

**Cabinet Meeting: Monday, 30 June 2025**

**Question from: Councillor Blagbrough**

**Question to: Councillor Dacre, Cabinet Member with responsibility for Resources**

**QUESTION**

It is reported that increased parking charges in Calderdale have generated a surplus of £1.05m and this surplus has been used to reduce the Neighbourhoods Service overspend to £3.19m.

Please can the Cabinet provide a detailed explanation of how the surplus income from parking charges was allocated within the Neighbourhoods Budget?

Furthermore, in light of this surplus, will the Cabinet reconsider the additional £700,000 in further planned increases to parking charges which were approved in this year's Budget? Parking Charges should not become a cash cow to address this Council's overspending.

**Response**

Parking Services had a net budget of -£1.4m in 2024/25 (i.e. a surplus of income over direct costs). This represents the service controlled budget and does not include all relevant overheads. Car parking income includes on-street parking fees and council operated off-street car parks.

The underspend in 2024/25 was a combination of savings on the operating costs of the parking services which totalled £1.74m compared to a budget of £2.04m and higher than budgeted income for on-street and off-street: £3.06m compared to £2.61m and £1.13m compared to £0.84m respectively.

However, the spend on reactive Highways maintenance within the Neighbourhoods service was £2.34m compared to the budget for 2024/25 of £1.12m.

In June 2023, Cabinet considered a report regarding the Council's wider Parking Strategy which recommended to utilise increased parking charge income to support carriageway lining, representing £100k of costs within the above. The remainder of the overspend was mainly due to additional costs incurred using external contractors to clear the backlog of urgent potholes repairs and resurfacing works. In recent years the price of materials has increased more than budgeted inflation.

Additionally, the overall cost of Highways Maintenance within Strategic Infrastructure amounted to £4.9m compared to a budget of £3.5m.

"Overspends" on Highways budgets arise because we have inadequate Council Tax and Grant revenue to meet our expected costs. Whilst there are some circumstances in which income from off street car parking can be used for more general purposes,

the reality is that all our car parking income is used for parking infrastructure, highways improvements and associated requirements.

In November 2024, Cabinet approved capital investment of £0.62m for upgrading the pay and display machines, the cost of this is to be met from the increase in parking charges.

Service budgets are being aligned to ensure that both expenditure and income budgets reflect the most up to date information. The Medium Term Financial Plan identifies the need for increase car parking fee income to ensure a sustainable financial position in the future, taking account the increasing costs of maintenance of the highways network and service delivery.