City of London Corporation Committee Report

Committee(s): Planning & Transportation Committee Finance Committee Court of Common Council	**Dated:** 8th September 2026 22nd September 2026 8th October 2026
Subject: Annual On-Street Parking Accounts 2025/26 and Related Funding of Highway Improvements and Schemes	**Public report:** For Information
This proposal: • **delivers Corporate Plan 2024-29 outcomes** • **provides statutory duties** • **provides business enabling functions**	Leading Sustainable Environment Flourishing Public Spaces
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of:	Chamberlain
Report author:	Simon Owen, Chamberlain's Department

Summary

The City of London in common with other London authorities is required to report to the Mayor for London on action taken in respect of any deficit or surplus in its On-Street Parking Account for a particular financial year.

The purpose of this report is to inform Members that:

- the surplus arising from on-street parking activities in 2025/26 was (£12.670m).
- a total of £12.178m was applied in 2025/26 to fund approved projects; and
- the surplus remaining on the On-Street Parking Reserve at 31st March 2026 was (£61.056m), which will be wholly allocated towards the funding of various highway improvements and other projects over the medium term.

Recommendation

Members are asked to:

- Note the contents of this report for their information before submission to the Mayor for London.

Main Report

Background

1. Section 55(3A) of the Road Traffic Regulation Act 1984 (as amended), requires the City of London in common with other London authorities (i.e. other London Borough Councils and Transport for London), to report to the Mayor for London on action taken in respect of any deficit or surplus in their On-Street Parking Account for a particular financial year.

2. Legislation 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 parking related 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 local authority or elsewhere, of off-street parking accommodation whether in the open or under cover;

   d) if it appears to the City that the 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 or road 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.

3. In the various tables of this report, figures in brackets indicate income, increases in income or reduced expenditure.

2025/26 Outturn

3. The overall financial position for the On-Street Parking Reserve in 2025/26 is summarised below:

	£m
Surplus Balance brought forward at 1st April 2025	(60.563)
Surplus arising during 2025/26	(12.670)
Expenditure financed during the year	12.178
Funds remaining at 31st March 2026, wholly allocated towards funding future projects	**(61.056)**

5. Total expenditure of £12.178m in 2025/26 was financed from the On-Street Parking Reserve, covering the following approved projects:

Revenue/SRP Expenditure:	**£000**
Highway Resurfacing, Maintenance & Enhancements	2,822
Car Parks Cyclical Works Programme (CWP)	2,574
Street Cleansing Contract Resource & Inflation Uplift	2,124
Concessionary Fares & Taxi Card Scheme	557
City Gardens Highways & Cleansing Maintenance	208
Special Needs Transport	127
Aldgate Maintenance for City Open Spaces	40
Cleaning Maintenance Lord Mayors Show	37
Traffic Review Order	9
Off-Street Car Parking Contribution to Reserves (exc CWP)	(254)
Total Revenue/SRP Expenditure	**8,244**
Capital Expenditure:	
London Wall Car Park Fire Safety Works	1,125
Climate Action Strategy – Cool Streets & Greening	843
Climate Action Strategy – Pedestrian Priority	735
Bank Junction Improvements - All Change at Bank	328
Barbican Podium Waterproofing – Phase 2	258
West Smithfield Area Public Realm & Transportation	223
London Wall Car Park Waterproofing & Repairs	184
Enhancing Cheapside	177
Traffic Enforcement CCTV	58
Outdoor Fitness Equipment - Old Watermans Walk	3
Total Capital Expenditure	**3,934**
Total Expenditure Funded in 2025/26	**12,178**

6. The surplus on the On-Street Parking Reserve brought forward from 2024/25 was (£60.563m). After expenditure of £12.178m funded in 2025/26, a surplus balance of (£0.493m) was carried forward to future years to give a closing balance at 31st March 2026 of (£61.056m).

7. Currently total expenditure of some £115.6m (including Priorities Board allocations subject to Member approval), is planned over the medium term from 2026/27 until 2030/31 (as detailed in Table 1 below), by which time it is anticipated that the existing surplus plus those estimated for future years will be fully utilised. A further contingency sum of £5m has been included in the projections to cover any unforeseen urgent Member priority bids and inflationary pressures on approved projects.

8. The total programme covers numerous major capital schemes including funding towards the Barbican Podium Waterproofing; West Smithfield Area Public Realm & Transportation Project; Climate Action Strategy Cool Streets & Greening and Pedestrian Priority; Holborn Viaduct & Snow Hill Pipe Subways; Lindsey Street Bridge Strengthening; London Wall Car Park Waterproofing, Joint Replacement & Concrete Repairs; Bank Junction Improvements and Taxi Experiment; Traffic Enforcement CCTV; Minories Car Park Structural Report; St Paul’s Gyratory; Fire Safety at the Car Parks; Vision Zero Safer Streets; Moorgate Corridor; Pedestrian Priority Programme @ King William Street; Enhancing Cheapside; Dauntsey House; and Outdoor Fitness Equipment @ Old Watermans Walk. Progression of individual schemes is subject to the City’s normal evaluation criteria and Standing Orders.

9. The programme also covers ongoing funding of future revenue projects, the main ones being Highway Resurfacing, Enhancements & Road Maintenance Projects; Concessionary Fares & Taxi Cards; Traffic Review Order; Contributions to the Costs of Off-Street Car Parks (including CWP works); Special Needs Transport; Cleansing Maintenance for the Lord Mayors Show; Annual Maintenance of Aldgate; Secure City CCTV System; Street Cleansing Contract Resource & Inflation Uplift; City Gardens Highways & Cleansing Maintenance and Apprenticeship Staffing; and Controlled Parking Zone Review.

10. Following Member requests to allocate On-Street Parking surplus monies, a Priorities Board chaired by the Chamberlain considers all new eligible bids for surplus funds before recommending successful bids to Members of RASC and P&R Committees for decision. This mechanism has been designed to ensure surplus monies are allocated to eligible projects in an efficient and speedy process to meet spending priorities, a number of which schemes are now included in paragraphs 8 and 9 above to be spent in the medium term.

11. A forecast summary of income and expenditure arising on the On-Street Parking Account and corresponding contribution from/(to) the On-Street Parking surplus, over the medium-term financial planning period, is shown below in Table 1.

12. The reduction in annual operating income forecast for 2026/27 from the previous year actual 2025/26 of circa £1.1m, is mainly due to higher levels of PCN’s issued, plus additional parking bay suspension income due to filming activity in 2025/26.

Table 1 – On-Street Parking Account Projections 2025/26 to 2030/31

	2025/26 Actual £m	2026/27 Forecast £m	2027/28 Forecast £m	2028/29 Forecast £m	2029/30 Forecast £m	2030/31 Forecast £m	Total £m
Expenditure (*Note 1*)	4.3	4.5	4.6	4.7	4.8	4.8	27.7
Income	(17.0)	(15.9)	(16.3)	(16.6)	(16.9)	(17.2)	(99.9)
Net Surplus arising in year	**(12.7)**	**(11.4)**	**(11.7)**	**(11.9)**	**(12.1)**	**(12.4)**	**(72.2)**
Capital & Rev Commitments *(Note 2)*	12.2	54.7	22.9	12.9	12.7	12.4	127.8
Contingency **(***Note 3***)**					2.5	2.5	5.0
Net in year contribution from/ (to) surplus	**(0.5)**	**43.3**	**11.2**	**1.0**	**3.1**	**2.5**	**60.6**
Deficit / (Surplus) cfwd at 1st April	(60.6)	(61.1)	(17.8)	(6.6)	(5.6)	(2.5)	
Deficit / (Surplus) cfwd at 31st March	**(61.1)**	**(17.8)**	**(6.6)**	**(5.6)**	**(2.5)**	**0.0**	

Note 1: On-Street operating expenditure relates to direct staffing costs, current enforcement contractor costs, fees & services (covering bank charges, postage, printing & legal), IT software costs for enforcement systems, provision for bad debts for on-street income and central support recharges.

Note 2: *Including bids agreed by Priorities Board, subject to Member approval through RASC and P&R Committee, and the Gateway procedures.*

Note 3: Given the increasing costs of materials and labour, Priorities Board have considered it prudent to set aside a contingency sum.

Corporate & Strategic Implications

Strategic implications – none.

Financial implications – covered in main body of report.

Resource implications – covered in main body of report.

Legal implications - all OSPR spend and proposed allocations have been considered against the criteria for its use and are in accordance with the Road Traffic Regulation Act 1984 and the London Local Authorities and Transport for London Act 2003.

Risk implications - OSPR funding relies on accurate forecasts of income and expenditure. Forecast projections are regularly reviewed and updated to mitigate this risk.

Equalities implications – none.

Climate implications – none.

Security implications – none.

Conclusion

13. So that we can meet our requirements under the Road Traffic Regulation Act 1984 (as amended), we ask that the Court of Common Council notes the contents of this report, which would then be submitted to the Mayor of London.

Background Papers

- Road Traffic Regulations Act 1984; Road Traffic Act 1991; GLA Act 1999 sect 282.
- Final Accounts 2025/26.

Appendix

- Appendix 1 – Non-Public Appendix of Proposed OSPR Schemes

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