contributions to other authorities, i.e. the other London Borough Councils and Transport for London, towards the cost of their doing things upon which the City in its area could incur expenditure upon under (a)-(e) above.

Appendix 2 – Detail of Bid

OSPR Bid

Bank Junction Improvements: Taxi Experiment

The All Change at Bank Project has completed its main construction. Final bills are being worked through to understand how much of the budget is left for the remaining approved public realm improvements to be implemented such as additional seating, planting and some access improvements to the space outside the Royal Exchange.

In June 2024 Members of the Court of Common Council decided to pursue an Experimental Traffic order to allow taxi access across the junction following a review of the traffic mix and timing of restrictions at Bank Junction. An additional Sum of £650k (including £150k CRP) had been approved in the summer of 2023 to complete the review and if needed to fund the work required to get to the implementation of an experiment at Bank.

A Gateway 5 report is due to be considered by Members in Feb 2025 to seek approval to 'implement' the experiment subject to TfL's final approvals which are still due. In order to fund the monitoring surveys required for the baseline and post monitoring surveys, the additional enforcement cameras, the consultation and engagement exercise, the equality analysis work, road safety audits, etc. and officer time for the life of the experiment, further funds are required to see the experiment through to its final conclusion. This need for further funding was noted in the November 2024 S&W report.

This approach was endorsed by Court of Common Council on 20th June 2024.

Transport Strategy:

This project will support the following Transport Strategy outcomes:

3) Street Space is used more efficiently and effectively - proposal 11 includes ensuring suitable availability of taxis for those that rely on them for door-to-door transport. This experiment will assess the extent to which allowing taxis to travel through Bank during restricted hours improves the availability of taxis in the Bank area.

4) People using our streets and public spaces are safe and feel safe - proposal 19 Work with the City of London Police to reduce crime and fear of crime. It has been suggested that allowing taxis through Bank junction during the day will also increase their availability at night. The experiment will monitor taxi availability throughout the day. Increased taxi availability at night may help to address personal safety concerns.

Project Commencement – June 2024

Project Completion – April 2027

Gateway - 5

Project Budget – £750,000

Spend Profile – 2025/26 - £535k, 2026/27 - £215k

Ironmonger Lane – public realm improvements

A development on Fredericks Place, has a scope of works for S278 improvements on Ironmonger Lane (at the back of the development). These are for appropriate public realm enhancements relevant to the impact of the development.

Streets and Walkways Committee considered expanding the public realm scope to encourage people to use Ironmonger Lane to walk and wheel along. Old Jewry has been re-opened to southbound traffic as an experiment, and it was felt that improvements along the length of Ironmonger Lane would help balance the needs of people walking/wheeling between Cheapside/Poultry and Gresham Street. It was agreed that as there was already a S278 Project on Ironmonger Lane that the scope of the project should be expanded to include the whole length of the street, subject to a successful funding bid for those elements outside of those strict S278 scope.

Therefore, this bid seeks OSPR funding for the additional public realm works. Note that the bid is for the £450k maximum value of the work and could involve a smaller requirement.

The corridor approach will help deliver Corporate plan outcome, Vibrant Thriving Destination by rectifying the current narrow pavements and appropriately prioritise people walking and wheeling between Gresham Street and Cheapside. Approaches being considered include significantly improving accessibility through raising the carriageway and balancing supporting commercial needs through a potential timed pedestrianisation zone.

Project Commencement – April 2025

Project Completion – March 2026

Highways or road improvements and facilitates the London Transport Strategy.

This project will support the following Transport Strategy outcomes:

1) The square Mile's streets are great places to walk, wheel and spend time

- 2) Street Space is used more efficiently and effectively
- 3) The Square Mile is accessible to all

The proposals will improve accessibility and prioritise people walking and wheeling by providing a level and smooth surface for people to use. A timed pedestrian zone will be investigated which would give greater priority to people walking and wheeling, and if that is not possible, access restrictions can be investigated.

Improving conditions for people walking and wheeling makes the City a more attractive place to visit and move around, therefore supports the overall ambition of destination City.

Corporate plan outcome - Vibrant Thriving Destination:
Provide more space for walking and making the City's streets more accessible

The project is at Gateway 3/4/5

Project Budget - £450,000

Spend Profile

2025/26 – Q1 - £75k, Q2 - £250k, Q3 – £100k, Q4 - £25k

Design now to May 2025

Approvals Delegated May 2025

Implementation June 2025 to December 2025

Project closure - December 2025 - March 2026