

<b>Committee(s):</b> Resource Allocation Sub Committee - For Decision Policy and Resources Committee - For Decision	<b>Dated:</b> 27/01/2026 29/01/2026
<b>Subject:</b> Allocation of OSPR (Quarter 3 2025/26)	<b>Public</b>
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• <b>delivers Corporate Plan 2024-2029 outcomes</b></li> </ul>	Providing excellent services Leading sustainable environment Flourishing public spaces Vibrant thriving destination
<b>Does this proposal require extra revenue and/or capital spending?</b>	Yes
<b>If so, how much?</b>	£150,000 per annum
<b>What is the source of Funding?</b>	On Street Parking Reserve (OSPR)
<b>Report of:</b> Katie Stewart, Executive Director, Environment, and Caroline Al-Beyerty, Chamberlain	<b>For Decision</b>
<b>Report authors:</b> Rob McNicol, Assistant Director – planning policy & strategy and Yasin Razaaq, Capital and Project Manager	

### Summary

The Priorities Board recommend to the Resource Allocation Sub-Committee and the Policy and Resources Committee that £150,000 of On Street Parking Reserve (OSPR) funding should be allocated to the City Gardens revenue budget on an ongoing basis, reviewed after five years. This funding will ensure that ongoing essential maintenance of the City Gardens can continue at the current level, addressing an identified shortfall in funding.

### Recommendation(s)

Members of Resource Allocation Sub-Committee are asked to recommend the following allocation to the Policy and Resources Committee. Members of Policy and Resources Committee are asked to approve the allocation.

- On Street Parking Reserve allocation:
  - £150,000 for the City Gardens Revenue Budget (per annum from 2026/27, subject to review after five years).

## Main Report

1. The City Corporation's Priorities Board (made up primarily of members of the Senior Leadership Team) meet quarterly to consider the allocation of funds from the Community Infrastructure Levy and On Street Parking Reserve, and to consider capital bids as required. This report sets out their recommendations to the Resource Allocations Sub Committee and Policy and Resources Committee.

### OSPR Bids and Allocations

2. As of 9<sup>th</sup> January 2026, the City Corporation held an opening balance for 2025/26 of £60.6m in OSPR. Further OSPR surplus monies of £55.8m are projected up to 2029/30, as shown in Table 4 below. Currently for 2025/26 onwards, £104.5m has been committed to approved schemes and a contingency sum allocated of £2m, therefore there is unallocated funding of £9.9m (forecast until 2029/30).

**Table 4 – OSPR Financial Summary:**

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
-	-	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b> – salaries, enforcement contract, other running expenses	191	4,097	4,220	4,347	4,477	4,611	21,943
<b>Income</b> – PCN's, parking meters, suspended bays, dispensations	(10,614)	(14,617)	(15,056)	(15,507)	(15,972)	(16,452)	(88,218)
<b>NET REVENUE SURPLUS GENERATED IN YEAR</b>	<b>(10,423)</b>	<b>(10,520)</b>	<b>(10,836)</b>	<b>(11,161)</b>	<b>(11,495)</b>	<b>(11,840)</b>	<b>(66,275)</b>
<b>TOTAL OF CAPITAL, SRP &amp; REVENUE COMMITMENTS</b>	<b>5,790</b>	<b>24,097</b>	<b>14,773</b>	<b>11,045</b>	<b>5,324</b>	<b>5,683</b>	<b>66,711</b>
<b>TOTAL BIDS (Agreed by Priorities Board)</b>	<b>2,698</b>	<b>18,205</b>	<b>10,207</b>	<b>7,770</b>	<b>3,831</b>	<b>3,576</b>	<b>46,288</b>
<b>CONTINGENCY (Agreed by Priorities Board)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>2,000</b>
<b>DEFICIT/(SURPLUS) Brought Forward @1<sup>st</sup> April</b>	<b>(58,628)</b>	<b>(60,563)</b>	<b>(28,781)</b>	<b>(14,637)</b>	<b>(4,982)</b>	<b>(7,323)</b>	<b>(9,904)</b>
<b>DEFICIT/(SURPLUS) Carried Forward @ 31<sup>st</sup> March</b>	<b>(60,563)</b>	<b>(28,781)</b>	<b>(14,637)</b>	<b>(4,982)</b>	<b>(7,323)</b>	<b>(9,904)</b>	
( ) = income or in hand balance							

3. One request for OSPR has been received and considered by the Priorities Board, seeking an allocation of £150,000 per annum (reviewed after five years) from 2026/27 onwards, to fund staffing for the maintenance of the City Gardens.
4. Permanent staffing levels in the City Gardens team are currently set at the level required to support the ongoing essential maintenance of these spaces, which in turn make our City Gardens accessible and enjoyable for residents, workers and visitors.

This establishment level has historically been funded from within established and agreed revenue sources; however, some aspects of that funding were applicable only to short term apprenticeships rather than permanent staff. That apprentice funding has now been removed from the base budget, leaving a shortfall of £179,000 per annum to maintain the current establishment. Officers have identified around £30,000 per annum of savings which could be delivered. To maintain current service levels and standards, a bid for the remaining shortfall of £150,000 per annum is being made for OSPR funding.

5. This complements the existing allocation of £200,000 per annum to the City Gardens revenue budget, which funded a shortfall for ongoing maintenance identified at the time, responding to the shift and increase in footfall experienced by the City Gardens. (This funding was agreed by RASC and Policy and Resources Committee in November and December 2023).
6. OSPR reserve is in a surplus position over the coming years, with sufficient funding in each year to cover the allocation of £150,000 per annum as requested.

### **Legal implications**

7. 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**

8. None identified.

### **Equalities Impact**

9. None identified.

### **Conclusion**

10. The requested revenue funding will seek to maintain the provision and standard of City Gardens, providing essential green spaces in the City. This in turn indirectly supports the air quality objectives of the Transport Strategy with well-maintained trees and planting, alongside the City's Climate Action Strategy by planting more trees and contributing to a more biodiverse and climate resilient plant scheme. The requested bid contributions towards other City Corporation strategies by ensuring secure, resilient and tidy open spaces.
11. Members of Resource Allocation Sub-Committee and Policy and Resources Committee are recommended to approve the funding allocation as set out in this report.

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## **Appendices**

Appendix 1 – Funding Criteria

## **Appendix 1 - Funding Criteria**

1. For all bids irrespective of funding sources, the City Corporation will take account of the extent to which projects support delivery of the Corporation's strategies and initiatives, including the Corporate Plan, the Climate Action, Destination City and other relevant strategies. 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; specifically:
    - reducing pollution
    - improving or maintaining the appearance or amenity of roads, land in the vicinity of roads or open land or water to which the general public has access.
    - the provision of outdoor recreation facilities to which the general public has access without charge.
- 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.